

Senate Energy and Public Utilities Committee Chairman Steve Wilson Opponent Testimony – Senate Bill 234 Written Testimony of Tyler M. Duvelius Executive Director, Ohio Conservative Energy Forum February 11, 2020

Chairman Wilson, Vice-Chairman McColley, Ranking Member Williams, distinguished members of this committee – My name is Tyler Duvelius. I serve as the Executive Director of the Ohio Conservative Energy Forum. I am here today to testify as an opponent of Senate Bill 234.

The Ohio Conservative Energy Forum (OHCEF) is a pro-wind organization. We are also pro-solar, pro-coal, pro-natural gas, pro-nuclear. We are for any form of energy that can be produced here in Ohio. We seek to expand energy production so that Ohio can transition from being an importer of energy to an exporter of energy.¹ We agree with President Trump that America ought to be energy dominant. We acknowledge that job creators and the free market are demanding greater access to cleaner energies. We support a diversification of Ohio's energy portfolio to include a greater share of clean, made-in-Ohio energy.

SB 234 would move the goalposts on the wind industry in Ohio, once again. Apart from a restaurant having to obtain a permit for the sale of alcohol, I am aware of no other industry – energy or otherwise – that faces a public referendum on their private investment. Let us make no mistake: energy is a driver of economic investment for many Ohio communities. We have all seen the tremendous boon that coal and natural gas have provided to the eastern part of our state.

Similarly, the wind industry is already responsible for contributing millions of dollars in state and local taxes. Additionally, wind developers pay Ohio landowners millions more in land lease agreements. The continued development of wind has the potential to add

¹ <u>https://www.eia.gov/state/analysis.php?sid=OH#90</u>

the same benefit to many more Ohio communities. In fact, the fiscal note from the Legislative Services Commission for this bill states: "Based on applications currently pending before the OPSB, the applicable local taxing jurisdictions will gain millions of dollars in annual revenue if the wind farms are placed into service. Any local referendum that rejects OPSB's approval would reduce these prospective receipts."

The fact remains, however, that it is not just our landowners and local governments who benefit from having wind in their communities. Our children may be the greatest beneficiaries of all. Since the genesis of wind development in Ohio, local schools have received millions of dollars in increased revenue. This additional revenue has, no doubt, given children in rural school districts access to greater educational opportunities. This bill's fiscal note states: *"School districts would financially benefit the most from additional revenue attributed to wind turbine facilities. If local referendum voters reject OPSB's approval of a wind farm, the school districts' potential revenue gains would not materialize."* In Attachment 1, you will find the table from the fiscal note showing that the passage of SB 234 would prohibit more than 9.5 million dollars from going to local school districts.

For generations, all forms of energy have been near to the heart of the Ohio economy. The wind industry is no different. In fact, the wind projects that are currently online in Ohio represent over 1.4 billion dollars in economic investment.² Now is not the time to hang more regulatory hurdles on a growing industry. Larry Fink, the CEO of global investment manager BlackRock, recently advised clients that while a full energy transition is still decades in the future, BlackRock will focus on investing in new forms of energy production.³ The free market, not government mandates, are choosing clean and renewable energy technologies. Time and again, clean sources of energy, like wind, have proven to be beneficial to the bottom line. We must allow the free market to work.

As a conservative, I feel that it is important to higlight that this bill would subject the property rights of Ohio landowners to a vote. Again, this would be unprecedented and would jeopardize the energy freedom that we have enjoyed in Ohio for generations. Without energy freedom, who knows how many natural gas projects would have stalled?

² <u>https://www.awea.org/Awea/media/Resources/StateFactSheets/Ohio.pdf</u>

³ https://www.blackrock.com/us/individual/blackrock-client-letter

Our state would have lost millions because of environmentalist concerns over hydraulic fracturing. The Ohio Power Siting Board processes worked during the expansion of natural gas, they will work again as the wind industry emerges in Ohio.

Furthermore, it is a constitutional right of Ohio landowners to have the liberty to use their land as they see fit – in a way that will personally benefit them. The Fifth Amendment to the U.S. Constitution states that no person shall be "be deprived of life, liberty, or property, without due process of law; nor shall private property be taken for public use, without just compensation." In short, our Constitution guarantees a right to property – it does not guarantee a right to a view.

I am sympathetic to those who may not find wind turbines aesthetically pleasing. Personally, I am not thrilled about the rumored parking garage that will go up in front of my office, blocking my view of our beautiful Statehouse. But I realize that parking garage is not my property to control. It is important to note that, according to research cited by the United States Department of Energy, if wind turbines do indeed affect property values, "they are too small and/or too infrequent to result in any widespread, statistically observable impact."⁴

To conclude, this proposal would take Ohio backward and would threaten the economic growth that is offered by the wind industry at a time when Ohio conservatives overwhelmingly support clean energy.⁵ SB 234 would impede property rights and create an unprecedented hurdle for energy developers in the state of Ohio. For these reasons, OHCEF is opposed to SB 234.

We look forward to continuing to work with members of this body to promote economic growth while ensuring that landowner property rights remain protected.

Thank you for your time. I am happy to answer any questions the committee may have.

⁴ <u>https://windexchange.energy.gov/projects/property-values</u>

⁵ https://www.ohcef.org/clean-energy-college

ATTACHMENT 1

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Table 2. Estimated Local Revenue in First Year from Prospective Wind Farms, Sorted by School District					
School District Name	Emerson Creek	Republic	Seneca	Total	
Bellevue City	\$1,863,025	\$585,777	\$0	\$2,448,802	
Buckeye Central Local	\$0	\$0	\$1,076,514	\$1,076,514	
Clyde-Green Springs Exempted Village	\$0	\$99,533	\$0	\$99,533	
Edison Local	\$186,028	\$0	\$0	\$186,028	
Margaretta Local	\$173,011	\$0	\$0	\$173,011	
Mohawk Local	\$0	\$0	\$715,318	\$715,318	
Monroeville Local	\$578,488	\$0	\$0	\$578,488	
Perkins Local	\$475,780	\$0	\$0	\$475,780	
Seneca East Local	\$969,410	\$441,212	\$1,529,402	\$2,940,023	
Willard City	\$896,086	\$0	\$0	\$896,086	
Total	\$5,141,827	\$1,126,521	\$3,321,235	\$9,589 <i>,</i> 583	

Note: The Republic wind farm will benefit from a PILOT, whereas property tax receipts are estimated for the other two wind farms.