



**Ohio Senate Committee on Energy and Public Utilities
The Honorable Rob McColley, Chairman**

**Proponent Testimony on
House Bill 201
Chris Zeigler | API Ohio
May 25, 2021**

Chairman McColley, Vice Chair Schuring, Ranking Member Williams and members of the Senate Energy and Public Utilities Committee - thank you for the opportunity for API Ohio to provide proponent testimony on House Bill 201 (H.B. 201).

The American Petroleum Institute-Ohio (API Ohio) is a division of the American Petroleum Institute (API). The API represents all segments of America's natural gas and oil industry, which supports more than ten million U.S. jobs and is backed by a growing grassroots movement of millions of Americans. Our 600 members produce, process, and distribute most of the nation's energy, and participate in *API Energy Excellence*,¹ which is accelerating environmental and safety progress by fostering new technologies and transparent reporting. The API was formed in 1919 as a standards-setting organization and has developed more than 700 standards to enhance operational and environmental safety, efficiency, and sustainability.

As an association, the API is guided by a set of principles that are upheld by our member companies. One such principle is to promote free markets and free trade as the cornerstone of the natural gas and oil industry's efforts to compete and innovate to address current and future energy needs. This principle has guided API Ohio's engagement in energy policy debates and why we continue to oppose direct subsidies or preferential tax treatment for specific energy resources or products that have been proven to be marketable.

API Ohio supports House Bill 201 because it will uphold a free market-based approach in determining access to energy resources and the right for Ohio consumers to receive "distribution service or retail natural gas service from a natural gas company with capacity to provide service to the person in that location or any available competitive retail natural gas service from any competitive retail natural gas service supplier certified to provide that service to that person in that location."² In addition, House Bill 201 provides that the provisions establishing the guarantees and delineating political subdivision authority promotes state policy to increase utilization of Ohio's indigenous energy resources.

¹ <https://www.api.org/oil-and-natural-gas/api-energy-excellence>

² https://search-prod.lis.state.oh.us/solarapi/v1/general_assembly_134/bills/hb201/IN/00?format=pdf

Natural gas is the one energy resource, the driver and key component in solving the global energy and climate equation. It is generating the heat and power we need for our homes and businesses, reducing world-wide emissions, raising standards of living, and supporting the uptake of renewable energy.

Unfortunately, there has been a growing trend of local jurisdictions across the country that are targeting natural gas as an energy resource by enacting policies that impede or prohibit its use or seek to limit investments and development in natural gas infrastructure. These proposals are usually presented as a means of addressing climate concerns. However, preventing consumer choice as a means of promoting the aspirational goals of local jurisdictions seeking to address climate concerns is disingenuous and ineffective. Tackling the challenge of climate change will require a collaborative, cross-sector effort, with real-world policy solutions that deliver economic and environmental progress.

API Ohio supports a level-playing field where any type of energy resource can compete for market-share. We also believe that a system that promotes the selection of energy resource “winners and losers” disrupts effective entry and exit of economic resources resulting in an inefficient market where consumers end up paying more. The favorable passage of H.B. 201 will help to ensure that Ohioans continue to enjoy all the benefits and attributes that natural gas affords our state and the continued right of consumers to choose a reliable, cost effective and essential energy resource.

Thank you again Chairman McColley, Vice Chair Schuring, Ranking Member Williams and members of the Senate Energy and Public Utilities Committee for the opportunity for API Ohio to provide proponent testimony on House Bill 201 (H.B. 201).