

WRITTEN TESTIMONY BEFORE THE
SENATE ENERGY & PUBLIC UTILITIES COMMITTEE
OPPONENT TESTIMONY ON S.B. 52

Chairman Peterson, Vice Chair Schuring, Ranking Member Williams, and members of the Senate Energy & Public Utilities Committee, thank you for the opportunity to provide written remarks on S.B. 52, a bill that would allow local communities to approve or reject renewable energy projects via ballot referendum. On behalf of the Ohio Business Roundtable, I am testifying as an opponent of this legislation.

By way of background, the Ohio Business Roundtable (OBRT) was established in 1992 for one sole purpose: to improve Ohio's business climate. Since its inception, the OBRT has worked with Ohio's governors and legislative leaders to make Ohio more business-friendly and more competitive both nationally and internationally. The Roundtable is a nonpartisan, nonprofit organization comprised of chief executive officers of many of Ohio's largest, most successful companies. Because of the collective expertise and insights of OBRT members, the Roundtable is uniquely capable of bringing solutions to improve Ohio's economic vitality and ensure that Ohio remains the ideal state in which to live, work and succeed.

As you know, S.B. 52 would require wind and solar energy developers to submit a plan to township trustees 30 days prior to submission to the Ohio Power Siting Board. Under the legislation, the township trustees could then choose to approve the project or trigger a referendum process via a resolution. The question would then advance to the ballot at the next primary or general election assuming it receives the support of at least 8% of the number of voters in the last gubernatorial election.

After hearing from the sponsors about the intent of this legislation, the Ohio Business Roundtable is convinced that the sponsors of this bill do not purposefully seek to stunt the development of renewable projects. Their concerns over allowing local constituents to have a voice in these projects is genuine and understandable. There is no doubt that these projects have caused tension in local communities. However, no matter the intent, our organization believes that this bill could chill

economic development and send a signal to businesses that Ohio is prioritizing certain energy sources over others.

Energy policy in Ohio must provide adequate supplies of energy that is clean, safe, and low-priced. Ohio should welcome innovation and development of new sources if they are competitively viable. As businesses continue to respond to customer and shareholder demands to seek more access to renewable energy, S.B. 52 could set a dangerous precedent. If this referendum policy were to go into effect, our members are concerned that in the future, other sources of energy may face similar hurdles to development. It has been attempted before, when anti-fracking advocates tried to enact a variety of local restrictions, including referenda, which could have brought Utica shale development in Ohio to a halt, depriving our state of the very favorable natural gas prices that now benefits businesses and homeowners alike.

In addition, it should be noted that there already is an opportunity for public input at two levels in this process. First, all energy development is done under laws and regulations passed by public officials who stand regularly for reelection. Second, energy development requires land, and for development to occur, energy companies must first secure agreement from local landowners to purchase or lease land.

Finally, OBRT members are concerned that this bill could have an inverse economic threat well beyond energy generation projects. The referendum concept, once established, could soon be expanded to cover other types of business activity. Businesses looking to expand or move to Ohio may think twice about the additional burden a local referendum may have on project costs, causing Ohio to lose out on projects to competing states. We have already heard that international companies have raised concerns over this bill and believe we should be careful to not unintentionally stunt our state's future economic growth.

Chairman Peterson and members of the committee, thank you for allowing the Ohio Business Roundtable to provide testimony on S.B. 52. While we sympathize with the sponsors intent of this legislation, we respectfully ask that the committee consider the broader economic impacts of this legislation, and work to find a compromise solution that allows for local say without hampering Ohio's reputation of a state that promotes strong economic development and growth. OBRT stands ready to work with the sponsors of the bill to find a suitable solution.

Sincerely,

Michael McLean
Vice President of Policy
Ohio Business Roundtable