



THE VOICE OF OHIO'S HIGH-TECH CHEMISTRY COMMUNITY...
MAKING A BETTER WORLD FOR ALL OHIOANS.

JENN KLEIN, PRESIDENT

Board of Directors

Chair – Rich Rogers
Covestro

Vice Chair – Seth Tomasch
Gabriel Performance Products

Treasurer – Karleen James
Dover Chemical

Past Chair – David Hurder
McGean

John Ambrozy
Kraton Polymers
Chuck Almroth
Jones-Hamilton Company
Ken Armstrong
RPM International
James Bull

Capital Resin Corporation
Joseph Bush
Solvay

Fernando Carvalho
Ashland
Mike Groh

Emery Oleochemicals
Steel Hutchinson
GFS Chemicals
Daniel Isaacson

The Lubrizol Corporation
Richard Jackson
ASHTA Chemicals

Jonathan Kammerer
Mark McIntyre
INEOS Nitriles

Americas Styrenics
Matthew O'Connor

Zaclon LLC
Rob Paxton

Shepherd Chemical Company
Heather Rutz

Husky Lima Refinery
Chris Shaul
DuPont

Terry Snell
BASF

Hadley Stamm
PPG

Tom Steib
The Elco Corporation

February 2, 2021

Ohio Chemistry Technology Council Written Testimony In Support of Senate Bill 10

Chairman Peterson, Vice Chairman Schuring, Ranking Member Williams and members of the Senate Energy and Public Utilities Committee, my name is Andy Swaim. I am the Director of Government and External Affairs for the Ohio Chemistry Technology Council (OCTC). Thank you for the opportunity to testify in support of Senate Bill 10 (SB 10).

OCTC is the leading advocate for Ohio's chemistry industry, which is the third largest manufacturing sector in the state. Ohio is also the third largest chemical manufacturing state in the United States. In Ohio, the chemistry technology industry employs nearly 40,000 people, pays an average wage of over \$85,000, and ships more than \$5.6 billion in products worldwide annually.

The OCTC represents manufacturers that require access to affordable, reliable energy to remain competitive in the marketplace. OCTC opposed legislation last General Assembly (GA) that we believe unfairly picks winners and losers in Ohio's competitive energy generation market and benefits specific electric distribution utilities (EDUs) in the process.

OCTC supports SB 10 because it represents a positive first step in the effort to unravel the damaging policies passed in the 133rd General Assembly. Firstly, SB 10 would repeal the decoupling mechanism as passed in House Bill 6 from last GA. This decoupling was clearly written to benefit one EDU in particular and was biased by using 2018, which was an extraordinarily high energy use period, as the reference for cost recovery through the mechanism.

Secondly, SB 10 repeal the language from last year's operating budget bill that permitted an EDU to pool the total earned return on common equity of its three Ohio EDUs for purposes of applying it to the Significantly Excessive Earnings Test (SEET). OCTC supports both of these changes as helps to begin the rebalancing of the state's energy policies, such that utilities are not generating unearned revenues on the backs of consumers.

OCTC urges passage of Senate Bill 10, and we look forward to being a part of the ongoing discussions regarding the overall energy policy in Ohio moving forward. Thank you for the opportunity to submit written testimony today.