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**Comments of Lightstone Generation, LLC
Testimony on HB 6 - April 24, 2019**

Co-Chairmen Stein and O'Brien and members of the House Energy Generation Subcommittee, thank you for the opportunity to submit written comments on HB 6.

In 2017 Lightstone Generation purchased three large-scale power plants in Ohio and one power plant in Indiana from American Electric Power. This investment of \$2.2 billion created the 11th largest power generator in PJM and represents 13% of the generation currently operating in Ohio. These assets are coal and natural gas fired generation facilities.

Lightstone Generation is a joint venture of private investors - the Blackstone Group and Arclight Capital Partners - and its assets are managed by a team of professionals with decades of energy generation experience. Lightstone was confident about investing in Ohio in large part because of its long-established support for free market energy policies.

Lightstone opposes House Bill 6 because it would provide unearned subsidies to nuclear power plants, giving them an undeserved advantage over other Ohio power plants competing with them in the wholesale energy market.

Subsidizing nuclear plants, whether they are uneconomic or not, is fraught with ongoing risk, and subsidies are especially unjustified for nuclear plants currently mired in the uncertainty of a bankruptcy proceeding.

Lightstone applauds the Legislature for its tradition of support for free-market energy policies and respectfully urges the subcommittee to reject attempts to upend this tradition.

Lightstone CEO Lee Davis testified before the House Energy and Natural Resources Committee on April 9, 2019 and expressed opposition to the concept of subsidizing one form of large-scale power generation to the detriment of others.



Lightstone Generation is committed to working with the General Assembly to maintain Ohio's competitive economic advantage by ensuring its electricity markets are fair to all competitors, thus producing the most reliable and lowest cost energy for Ohioans. We look forward to further discussion.

About Lightstone Generation

Lightstone Generation's Ohio fleet has an electricity generating capacity of more than 4,000 MW, and consists of the following plants:

- *the 510 MW Darby natural gas peaking plant in Pickaway County*
- *the 882 MW Waterford natural gas combined cycle plant in Washington County*
- *and the 2,700 MW Gavin coal plant in Gallia County*

Gavin is the largest power plant in Ohio – and one of the largest in the United states. By way of comparison, Gavin alone is larger than the state's two nuclear plants combined.

Below are additional statistics that help tell the Lightstone story in Ohio:

- *Lightstone employs 225 people at our Ohio plants, plus over a hundred regularly scheduled contract workers*
- *Since its acquisition of the AEP plants in 2017, Lightstone has paid \$27 million in property taxes to local governments in Ohio*
- *During that time period, Lightstone spent more than \$415 million in labor, goods and services at our Ohio facilities*
- *Each year we spend hundreds of millions of dollars in purchases of natural gas and coal, a significant portion of which is mined in Ohio.*

Lightstone's investment in Ohio has not stopped with the \$2.2 billion purchase of the power plants. We are currently investing an additional \$100 million in new capital projects at our Ohio plants to strengthen our competitiveness. This includes investment in a lime-to-limestone project at Gavin, which will employ 165 contractors at its peak and scheduled to be complete in June.

We continue to make significant investments in our Ohio assets to ensure we maintain and strengthen our competitiveness. We have not received or intend to receive utility ratepayer support or subsidies. Nor are we asking for any.