



TESTIMONY

October 1, 2025

Molly Bryden

Proponent testimony on HB 303 before the House Energy Committee, 136th General Assembly

Chairman Holmes, Vice-Chair Mathews, Ranking Member Rader, and members of the House Energy Committee, thank you for the opportunity to submit proponent testimony on behalf of House Bill 303 (HB 303), which would establish a pilot program for community energy in Ohio. My name is Molly Bryden, and I am the Climate & Sustainability Researcher with Policy Matters Ohio, a nonprofit research institute working to build a more vibrant, equitable, inclusive, and sustainable Ohio.

HB 303 would enable developers to build community-scale energy facilities¹ using a range of fuel sources, including solar, biomass, natural gas, or other technologies. Community energy would bring broad economic benefits to the state, while responding to historic rise in electricity costs, which are largely driven by a stark need for increased in-state generation capacity.

While Ohio is the fourth-largest electricity consumer in the United States, we rank eighth in electricity production.² Electricity demand outweighs in-state supply, and consequently, Ohio imports around 20-25% of its electricity from other states via the regional transmission grid managed and operated by PJM Interconnection. Insufficient supply across PJM's service territory, which spans 12 other states and Washington D.C., was the driving force behind the historic increase in electricity rates that took effect in June of 2025. As a result, utility rates increased between 10% and 36%, depending on ratepayers' utility provider.

Every year, PJM holds a capacity market auction, a competitive bidding system designed to ensure there is enough power supply available to meet peak demand, based on forecasted load growth within PJM's territory. The prices that clear PJM's capacity auction are based on the relationship between supply and demand in PJM's territory. Utility companies that deliver electricity to end-use customers pay for power generators' energy resources to ensure adequate capacity levels within their distribution territories.

The capacity prices resulting from the 2024 auction increased by 800% from the previous year's auction, largely due to the imbalance between existing capacity levels and the surge in load growth driven by industrial electrification and data center development.³ Electricity prices are expected to increase again next year, though at a lower rate than in 2025, thanks to the price cap PJM set in response to the historic price increase resulting from the 2024 auction.

Ohio's resource adequacy challenges – or the growing risk of outages due to energy supply shortfalls – are largely produced by PJM's poor interconnection planning, slowing the approval of large-scale generation projects in the interconnection queue. HB 303

¹ Community energy facilities have a maximum nameplate capacity of 10 MW.

² [Ohio State Energy Profile](#), Analysis: Electricity, U.S. Energy Information Administration, 2024.

³ ["PJM, Facing Capacity Shortage as Early as 2026/2027 Delivery Year, Agrees to Lower Auction Price Cap,"](#) by Sonal Patel, Power Magazine, January 2025.

offers an opportunity to insulate Ohio ratepayers from the rapid rise in energy costs accelerated by the data center buildout.

HB 303 would increase in-state generation capacity by an additional 1,500 MW through the integration of distributed energy resources into the grid. Community energy facilities are interconnected to the distribution system, and their smaller size enables them to bypass PJM's interconnection queue. As a result, community energy facilities can enjoy quicker construction and interconnection timelines, compared to utility-scale generation resources.

HB 303 is a critical component of a broader energy plan to increase in-state electricity supply and drive down utility costs for Ohio's working families. Community energy presents Ohioans with an opportunity to unlock guaranteed savings on their electricity bills while enjoying a more resilient, reliable electricity grid.

Typical ratepayers should not bear the costs of resource-intensive data centers – which offer little economic benefit to surrounding communities – connecting to the grid. Yet after the results from PJM's 2024 capacity went into effect, the average residential electricity bill in July 2025 was \$214, a 23.3% increase from the previous year, the third largest increase in the country.⁴

A family's energy burden, or the percentage of household income spent on home energy costs, is considered high if their utility bills make up 6% or more of their income. Considering the average residential electricity bill in July of 2025, electricity was unaffordable for households with a monthly income of \$3,563 or less (or an annual income of \$42,761). In 2024, 26.2% of Ohio households made less than \$35,000, suggesting recent rate hikes have generated high to severe energy burdens for more than a quarter of Ohio families.⁵

Before the rate increase took effect, keeping up with rising energy costs was already a significant challenge for a large share of Ohio households. In 2024, 25.4% of Ohio households were unable to pay an energy bill in full, slightly higher than the national average of 23.4%.⁶

Though access to electricity is critical for sustaining the health and well-being of our communities, Ohio's regulated electric utilities reported approximately 281,000 service disconnections due to nonpayment between June 2023 and May 2024. At the same time, electric utilities accounted for 74% of service restorations for participants in Ohio's Home Energy Assistance Program, or HEAP, which serves households with undue energy burdens. HEAP is a critical program that helps Ohio families keep the lights on, maintain a safe and healthy indoor temperature at home, and keep food fresh. With the uncertainty caused by ongoing threats to the federal Low-Income Home Energy Assistance Program, Ohio lawmakers must take action to ensure Ohio families can access affordable, reliable energy services.

HB 303 would advance Ohio's energy independence and resilience by reducing the state's reliance on out-of-state generation, while enabling Ohio businesses' participation in an emerging market with considerable opportunity for growth. Nationally, community solar capacity increased by 500% between 2018 and 2024,⁷ and 24 states have passed

⁴ [Electric Power Monthly](#), Electricity sales to ultimate customer by state and sector (number of customers, average price, revenue, and megawatt hours of sales), Energy Information Administration.

⁵ ["Income in the Past 12 Months \(in 2024 Inflation-Adjusted Dollars\),"](#) American Community Survey, ACS 1-Year Estimates Subject Tables, Table S1901, U.S. Census Bureau.

⁶ ["Federal cuts put energy assistance at risk,"](#) by Molly Bryden, Policy Matters Ohio, April 2025.

⁷ ["Community Solar and Beyond,"](#) by Sara Fall, NREL Solar Market Research & Analysis, December 2024.

legislation to enable community solar.⁸ Ohio-based community energy organizations could participate in this expanding market through HB 303's technology-neutral approach to community solar, which further supports subscribers' energy choice. HB 303 additionally offers community control through public meeting requirements for proposed projects located in a township, supporting a responsible, community-driven approach to project development.

Finally, though renewable energy sources are gaining appeal due to shifting consumer demand, Ohio ranks 44th for renewable energy consumption as a share of energy consumed in the state – a moderate improvement from the previous year, when we ranked 46th.⁹ Moreover, renewables – the most cost-effective source of electricity¹⁰ – are more efficient and faster to build and deploy on the distribution side. However, restrictive state policies and utility regulations that hinder renewable development have further widened the gap between electricity demand and supply. HB 303 puts us on a path toward closing this gap, increasing generation capacity while expanding energy choice for residential and smaller commercial ratepayers. Ohio's lawmakers should listen and respond to the needs of their constituents. HB 303 is a critical opportunity to do so.

While solar is becoming increasingly competitive with traditional, carbon-intensive generation sources, residential solar is contingent on homeowners' financial capacity to take on a role in energy generation – which wasn't possible before advancements in distributed energy technologies. In Ohio, the average cost of installing a five-kilowatt rooftop solar system is \$16,750,¹¹ and the recent elimination of federal tax credits for clean energy technologies further hinders access to clean energy resources for many Ohio families, especially when considering the large share of households already facing undue energy burdens. Further, installing solar is not an option for renters, who represent 33.2% of Ohio households. Community energy, however, is an equitable alternative that can scale the uptake of renewable energy sources and lower utility costs for Ohio families by mitigating financial and structural barriers to residential solar adoption.

Ohio lawmakers must advance a comprehensive energy policy agenda that centers Ohioans' needs over those of profit-driven corporations. Expanding access to affordable, reliable energy assets is good for the state, for business, and for Ohio's working families. Community energy subscribers enjoy greater power in determining where and how their energy is produced, facilitating greater energy equity and economic opportunities for Ohio.

Thank you for the opportunity to provide proponent testimony on behalf of HB 303. I am happy to answer your questions.

⁸ "[Where Community Solar Stands Across the States in Early 2025](#)," by David Sarkisian, NC Clean Energy Technology Center, May 2025.

⁹ [Ohio State Energy Profile](#), Environment: Renewable Energy Consumption, Energy Information Administration, 2023.

¹⁰ "[Ranked: America's Cheapest Sources of Electricity in 2024](#)," The National Public Utilities Council.

¹¹ "[How Much Do Solar Panels Cost in 2025? Everything You Need to Know](#)," by Chi Odogwu and Sarah Drolet, CNET, June 2025.