

**Ohio House of Representatives
Energy and Natural Resource Committee
Opponent Testimony
Substitute House Bill 6**

**Leo Almeida, The Nature Conservancy in Ohio
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Chairman Vitale, Vice-chair Kick, Ranking Member Denson, and members of the House Energy and Natural Resources Committee, thank you for the opportunity to provide testimony as an opponent to Substitute House Bill 6. I am Leo Almeida and I am a climate and energy policy associate at The Nature Conservancy.

The Nature Conservancy is a non-partisan, science-based organization that seeks to conserve the lands and waters on which all life depends. We work collaboratively with businesses, farmers, sportsmen groups, government and local communities to develop pragmatic, market-based solutions to conservation challenges, including air pollution. More than 65,000 Ohioans are Nature Conservancy supporters.

The Nature Conservancy commends the General Assembly for recognizing the importance of a lower carbon future and their desire to see Ohio make a positive contribution to this goal. We previously testified as an opponent before the Subcommittee on House Bill 6. While we appreciate that the substitute version of this bill includes provisions to lower the monthly fixed fees on residential and commercial customers in the first year of the new Clean Air Program and to allow small wind farms to apply for resources through this new program, these changes do not adequately address our concerns. Numerous witnesses testified to the positive economic impacts Ohio's current renewable portfolio standards (RPS) and energy efficiency resource standards (EERS) provide, yet Substitute HB 6 effectively repeals them and does not clearly demonstrate that all current sources of lower carbon or carbon free emissions will benefit equally from the Clean Air program resources. This policy change will have negative economic, public health, and environmental impacts for our state.

Effectively gutting these standards moves Ohio in the wrong direction at a time when other states, such as Illinois and Michigan, have either raised or are exploring increases to their standards to drive clean energy and economic growth. According to the 2018 Clean Jobs Midwest Report released on April 9, 2019, "The clean energy industry in Ohio is a major employer with more than 112,486 jobs. In 2018, Ohio clean energy businesses added 4,975 jobs." Contrary to public statements, the current standards, specifically the energy efficiency standard has saved ratepayers \$5.1 billion since the inception of the standards according to the utilities' annual PUCO reports. If this bill becomes law, the elimination of the savings from the current energy efficiency standard combined with the new cost of the Clean Air Program will

cost Ohioans \$312 million per year. On average, that is an increase of \$6.11 per family on their monthly utility bill.

The standards also drive business investments and should provide certainty to businesses seeking to locate or stay and expand in Ohio. In 2017, TNC released the *Clean and Green* report which profiled 16 very diverse small to large businesses across Ohio as they introduced and integrated renewable energy and energy efficiency to their operations. Businesses with recognizable names like Honda that are committed and taking action toward a lower carbon future and others you may not have heard of like Little Fish Brewery that are seeking an edge to continue operating. Some use renewable energy to save on their monthly electric bills, while others are renewable energy businesses increasing the deployment of clean energy while creating jobs. After the release of this report, we took legislators to visit a few of these businesses in their districts. During one tour, the business owner explained to his State Senator and Representative that he formed his business after the establishment of the energy standards in 2008. He followed this issue closely and felt certain that with the almost unanimous support (only one no vote) of these standards, it was a safe bet to invest in Ohio. He now worries about his investments given the unpredictability of legislative efforts to freeze, weaken and now remove the standards. Although many of the businesses in the report described their decision to invest in clean energy as the right thing to do for the environment, all these companies point to economic benefits as the driving motivation for making the investment.

In July 2017, The Nature Conservancy commissioned a poll conducted by Public Opinion Strategies, on the attitudes of registered voters in Ohio toward clean energy. In response to legislative concerns about the lack of attention toward voters in coal country, we included an oversample of residents of Southeast Ohio. The poll results were very telling – a vast majority of Ohio voters support clean energy policies and nearly nine out of ten would tell an elected official to support policies that encourage greater use of all types of renewable energy and energy efficiency in Ohio. There was overwhelming support for placing a greater emphasis on energy efficiency, solar power, and wind power than nuclear and traditional energy sources. Specifically, 82% want to see more emphasis on energy efficiency, 77% more emphasis on solar power, 69% more emphasis on wind power, but only 21% more emphasis on nuclear power. In fact, 42% want to see less emphasis on nuclear power. In addition, 79% of voters support Ohio reaching the 12.5% Renewable Portfolio Standard in its current form.

TNC supports the General Assembly's efforts to encourage a lower carbon future. While we do not prefer nuclear power over other, much safer, cheaper alternatives we believe nuclear power can be an important energy source that should allow for increases in the proportion of energy supplied by renewables rather than replace them. We realize nuclear power can provide benefits as a source of energy while the correct policies and incentives to encourage further growth in the renewable sector are implemented. It is also critically important, given the challenges nuclear power facilities face related to human health, safety, and the environment, that they adhere to stringent safety and full-life cycle environmental standards.

Ohio is long overdue for a comprehensive energy policy that reflects the desire of Ohio voters to have more emphasis on all types of renewable energy and energy efficiency. Instead of starting this legislative session with such a bill, we are here today discussing Substitute House Bill 6, which clearly provides a financial bailout for two nuclear powerplants in Ohio, removes standards that have supported the creation of over 112,000 jobs, will increase ratepayers' monthly utility bills by \$6.11, and remains unclear as to the benefits for other low emission energy sources.

A comprehensive energy plan is a complex issue that deserves careful consideration. We urge the General Assembly to continue to work on a comprehensive energy bill and not pass Substitute House Bill 6, that while rightly proposing a lower carbon future for Ohio does not respond to current and future demand for a forward-thinking energy portfolio. The legislature should address related issues such as the currently prohibitive wind energy setback rules, grid modernization, utility business models, electric vehicle infrastructure, and on-bill financing as part of a larger, much overdue comprehensive energy bill. By addressing these issues, the General Assembly can create a comprehensive approach that reinforces lower carbon goals, encourages the economic benefits of clean energy, incentivizes new technology to address current challenges related to energy storage, removes impediments to growth and creates a win-win for Ohioans.

Thank you again for the opportunity to provide testimony as an opponent to Substitute House Bill 6. I am happy to address any questions you might have.

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