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Ohio's 82nd House District

Chairman Holmes, Ranking Member Glassburn, and esteemed members of the House Energy Committee, thank you for the opportunity to present sponsor testimony on House Bill 15.

The purpose of this legislation is clear and aligns with Chairman Holmes' mission for this committee to ensure reliable, affordable, and available energy for all Ohioans. Our current energy framework, which dates back to 1999, stems from the deregulation of the generation sector and its separation from the regulated monopoly transmission system. It is now time to modernize this structure. Over the past five years, we have witnessed an unprecedented surge in energy demand, with data centers alone consuming 600 megawatts of electricity. AEP forecasts that this will increase to 5,000 megawatts by 2030. This trend is not likely to reverse. Ohio has been fortunate to be ranked number one nationally in infrastructure and economic development investment, as demonstrated by new projects like data centers, Intel, and Anduril Industries. However, these investments bring with them concerns, as projections from PJM suggest that without new generation, we could face potential shortages.

This legislation seeks to address that by removing barriers to new electricity generation in Ohio. It does so by prohibiting Electric Distribution Company (EDC) ownership of generation, barring EDCs from bidding in the wholesale market using ratepayer-funded assets, and transferring the Tangible Property Tax from

electric generation facilities to the transmission and distribution systems. These changes will help make Ohio more competitive with neighboring states.

In addition, we aim to improve affordability for all Ohioans by safeguarding ratepayers from unnecessary costs. This will be achieved by repealing the electric security plan (ESP statute), requiring all Standard Service Offers (SSO) to be market-based, increasing bonding requirements for Competitive Retail Electric Suppliers (CRES) and Competitive Retail Natural Gas Suppliers (CRNGS), mandating customer notifications for contract changes, and enabling features like supplier consolidated billing, on-bill financing, purchase of receivables, and seamless enrollments.

Furthermore, this bill seeks to foster competition across the energy sector by permitting competitive intrastate transmission, eliminating the OVEC subsidies that have already cost Ohioans \$670 million since 2017, and repealing the Ohio Solar Generation Fund, which has collected \$60 million but only spent \$10 million on five projects statewide. It is not the role of the state to favor one form of generation over another. Instead, we should open the market to dispatchable energy generation to address future energy shortages.

I respectfully request your support for this legislation. Thank you for your time, and I am happy to take any questions.