



65 East State Street
Suite 2530
Columbus, OH 43215
(614) 824-3201

MEMBER COMPANIES

AK Steel

Arconic

Ford Motor Company

General Electric

Marathon Petroleum
Corporation

Nucor Steel Marion, Inc.

TimkenSteel Corporation

Aultman Health Foundation

H.B. 6

Written Proponent Testimony

By Thomas Zaino

Manufacturers Policy Alliance

Before the House Energy & Natural
Resources Committee
May 15, 2019

*Aggregated information about the MPA member companies:

Number of Ohio employees – 43,000 Total Ohio payroll - \$2.775 billion Book value of Ohio assets in the ground – over \$5.5 billion
Number of Ohio suppliers for Ohio operations – 10,700 Ohio supplier spend – approx. \$12 billion Combined global revenue – exceeds
\$406 billion Combined footprint of MPA member companies – all 88 counties

**Numbers are approximate*

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Good morning, Chairman Vitale, Vice Chairman Kick, and Ranking Minority Member Denson and members of the House Energy & Natural Resources Committee. My name is Thomas Zaino and I represent the Manufacturers Policy Alliance, or MPA. MPA supports Substitute House Bill 6.

MPA is a coalition of large manufacturers around the state of Ohio who operate in all eighty-eight counties. Combined, MPA has an annual payroll of \$2.5 billion and spends approximately \$11 billion with suppliers around the state. Manufacturers consume large amounts of energy in our daily production and the price of energy is important to us.

As this Committee knows, large manufacturers are the drivers of economic growth in Ohio because most goods are exported, bringing revenue to the State from other economies. But this also means that these trade-exposed manufacturers face unique challenges in that they compete in a truly global economy. When Ohio manufacturers experience an increase in electric costs their direct competitors in other states or other countries likely do not see the same cost increase, thereby damaging the Ohio manufacturers' position relative to its competitors

For this reason, MPA considers large industrial power pricing a make or break proposition. HB 6 will preserve and expand the Energy Efficiency opt-out in Ohio while eliminating the RPS standard.

HB 6 provides these benefits while capping the financial exposure to large manufacturers. Cost-certainty is important to large manufacturers and the rate caps in HB 6 allow us to plan and budget for the cost associated with HB 6.

For these reasons, MPA supports Substitute House Bill 6.

Thank you for your time and I am happy to answer any of your questions.