

Sponsor Testimony

Senate Bill 174

Senate Energy and Public Utilities Committee

January 23, 2024

Chairman Reineke, Vice Chair McColley, Ranking Member Smith, and members of the Energy and Public Utilities Committee, I am pleased to be here today to offer sponsor testimony on SB 174.

First and foremost, I would like to take a moment to recognize and thank my joint sponsor, Senator Lang for working with me on this legislation regarding carbon offsets.

So what are carbon offsets? Carbon offsets represent one ton of greenhouse gas removed from the atmosphere by any method of mitigation. Two examples of carbon offsets are:

1. Planting trees that absorb carbon dioxide, and
2. Capturing and burning methane gas produced by landfills or farms before the methane enters the atmosphere.

However, these are just two examples of how natural gas service suppliers can offset natural gas consumption.

As you might have noticed, I used the word “can” and that is for a very important reason. Moreover, SB 174 will allow consumers to **voluntarily** purchase both natural gas and carbon-offsets from natural gas service suppliers that have **voluntarily** chosen to offer carbon offsets. Meaning that all of this is voluntary and therefore not required.

Despite being voluntary, this program, regulated by the Public Utilities Commission of Ohio, is still very important because carbon offset programs support Ohio’s natural gas industry. Moreover, Ohio, as part of the Appalachian Basin, is part of the largest gas-producing region in the world and we depend on clean and affordable natural gas to heat our homes and power our industries. This dependence is not going away anytime soon. Therefore, the option to voluntarily offset carbon better positions natural gas as a viable fuel for Ohio’s future by allowing consumers and industries who are seeking this type of program to choose to offset their carbon footprint.

Chair, Vice Chair, Ranking Member, and fellow members of the Committee, I thank each of you for your time and interest in SB 174. I would be happy to answer any questions at this time.