

Senate Public Utilities Committee, Honorable Bill Beagle, Chairman

**Youngstown/Warren Regional Chamber President and CEO Tom Humphries
Opponent Testimony to Senate Bill 128
Thursday, June 8, 2017**

Chairman Beagle, Vice Chair LaRose, Ranking Member Williams, and members of the Senate Public Utilities Committee, thank you for the opportunity to submit written testimony in opposition to Senate Bill 128. I am Tom Humphries and I am the President and CEO of the Youngstown/Warren Regional Chamber.

The Youngstown/Warren Regional Chamber serves over _____ members in the Mahoning Valley. The Regional Chamber's mission is to provide economic development and business services that promote the growth of our members and Valley, while emphasizing the importance of education to prepare our workforce for an increasingly competitive and global economy.

The Regional Chamber's Board of Directors voted last week to oppose the proposal to create the Zero Emissions Nuclear (ZEN) Resource program—a proposal that is included in both Ohio House Bill 178 and Ohio Senate Bill 128. The Chamber stands among many business and environmental groups across the state—including Clean Energy Future, which is building a \$1 billion power plant in Lordstown, with a second \$1 billion plant potentially on the way—that have also voiced their opposition to the bills.

We are in favor of a free market, competitive system in all industries. Natural gas fired power plants being built across Ohio, including the two in Lordstown, are thriving because of a competitive marketplace.

If the ZEN legislation passes and its interference in the free market drives private investment in natural gas fired power plants out of the state, this could impact demand for Ohio produced natural gas. Less demand for Ohio produced natural gas means less business for supply chain companies that support the natural gas industry, many of which are located in the Mahoning Valley and are members of our Chamber.

The ZEN program would require FirstEnergy Solutions' Davis-Besse and Perry nuclear power plants to purchase zero-emissions nuclear credits and recover cost by imposing an increase on electric rates in FirstEnergy's territory, which includes the Mahoning Valley. The rate increase is projected to be 5 percent.

These higher electric rates would increase the cost of doing business for our members, and could make it harder to attract businesses to the Mahoning Valley. Companies

considering moving into our area will learn that if they locate just a little further south, they will pay lower electric rates. For many companies, such as manufacturers, one of their largest expenses is electricity, so to have higher rates in the Mahoning Valley, could put us at a competitive disadvantage.

We ask the Ohio legislature to support the free market, and the benefits it brings to Ohio businesses and families, by opposing Senate Bill 128 and House Bill 178.