March 18, 2025

RE: HB15, An Act Concerning Electricity Generation, Affordability, and Reliability

Contact: Christian Koch – Manager, Midwest Policy, ckoch@ceres.org

Dear Chair Holmes, Vice Chair Klopfenstein, Ranking Member Glassburn, and Members of the House Energy Committee:

Thank you for the opportunity for Ceres to provide testimony in support of HB15, an act concerning electricity generation, affordability, and reliability.

Ceres is a nonprofit organization working with some of the largest businesses and investors in Ohio and across the country to advance market-friendly policy solutions for energy and other sustainability challenges.

Ceres supports HB15 as a comprehensive piece of legislation that will foster greater competition in Ohio's energy marketplace. **We particularly endorse HB15 for a recently added provision that will require major utilities and energy regulators to evaluate the use of advanced transmission technologies (ATTs) – a set of cost-effective technological innovations designed to enhance the reliability and capacity of energy transmission infrastructure.**

Ohio's transmission infrastructure is becoming increasingly insufficient to meet growing energy demands. By requiring major utilities and energy regulators to evaluate ATTs and explore solutions to alleviate transmission congestion or improve the efficiency, reliability, and safety of transmission systems, Ohio will be better positioned to meet rising demand for energy while also minimizing increasing generation costs by expanding grid capacity through cost-effective technology upgrades.

Businesses rely on stable, affordable energy systems and cannot afford the risks associated with unreliable service. Modernizing and expanding the state's critical grid infrastructure is vital not only for business success but also for Ohio's ability to retain current private sector investments and attract new ones.

While Ceres supports HB15, we also believe that the bill – and its ability to achieve its desired outcome of supporting rising energy demand and improving energy affordability – could be further strengthened with the addition of policy provisions that will support greater energy efficiency practices across Ohio.

Businesses recognize energy efficiency as one of the most effective investments they can make to reduce their utility bills and subsequent overhead costs. That's why a dozen businesses and trade associations issued a letter to Ohio lawmakers during last year's legislative session in support of proposed legislation that would have ensured utilities are able to offer energy efficiency and demand response programs to their customers.

Energy efficiency is a powerful tool for reducing energy demand, mitigating supply-side costs, and lowering electricity bills for energy consumers – regardless of customer class. By adopting policies that encourage greater energy efficiency practices, Ohio lawmakers can help control generation costs, reduce capacity obligations, boost economic development, and enhance grid reliability.

We again want to emphasize our support for HB15, specifically as it pertains to ATTs, which is a policy solution that has garnered strong support from the business community, as reflected in the enclosed sign-on letter from over a dozen leading companies, including Ohio companies **Bekaert, Nestlé, REI, IKEA**, and **DSM**. These businesses recognize that transmission constraints limit economic opportunity and increase costs. As the letter emphasizes, "Cost-effective investments in transmission infrastructure are necessary to meet the growing demand of energy consumers." Their support underscores the importance of modernizing the grid to drive economic growth and energy reliability.

In summary, HB15 does well to introduce more competition into Ohio's energy marketplace and we support many of key provisions outlined in HB15, including repealing subsidies to the Ohio Valley Electric Corporation (OVEC), requiring electric utilities to provide Standard Service Offering rates, and directing the PUCO to establish a Consumer Choice Billing program.

Additionally, the recent ATTs amendment has turned HB15 into a stronger bill that will help create stable, affordable energy systems for the benefit of Ohio's business community.

However, if lawmakers wish to maximize the potential for energy affordability, grid reliability, and better meet the energy needs of the business community, lawmakers should also include bill language in support of policies that will encourage our most cost-effective energy resource, energy efficiency.

Sincerely,

Christian Koch
Midwest Policy Manager
Ceres
ckoch@ceres.org

Ceres is a national sustainability nonprofit that organizes several influential business networks including the Business for Innovative Climate and Energy Policy Network (BICEP) – a coalition of over 80 major businesses, all committed to driving sustainability throughout the economy; and the Ceres Investor Network, a coalition of over 200 members with collectively nearly $60 trillion in assets under management.

Businesses Urge Grid Planners & Decision-Makers to Deploy Transmission Solutions

As businesses whose operations depend on a reliable and affordable energy system, we urge policymakers, regulators, and grid operators to make the cost-effective investments in our transmission infrastructure necessary to meet the growing demand of energy consumers.

Current transmission infrastructure is insufficient, limiting the amount of power available to consumers, risking reliable service, and increasing ratepayer costs.[1] These challenges will only increase with rising energy demand.

There are cost-effective technology solutions that can increase transmission capacity and improve grid reliability in the short-term.

- A variety of available grid enhancing technologies (GETS), such as dynamic line ratings, offer low-cost solutions to optimize electricity flow and increase capacity while strengthening grid resiliency.[2]
- **"**Advanced reconductoring," or replacing old transmission lines with more efficient conductors, has the potential to nearly double line capacity while reducing corrosion. These upgrades can be performed without interrupting service.[3]

State policies and regulations can ensure these technological solutions are utilized effectively and promptly. The benefits and opportunities associated with deploying GETS and reconductoring technology should be regularly assessed and incorporated into resource planning by utilities, state transmission authorities, and grid operators to make sure these cost-effective technologies are

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[1] Grid-Enhancing Technologies: A Case Study of Ratepayer Impact, US Department of Energy, February 2022
[2] State regulators' opportunities to unlock more value from the transmission grid, WATT Coalition, 2022.

considered before other more-costly investments. Further, states should consider opportunities to reduce barriers to deployment, such as reduced permitting requirements.

Despite the enormous potential of advanced transmission technologies, states and grid operators must also take steps to site and build new transmission lines. This is traditionally a lengthy and cumbersome process, but there are pragmatic policy opportunities that can expedite the timeline, improve efficiencies, and maximize existing infrastructure, such as:

- Co-locating transmission lines within existing rights of way, like highway and railroad corridors.
- Identifying and prioritizing projects in "energy resource zones," or strategic locations where energy resources are abundant and/or require additional grid capacity to come online.
- Streamlining the roles and processes across state agencies for transmission siting without compromising critical reviews.
- Proactively collaborating with host communities to ensure adequate and early engagement.
- Ensuring regional coordination through new or existing forums or market mechanisms.
- Identifying opportunities to upgrade existing lines through rebuilds and prioritizing high-voltage transmission lines and double circuit systems to enable more electricity to be carried across longer distances.

Upgrading our transmission infrastructure is vital to bringing our electric grid into the 21st century and ensuring reliable, affordable electricity to power our businesses and the economy.

Sincerely,

Akamai Technologies

Arapahoe Basin Ski Area

Aspen One

Bekaert

CommonSpirit Health

DSM

Eileen Fisher

Grove Collaborative

Hackensack Meridian Health

IKEA USA

Nestle

REI Co-op

Sierra Nevada Brewing Company