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LWVO Written Testimony SB155 - ELECTRIC DISTRIBUTION COST RECOVERY Alan R. Rosenfield, ScD FASM – Energy Specialist Senate Public Utilities Committee October 12, 2017

SubHB239 is deeply flawed legislation. It encumbers consumers with costs but no compensating benefits. This legislation imposes a mandatory surcharge on our electric bills and is, to all intents and purposes, a tax increase. Since this surcharge pays for dirty air, it is a bad investment for Ohio consumers. SubHB239 should be rejected on this basis alone.

But there are other problems with this legislation. The plants in question are sixty years old, well above the average forty-year lifetime for coal plants (1). Aging leads to worn out and broken parts, raising costs and lowering reliability. Nor are these plants needed, since there is excess capacity (2).

Finally, encouraging coal is encouraging a twentieth-century technology, which is being phased out in the 21st century (3). Ohio is beginning to be regarded as a backward state (4). Passage of SubHB239 will give the critics more ammunition.

References

- (1) Quartz, 'Most coal-fired power plants in the US are nearing retirement age', March 12, 2013, https://qz.com/61423/coal-fired-power-plants-near-retirement/
- (2) US DOE, "Staff Report to the Secretary on Electricity Markets and Reliability", August 2017, Figure 4.2,

https://energy.gov/sites/prod/files/2017/08/f36/Staff%20Report%20on%20Electricity%20Markets%20and%20Reliability 0.pdf

(3) S&P Global Market Intelligence, 'Experts: Aging coal fleet a major driver in coal retirements 2015-2020', Sept. 8 2016,

https://www.snl.com/InteractiveX/article.aspx?TabStates=0&CDID=A-37654114-12591&KPLT=4

(4) Noah Smith, 'Looking backward keeps Ohio in decline', Columbus Dispatch, Sept. 1 2007, http://www.dispatch.com/opinion/20170901/noah-smith-looking-backward-keeps-ohio-in-decline