



CLEAN ENERGY FUTURE

Testimony before the Senate Energy and Public Utilities Committee

“ Why and How HB No. 6 is Detrimental to Ohio and all Ohioans “

by

Clean Energy Future, LLC

June 18, 2019

Q : Why is there a HB No. 6 . . . namely, a nuclear/coal plant BAILOUT ? 1.

A : First Energy (FE) has grossly mis-managed its non-monopoly power generation entity . . . First Energy Solutions (FES)

FES has suffered dramatic \$\$ Billion financial losses trying to use antiquated and costly technology to make low-cost electricity

FE has “cut loose” the money-losing FES group and sent it into Chap. 11 Bankruptcy on March 31, 2018

However, even in bankruptcy there remains a likely multi-\$\$ Billion environmental “Shutdown Liability” that FE is trying desperately to avoid paying

Rather than pay the multiple plant “Shutdown Liability” itself, FE is seeking to pass off this payment obligation to others

FE has created the equivalent of a game of “Old Maid” with the “Old Maid” card being one that has the multi- \$\$ Billion payment liability (ie. “Shutdown Liability”)

As in any game of “Old Maid” the last one holding the card is the LOSER

FE seeks to set the game rules by sticking the public with the “Old Maid” card, as defined in HB No. 6

What Causes this multi-\$\$ Billion unlimited “Shutdown Liability” ? 2.

1. Nuclear Decommissioning (Federal NRC guidelines/rules)
 - Davis- Besse and Perry close : May 2020 and 2021
 - Decommissioning takes **60 years** to complete. . likely \$1.2 + Billion/plant
 - Continuing costs include : full time on-site jobs, benefits, local services and property taxes
 - On-site nuclear waste stockpiles must be stabilized (to avoid meltdown)
 - Long term on-site secure storage of nuclear waste must be accomplished
 - All physical facilities must be razed and removed for proper disposal (after 60 yr.)
 - Cleared site must be stabilized
 - The ultimate cost is unknown and the current FES decommissioning savings account may not be adequate
 - Since FES is “bankrupt” it likely won’t have access to additional needed capital
2. Coal Plant Closures (Sammis, Mansfield, Bay Shore, etc.)
 - Old coal piles must be removed
 - Soil contaminated from the coal pile must be properly treated (or removed/disposed)
 - On-site coal ash disposal ponds must be properly capped/treated
 - Groundwater collection and treatment systems must be in place to handle impacts from the coal pile and/or ash disposal ponds (heavy metal contamination risk)
 - Securing the ash ponds to prevent leakage of ash, or dam wall breakage
 - Dismantling and disposing of all power plant structures, equipment and buildings
 - Stabilize site once cleared
 - Operate and maintain eventual groundwater collection, treatment and disposal system

How Significant were Financial Losses of FE Solutions ?? 3.

Financial information filed by First E with the U.S. Securities and Exchange Commission (SEC) provides the answer !!

First Energy makes money from three (3) arms of the company :

- Electricity transmission (a monopoly co.)
- Electricity distribution (a monopoly co.)
- Electricity production via a un-regulated free-market co. (FES)

From the graph (next page) it can be seen that the monopolies (no competition) by definition don't lose money and now have profit over \$ 1 B/year

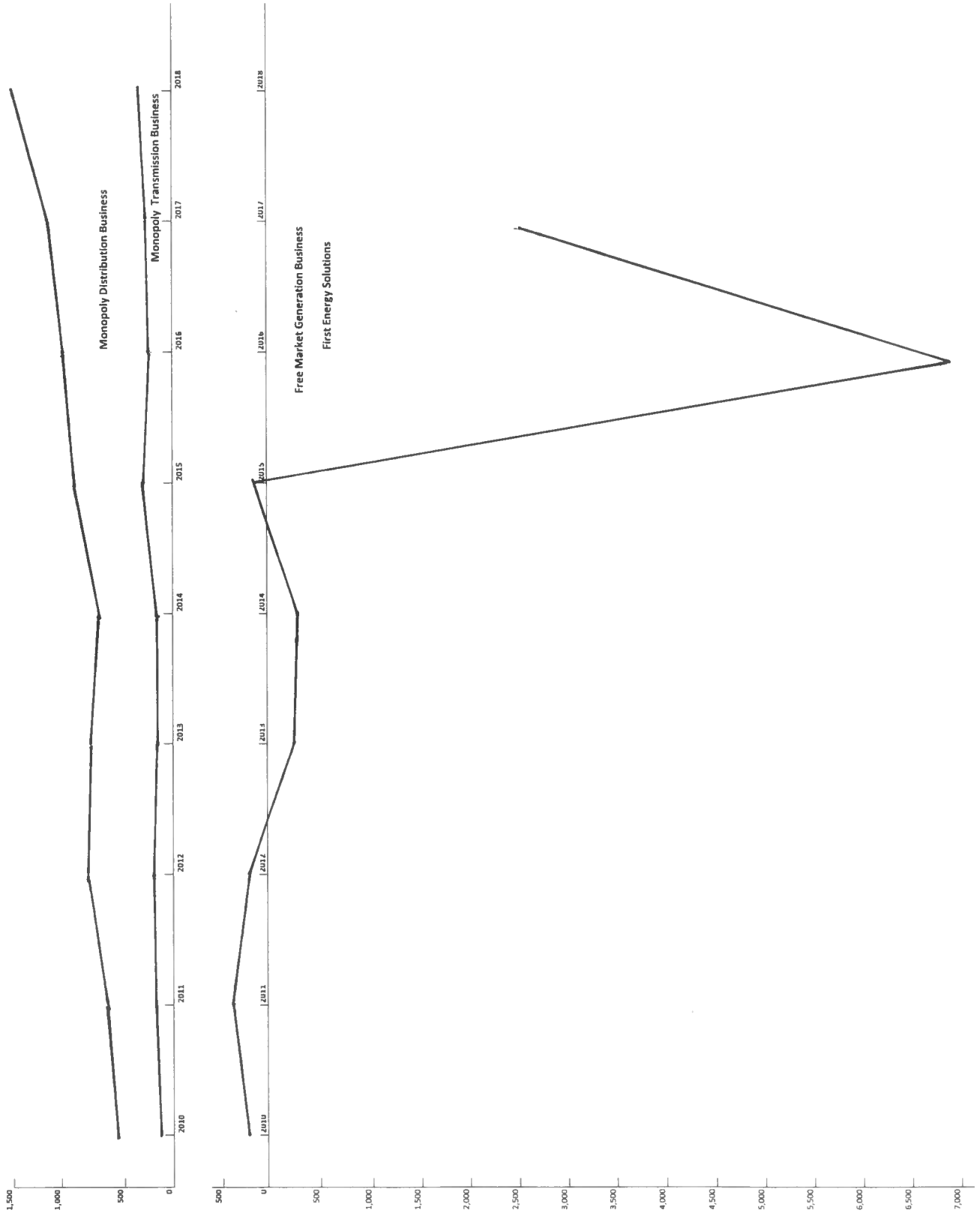
Conversely the **FE Solutions** group is an **economic disaster** !! (Exh. A; pg 20)

In 2016 alone, FES **lost** almost **\$ 7 Billion**, by itself

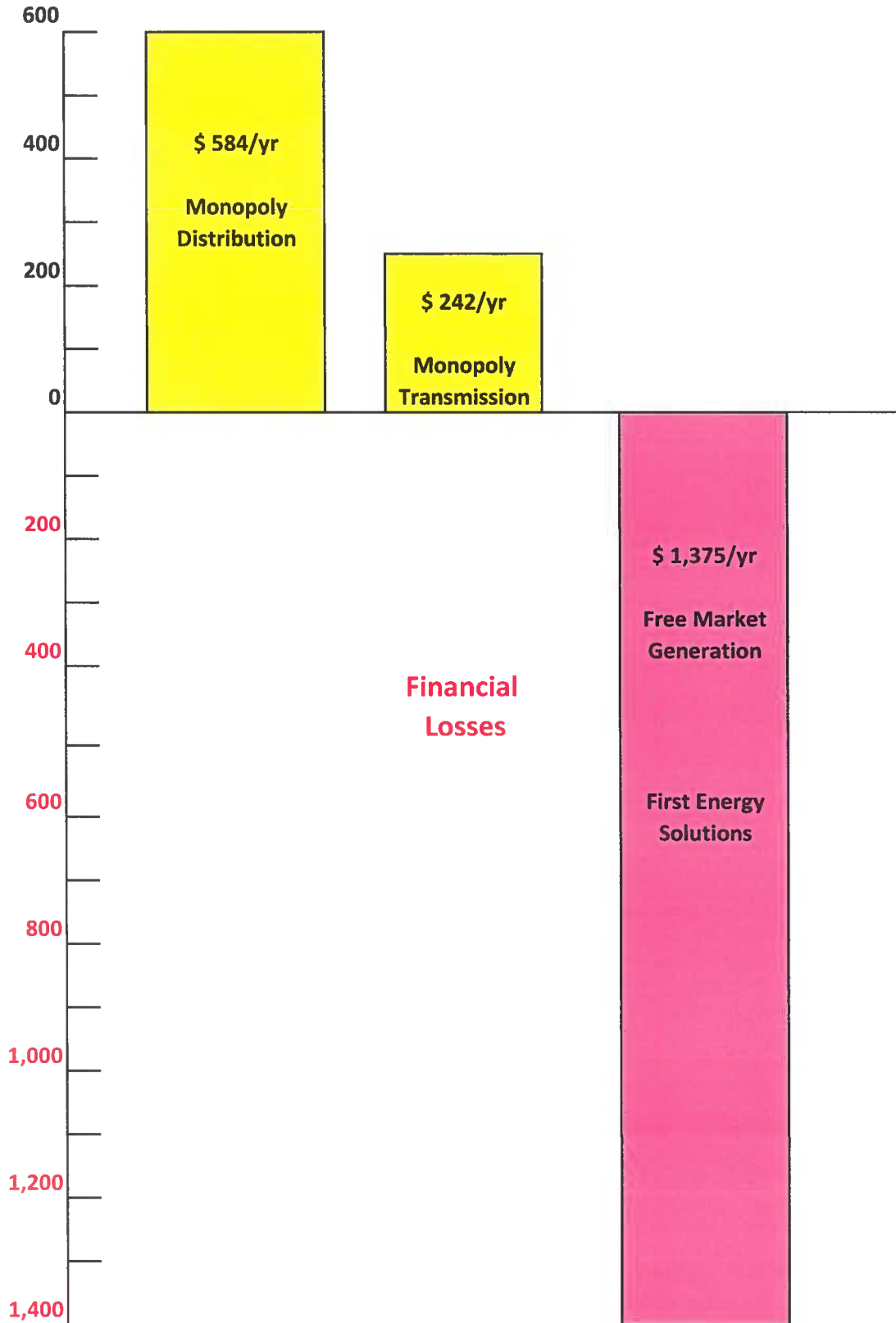
The bar chart following the graph shows that over the 2010 -2017 period the **FES** group averaged **annual losses** over **\$ 1 Billion/year**

Rather than FES destroying the entire parent company (First E) , FES was cut loose and pushed into bankruptcy

First Energy : Net Income (\$ Million/yr)



**First Energy's Three Businesses : Aver. Net Income 2010-2017
(\$ Million/year)**



Ground rules for 1 st Round of First E's "Old Maid" game 6.

The FE plan was to have someone else pay the eventual "Shutdown Liability " Costs

The setting for the first round of "Old Maid" was the Akron Chap. 11 Court

FE's plan was to complete the game of "Old Maid" and leave FE Solutions holding the "Old Maid" card

In Feb. 2019 First E sent a letter to the Legislature (attached as Exh. B; pg 21) basically saying "we (FE) have nothing to gain from the Akron Chap 11 process"

In fact the **OPPOSITE** was true, First E had purposely designed the "Old Maid" game to stick the bankrupt FES group with the "Old Maid" card

Interveners in the Chap. 11 process : Ohio AG, OhioEPA, and Ohio Consumers' Counsel all objected vehemently to this FE sleight of hand

Everyone could see that a bankrupt entity had no capacity to pay for a "Shutdown Liability"

First E was seeking to avoid the "Old Maid" card for itself

Judge Koschik was not fooled and **REJECTED** such a ridiculous First E position (Exh. C; pg 22)

Ground rules for 2 nd Round of First E's "Old Maid" game 7.

First E did not quit after being reprimanded/embarrassed in public by Judge Koschik

First E created a "Clean Air" bill known as HB No. 6

The bill's primary purpose is to **BAILOUT** both OH nuclear plants and two 64-yr old dirty coal plants (in OH and IN, no less)

The public (all ratepayers) will be forced to pay \$ 300 million/year to help fund the eventual "Shutdown Liability" that FE (an other utilities) seek to avoid paying

In Chap 11. Court, FES asked the judge to dismiss their obligation to pay these very same excessive OVEC coal plant costs, which FES was previously paying (and he did)

Now that the public would be paying these same excessive coal costs via the **Bailout**, FES is in favor of such high coal costs

In summary FE/FES (and other OH utilities) are seeking the Senate's approval and endorsement for passing the "Old Maid" card to the public via HB No. 6

The “Old Maid” Card

8.

**Unlimited \$ Billions of power plant
“Shutdown Liability” Costs**

**The card First E wants to pass
on to the public via HB No. 6**

The “Old Maid” Card

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Unlimited \$ Billions of power plant
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The card First E wants to pass
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Is First E Short of CASH . . . needs “corporate welfare” from Ohioans ? 9.

First E is now a complete and total monopoly, since FES has been discarded

By definition they will continue to make money, they have no competition

Equity investors in First E (primarily institutions. . . or Wall St.) are rewarded each quarter with CASH dividends

The following page has a chart to illustrate this point

First E is now on a pace to hand out over \$ 700,000,000 per year in CASH to its stockholders

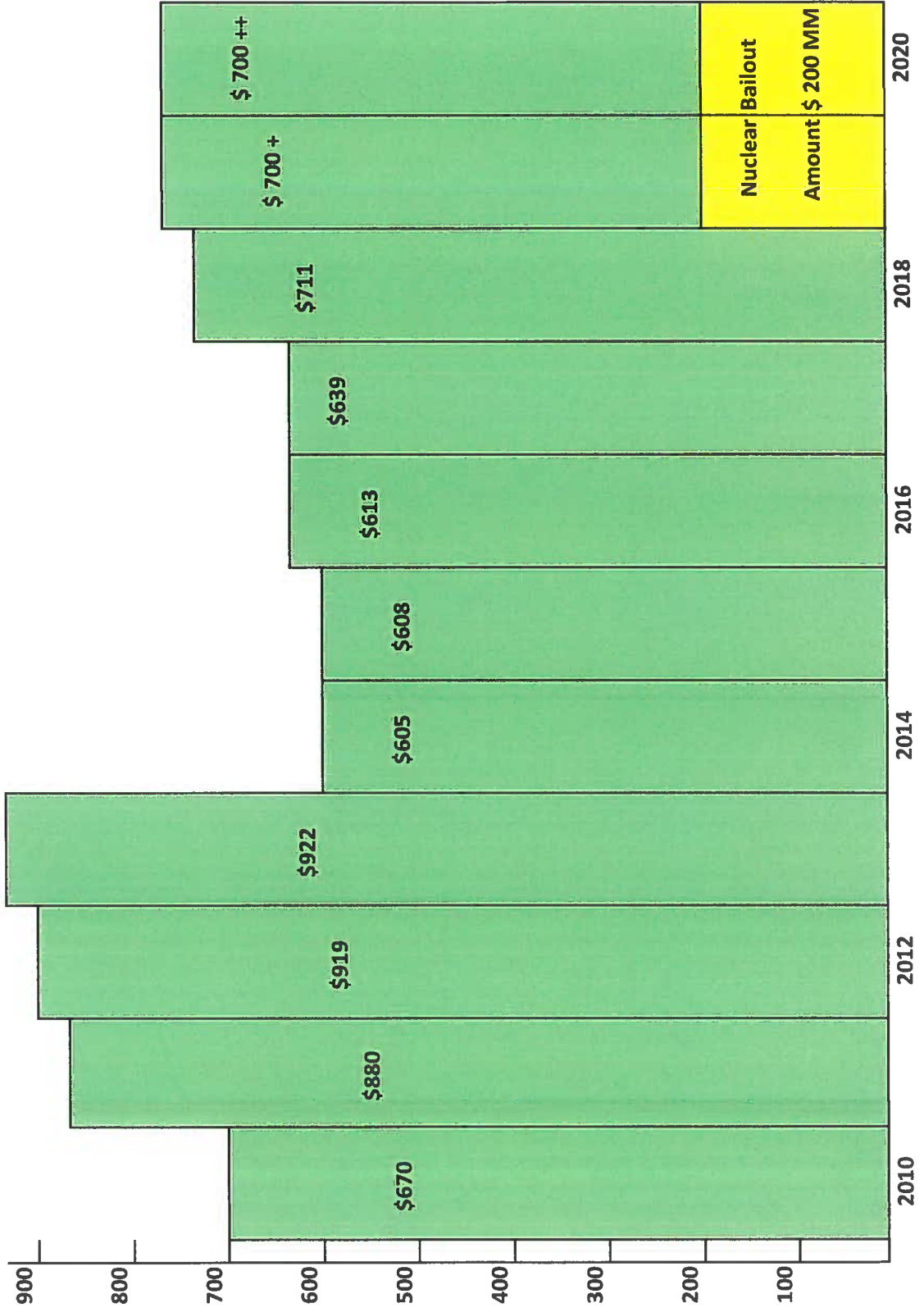
At the same time they seek (thru HB No. 6) \$ 200 mm per year from the public to bail them out of their “Shutdown Liability” as directed by Judge Koschik.

The logic within First E is simple : “Why should we hold the “Old Maid” card when we can fool the Legislature into handing the “Old Maid” card to the public.”

Now we all can see why First E is spending countless \$ millions on : lobbyists, calls, mailers, radio ads, TV ads and political bullying to promote passing the “Old Maid” card to the public

A few \$ million now is more beneficial than making future payments of \$\$ Billions

CASH Dividends First Energy Hands Out Yearly to Investors (Wall St. Institutions)
 vs. H B 6 Nuclear Bailout CASH Demanded
 (\$ Millions)



Ground Rules for 3rd Round of First E's "Old Maid" Game 11.

Follow Judge Koschik's ruling of April 11th (Exh. C; pg 22)

The "Old Maid" Card remains rightfully with First E

This "Clean Air" bill can not be justified since \$100 + million/year is going to prop up dirty 64-yr old coal plants that FES has already said are 100% too expensive

HB No. 6 should be **REJECTED** in total

It is not intellectually honest or morally correct for the Senate to be an agent of First E by handing the "Old Maid" card to unsuspecting Ohioans

Simple Way to Test the Validity of the “Old Maid” Game Plan 12.

Senate would offer all utilities to accept the current terms of HB No. 6, and **add one** condition :

For **each dollar paid** to a utility co. under HB No. 6 have it be **repaid** starting within 3-4 years, at an interest rate below their weighted cost of capital (a financial bonus to the utilities)

If Ohio’s utilities are seeking financing assistance via HB No. 6 they’ll accept this offer

If Ohio’s utilities are seeking corporate welfare payments or a “**Bailout**” they will quickly reject such an offer

Any money (including if just for nuclear re-fueling) going to utilities under HB No. 6 has to have a **re-payment** provision

The **fraudulent** utility **motives** behind HB No. 6 will surface immediately when such a Senate **compromise** condition is suggested , and then rejected by the utilities !

Who gets hurt under HB No. 6; a highly REGRESSIVE TAX ? 13.

A \$ 300 million/yr **Bailout** equates to an added 4.5 cents/gal gas tax

The Legislature already recognized that 18 cents was too high and 10+ cents was a struggle to pass

HB No. 6 adds another 4.5 cents/gal on top of the 10 cents/gal

Who gets hurt by HB No. 6 ?

- Retirees
- Disabled individuals w/o full working capability
- Low-income individuals
- Students
- Families now on government assistance
- Those on fixed income

Utility CEO's at \$ 10 million/year income certainly don't have a concern for the above

What are the Realistic Choices today ?

14.

Option A

Approve HB No. 6

- \$ 200 million/yr public **BAILOUT** of 2 Bankrupt Ohio Nuclear Plants
- \$ 100 million/year **BAILOUT** of 2 dirty 64-yr old coal plants in OH & IN
- Play along with obvious "Pay to Play" scheme with utilities
- Over 10 years a \$ 3 Billion payment by the unsuspecting public

What you get with HB No. 6

- 3,000 MW of electricity generation capability
- Three (3) old OH power plants (1 in IN) that are artificially propped up via bailout
- Stymie the construction of 3,000 MW of new clean, efficient and low-cost gas-fired generation
- Continued high cost electricity

Option B

Reject HB No. 6

- Results in \$ 3 Billion of newly constructed gas-fired plants in Ohio (like [Columbiana Co.](#))
- 3,000 immediate new union construction jobs over a 3 year building period
- 100's on new full time jobs to run and maintain three (3) new gas-fired plants
- \$ 78 Billion of new positive Ohio economic benefits from these 3 new plants, over their lives

What you get without HB No. 6

- 3,000 MW of electricity generation capacity
- Three (3) new modern gas-fired plants in OH
- Decommissioning of old un-economical coal/nukes
- **Lower-cost electricity** for all Ohioans (see [Exh. D](#); [pg. 23](#))

Added Detrimental Effects of HB No. 6 on Ohio

15.

Not only is HB No. 6 and unwarranted and unnecessary **Bailout Tax**

HB No. 6 also has other major detrimental impacts on Ohio :

- Destabilizes an otherwise free and open Ohio power generation market that was established in 2000 and has attracted nearly \$6 Billion in new gas plant investments (see Exh. E; pg. 24)
- Erodes the confidence that equity investors and debt lenders will have in Ohio as a free and open marketplace, thus thwarting future private investment
- Artificially subsidizing Davis Besse, Perry and OVEC coal negates an opportunity to build 3-new modern gas-fired plants in Ohio
- Three new gas-fired plants would bring : \$ 3 Billion in new investment, 3,000 new union construction jobs, 100's of new full-time jobs and a positive economic "ripple effect " in Ohio of \$ 78 Billion
- Encourages FE, AEP, DP&L and Duke-OH to further manipulate the Legislature and promote new laws to take Ohio back to the "Dark Ages" via re-regulation of the electricity generation business (that each utility has already failed at)

First E's stated needs for a **Bailout are Baseless and Pretextual 16.**

First E's basis (below) for a **Bailout is simply to disguise the real issue :
placing the "Old Maid" card with the public :**

- **Job preservation/subsidy**
- **Green House Gas improvement**
- **Prevent increased electricity prices in Ohio (see Exh. D; pg 23)**
- **Electric grid reliability**
- **Diversity of generation**

Clean Energy Future's Credentials to provide Testimony

17.

- 39 years developing, financing, and building non-utility electricity generation plants
 - W. Siderewicz background:
 - M.S. Engineering – Cornell University
 - MBA Finance – Northeastern University
 - B.S. Engineering – Merrimack College (cum laude)
 - Registered Professional Engineer (P.E.)
- Five (5) large-scale gas-fired plants in Ohio
 - \$4.5 Billion of private investment
 - 5,000 union construction jobs over 34 months
 - \$125 Billion of economic benefit to Ohio
 - No State/ Federal funds or subsidies
 - Clean Energy Future
 - Founder and President

Opponents to HB No. 6 are NOT Going Away !!

18.

If the Senate should be complicit with the House on HB No. 6, there will be a Round 2 of action

Why because HB No. 6 is a vivid and transparent “**Pay to Play**” Scheme orchestrated solely by Ohio’s electric utilities

If the Legislature doesn’t have the will to protect those who can least afford a **Bailout**, the non-utility community certainly will

Current polling data to answer the Q : “ Do you support an involuntary increase in your electric bill for a \$ 300 million/yr **Bailout** of Ohio’s \$ Billion electric utilities ?” is in

Opponents to HB No. 6 believe that a **2020 Referendum Vote** by the people will yield an overwhelming crushing defeat of HB No. 6, and more importantly of its supporters

A **BAILOUT** bill with strong Republican roots having an overwhelming defeat at the polls, in a Presidential election year, will no doubt have far reaching implications

The same **Referendum** effort will include a request for the **FBI** and/or **Justice Dept.** to explore the HB No. 6 process, since it’s only supporters seem to be payees and those who have been subjected to unprecedented “political arm twisting”

WARNING !!!

19.

1. HB No. 6 is Step 1, in a multi-step plan, by Ohio's monopoly electric utilities to purposely **DESTROY** Ohio's free market system for electricity generation (that they have collectively failed in) to the detriment of every single small business and individual, and thus the economic competitiveness of Ohio itself !!
2. OSU's Prof. Ned Hill, PhD (John Glenn Prof. of Public Affairs : Economics/Engr. : Univ. of Penn.; Univ. of Chicago and MIT) has testified here for at least the last 5 years of this very motivation by Ohio's utilities.
3. That day is here now in the form of HB No. 6

Exhibit A

20.

First Energy Corp : Net Income (\$ Million/year)

Year	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Monopoly Distribution Business	522	488	540	501	465	588	651	916	1,242
Monopoly Transmission Business	<u>85</u>	<u>194</u>	<u>226</u>	<u>214</u>	<u>223</u>	<u>328</u>	<u>331</u>	<u>336</u>	<u>397</u>
Total Monopoly	607	682	766	715	688	916	982	1252	1639
Free Market Generation Business	210	377	215	218	331	89	6,919	2,641	Chap. 11

First Energy Solutions (FES)

Notes : All data from First Energy Annual Reports
 First Energy Solutions : Chap. 11 3-31-2018

Exhibit B

21.



76 South Main Street
Akron, Ohio 44308

Charles E. Jones
President and CEO

330-761-7775

February 11, 2019

The Honorable Senator Kenny Yuko
Statehouse Rm. 303
Columbus OH 43215

Dear Minority Leader Yuko,

In 2018, Akron-based FirstEnergy Corp. reached a milestone in its previously announced strategy to exit from its competitive generating business – FirstEnergy Solutions (FES) – and become a premier, fully regulated utility company.

As our company completes this transition, I understand that there may be some confusion regarding the relationship between FirstEnergy Corp. and FES. I want to ensure that Ohio legislators, policymakers and others understand FirstEnergy Corp. and FES are now separate businesses operating independently from each another.

FirstEnergy Corp. yielded any remaining control rights in FES on March 31, 2018, when FES voluntarily filed for bankruptcy. All decision-making, operational and financial control of FES is vested in an independent board of directors separate from FirstEnergy Corp. and subject to the jurisdiction of the bankruptcy court.

On September 25, 2018, the bankruptcy court approved a definitive settlement between FirstEnergy, FES and key creditors. As such, FES's current and future financial performance does not impact FirstEnergy Corp. or its subsidiaries. In addition, the settlement does not require any ongoing financial support to FES from FirstEnergy Corp., or from any of its subsidiaries. Conversely, the settlement requires no support to FirstEnergy Corp. and its subsidiaries from FES.

Recognizing that the names of FirstEnergy Corp. and FirstEnergy Solutions are similar merely due to their shared history, once FES completes its bankruptcy proceedings – and assuming it continues to operate thereafter – it will work to establish a non-FirstEnergy brand name.

As FirstEnergy Corp. moves forward as a fully regulated utility company and turns its attention to other legislative priorities, the fact remains that sustaining Ohio's nuclear plants is vital to consumers, communities and the environment. Keep in mind that we would not financially benefit from any legislation supporting FES-owned nuclear facilities.

Thank you for your continued interest in FirstEnergy Corp.

Sincerely,

Charles E. Jones

Exhibit C

22.

This document was signed electronically on April 11, 2019, which may be different from its entry on the record.

IT IS SO ORDERED.

Dated: April 11, 2019



ALAN M. KOSCHIK
U.S. Bankruptcy Judge

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION**

In re)
FIRSTENERGY SOLUTIONS CORP., *et al.*,) Case No. 18-50757 (Jointly Administered)
Debtors.) Chapter 11
)
) Judge Alan M. Koschik

**ORDER DENYING
MOTION TO APPROVE DISCLOSURE STATEMENT**

On February 11, 2019, debtors FirstEnergy Solutions Corp. and its jointly administered debtors and debtors-in-possession (collectively, the “Debtors”), filed their Motion for Order (I) Approving Disclosure Statement, (II) Establishing Procedures for Solicitation and Tabulation of Votes to Accept or Reject the Debtors’ Joint Chapter 11 Plan, (III) Approving the Form of Ballots, (IV) Scheduling a Hearing on Confirmation of the Plan, (V) Approving Procedures for Notice of the Confirmation Hearing and Filing Objections to Confirmation of the Plan, and (VI) Granting Related Relief (Docket No. 2121) (the “Motion”). The Motion sought, *inter alia*, approval of the disclosure statement (Docket No. 2119, as most recently amended at Docket No.

2431) (the “Disclosure Statement”) for the Debtor’s joint plan of reorganization (Docket No. 2120, as most recently amended at Docket No. 2430) (the “Plan”).

The Court held the first day of hearings on the Motion on March 19, 2019. Following that hearing, on March 21, 2019, the Court entered a scheduling order (Docket No. 2356) (the “Scheduling Order”) allowing parties to file supplemental briefs on the central legal issue raised in most of the eleven responses to the Motion—the legality of the proposed nonconsensual third-party releases that the Plan would impose. The Scheduling Order provided that the second day of oral argument on the Motion would be

specifically on the issue of whether the Releases can be shown to render the Plan legally infirm on its face and thus patently unconfirmable—that the Debtors could prove no set of facts at a future confirmation hearing that would allow the Court to confirm a Plan containing such Releases. The Court will not take evidence at the April 2, 2019 oral argument. If the need for an evidentiary record is shown, that would demonstrate that the Debtors have at least the possibility of satisfying the Sixth Circuit’s tests for non-consensual third-party releases and injunctions, or other applicable law, and the Court would then defer such issues to a confirmation hearing.

(Docket No. 2356 at 3.) The parties collectively filed a total of eighteen supplemental briefs, joinders, and replies pursuant to that Scheduling Order.

Pursuant to the Scheduling Order, the Court held the final hearing on the Motion on April 2, 2019. The hearing lasted until after the close of regular business hours. The Court took the matter under advisement and convened a further hearing on April 4, 2019, at which time the Court intended to announce its oral decision. At the April 4, 2019 hearing, the Court did announce its findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure and Rule 7052 of the Federal Rules of Bankruptcy Procedure. Those findings and conclusions are incorporated into this Order. The Court also entertained post-decision motions on April 4, 2019, noting that it intended to issue a written decision to supplement its oral one and that such opinion could be considered additional findings under Rule 7052 and thus

subject to Rule 8002(b)(1)(A) of the Federal Rules of Bankruptcy Procedure, but only on the motion of a party. At that time, the parties asked for additional time to consider whether to make such post-decision motions.

At the regularly scheduled omnibus hearing in this case on April 9, 2019, the Debtors made an oral motion pursuant to Bankruptcy Rule 8002(b)(1)(A) for the Court to make additional findings under Bankruptcy Rule 7052. No party opposed that motion and the Court granted it.

Based on the foregoing,

IT IS HEREBY ORDERED THAT:

1. Due to the breadth and ambiguity of the nonconsensual third-party releases proposed in Section VIII.E. of the Plan, the Court concludes that the Plan is patently unconfirmable under 11 U.S.C. § 1123(b)(6), as that provision is applied in the Sixth Circuit pursuant to *Class Five Nev. Claimants, et al. v. Dow Corning Corp. (In re Dow Corning Corp.)*, 280 F.3d 648 (6th Cir. 2002). Any solicitation of such Plan would be futile. Therefore, the Motion (Docket No. 2121) is **DENIED**.

2. The Court will enter a written opinion more fully setting forth the reasoning of its decision and its findings and conclusions pursuant to Federal Rule of Bankruptcy Procedure 7052. On oral motion made and granted at the omnibus hearing on April 9, 2019, pursuant to Federal Rule of Bankruptcy Procedure 8002(b)(1)(A), the time for filing a notice of appeal shall run from the date of the Court's written opinion. Pursuant to Federal Rule of Bankruptcy Procedure 8002(b)(2), any notice of appeal filed before the Court enters its written findings and conclusions pursuant to Rule 7052 shall become effective when the Court enters its written opinion.

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Exhibit D

23.

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6 Jun, 2019

PJM analysis shows significant market savings if nukes retire, replaced with gas



Author **Darren Sweeney**

Theme **Energy**

Wholesale energy market prices would decrease significantly if nuclear plants in Ohio and Pennsylvania are shut down as expected and replaced with natural gas, PJM Interconnection said in a June 5 analysis.

"Modeling the base case, considering retirements and new entry, shows that wholesale energy market net-load payments would decrease by \$1.6 billion across the PJM region compared to today's system due to the significant entry of new, efficient resources," PJM wrote in its analysis.

If the deactivations of the majority of the nukes in Pennsylvania and Ohio are withdrawn, however, and the anticipated new generation still enters the market, PJM forecasts an additional \$474 million reduction in annual costs

over the base case for the entire PJM region. "This reduction in customer payments, however, is not netted against the cost of a potential subsidy to consumers in a particular state."

The base case simulates market results for the year 2023. It reflects the permanent shut downs of the 1,872-MW Beaver Valley nuclear plant in Pennsylvania, and the 908-MW Davis-Besse and 1,268-MW Perry nuclear plants in Ohio, all owned by FirstEnergy Solutions Corp., or FES.

All of PJM's scenarios forecast the planned retirement of Exelon Corp. subsidiary Exelon Generation Co. LLC's 829-MW Three Mile Island nuclear unit in September.

PJM studied the cost and emissions impacts of the planned retirements at the requests of the Pennsylvania Public Utility Commission and the Office of the Ohio Consumers' Counsel. The requests were made as lawmakers in Ohio and Pennsylvania consider legislation to provide financial support for nuclear plants.

Asim Haque, executive director for strategic policy and external affairs at PJM, presented the findings on June 5 to the Ohio Senate Energy and Public Utilities Committee. The committee is weighing whether to send House Bill 6, which provides credits of \$9 per MWh to the state's nuclear plants and other clean air resources, to the full Senate.

"Assuming that all remains status quo today with expected new gas units coming online and all FirstEnergy Solutions nuclear units retiring, the wholesale energy market will produce \$1.6 billion in annual savings by 2023," Haque testified.

If the planned retirements of the Davis-Besse and Perry nuclear plants are withdrawn and the gas units still enter the market, PJM forecasts "prices will be driven even lower, saving Ohioans an additional \$95 million in the year 2023."

"This decrease, however, does not factor in any subsidy payments that the nuclear units would receive," said Haque, the former chairman of the Public Utilities Commission of Ohio.

A third scenario where the Ohio nuclear plants are not retired and only half of the planned gas units enter the market shows "Ohioans would save [\$16 million] less than the base case ... in the year 2023," Haque said. This model also does not factor in subsidy payments.

"The PJM report shows the continued operation of the Davis-Besse and Perry plants provides additional savings to the consumers of Ohio than if the units are retired," FES said in a written statement.

The bankrupt power provider said the analysis also shows Ohio will also benefit from reducing carbon dioxide emissions by 2.3 million tons. The power plants also support more than 4,300 jobs, pay \$30 million in state and local taxes and provide 90% of Ohio's zero-emissions energy, while helping to maintain a diverse energy portfolio, FES said.

The PJM analysis also shows an additional \$210 million decrease in load payments for the PJM region if the Beaver Valley units are retained and all anticipated new generation enters the market as expected. These savings break down to \$45 million for Pennsylvania and \$62 million for Ohio.

PJM said it focused on wholesale energy market impacts rather than impacts on retail electric prices given the limited time to produce its analysis. "However, it is reasonable to assume that retail price impacts would follow in the same direction as wholesale market impacts," PJM wrote in its analysis.

The grid operator has said it sees no reliability impact from the planned closures of the Davis-Besse, Perry and Beaver Valley nukes.

PJM noted that "it can reasonably be expected that imposing additional out-of-market subsidies to retain generation that would otherwise retire would have a chilling effect on new investment in the longer term."

Exhibit E

24.

**Private Investment in Ohio Nearly \$ 6 Billion
Modern Low-cost Gas-fired Plants**

<u>E&PU Committee Senator</u>	<u>Senate District</u>	<u>Nearby Gas Plant</u>	<u>Size (MW)</u>	<u>Initial Cost (\$ Million)</u>	<u>Plant Location County</u>
Wilson	7	Middletown Energy Center	475	\$600	Butler/Warren
McColley	1	Oregon Clean Energy Center	950	\$900	Lucas
Williams	21	Lordstown Energy Center	940	\$900	Trumbull
Burke	26	Fremont Energy Center	715	\$700	Sandusky
Dolan	24	Oregon Clean Energy Center	950		Lucas
Ekland	18	Lordstown Energy Center	940		Trumbull
Hoagland	30	Carroll County Energy	700	\$900	Carroll
O'Brien	32	Lordstown Energy Center	940		Trumbull
Ralli	33	South Field Energy	<u>1,180</u>	<u>1,300</u>	Columbiana
Total of Six (6) Modern Projects			4,960	\$5,300	

Note : These 6 plants equal the output of 5.5 - Davis-Besse Nuclear plants !!!