

phone: 330-590-8105 • fax: 330 239-2012 1441 Wolf Creek Trail, PO Box 305, Sharon Center, OH 44274 U.S.A. info@aerotorque.com • www.aerotorque.com

Testimony of DOUGLAS W. HERR AEROTORQUE CORPORATION

Interested Party Testimony on House Bill 49 Senate Finance Committee Chairman Scott Oelslager Wednesday, June 7, 2017

Chairman Oelslager, Vice Chair Manning, Ranking Member Skindell, and Members of the Committee, thank you very much for the opportunity to testify today as an interested party to House Bill 49.

AeroTorque / PT Tech LLC, is an Ohio based company located in Sharon Center, OH that was recently purchased by another Ohio based company, Timken. We utilize the fantastic manufacturing resources of Ohio to assemble and ship industrial clutches and brakes around the world. We have sales offices in Europe and in China but all our manufacturing is done in Ohio, as it has been since 1978.

Over the last two years, we've shipped our products to projects in states such as Iowa, Wyoming, and Oklahoma, while in-state wind development has stalled. It is hard to continue to add jobs in Ohio, when all our business is elsewhere.

Our company would prefer to put our wind product and expertise to use in our home state, but without a change to the setback law, that will be impossible. We've watched as other in-state renewable manufacturers are similarly shipping an ever-increasing amount of their product to clients developing projects in other states but little in OH.

Put simply, when it comes to renewable development, local wind and solar resources do matter, but stable governmental policy is often the distinguishing feature that determines which states are renewable-energy leaders.

It has been two years more than doubled the setback requirements for wind power projects. In that time, the U.S. wind and solar sectors have experienced an unprecedented boom in nearby states and around the country. Both the wind and solar sectors have also cut costs so dramatically that they are now often the lowest-priced electricity option on the grid. The opportunity has a



phone: 330-590-8105 • fax: 330 239-2012 1441 Wolf Creek Trail, PO Box 305, Sharon Center, OH 44274 U.S.A. info@aerotorgue.com • www.aerotorgue.com

limited window: part of the incentive is the Federal PTC. If we miss out, they will all be built in surrounding states and Ohio will only be buying their power from out of state.

In Ohio, we now have the nation's most stringent wind-power setback restrictions, effectively imposing a moratorium on in-state development and virtually ensuring that any future wind purchases will come from projects in other states. This is a lose-lose proposition for OH. The wind jobs will come but they will be all outside the state. Worse yet, manufacturing will likely move with it, as companies follow the opportunities.

Our state already has a great base of renewable manufacturers, but by fixing our policies and providing long-term policy stability, we can ensure that these businesses will continue to grow locally and potentially attract others as well. As we invest in these markets, will the state invest with us? We come, not looking for funding but only asking for a playing field that is on par with the rest of the country. For us to continue to invest in OH, it is essential!

We urge you to return the setbacks to a standard that reflects the norms that have been established around the country. I appreciate your time and consideration today.