CEP RENEWABLES

Harnessing the sun to empower communities

Proponent Testimony by Mike Wise on Senate Bill 275
Senior Counsel and VP of Government Relations
CEP Renewables
Senate Energy and Public Utilities Committee
December 10, 2024

Chairman Reineke, Vice-Chair McColley, Ranking Member Smith, and members of the Senate Energy and Public Utilities Committee, thank you for the opportunity to submit proponent testimony on behalf of Senate Bill 275 (SB 275). My name is Mike Wise, and I am Senior Counsel and VP of Government Relations for CEP Renewables.

SB 275 is an incredible economic development bill that will foster billions, yes billions of dollars of private capital investment into Ohio's brownfields and other distressed property. I know this because CEP is making these types of investments on distressed property all over the world.

We commend Senator Dolan for his efforts on SB 275. At an early Interested Pary Meeting he made it clear that he wanted to address electric grid stress without using farmland and without causing cost shift between customers. SB 275 accomplishes these objectives.

Recently there was opponent testimony in this Committee regarding SB 275 and I would like to respond to that testimony.

1. A claim was made that problems exist in the current and decades-old net metering law, independent of SB 275. Interestingly, the public utilities have not pursued any legislation to address these problems and there is no record in proceedings at the PUCO of public utilities seeking rate recovery for commercial net metering in Ohio.
2. No mention was made by the utilities of the BENEFITS of non-utility distributed generation ("DG"). DG is one of the few opportunities to bring significant new generation online within the next 2-3 years. The time frame for PJM project is 5+ years. DG also has the advantage of eliminating transmission costs as power produced by these systems is used by off takers on the same circuit as the generation.
3. SB 275 is NOT a bill that allows siting everywhere. It is very intentional in ensuring value to Ohio by siting on distressed sites. If utilities were to provide information about grid conditions, such as heat maps, competitive developers can help maximize grid benefits by siting these facilities in the most advantageous locations. It is somewhat incredulous that there was testimony that it was not worth the time and cost to create heat maps for policy makers. If OH suffers brownouts or blackouts in the 1-2 years, I think we will look back unfavorably at that testimony.
4. There was testimony that included a hypothetical 45 MW solar system. This size system is impossible to build under SB 275 (the maximum sized system would be 20 MW) and the assertion that corresponding demand charges would not be paid is false.
5. There was testimony about lost revenues and how this creates costs. They don't, and customers are not obligated to purchase as much electricity as a utility assumes it would.

Utility law does not guarantee 100% collection of costs and profits. That is not the law and it has never been.

6. Last – we are hearing that a business group may oppose SB 275 because of cost sharing. This is ironic for two reasons. One, they bought into the baseless claim about SB 275 shifting costs. To be clear, SB 275 requires participants to pay 100% of their distribution costs on energy they buy from the grid AND energy they produce from their systems. Two, several of the group's members have/are participants in electric reasonable arrangements under ORC 4905.31. These are the only companies in Ohio that receive subsidized power rates and the discount is cost shifted to the rate base of the utility.

Thank you for the opportunity to provide proponent testimony on behalf of SB 275. I am happy to answer your questions.

States Allowing Virtual Net Metering (VNM) or Community Solar

1. Alaska - CS
2. Arizona - CS
3. California – CS and VNM
4. Colorado – CS and VNM
5. Connecticut – CS and VNM
6. Delaware – VNM
7. Hawaii – CS and VNM
8. Illinois – CS
9. Maine - CS
10. Maryland – CS and VNM
11. Massachusetts – CS and VNM
12. Minnesota – CS and VNM
13. New Hampshire - VNM
14. New Jersey – CS and VNM
15. New Mexico - CS
16. New York – CS and VNM
17. Oregon – CS and VNM
18. Pennsylvania - VNM
19. Rhode Island – CS and VNM
20. Vermont - VNM
21. Virginia – CS and VNM
22. Washington - CS
23. Washington, D.C. - VNM
24. West Virginia (limited cases within 2 miles) – VNM
25. Wisconsin - CS

Public Utilities Commission

Columbus Southern Power Commercial
Electric Bill Total $440.48 Components for November 2024
Based on Franklin County Sales Tax Rate 7.50%

Total Charge	Charge Type	Name	% of Total Bill	Schedule	Short Name	Rate
$138.50	Distribution	General Service-Primary	31.44%	GS-Primary	GS-Primary	138.5000000
$67.85	Generation	Generation Energy Rider	15.40%	GS-Primary	GE Rider	0.0678500
$67.60	Transmission	Basic Transmission Cost Rider-Demand Metered Primary	15.35%	GS-Primary	BTC Rider	6.7600000
$61.70	Distribution	General Service-Primary	14.01%	GS-Primary	GS-Primary	6.1700000
$42.28	Distribution	Distribution Investment Rider	9.60%	GS-Primary	DIR Rider	0.2111760
$17.12	Distribution	gridSMART Phase 2 Rider	3.89%	GS-Primary	GSP2 Rider	17.1200000
$13.41	Distribution	Enhanced Service Reliability Rider	3.04%	GS-Primary	ESR Rider	0.0669857
$9.89	Distribution	Economic Development Cost Recovery Rider	2.25%	GS-Primary	EDCR Rider	0.0494232
$5.92	Distribution	Universal Service Fund Rider	1.34%	GS-Primary	USF Rider	0.0059216
$4.84	Distribution	Storm Damage Recovery Rider	1.10%	GS-Primary	SDR Rider	4.8400000
$4.65	Distribution	KWH Tax Rider	1.06%	GS-Primary	KWH Tax Rid..	0.0046500
$3.76	Generation	Alternative Energy Rider-Primary	0.85%	GS-Primary	AE Rider	0.0037618
$2.14	Generation	Generation Capacity Rider-Primary Demand Metered	0.49%	GS-Primary	GC Rider	0.0021400
$1.80	Generation	Legacy Generation Resource Rider - Part A	0.41%	GS-Primary	LGR Rider A	0.0018007
$0.58	Transmission	Basic Transmission Cost Rider-Demand Metered Primary	0.13%	GS-Primary	BTC Rider	0.0005806
$0.29	Distribution	Solar Generation Fund-Non-Residential	0.07%	GS-Primary	SGF	0.0002905
($0.62)	Distribution	Tax Savings Credit Rider	-0.14%	GS-Primary	TSCR	-0.0006200
($1.24)	Generation	Auction Cost Reconciliation Rider-Energy Cost	-0.28%	GS-Primary	ACR Rider	-0.0012408

City: Columbus

Customer Type: Commercial

Utility Type: Electric

Report Date: November 2024

Charge Type: (All)

Monthly Usage (kWh): 1,000

Demand (kW): 10

Reactive Demand (kVAR): 10

Mcf or Ccf: Mcf

Monthly Usage (Mcf or Ccf: 10