



# Ohio Citizen Action

*The premier grassroots mobilization team in Ohio and the Midwest*

Before the Ohio House Public Utilities Committee  
Representative Bill Seitz, Chair  
Tuesday, May 9, 2017

## **Hearing on H.B. 178**

Testimony of Rachael Belz, Executive Director Ohio Citizen Action

Chairman Seitz, Vice Chair Carfagna, Ranking Member Ashford and Members of the Committee: I'm here today on behalf of Ohio Citizen Action to address HB 178.

FirstEnergy would have us believe their desire for a Zero Emission Credit (ZEC) program in Ohio, as proposed in HB 178 and SB 128, is about incentivizing low- carbon energy generation. If that were true, they would have made more significant investments in renewable energy projects and not dispatched legions of lobbyists to Columbus to secure customer bailouts for their inefficient and uncompetitive coal plants and scuttle Ohio's modest renewable energy and energy efficiency standards.

No, what the ZEC program is designed to do is guarantee at least \$300 million annually for power from FirstEnergy's nuclear plants- in perpetuity.

FirstEnergy says without this money the plants might have to close. This revenue will flow to FirstEnergy regardless of whether or not they sell the plants, which they may well do, and regardless of whether a new owner decides to shut them down.

If these nuclear bailout bills are passed, all FirstEnergy customers -- even those buying electricity from competing power companies -- would pay for the ZECs through a delivery rate increase of about 5 percent, which is equal to about \$5 a month for residential customers, and would be on top of other large increases in fixed rates that FE is asking the PUCO to approve. The amount paid for the ZEC could be much higher for FirstEnergy's industrial and business customers. FE says they would use the money to continue operations at Davis-Besse, Perry and possibly even its Beaver valley nuclear plant in Pennsylvania. What about a nuke plant in Pennsylvania is "homegrown" to quote FirstEnergy President Charles Jones from FE's testimony last week?

Ironically, we agree with a portion of what Mr. Jones' said -- just not the spin he chooses to put on it that sets his outdated nuclear plants (and in the past FE's coal plants) as the best option. He said -- "Ohio cannot afford to continue heading down a path that could lead to less fuel-diverse and fewer homegrown energy resources, more energy imports, fewer jobs and less economic growth -- not to mention more volatile electricity prices for our customers and your constituents." That's what Mr. Jones told you in your first hearing on this bill. But what is more homegrown than harvesting

our own wind and solar. What is more conservative than utilizing as much energy efficiency as possible within our own state?

The \$300 million minimum that FirstEnergy proposes to extract from ratepayers each year would serve Ohioans much better if it were invested in renewable energy and energy efficiency projects. It's no mistake this bill emerges at the same time certain lawmakers are fast-tracking a bill to repeal the renewable energy and energy efficiency mandates Ohio just reinstated in January.

Ohio's inevitable energy future may revolve around efficiency and renewables, but its present is dominated by utilities prepared to spend their political influence to shift the burden of old nuclear jalopies onto customers.