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Testimony for Ohio Sub. House Bill 114
Before the Ohio Senate Energy and Natural Resources Committee
Craig Timm, Domtar Corporation Manager of Regional Public Affairs
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Chairman Troy Balderson and Members of the Ohio Senate Energy and Natural Resources Committee, thank you for the opportunity to provide written testimony on Sub. House Bill 114.

Domtar is a leading provider of a wide variety of fiber-based products including communication, specialty and packaging papers, market pulp and absorbent hygiene products. With approximately 10,000 employees serving more than 50 countries around the world, Domtar is driven by a commitment to turn sustainable wood fiber into useful products that people rely on every day.

We have manufacturing facilities in Delaware and Washington Court House where 275 employees produce those products.

Domtar opposes Sub. HB 114 which creates continued confusion in the energy market. Basically, why not leave well enough alone?

The portion of Sub. HB 114 that makes renewable energy optional will reduce costs in the short term, but only by an insignificant 2.5 cents per megawatt which is less than five cents per month for the average home owner. The Ohio and other renewable programs are working as intended by bringing the cost of new renewable energy down closer to the cost of fossil-based generation inspiring real business-based decisions to choose renewables over new fossil fuels.

With an average asset life of 30 years, the drivers for business decisions can't be reversed every two to four years. Please continue to stick with the set of rules that were advanced in prior legislative sessions. With changes and uncertainty every two to four years, the consumers are the ones hurt most.

Another consequence of bills like 114 is that even the introduction of proposed legislation causes volatility in energy markets. In almost every case, it's the speculators that benefit from volatility not the natural buyers or sellers of renewable energy. Speculators are simply non value-add players that strip money from working markets.

Chairman Balderson, our ask is simple – let's leave this program alone and let it work as it was first intended.

Thank you for the opportunity to provide our thoughts.

Sincerely,

Craig Timm

Manager, Regional Public Affairs