



HB 401 Opponent Testimony
Craig Sundstrom, Director Government and Regulatory Affairs
Innogy Renewables US
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Dear Chairman Vitale and Members of the Committee,

My name is Craig Sundstrom and I am Director of Government and Regulatory Affairs for Innogy Renewables US, the US platform of innogy SE, a global developer, owner and operator of utility-scale renewable energy facilities. I write today to express opposition to House Bill 401—a proposal that unfairly singles out wind energy development, seeks to turn away significant private sector capital, and introduces a level of regulatory uncertainty unknown to all other forms of energy generation in the state of Ohio.

Innogy is the developer, owner, and soon, operator of Ohio's own Scioto Ridge Wind located in Hardin and Logan counties. The facility will:

- utilize 75 modern wind turbine generators to produce 250 megawatts of clean, homegrown energy, representing a private investment of over \$300 million;
- generate over \$75 million in new local revenues over the next 25 years, including more than \$2 million annually to local tax jurisdictions and \$1 million annually to more than 100 participating landowners;
- create approximately 150 short term construction jobs and up to 10 local operations jobs;
- begin commercial operation by Q4 2020, powering the equivalent of 60,000 Ohio homes with clean power.

HB 401 is a Deterrent to Private Investment in Ohio

Proponents of HB 401 have argued that a wind project should easily be able to evidence support from local communities by way of multiple township referendum votes **after** the Ohio Power Siting Board certification process is already complete. The inherent flaw in this argument, however, is that wind project development requires securing local support in multiple forms (by way of landowner agreements, county PILOTs, and so on), years of expenditure of at-risk capital, and extensive environmental study, all **before** the lengthy and costly, but relatively predictable, OPSB process has even begun. In this way, all major

development activity occurs ahead of the rigorous OPSB review, which serves as a developer's assurance of the rules of the game before spending significant new capital on construction activities.

HB 401 introduces new uncertainty at the very end of the permitting process and will ultimately deter the private sector investment needed to develop a project worthy of OPSB consideration in the first place. Even projects with significant local support, such as Scioto Ridge, would be difficult to fund knowing that multiple, unpredictable township votes could unravel years of development activity and millions of dollars of investment incurred during the thorough state siting process.

HB 401 is a Step in the Wrong Direction for Ohio's Economy

The United States is experiencing a major energy transition. Here in Ohio, renewable energy is in demand by corporate purchasers, utilities and ratepayers alike. Unfortunately, policy proposals like HB 401 ignore this reality and signal that Ohio's elected leadership is prepared to move Ohio's economy in the opposite direction by subjecting clean energy to resources such as wind to unreasonable regulatory hurdles.

Many of Ohio's largest employers have set impressive clean energy targets and these businesses are making decisions around the low cost and availability of renewable energy resources. Clean energy is and will continue to be a critical component in Ohio's economic growth and should be embraced through sound, fair, and predictable regulatory policy. In that way, HB 401 is a step in the wrong direction.

The Ohio Chamber of Commerce may have said it best in describing HB 401:

“This represents a dangerous precedent and reverses the regulatory certainty developers and investors rely on to make business decisions and investments in Ohio.¹”

Ohio's place in the heartland of the US offers ideal conditions for renewable energy development and with the right policies in place, will be considered an attractive market for clean energy investment. All of us at Innogy Renewables US are excited to deliver Scioto Ridge and continue with more long-term renewable energy investments, including wind, solar, and storage, in Ohio for years to come, and we look forward to working with the committee to find productive solutions for Ohio's clean energy future.

¹ Wind Project Referendum Bills Introduced, Ohio Chamber of Commerce, <http://allforohio.com/2019/11/11/wind-project-referendum-bills-introduced/>, Nov. 11, 2019