



## **11-12-25 Testimony of Carlo Cavallaro, New Markets Director, CCSA to the House Energy Committee – Proponent Testimony for HB 303**

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 My name is Carlo Cavallaro and I'm the Midwest Regional Director for CCSA.

I am here again to voice our industry's support for HB 303 as well as provide a summary of the changes that have continued to improve the legislation.

Let me begin by saying that HB 303 remains consistent with the legislative language that this committee and the House passed in HB 15 last Spring.

As has been our practice, we have continually worked collaboratively under Representative Ray's and Representative Hoop's leadership with all interested parties to seek to perfect the Community Energy Pilot program being created by HB 303.

We are aware and acknowledge the on-going concerns or angst created by the continual "cost-shift" narrative. As we have testified repeatedly, the focus on costs and costs only is misplaced and ignores the substantial benefits the Community Energy Pilot Program will provide.

**The "cost-shift" argument not only misrepresents what the legislation actually says but also ignores the substantial system-wide benefits the program delivers to the entire rate base. Two independent cost benefit analyses of the program concluded that the program's credit rate "correctly values community solar cost savings" and "after all reasonable costs and benefits are considered, there is likely no net cost to Ohio customers." The on-going objectors have never opted to do the math and instead rely on fear-mongering.**

Similar programs are operating in 20 other states, and many have been operating for well over a decade. OH's Community Energy Pilot Program is not unique or un-tested. However, it is an Ohio specific program that was developed to meet the needs of Ohio under its own set of rules.

The generation that will come to Ohio under this program are generation resources connected directly to the distribution grid where they avoid the congested and overstressed PJM transmission lines and will help off-set the on-going growing rate increases from PJM.

These small projects placed on the distribution grid closer to customers make more efficient use of existing infrastructure and allow utilities to reduce and avoid certain costs that ratepayers would otherwise incur.



The savings include: leveraging private capital to upgrade the distribution system not rate-payer funds; reducing investment required to develop expensive transmission projects; greater fuel diversity; reduction in the use of expensive Peaker plants; and an overall reduction in how much electricity is lost when it travels from central power plants to the end customer.

Based on significant feedback from stakeholders over many years, we have included multiple provisions to ensure this bill has sufficient ratepayer protection provisions, the latest of which Representative Ray summarized last week. I'd like to highlight a few here:

- **Sunset Provision:** The bill now adds a requirement for legislative action to extend the program. This makes it crystal clear that the 1500 MW's contemplated in the program are all that can be in the program.
- **Specific Cost-shift protections:** PUCO is directed to minimize costs and maximize benefits in the overall development of the program. There is also specific language to prevent cross subsidization of any costs across non-participating rate payers.
- **Pilot Program Review.** PUCO's review of the program after four years has added detailed areas of focus to allow the program to be easily assessed once its done. .

Community energy is a common-sense way to meet OH's growing energy needs. Each week there is news about load growth driven by data centers, AI, advanced computing and simply the growing economy. What clear is we need more generation and for Ohio that is particularly true due to the continued importation of so much brings dependence on the PJM system and its cost structure.

These projects are built in months, not years, with private dollars—not rate hikes. They keep energy money in OH, support farmers, ease pressure on the grid, and help families save on electric bills.

Thank you and we hope you will vote to support HB 303.

Thank you for the time, and I am happy to answer any questions.

A handwritten signature in black ink, appearing to read "C F Cavallaro". The signature is fluid and cursive, written in a professional style.

Carlo F. Cavallaro

New Markets Director - CCSA