



June 25, 2024

The Honorable Thomas Hall
Chairman
House Energy and Natural Resources Committee
77 South High Street
12th Floor
Columbus, OH 43215

RE: House Resolution 469 Written Proponent Testimony

Dear Chairman Hall:

The Ohio Oil & Gas Association (OOGA) is a statewide trade association representing both independent conventional producers and large independent horizontal operators exploring Ohio's shale play. OOGA membership also consists of midstream companies, large-scale transmission line companies, contractors, oilfield service and supply providers, manufacturers, gas utilities and various other professional entities.

OOGA submits this letter in support of House Resolution 469 which urges the US EPA to withdraw its proposed regulations on greenhouse gas emissions and urges the United States Congress to take action to prevent the regulations from taking effect.

The Appalachian Basin sits atop one of the world's largest deposits of oil and natural gas thanks to the Marcellus and Utica shale formations. Because of this Ohio has become a world leader in energy production. Natural gas has proven to be a cleaner, abundant, and more reliable source of energy than many other energy sources currently in use. Because of this, OOGA encourages the US EPA to be cautious about adding any additional regulatory burdens to Ohio's natural gas industry as it generates energy for the entire PJM Interconnection region.

According to PJM's 2005-2022 Annual Fuel Mix data, natural gas accounts for over 40% of the fuel mix within the PJM Interconnection, which accounts for the largest fuel source within the RTO. Currently, there are no renewable fuel sources that come close to the same generation availability within PJM.

As legacy plants continue to retire, there will be a great demand for thermal generators, such as natural gas, to provide the essential reliability services and adequate supply for customers until other affordable and reliable technologies can be deployed at the same scale as natural gas. Recently, Ohio has announced major economic development projects that will require a large amount of reliable, affordable baseload energy. In order to continue the state's economic growth, natural gas thermal generators must be able to quickly replace retiring infrastructure to provide dependable energy for new potential mega projects.



Natural gas is an easily dispatchable thermal resource that can quickly respond to the needs of the grid during extreme weather events in times of underperforming intermittent resource activity. The US EPA does not take into account the reliability that natural gas fuel fired generation provides in these outage situations, which could become more frequent if thermal, baseload generation is taken offline due to its inability to comply with these new costly and unattainable regulations.

U.S. EPA's rule also mandates natural gas to "co-fire" with other types of energy, including requiring base load natural gas turbines to co-fire with 30-percent clean hydrogen by the year 2032. These plants would be required to ramp up to 96-percent co-firing of clean hydrogen by 2038, which is a short time to completely transform these facilities. These stringent requirements will also make it exceedingly difficult to permit, site, construct and operate new gas fired power plants at a time when energy usage is only increasing in this country.

Ohio and the greater PJM Interconnection have benefitted and will continue to benefit from our state's natural gas reserves. Therefore, OOGA urges the agency not to create additional hurdles that would prevent the construction of natural gas facilities and put our electric grid at risk, but rather encourage investment in this type of reliable and affordable baseload generation.

OOGA urges swift committee passage of House Resolution 469. You can contact me with any questions at stephanie@ooga.org.

Sincerely,

A handwritten signature in black ink that reads "Stephanie Kromer".

Stephanie Kromer
Director of Legislative & Regulatory Affairs