



House Energy and Natural Resources Committee
Chair Nino Vitale
Opponent Testimony on Substitute House Bill 6
Testimony of Becky Campbell
Manager of Government Affairs, First Solar, Inc.

May 22, 2019

Chair Vitale, Vice Chair Kick, Ranking Member Denson, and Members of the Energy and Natural Resources Committee, my name is Becky Campbell and I'm the Manager of Government Affairs at First Solar. Thank you for the opportunity to provide testimony as an **opponent** to Ohio House Bill 6.

First Solar is a global provider of comprehensive photovoltaic (PV) solar energy solutions, with more than 200 million solar panels deployed globally. We are the largest and one of the last remaining U.S.-based solar panel manufacturers. We broke ground on our first Perrysburg facility in 1999 and through increased automation, upgrades and expansion, First Solar's Perrysburg manufacturing operations now span more than 1,000,000 square feet, with an annual capacity of 600 MW and employs more than 1,250 associates.

First Solar appreciates this bill's intent to support carbon-free energy sources and provide long-term rate stability for Ohioans. However, as a representative of the largest manufacturer, one of the largest utility-scale solar project developers in the country and a company that is actively working to build solar projects in Ohio, I want to caution that HB6, as currently written, will reduce business certainty and thus deployment of in-state renewable energy. If adopted, the bill's rollback of the existing AEPS would signal to project developers and investors that OH is turning its back on renewable energy instead of encouraging the growth of the fastest growing source of clean energy in the country. First Solar **remains opposed** to the current Substitute version of HB6.

First Solar was founded by Ohioan Harold McMaster and born in Perrysburg, Ohio. We've invested and innovated here for more than two decades. During this time, most U.S. solar manufacturers shrank, failed or left the U.S. due to intense competition – primarily from heavily subsidized Chinese manufacturers. However, First Solar has tripled down on its commitment to Ohio and continues to invest in its R&D and manufacturing efforts in this market. Since the company's birth, we've contributed well over \$3 billion to Ohio's economy.

Over the past three years we have made substantial investments in Ohio, first investing \$400 million to rapidly accelerate development and production of our next-generation Series 6 module



at our existing Perrysburg facility. Then, last summer we proudly broke ground on a new manufacturing facility in Lake Township. This \$400 million facility will begin producing solar panels late this year and will allow First Solar to triple its U.S. manufacturing capacity, creating 500 full-time jobs with an estimated annual payroll of \$30 million. These investments are critical to keeping advanced manufacturing in Ohio competitive with Chinese and other foreign manufacturers.

It is clear that the bill sponsors are interested in supporting the development of *in-state* renewable projects. In restructured markets like Ohio, having a clearly defined pathway for long-term renewable energy contracts is essential to ensuring the development of in-state resources. There are currently 400 MW of solar projects in Highland County that are sitting in regulatory limbo based on the interpretation of the definition of the word “need”. These projects represent hundreds of millions of dollars of investment and are projected to create more than 100 permanent full-time jobs for the region as well as 500 full-time union jobs during construction. These projects would achieve one of the stated goals of HB6: they represent **incremental in-state, carbon-free energy generation**. Currently, the PUCO lacks the clear guidance from the legislature to pave a path towards successful approval for these projects and similar future projects. I request this Committee consider including a clear definition of “need” in HB6 which should require that projects demonstrate compliance with the following criteria:

1. in-state generation resources,
2. that demonstrate lifetime ratepayer savings,
3. and provide long-term rate stability by mitigating ratepayer costs/risks resulting from fuel price volatility.

AEP has already demonstrated that the two projects that it currently has under regulatory review would meet these conditions. Failure to provide a pathway for regulatory approval of low-cost renewable energy power purchase agreements risks much-needed economic development opportunities for the state, including the current opportunities sitting before one of Ohio’s most poverty-stricken counties¹.

Further, when making multi-hundred million dollar investments, renewable developers like First Solar require stable, transparent policy frameworks. The AEPS is a long-standing, market-driven policy mechanism and its elimination, absent clear signals for renewable procurement, would signal waning support for renewables in this market. The proposed construct for the Ohio Clean Air Program will not provide market confidence because it is not transparent how projects would be prioritized for funding or how funds would be allocated when demand exceeds

¹ Highland county is one of Ohio’s most poverty-stricken counties, as indicated by the Ohio Development Services Agency’s February 2019 Ohio Poverty Report: <https://www.development.ohio.gov/files/research/p7005.pdf>



availability. A move away from the existing AEPS and towards the Ohio Clean Air Program will cause companies like First Solar to reconsider their development strategies in this market.

I appreciate the continued efforts to improve this bill. However, recent amendments have not materially addressed First Solar's concerns with the bill. Therefore, First Solar remains opposed to the Substitute version of House Bill 6.

First Solar is proud to manufacture our advanced thin film solar modules in Ohio, and looks forward to further investing in this market by deploying our Ohio-manufactured solar panels in the ground across the state. As the largest U.S.-based manufacturer, First Solar hopes Ohio will work towards a sustainable and growing market for utility-scale solar.

I appreciate your time and consideration.

Sincerely,

A handwritten signature in cursive script, appearing to read "Becky Campbell".

Becky Campbell
Manager, Government Affairs
First Solar
Rebecca.Campbell@firstsolar.com
(480)-236-2085