

WIRE-Net Supports Reinstatement of Ohio's Renewable Energy Portfolio Standards, Opposes HB 114
Testimony of John P. Colm, Executive Director, WIRE-Net October 16, 2017
4855 W. 130th Street, Cleveland, OH 44135

WIRE-Net is a non-profit, manufacturing-based economic development organization with over 300 member companies that employ more than 20,000 Ohioans. WIRE-Net's Board of Directors previously voted to call for reinstatement of Ohio's Renewable Energy Standards.

Today, WIRE-Net voices its opposition to House Bill 114. House Bill 114 is an attack on Ohio's clean energy future and manufacturing innovation. H.B. 114 will hinder Ohio manufacturer's competitiveness and slow development in Ohio of new advanced and renewable energy technologies. It will remove a source of lower cost electricity from the State, which manufacturers – even those who have no stake in clean energy systems or component manufacturing – use to hedge against rising rates for legacy produced electricity (e.g., coal, nuclear).

As we compete against states like Texas and Michigan that are embracing 21st century clean energy jobs, WIRE-Net supports the position of Governor John Kasich, who has been clear regarding the need for a bill that supports a diverse mix of reliable, low-cost energy sources while preserving the gains we have made in the state's economy.

A stable and predictable policy is an essential factor to business attraction and expansion. This is true for not only high-tech companies, but also traditional Fortune 500 companies who are increasingly adopting diverse energy policies. Clean energy standards help businesses cut energy costs, avoid the volatility of fossil fuel prices and help manufacturers stay competitive. They also help manufacturers plan and make sound investment decisions. H.B. 114 will further constrain investment and growth in the state

House Bill 114 is clearly a step backward for Ohioans. Ohioans of all political persuasions support clean energy investments that create jobs, save customers money, and reduce pollution. WIRE-Net also today released its latest in a series of "Manufacturing Successes and Challenges in Clean Energy" case studies highlighting Ohio companies that are succeeding in the clean energy sector. The latest report (attached) focuses on AeroTorque, a Sharon Center based innovator of wind energy components that was recently acquired by Timken.

The proposed expansion of the opt-out provisions for Ohio's energy efficiency standard will also harm manufacturers, and will lead to more than \$6 billion in added energy and health costs over the next decade, according the American Council for an Energy Efficient Economy (ACEEE). Widespread opt-outs are not fair, and reduce the benefits of energy efficiency for the state.

Dropping the final target for the energy efficiency standard from 22.2 percent down to 17.2 percent and relaxing criteria for what counts under the standard and then dropping any continuing requirements after 2027 while also letting mercantile customers opt out of the program would lead to billions in added costs for Ohio. ACEEE estimates Ohioans would incur \$6.42 billion in costs that they would otherwise have saved over a ten-year period.

WIRE-Net is open to discussing different pathways of building a clean energy future for Ohio. But it must be one which will cut pollution, create jobs, encourage investment and help manufacturers save money. Weakening the state's clean energy standards will only stifle energy innovation and investment in the state.