



**BEFORE THE HOUSE PUBLIC UTILITIES COMMITTEE  
REPRESENTATIVE DICK STEIN, CHAIRMAN**

**TESTIMONY  
OF  
JOHN SERYAK  
OMA ENERGY ENGINEER**

**May 22nd, 2024**

Chair Stein, Vice-Chair Blasdel, Ranking Member Weinstein, and members of the House Public Utilities Committee, thank you for the opportunity to provide testimony today on House Bill 197. My name is John Seryak, and I am the founder of Runnerstone, an energy consultancy providing accurate, unbiased information on energy policy, regulations, and market matters. I am also CEO of its affiliate, Go Sustainable Energy, which provides accurate, unbiased information on energy efficiency, distributed energy, and energy management to energy using customers and utilities. I serve as the energy engineer to both The Ohio Manufacturers' Association (OMA) and the OMA Energy Group, and it is on the OMA's behalf that I testify today.

The OMA represents Ohio's robust manufacturing sector, boasting approximately 1,300 members of all sizes. As you know, affordable and reliable energy is integral to the productivity of these manufacturers. The option to source renewable energy is increasingly important to manufacturers as it has become economically competitive, and corporate sustainability goals are becoming commonplace. Energy is of paramount importance to Ohio's manufacturing competitiveness; therefore, Ohio's energy policy is of great significance to the OMA.

In the spirit of full disclosure, the Committee should know that in addition to supporting Ohio's manufacturers, my firm Go Sustainable Energy serves as an owner's representative to several municipal electric utilities and government clients that are integrating significant solar resources into their facilities and electric distribution utilities. We also advise on community solar initiatives. In this capacity, it is our job to advise our clients on how to integrate solar with an intent to minimize costs, or even create savings, for their ratepayers, their taxpayers, or their own operations.

House Bill 197 defines community solar and makes 1,500 megawatts of it eligible for a new electric bill crediting mechanism. Community solar is intended to provide the benefits of customer-sited solar to those who face barriers to implementing solar at their home or business, for example, lack of upfront capital, a shaded roof, or a tenant who's paying utility bills but has no control over building upgrades. Community solar can overcome these barriers by offering these customers a share of a solar system located somewhere other than their own home or business. The benefits of community solar to a subscriber should be the environmental attribute, the utility bill savings, and equity ownership of the solar system. As currently drafted, and under proposed amendments, the bill crediting mechanism is the OMA's chief concern.

House Bill 197 misses a key detail of aligning bill credits with the value of community solar of reduced electricity generation and a reduction of load on the local transmission system. Instead, HB197 also includes a credit for the distribution charges associated

with electric delivery, even though the electric distribution utilities facilities are used. The credit for distribution charges creates cost shifting to non-participating customers. The cost shifting could be as much as \$110 million per year, which we detail in the attached memorandum.

Eliminating this cost shifting would not impair community solar. Many community solar projects are economically viable if they are credited with the savings they create in generation and transmission costs.

I have other concerns. HB197 does not actually guarantee that subscribers of community solar would financially benefit. While the word “guaranteed savings” is used in the bill, it is defined as to allow subscribers to community solar projects to pay a difference, which could actually be a net cost, not a savings. Since community solar is often intended to be for under-represented or low-income communities, if they are not guaranteed these utility bill savings, who then would receive them?

Getting the details right would result in many economic community solar projects being developed while eliminating costs to other ratepayers. This would ensure a fair and reasonable path to achieving the sponsors’ goal of the legislation without requiring some customers to unnecessarily subsidize the energy generation choices of others. Many manufacturers would likely be interested in subscribing to a local solar project if the crediting mechanism is fair to their peers.

Thank you, Mr. Chairman and members of the committee. I would be happy to answer any questions.