



Testimony of Harrison T. Godfrey

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Opposition Testimony for Ohio House Bill 114

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Chairman Balderson, Vice Chairman Jordan, Ranking Member O'Brien, and Members of the Ohio Senate Energy and Natural Resources Committee, thank you for the opportunity to testify. The testimony below explains our opposition to House Bill 114.

My name is Harry Godfrey. I handle regional government affairs for Invenergy. We develop, own, and operate utility-scale wind, solar, and natural gas generation projects, as well as large-scale battery storage facilities. As of today we have 106 projects in operation or late stage development, with a total capacity in excess of 16,000 megawatts.

Over the better part of the past decade, our team of developers has been working to develop utility-scale wind and solar projects throughout Ohio. This process takes years and millions of dollars – it's a business risk – so we approach the decision of where to develop very carefully.

Invenergy made the decision to develop in Ohio due in part to the clear market signal put forward by elected leaders in this Assembly. Eight years ago, Republicans and Democrats here passed the state's Renewable Portfolio Standard (RPS) with broad bipartisan majorities. That told developers like us that Ohio was "open for business". When we completed the costly and time-consuming process of development there would be a buyer for our electricity.

Since then we have invested significant time and resources in developing projects in Ohio – especially in Hardin County, where we're just breaking ground. We want to develop more projects like that, but the RPS rollback proposed in this legislation has injected uncertainty. Is Ohio still open to businesses like ours? The answer we are hear from HB 114 is "probably not".

Moreover, HB 114 does nothing to address the onerous wind turbine setback requirements, imposed three years ago. These setbacks have effectively squelched new development in Ohio. We are committed to the health and safety of our staff, landowners, and the communities where we operate. We welcome reasonable setback requirements, but these far exceed what's needed – tying up projects in red tape.

Invenergy developers are at work in almost every state across the country. We want to work in Ohio. But if the Buckeye state is closed to business, we will invest our time and money elsewhere, like Pennsylvania or Michigan. It's worth noting, the Michigan Senate recently voted to *increase* the state's RPS.

While foregoing work in Ohio would be a loss to us, the biggest losers from HB 114 will be the residents and ratepayers of the Buckeye state. Here are just three reasons why:

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- First, as our work in Hardin illustrates, energy development can be a substantial boon to local communities. Operations and maintenance positions at wind and solar farms mean good-paying jobs for those without a four-year degree. Millions in recurring revenue bolster county budgets, helping local leaders support schools and avoid tax increases. And annual payments to local landowners may mean the difference between keeping the family farm through lean years and selling it.
- Second, the cost of wind and solar power has been declining rapidly year after year. In many parts of the US they are increasing competitive with conventional forms of generation. The federal Production Tax Credit (PTC) and Investment Tax Credit (ITC) have helped to lower prices further still. But they are scheduled to phase out by 2021. So rolling back the RPS now means potentially forgoing millions in savings from the PTC and ITC.
- Third, energy markets encourage investment in whatever resource happens to be cheapest at that moment. They can discourage investment in a diverse portfolio of generation resources – just the sort of “all of the above” approach many here have advocated. A viable RPS helps to address this market failure, encouraging energy diversity and protecting Ohio ratepayers from the risks of fuel price volatility and stranded assets.

We agree with Governor Kasich, advanced energy and energy efficiency are a boon to Ohio. We support his call to reinstate meaningful standards. This isn't just good business, it's an economic benefit to the residents and ratepayers of Ohio. Please reject HB 114.

I appreciate your time and consideration today. We welcome any questions the committee may have.