



Before
The Ohio Senate Finance Committee
Testimony in Support to Amendment SC3504 Sub. H.B.49
By
Testimony of Ray Fakhoury
Advanced Energy Economy, State Policy Associate
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Chairman Oelslager, Vice Chair Manning, Ranking Member Skindell, and Members of the Committee, thank you for the opportunity to provide written testimony regarding the amendment to Sub. H.B.49 proposed by Senator Cliff Hite (R) to restore the minimum wind turbine setback requirement to pre-2014 levels. The wind turbine setback legislation passed in 2014 is an unnecessary barrier to the development of wind energy that has stifled an entire industry and the billions in private investments that go along with it—without bringing any benefits to the state. In addition to harming the wind industry, Ohio’s wind turbine setback requirements stand in the way of the growing number of large corporations that want to power their operations in Ohio and elsewhere with renewable energy.

Advanced Energy Economy (AEE) is a national association of businesses working to advance policies that make the energy we use more reliable, secure, and affordable. Our membership includes companies that manufacture, develop, and purchase advanced energy technologies such as solar, wind, geothermal, energy efficiency, demand response, battery storage, electric vehicles, and smart meters. Our members include national companies and businesses with major operations in Ohio like Amazon, Honda, Apex Clean Energy, and Apple, to name a few.

Since adoption of the current wind setback requirements, from approximately 550 feet to approximately 1300 feet – a 236% increase in the minimum setback – new wind development in Ohio has practically ceased. The current setback is by far the most stringent in the Midwest at more than double the average in the region. Meanwhile, projects currently being developed had all been approved and grandfathered prior to the passage of the setback provision, and each revision or update to a plan must be re-proposed before the Ohio siting board, creating an additional layer of unnecessary regulation that handcuffs an entire industry from providing the most advanced, efficient technologies.

The common-sense revision included proposed by Amendment SC3504 in Sub. H.B.49 would free Ohio’s wind industry to provide economic benefits and protections for Ohio residents against future price volatility of traditional energy resources. By amending Ohio’s stringent wind turbine setback regulations, Ohio can unleash its abundance of wind potential. Independent analysis shows that Ohio's onshore wind energy potential is approximately 55,000 megawatts, enough to power the equivalent of 13 million



households.¹ Developing even a fraction of this potential would supply Ohioans with an abundant and affordable source of electricity produced within the state.

With these changes, Ohio could also meet the needs of corporate purchasers looking to locate new facilities or expand their operations in the state. Otherwise, the growing number of corporate purchasers that have set renewable energy or sustainability targets—which now includes 71 of the Fortune 100 companies²—may be forced to look elsewhere to meet their energy needs.

Amending the wind turbine setback regulations would not only provide consumers with reliable, affordable energy, but would also bring benefits to the communities in which these projects are located. Wind facilities create new high-paying construction jobs and permanent operations and maintenance jobs, and generate millions in new tax revenue and land payments to support local schools, libraries, community centers, roads, and first responders.

In short, this burdensome regulatory structure is damaging the wind industry in Ohio, harming customers and hindering the ability of corporate purchasers to access cost-effective renewable energy projects.

By supporting policies that accelerate the adoption of advanced energy technologies, Ohio will lower costs for consumers and create a more reliable grid over the long term. The cost of advanced energy technologies, like wind, will continue to decline as technological advancement and market competition increase. The cost of wind energy has decreased nearly 80%³ over the last decade and has become cost-competitive when compared with traditional energy resources.

In closing, adopting policies that lift barriers to wind energy development will provide economic development opportunities for businesses, consumers, property owners, and localities. In short, Senator Hite's amendment to restore the wind setback provision to pre-2014 distance would be good for Ohio's economic growth and for all Ohioans.

I appreciate your time and consideration. I would be happy to answer any follow up questions that the committee may have.

¹ Funk, John. The Cleveland Plain Dealer. Ohio wind law crippling wind development, \$4.2 billion boost to Ohio economy. May 24, 2017. http://www.cleveland.com/business/index.ssf/2017/05/ohio_wind_law_crippling_wind_d.html. Household equivalent based on 30% capacity factor and average U.S. annual electricity use of 10,812 kilowatt-hours. See Energy Information Administration, *How much electricity does an American home use?* (Oct. 18, 2016), <https://www.eia.gov/tools/faqs/faq.php?id=97&t=3>.

² Advanced Energy Economy Institute. 2016 Corporate Advanced Energy Commitments, May 2017. <http://info.aee.net/growth-in-corporate-advanced-energy-demand-market-benefits-report>.

³ Levelized Cost of Energy Analysis 10.0, Lazard (Nov. 2016). <https://www.lazard.com/perspective/levelized-cost-of-energy-analysis-90/>.