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Manufacturing Policy Alliance (MPA) Proponent Testimony on Sub. S.B. 2 Senate Energy Committee March 4, 2025

Chairman Chavez, Vice Chair Landis, Ranking Member Smith and fellow distinguished members of the Senate Energy Committee, thank you for receiving MPA's testimony in support of Substitute Senate Bill 2 (S.B. 2).

MPA was formed to provide an effective voice on critical policy matters that affect the competitiveness of Ohio and its large manufacturing companies. We strive to work with the General Assembly and the Governor to help sustain a healthy and vibrant economy. MPA supports the underlying goals of the legislation to encourage additional supply of new power plants, which will help provide manufacturers with more affordable and reliable electricity.

Many MPA member companies participate in programs authorized by the Public Utilities Commission of Ohio (PUCO) that help them manage their electricity costs. These programs include interruptible rates that allow large manufacturers to act as a dispatchable reliability resource during power grid emergencies in exchange for a discounted electric rate, and programs allowing customers to purchase transmission directly through their competitive supplier, which enables them to manage their load during peak periods and mitigate transmission costs. Similar programs – such as the automaker incentive rate – are designed to spur additional economic development and job creation, and the evidence shows that they are working as intended.

Sub. S.B. 2 recognizes the value that these programs provide to Ohio's competitiveness and its grid reliability. Specifically, MPA supports the inclusion of these programs into the rate case process, where they will continue to be fully vetted and reviewed by PUCO. These programs are likely to be more important soon, as both the price of electricity is expected to rise and the need for increased reliability resources is expected to grow.

Thank you for your attention to this very important topic. We urge the Committee to favorably approve Sub. S.B. 2.