

Proponent Testimony on Substitute House Bill 114 Ohio Senate Energy and Natural Resources Committee

Mark Goodwin, President and Chief Executive Officer, on behalf of Apex Clean Energy Management, LLC

June 6, 2018

Chairman Balderson, Vice Chair Jordan, Ranking Member O'Brien, and Members of the Ohio Senate Energy and Natural Resources Committee, thank you for the opportunity to provide written testimony in support of Substitute House Bill 114, legislation that lifts the current moratorium on wind project development in Ohio and restores reasonable statewide wind turbine setback standards.

Apex Clean Energy is a leading U.S.-based developer of utility-scale renewable energy facilities headquartered in Charlottesville, Virginia. Apex has completed the development and financing of twelve utility-scale wind and solar energy facilities and manages the operations for ten facilities in the United States and Canada.

Sub. H.B. 114 is an opportunity to end Ohio's energy policy stalemate and set the state on a course to boost economic development, attract significant private investment and create jobs. Stable policies for renewable energy development, and especially reasonable requirements for siting wind turbines, are necessary to build renewable energy projects and attract the companies that want to buy power from them. The setbacks imposed in 2014 under HB 483 created a de facto moratorium on wind development in Ohio and have prevented Apex from making significant new investments in local communities across the state. The current property line setback rules in Ohio are some of the most restrictive in the country and need to be changed to unlock private investment in Ohiobased wind resources.

As part of our continued growth, Apex has invested more than \$15 million in six development-stage projects in Ohio. This represents 1,800 megawatts of projects and the potential for more than \$3 billion in private investment in the state. Apex first entered the Ohio market well before the setbacks were altered without notice or hearing in 2014. We are still here because we stand by our commitments, we believe in the Ohio communities that are partnering with us, and we see the strong market demand for Ohio wind.

Apex recently filed an application with the Ohio Power Siting Board for our Republic Wind facility in Seneca and Sandusky counties. We have asked the OPSB to review the application in full, pending a change to the current, restrictive setbacks. This is a shovel-ready opportunity with one legislative provision serving as an impediment to serious and significant investment.

The wind turbine setback provisions in Sub. H.B. 114 represent a true compromise, restoring private property rights for the thousands of Ohio landowners that have voted with their feet and signed-up to participate in wind projects across the state. The bill moves the state's property line setback to a level more stringent than pre-2014 distances and encourages smart wind development. Importantly, the bill preserves local control through county government consideration of property tax treatment for wind facilities.

Ohio has a lot to lose in the way of economic development under current wind siting policy. Major corporations are increasingly seeking low-cost wind and solar power to meet growth, reinvestment, and sustainability goals. Fortune 500 companies, including manufacturers, advanced technology firms, and other non-utility customers, recently accounted for half of the total renewable power purchase agreements in the United States and the trend continues. State and local chambers of commerce, including the Ohio Chamber of Commerce, are prioritizing access to wind power. Renewable energy has become a difference-maker when these companies choose to expand or relocate, and right now Ohio is losing in the competition to attract new jobs.

Local communities, small businesses, and workers also benefit from renewable power. The Apex wind projects under development in Ohio will generate the following economic benefits for local communities over the projects' lifetimes:

- \$159 million in county and township payments
- \$286 million in landowner payments
- \$300 million in school payments
- More than 755 construction jobs and 80 long-term operations and maintenance jobs

Wind power is a vibrant, rapidly growing industry that provides low-cost power, spurs economic development, and creates jobs. Communities, ratepayers, utilities, and corporate energy consumers all want renewable power and access to renewable energy has become a key factor in a state's business climate. With the support of the legislature and a reasonable change to current property line setbacks for wind turbines, Apex is positioned to deliver.

Mark Goodwin President and Chief Executive Officer Apex Clean Energy, Inc.