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## **OPPOSED to ALL FORMS of HB 6**

Last week this Committee heard from six industrial energy users and their legal counsel in support of this bill. You need to be made aware that these companies and this legal representative have testified in favor of the tens of billions of dollars in subsidies to these two nuclear plants for decades, since the original owners of Davis Besse and Perry were first allowed to raise their rates by more than a billion dollars per year. These six companies have always argued that they depend on the alleged low costs of these plants, and they have never paid the high bills which are the reality they testify in favor of.

These six companies have received billions of dollars of direct subsidies from the customers of FirstEnergy and American Electric Power. These subsidies are included in the costs the proponents of this bill assert are costs due to the efficiency and peak demand reduction laws in effect today, but these subsidies are explicitly protected from elimination by this bill, which makes a large part of the alleged justification for this bill a different sort of sham than the rest of it.

It is not my position to support or oppose subsidies to private companies that Ohio lawmakers or the PUCO wish to confer. I oppose the covert nature of these subsidies. If you believe that corporate welfare is good for Ohio, then you should make it part of the law to place these subsidies in the public view with clear identification of the amounts, the recipients and the purpose. It is my belief that the various different terms allowed under Ohio law for economic development rates and special contracts are not consistently adhered to by the contracts which confer the subsidies on these six companies. As we learned when Ormet Aluminum went bankrupt a few years ago and the PUCO reported that the company had received \$342 million in subsidies in the four years prior to its demise, not even the perpetrators of these dubious contracts are entirely happy with them.

What I strenuously object to is private entities that routinely falsify their own economic experience, who benefit from the avoided capacity caused by efficiency programs that they do not pay for and who benefit from the lower electricity prices caused by renewables, who benefit from direct subsidy from involuntary generosity of millions of other customers, companies who are now allowed under Ohio law to buy electricity from private generators who are much less expensive than the generators who supply the customers who pay them subsidies, who then come before this body and claim benefit from a proposal which they do not pay for. This is far over the line of enlightened self interest and firmly into the land of greedy misrepresentation.

This is a small part of what is wrong with HB 6. The section on decoupling is written by a person or people who have no real understanding of what decoupling is or how it

works. As it is impossible to tell whether this bill would actually support the nuclear plants or become a bailout for failing coal plants or something else, it is also impossible to tell what would happen under the terms of the decoupling section.

The failure to recognize more than \$10 billion in direct energy savings and avoided capacity savings created by the efficiency programs, and close to \$5 billion in economic investment in Ohio due to the several hundred millions of dollars of subsidy created by the renewables standards should be enough to call the question on this concept.

The PUCO's 2017 report on the RPS identifies the cost of that year's programs as a mere \$39 million. That is a small cost compared to the hundreds of millions of dollars in new renewables investments made that year and the billions which will be invested in Ohio if Ohio lawmakers stop throwing roadblocks and uncertainty at the people who want to do business here.

In all my decades of attending Ohio legislative hearings I have never before heard a bill sponsor tell the committee in plain English that he didn't know how it would work and that he expected the agency assigned to administer the bill to figure it out.

The two nuclear plants are failing because Ohio law creates a competitive marketplace and these plants are not competitive. Efficiency, wind, solar and natural gas are all cheaper and are all abundant in Ohio.

I leave you to examine your own consciences to see if you are doing the right thing by perpetuating this discussion.

I thank you for the opportunity to express my opinions on this legislative mess. I'm sorry to say that I feel it is appropriate to close by saying that if it works, don't fix it.

