



**House Public Utilities Committee
Chairman Hoops, Vice Chair Ray, and Ranking Member Smith
Proponent Testimony on House Bill 351
Testimony of Rachael Belz
Ohio Consumers Power Alliance**

September 29, 2021

Chairman Hoops, Vice Chair Ray, Ranking Member Smith, and Members of the Public Utilities Committee, my name is Rachael Belz, and I am the Director of the Ohio Consumers Power Alliance, a project of the Ohio Citizen Action Education Fund dedicated to educating Ohio's energy consumers around opportunities to diversify Ohio's energy portfolio and policy actions that could impact consumer choice and spending. Our members fully support House Bill 351.

Ohio Consumers Power Alliance was opposed to House Bill 6 when it was being debated in 2019 and strongly supported the efforts to fully repeal the legislation once it was revealed that the bill was at the center of a \$61 million bribery scandal. What began as bad public policy soon became bad public policy born of corruption and collusion.

While the Ohio General Assembly has passed legislation to remove the nuclear subsidies and decoupling provisions from House Bill 6, there has still been no full repeal. That means the coal subsidies created for the Ohio Valley Electric Corporation (OVEC) included in House Bill 6 – which have been estimated to be worth \$700 million — remain in place, to be funded by Ohio consumers. These dollars are intended to bailout two dirty coal-fired power plants, one of which is even located in Indiana.

In fact, House Bill 6 expanded the bailout of the OVEC coal plants to require FirstEnergy customers to pay for the bailout starting in January 2020. Every dollar collected under these subsidies from FirstEnergy customers is handed over to AEP, Duke, and Dayton Power & Light to further subsidize the bailouts for those companies.

A lot has changed since repeal efforts around House Bill 6 began. FirstEnergy has been charged federally with conspiring to commit honest services wire fraud and will pay a \$230 million monetary penalty through a deferred prosecution agreement. The company admits

it conspired with public officials and other individuals and entities to pay millions of dollars to public officials in exchange the passage of House Bill 6. But one thing hasn't changed, Ohio ratepayers are still saddled with the bill to bail out the OVEC coal plants.

Ohioans paid \$155 million in 2020 to Ohio's big utility companies and \$51 million in the first half of 2021. Consider that for a moment: The coal plant subsidies that were quietly inserted into House Bill 6 to keep other Ohio electric utilities from fighting the legislation's nuclear bailout remain a part of our monthly electric bills.

FirstEnergy and other utility giants should not receive any benefit from legislation passed under the shadow of corruption and lies. Dollars collected through an OVEC bailout should never leave the pockets of hardworking Ohioans and should never be used to line the pockets of wealthy executives. House Bill 351 provides a mechanism for those dollars to be refunded to Ohio consumers, and it is not one minute too soon.

Corruption made House Bill 6 possible, and we have continuously called on members of the General Assembly to right this wrong and repeal all components of the bill. Repealing the OVEC subsidies included in House Bill 6 is an important step in restoring faith in our government by standing up for real, everyday Ohio consumers.

I strongly urge you to remove the OVEC subsidies that remain and support the people of Ohio by supporting House Bill 351.