

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

**Leo Almeida, The Nature Conservancy in Ohio
June 27, 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.

We truly appreciate the significant time and resources the committee has devoted to House Bill 6. We welcome some of the changes made in the substitute bill accepted by committee yesterday. I will quickly go over some remaining concerns with some of the language in the substitute bill and would ask that the committee consider making changes that will encourage growth in all clean energy sectors, protect and grow jobs throughout our state and move us forward to respond to consumer demand for diversified energy sources.

Retaining the energy efficiency standard was a very wise and cost-beneficial action for all Ohioans. However, the existing standard would be easier and simpler than the somewhat complex design outlined in the substitute bill. We have used it since 2009, utilities understand it, Ohioans are familiar with it and it has produced \$5.1 billion in savings for consumers. It is designed to reduce the amount of energy consumed and therefore reduce the amount of energy generated. Language in the substitute bill regarding banked savings will cause a decrease in the energy efficiency programs supported by the standard and will therefore result in less cost savings for consumers.

Similarly, we would prefer that the renewable energy standard also remain as it is currently in statute. Reducing the standard from 12.5% to 8.5% sends the wrong message to businesses and investors in clean energy development. Additionally, on line 1361 of the substitute bill, the words "and thereafter" have been removed, so while utilities must reach an 8.5% RPS by 2026, they have no requirements in subsequent years and could potentially go back to 0% starting in 2027. Given the strongly expressed desire by the committee to allow all energy sources to flourish we strongly recommend that the committee fix this language to require the utilities to continue achieving at least an 8.5% RPS every year after the annual benchmarks are achieved in 2026.



Thank you for removing the local referendum provision added in the House that would make it even more difficult to site wind projects already approved by the Ohio Power Siting Board in our state. If the goal is indeed to reduce carbon emissions from the energy sector and create a fair playing field for all sources of energy, this committee should add language to this bill to fix the restrictive wind setback regulations that have been in effect since 2014. Additionally, we are glad to see a provision to allow for supplemental renewable energy credits. Unfortunately, this provision of the bill does not benefit wind energy unless it is accompanied by a wind setback fix that will end this roadblock to the development of new wind projects in Ohio.

As we previously testified, 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. I will sum up some of the most telling responses – 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. Overwhelmingly, Ohioans (including an oversampling of southeastern Ohio residents) want to see more emphasis on energy efficiency, solar and wind power. And they in fact, strongly support Ohio reaching the 12.5% Renewable Portfolio Standard

While there have been some positive changes to the substitute version of this bill, it is not a comprehensive energy bill. Instead it is a compromise energy bill. This bill compromises successful policies that have supported renewable energy and energy efficiency to provide a legislative vehicle for a nuclear and coal bailout. The June 30th, 2019 deadline imposed by First Energy Solutions which has since been called into question and has undoubtedly rushed this process, has made it difficult, if not impossible to fully consider and develop a comprehensive energy plan which would include items such as grid modernization, electric vehicle infrastructure, net metering, and expanding distributed generation opportunities. We urge you to continue to work on a comprehensive energy plan and not rush to pass Substitute House Bill 6, that while rightly proposing a lower carbon future for Ohio does not harness all the potential we have as a state to be a leader in lower carbon energy sources and respond to current and future demand for a forward-thinking energy portfolio. 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.

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