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PROPONENT TESTIMONY ON REVISION OF HOUSE BILL 319

Senate Transportation, Commerce, and Workforce Committee

Hon. Frank LaRose , Chairman

March 21, 2017

Chairman LaRose and members of the Senate Transportation, Commerce, and Workforce Committee,

My name is Greg Myers. I am the Executive Director of the Wapakoneta Area Economic Development Council. Our office manages the West Central Ohio Industrial Center (WCOIC) at the intersection of Interstate 75 and US 33 in Wapakoneta. It was a finalist site for the Hyundai Project in 2002. That unsuccessful experience initiated the State's new Job Ready Sites program. The WCOIC was certified as one of Ohio's first and largest Job Ready Sites in 2010. It was also certified as a CSX Select Site in 2012.

During the past ten years, I have learned the importance of excess utility capacity in our discussions with companies considering new projects in Ohio. It is almost always a key component of the site selection process. As a certified Job Ready Site, the City of Wapakoneta and State of Ohio have invested more than \$7 million in site preparation and analytics. The WCOIC is one of the best examples of a truly shovel-ready site in the nation. It is one of the project sites that JobsOhio refers to as having regional economy shifting potential.

In addition to the site's JRS and CSX certifications, we have recently been invited to join the European American Investment Council, an organization that links local U.S. economic development organizations with European companies ready to make FDI investments in the U.S. We are the first community in Ohio invited to join the EAIC. In April, I will be participating in a 6-day economic development mission to Germany and Switzerland to meet with many of these companies. I will be part of a five-member team representing sites in Ohio, Michigan, Illinois, South Carolina, and Georgia. We are proud to be designated by the EAIC as one of their 27 FDI Ready Communities. It is a great opportunity to help spread the Ohio message in Europe.

Our biggest challenge in attracting new projects is natural gas capacity. Although gas lines are present at the WCOIC, our current excess capacity is not sufficient to meet major project needs. This is the result of recent growing demand for affordable natural gas from our existing companies. That is a good thing. Helping our local companies grow and create new jobs is our first priority.

The downside is the impact to our attraction initiatives. In the past year we have been unable to submit on three large job creation projects because our excess gas capacity could not meet their needs. This makes it difficult for us to yield the return on investment that a major dual-certified site should provide Ohio. In Auglaize and Mercer Counties the challenge is regional natural gas transmission pipeline capacity. We need larger pipeline sizes to meet the growing demand for Ohio's affordable natural gas. In most cases, those costs and timelines are preventing us from achieving job growth with new projects and expansion projects.

Ohio's immense natural gas resource is an important asset over other states competing with us for projects. What we need is a plan in place to help match our gas delivery infrastructure with our capacity. Our site is the perfect example of how such a plan could generate job growth for Ohio. We continue to submit on significant projects—five since the first of the year—but our excess gas capacity continues to challenge our success. HB319 was a great first step, but the resources generated do not fully meet the needs for infrastructure upgrades in areas like ours. Our local economic development agency would encourage increasing the PUCO request amount to \$1.50 per customer.

Ohio is blessed with natural gas at very affordable costs. We believe it is imperative that we solve our gas infrastructure issues and allow our sites like the WCOIC and others to compete even more aggressively in closing deals that bring investment and jobs to Ohio.

We appreciate your consideration of this important issue. I have enclosed several documents that may help you better understand the potential of our local Job Ready Site. We are ready to do everything possible to provide the maximum return on our local and the State's investment in the site. Helping with the natural gas capacity issue will help us achieve that goal.

If you, or your staff members, should have questions, please contact me at gmyers@whywapakoneta.com or 419.733.0568. We appreciate all you do to keep Ohio growing.