

Perry Oman, Muirfield Energy, Board Member Greg Bechert, Scioto Energy, Board Member Huck Hayes, Alternative Energy Source, Board Member Chris Greulich, North Shore Energy, Board Member Dennis Giancola, H.P. Technologies, Board Member

April 23rd, 2019

Co-Chairman Dick Stein
77 South High Street
11th Floor
Columbus, Ohio 43215
Energy and Natural Resources Subcommittee on Energy Generation

Co-Chairman Michael O'Brien
77 South High Street
10th Floor
Columbus, Ohio 43215
Energy and Natural Resources Subcommittee on Energy Generation

Co-Chairmen Stein and O'Brien -

On behalf of the members of the Energy Professionals of Ohio (EPO) we write to you to inform you of our concerns with House Bill 6 (HB6).

The EPO was founded in 2014 to protect open and free energy markets in Ohio. The EPO represents energy consultants and suppliers who operate in Ohio serving retail customers. The EPO's members collectively serve over 65% of the commercial and industrial market transacting billions of kilowatt-hours of energy every year.

The EPO has concerns that HB6 will negatively affect the free market by subsidizing uneconomic power plants owned by FirstEnergy Solutions. The ripple effect of this subsidization is difficult to predict; however, basic economics point to an overall negative affect on markets when the government picks winners and losers.

Speaking to specific language in the bill, the EPO requests a minor modification to the legislation. Beginning on line 563 there is a provision that exempts the electric distribution utility from paying for renewable energy costs associated with customers who have opted out of the renewable energy program. Competitive suppliers of electricity are not included in this exemption and would still be required to comply with the renewable energy program and be unable to receive payments from customers for compliance.



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Margins in the competitive marketplace are not the same profit margins that regulated utilities enjoy. Forcing an unfunded mandate on competitive suppliers will result in suppliers not being able to offer products to consumers in Ohio and effectively kill the free market for consumers. Including "electric services company" after the word "utility" on line 563 would bring symmetry to this provision and ensure that customers are able to competitively shop for their electric service.

Thank you for the opportunity to submit this written testimony. You may contact the EPO's executive director, Kevin Schmidt if you have any questions. Kevin can be reached at 614.507.1050 or at kevin@energyprofessionalsofohio.com.

Sincerely,

Greg Bechert Scioto Energy

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Dennis Giancola HP Technologies Perry Oman Muirfield Energy

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