Testimony of Jamie N. Beier Grant Director, Ottawa County Improvement Corporation

The Ohio Senate Energy and Public Utilities Committee

June 12, 2019

Chairman Wilson, Vice Chairman McColley, Ranking Member Williams, and Members of the Energy and Public Utilities Committee,

My name is Jamie Beier Grant, and I am the Director of the Ottawa County Improvement Corporation, an organization that serves as the lead economic and workforce development agency for Ottawa County. I am grateful for the chance to submit this testimony in support of House Bill 6.

In addition to having read House Bill 6, I watched Speaker Larry Householder's announcement of this legislation back in April, where key points of this legislation were outlined. I look at this legislation through two lenses, as an economic development professional and as an Ohio taxpayer.

From an economic development perspective, I appreciate the comments that the House Speaker made with respect to shifting Ohio's clean energy approach from that of a stick to a carrot. Like consumers, businesses want a healthy environment and clean air. They also understand that achieving a healthy environment and clean air must be done by encouraging, rather than forcing, policy.

Davis Besse Nuclear Power Station is located in Ottawa County, the community I represent. Along with the Perry Nuclear Plant, these two electric power plants account for approximately 90% of Ohio's zero emissions energy generation. Closure of these facilities would leave Ohio searching for alternative electric generation facilities to replace the two plants and would leave the state reeling to fill the gap left by these carbon-free generation sources.

The environmental impact resulting from the premature closing of the Vermont Yankee nuclear station back in 2014 offers an eye-opening example. Closure of the Vermont Yankee nuclear station removed 604 megawatts of zero emissions capacity from the New England regional power grid. According to the U.S. Energy Information Administration, within a year the Administration recorded an increase of almost 3% in the region's carbon emission rate. Prior to the premature shuttering of the Vermont Yankee plant, New England had been enjoying a decade of annual declines in emissions of carbon dioxide.

According to a study conducted by the Brattle Group, commissioned by local stakeholders, eliminating nuclear from Ohio's portfolio would result in an estimated increase of 12,600 GWh of gas and 4,300 GWh of coal to replace nuclear power generation, increasing emissions across Ohio. The total cost of this 9 million ton increase in carbon dioxide and other pollutants is estimated at over \$600 million per year.

Nuclear power is helping reduce carbon dioxide and other emissions, providing a cleaner, more sustainable energy supply while maintaining reliability and affordability. This is true for Ohio and our entire country. Ohio has made preserving the health of Lake Erie a major priority, and rightly so. Preserving Ohio's nuclear generation assets is also critical to the environmental health of our state. Jeopardizing these environmental benefits of emission-free nuclear power is simply not worth it.

From an economic perspective, the Davis Besse Nuclear Power Station represents 700 full-time employees with an annual total payroll that is more than \$90 million. Davis Besse's 700 full-time jobs

stimulate another 2,100 jobs in Ottawa County and 1,800 additional jobs in other Ohio industries – a 3:1 ratio of downstream impact.

That \$90 million of total annual payroll flows into every aspect of Ohio's economy – residential property ownership, support of local public school districts, professional services, construction and trades, retail, etc. In a 2015 Nuclear Energy Institute (NEI) report of Davis Besse's economic impact, NEI found that for every dollar of output generated from Davis Besse, our local economy produces \$1.66 in output and the state economy produces \$2.25 in output.

In looking at the employees working daily at Davis Besse and Perry, these are extremely well educated and highly skilled individuals – necessary to both safely and efficiently operate nuclear power plants. These are engineers, electricians, nuclear navy service members, reactor operators, and security specialists. Employees undergo rigorous background checks, and maintain a drug-free and alcohol-free workplace. In my opinion, nuclear plant employees are the best of the best.

At Davis Besse, veterans of every branch of the Military make up close to 50% of the workforce. It's because of these skill sets and experience that Davis Besse is in the top quartile for the most efficiently run nuclear facilities in the nation.

Nuclear workers are extremely marketable and mobile in the workforce – good for these individuals if the plants close prematurely, but bad for the state of Ohio. These highly skilled workers will be forced to find jobs outside of our state, further eroding our tax base. The impact that Davis Besse's closure will have on other industries across Ottawa County, which is comprised mostly of small businesses that rely on community resident spending, will be enormous.

With more than 30 years of operational output capacity left in Davis Besse and Perry, how can we even consider allowing these plants to close and devastating communities across Ohio? How will Ottawa County's economic base and tax base even have a fighting chance?

Since Ohio has one of the nation's largest nuclear industry supply chains, the impact will be felt far beyond Ottawa County. HB 6 preserves the economic landscape of Ohio communities.

Finally, nuclear power ensures Ohio can meet our energy needs without becoming overly reliant on importing energy from other states. If we allow Ohio's nuclear plants to close prematurely, Ohio would once again return to being a significant net importer of electricity, importing roughly 12 percent of our aggregate electricity needs. While some of this power could be generated by instate sources, a large majority would need to be imported from other states, according to the Brattle Group analysis, meaning that jobs and resources will be flowing out of state.

House Bill 6 preserves the economic landscape of my community and supports jobs across the state of Ohio. Again, I thank the Committee for the opportunity to provide testimony on House Bill 6. Nuclear power has an important place in Ohio's energy generation portfolio. The economic, environmental, and energy security benefits it provides are far from the only reasons it should remain part of our state's energy mix, but to me, they are the most critical. I urge the Committee to support this bill and help preserve these facilities as well as the benefits they provide for Ottawa County, northern Ohio, and our entire state. Thank you.