



Written Testimony of Betsy Engelking, VP Policy & Strategy, National Grid Renewables.

House Bill 118 Opponent Testimony

March 23, 2021

I. Introduction

Chairman Hoops, Vice Chair Ray, Ranking Member Smith, and distinguished members of the House Public Utilities Committee – Good Afternoon. Thank you for allowing National Grid Renewables the opportunity to provide testimony opposing House Bill 118. My name is Betsy Engelking. I am the Vice President of Policy and Strategy for the company.

National Grid Renewables is a leading North American renewable energy company based in Minneapolis, Minnesota. As a farmer-friendly and community focused company, our organization develops projects for corporations and utilities that seek to repower America's electricity grid by reigniting local economies and reinvesting in a sustainable future. Prior to 2019, our team (then Geronimo Energy) developed over 2,000 MW of renewable energy projects. Additionally, we currently have over 625 MW of projects in operation or under construction.

Our company is part of the competitive, unregulated Ventures division of National Grid and has a robust portfolio of projects located throughout the United States. We develop, own, and operate renewable energy projects and have a robust development portfolio located throughout the United States.

We are excited to bring solar development – and all the economic benefits that come with it – to the Great State of Ohio.

National Grid Renewables has concerns regarding House Bill 118. The bill appears to prescribe a broad, statewide remedy to address issues that may only be occurring in certain areas of the state. Furthermore, we believe that the solution being proposed – local referenda on where projects can be located – can be better addressed through more advanced notice requirements, greater participation in public meetings and a uniform set of development best practices, including setback and noise requirements.

HB 118 is also problematic with respect to the timing of the referendum. The bill requires a developer to provide notice and information to the township 30 days prior to applying for a project site certificate. At that time, the township board can pass a resolution either requiring a local referendum or permitting the public to petition for a referendum. The referendum would not happen itself until after any site certificate is issued. This is a very long period of uncertainty for a developer that is continuously investing in the project to have it ready to construct once all permits are received. Given the time to receive a site permit (9-12 months) and the time needed to hold the referendum (another 5-8 months), very few developers will risk investment in a community when a referendum may be held in the future. In this case, the landowners and community will lose out on solar project benefits where there may be only small pockets of opposition.

II. Community Engagement

National Grid Renewables believes that community engagement is crucial for responsible and successful development. National Grid Renewables works with our local governments and communities to communicate information regarding our projects, the economic impacts of solar development, solar energy as a resource and potential recommendations for improving the permitting process that involve a holistic approach as opposed to limiting development in Ohio.

The engagement process for our solar projects begins with the landowner for, without them, no project could exist. As I mentioned earlier, National Grid Renewables is “farmer-friendly” meaning we exhibit a respect and appreciation for hardworking farmers, their communities, and the rural American way of life. The company possesses deep roots in the farming community as we were founded by a farmer.

We carry these farmer-friendly values with us today and maintain those values by working closely with the farming community to provide fair leasing contracts, continued community involvement, and a commitment to continued support of the community once the project is built.

In addition to landowners who agree to host our project, we also reach out to neighboring landowners who will be impacted by the project. It is also during this time that we begin engaging local officials in the area. Our Development and Permitting Teams work with local officials to educate them on the benefits of the proposed project and discuss any local approvals we may need for roads, driveways and other construction issues.

In addition to the steps we take proactively to educate the community about our projects, the application requirements for obtaining a certificate from the Ohio Power Siting Board are codified in the Ohio Administrative Code. The OAC lists the process by which developers are required to notify the communities, including at least two separate written notifications and two newspaper notice requirements, and provides the opportunity for interested stakeholders to offer their input throughout the proceedings – whether that be providing public comments in the docket or granting interested parties an opportunity to formally intervene in the proceedings. Also of note, the Ohio Administrative and Revised Codes allows for local officials and landowners to appeal OPSB decisions directly to the Ohio Supreme Court should they disagree with the board’s decision.

Once an application is approved and construction begins, a complaint resolution process is required to give another opportunity for local officials and landowners to voice complaints to the company and receive a resolution. If a resolution cannot be reached, the OPSB allows these stakeholders to file a complaint to the Board for resolution. Overall, we believe these requirements provide, at minimum, a foundation for community engagement and intervention into proceedings before the Board.

Admittedly, the onset of COVID-19 has made outreach efforts in the state a little tricky, but we continue to push forward and adapt to our current situation. What once was considered a standard practice of utilizing open houses to share the details of the proposed project has given way to virtual meetings and public hearings.

III. Economic Impacts

I'd like to take a moment to talk about economic benefits.

The economic benefits that solar development brings to a local community are undeniable and very real. In addition to the influx of local spending by temporary construction labor, solar energy projects are also beneficial to the local farmers. Solar energy projects offer Ohio's farmers predictability and stability as they look towards the future of their farming operations – and that benefits all Ohio residents because predictable farming income means more farms remain in production to grow local food for all Ohio residents and a more stable agriculture economy. Unlike other forms of energy production that use concrete and other forms of infrastructure in construction, solar panels take land out of production for a period of time but also preserve the land to return to active farmland after the project is decommissioned.

Solar energy projects create new tax revenue for schools, counties, and other public services that benefit all members of the community. As an example, it is estimated that our proposed 1,000 MW Ohio project portfolio will, once operational, provide about \$9.2 million annually for local communities – based on current modeling – through the payment in lieu of taxes program. Of that amount, about 50-60 percent of that revenue will go directly to local school districts, based on current millage rates¹.

It is important to note here that the PILOT program is codified in the Ohio Revised Code and outlines the payment requirements, including timing for those payments, for each qualifying resource.

IV. Solar as a Resource

A diversified and secure energy portfolio is critical for a nation to thrive. Solar energy is just one of the many resources available to Ohioans. Solar offers price stability in that the generating resource costs nothing to use and requires minimal overhead to operate. In a recent study from [Lazard](#), the unsubsidized cost of new large-scale ground mount solar energy projects is one of the cheapest forms of energy available on the market coming in at around \$29-42/MWh, compared with the cost of new coal plants at \$65-159/MWh and combined cycle gas plants at \$44-\$73/MWh.

We also believe that solar energy is a “good neighbor”. Unlike other types of energy development, solar energy projects have few moving parts, use little water, do not emit odor or air toxins, and are virtually noiseless. We could see reason for having a referendum for wind because the projects cover a wide area of the community and impact many people, while solar is very localized and impacts fewer people.

In his sponsor testimony, Senator Reineke referred to the “Generational Shelf Life” of energy sources. We believe this is an important item to consider, especially since many traditional generating resources have been marked for retirement, citing large operational costs and a desire to reduce utilities' carbon footprint. The Generational Shelf Life of solar panels is comparable with other sources of energy. It is estimated that, on average, solar panels generate energy for approximately 25-30 years before needing replacement or decommissioning. This is comparable with the generational shelf life of coal-fired plants, which the National Association of

¹ Estimate based on average millage rates across the state as determined by the county assessor.



Regulatory Commissioners estimates to be approximately 40 years, and combined-cycle gas powered plants coming in at around 30 years.

I would be remiss if I did not speak about the decommissioning process for solar. Ohio outlines its robust decommissioning requirements in the Administrative Code and requires financial assurance (with interval 5-year review periods) that funds are available to remove the project at the end of its life so the land can be converted to its original use through a performance bond listing the Power Siting Board as the obligee. Should the review period determine insufficient funds for decommissioning, the company is required to increase that bond to meet the anticipated costs. National Grid Renewables supports the responsible decommissioning of a project. In addition to recycling and reusing many of the components, we work closely with the county and the landowners to convert a majority of the project site to pre-construction land uses.

V. Conclusion/Recommendations

In conclusion, we believe that SB52/HB118 is not needed. Developers already work with their communities and are in fact required to do so through the site permit process. We believe that National Grid Renewables does an exceptional job at working with our local communities, as evidenced by the very low level of opposition to our projects. As the OPSB rules are currently up for renewal, it may be better to provide input to that rulemaking and suggest other methods of notice whereby all members of the community will so it and know a project is underway.

SB52/HB118 is especially not needed for solar. Solar has a smaller footprint and a more limited viewshed, so its impacts are localized while many of its benefits are shared by the whole community. The viewshed can frequently be mitigated through appropriate landscaping.

If the legislature believes that this bill is important to protect Ohio citizens, we believe that it should include all forms of energy production subject to the OPSB. We would further request that the bill be amended to move the referendum to the front of the process, rather than wait until a site permit is issued. Failure to do this will likely drive solar investment and its accompanying benefits out of Ohio, as developers will not be willing to spend money on developing projects with such a great deal of uncertainty present.

Thank you very much for your time, and I am available to answer any questions.