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Nathan A. Strum
Proponent Testimony on Senate Bill 188
Senate Committee on Energy and Natural Resources
Troy Balderson, Chair
Wednesday, October 11, 2017

Chairman Balderson, Vice Chair Jordan, Ranking Member O'Brien, and Members of the Senate Committee on Energy and Natural Resources, thank you for the opportunity to submit written proponent testimony for Senate Bill 188. My name is Nathan A. Strum, and I serve as Executive Director for GROW Licking County, a 501-c-3 public-private partnership in Licking County, Ohio that serves as the front door to our community for economic development opportunities.

Economic development organizations are at the forefront of advocating for the growth of our communities, and in today's climate, we recognize that energy is an increasingly important issue for business attraction and retention.

In particular, wind energy is important to communities across the state, including ours. Unfortunately, a problem in state law erects an artificial barrier to wind development, and it's important that the Committee takes timely action to correct it. Specifically, the change in 2014 of the wind turbine property line setback to approximately 1,300 feet disqualifies most or all land area within the footprint of new wind projects for turbine placement, destroying their financial viability. The effect has been to bring wind development to a screeching halt in recent years.

A word about why wind energy matters to my community. Located thirty minutes to the east of downtown Columbus, Licking County does not have wind resources suitable for locating wind farms. However, what we do have is a diverse manufacturing-based backbone to our local economy that has attracted two major Amazon facilities: a distribution hub and a data center. We'd like to have more!

Amazon's investment in central Ohio is part of a broader trend: corporate purchasers of wind energy are beginning to outnumber utility purchasers, and the ability to purchase utility scale renewable energy is increasingly important to corporate site selection. According to a National Geographic article dated March 7, 2016¹, some the largest consumers of renewable energy are "tech-giants", including Google, Microsoft, and Apple. However, it's not just tech firms who want to buy clean power, but also traditional employers: many large-scale manufacturing companies are turning to renewable energy to meet internal goals of greenhouse gas reductions (among others). In Licking County, two of our top three largest employers – Amazon.com and Owens Corning Fiberglas – rank in the top eight of this study (Amazon.com at No. 2 and Owens-Corning Fiberglas at No. 8), and the rest of the list reads as a who's who in Ohio manufacturing, including Dow Chemical (No. 10), Proctor & Gamble (No. 13), General Motors (No. 19), and Lockheed Martin (No. 20).

Corporate procurement of clean energy continues to grow, doubling from 2013 to 2014 and doubling again from 2014 to 2015. In 2015, for the first time, Fortune 500 companies and other non-utility customers contracted for more than half of the wind power in America.

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¹ <http://news.nationalgeographic.com/energy/2016/03/160307-top-companies-buying-wind-and-solar-energy/>



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Our communities are strong because private industry wants to invest in us. More and more, access to renewable energy is becoming part of the site selection process – as much as other critical factors such as workforce, transportation and infrastructure. A growing number of companies today, when considering a site for new or expanded facilities, consider whether it will enable them to fulfill their clean energy sourcing policies: they want access to clean power or the ability to develop it.

In today's highly competitive business climate, Ohio can't afford to hurt its standing in the eyes of company leaders who decide where to invest. The Buckeye State can be an attractive, but we are losing opportunities because of this shortcoming. If our community (or state) does not enable reasonable access to the development of renewable energy, companies will pursue opportunities elsewhere – putting much more than renewable energy investments at risk.

With that in mind, I urge the Committee to take prompt action to restore reasonable wind setback standards to Ohio law by favorably reporting out S.B. 188 and recommending it to the full Senate. The economic benefits are too great to ignore. Ohio should take swift action to reduce setback requirements to make them comparable to those of neighboring states. We should always strive to be an economic development leader – particularly at a time when state tax revenues are lower than expected and the economy is sluggish.

Thank you for your consideration of this matter.

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