

OEC [Action Fund]

Proponent Testimony (Written) Senate Bill 247 (Lang) Ohio Senate Energy and Public Utilities Committee 12/3/2024

Chair Reineke, Vice Chair McColley, and members of the Ohio Senate Energy and Public Utilities Committee, my name is Nolan Rutschilling and I serve as Managing Director of Energy Policy for the Ohio Environmental Council (OEC) Action Fund. Our organization protects and enhances the environment and the health of all Ohio communities by advancing critical priorities, holding policymakers accountable, and electing environmental champions. Thank you for allowing me to provide written proponent testimony on Ohio Senate Bill 247 (SB 247).

The OEC Action Fund has pushed Ohio to transition away from fossil fuels and toward clean, renewable sources of energy in order to fight climate change and put Ohio on a path to a sustainable future. Community solar pilot programs, like those created by SB 247, are long overdue in the state. These pilot programs will spur development of clean energy generation, help Ohioans save money on their electric bills, and create new development opportunities in communities that have been left behind by the energy transition. Passing Senate Bill 247 will bring environmental benefits and cost savings to Ohioans, and drive economic development and job creation in Ohio. The OEC Action Fund urges support for this legislation.

Example of Successful Implementation

While community solar is new to Ohio, it is not new to energy grids across the country, and it is not new to many utilities. The following affiliates of Ohio's Electric Distribution Utilities (EDU) operate in states with community solar currently:

- Maryland (Potomac Edison/First Energy)
- New Jersey (First Energy)
- North Carolina (Duke Energy)
- New Mexico (AES retail affiliate is currently developing community solar projects)

AEP Energy, AEP Ohio's parent company, has resources around <u>community solar on their</u> <u>website</u>, and are seeing potential community solar legislation in <u>Virginia</u>, where their affiliate Appalachian Power operates. With this noted, we are confident the pilot programs under SB 247 will be easily established and supported by the EDUs, if they are able to draw upon their

experience in other states.

The state of Maryland adopted a community solar pilot in 2016. It's worth noting Potomac Edison, First Energy's utility in Maryland, has successfully participated in the program. While utilities are able to participate in the pilot as subscriber organizations, no utility chose to operate a project, likely because they were unable to recover project costs in base rates. The Public Service Commission of Maryland issued a <u>report</u> on the Community Solar program in 2022, sharing the following takeaways:

- Each of the utilities participating indicated that there was no negative impact on their standard service offerings, including Potomac Edison.
- Programs grew steadily throughout the four years of the study, carefully managed across utility territories.
- The study also identified that community solar projects may provide "offsetting cost-related benefits that are compared against program costs and non-financial benefits related to societal or economic measures."

The OEC Action Fund urges passage of SB 247. Ohio has been a leader in energy choice for decades, allowing Ohioans to select where their energy comes from and what type of energy to use. This legislation removes an unnecessary barrier that blocks Ohioans from choosing solar, and enables a new set of Ohioans to take advantage of the cost saving and environmental benefits of solar. Thank you for the opportunity to provide testimony today.

Nolan Rutschilling
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Ohio Environmental Council Action Fund