

SENATE ENERGY & PUBLIC UTILITIES COMMITTEE – Proponent Testimony, Senate Bill 118, September 14th, 2021

Chairman McColley, Vice Chair Schuring, Ranking Member Williams, and members of the committee, thank you for holding this hearing and for the opportunity to provide testimony in support of SB 118, the repeal of legacy generation resource provisions of HB 6, which would repeal \$20 million per year solar facility subsidies that Ohioans are currently being charged to cover. My name is Jeff Dillon, and I am the Ohio Legislative Director for Americans for Prosperity (AFP). As one of the largest grassroots organizations in the country, AFP is driving long-term solutions to some of the country's biggest problems. Our organization, and its thousands of activists across Ohio are dedicated to breaking barriers that stand in the way of people realizing their full potential. Removing these barriers, in whatever forms they take, helps move our society toward one of mutual benefit, where people succeed by helping others improve their lives and by transforming their communities.

AFP activists support SB 118 because it repeals cronyist subsidies, that do not reflect the interest of consumers. Ohioans deserve better, and the embarrassing experience of HB 6 shows that consumers have been left out. The Ohio General Assembly needs to do much more to create real competition and avoid top-down political preferences with respect to energy generation. SB 118 is an important step in restoring trust in how the legislature and the PUCO oversee electricity and could set the stage for more aggressive reforms to create truly competitive markets, eliminate barriers to market entry, ensure a regulatory framework that achieves reliability and efficiency in a fuel- and technology-neutral manner, and remove perverse, anti-consumer monopoly utility incentives.

HB 6 was bad policy, adopted through a rotten process. Throughout the debacle of its enactment, and all subsequent events, AFP has been consistent in our opposition to all varieties of subsidies. The people of Ohio should not bear the cost of subsidizing solar projects that pick winners and losers, thus constraining choice and replacing consumer preferences with politically preferred technology for a select few companies. For years, Ohio consumers have been ignored when it comes to major legislative and regulatory energy market changes. These top-down policies are contrary to consumer choice and exacerbate energy poverty. According to one estimate, over 300,000 Ohio households have incomes of 50 percent or more below the federal poverty level and pay 30 percent of their annual income simply for their home energy

bills. COVID-19 has <u>further deepened</u> energy poverty in the U.S., underscoring the need for this bill.

The passage of SB 118 would eliminate the unnecessary handouts for solar energy facilities that have placed a financial burden on Ohio ratepayers. Americans for Prosperity is supportive of the passage of this legislation as another critical step toward unraveling the calamity that was HB 6, restoring Ohioans' trust in the legislative process, and chipping away at a political culture of cronyism and sweetheart deals contrary to the principles of free market capitalism.

I'd like to thank Senators Romanchuk for bringing this bill forward, and for his persistent, knowledgeable leadership in crafting energy policy that will best serve Ohio businesses and communities. Thank you again, Chairman, for the opportunity to testify today and I will do my best to answer any questions that you or members of the committee may have.

Americans for Prosperity (AFP) exists to recruit, educate, and mobilize citizens in support of the policies and goals of a free society at the local, state, and federal level, helping every American live their dream – especially the least fortunate. AFP has more than 3.2 million activists across the nation, a local infrastructure that includes 36 state chapters, and has received financial support from more than 100,000 Americans in all 50 states. For more information, visit www.AmericansForProsperity.org.