



**Representatives Bride Rose Sweeney & William J. Seitz, Majority Floor Leader**  
Sponsor Testimony on H.B. 79 (Energy Efficiency) – Public Utilities Committee  
April 19, 2023

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Chairman Stein and members of the Committee, thank you for offering me the opportunity to testify on this important, bipartisan legislation alongside my colleague, Representative Seitz. To put it simply, House Bill 79 will save Ohioans money on their electric bills by restoring the ability – subject to the approval of the PUCO – for utilities to create *voluntary* energy efficiency programs.

You might be asking yourself how Rep. Seitz and I could possibly find a way to agree on a bill like this one. Or, what could the Ohio Environmental Council and some of the state’s largest power companies possibly have in common when it comes to energy policy? My predecessor on this legislation, Representative Leland, said it best: **the cheapest, cleanest kilowatt of energy is the kilowatt not used at all**. This legislation leverages consumer choice and free market principles in order to improve energy efficiency and reduce waste, which is good for consumers, utilities, and the environment.

Under House Bill 79, an electric distribution utility (EDU) may apply for PUCO approval of a *voluntary* portfolio of energy savings programs. Consumers have multiple opportunities not to participate. Each year, an approved portfolio must review its cost-effectiveness, update based on the review, and report its findings to the PUCO. **Any energy efficiency programs created under the bill are required to be cost-effective and save consumers money; the PUCO is required to evaluate them to ensure that they do.** That review process is transparent and allows interested parties to object and have a say in the approval of every program.

I’d like to elaborate on what that energy savings look like in practice. It saves people money on their bills in two ways: 1) Directly reducing *your* energy usage if you’re in a program; 2) Indirectly reducing *overall* energy usage and lowering the cost to purchase electricity for everyone, especially during peak demand. For example, having a smart thermostat will *directly* save you 10-15% on your heating and cooling bills; it has a sensor in it that learns your habits and turns off your AC when you’re not home; it can also adjust to heat or cool your home when it’s less expensive. However, programs that incentivize more smart thermostats will also *indirectly* save everyone money on their electric bills by lowering the demand curve for energy and therefore the market price for electricity during peak demand.

House Bill 79 places a greater emphasis on energy efficiency programs that have proven to be more beneficial, such as demand-side management through smart technology capabilities. It’s more expensive for utilities to operate on hot summer days because there is a much greater demand for energy as everyone turns on their AC. This surge often results in a need to activate idle power plants, which is very expensive. Having more energy-efficient homes will help limit the need to turn on idle power plants, meaning utility companies get to buy less energy and less expensive energy when overall demand surges. I would also add that in an emergency when we face a power shortage, a program like this will help to keep the power on for customers.

At its core, House Bill 79 will save people money on their electric bills, bolster our economy with new green energy jobs, and prevent air pollution by reducing energy waste. That's why it has unified Republicans and Democrats, environmentalists and industry groups, who all understand the need to create a more sustainable green energy future for all Ohioans. Thank you again for the opportunity to testify; we would be happy to answer any questions at this time.