

OHIO ENERGY GROUP

– Turning Energy Into Jobs –

BEFORE THE SENATE ENERGY COMMITTEE SENATOR BRIAN CHAVEZ, CHAIRMAN

PROPONENT TESTIMONY OF JOE PRICE ON BEHALF OF THE OHIO ENERGY GROUP SUBSTITUTE SENATE BILL 2

March 4, 2025

Chair Chavez, Vice-Chair Landis, Ranking Member Smith, and members of the Senate Energy Committee, thank you for the opportunity to provide proponent testimony to Substitute Senate Bill 2 (Sub. S.B. 2).

My name is Joe Price and I serve as Executive Director for the Ohio Energy Group (OEG). OEG is a trade association of large, energy-intensive industrial companies with one or more plants in Ohio to promote low-cost, reliable electric power. Our 27 members spend more than \$1 billion annually on natural gas and electricity, and we provide more than 50,000 good paying direct jobs in Ohio. Our members also support tens of thousands of jobs through in-state suppliers. Because energy costs are a major component of each OEG member's cost of production, even small changes to energy policy can have very big impacts for our competitiveness.

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ArcelorMittal Tubular Products Shelby
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Charter Steel
Cleveland-Cliffs Inc.
Ford Motor Company
GE Aviation
General Motors LLC
Greif, Inc.
Howmet Aerospace Inc.
Intel Corporation
JSW Steel USA Ohio, Inc.
Linde Inc.
Martin Marietta Magnesia Specialties, LLC
Materion Corporation
Messer, LLC
Metallus, Inc. (fka TimkenSteel)
Molson Coors Beverage Company
One MWHub
Nature Fresh Farms USA Inc.
North Star BlueScope Steel LLC
POET - Bioprocessing
PTC Alliance Holding Corporation
Stellantis
The Worthington Steel Company
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I previously provided testimony as an interested party to this Committee, but with the changes made in the substitute bill, we now support the passage of the bill. In particular, we are supportive of the language that authorizes the Public Utilities Commission (PUCO) to review and approve programs that benefit economic development and grid reliability, such as the interruptible rate programs that help keep the lights on during emergencies. These programs were essential during Winter Storm Elliot in December 2022, as the equivalent of a base nuclear power plant's capacity was dispatched to keep the lights on. This occurred for four hours on December 23 and for fourteen hours during a very cold Christmas Eve. Other economic development programs have been successful at creating and retaining jobs. And programs that allow customers to manage their contribution to peak periods of demand on the grid which helps reduce stress during the grid's most stressful times. The substitute bill ensures that PUCO can consider these programs in a rate case proceeding instead of an Electric Security Plan (ESP) proceeding.

These programs are a big reason why Ohio is a great state for manufacturing. The programs provide an opportunity for participating customers to reduce their electric costs. It is worth noting that we are already feeling the pain of higher market generation costs, and beginning on June 1, 2025, the price for capacity will increase by nearly nine times year-over-year. For energy-intensive manufacturers, this is a tough environment to face. That is why we also support the goals of the bill sponsors to increase supply by encouraging the development of new power plants. More supply means greater reliability and lower pricing – two things essential for manufacturers in Ohio to continue to compete and win against global competitors in places like China.

Finally, OEG has been a strong proponent for eliminating the practice of using cash payments to settle cases before PUCO. This is a commonsense, good government provision. Thank you for including it in the substitute bill.



Thank you for the opportunity to testify. I would be happy to answer any questions that you may have.