

Testimony of Todd Sutton
General Manager, Nutrien - Lima Nitrogen
Ohio Senate Energy and Public Utilities Committee
November 14, 2023

Mr. Chairman and members of the committee, my name is Todd Sutton and I am the general manager for Nutrien in Lima, Ohio. I am here to express our opposition to HB 205 and provide an example of how the bill's labor hiring requirements, if extended to facilities like ours, would increase costs, add project delays, and most importantly jeopardize employee safety.

As background, Nutrien is the world's largest producer of crop inputs and our Nitrogen plant in Lima is a union facility with 200 employees and 100 contractors on a typical day. During large plant maintenance projects these numbers can increase to 1800. We produce nearly two million tons annually of ammonia, urea, nitric acid and UAN. While the majority of products go to agriculture and industrial uses, we also provide a key component for lifesaving insulin.

Nutrien also provides ag inputs and agronomy services to Ohio's farmers at our 38 retail farm centers and operates a phosphate facility in Cincinnati. In all, we have nearly 700 employees statewide.

Nutrien is active in many local charitable organizations throughout the year and our employees volunteer their time in Lima and across the state. We also work to address some of Ohio's most pressing environmental issues as a founding business partner of H2Ohio. Another example of our leadership on these important issues was the Lima plant's \$9M investment to voluntarily reduce our Greenhouse Gas (GHG) emissions at our nitric acid plant. This project succeeded in reducing our NOx emissions by approximately 285,000 tons/yr or 98% - this is roughly the equivalent of eliminating 56,000 gas powered cars. We did this without a government mandate - simply because it was the right thing to do. Nutrien is an active member of our local chamber of commerce, the Ohio Chemistry Technology Council, Ohio Manufacturers Association, and the Ohio Agribusiness Association.

Safety is one of Nutrien's core values. We have no higher priority than the safety, health and wellness of our employees, our contractors and the communities we serve. Leading safety standards and programs help us maintain our reputation as an industry leader and responsible employer. Our Lima plant has received multiple statewide safety and environmental awards every year and has been recognized as one of Ohio's Top 20 Best Employers 12 times in the past 15 years.

Let me illustrate why having the right people doing very complex jobs is critical to worker safety.

Chemical plants require periodic maintenance shutdowns, also known as "turnarounds" that occur every three to five years and allow us to perform critical preventative maintenance, process improvements, and in some cases, upgrades or expansions to our production facilities that can only be accomplished while the plant is not operating. These outages often require very specialized workers with very specialized skills and experiences in order to provide the highest possible quality workmanship for the safe and reliable production once our plant is brought back online.

This bill would limit a company's ability to hire the best people and contractors for this specialized work. We always prefer to hire workers from Ohio when possible. During these turnarounds our workload may exceed the capabilities of local union halls, and in previous outages we have experienced labor shortages

and high absenteeism that force us to look outside our region to staff the workload. Additionally, much of the work required is highly specialized and workers that can be attracted from contractors in gulf coast/Oklahoma region are highly desirable because they possess those specialized skills due to the large number of chemical and refining plants in that region. Additionally, Nutrien has always maintained stringent standards and testing for people working on site, and inspection protocols. These processes are also already governed by OSHA regulations.

And finally, from an economic development perspective, in today's highly competitive market for capital investment and job creation, Ohio needs to position itself as a state striving for less regulation, not more, in order to attract those investment dollars from new and existing manufacturers. Though Nutrien is not a refinery and not specifically covered under the proposed rules in HB 205 we are strongly opposed to the bill. Passage of the legislation sets a bad precedent that could soon set the stage for similar rules for other chemical manufacturers.

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