



**Before the House Public Utilities Committee
Opponent Testimony on House Bill 118
March 23rd, 2021**

Chair Hoops, Vice Chair Ray, Ranking Member Smith and members of the House Public Utilities Committee, my name is Stephanie Kromer, and I am the Director of Energy and Environmental Policy for the Ohio Chamber of Commerce. Thank you for allowing me the opportunity to offer opponent testimony on House Bill 118.

The Ohio Chamber is the state's leading business advocate, and we represent nearly 8,000 companies that do business in Ohio. Our mission is to aggressively champion free enterprise, economic competitiveness and growth for the benefit of all Ohioans.

Ohio is blessed to have an abundance of energy sources, from coal to natural gas, to nuclear, to wind, to solar, and more. Our energy sector consists of thousands of companies in these and related industries. We are home to the largest privately owned U.S. coal operator and the largest solar panel manufacturer in America. Ohio's shale industry is the fourth largest in the United States. Major oil and natural gas companies are headquartered in the state.

Unfortunately, House Bill 118 creates new barriers to entry for solar and wind projects by subjecting them to a new layer of local government regulation in addition to the existing state process by including a township-by-township referenda. Further, HB 118 would apply retroactively to pending certificate and certificate amendment applications, which were filed under a regulatory regime that did not contemplate a local vote.

Many Ohio Chamber members, ranging from automobile and chemical manufacturers to steel producers to technology firms, have chosen to implement entirely voluntary renewable energy procurement goals. More choice in local energy procurement options and access to cost-competitive resources would provide these Ohio employers with flexibility to lower overhead energy costs and continue to positively contribute to Ohio's economic diversity and growth.

When energy projects are sited in Ohio to meet Ohio companies' energy needs, there are multiple economic development benefits that flow to local communities often in need of new economic development activity. Energy generation resources directly inject significant tax revenue into local jurisdictions and schools, without creating additional strain on local services. In this way, as Ohio

companies increase their investment in local energy generation, they are also spurring new economic activity into Ohio's rural economies.

That's why the Ohio Chamber has long been an advocate for an "all-of-the-above" approach to energy policy that doesn't hinder Ohio's ability to develop any of its many energy resources. This is important because as Ohio's economy evolves, our energy portfolio cannot remain static. Government regulation should not hinder energy innovation.

The bill introduces tremendous, new political risks to energy infrastructure projects that will deter investors and lenders from providing the upfront capital needed to build projects. Thus, the bill acts as an effective moratorium. As a result, under HB 118, at a time when private sector demand for solar and wind energy continues to grow, government intervention into the marketplace would choke supply, raise prices and hurt Ohio's business climate

No other sources of generation are subject to a similar public referendum. Such a requirement would kill almost every solar and wind project moving forward in the state and reverse the regulatory certainty developers and investors rely on to make business decisions and investments in Ohio.

Presently, there are numerous opportunities for residents and concerned citizens to have a voice in the power siting process. Before filing an application to build a new facility, a developer is required to hold a public informational meeting. The public is encouraged to submit informal written comments to the Ohio Power Siting Board (OPSB). Members of the public can provide sworn testimony at a formal public hearing conducted by OPSB. Individuals have the right to intervene in case proceedings, including the adjudicatory hearing, and may file for rehearing or appeal a Board decision to Ohio Supreme Court. As you can see, there is no shortage of opportunities.

However, if you nonetheless believe these opportunities are insufficient, a more balanced approach is needed than is proposed in HB 118.

Last General Assembly when I gave testimony on a similar bill that only subjected wind to township referenda, I warned the committee of the slippery slope that the bill presented when it comes to other sources of generation. Fast forward to today, HB 118 now includes solar, and we are seeing the beginning of the slippery slope in motion. This is not only concerning to wind and solar developers, but it also sets a dangerous precedent for other energy infrastructure and agricultural projects.

Proposals such as HB 118 do not create a friendlier business climate in Ohio. In fact, they do just the opposite. If passed, this bill could give solar and wind developers cold feet and prevent them from ever doing business in the state, depriving Ohio of economic development opportunities that could generate millions of dollars of tax revenue, create both construction and long-term jobs, and contribute to diversifying our overall economy.

Thank you for the opportunity to provide testimony today, and I will be happy to answer any questions from the committee.