

Andrew Kenneson, a law student at Case Western Reserve University, submits this comment on SB 294.

I applaud Sen. Lang and Sen. Romanchuk in their efforts to ensure that Ohioans have access to affordable, clean, reliable energy. Electricity prices have been rising in our state and others for years now.¹ I'm grateful Ohio's leadership is taking the problem seriously.

However, this bill will not accomplish those goals. It will lead to overbuilding new natural gas plants and underbuilding of renewable sources. Evidence shows that the two, paired together, are the best way to drive down energy prices, while keeping the air clean and the lights on. This bill will also hamstring much-needed innovation in Ohio's power sector, foreclosing the possibility of even lower prices in the future.

In order to truly accomplish this bill's worthy goals, I suggest the following changes.

1. Strike Section 3(b)(i): "A minimum capacity factor of fifty per cent"

Requiring a minimum capacity factor will prevent Ohio's energy mix from diversifying, leading to more expensive electricity. The bill currently lists a minimum capacity factor of 50% as part of the criteria the Ohio Power Siting Board should consider when granting permits.

Capacity factor is an important consideration. It measures what percent of time the generating facility is actually generating electricity. Nuclear plants have a capacity factor of around 90%, combined cycle natural gas plants around 60%, wind around 30%, solar around 25%, and single cycle gas plants around 15%.² Higher capacity factors mean more energy on the grid, more often.

But capacity factor is only one consideration. Tying new sources to a strict capacity factor level will drive up electricity costs, as shown by another metric, Levelized Cost of Electricity (LCOE). LCOE measures how much the generation source costs to build, averaged across its lifetime. LCOE numbers from 2025 show that new solar and storage costs between \$38 and \$78 per megawatt hour (MWh) across the source's lifetime and new wind and storage are between \$37 and \$86 per MWh.³ Compare this with a range of \$48 to \$109 for combined cycle gas plants and \$141 to \$220 for nuclear.⁴ Wind and solar have a lower capacity, but they are also cheaper to build and operate, meaning they must play a role in Ohio's energy future.

¹ Jake Zuckerman, Ohio electric bills are up \$32 a month on average from a decade ago, Signal Ohio (July 29, 2025), <https://signalohio.org/rising-electric-costs-ohio/>

² Won So, *U.S. Average Capacity Factors by Selected Energy Source Since 1998* (May 9, 2025), <https://www.statista.com/statistics/183680/us-average-capacity-factors-by-selected-energy-source-since-1998/>

³ Lazard, Lazard's Levelized Cost of Energy+ (LCOE+), Version 18.0 (June 16, 2025) (report and accompanying figures), at pdf p. 8, <https://www.lazard.com/media/5tlbhyla/lazards-lcoeplus-june-2025-vf.pdf>

⁴ *Id.*

There is, therefore, tension between this bill's goal of affordability and reliability. But because the reliability section has firm numbers, while the affordability section does not, the effect of this bill will be to cut out the cheapest sources of new electricity. This will only cause Ohio's electricity prices to spiral even higher.

Thankfully, solar and wind, combined with natural gas is the ideal combination to drive down prices, while keeping power reliable.⁵ When the sun is shining and the wind is blowing, solar and wind deliver the cheapest electricity anywhere.⁶ When they aren't, natural gas plants are easy to fire up and fill in the gaps.⁷ This is how Ohio meets growing electricity demand while lowering electricity costs.

But this bill, as written, will stand in the way. Section 3(b)(i) must be stricken to increase energy production and cut costs for Ohioans.

2. Strike Section 1(b): “‘Affordable energy source’ does not include advanced nuclear energy technology” and the following definition of advanced nuclear technology in Section 1(b)(2).

Senators Lang and Romanchuk are right to be skeptical of advanced nuclear technology. This is a technology in its infancy; it is unlikely to keep anyone warm in the winter anytime soon.

But it could. By including language preventing the use of this resource, the bill needlessly forecloses a future where advanced nuclear technology delivers clean, reliable, and cheap power to Ohioans. Ohio should instead embrace innovation in the energy section and allow market actors, if they chose, to deploy this technology. The state should not make those decisions.

Section 1(b) must be stricken.

Thank you for the opportunity to provide this testimony.

⁵ Clayton Munnings, Wind, Solar, and Gas: Managing the Risks of America's Clean Energy Transition (Progressive Policy Institute Dec. 2020), 6-7

<https://www.progressivepolicy.org/wp-content/uploads/2024/09/PPI-WindSolarGas.pdf>

⁶ International Renewable Energy Agency (IRENA), Renewable Power Generation Costs in 2024 (Jul. 2025), 14 [Renewable power generation costs in 2024](#)

⁷ U.S. Energy Information Administration, About 25% of U.S. Power Plants Can Start Up Within an Hour (Nov. 19, 2020), <https://www.eia.gov/todayinenergy/detail.php?id=45956>