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City of Oregon
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Opponent
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Co-Chairmen Stein and O'Brien and members of the Energy and Natural Resources Subcommittee on Energy Generation, thank you for the opportunity to share my opposition to HB 6 today. My name is Mike Beazley and I serve as the City Administrator for the City of Oregon, Ohio on the shores of Lake Erie in Lucas County.

I understand that members of the Ohio legislature have a difficult job to do. You are forced to balance important competing state interests and make judgments that frequently make too many of us unhappy. As you consider HS 6, I ask you to please work to preserve Ohio's most important asset, its credibility.

For decades Ohio held itself out to be a place where we would allow private energy markets to work. We assured private investors that we would welcome innovation and private investment. Under those laws and rules billions of dollars of private money flowed into Ohio. It put Ohioans to work and lowered the cost of wholesale electricity. All of the lower priced electricity now being produced in Ohio came here because of those laws and those assurances.

A number of years ago, private investors without asking the state for funding, built a high-capacity natural gas pipeline to supply the Oregon, Ohio area with gas. This pipeline, built with private risk, then led to the \$900M Oregon Clean Energy facility that currently produces what is the least expensive wholesale electricity being produced in Ohio in a volume every bit as large as that produced at the Davis Besse facility, just at a much-lower cost. Based on that same pipeline investment came a \$100M methanol plant that is currently under construction in Oregon. Finally, that same private pipeline investment has helped lead to the Cliffs Iron facility, a \$700M project currently under construction on the Oregon/Toledo border. Additional industrial investments are also currently being considered that will bring new investment and jobs to northwest Ohio. These private investments and jobs were made based on the laws and rules in Ohio and our assurances to the rest of the country that we would allow the private sector to work and that we would welcome energy innovation and investment. Most certainly these investments would be in some other state if legislation like HB 6 would have passed ten years ago.

This legislation is a breach of faith with those investors who were told that Ohio was a place ready for business. It changes the rules in the middle of the game to harm the investments already made and to jeopardize another \$900M in private investment scheduled for groundbreaking this summer. This sends the wrong message to private investors and tells them

that they would be better off finding other states to do business in. This legislation is a message that is wrong for Oregon, wrong for Ohio, and wrong for our future.

Legislation such as this will paint Ohio to be an unreliable partner for the private sector, as a state that is ready to drive away innovation and private investment. It forces Ohio to look technologically to the past rather than to a more innovative and cost efficient future.

We should be working together to attract investment and lower priced energy that works for business, industry and our residents rather than propping up more expensive power that just doesn't work for Ohio.

Thank you for the opportunity to testify today, I am happy to answer questions.