

WITNESS INFORMATION FORM

PLEASE COMPLETE THE WITNESS INFORMATION FORM BEFORE TESTIFYING

DATE: 3-21-17

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(IF APPLICABLE)

POSITION/TITLE: CEO

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ARE YOU REPRESENTING: YOURSELF _____ ORGANIZATION

DO YOU WISH TO TESTIFY ON
LEGISLATION (BILL NUMBER): HB 114
SPECIFIC ISSUE: _____
SUBJECT MATTER: _____

DO YOU FAVOR _____ OR OPPOSE THE ENACTMENT OF LEGISLATION REGARDING THIS ISSUE?

PLEASE GIVE A BRIEF STATEMENT OF THE GROUNDS ON WHICH YOU FAVOR OR OPPOSE SUCH ENACTMENT: Bill is bad for the economy, security, health, & the environment

WILL YOU HAVE A WRITTEN STATEMENT, VISUAL AIDS, OR OTHER MATERIAL TO DISTRIBUTE?

YES NO _____

(IF YES, PLEASE PROVIDE COPIES TO THE CHAIRMAN OR SECRETARY)

HOW MUCH TIME WILL YOUR TESTIMONY REQUIRE? written-only

House Public Utilities Committee
Opposition Written Testimony on House Bill 114
March 21, 2017

My name is Steve Melink, I am Chairman and CEO of Melink Corporation, an energy efficiency and renewable energy company with 100+ employees based in Cincinnati for almost 30 years, and I am here to testify against HB114 for two important reasons.

The first reason is, this bill is bad for our economy, security, health, and environment. Before the clean energy freeze, our company was developing solar projects all across Ohio. We were growing, creating jobs, investing in our home state, and our customers were able to secure affordable electric rates for the long term. After the freeze two years ago, the demand for SRECS collapsed and we have only been able to install a couple small solar projects here. Therefore, we have turned our focus to helping other states like NC, MA, NJ, NY, PA, MI, IL, and TX where renewable energy is embraced and applauded. We have been investing millions of dollars in equipment, labor, professional services, and taxes in these states because their lawmakers recognize the strategic advantage of diversifying their energy portfolio beyond traditional fossil fuel sources and creating more competition and jobs as well as lowering prices.

As an Ohio citizen and businessman, it is extremely disheartening to imagine going from an RPS that once made our state a national leader in the emerging clean energy age to an RPS that will be worse than the freeze for the last two years. As a result, much of the U.S. and world is passing us up by seizing these strategic advantages. The solar and wind industries are two of the fastest growing industries in the world and will continue to grow without Ohio, but the shame of it is we are uniquely positioned to help lead these industries. We could be attracting whole new industries and creating thousands of jobs by reinstating our RPS, but this bill only promotes self-defeatism and political gamesmanship. We could be improving our health and environment and making our quality of life second to none, but this bill doubles down on dirty energy and the resulting illnesses as well as loss of productivity and life that come with it. We could be securing a more diverse and competitive energy marketplace with lower energy prices, but this bill will make us more beholden to the rich and powerful fossil fuel and utility industries resulting in less competition and security.

Every day more and more Fortune 1000 companies like Apple, Facebook, Google, and Microsoft are choosing to invest in states with forward-looking energy policies. And more and more states and countries are increasing their renewable benchmarks – not freezing or weakening them. Michigan, for example, just increased their RPS from 10% to 15% with a goal of 30% by 2022. And we as a neighboring state cannot achieve even 2%? This is embarrassing from a can-do state that produced past pioneers like Harvey Firestone, the Wright Brothers, John Glenn, Neil Armstrong and many others. And even the utilities themselves are jumping headlong into renewables in other states.

We have all heard the many arguments for passing the freeze two years ago and now for further weakening our clean energy standards. One is this is a mandate and all mandates are supposedly bad. But as a conservative businessman, I know as well as most of you from business, economics, and history that free markets are not perfect and for something as important and strategic as our energy future, we need to be willing to set standards and rules that ensure our markets do not devolve into penny-wise pound-foolish antics. Another argument was that fracking and natural gas is more cost-effective than renewables. But natural gas is susceptible to the same booms and busts as coal and other commodities and we should never put all our eggs in one or two baskets. Another argument is that our original clean energy standards were too bold. But if anything, other states and countries are showing that such standards have been much easier to meet than expected and therefore they are increasing their benchmarks, not freezing or weakening them. Another argument is the Supreme Court's stay of the CCP. But everyone here knows that our RPS was never conceived in order to comply with a national energy policy – it was implemented to improve Ohio's economy, security, and environment period. The most recent argument is that Trump's victory is a mandate against clean energy. But this is quickly becoming as elusive as the other arguments based on Trump just stating a few days ago that he agrees climate change is largely caused by man and he is open to supporting the Paris Climate Accord. Last, some will argue that we do not need a state energy policy to foster renewables at this point since they are already going mainstream. My response is they are going mainstream almost everywhere but here in Ohio. Do we want to emulate low growth states like KY, WV, AL, MS, LA, and AR or high growth states like NC, TX, PA, NY, AZ, NV, and NM?

The second reason I am against HB114 is that it goes against everything we know about the growing long term costs and risks of climate change. The more we learn about these costs and risks, the more we should be taking steps now to ensure the worst case scenarios can never happen. It would be wholly ignorant and arrogant for our lawmakers to dismiss these because we do not have perfect knowledge or because state politics is somehow more important than the future of our planet. If President-Elect Trump is open to supporting the Paris Climate Accord – which he has stated he is - that means he will also have to be open to some version of a clean energy plan or strategy to reduce U.S. carbon emissions, and that means Ohio as one of the largest energy users in the U.S. will have to do its part too. Of course, it's too early to tell what ultimately may come from this, but no matter what Trump says or does, Ohio needs to get on the right side of history on this issue and become part of the solution. Maintaining and even increasing our RPS like other states would at least be a start. Lots of people close to the fossil fuel industry try to cast doubt on the science of climate change, but as responsible citizens and leaders of Ohio we need to stand up against such misinformation, greed, and short-term thinking. I am not a climatologist and I suspect no one in this room is, but that is why we need to listen to the vast majority of the experts and their strong and urgent recommendation that we reduce our carbon emissions now. This is eerily reminiscent to medical experts warning smokers about cancer fifty years ago while the tobacco industry denied such risks and did everything in its powers to cast doubt about the science. How many thousands of people died as a result? Are you willing to be liable if the scenarios modeled by climate experts continue unfolding?

CO2 and global average temperatures have been highly correlated for thousands of years. Moreover, we are starting to see the early signs of it in record temperatures in 15 of the last 16 years, along with fast-melting polar ice-caps and glaciers, and increasing frequency and severity of storms, droughts, and fires. The Paris Climate Accord was signed by 200 countries just one year ago and so Ohio would be prudent and wise not to think it is above a worldwide commitment. In fact, we will be lucky to hold the average global temperature increase to 2C degrees by 2100. Some conservative models are even predicting a 3-8C rise by 2100 – which is in the 6-16F range. If this happens, the rate of temperature rise will increase even faster in the next century. This would be catastrophic. Look at the other planets in our solar system – they are all dust bowls. We cannot afford to believe that man is incapable of destroying our delicate ecosystem. In the last 150 years we have seen slavery, two world wars, a great depression and recession, a cold war with the threat of nuclear annihilation, and now global terrorism. They were all caused by man - because of greed and short-term thinking. The main difference with climate change is that it is both universal and irreversible – and happening in slow motion.

The good news is we do not have to slow our economy to curb our carbon emissions. We can grow our economy and curb our emissions at the same time. Reinstating our RPS will promote investments that accelerate our growth just like the power of compounded interest. The sooner we start the bigger our impact. Moreover, to the degree Trump is talking about a major infrastructure program, let's make clean energy part of Ohio's infrastructure program. We already have such a program in the ready and it's called our RPS. So it would be irresponsible to virtually kill our RPS by making them so-called goals rather than enforceable standards.

In conclusion, I ask that you vote against HB114. I know it is difficult to vote against someone intimidating like the bill sponsor and against the committee chair, but true leadership is not about being afraid and following a bad idea with questionable motives. It is about doing what is best for Ohio and its millions of citizens. We need more clean energy, not less. State government has a role to play in promoting our long term prosperity, safety, and health. Please rise above party politics and be the leader that Ohio needs and deserves.

Thank you.

Sincerely,

Stephen K. Melink

Steve Melink, PE
President