



House Select Committee on Energy Policy and Oversight
House Bill 798
December 15, 2020

Chairman Hoops, Vice Chair Abrams, Ranking Member Leland, and members of the House Select Committee on Energy Policy and Oversight, thank you for the opportunity to provide written interested party testimony on House Bill 798 (HB 798).

The Retail Energy Supply Association (RESA) is a broad and diverse group of retail energy suppliers who share the common vision that competitive retail electricity and natural gas markets deliver a more efficient, customer-oriented outcome than does the monopoly-protected, rate-regulated utility structure. RESA is devoted to working with all interested stakeholders to promote vibrant and sustainable competitive retail electric and natural gas markets in the best interests of residential, commercial, and industrial consumers.

While several inequities in current law warrant immediate attention from the Ohio General Assembly in order to enhance the state's competitive market, RESA member companies believe HB 798 takes several steps toward protecting Ohio's customers and competitive market participants. Those provisions are: delaying collection of the nuclear and utility scale solar subsidies until January 1, 2022; requiring the completion of an annual financial and management audit of Energy Harbor by third-party consultants experienced in such work and the refund of any excess funds to customers; repealing existing law that permits FirstEnergy to consolidate the total earned return on equity of its three Ohio operating companies for purposes of applying it to the state's Significantly Excessive Earnings Test; requiring all electric distribution utilities with an ownership interest in the Ohio Valley Electric Corporation (OVEC) to "make a good faith effort" to divest their ownership; repealing the decoupling mechanism created in HB 6; and including an emergency clause so the bill will take immediate effect if a two-thirds majority in each chamber votes for passage.

RESA strongly urges a broader energy policy reform discussion early next year so that we as a state can revisit the many anti-market provisions—including other anti-competitive provisions enacted as part of HB 6—in Ohio energy law that are long overdue to be corrected or updated to reflect current market conditions and the development of new technologies.

Thank you again for the opportunity to submit written interested party testimony on HB 798 and please do not hesitate to contact us if there are any questions or if you would like further information.