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Enel X North America is leading the transformation of the energy sector through harnessing the flexibility of energy storage, load curtailment, electric vehicles, and distributed generation. Enel X in North America has approximately 3,400 business customers, spanning more than 10,400 sites, representing more than 4.6 GW of demand response capacity and over 20 behind-the-meter storage projects. Enel X currently provides Day-Ahead and Real-Time Energy as a demand response provider in a major ISO Market.

In Ohio, Enel X (formerly EnerNOC) **partners with approximately 800 commercial, institutional, and industrial customers, serving them in the PJM demand response program.** The participation of these 800 customers benefits Ohio in several ways:

- It is far more capital efficient to pay end users to reduce their energy consumption for a few hours a year than it is to build or maintain a power plant for those few hours; the PJM Internal Market Monitor estimates that **demand response is saving customers across PJM \$3.2 billion in 2018-19, which averages to \$128/household savings in Ohio** this year on energy bills
- Enel X **passes on the majority of the payment it receives from PJM to these end use customers, which results in tens of millions of dollars per year in payments to Ohio manufactures and businesses** that they can reinvest in their companies or local institutions including school districts. Energy is often one of the highest expenses for these organizations, and keeping energy dollars in state allows them to be more competitive in the global environment

While Enel X does not take a formal position for or against subsidies for coal and nuclear units at this time, the **implementation of subsidies will undoubtedly impact the PJM market.** Depending on how the Federal Energy Regulatory Commission rules on an outstanding proposal from PJM, the subsidies could lead to a meaningful reduction in payments for the 2,300 Ohio end-use customers that are participating in PJM, eliminating further ratepayer savings and reducing customer participation.

Enel X notes that the House-passed version of HB 6 included language that requires the PUCO to file a report with the legislature regarding how Ohio should continue to participate in the PJM capacity market depending on actions taken by FERC.

- The language rightfully requires consideration of Ohio's manufacturing base in any such report, and out of similar caution for protecting Ohio's job creators, Enel X is pleased that this section of the legislation (**Section 4928.46 (B) (2)**) also requires to the PUCO to consider demand response.

Dozens of Ohio's largest job creators, universities, and school districts have requested their Senators include this language in Substitute House Bill 6, and given the benefits highlighted above and the participation of these 2,300 Ohio businesses, organizations, and public entities in PJM DR, **we respectfully urge that the Senate reinstate Section 4928.46 in any legislation that it advances.**

Thank you for your consideration.

Sincerely,

Greg Geller
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