

Conditional Proponent Testimony of HB 427 by Mayor John Marra

October 7, 2025

Chair Holmes, Vice-Chair Mathews, Ranking Member Rader, and Members of the House Energy Committee:

Thank you for the opportunity to testify today on **House Bill 427**.
I speak to you not to oppose modernization, but to insist that we do it responsibly.

Let me be clear: **this bill needs to pass**. Our electric grid is under real and growing strain. But it must **not** pass in its current form—**not without a mandatory kilowatt-for-kilowatt replacement requirement for all new and expanding data centers and automated manufacturing facilities**.

1. Why This Bill Matters

Ohio's grid is already stretched thin. We have aging generation assets, increased storm volatility, and unprecedented new demand from 24/7 operations like data centers and large-scale automation.

When a single complex like the “Stargate” facility in Lordstown can draw nearly **two gigawatts**—equal to the Perry Nuclear Plant's output—it's obvious that our infrastructure needs help.

HB 427's demand-response framework could help stabilize the system, giving utilities tools to smooth out short-term peaks. In principle, that's smart policy. **But in practice, it's incomplete**. Without balancing industrial demand with equal replacement generation, the bill shifts the entire stabilization burden onto homeowners and small businesses—the same people already paying record property taxes and high electric bills.

2. The Non-Negotiable: Kilowatt-for-Kilowatt Replacement

Every new or expanded data center and automated manufacturing facility must be required to **replace what it consumes**—one kilowatt for every kilowatt drawn—through certified in-state generation or storage.

If Ohio is serious about grid reliability, then those who add the most load must add the most supply.

Right now, they don't.

These projects enjoy massive tax abatements and exemptions under HB 96 and HB 15, while utilities turn to households to “voluntarily” cut consumption.

That's not fairness—it's dependency economics disguised as modernization.

3. The Reality: Solar Alone Won't Cut It

Some argue these facilities offset their demand through solar installations or renewable credits. But let's be honest about the science:

- Solar provides **intermittent**, not baseload, power.
- In Ohio's climate, solar output can fall below **15 % efficiency in winter**.

- Even with subsidies, solar remains **cost-inefficient** for powering around-the-clock operations. Without complementary storage or generation, “renewable offsets” are paper transactions—not actual replacement power. That’s why HB 427 must explicitly require **physical replacement energy**, not symbolic offsets.

4. Protecting Homeowners and Restoring Trust

Meanwhile, ordinary Ohioans who opted out of smart meters already pay **\$25–\$40 per month** just to keep analog meters—paying extra for independence.

Now, HB 427 would expand the same system that enables remote control of their thermostats, appliances, and hot-water heaters.

Yes, participation is labeled “voluntary,” but economic incentives make refusal unrealistic. True voluntariness requires that residents have the same protection industry enjoys: freedom from forced control, backed by accountability.

5. A Simple, Balanced Amendment

To make HB 427 work for all Ohioans, the following language—or its equivalent—must be added:

“No electric distribution utility shall implement or expand a demand-response program under this section unless each new or expanded data center or automated manufacturing facility in its service territory demonstrates replacement of its annual load on a kilowatt-for-kilowatt basis through certified in-state generation or storage resources. Non-compliance shall render the facility ineligible for service expansion or state and local tax incentives.”

This one safeguard turns HB 427 from a short-term patch into a **long-term solution**.

6. Conclusion

I urge this committee:

Pass HB 427—but pass it with the kilowatt-for-kilowatt requirement firmly in place.

We need grid modernization, but not at the cost of fairness, reliability, and personal autonomy. Ohio’s families should not become the balancing load for unchecked industrial growth.

If we want a stronger, smarter, more stable grid, let’s make sure those who take the most power give the most back.

Thank you, Chair Homes, Vice Chair Mathews, Ranking Member Rader, and members of the Energy committee, for your time and your service to the people of Ohio.

Respectfully submitted,

John Marra

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