

**Ohio Senate
Energy and Public Utilities Committee
Opponent Testimony
Substitute House Bill 6**

**Leo Almeida, The Nature Conservancy in Ohio
June 19, 2019**

Chairman Wilson, Vice-chair McColley, Ranking Member Williams, and members of the Senate Energy and Public Utilities Committee, thank you for the opportunity to provide testimony as an opponent to Substitute House Bill 6. I am Leo Almeida and I am a climate and energy policy associate at The Nature Conservancy.

The Nature Conservancy is a non-partisan, science-based organization that seeks to conserve the lands and waters on which all life depends. We have chapters in all 50 states and work in over 70 countries across the globe. We work collaboratively with businesses, farmers, sportsmen groups, government and local communities to develop pragmatic, market-based solutions to conservation challenges, including air pollution. More than 65,000 Ohioans are Nature Conservancy supporters.

The Nature Conservancy commends the General Assembly for recognizing the importance of a lower carbon future and their desire to see Ohio make a positive contribution to this goal. Unfortunately, the House has passed legislation that does not apply all the state's tools to help us reach this goal. Substitute House Bill 6 does not allow sources of clean air and lower carbon emitters to equally receive benefits and continue to flourish successfully in Ohio. This bill provides financial certainty in a time of market distress to the nuclear and coal energy sectors. We know that subsidizing aging coal plants will not improve our air quality and funding to prop up uneconomic sources of energy is not sustainable due to the lowering costs of other types of energy. While we were glad to see a provision added to this bill in the House to allow some solar projects to qualify for the Clean Air Program, we believe all renewable energy sources should have equal opportunities to receive resources under this program. Furthermore, we are concerned with a provision added by the House that will make it even more difficult for wind farms to be sited in Ohio by subjecting wind projects approved by the Ohio Power Siting Board to be overturned by local control. This body, has in the past, overruled other local control measures that threatened the expansion of other energy sources such as the siting and construction of pipelines and oil and gas units within communities. Instead of making it more difficult to site wind turbines, we should have a legislative fix to the restrictive wind setback regulations that have been in effect since 2014, allow our wind options to flourish as we have oil and gas, and remove a law that has effectively acted as a moratorium on new wind projects in Ohio.

This bill advanced in the House with a repeal of the state's energy efficiency and renewable portfolio standards. Gutting these standards moves Ohio in the wrong direction at a time when other states, such as Illinois and Michigan, have either raised or are exploring increases to their standards to drive clean energy and economic growth. Proponents of repealing the standards

indicated we haven't seen the growth they anticipated, and the standards didn't achieve the kind of return on investment envisioned when they were put in place. We disagree with that for 2 reasons: 1) Prohibitive wind power requirements and 2) Economic impacts of the clean energy industry. Due to the wind turbine setback restriction there have not been any new wind projects sited since 2014 – only those already in the planning stage prior to this new regulation have moved forward. We have lost industries that want to be powered by renewable energy sources, construction and maintenance jobs and power generation to neighboring states. According to the 2018 Clean Jobs Midwest Report released on April 9, 2019, "The clean energy industry in Ohio is a major employer with more than 112,486 jobs. In 2018, Ohio clean energy businesses added 4,975 jobs." Specifically, the energy efficiency standard has saved ratepayers \$5.1 billion since the inception of the standards according to the utilities' annual PUCO reports. If this bill becomes law, the elimination of the savings from the current energy efficiency standard combined with the new cost of the Clean Air Program will cost Ohioans \$234 million per year. On average, that is an increase of \$4.61 per family on their monthly utility bill.

The standards encouraged business investments and should have provided certainty to businesses seeking to locate or stay and expand in Ohio. Instead, we froze the standards just five years after putting them in place and released a report that didn't provide clear direction on what Ohio should do. Now, the standards are back but we are again debating if they should continue. These actions are not sending a clear message to investors and business owners. In 2017, TNC released the *Clean and Green* report which profiled 16 very diverse small to large businesses across Ohio as they introduced and integrated renewable energy and energy efficiency to their operations. They may believe that investment in clean energy is the right thing to do for the environment, but make no mistake, they were clear to us that they were looking out for their bottom line, seeing market trends, responding to consumer demand and making smart decisions to maximize profits.

In July 2017, The Nature Conservancy commissioned a poll conducted by Public Opinion Strategies, on the attitudes of registered voters in Ohio toward clean energy. The poll results were very telling – a vast majority of Ohio voters support clean energy policies and nearly nine out of ten would tell an elected official to support policies that encourage greater use of all types of renewable energy and energy efficiency in Ohio. In fact, 42% want to see less emphasis on nuclear power, 79% support Ohio reaching the 12.5% Renewable Portfolio Standard in its current form, and 86% support a more reasonable setback limit for wind turbines.

Ohio is long overdue for a comprehensive energy policy that reflects the desire of Ohio voters to have more emphasis on all types of renewable energy and energy efficiency. We realize nuclear power can provide benefits as a source of energy while the correct policies and incentives to encourage further growth in the renewable sector are implemented, but Substitute HB 6 does not encourage further growth, nor does it equally benefit all sources of lower carbon energy. A comprehensive energy plan is a complex issue that deserves careful consideration. We urge the General Assembly to continue to work on a comprehensive energy bill and not pass Substitute House Bill 6, that while rightly proposing a lower carbon future for Ohio does not respond to current and future demand for a forward-thinking energy portfolio. This may seem daunting, but we have no doubt Ohio's policymakers, businesses and manufacturers, municipalities,



environmental and conservation groups, consumer advocacy agencies and all the others that have been a part of the process can come together to craft an approach that will better respond to what Ohioans want and need. We offer our organization's help to the General Assembly to create an inclusive approach that reinforces lower carbon goals, encourages the economic benefits of clean energy, incentivizes new technology to address current challenges related to energy storage, remove impediments to growth, and sends a clear message that Ohio is open for business.

Thank you again for the opportunity to provide testimony as an opponent to Substitute House Bill 6. I am happy to address any questions you might have.

Leo Almeida
Policy Associate
The Nature Conservancy in Ohio
6375 Riverside Drive, Suite 100
Dublin, OH 43017
Phone: 614-717-2770
Email: Leonardo.Almeida@tnc.org