

House Bill 6: Written Opponent Testimony William Murdock, MORPC Executive Director Ohio Senate Energy & Public Utilities Committee June 19, 2019

Chair Wilson, Vice Chair McColley and Ranking Member Williams and members of the Senate Energy and Public Utilities Committee, thank you for the opportunity to submit written opponent testimony on House Bill 6 (HB 6).

My name is William Murdock, and I am the executive director of the Mid-Ohio Regional Planning Commission or MORPC. MORPC is a regional council of over 65 communities across Central Ohio's rural, suburban, and urban areas. We provide programs, services, and funding related to transportation, land use, data, energy, sustainability, and economic prosperity.

In Central Ohio, energy is key to the economic growth and success of the region, which is on track to be a region of three million people along with adding 300,000 new housing units and 300,000 new jobs. To sustain this growth and plan for prosperity, MORPC pursues sustainability solutions that protect and conserve our natural resources and promote a diverse supply of clean, affordable, and reliable sources of energy for our growing region. Furthermore, we seek the integration of energy efficiency, conservation, and renewable energy for a more balanced, cleaner, and diverse energy portfolio. These goals are reflected in MORPC's Public Policy Agenda and Regional Sustainability Agenda and strongly supported by our local government members. Put simply HB 6 is not consistent with these goals. Therefore, MORPC opposes HB 6 in its current state.

Areas of Concern and Interest

MORPC is concerned and interested in the following provisions of the bill:

Replace Ohio's existing energy efficiency standards and renewable energy credits (REC) with a new billing rider:

As a membership- driven agency, the local governments that comprise our board are concerned that a lack of required standards would cause a delay in the state's progress toward diversifying our energy portfolio through improved energy efficiency and greater use of renewable energy. Some may argue the Renewable Portfolio Standard (RPS) program has not performed as its creators hoped, yet due to uncertainty from prior legislation such as SB 310 and a lack of enforceable, metric-driven standards creates further market uncertainty and hurts economic development efforts. Central Ohio has missed opportunities where Fortune 500 companies have chosen to locate their business facilities to other states that share their sustainable energy policies and values.

 Customers cannot participate in energy efficiency standards or the Renewable Portfolio Standard (RPS):

The latest version of HB6 completely repeals Ohio's renewable energy standards effective January 1, 2020. Renewable energy policies help drive the nation's \$64 billion market for wind, solar and other renewable energy sources. These policies can play an integral role in state efforts to diversify their energy mix, promote economic development and reduce emissions. According to the National Council of State Legislators (NCSL) roughly half of the growth in U.S. renewable energy generation since 2000 can be attributed to state renewable energy requirements. States like Arizona, Missouri, and Montana – who continue to maintain their standards – will have an advantage and Ohio will be left behind.

The ability of EDUs to file energy efficiency cases at the PUCO should be retained: Contrary to the introduced version of HB 6, the version of the bill passed by the House permits electric distribution utilities, under RC 4928.661, to submit to the PUCO plans for energy efficiency or peak demand reduction. It is our understanding that this language would preserve the ability of MORPC to continue its energy efficiency programs with EDUs that benefit low-income families as well as disabled and older adults. MORPC offers home energy efficiency and safety services at no cost to income-eligible residents to help keep them warmer in the winter and cooler in the summer, all while lowering energy bills. These programs are provided at no-cost to income-eligible clients thanks to funding from our partners. It is critical for MORPC's residential services team to be able to effectively administer this program to the people who need it the most. It is for this reason, that we support the preservation of language in the bill that increases the transfer of Low Income Home Energy Assistance Program funds to the Home Weatherization Assistance Program to 25 percent. A weatherized home saves customers roughly two months of electric bills and these customers are more likely to pay their bills and less likely to need to enroll bill payment assistance programs such as Percentage of Income Payment Plan (PIPP) that are financed by riders on the bill of non-PIPP electric customers. Therefore, electric utility ratepayers also save money.

Thank you again for the opportunity to express MORPC's opposition to HB 6. As businesses analyze the suitability of Central Ohio as a location for their new or expanded business operations, the abundance and stability of energy – particularly in a quickly growing region – will be an important factor for continued growth. Diversifying the energy generation portfolio to include energy efficiency and renewable energy are needed tools for our competitive advantage as a region and a state.

Thank you for your consideration of these items. We look forward to continuing our important work together. Please do not hesitate to contact me, at 614-233-4101 or at wmurdock@morpc.org with any questions or whenever MORPC can be of assistance.

Kind Regards,

William Murdock

MORPC Executive Director

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