



CITIZENS UTILITY BOARD OF OHIO

Proponent Testimony by Tom Bullock on Senate Bill 117 Executive Director, Citizens Utility Board of Ohio Senate Energy and Public Utilities Committee May 12, 2021

Chairman Peterson, Vice-Chair Schuring, Ranking Member Williams, and members of the Senate Energy and Public Utilities Committee, thank you for the opportunity to submit proponent testimony on Senate Bill 117 (SB 117), a bill to repeal legacy generation resource provisions of H.B. 6. My name is Tom Bullock, and I am executive director of the Citizens Utility Board of Ohio (CUB Ohio).

CUB Ohio is a consumer organization working on behalf of residential and small business utility customers. We are a nonpartisan nonprofit with membership across the state, and we work for cheaper bills, reliable service, transparency, consumer rights, and clean, healthy energy.

CUB Ohio's perspective on energy sources is that we do not rule any fuels source out or in. We are for the consumer, and we analyze for affordability, reliability, and cleanliness.

Ohio utilities have work to do to improve on the costs they charge consumers. Last fall, a first-of-its-kind report by CUB Ohio, "[Electric Utility Performance: Ranking Ohio Among the States](#)", assessed performance of Ohio's electric utilities, showing they rank among the bottom five in the nation in three areas of importance to electricity customers: affordability, reliability and environmental impact. The report, which can be found at CUBOH.org, catalogued the performance of utilities in all 50 states plus the District of Columbia; Ohio's electric utilities scored a cumulative rating of 47th out of 51.

SB 117 would take an enormously important step towards improving on cost by reversing a major, remaining harmful effect of HB 6: its extended and expanded mandate that Ohio utility customers pay subsidies to two uneconomic coal-fired power plants owned by OVEC, one of which is located in Indiana. The bill would reduce Ohio consumer costs through at least 2030 by an estimated \$700 million, according to an analysis by the Ohio Manufacturing Association, or by more than \$858 million, according to Ohio Legislative Services Commission (OLSC) projections. In addition, it would promptly refund to Ohio consumers those charges already collected under HB 6 for this mandated coal-fired power plant subsidy, and OLSC estimates that consumer refunds would amount to "approximately \$78 million" for 2020 alone.

CUB Ohio members live in the service territories of all four investor-owned utilities, all of which are currently paying these expensive, nonbypassable, mandated subsidies for coal-fired power plants.

CUB Ohio supports lowering costs to our members and to all Ohio consumers, many of whom are still struggling given the economic harm inflicted by the COVID-19 public health crisis. SB 117 would greatly aid Ohio consumers by shielding them from approximately \$700 million in economic harm from the mandated OVEC subsidy, as extended and expanded by HB 6. And the refund to customers provided in the bill would help them recover from economic harm and makes the case for SB 117 even stronger.

Finally, SB 117 would further exert downward pressure on consumer costs since eliminating the mandated subsidy to two uneconomic coal-fired power plants would help Ohio's market for energy generation better function, increasing competition and lowering cost.

Thank you for the opportunity to provide proponent testimony on behalf of SB 117.