

Ohio Senate 1st District **Cliff Hite**

State Senator

Senate Building Room 142 Columbus, Ohio 43215 614.466.8150 Agriculture – Chair Education Finance Subcommittee – Chair Education Energy & Natural Resources Public Utilities Correctional Institution Inspection Committee

Committees:

SB 188 Sponsor Testimony Energy and Natural Resources Committee Wind Turbine Setback Adjustment Wednesday, September 27, 2017

Chairman Balderson, Vice Chair Jordan, Ranking Minority Member O'Brien and members of the Senate Energy and Natural Resources Committee:

Thank you for the opportunity to testify today on Senate Bill 188, which establishes a commonsense compromise for Ohio's minimum setback for economically significant wind farms.

This legislation mirrors the amendment I offered to House Bill 49 earlier this year. That effort had the support of dozens of entities – including the Ohio Chamber of Commerce, the Columbus Partnership, many Fortune 1000s, not to mention private businesses, economic development directors, county commissioners, and citizens who are in favor of wind energy.

Northwest Ohio is a prime location for this viable natural resource, and is an attractive place for the many businesses that are committed to using renewable energy. Private companies are increasingly turning to wind, and not just Silicon Valley tech companies. Companies like Citi, Goldman Sachs, JP Morgan Chase & Co, and Nike, to name a few, are committed to be 100% renewable energy. ¹ Just last week, General Motors added its name to the growing list of businesses who want to see Ohio invest in wind energy. They announced that all their Ohio and Indiana manufacturing facilities will meet their electricity needs through 100% renewable energy.² However, today's setbacks are closing the doors to many of those businesses' needs.

In 2010, Ohio law contained a minimum wind turbine setback distance to a home of "1,125 feet plus blade length" (approximately 1300 feet, or nearly a quarter-mile). The law also provided a minimum wind turbine setback distance from a neighbor's property line of "1.1 times the height of a turbine." The rationale was that, if in the unlikely event of a turbine-related accident, a neighboring parcel would not be harmed. This "1.1" standard is a common setback across the country.

In 2014, during the Mid-Biennium Review bill, the Ohio General Assembly nearly tripled the

¹ http://there100.org/companies

² http://media.gm.com/media/us/en/gm/home.detail.html/content/Pages/news/us/en/2017/sep/0919-wind.html



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property line setback. The law simply replaced the property line setback of 1.1 times turbine height with the much longer setback from a home, making the current property line setback approximately 1,300 feet. This setback functions as a moratorium on wind project development. There have been **no new wind applications** filed with the state siting board since the setback increase in 2014.

Of the handful of projects that were grandfathered in prior to the change, many are now operational, in construction, or set to go into construction later this year. We believe only about 500 megawatts of "grandfathered wind" remain available in the state, making this bill a more urgent economic development issue. Without this change, we may be forced to tell the next big employer who desires wind energy, "sorry, Ohio cannot supply it."

This bill sets the property line setback to a reasonable distance of 1.2 times the height of the turbine, which is longer than the previous setback, and is 20 percent more than the total height of a wind turbine. This means the setback is 20 percent more than the fall-down distance of a wind turbine. In addition, it reestablishes the minimum habitable structure setback and increases it from the previous law by 100 feet, to 1,225 feet plus blade length, or approximately 1400 feet. This bill strikes the proper balance, protecting the rights of both participating and non-participating landowners and will allow responsible wind development to move forward. The proposed change is projected to bring in \$4.2 billion of potential economic development in Ohio.

Please note that both the property line and habitable structure setbacks are minimums. The Ohio Power Citing Board- a function of the Public Utilities Commission- has the authority to increase any setback it sees fit. They ensure safety is a top priority, and often do determine setbacks beyond the minimums.

Another concern I continue to hear that I would like to address is the issue of local control. Current statute explicitly states that in order to qualify for the payment in lieu of taxes, or PILOT, the law requires approval from the local board of county commissioners. A county can approve the PILOT on a project-by-project basis or declare the entire county an alternative energy zone ("AEZ") thereby qualifying all projects in the county for the PILOT. This provision preserves the local authority to reject a PILOT prior to the filing of a siting application, thereby preventing wind development in the area if it is not in the best interest of a particular county. In my district, there are commissioners who will approve the PILOT and those who will not. I believe we should let those who want wind pursue it.



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Ohio has the capability to be a leader in energy and receive all the benefits that come with it. If Ohio truly is open for business, then SB 188 is a commonsense compromise that promotes economic development, while also protecting property rights.

Thank you for your time today, and I am happy to answer any questions.

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