

Senate Energy and Public Utilities Committee
Chairman Bob Peterson
Opponent Testimony on SB 52
Testimony of Jeff Reinkemeyer
Director – Eastern Renewables Development

March 23, 2021

Chairman Peterson and Committee Members, please find below the written testimony of Avangrid Renewables on SB 52. Thank you for the opportunity to express our strong opposition to SB 52.

Background on Avangrid Renewables

Avangrid Renewables is one of the leading providers of clean, renewable power in the United States with more than 7,500 MW of owned and controlled wind and solar power facilities in 20 states. Avangrid Renewables also operates a state-of-the-art National Control Center which acts as the nerve center of the company's generation portfolio, making it one of the few companies capable of providing structured energy solutions and allowing large industrial and commercial customers to manage risks and uncertainty in the power industry.

We have made over \$600 million in private investments in Ohio over the last decade, including \$2 million in annual lease payments to local landowners and \$2.7 million in annual payments to local authorities, such as counties, townships and school districts. We are the largest single taxpayer in Van Wert County—larger than the next 11 businesses combined.

Avangrid Renewables works hard to earn the trust and respect of the communities where we do business and by behaving in a transparent and forthright manner. We believe in developing and maintaining strong relationships with landowners and our local communities. In addition to jobs and investment dollars, our contributions to host communities include charitable contributions from the Avangrid Foundation, as well as individual donations and volunteering by local employees.

SB 52 will Likely Drive Away Private Investment

Utility-scale renewables projects are incredibly capital-intensive in the first few years of a project, requiring significant investment upfront. Risk increases the cost of capital and scares away investors. SB 52 would exponentially increase development risk, making it unlikely that any developer could, or would choose to, afford investing in renewables projects in Ohio. Avangrid Renewables has three utility-scale solar projects in its near-term development pipeline and SB 52 threatens all of them. If all three projects are built, Avangrid Renewables will invest even more—almost half a billion dollars in rural Ohio over the next three to five years.



SB 52 Creates a Complex, Long and Duplicative Regulatory Structure

SB 52 creates a parallel regulatory system to the OPSB for wind projects over 5 MW and solar projects over 50 MW. It does the same for solar projects 5-50 MW, which are under local jurisdiction. The process created by SB 52 is also complex, long and confusing. Please see the attached process diagram for an illustration of the proposal. Here is a non-exhaustive list of concerning aspects of SB 52:

- The process starts 30 days before submitting an OPSB or building permit application. By this time, most developers have spent well over a million dollars on a project.
- The new process could continue all the way through the OPSB or building permitting process. This means you could have a petition drive for an election underway while trying to navigate the OPSB or building permitting process.
- In the event of the petition option (one of four different pathways a project could experience 30 days after a township is alerted to the project), a very small number of people could trigger an election. The bill says a petition drive can be fulfilled with signatures from a total of 8% or more of the total votes cast in the unincorporated part of a township during the last gubernatorial election. For instance, that number would require only 39 signatures in Palmer Township and 59 signatures in Liberty Township in Putnam County.
- In the event of an election, the referendum process could continue as much as nine months after a certificate or building permit has been awarded.
- If a project spans multiple townships, which they frequently do, each township could chose a different referendum pathway and reach a different conclusion.
- The process can be triggered by an amendment to existing certificates or building permits. We believe this means there could theoretically be multiple referenda on the same project over time.
- The bill attempts to retroactively regulate projects that are currently in OPSB and local zoning processes right now.

Perhaps the most concerning aspect of this bill is the vitriol and misinformation introduced by an election process. A small number of people can have a disproportionately negative impact on public discourse—you might call it "zoning by Facebook." We witnessed what this might look like in proponent testimony when a testifier personally attacked an Avangrid Renewables employee, as well as included pictures of the employee, pictures of the employee's home and the employee's home address. This is not only a demonstration of bad faith; it is also dangerous. We thank Chairman Peterson and Chairman Hoops for recognizing the unauthorized use of our employee's likeness and personal information and removing our employee's personal information off the House and Senate committee's website. We encourage committee members and Ohioans who are following this testimony to read the response letter from our employee, which is included in our testimony packet.

SB 52 Unnecessarily Regulates Existing Local Control Options

While the legislation purports to increase local input and control on the siting of renewable energy projects, the reality is that ample opportunity for both already exist. It adds



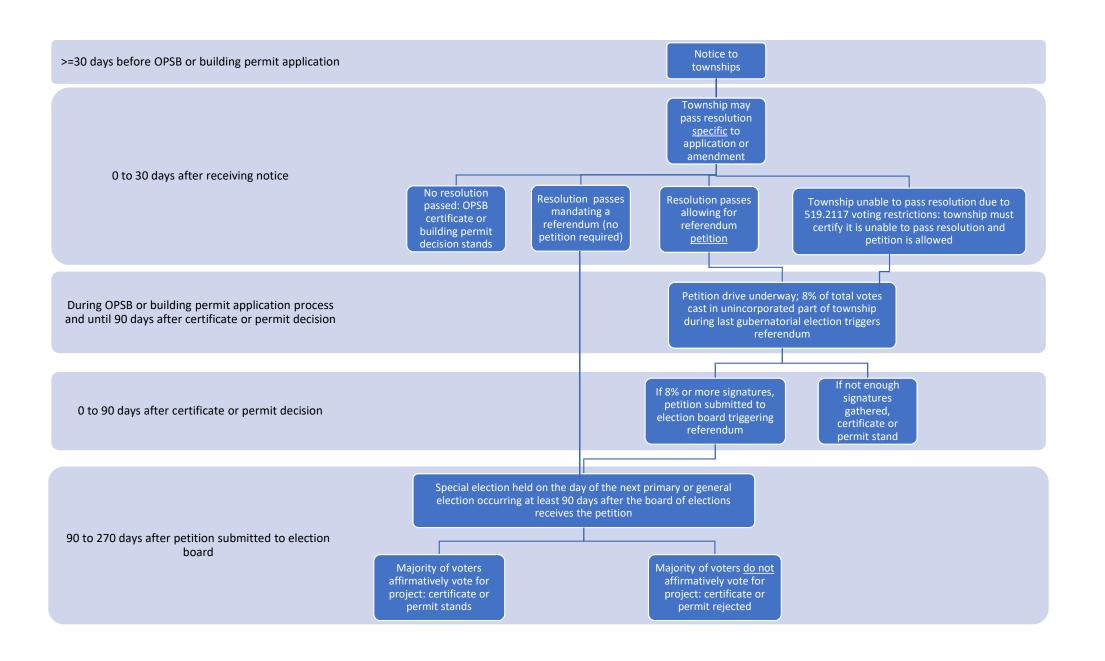
unnecessary and overly burdensome regulation to projects that area already directly under local zoning control. Currently, local governments may create whatever regulations they wish for solar projects 5-50 MW. Local communities can utilize zoning to prevent the development of unwanted solar projects of this size. Another misnomer is that OPSB jurisdiction projects ignore local input. However, there are a number of ways that local input already influences outcomes. To start, many times projects without local support will not even make it to the OPSB. Once the OPSB process has started, public input is provided in several hearings. We use those public hearings to improve our project and be a good community partner. One recent example of this is the OPSB hearing for our 150 MW Powell Creek solar project held last July. At the hearing, we heard from some community members that they had concerns with a portion of the project, referred to as "block 33." This portion of property is across the street from several houses and the homeowners were concerned about the view-shed. We listened to these concerns and chose not to put panels on block 33.

Lastly, in our experience, PILOT agreements are a highly effective means of local control. Terms and conditions of these agreements are not limited to annual payments and may include other community benefits and obligations. These agreements can last for 20-25 years and, if broken by the developer, would lead to catastrophic economics for the project. In other words, we have never and will never break a PILOT agreement. Our Powell Creek project is a great example of the wonderful and creative benefits that can be negotiated through a PILOT. In that agreement, we are supporting the development of a sanitary sewer for Miller City, a project the community has been trying to do for two decades. We encourage you to read or watch the testimony of two people from Miller City to hear directly from community members regarding what this project means to them. We have also included several dozen letters of support from people in the Miller City area.

For these reasons, Avangrid Renewables is strongly opposed to SB 52. We appreciate your time and attention and look forward to answering any questions you may have.

Sincerely,

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Director – Eastern Renewables Development
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March 19, 2021

Senate Energy and Public Utilities Committee Members House Public Utilities Committee Members

Dear Chair Peterson, Chair Hoops and committee members:

Recently in a public proceeding, I was personally attacked for my position as the manager of the Blue Creek Wind Farm in Van Wert and Paulding Counties. Being thrust into this situation, I believe this to be an invitation to professionally display the positive impacts that we at Blue Creek and Avangrid Renewables have had in the Van Wert/Paulding County area.

I think there are two significant stories to tell. The first is the community impact by the company and me personally. In addition to over \$20 million dollars in PILOT payments to date, the project further supports the local economy with approximately \$2 million per year in landowner lease payments. To give a sense of scale, Blue Creek generates enough clean electricity to power the equivalent of about 76,000 homes and reduces carbon dioxide emissions equivalent to planting 138,000 acres of trees per year. We have also provided leadership in regional economic development and cultural initiatives. We were the first Ohio-based company to join the NE Indiana Regional Partnership, an organization that supports regional growth. Other Van Wert and Paulding companies and entities have followed suit, ensuring the Northwest Ohio benefits from regional economic development efforts. Also, the Avangrid Foundation sponsored a regional mural festival last year and I've been working to try to include Van Wert this year.

We have also supported many other local organizations to improve the quality of life for all residents in our area including a partnership with Science Central, which provides every 5th grader in Paulding and Van Wert Counties (our footprint) with a field trip experience. We have also provided funding for the YWCA Summer Food Program for eight years which provides underprivileged children who receive free lunch at school an opportunity to enjoy lunch where they otherwise might go hungry. The Convoy Opera House has received more than \$30,000 in renovation donations. Habitat for Humanity has benefited annually including seven build crews in 2020 during the pandemic, with even more planned for 2021, including expanding to Putnam County. Van Wert recently was helped with procurement of an announcing system, and previously Blue Creek supported an art restoration project in a local alley. Adopt-A-Highway has benefited for ten years from our volunteer labor. The list can go on and on.

The second area I would like to highlight is the support our company provides to veterans. I'm very proud that our Blue Creek crew is 40% veteran employed. As a disabled veteran, it's one of the reasons I joined the company.

Thank you for your time and feel free to ask for additional information.

Sincerely, Neil Voje, USN Retired Plant Manager Blue Creek Wind Farm 13524 Fife Rd. Van Wert, OH 45891