

## **HB 15 – House Energy Committee**

### **Interested Party Testimony**

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Chair Holmes, Vice Chair Klopfenstein, Ranking Member Glassburn and members of the House Energy Committee, thank you for the opportunity to provide interested party testimony today on Substitute House Bill 15. My name is Alexandra Denney, and I am here on behalf of the Ohio Business Roundtable (OBRT), a nonpartisan, nonprofit organization that represents over 120 of Ohio's top business leaders, including many of the largest employers in the state.

Ohio is at a critical juncture in its energy landscape, which is why we commend Representative Klopfenstein for introducing this important legislation.

Substitute House Bill 15 currently includes five recommendations from the Ohio Business Roundtable's Energy Competitiveness Study. We appreciate the consideration and incorporation of these recommendations as they represent an important step forward in addressing the energy constraints of the grid.

However, OBRT is concerned with provisions surrounding permitting and siting approval timelines as we believe it does not allow investments to move at the speed of business, nor does it make us competitive with our neighboring states.

### **OHIO'S OPPORTUNITY & CHALLENGE**

The rise of advanced manufacturing, artificial intelligence, and other technology industries is driving unprecedented demand for reliable power to support their operations. As of 2024, the U.S. had 17 GW of operational data center capacity, with 25 GW in development. Ohio currently has 1.2 GW of that operational capacity, but demand could grow to nearly 15 GW by 2034.

However, Ohio faces significant challenges in meeting this demand. Since 2019, the state has retired 24.5 GW of capacity, outpacing the 17.3 GW of new generation added. If this trend continues, 30 GW could retire by 2029, including 5 GW in Ohio.

Additionally, despite 340 GW of new generation proposals in PJM since 2014, only 7% (23 GW) have been built due to interconnection queue congestion, permitting, siting, and regulatory barriers.

These challenges are not unique to Ohio. Grid reliability is a concern across the United States that hinders economic growth by creating uncertainty for businesses, contributes to brownouts during peak demand, and drives up consumer costs. However, Ohio has an opportunity to lead the way through policy changes that attract energy investment, positioning the state as a national leader and benefiting all Ohioans.

With this in mind, the Ohio Business Roundtable convened a 35-member workgroup last year consisting of energy experts across the industry—including independent power producers, public utilities, large-load consumers, and even financial institutions—with one goal, develop workable solutions with broad consensus that position Ohio to become a national leader in energy. This process culminated in our [Energy Competitiveness Study](#), which included six recommendations for Ohio’s energy grid, several of which are reflected in Sub. HB 15.

## **SUBSTITUTE HOUSE BILL 15**

While we remain an interested party to the bill in its entirety, we would like to express our support for several critical provisions that will help advance Ohio’s energy landscape, as well as provide insight to changes that could be made to strengthen those provisions.

### **1. Time to Issue a Decision for Power Siting Board Reform**

An important provision we support is the reform of the Ohio Power Siting Board’s (OPSB) decision timeline. However, House Bill 15’s proposal to implement a 180-day “shot clock” for OPSB decision-making means this process will still take half a year. Efficient approvals of these applications are essential for accelerating and promoting the development of critical energy

infrastructure. For that reason, our Energy Competitiveness Study called for these approvals to be completed in 90 days. OBRT believes no timeline should exceed 120 days.

Additionally, OBRT cautions against increasing the number of bureaucratic hurdles needed for critical infrastructure projects to obtain approvals. This includes lowering thresholds requiring approvals, adding new steps to review processes, and expanding intervenor eligibility.

As Ohio continues to grow economically, particularly with a rising demand for data centers and advanced manufacturing, timely siting approvals for energy projects—whether for transmission lines or power generation—are vital. We believe some provisions contained in Sub. HB 15 will lengthen the time it takes to get this critical infrastructure built.

The ability to issue decisions within a 120-day timeframe will ensure Ohio remains an attractive location for investment.

## 2. Deadline to Issue a Rate Case Provision

We strongly support the provision in Sub. HB 15 that enforces a deadline for PUCO to issue a rate case decision. As highlighted in our study, timely approval of utility rate cases is essential for encouraging the investment needed to modernize our energy infrastructure. Regulatory lag—the delay between when utilities incur costs and when they can recover those costs—deters investment in Ohio.

By adhering to the statutory deadline of 346 days for rate case decisions, subject to automatic approval for failure to make a decision, this provision will help ensure that Ohio's energy system is equipped to meet the growing demand from businesses, consumers, and the expanding data center sector.

Additionally, we applaud the incorporation of limiting the discovery period to 215 days to ensure timely decision-making.

## 3. Priority Investment Areas (PIAs)

We thank committee members for including our recommendation on priority investment areas (PIAs) recommendation included in the bill. This provision establishes a framework for designating and incentivizing investment in specific regions of Ohio. The creation of PIAs in areas such as former coal

sites and brownfields offers a valuable opportunity to revitalize communities, attract new energy investments, and promote job creation.

An important distinction is that this is a locally led effort; we aim to encourage new generation in communities that already have the infrastructure, workforce, and experience, and are eager to participate. Ultimately, this provision can help transform these areas into hubs for energy innovation and growth.

Furthermore, these PIAs act as a beacon for energy companies looking to invest their capital and with this designation, Ohio will be more competitive in being able to attract more energy infrastructure projects—ultimately benefitting the grid and consumers.

#### 4. Self-Generator Language

Finally, we support the inclusion of the self-generator language in Senate Bill 2, which clarifies the rules surrounding behind-the-meter generation. This provision will help promote private-sector investment in energy projects—like industrial park microgrids or localized energy systems—which can enhance grid resilience. By removing ambiguity and enabling third-party ownership, Ohio can foster greater energy independence and ensure that businesses have the flexibility they need to meet their energy needs in a cost-effective manner.

#### 5. Grid Enhancing Technology

The Energy Competitiveness Study also called for exploring the implementation of grid enhancing technologies (GET) considering they have the potential to contribute meaningful efficiency, affordability and security enhancements for the grid. Substitute House Bill 15 incorporates that intent by increasing exploration of GET utilization.

As for some of the other provisions within Sub. HB 15, we have not yet had the opportunity to collaborate with our members to fully assess their potential impact on Ohio's energy market. It took months of research and discussions to develop our Energy Competitiveness Study, and some provisions of this bill were not initially considered during that process. Therefore, a thorough evaluation is needed to

assess how these provisions may influence the development of new baseload generation, while recognizing that public utilities play a critical role in this process as well. We are committed to engaging with our members and working with you as these conversations unfold, and we will provide our insights as they become available.

In conclusion, the Ohio Business Roundtable believes that Sub. HB 15 contains important provisions that will help modernize Ohio's energy landscape, encourage private investment, and support the state's continued economic growth. However, there are other provisions that remain a concern of our organization as we believe they will increase the time it takes to build energy infrastructure in Ohio/

Ohio is at a critical point in shaping its energy policy, and as private companies assess investment opportunities across the United States, we want Ohio to be their top choice. We urge this committee to carefully consider each provision, as they are crucial to strengthening Ohio's energy security and enhancing its competitiveness in the years to come.

Thank you for your consideration.