



– Turning Energy Into Jobs –

Proponent Testimony of  
Joe Price  
President, Ohio Energy Group (OEG)  
Before the  
Energy and Public Utilities Committee  
Ohio Senate  
HB 6 As Passed by the House  
June 12, 2019

Thank you, Chairman Wilson, Vice-Chair McColley, Ranking Member Williams and the members of the Senate Energy & Public Utilities Committee for the opportunity to appear before you today as a proponent of several reforms contained in the as-passed version of House Bill 6. My name is Joe Price and I am currently the Senior Manager of Government Affairs & Energy Commodity for TimkenSteel. However, I also have the honor of serving as the President of the Ohio Energy Group (OEG), and it is in that capacity that I testify today.

OEG is an organization consisting of 27 of the largest users of energy located within the state. Many of these companies are competitors and rivals of one another in the world of business, but we are bound together within OEG by our common energy goals – that gas and electricity in Ohio are available, reliable and at the lowest reasonable price to consumers.

OEG member companies collectively employ 55,000 full-time workers in the state. These are not just “another job” – they are family-sustaining careers for highly-skilled and knowledgeable workers. As some of Ohio’s largest manufacturers and employers, we appreciate the important work carried out by this Committee, particularly the task of revisiting what are commonly referred to as Ohio’s energy mandates.

Our companies are best defined as *energy-intensive, trade-exposed manufacturers*. *Energy-intensive* is a term to describe the reality that very small changes in the price of energy can have very big impacts. OEG companies collectively spend nearly \$1 billion per year to purchase the energy needed to manufacture our products. To illustrate the realities of an energy-intensive company, consider this: for my company, a change of only one-tenth of one penny per kilowatt hour results in an impact of one million dollars per year.

The term *trade-exposed* is in recognition of the realities of today’s global marketplace. Since products can be made anywhere in the world, it can create problems for manufacturers when costs rise in one country but not in another. For example, when policies are enacted that cause electricity price increases in Ohio, there is no corresponding increase in cost for Chinese manufacturers. The result is a competitive disadvantage for American manufacturing, as our customers will not accept a higher price simply because our costs have increased. Over time, this can lead to a shifting of production to cheaper, overseas locations, both to the detriment of the American economy as well as the environment.

**Ohio Energy Group**  
36 E. Seventh St., Suite 1510  
Cincinnati, Ohio 45202  
Ph: 513.421.2255  
Fax: 513.421.2764  
[www.OhioEnergyGroup.com](http://www.OhioEnergyGroup.com)

**General Counsel**

Michael L. Kurtz  
Boehm, Kurtz & Lowry  
513.421.2255

**President**

Joe Price  
330-471-7059

**Vice President**

Doug Stinner  
586-274-7055

**Treasurer**

Eric Hoegger  
952-984-4025

**For Further Information Contact**

Denny Larr, Governmental  
Relations  
Larr Policy Consulting  
614-824-3201



# OHIO ENERGY GROUP

– Turning Energy Into Jobs –

OEG supports HB 6 because it recognizes these challenges and actively supports Ohio's manufacturers in several ways. First, the bill protects Ohio's manufacturers by establishing a hard cap on the charges created to fund the Clean Air Program. Next, the bill maintains the energy efficiency/peak demand reduction opt-out, which recognizes the significant historical and ongoing energy efficiency efforts occurring internally at our facilities. Finally, and perhaps most significantly, the legislation would eliminate the requirement that every customer – be it shopping or non-shopping – must purchase a mandated supply of renewable energy. The costs of the renewable mandate are real, are significant, and are rising. By converting the mandate into an optional program, it turns a cost into a savings.

OEG companies hope to continue to invest in Ohio and grow our operations for decades to come. Ultimately, Ohio's energy policy will either encourage or discourage that outcome. For these reasons, OEG supports passage of HB 6.

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