

Ohio Senate Energy & Public Utilities Committee Opponent Testimony on Senate Bill 234

Testimony of Amy Kurt Senior Manager of Regional Government Affairs EDP Renewables North America February 11, 2020

Good morning Chairman Wilson, Vice Chair McColley, Ranking Member Williams and members of the committee. My name is Amy Kurt and I am a Senior Manager of Regional Government Affairs for EDP Renewables. Thank you for the opportunity to provide testimony in opposition to Senate Bill 234.

EDP Renewables is the fourth largest developer, owner and operator of wind farms in the United States and in the world. We currently have 50 wind farms and 5 solar facilities operating in North America - these produce enough energy to power almost 2 million homes.

To date we have invested more than \$750 million in four wind farms in Ohio. I'd like to spend the next few minutes sharing some information about the impact of our investment in Ohio and the reasons why we oppose SB 234.

EDP Renewables started working in Ohio in 2008 after the state enacted an alternative energy standard – a law which sent a clear message to wind developers from around the country that Ohio was open for business.

Our development efforts focused on Paulding County, which was the first county in the Ohio to declare itself an Alternative Energy Zone. And in 2011, we were the first company to install a utility-scale wind farm in Ohio. Since then, we invested in our second and third Ohio wind farms in Hardin and Paulding Counties. We are currenlty constructing our fourth wind farm in Ohio. These four wind farms will total approximately 390 Megawatts (MW) making EDP Renewables the largest owner and operator of wind farms in the state. We now have more than 600 landowners in our project areas who serve as our local business partners and who believe deeply in their right to use their land to harvest the wind in addition to their other crops.

Each of our wind farms require hundreds of workers during the construction process. As required by a state law related to property taxes, more than 50% of the total hours worked to construct these projects have been performed by Ohio residents. Each of our operating projects has exceeded that requirement and we have relied heavily on local Ohio contractors and

organized labor including the IBEW, Operators, Laborers, Millwrights, and Ironworkers for much of our construction efforts.

After construction ends, the work continues with a permanent team of technicians that operate and maintain the wind farms.

In addition to the jobs, and local business opportunities that are created from these major construction efforts, there are also other benefits to the local communities that host wind farms. In total in Ohio, our four wind farms have contributed more than \$8 million directly to local governments, schools, and other critical public services. Over the life of the wind farms, this amount will increase to more than \$100 million to support the communities hosting our projects.

We also pay landowners directly to host wind farm infrastructure on their property – the wind turbines themselves, as well as the underground electrical lines that connect each of them, and the permanent private roads that provide access to each of the turbines. In Ohio, in total, we have paid our approximately 600 landowners more than \$18 million for hosting our wind farms on their property. This income is "weather-resistant" – regardless of if its been a good year for a landowners corn or beans, they can still count on the annual payments they will receive from the wind farm. Over the life of the wind farms, we expect to pay an additional \$150 million to these families.

We also offer payments to landowners who are living within the wind farm, but may not have enough acreage to host wind farm infrastructure. We really work hard to make sure that everyone in the community benefits from our projects.

Despite these major benefits, Ohio has not made it easy to do business in the state.

In order to build a wind farm in Ohio, the project must be approved by the Ohio Power Siting Board (OPSB). The pre-permitting and then the formal permitting process requires years of work and preliminary studies, with the actual formal permitting process with the OPSB lasting approximately one year. Wind farm permit applications filed with the OPSB typically run more than 2,000 pages, and include numerous studies, such as: decommissioning, transportation, sound, shadow, wildlife, wetlands, cultural resources, communications, and a visual assessment, among others.

We invest millions of dollars in venture capital, as we have no assurance of a successful project when we make these initial cash outlays. In other words, we take on significant risk when investing in a wind farm development in Ohio.

In addition to the lengthy, expensive permitting process, in 2014 the Ohio legislature passed a very aggressive property line setback requirement approximately five years ago – essentially

giving non-participating property owners veto authority over their neighbors decision to host a turbine.

Ohio has a proven wind energy resource, a robust electric grid, and we are seeing historically strong demand for clean energy in Ohio and throughout the region. This is the time for Ohio to be capturing more and more wind marketshare, not closing the door on the industry.

If SB 234 were to pass, we fear that door closes. SB 234 creates an even more unpredictable and prohibitively risky business environment for wind energy in Ohio. It requires wind energy developers, who have already spent millions of at-risk capital, to then face a series of minipopularity contests by township voters AFTER receiving a permit. Our company believes this presents too great a risk to justify spending the capital to develop a project

Change is scary. And wind farms are a change. Wind farms are not always popular, at first. It can take some time before the benefits of the wind farm are felt by everyone in the community.

I will end with a quick story about a woman who lives in the middle of a wind farm in central Illinois. When the wind farm was under development she was not supportive. In fact, she lead a group of people in the community to oppose the wind farm. She did not want the change. But, the wind farm met the requirements of the permitting body and eventually was built. This woman now lives in the middle of the wind farm. If asked today, she will acknowledge she has changed her position. Now, she has seen the benefits that the wind farm has brought her community – the school that her children attended, the roads that she uses every day to get to and from her home, and the emergency services that her community relies on. She admits that she was afraid of the change. And now, she even enjoys looking at the turbines near her home.

I appreciate your willingness to listen to my testimony today. I encourage the members of this committee to oppose SB 234. Ohio landowners and communities deserve a chance to benefit from the tax dollars, landowner payments, jobs and rural economic development opportunities, as well as the clean energy that wind brings. Please don't take that chance away.

Thank you,

Amy Kurt
Senior Manager, Regional Government Affiars
EDP Renewables North America
amy.kurt@edpr.com