



## **Ohio House Energy and Natural Resources Committee**

### **Opponent Testimony Substitute HB 6 Neil Waggoner - Sierra Club**

Chairman Vitale, Ranking Member Denson, and members of the House Energy and Natural Resources Committee. My name is Neil Waggoner and I am the Ohio Campaign Representative for the Sierra Club's Beyond Coal Campaign. Today I speak on behalf of the Ohio Chapter of the Sierra Club, the Beyond Coal Campaign, and our over 20,000 members here in the great state of Ohio. Thank you for the opportunity to provide testimony on Substitute House Bill 6.

To begin, the Sierra Club continues to welcome the opportunity for a real policy driven conversation around the impacts of carbon pollution and the need to reduce those emissions. As we are all aware, carbon pollution is the main contributor to climate disruption, making extreme weather worse -- including more severe floods, widespread wildfires and record drought. It is also linked to life-threatening air pollution—such as the smog that can trigger asthma attacks. In 2017, Ohio was one of the nation's top ten largest contributors to carbon pollution, so this discussion is incredibly important.<sup>1</sup>

While Sierra Club appreciates the extensive public debate on this bill so far, we do not feel the changes made thus far to House Bill 6 materially alter or improve the bill. Sierra Club maintains that despite public statements that HB 6 represents a "clean air program," the policies developed within the bill do not represent a serious attempt to actually lower carbon emissions. Despite changes to House Bill 6 last week, if implemented, this bill is still likely to result in higher carbon emissions.

Furthermore, while there has been a semantic debate over the term "bailout," Substitute HB 6 is the latest attempt by FirstEnergy Solutions and its supporters to force Ohio electric customers to pay more each month to provide additional revenue to the Company's old nuclear plants which can no longer compete in the market. Many would call this a bailout. We do, because it is.

Now, I say latest attempt as FirstEnergy and its affiliates have been seeking direct bailouts for these nuclear plants for years. First was Davis-Besse in 2014 at the PUCO. Later, that bailout push continued here at the legislature - now with the Perry plant as well - with an ill defined ZEN credit program. Consistently, these bailout attempts have been shown to be extremely expensive and faced overwhelming opposition from Ohioans.

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<sup>1</sup> [US EPA 2017 Greenhouse Gas Emissions from Point Sources](#)

At the same time, Substitute HB 6 remains even more troubling and regressive than previous schemes to bail out a bankrupt company's uneconomic assets as the bill seeks to go a step further than earlier iterations of a bailout and gut Ohio's clean energy and energy efficiency standards.

The substitute bill does seek to "ramp down" the energy efficiency programs instead of ending them as abruptly as the original bill, and leaves open the possibility of voluntary programs, but this is not materially different than the original bill. The substitute bill still ends cost-effective programs and annual benchmarks that guarantee we are reducing energy waste and leading to carbon emission reductions.

Since the renewable and efficiency standards were enacted a decade ago, they have faced near constant attempts to alter or repeal them, including a successful effort to amend and freeze them for a two-year period in 2014. Despite the chaos and uncertainty of these consistent attacks, the standards have proven popular, successful, and major economic drivers, especially the energy efficiency resource standard.

As an example of this, according to the Midwest Energy Efficiency Alliance, in 2017, every \$1 spent on energy efficiency programs has created \$2.65 in benefits for Ohio residents and businesses. In terms of reducing energy waste, the energy efficiency standard has reduced Ohio's need by over 49,372,000 megawatt hours saved to date. Substitute HB 6's bailout of Ohio's nuclear plants may maintain the status quo when it comes to those two plants but repealing the efficiency standard means there is no longer any policy mechanism in place setting clear annual goals - and cost effective mechanisms to achieve those goals - to continue to reduce energy waste.<sup>2</sup> If we don't continue to reduce energy waste, we'll be building or propping up expensive power plants we don't need.

Also as an example, the 2019 Clean Jobs Report shows an increasing number of Ohioans are working in the clean energy and energy efficiency sector - 112,486 by the end of 2018 to be exact; a 4.6% increase from 2017 to 2018. These are the jobs and the industry the renewable and energy efficiency standard support and they could be lost if the legislature repeals them.<sup>3</sup>

So, at a time when many states, such as Michigan, are increasing their renewable energy and efficiency commitments, and while Ohio's current programs are working, it's baffling the Ohio House is fast tracking efforts to move us backwards and make us less competitive.

Sponsors and proponents of Substitute House Bill 6 have stated one of their goals is to increase clean energy in Ohio - a goal we find laudable and fully support - but clean energy and efficiency related business have consistently stated this bill will do the opposite.

If the goal is to increase clean energy in Ohio, this body should move quickly to fix Ohio's

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<sup>2</sup> [Midwest Energy Efficiency Alliance Ohio Factsheet](#)

<sup>3</sup> [2019 Clean Jobs Midwest Report: Ohio](#)

prohibitive wind setbacks, bring back the in-state requirement for new clean energy projects as part of the renewable standard, and consider increasing those standards, not effectively repealing them.

There is an opportunity in front of the legislature. Ohio has not had a comprehensive, consistent energy policy for years and starting with ideas to reduce carbon and increase clean energy is a good first step. However, if we are serious about the need to reduce carbon emissions and increase clean energy, Substitute HB 6 is not the answer. It bails out costly nuclear plants at the expense of low-cost, truly carbon-free energy like wind, solar and energy efficiency. If the legislature eliminates ongoing successful policy mechanisms that support clean energy and reduce energy waste, Ohio's carbon emissions will go up -- not down.

For these reasons, Sierra Club stands with the numerous opponents - a wide swath of energy, consumer, business, environmental, and every day Ohioans - and urges the Committee to vote NO on Substitute HB 6. Instead, we encourage the Committee to pursue a true comprehensive energy agenda with a focus on how to increase investment in energy efficiency, expand clean energy development, lower carbon emissions, and to also support communities disproportionately impacted by the transition away from, and retirement of, dirty energy generation.

Thank you for your time, I look forward to answering the Committee's questions.