



**Written Testimony for Ohio House Bill 114
Before the Ohio Senate Energy and Natural Resources Committee
Becky Campbell, First Solar Manager of Regulatory and Public Affairs
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Chairman Balderson and Members of the Ohio Senate Energy and Natural Resources Committee, thank you for the opportunity to provide written testimony on House Bill 114.

First Solar is a leading global provider of comprehensive photovoltaic (PV) solar energy solutions with more than 17 gigawatts (GW) installed worldwide. Our factory in Perrysburg, Ohio is the largest module manufacturing facility in the United States. The facility first broke ground in 1999 and by 2002, First Solar was producing 1.5 megawatts (MW) of commercial solar modules per year. Through increased automation, upgrades and expansion, First Solar's Perrysburg Manufacturing Operations now span over 1,000,000 square feet, with an annual capacity of 600 MW, employing 750 associates.

First Solar appreciates the effort that this Committee has made to improve HB 114, but we believe that the proposed reduction in the RPS in HB 114 creates substantial business uncertainty at a time when we are working hard to keep our Ohio manufacturing facility competitive with international solar module manufacturers. For this reason, we are opposed to HB 114 in its current format.

First Solar was born in Perrysburg, Ohio and has invested and innovated here for more than a decade. During this time, most U.S. solar manufacturers contracted, failed or left the U.S. due to global competitive pressures. First Solar doubled down on our commitment to Ohio and continues to invest in its R&D and manufacturing efforts in this market.

Right now, solar manufacturers, including First Solar, are at an inflection point. Flee or fight, survive or thrive. We've chosen to fight and thrive. Less than two months ago, First Solar announced a significant expansion to our Ohio manufacturing presence. Two weeks ago, we broke ground on a new facility in Lake Township that will triple our annual manufacturing capacity in Ohio from 600 MW to 1,800 MW. This \$400 million investment will create 500 full-time jobs with an estimated annual payroll of \$30 million. Our expansion comes in addition to investments over the past two years to rapidly accelerate development and production of our next-generation Series 6 module at our existing Perrysburg facility, in which we invested another \$400 million in our Perrysburg facility. Our production line began producing our new



cutting edge Series 6 modules in late 2017. Our recent decisions to continue investing in Ohio will allow First Solar to rapidly accelerate the production of our next-generation module, which is critical to keeping advanced manufacturing in Ohio competitive with Chinese and other foreign module manufacturers.

Ongoing policy uncertainty throughout the U. S. and internationally has created boom and bust cycles that make it difficult to plan for long-term markets and investments. As an Ohio-based manufacturer of solar panels, and a developer of increasingly competitive utility-scale solar power plants, First Solar supports efforts to create a stable and transparent market to allow us to continue to grow our business in Ohio while moving the state's energy infrastructure forward. Unfortunately, HB 114 represents a step backward.

With states like Michigan, Virginia, Georgia, Illinois, New York, and Minnesota rapidly expanding procurement of utility scale solar, the contrast with Ohio is clear. While Ohio considers reducing its RPS standards, other states across the political spectrum are ramping up their investment in utility-scale solar. These decisions are being made based on the cost competitiveness of utility scale solar and other renewable energy technologies. In just the last 18 months, states like Virginia, Illinois, Georgia, and North Carolina set ambitious goals for renewable energy in an effort to attract clean, reliable, competitive renewable energy projects and the jobs that come with them. Utilities are also increasingly recognizing the cost effectiveness of developing utility-scale solar. Last week, Consumer's Energy announced a commitment to build 5,000 MW of solar between now and 2030¹.

First Solar is currently poised to develop nearly 650 MW of utility-scale solar projects throughout central Ohio. However, the simple fact is that while our U. S. manufacturing is based here in Ohio, ongoing uncertainty with Ohio's RPS will make it difficult for First Solar to justify the continued investment in the construction of these facilities, which stand to create additional jobs through engineering, procurement, construction, plant operations, and maintenance.

First Solar opposes the current version of House Bill 114. We believe that the existing 12.5% RPS target is achievable with minimal impacts to Ohio's ratepayers. Further, we believe that maintaining the RPS at its current level will create jobs and economic development in the state.

¹ <https://www.prnewswire.com/news-releases/consumers-energy-proposes-long-term-plan-a-cleaner-energy-future-for-michigan-300665792.html>



If a reduction is necessary to reach consensus on this issue, First Solar would urge this Committee to keep it to a minimum. While we disagree that a reduction is needed, we would request that if one is to be implemented in HB 114, it should be no lower than the 10.5% that has been proposed by Advanced Energy Economy, so as to minimize harmful impacts to Ohio businesses.

First Solar is proud to manufacture our advanced solar photovoltaic modules in Ohio, but the fact is that many states are working to attract more of the over 200,000 jobs in the U. S. solar industry today. The continuing rapid growth of the solar industry and the ongoing competition for industry jobs has created an important opportunity for Ohio, but that opportunity may not last long, and the competition for industry jobs is fierce. With the largest photovoltaic panel manufacturing facility in North America, we hope Ohio will work toward a sustainable and growing market for utility-scale solar.

In closing, First Solar is honored to continue our leadership in the solar industry with our ongoing investment in advanced manufacturing here in Ohio. We hope to further increase our investment in the state by building power plants using our Ohio-manufactured modules. Business certainty is critical in our effort to bring our industry-leading power plants to the state, and unfortunately the ongoing efforts reduce the RPS has created a level of risk and uncertainty that makes it difficult to build projects in Ohio. This degree of uncertainty damages the opportunity to attract new business in the form of utility-scale solar PV project development, engineering, and construction, regardless of increasingly competitive pricing for utility—scale solar. As a result, we respectfully oppose this legislation and request that you commit to a stable business environment in Ohio that will support advanced manufacturing such as First Solar and not pass HB 114 favorably out of committee without additional revisions to the RPS provisions.

Thank you for your time and consideration today.

Sincerely,

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