

Ohio Senate Energy and Natural Resources Committee Opponent Testimony House Bill 114

Leo Almeida, The Nature Conservancy in Ohio October 18, 2017

Chairman Balderson, Vice Chair Jordan, Ranking Member O'Brien, and members of the Senate Energy and Natural Resources Committee, I am Leo Almeida, Energy Policy Associate for The Nature Conservancy in Ohio. Thank you for the opportunity to testify today as an opponent to HB 114.

About The Nature Conservancy

The Nature Conservancy is a non-partisan, science-based organization that seeks to conserve the lands and waters on which all life depends. We work collaboratively with businesses, farmers, sportsmen groups, government and local communities to develop pragmatic, marketbased solutions to conservation challenges, including air pollution. More than 65,000 Ohioans are Nature Conservancy supporters.

Clean Energy Standards

The Nature Conservancy opposes HB 114 because it would make compliance with Ohio's current renewable portfolio standards voluntary. Simply put, this policy change would have negative economic, public health, and environmental impacts for our state.

In October 2016, the Conservancy, in partnership with the Environmental Defense Fund, released a report that evaluated the impact of three possible scenarios of state renewable portfolio standards and energy efficiency standards. We commissioned the report in response to questions raised by the Governor and some in the General Assembly about the impact of the standards given changes in energy markets since they were first established by SB 221 in 2008. Our report was produced by the energy market experts at The Greenlink Group in consultation with Runnerstone, an Ohio energy consultancy well-versed in the state's energy landscape. The three scenarios were compared against what Ohio would experience if the standards were held constant at 2014 levels.

Depending on which of the scenarios chosen, the report forecasts for Ohio:

- 82,300 to 136,000 new jobs
- Increased payroll between \$4.6 billion and \$7.6 billion by 2030.
- GDP enhanced by \$6.7 billion to \$10.7 billion



- Health-care costs reduced between \$800 million in the near term, increasing to \$3 billion a year by 2030.
- A \$28.8 million to \$50.9 million savings to consumers by 2030.

The options and recommendations in the report are supported by data on the impacts of each mix of clean energy standards. It includes costs and benefits of the standards that go beyond simply the cost of electricity to attempt to get to their "true costs and benefits," including the healthcare benefits from less pollution.

One clear lesson from the analysis is that investment is more likely to happen if Ohio has a standard than if we rely on voluntary action. While that is partly the result of the requirement, it also reflects the fact that investors seek adequate data and predictability to make their decisions. The current on-again/off-again energy policy in Ohio does not provide either of those.

In 2017, we followed up on the findings in this report by profiling the actual experiences of 16 small to large businesses across Ohio as they introduced renewable energy and energy efficiency to their operations. The companies represent a diverse mix. Some are household names like Honda. Others are smaller family-owned businesses that are seeking an edge to continue operating into the future. Although many described their decision to invest in clean energy as the right thing to do for the environment, all of these companies point to the economic benefits as the driving motivation for making the investment.

Public Support for Clean Energy

Ohio voters also support clean energy as good public policy. In July, The Nature Conservancy commissioned a poll conducted by Public Opinion Strategies, on the attitudes of registered voters in Ohio toward clean energy. The poll interviewed 813 voters, including an oversample of residents of Southeast Ohio. The poll results showed that a vast majority of Ohio voters support clean energy policies. Nearly nine out of ten of those interviewed would tell an elected official to support policies that encourage greater use of renewable energy and energy efficiency in Ohio.

The polling results showed overwhelming support for placing a greater emphasis on energy efficiency (82% more emphasis), solar power (77%), and wind (69%) than on traditional energy sources. In addition, 79% of voters support Ohio reaching the 12.5% Renewable Portfolio Standard established in SB 221 over the next eight years. Even in Southeastern Ohio where there was much less opposition to coal as a source of energy compared to the rest of the state, there was strong support for putting more emphasis on clean energy.

Ohio voters know that our state has the potential to be a clean energy leader. We do not want to hang a "closed for business" sign on our borders. Our research finds that maintaining reasonable standards for renewable energy and energy efficiency will attract new investments



to the state, creating jobs, and providing Ohioans with a cleaner, more affordable energy system.

Thank you again for the opportunity to testify. I am happy to try to answer any questions.

Leo Almeida Energy Policy Associate The Nature Conservancy in Ohio 6375 Riverside Drive, Suite 100 Dublin, OH 43017 Phone: 614-717-2770 Email: <u>Leonardo.Almeida@tnc.org</u>