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March 19, 2025

The Honorable Adam Holmes
Chairman, House Energy Committee
Ohio House of Representatives
77 S. High Street, 13th Floor Columbus, Ohio 43215

RE: Support for Substitute House Bill 15 (-5 Version)

Dear Chairman Holmes:

On behalf of Lightstone Generation LLC ("Lightstone"), I want to express the company's strong support for Substitute House Bill 15. Ohio has been a leader since 1999 in competitive markets, and the passage of Substitute House Bill 15 will affirm Ohio's leadership for years to come.

Lightstone Overview

In 2017, private investors Blackstone Inc. and Arclight Capital Partners purchased three large-scale Ohio power plants and one Indiana power plant from utility American Electric Power. This investment of \$2.2 billion created the 8th largest power generator in PJM and represents 13% of the generation currently operating in Ohio. The Blackstone-Arclight joint venture, named Lightstone, made this sizeable investment in Ohio in large part because of the state's long-standing support for free market principles and competitive power markets.

Lightstone's investment in Ohio did not end with the \$2.2 billion acquisition of the AEP plants. Since its initial 2017 investment, Lightstone has spent a total of \$1.8 billion on labor, goods and services at Lightstone's Ohio facilities. This is in addition to the \$104 million in property taxes Lightstone has paid to local governments and the hundreds of millions of dollars in annual purchases of natural gas and coal, a significant portion of which comes from Ohio mines. The company plans to invest an additional \$533 million in new capital projects between 2025 and 2030 at its Ohio plants to strengthen its competitiveness. Each and every day, our 260-person Ohio-based workforce strives to ensure these Ohio-based plants are as competitive as possible.

Benefits of Substitute HB 15

In 2019, House Bill 6 was enacted, providing an unfair advantage to a select number of nuclear, coal and solar facilities. Those subsidies directed at select facilities disadvantage the broader power generation market in Ohio. The repeal of these subsidies paid for by ratepayers is imperative for fair competition.

Lightstone is a proponent of a fair, level playing field for energy generators in Ohio. Prohibiting regulated utilities from investing in generation using ratepayer funds and receiving regulated returns on such generation is critical to preserving the foundation Ohio set years ago to attract investment in competitive power generation. We believe that Sub. HB 15 achieves the important goal of preserving competition and that its enactment will encourage others to invest in Ohio.

Ohio's economy is strong, replete with examples of companies like Intel building its largest chip manufacturing facility in the world, and defense contractor and military drone manufacturer, Anduril, both locating in central Ohio, as well as an unprecedented number of other large users - data centers and hyper-scalers - locating within Ohio. According to JobsOhio, the state's private, non-profit, economic development corporation reports that in 2011, Ohio was home to 379 data centers and by 2024, the number had increased to over 1,100. This is in addition to a robust desire for relocation of manufacturing facilities to Ohio. If Ohio wants to stay at the forefront of economic development, ensuring a truly competitive generation market will certainly attract future investment to strengthen the state's energy sector. Sub. HB 15 seeks to remove the remaining barriers to investment in a free-market energy generation sector that will serve to reinforce the State of Ohio's role as a leader in energy for decades to come.

In closing, Lightstone Generation strongly supports Sub. HB 15. Its investors invested in Ohio because of its free-market regulatory framework. My team and I look forward to working with you and your colleagues throughout the legislative process and are available to provide support and information as needed. Thank you for your continued leadership and support for free-market energy generation. I welcome the opportunity to discuss these issues at your convenience and may be reached directly at lee.davis@kindle-energy.com.

Sincerely,



William Lee Davis
Chief Executive Officer
Lightstone Generation LLC

CC: The Honorable Members of the Ohio House of Representatives Energy Committee
The Honorable Roy Klopfenstein, Sponsor of HB 15, Ohio House of Representatives