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Testimony for Ohio House Bill 6 Before the Ohio Senate Energy and Public Utilities Committee 9:30 a.m., June 18, 2019

TO: Chairman Steve Wilson and members of the Ohio Senate Energy and Public Utilities Committee.

I thank you for the opportunity to provide written testimony on House Bill 6.

Domtar is a leading provider of a wide variety of fiber-based products including business, specialty and packaging papers, market pulp and absorbent hygiene products. With approximately 10,000 employees serving more than 50 countries around the world, Domtar is driven by a commitment to turn sustainable wood fiber into useful products that people rely on every day.

Our Ohio manufacturing facilities are Delaware and Washington Court House where 275 employees produce those products.

Domtar opposes HB 6 because it creates continued uncertainty in the deregulated energy markets. Market-based pricing for electric supply and renewable energy is a fair way to deliver a good value to the energy users in Ohio. However, market volatility created by discontinuance or changes to the Renewable Portfolio Standard (RPS) program only disrupts these markets and generally only favor market speculators and large financial houses rather than the natural buyers and sellers of energy.

The rules that created the Ohio RPS along with other state programs are working as intended by bringing the cost of new renewable energy down closer to the cost of fossil-based generation inspiring real, business-based, decisions to choose renewables over new fossil fuels.

Domtar has always been a proponent and benefactor of renewable energy. We began developing renewable energy programs in our facilities more than a century ago and in some cases before others even looked at its benefits. As part of our commitment to sustainability, we continue to look at renewable resources.

With an average asset life of 30 years, the drivers for business decisions cannot be rewritten every two to four years without some much large financial costs to end-users. Please continue to stick with the set of rules that were advanced in prior legislative sessions. With changes and uncertainty, consumers are the ones hurt most.

Chairman Wilson, our request is simple – please leave this program alone and it is working exactly as it was first intended.

Thank you for the opportunity to provide our thoughts.

Sincerely,

Craig Timm

Manager, Regional Public Affairs