Ohio House Energy Committee Proponent Testimony of NRG Energy Melville Nickerson Director Of Government Affairs - Central Region House Bill 15 February 12, 2025

Chairman Holmes, Vice-Chair Klopfenstein, Ranking Member Glassburn and members of the House Energy Committee, thank you for the opportunity to speak to the merits of House Bill 15, which promotes and advances the competitive power market.

My name is Melville Nickerson and I serve as the Director of Government Affairs for the Central Region for NRG Energy Inc.

NRG is a publicly traded, fortune 500 company, we generate electricity for sale on the wholesale market in PJM and other regional transmission operators and we sell natural gas and electricity to industrial commercial and residential customers, saving our customers money and offering innovative services to meet their needs. Ohio is our largest Midwest market where we serve almost a half- million Ohio customers and have dozens of employees.

Ohio was one of the first states to deregulate its energy markets. Twenty-five years ago, legislators sitting in your seats were cautious, and rightly so. What if markets did not develop as expected? What if new generation did not get built in Ohio? Now, these many years later I think we can say without a doubt that we have robust markets in Ohio and across the region. And if you pass the reforms contained within HB15, it will help to move Ohio forward with a stronger competitive energy market that better serves the businesses and residents of Ohio and puts out a strong message about growth in Ohio.

You will hear critics say that you can't point to specific references in the bill that builds new generation. And while it might appear that way on the surface, what this bill does is improve the conditions that incentivize investment in the market. If this bill chose specific sources of generation through subsidies or dictated where they should be built or any other number of specific government inducements, it would be no better than House Bill 6 from 2019 with a different set of winners and losers.

As you have and will hear from many expert proponents for HB15, I will not try to speak to all the positive elements of the bill but will focus on the retail aspects.

I will focus my comments on two key elements of HB 15, a pro-consumer bill that aims to keep: (1) electricity cost low and (2) drive customer benefits through competition. Competitive electric markets saved Ohio ratepayers nearly \$3 billion per year, since 2011, according to a Cleveland State University study, titled 2024 Update on Electricity Customer Choice in Ohio.

First, requiring electric utilities to competitively bid the Standard Service Offer for residential customers that do not shop for their electricity will ensure residential consumers receive the lowest price for their electricity. This provision also empowers consumers to shop for electricity based on a transparent Standard Service Offer price and their personal choice. For example, NRG's Choose to Give Program, a partnership that pairs a customer's electricity with philanthropic donations, generated over \$1 million in donations to Nationwide Children's Hospital since 2021. Across 2023 and 2024, NRG delivered nearly 45 million airline miles to Ohioans through its innovative airline partnerships. Through these programs, NRG gives all participates the power to visit loved ones or take a vacation.

Second, the provisions that create a direct relationship between the electric supplier and the customer will increase customer service as suppliers compete to retain customers. Specifically, HB 15 enables suppliers to: directly bill the customer, provide on-bill financing for products that encourage energy savings, and easy enrollments are all pro-consumer provisions. These provisions allow NRG to directly engage with the customer and offer products and services to save consumers money.

I want to thank Representative Klopfenstein for introducing this important piece of legislation, and to the many leaders in the Chamber who have encouraged the efforts. I hope this Committee will look favorably on passage of House Bill 15.

I would be happy to try an answer any questions the Committee has at this time.