



**Before the Senate Energy & Public Utilities Committee  
Interested Party Testimony on Senate Bill 346  
December 1st, 2020**

Chairman Wilson, Vice Chair McColley, Ranking Member Williams and members of the Senate Energy & Public Utilities Committee, my name is Stephanie Kromer and I am the Director of Energy and Environmental Policy for the Ohio Chamber of Commerce. Thank you for allowing me the opportunity to offer interested party testimony on Senate Bill 346, legislation that would repeal House Bill 6 and restore prior law.

The Ohio Chamber is the state's leading business advocate and we represent nearly 8,000 companies that do business in Ohio. Our mission is to aggressively champion free enterprise, economic competitiveness and growth for the benefit of all Ohioans.

While I'm here today to testify as an interested party on SB 346, my testimony really applies not only to SB 346, but also to HB 772, which this committee has already heard sponsor testimony on, as well as any other bills that seek to repeal HB 6, either completely or partially.

As I mentioned, the Ohio Chamber represents nearly 8,000 companies that do business in Ohio. We are a member-driven organization, and our members are diverse. Nowhere, perhaps, is that more evident than in the energy space.

We represent companies that extract the raw materials used in generating power, that actually generate power, be it nuclear, coal, natural gas, wind, or solar, that transmit and distribute power, that sell power, that consume power, and that manufacture products or provide services somewhere along the power supply chain. Their individual corporate interests occasionally align, but more often they do not.

As a result, it is unusual that Ohio Chamber members arrive at consensus on any specific approach to energy policy. However, our members have arrived at consensus on one thing: HB 6 should be repealed. Not because they all believe HB 6 is not responsible policy – underscoring

what I just said, it would be accurate to say that our members are divided on the value of the various components HB 6 – but, rather, because of the circumstances surrounding it that we’ve all subsequently become aware of.

As you know, the bill is at the heart of what has been called the largest corruption scandal in Ohio’s history. We recognize that some of those charged with crimes have pleaded not guilty, and that they deserve their day in court. However, Ohioans are losing trust in how things get done in government.

As Ohio Chamber President & CEO, Andy Doehrel, wrote in a recent op-ed that appeared in the *Columbus Dispatch*, “Perhaps now more than ever, espousing company values and taking formal oaths of office are coming across as more ceremonial than anything of actual substance. And that’s a bitter pill for anyone to swallow when we know it’s not the norm.”

We do know it’s not the norm. But, as Andy also wrote in this op-ed, the Ohio Chamber believes in “making Ohio a better place to do business and it requires leaders – whether in business or in government – to be held to the highest standards of integrity and ethical conduct.”

HB 6 falls short of that ideal. That’s why we urge its repeal.

Having said that, you may be wondering why I’m not here today testifying as a proponent of HB 6. The reason is because we don’t support an outright repeal that would simply return the Ohio Revised Code to where it was on October 21, 2019, the day before House Bill 6 went into effect. We instead ask that you only repeal HB 6 in tandem with comprehensive reforms to Ohio’s energy policy that both balances a diverse portfolio of energy sources and provides for reliable, affordable sources of energy.

For one thing, simply repealing HB 6 will likely lead to higher electricity bills for consumers, including businesses. That is why we would want to see a repeal of HB 6 that contemplates changes that don’t increase costs to ratepayers.

The Legislative Budget Office analysis of customer charges associated with HB 6 projected that, collectively, ratepayers will pay \$144.1 million less in 2021 than they would under prior law. It stands to reason, then, that if we simply return to prior law, ratepayers will experience an increase in their electric bills. As businesses – particularly small businesses – continue to grapple with the significant economic fallout caused by the coronavirus pandemic, passing a bill that would increase employer costs right now would, at best, be counterproductive.

Second, referring again to the *Dispatch* op-ed, our CEO also wrote that “there will always be a seat at the table for businesses that commit to Ohio and value integrity.”

Countless businesses, including many Ohio Chamber member companies, along with other interested parties, participated in the legislative process leading up to the enactment of HB 6. Most of these interested parties – and you as lawmakers – presumably did so in lawful way, acting with integrity in pursuit of their own objectives, and were unaware of the improprieties that were alleged to have taken place.

Fast forward, and it has now been more than 13 months since the bill went into effect. These same companies have made financial decisions, adapted technologies and systems, and taken other steps to implement and comply with the law with an expectation that it would remain the law. To now reverse course entirely would be unfair and potentially costly to businesses that worked on HB 6 in good faith and have subsequently relied on it to make decisions going forward.

When HB 6 was being considered by this committee last year, the Ohio Chamber testified an interested party. We did not actively support the bill, nor did we oppose it. However, we did advocate for several specific changes to the bill. I’d like to draw your attention to one, in particular, that made it into the law: the provision that gives mercantile customers the ability to opt out of an electric distribution utility’s energy efficiency portfolio plan. That’s a change the Ohio Chamber had long sought as the legislature contemplated reforms to Ohio’s renewable and energy efficiency mandates over the previous several years, so we were pleased to see it included in HB 6. A complete repeal of HB 6 would reinstate the energy efficiency mandate but without this opt-out provision.

In conclusion, we believe the General Assembly should take a holistic approach when it comes to HB 6 repeal. If HB 6 is going to be repealed, we urge it be done in tandem with comprehensive reforms to Ohio’s energy policy that both balances a diverse portfolio of energy sources and technologies and provides for reliable, affordable sources of energy. This would also entail revisiting the numerous other energy policy choices contained in the bill which, as you know, extend well beyond just the payments for in-state nuclear generation.

Thank you for the opportunity to provide testimony today, and I will be happy to answer any questions from the committee.

Sincerely,  
Stephanie Kromer