



OHIO
POLITICS

Proposed Ohio 'clean energy' bill could disproportionately harm some small businesses

Updated
May
4,
2019;
Posted
May
2,
2019

Berea
Manufacturing
owner
Mike
Pandoli
sits
in
his
office

on
Wednesday,
May
1,
2019.
(Andrew
J.
Tobias,
cleveland.com)



By
[Andrew
J.
Tobias,
cleveland.com](#)

BEREA,
Ohio
—
If
passed,
a
controversial
energy
bill
under
debate
by
Ohio

lawmakers
could
cause
a
small
Cleveland-
area
welding
shop's
electric
bill
—
and
possibly
those
of
other
businesses
like
it
—
to
more
than
double.

Berea
Manufacturing,
which
employs
eight
people
in
an
industrial
park
not

far
from
Baldwin
Wallace
University,
under
[House](#)
[Bill](#)
[6](#)
could
see
its
monthly
electric
bill
go
up
from
around
\$800
a
month
to
around
\$1,800
a
month,
according
to
an
analysis
from
experts
contacted
by
[cleveland.com.](#)

“As
a
small
business
owner,
it’s
infuriating,”
said
Berea
Manufacturing
Owner
Mike
Pandoli.

“This
guy’s
company
is
an
example
of
probably
the
sort
of

company
that's
not
really
considered
in
this
bill,"
said
John
Seryak,
an
engineer
for
the
Ohio
Manufacturers
Association,
which
opposes
HB
6.

Because
of
how
HB
6
is
written,
other
similar
small
companies
could
be
disproportionately

impacted

if

they,

like

Berea

Manufacturing:

- Are an industrial business with multiple electric meters, despite being just one company and
- Have relatively low electricity use

Here's

why.

HB

6,

which

lawmakers

designed

to

bail

out
two
financially
troubled
Ohio
nuclear
plants
owned
by
FirstEnergy
Solutions,
a
bankrupt
former
FirstEnergy
subsidiary,
would
assess
varying
charges
on
each
electric
customer
in
the
state
to
help
subsidize
“clean
energy”
generators.
The
new
charges

are
expected
to
raise
\$150
million
for
the
two
nuclear
plants,
in
Ottawa
and
Lake
counties.

The
bill
would
offset
the
new
charges
by
eliminating
existing
charges
that
fund
renewable
energy
and
energy
efficiency
projects.



Ohio's nuclear power rescue bill: some questions and answers

For
a
small-
to
medium-
sized
industrial
customer,
the
new
charge
would
be
a
flat
\$250
per
month,
compared
to
the
old
charge,
which
was
tied
to
how
much

power
a
customer
used.

The
bill's
sponsors
say
the
elimination
of
the
old
charge
for
the
average
business
would
more
than
make
up
for
the
proposed
new
one,
resulting
in
an
overall
reduction
in
power
bills.

But
because
it
uses
much
less
power
than
an
average
industrial
business,
Berea
Manufacturing
in
March
paid
just
around
\$15
on
the
old
charges
that

would
go
away.

But
what
seems
to
make
the
bill
especially
bad
for
Berea
Manufacturing
is
that
as
written,
that
\$250
“per-
customer”
charge
could
be
interpreted
by
utilities
to
apply
once
per
electric
meter,
even

in
the
event
that
each
meter
is
owned
by
the
same
business
at
the
same
address,
according
to
Kim
Bojko,
a
Columbus
attorney
who
has
done
legal
work
for
the
Ohio
Manufacturers
Association.

“It
increases
the

costs
to
manufacturers
who
have
multiple
meters,"
she
said.

Even
though
it's
just
one
business,
Berea
Manufacturing
has
four
different
electric
meters,
a
byproduct
of
his
company's
gradual
expansion
to
where
it
now
occupies
side-
by-

side
units.
If
the
new
charge
applies
per
meter,
and
if
the
company
is
deemed
an
industrial
customer,
Berea
Manufacturing's
energy
bill
would
be
charged
the
\$250
fee
four
times,
or
\$1,000.
Removing
the
\$15
in

old charges that would be eliminated, the company's new monthly bills would go up by \$985, compared to the March bill, which was \$800 total.

“We are a single customer, but really we're getting soaked because

we'll
get
four
charges,"
said
Pandoli,
the
company's
owner.



Staff
for
House
Speaker
Larry
Householder,
who's
made
HB6
a
priority,
are
researching
Berea

Manufacturing's
issue
but
haven't
yet
finished
their
work,
a
spokeswoman
said.

Rep.
Jamie
Callendar,
a
Lake
County
Republican
who's
sponsoring
HB6,
said
while
he's
unsure
of
the
specifics
of
Berea
Manufacturing's
situation,
his
intent
for
the

legislation
is
that
no
one
in
Ohio's
bills
would
go
up
as
a
result.

"If
there
is
somebody
who
slipped
through
the
cracks
somehow,
we're
going
to
find
a
way
to
address
it,
because
one
of

the
core
tenets
of
this
bill
is
we
are
reducing
costs
to
the
consumers,”
he
said.

Officials
with
the
Ohio
Manufacturers
Association
say
they’re
studying
how
many
companies
would
fall
into
the
same
boat
as
Berea

Manufacturing.

But

they

say

the

scenario

illustrated

by

the

company

hasn't

gotten

enough

consideration

by

House

members,

who

are

expected

to

unveil

a

new

version

of

HB6

today

and

possibly

approve

it

next

week.

They

say

it's
not
unusual
for
an
older
industrial
customer
to
have
multiple
electric
meters,
due
to
expansions
or
the
gradual
addition
of
equipment.

“The
big
rate
hike
for
small
customers
may
exist
for
many
smaller,
one-
shift

operations
like
Mr.
Pandoli's,
where
their
previous
charges
were
based
on
electric
consumption...
but
under
HB
6
will
be
simply
applied
to
the
meter,"
said
Seryak,
the
Ohio
Manufacturers
Association
engineer.
"This
rate
structure
will
disadvantage

small
manufacturers
and
other
small
businesses.”

FOUR DAYS ONLY • MAY 10-13

Wayside
furniture

**MASSIVE
INVENTORY REDUCTION
SALE!**

1,000's OF ITEMS
**20-80%
OFF**

SHOP NOW »



3 PC. SECTIONAL \$599

In
an
interview
in
his
office
on
Wednesday,
Pandoli
said
he
recently
learned
a
different
\$7
utility

“customer charge” was assessed once for each of his company’s electrical meters. After following coverage of HB6 in the media, he said it dawned on him that the proposed new \$250 charge also could be assessed

multiple
times.

Electricity
is
his
company's
second-
largest
expense,
and
he
said
a
\$12,000
annual
increase
in
his
fixed
costs
would
harm
his
company's
ability
to
remain
competitive.

"It's
not
a
legitimate
overhead
for
me.

It
generates
nothing
for
me,”
he
said.

It
angered
him
further
to
read,
as
reported
by
cleveland.com,
about
the
[millions](#)
[FirstEnergy](#)
[and](#)
[its](#)
[allies](#)
[have](#)
[spent](#)
[lobbying](#)
[Ohio](#)
[politicians](#)
[to](#)
[bail](#)
[out](#)
[the](#)
[nuclear](#)
[plants](#)
[in](#)

[recent](#)
[years,](#)
and
on
making
campaign
contributions
to
key
Ohio
politicians,
including
backing
Householder's
successful
bid
to
become
speaker
of
the
Ohio
House
of
Representatives,
as
well
as
Gov.
Mike
DeWine.
So
he
contacted
a
[cleveland.com](#)

reporter,
the
Ohio
Manufacturers
Association
(of
which
Berea
Manufacturing
is
not
a
member)
and
his
state
legislators.

**IMAGINE YOUR HOME...
TOTALLY ORGANIZED!**



**40%
OFF**
Call for details.

 **Closets
byDesign** Schedule your **FREE**
in home consultation

“We
have
to
fight
for
every

single
order
we
get,”
Pandoli
said.
“We
have
to
compete
with
multiple
sources,
including
foreign
governments
because
we’ve
got
some
contracts
out
there
where
the
parts
used
to
be
welded
in
China...
And
then
we
have

to
contend
with
things
that
are
totally
out
of
our
control,
like
our
state
legislators,
legislating
a
bailout
for
a
corporation,
using
my
money.”

While
Pandoli
is
angry
about
the
implications
for
his
company,
there
is

an
argument
in
support
of
HB
6.

Its
backers
include
the
nuclear
industry,
unions
and
local
elected
officials
near
the
plants,
one
in
Ottawa
County
the
other
in
Lake
County.
The
plants
together
employ
about
1,400

people
and
provide
about
14%
of
Ohio's
electricity.
Supporters
argue
the
plants
provide
reliable
electricity
and
don't
contribute
to
global
warming
by
emitting
carbon
dioxide,
and
allowing
them
to
close
would
harm
Ohio's
economy
and
electricity-

generation
marketplace.
Key
state
leaders,
including
DeWine
and
Senate
President
Larry
Obhof
have
said
they
support
keeping
nuclear
energy
as
a
part
of
Ohio's
energy
portfolio.

But
critics
of
HB6
say
it
unfairly
props
up
a

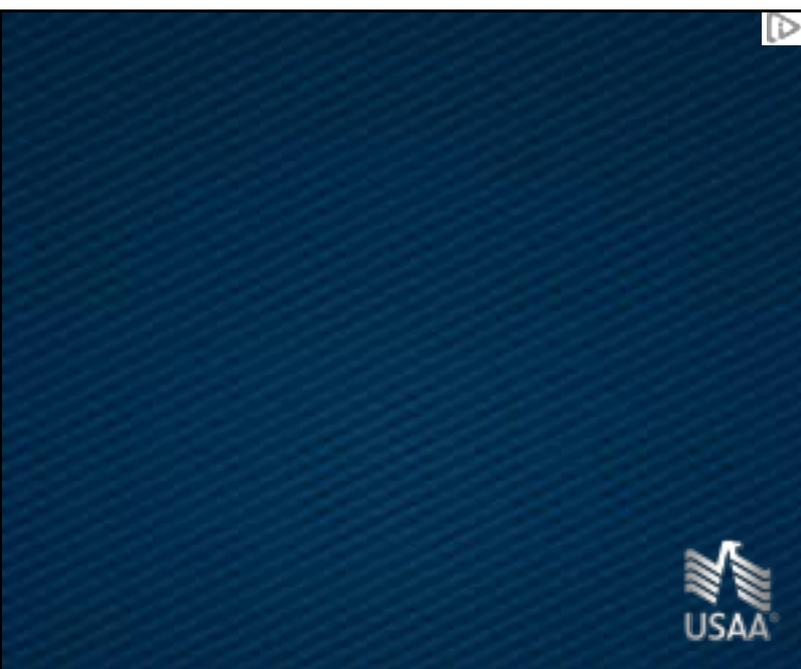
financially
insolvent
corporation

—
FirstEnergy
Solutions,
the
plants'
owner,
currently
is
going
through
bankruptcy

—
and
charges
Ohioans
to
do
so,
under
the
guise
of
promoting
clean
energy.

Opponents
include
manufacturing
groups,
the
oil
and
gas

industry,
environmentalists
and
consumer
groups,
including
the
AARP.



*An
earlier
version
of
this
story
incorrectly
stated
the
first
name
of
Berea
Manufacturing's
owner.*

His
name
is
Mike
Pandoli,
not
Tom
Pandoli.

View Comments (18)

Note
to
readers:
if

you
purchase
something
through
one
of
our
affiliate
links
we

Community Rules apply to all content you upload or otherwise submit to this site.

Ad Choices
commission.

**ADVANCE
LOCAL**

Registration on or use of this site constitutes acceptance of our **User Agreement** and **Privacy Policy**

© 2019 Advance Ohio. All rights reserved (**About Us**).

The material on this site may not be reproduced, distributed, transmitted, cached or otherwise used, except with the prior written permission of Adv.

