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SR 296 Proponent Testimony
Ohio Senate Energy and Public Utilities Committee

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Chairman Reineke, Vice Chair McColley, and Ranking Member Smith, thank you for the opportunity to provide testimony in support of Senate Resolution 296.

Buckeye Power generates and transmits electricity to the 25 electric distribution cooperatives that provide retail electric service to approximately 1 million Ohioans in 77 of Ohio's 88 counties. Buckeye Power owns all or part of four large power generating plants in Ohio that along with several smaller renewable energy facilities provide for the electricity needs of our cooperative members in a safe, reliable, cost competitive and environmentally responsible manner. More than ever people and businesses we serve across Ohio depend on a reliable and affordable supply of electricity for their economic and personal well-being.

Last week the United States Environmental Protection Agency (USEPA) released its final rule on greenhouse gas emissions from power plants. This rule, if implemented, will have severe negative consequences not only for Ohio but for our nation by making our electricity supply less reliable and more expensive at a time when demand for electricity is growing substantially.

The rule as issued by USEPA sets unachievable carbon dioxide emission reduction requirements for existing coal-fired power plants, requiring unproven carbon capture technology to operate at never before achieved carbon removal rates and then be stored geologically in never achieved volumes. The rule goes on to require these facilities be operating by January 1, 2032. USEPA received comments from across the power generation industry that their proposed rule would force the closure of nearly all coal fired power plants operating the United States, which currently supply approximately 20% of US electricity.

That should be bad enough, but it gets worse. The rule also prevents the construction of new large baseload natural gas power plants unless they also have the unproven carbon capture and storage system required of coal plants. Effectively preventing the coal plants they plan to force to close from being replaced with similarly operating natural gas plants. This severe reduction in always available supply resources comes at a time when electrification of our economy is accelerating, industrial production is attempting to increase, and AI is gobbling up more and more electricity.

This approach is not only ill-conceived, unrealistic and unachievable, but we also believe it to be unlawful. Buckeye Power along with many other electric suppliers and utilities will be forced to spend precious time and resources in court, once again stopping USEPA from exceeding its statutory authority. The last attempt they made at regulating carbon dioxide emissions from power plants, the so-called Clean Power Plan, took nearly 8 years to finally defeat at the US Supreme Court.

Nearly every knowledgeable industry participant with an interest in maintaining a reliable electric system including the North American Electric Reliability Corp. (NERC), the PJM Interconnection (PJM), the Mid-Continent Independent System Operator (MISO), the Electric Power Research Institute (EPRI) and the National Rural Electric Cooperative Association (NRECA), along with members of Congress from both political parties has provided input to USEPA raising concerns and pointing out the obvious problems with this rule. USEPA has chosen to ignore these concerns and has issued a final rule that will have severe negative impacts on electric system reliability and the cost of electricity to consumers. All this for a relatively negligible reduction in overall global CO2 emissions.

If this rule survives the upcoming legal challenges it will result in the near certain closing of the four remaining coal-fired powerplants in Ohio, including our Cardinal Station in Jefferson County, and ultimately the loss of always available, on demand generation from these facilities, loss of good paying jobs, loss of local tax revenues, negative effects on grid reliability and increased electricity prices.

Thank you for the opportunity to provide comments supporting Senate Resolution 296, urging USEPA to withdraw this harmful rule. I am happy to answer any questions you may have.