



**Ohio Senate Energy Committee
The Honorable Brian Chavez, Chairman**

Interested Party Testimony-Substitute House Bill 15

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Chairman Chavez, Vice Chairman Landis, Ranking Member Smith, and Ohio Senate Energy Committee members thank you for the opportunity to provide interested party testimony on Substitute House Bill 15 (Sub. H.B. 15).

The American Petroleum Institute-Ohio (API Ohio) is the state affiliate office of the American Petroleum Institute (API). The API represents all segments of America's natural gas and oil industry, which supports nearly 11 million U.S. jobs and is backed by a growing grassroots movement of millions of Americans. Our approximately 600 members produce, process, and distribute most of the nation's energy and participate in [API Energy Excellence®](#), which is accelerating environmental and safety progress by fostering new technologies and transparent reporting. The API was formed in 1919 as a standards-setting organization and has developed more than 800 standards to enhance operational and environmental safety, efficiency, and sustainability.

API Ohio remains an interested party in the policy issues in Sub. H.B. 15 related to amending the competitive retail electric service law and changing electric company property taxation. We do support the legislation's overall goal of providing a competitive, comprehensive energy plan to bring more power generation to the state through market-driven solutions. As more power generation is needed to meet the increasing load growth outpacing our current power supply, we support the bill's intent to ensure that reliable and affordable energy is abundant as Ohio grows and becomes a hub for economic development.

Ohio's move in the late 1990s to restructure the state's electric utility business model, along with the dramatic change in the price of natural gas due to the shale revolution, transformed Ohio's electric power production market. Since then, new power generation developers have seen opportunities to invest billions in private capital in Ohio. Thanks to the development of our state's natural gas resources and multiple natural gas-powered electric generation coming online, Ohioans have enjoyed dramatic economic benefits and reduced carbon emissions in our power sector.¹²

However, according to PJM Interconnection's 2025 Long-term Forecast Report, PJM expects its summer peak to increase by 70,000 MW to 220,000 MW over the next 15 years. The record summer peak for the PJM footprint occurred in 2006 at 165,563 MW. As a result, PJM is warning that a capacity shortage could affect the PJM system as early as the 2026/2027 Delivery Year, which begins June 1, 2026.³ Contributing factors include increased electric grid load growth due mainly to data center buildout, the increasing utilization of artificial intelligence, and the onshoring of our manufacturing base. These issues, coupled with the rising retirement of baseload power caused by regulatory and economic

¹[New Analysis: Ohio's Abundant Natural Gas and Oil Resources Provide Over \\$55 Billion in Economic, Trade & Job Benefits](#). May 16, 2023.

² [Greenhouse Gas Emissions in the U.S. Electricity Sector: Background, Policies, and Projections](#). May 18, 2023

³ [PJM 2025 Long-Term Load Forecast Report](#)

uncertainty, point to the need to quickly bring more capacity online, namely multi-day, dispatchable resources.⁴

API Ohio supports a level playing field where any power generation resource can compete for market share. Sub. H.B. 15 seeks to correct a trend of energy policy in the state that was more focused on selecting “winners and losers” in the market, which disrupts the effective entry and exit of economic resources, resulting in an inefficient market where consumers end up paying more than they otherwise would pay. While we are at a crossroads with ensuring that we have reliable power resources to meet our current and future needs, API Ohio believes we can meet this challenge given that natural gas is the best near-term option for firm power supply, especially for manufacturing and data centers that require baseload (24/7) power.

U.S. presidents, governors, and federal and state legislative leaders debated the nation’s desire to be energy-independent for decades. Within a short period, that aspiration was met and exceeded due to the innovation of the American natural gas and oil industry in developing our domestic shale resources. Thankfully, Ohio is well-positioned to address our current energy challenge of ensuring reliable and affordable energy to meet our present and future needs by fully embracing our abundant natural gas resources. With the right policies, Ohio can meet our energy needs, protect consumer choice, and prioritize affordability, reliability, and sustainability.

We appreciate the opportunity to submit interested party testimony on Sub. H.B. 15. We commend the legislation's introduction and support its goal of providing Ohioans with reliable, affordable, and available energy through market-driven solutions.

⁴ [2023 State of the Market Report for PJM](#). March 14, 2023.