

May 22, 2024

Chairman Stein, Vice Chair Blasdel, Ranking Member Weinstein, and members of the House Public Utilities Committee, I wish to thank you for allowing Consumer Energy Alliance (CEA) Midwest the opportunity to offer written testimony on House Bill 197.

CEA is the nation's leading consumer energy and environmental advocate – ensuring families, farmers, and local businesses have access to sustainably produced, affordable, reliable and environmentally responsible energy. Our members represent a cross-section of the economy, all of whom have been impacted by rising inflation and higher energy prices.

Our members support a rational, all-of-the-above energy policy that utilizes all of our domestic natural resources – both traditional and renewable. And, we have a long record of supporting energy diversity through expanding the thoughtful use of renewable energy that delivers benefits to all and does not result in cost-shifting. Unfortunately, as currently drafted, House Bill 197 would result in substantial cost-shifting from non-participants to participants.

When community solar programs like the one proposed in HB 197 compensates participants in excess of a utilities avoided costs and fails to account for infrastructure costs, specifically the distribution system, massive cost-shifting can occur—from non-participants to participants and is too often the case disproportionately harming low- and fixed-income families.

While it is impossible to predict the level of cost-shifting that would result from the passage of HB 197 we can look to other states as a proxy. Maine's Office of Consumer Counsel recently reported that the state's net metering programs, which include community solar, will cost non-program participants \$220 million per year beginning in 2025. Maine's population is 1/10th that of Ohio, and the state's peak electricity load isn't much higher than the 1500 megawatts proposed in the community solar pilot program. One could only imagine the amount of cost-shifting that could occur if HB 197 passes.

The committee should also consider that it doesn't take very long for these costs to spiral out of control. The cost-shifting inherent in California's solar programs to residential customers alone are expected to double from \$2 billion in 2020 to \$4 billion in 2024—just one reason why California is substantially cutting back on how these programs are funded.

CEA supports policies that develop solar electricity generation whose benefits and costs are universally dispersed among all consumers; not those who grant benefits to some at often substantial costs to others.

We hope the committee will consider voting no on the bill or substantially amend it to address some of the concerns expressed above.

Thank you, again, for the opportunity to provide comments on House Bill 197.

Respectfully,

Chris Ventura
Executive Director, Midwest
Consumer Energy Alliance