

CITIZENS UTILITY BOARD OF OHIO

Proponent Testimony by Tom Bullock on House Bill 303 Executive Director, Citizens Utility Board of Ohio House Energy Committee October 1, 2025

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 House Bill 303 (HB 303), a bill to offer consumers the option to buy affordably priced in-state power by authorizing community energy projects in Ohio. My name is Tom Bullock, and I am executive director of the Citizens Utility Board of Ohio (CUB Ohio).

CUB Ohio is a statewide non-partisan consumer advocate working on behalf of residential and small business utility customers, and we have members across the state in all utility service territories. We work for cheaper bills, reliable service, transparency, consumer rights, an energy system that delivers power equitably to all Ohioans and that reduces emissions by leveraging new technology as well as new and old energy sources.

Community Energy is "All of the Above", Affordable, and Helps Bring Down Electricity Prices

Ohio will need more power in coming years thanks to data centers, the <u>Intel chip manufacturing facility</u>, and <u>increasing electrification of homes and vehicles</u>. We need affordable energy sources, such as market-based distributed generation—i.e. community energy projects—to put downward pressure on prices, so consumers (both small business and residential) won't be stuck with energy price inflation and no affordable options over the next decade.

Ohio consumers can shop as part of our state's energy choice policies, and they will benefit from expanding low-cost, affordable distributed generation as a choice in our state.

Since it takes many years to plan and build utility-scale generation and years more to connect it to the interstate grid managed, Ohio consumers can benefit from more distributed generation, which connects to the local grid (the wooden poles and wires owned and operated by AEP, FirstEnergy, AES, and Duke) since it can be built and connected more quickly: the project sizes are smaller, given the capacity limits of the local grid wires; and the time to connect it is faster since it doesn't involved the long wait times for the interstate grid (i.e. PJM's interconnection queue, which has been 5 years in many cases) developed. They can also be targeted to areas of the grid that need generation using the grid "heat maps" required by HB 15. The systems are "all of the above", powered by a range of fuels and energy storage technologies, allowing the market to decide which is best.

What HB 303, "All of the Above Community Energy" Does:

Under current Ohio law, community energy projects are not permitted. HB 303 would remove red tape to open a new market sector in the energy industry, attract investment, protect jobs by lowering energy costs

for Ohio employers, drive innovation, support a stronger and more resilient grid, and provide access to consumers and small businesses affordably priced distributed generation power. Specifically, HB 303 would allow electric customers to subscribe to a community energy facility to receive bill credits towards their electric bills for electricity produced by the facility. The Public Utilities Commission of Ohio would play an important role in pricing, managing the project queue, and consumer protection.

What Is Community Energy and How Does It Work?:

Community energy is a program for people who want to offset their electricity usage with distributed generation projects, without actually purchasing their own equipment to site on their own property. This is a great program for renters or people without access to land or other developable areas, and it allows consumers to save money on their electric bills from energy produced by larger, offsite distributed generation projects, similar to how consumers would save on their electric bills if they installed a net metering system on their own property.

The owner of the offsite community energy project pays the upfront costs to build, maintain and connect it to the utility's power grid. When consumers sign up for community energy, they are subscribing to a portion of the project's monthly output. The community energy provider will analyze a household's energy demand to determine the subscription size. Each month, consumers pay the community energy provider for the amount of electricity generated by their subscription. The provider then reports the output of their subscription to the utility, and the utility company adds credits to their electric bill equal to that output. To participate in the program, consumers must be an electric customer in the utility territory where the community energy project is built. Consumers who move to a new home or location within the same utility territory can take their subscription with them.

There are many reasons why a consumer may not be able to install net metering generation on their own property. They may:

- Lack sufficient space available for installation of equipment;
- Rent their home or commercial space, lacking legal authority to modify the property where they live or work;
- Be about to sell their property or face other uncertainty about their ownership status, thereby creating reluctance on the part of the owner to install a net metering generation system; or
- Lack finances to afford construction of a net metering system.

For consumers meeting any of the above circumstances, community energy is a great option since it overcomes each one.

Conclusion:

Thank you for the opportunity to provide proponent testimony on behalf of HB 303, the All of the Above Community Energy bill.