

**Testimony on House Bill 114
Before the Ohio House Public Utilities Committee
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Chairman Seitz and Members of the Ohio House Public Utilities Committee, thank you for the opportunity to provide written testimony on House Bill 114.

Advanced Energy Economy (AEE) is a national association of businesses working to make the energy we use secure, clean, and affordable. Our membership includes companies that manufacture, develop, and purchase advanced energy technologies such as energy efficiency, demand response, solar, wind, storage, electric vehicles, and natural gas. Our members include national companies as well as many businesses with operations in Ohio like Amazon, Honda, and First Solar.

On behalf of our member companies, and the advanced energy industry more broadly, we oppose HB 114. In fact, we see this bill as worse than Sub. House Bill 554, which was vetoed by Governor Kasich during the 131st General Assembly.

HB114 is a job-killer and an investment-killer for Ohio. It will deprive this state of the \$10 billion market opportunity created by the state's energy standards reinstated on January 1, 2017.

By adopting these standards, Ohio could lower costs to consumers and create a more reliable grid, as they are implemented. By contrast, House Bill 114 would turn those standards into voluntary goals – making them completely ineffective – and ultimately eliminating them altogether.

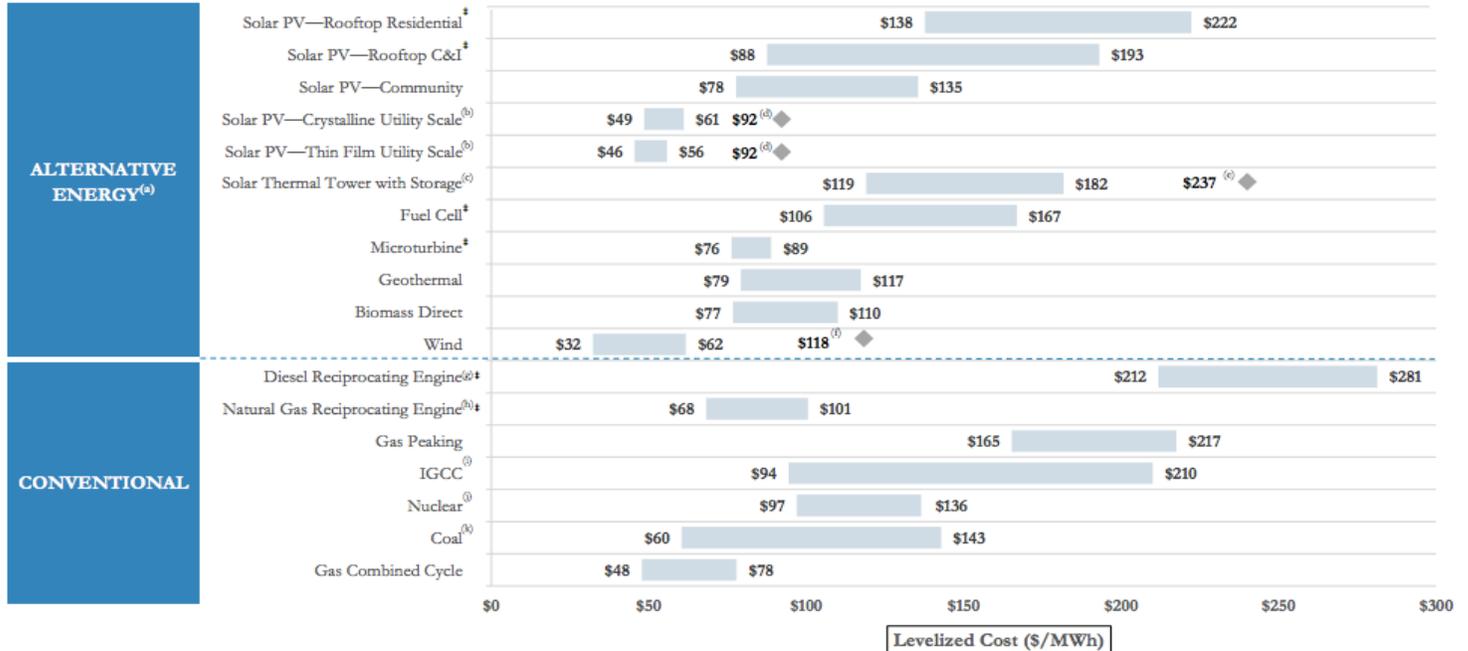
HB 114 is being offered as an economic benefit to Ohio, but it's not. HB 114 is a job-killer that will also cost consumers on their electric bills. The proposed legislation would wipe out thousands of Ohio jobs and drive a \$10 billion market opportunity to neighboring states. It will also cost Ohio electricity customers on their electric bills.

It is time we put Ohio on the path to advanced energy. Instead of standing back from advanced energy opportunities, protecting incumbent interests, Ohio should be cashing in on the future.

Lazard, an asset management firm, has measured the costs of all energy technologies.¹ Their analysis concluded that advanced energy technologies are cost competitive with traditional energy resources.

¹ Unsubsidized Levelized Cost of Energy Comparison, March 2016. -<https://www.lazard.com/media/438038/levelized-cost-of-energy-v100.pdf>

Unsubsidized Levelized Cost of Energy Comparison - 2016



This is clearly the case in Ohio. A report by Ohio’s Public Utilities Commission concluded that the cost to an average customer for meeting the state’s renewable portfolio standard is 29 cents per month.² By contrast, a utility proposal that seeks subsidies for uneconomic generating facilities in Ohio would result in an increase of 5% to 9% on all Ohio ratepayers.

On energy, Ohio has lots of opportunities before it. But on policy, it has a choice to make. For two years, Ohio has been the only state in the country that has frozen its energy policies in place. That has not been a competitive advantage.

The uncertainty has cost Ohio billions in private investments and economic growth. Since Ohio froze its energy standards for the purpose of “studying” them, neighboring Michigan has seen investment of \$1.2 billion in advanced energy. Michigan is poised to continue its advance, following the expansion of the state’s energy standards during the 2016 legislative session.

In contrast, Ohio’s HB 114 would further weaken the state’s ability to meet its growing energy demands. It would also make Ohio less attractive to the growing number of businesses with corporate sustainability goals. A report conducted by AEE in 2016 found that 71 of the Fortune 100 companies have set renewable energy or sustainability targets, up from 60 two years earlier. Among the Fortune 500, 215 firms have similar

² Renewable Portfolio Standard / Rate Impacts - <https://www.puco.ohio.gov/puco/index.cfm/industry-information/industry-topics/ohio28099s-renewable-and-advanced-energy-portfolio-standard/aer-rates-4q-2016/>



the business voice of advanced energy

commitments.³ Without a diverse energy portfolio and the prospect of further progress, the companies Ohio desperately needs to attract for jobs and investment will stay away.

At the same time that America's largest job-creators express their desire to power facilities with secure, clean, affordable energy, Ohio lawmakers are considering legislation that would handcuff an industry that can create jobs and save money for customers. It's time to turn this around. Policies that promote advanced energy will create jobs, save money for Ohio consumers, and grow the Ohio economy.

Finally, on procedural matters, I would ask the House Public Utilities Committee not to rush through HB 114 without considering the negative consequences it will have on Ohioans.

On this bill, appropriate procedure has been lacking. With little warning, the House Public Utilities Committee moved up the date of the hearing on HB 114, silencing the more than 60 Ohio business that testified in opposition to the HB 554 last year. These are businesses the committee should hear from before acting on HB 114. We hope the Ohio House will find a way to make their voices heard before taking action on a bill that will eliminate good-paying jobs and make Ohio less competitive as a place to do business.

Energy policy is complex. It has implications for consumer costs and job creation – and both need to be taken into account. Now is no time to rush into law legislation that stymies energy progress, investment, and job creation. Let us work together to maximize economic growth, energy savings, and job creation for Ohio.

³ Corporate Advanced Energy Commitments, March 2016 - http://info.aee.net/growth-in-corporate-advanced-energy-demand-market-benefits-report?utm_campaign=Press%2FMedia+Outreach&utm_source=hs_email&utm_medium=email&utm_content=38742484&hsenc=p2ANqtz-8FIVjr3slvGhsZMuZnUXCDBF2XBtDa67EDFfpf989Fq5GOR-LGa2KpiCNR3TsoTqR6KJiG4MXRdvOPz_gy0XVDiFAWvg&hsmi=38742484