

## Statement before the House Energy and Natural Resources Subcommittee on Energy

## Generation – April 17, 2019

Chairman Stein, Chairman O'Brien and members of the Committee, thank you for providing an opportunity for me to appear before you today to address the important legislation before the Committee to ensure a future for nuclear power in Ohio. My name is Cajon Keeton and I proudly serve as the Treasurer of the Benton-Carroll-Salem LSD, located in Oak Harbor, Ohio - home of Davis Besse Nuclear Power Station. Our School District serves 1,500 students, employee 220 dedicated staff members. Together with all of our stakeholders, we are on a mission to prepare our students for the challenges of the higher education, training, the workforce, and life in a democratic society.

Let me start by saying our Superintendent would normally be the one here testifying before you today. The progress of HB 6 is very important to him as a Superintendent and as a citizen of Ohio. He is back in Oak Harbor, Ohio organizing our school district with the bi-annual Emergency Preparedness Evacuation Plan required for two Ohio School District (Benton-Carroll-Salem and Perry LSD) to perform, orchestrated by the Nuclear Regulatory Commission.

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The Benton-Carroll-Salem Local School District serves students and families in the Villages of Oak Harbor and Rocky Ridge, as well as Benton, Carroll, and Salem Townships—all located in Ottawa County. Our district consistently ranks in the top tier of academic performance in Ohio. We serve about 1500 students and employ more than 220 dedicated staff members. Through engaging and student-centered opportunities, we succeed when we work collaboratively with all district stakeholders to prepare our students for the challenges of higher education, training, the workforce, and life in a democratic society.

We consider the Davis-Besse Nuclear Power Station, along with its employees and families, as well as all the related businesses and service providers that support Davis-Besse, to be a critical economic stakeholder for our community and the entire state. As a school administrator, I appreciate the opportunity to testify today on nuclear plants as a critical economic growth engine for our community, education system, and our region. Despite their clear benefits, many nuclear plants, including the Davis-Besse Nuclear Power Station, are facing an uncertain future due to market rules that do not recognize nuclear's total value proposition, such as around-the-clock power production with no carbon emissions.

The regional influence of the Davis-Besse Nuclear Power Station cannot be understated. Davis-Besse employs more than 720 of our friends and neighbors in Ottawa HOME OF THE OAK HARBOR ROCKETS

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County who support our local economy in many ways. During tax year 2017, the Davis-Besse Nuclear Power Station paid more than \$4 million annually in personal and property taxes, which provide a direct and substantial benefit to our school district. In 2017, Davis-Besse was responsible for contributing 40% to our annual tax revenues for our school district. Every dollar spent to operate a typical nuclear energy facility creates an additional \$1.04 in the local community.

The impact of a lower tax revenue stream can be illustrated by the Ohio Department of Taxation's decision to approve a tax devaluation for FirstEnergy's equipment at Davis-Besse from \$184 million to \$49 million in tax year 2018. The devaluation resulted in a combined loss of more than \$6.75 million in tax revenue that would otherwise have flowed back to support our communities and working families. The Benton-Carroll-Salem Local School district and our students were most significantly impacted by the devaluation, losing nearly \$4.6 million in tax revenue. During the time the devaluation was being considered, the Benton-Carroll-Salem Local School district, including myself, strongly opposed this action. As Treasurer, I understood that slowing the wheels of an important revenue generator for our education system would negatively affect our school district. Additional uncertainty at the nuclear plant translates into uncertainty in our school district.

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Allowing Davis-Besse Nuclear Power Station to close prematurely would slash a significant revenue stream the Benton-Carroll-Salem Local School District relies upon and would widen the funding gap for our school district. Additionally, the uncertainty surrounding the future of Davis-Besse operations has created a lot of anxiety among our staff who worry about the future of their own jobs and among students whose family members work at the plant.

However, local school districts are not the only ones that would take a serious hit if the nuclear plants close. Each year, the two nuclear plants pay \$30 million in state and local taxes. That tax revenue benefits communities and public schools across the state. If that \$30 million disappears, schools and students will be the first to lose out. Closing these plants will contribute to our statewide school funding dilemma and we should take immediate steps to avoid additional school funding shortfalls.

I urge you to support HB 6 in order to keep the Davis-Besse and Perry Nuclear Power Stations open for business. Continued operation of Ohio's nuclear plants is necessary to enrich our communities and the state as a whole. Establishing a mechanism that reflects and preserves the value of nuclear plants is ultimately in the best interest of Ohio consumers, communities, and our education system.

Cajon Keeton, Treasurer

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