



**Hearcel F. Craig**

Assistant Minority Leader  
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**Senate Energy and Public Utilities Committee  
Senate Bill 151 Sponsor Testimony  
Repeal Legacy Generation Resource Provision of House Bill 6 and Provide Refunds  
September 20, 2023**

Chairman Reineke, Vice Chair McColley, and members of the committee, thank you for giving Senator Smith and me the opportunity to testify on Senate Bill 151. This legislation repeals the subsidy for two coal-fired plants owned by the Ohio Valley Electric Corporation: "OVEC." This is the same bipartisan legislation that I have had the honor to introduce with Senator Romanchuk in the past and I am grateful to have his continued support.

The Ohio Valley Electric Corporation is an entity comprised of several Ohio utilities that entered into an agreement to serve a Department of Energy uranium enrichment plant. OVEC owns two coal plants – one in Indiana and one in Ohio – that date back to the 1950s. While the Department of Energy plant is no longer operating, the OVEC coal plants still are. These plants are aging and are not competitive in the wholesale market. H.B. 6 of the 133<sup>rd</sup> General Assembly contained a provision to subsidize these plants for their losses.

These plants have consistently been losing money – Ohio ratepayers have paid out nearly \$240 million so far since House Bill 6. Two years ago, estimates from the Ohio Manufacturers' Association put the total OVEC charges from H.B. 6 at \$700 million. Those costs are now projected to balloon to \$800 million by 2030. From this July to this December alone, the plants will cost us \$38 million.

Senate Bill 151 will stop the subsidies to OVEC and will refund the charges ratepayers have been paying since H.B. 6's OVEC provisions went into effect. Our bipartisan legislation would also prevent the revival of any OVEC charges that existed prior to H.B. 6 that were authorized under the PUCO ratemaking process.

Simply put, customers are currently being charged to cover the losses of uneconomic and environmentally-expensive coal plants. Ohio ratepayers should not be bailing out the poor business decisions of investor-owned utilities, particularly for generation resources that do not even reside in Ohio.

Our bill, Senate Bill 151, would refund customers for H.B. 6 OVEC charges and stop all future charges for OVEC – saving Ohio customers tens of millions of dollars each year.