

David C. Deibel
10550 Sharrott Rd.
North Lima, Ohio 44452

June 6, 2017

Sent via email: Ethan J. Zucal

Attn: SENATE PUBLIC UTILITIES COMMITTEE
HONORABLE BILL BEAGLE, CHAIRMAN

Re: OPPONENT TESTIMONY TO SENATE BILL 128

Chairman Beagle, Vice Chair LaRose, Ranking Member Williams, and members of the Senate Public Utilities Committee:

Thank you for the opportunity to express my opposition to Senate Bill 128. I am David C. Deibel, and I have been the owner and President of Boardman Steel, Inc. (BSI) since 1999. BSI is located in in Columbiana, Ohio and provides steel fabrication and construction design services to industrial and commercial clients. BSI has been a force in the industry not only in Ohio, but also western Pennsylvania, nationally, and even internationally, playing an extensive role in the planning and erection of structures throughout the world.

I also serve on the Government Affairs Council of the Youngstown/Warren Regional Chamber. Recently the Council recommended to the Chamber's board that the Chamber oppose Senate Bill 128 (and companion House Bill 178), because of the adverse consequences this legislation threatens to bring to the Mahoning Valley. Last week, the Chamber's board voted to accept the Council's recommendation and for the Youngstown/Warren Regional Chamber to take a position opposed to the legislation.

As I explained to my fellow members of the chamber's Government Affairs Council, I am opposed to Senate bill 128 for three primary reasons. First, it sets a bad precedent. Second, Ohio should not be picking winners and losers and choosing to subsidize one company to the detriment of others. And third, as a consumer in FirstEnergy's territory, I'm opposed to the rate hike that would be mandated in the bill. Let me expand on each reason.

Bailing out power generation facilities that cannot compete in the market sets a bad precedent. It tells utilities that they don't have to worry about competing in the electric generation market, because they can go to the state to ask for a bailout. If this bailout is granted to FirstEnergy, who will be asking for a handout next? It could be another utility or power generator that can't compete, or it could be one of the thousands of companies who will be impacted by this bailout.

The rate hikes mandated in Senate Bill 128 would increase the cost of doing business for those companies in FirstEnergy's territory. So, if Senate Bill 128 passes, Ohio will be picking winners and losers and favoring one company to the detriment of thousands of others who will be footing the bill. This sends a bad message to companies currently located in Ohio, and to any company or investor who might be looking to locate or invest in our state.

June 6, 2017

BSI is just one of the businesses located in FirstEnergy's territory. As a manufacturer, electricity is a significant budget item for our company and a cost that we watch very closely. Those who own or run a business, especially a manufacturing business which is a heavy user of electricity, understand the adverse impact a five percent increase in rates could have.

My experience in business has taught me that competition and free markets benefit customers. That is true because to succeed companies have to strive to be efficient, effective, and meet customer needs at the lowest cost. If Ohio gets in the business of bailing out companies that can't compete, we the customer is who will suffer most.

For all of these reasons, I respectfully ask that this committee reject FirstEnergy's request for their customers to subsidize their business, and ask that the committee reject Senate Bill 128.

Sincerely,

A handwritten signature in black ink, appearing to read "David C. Deibel". The signature is fluid and cursive, with the first name "David" being more prominent than the last name "Deibel".

David C. Deibel

President, Boardman Steel, Inc.

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