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Greetings Chair Beagle, Vice Chair LaRose, Ranking member Williams and esteemed members of the Senate Public Utilities committee – My name is Mathew Roberts. I live in Athens, Ohio working as a contractor for the non-profit organization UpGrade Ohio, which connects communities to local resources to access energy efficiency and renewable energy solutions.

Regarding Nuclear Energy as a "Zero-Emissions" Red Herring Argument

Senate Bill 128 (and congruent House Bill 178) is an overstep by the Legislature in favor of one utility for one form of power production: nuclear energy. Nuclear and coal-fired power plants can no longer compete with natural gas and renewables and in this case, are proposing that ratepayers pay off their faulty investments. Uncertainty on Ohio's clean energy standards may have been the problem when utilities were deciding their investments – the Legislature must be explicit on reaching those standards.

As a result, utilities, like FirstEnergy, are looking for compensation on what they consider to be "zero emission" credits for nuclear energy even though nuclear generation in Ohio is over $3.5 billion in debt – "in the red". American Petroleum Institute's Ohio executive director, Chris Zeigler, notes that "Instead of subsidizing nuclear power companies, we should let the markets work to protect consumers."

This means the Legislature must work together to balance the creation of a fair market for cost-effective power generation (led by wind, solar, and natural gas) with the regulatory purview of the PUCO to direct utilities to enact grid modernization.

To expand upon this, FirstEnergy has no interest in advancing low-carbon efficiency or renewable energy generation. The case is using zero-emissions as a distraction (red herring) to nuclear's non-competitiveness in the power markets. The Zero-Emissions Nuclear (ZEN) proposal is a way to receive subsidies from ratepayers so it can maintain the status quo and improve its bottom line. If FirstEnergy does indeed plan to sell its nuclear plants, it would continue to collect the proposed rate increase even if the plants are sold. The buyer would be under no obligation to keep them open.

The Davis-Besse and Perry plants are not needed to keep the lights on in Ohio. There is no need for consumers to shoulder the high cost of maintaining obsolete units when FirstEnergy is intending to sell them in the future. It's unlikely that FirstEnergy will be able to operate these plants profitably over the long term, and the implications are serious for the many towns and cities affected. Therefore, it is in the best interest of those communities to plan for the potential closure of these plants. Ohio could look to nearby New York State, which created the Electric Generation Facility Cessation Mitigation Fund in 2016 to help communities protect their tax bases when power plants close. The fund, originally set up with $30 million in annual funding for five years, recently was expanded to provide $42 million annually for seven years.

Keeping these plants open would cost Ohio consumers $300 million each year ($17/mwh credit), and would be better invested in renewable energy and energy efficiency that ACTUALLY provides carbon-free or zero-emissions power while moving the state forward.

While Ohio's legislation may be patterned after legislation passed in Illinois and New York, there is a stark difference. The Illinois Zero-Emission Standard (ZES) plan prevents annual wholesale rate increases and moves its renewable energy production forward. New York is also seeking to strengthen its renewable energy goals in a regulatory fashion. SB 128 is not part of an overall package to move Ohio toward a cleaner energy future, as it was proposed in other states.

In fact, the ZEC is being proposed in Ohio at the same time the House of Representatives passed a fast-tracked bill rolling back the state's hard-fought clean energy standards. We cannot support stand-alone legislation subsidizing nuclear power without a broader discussion of the state's clean energy future.

This is an opportunity for lawmakers to have a comprehensive debate about what they envision for the future of energy in the state. Instead, they are considering another piecemeal approach that leaves investors, businesses, and ratepayers uncertain and uneasy. The ZEC issue is not truly about emissions, but rather about propping up uneconomic facilities at a time when we would be better served expanding clean energy sources and still reducing emissions. Thank you.