

Senate Energy and Public Utilities Committee Senate Bill 10 February 2, 2021

Chairman Peterson and members of the Senate Energy and Public Utilities Committee, thank you for the opportunity to provide written proponent testimony on Senate Bill 10 (SB 10).

The Alliance for Energy Choice is an Ohio non-profit corporation that seeks to promote fairness and competition in electric utility service. The Alliance advocates for free-market solutions that will ensure an adequate and fairly priced supply of electric power to Ohio's residents, businesses, and industries. The Alliance also advocates for policies that do not favor one supplier or one form of energy over another.

Our membership believes this legislation is a good first step in righting two of the numerous wrongs previously enacted that egregiously benefit FirstEnergy at the expense of its customers and other market participants.

The members of the Alliance for Energy Choice commend Senator Romanchuk and the Ohio Senate for taking this proactive step early in the new General Assembly to start to fix Ohio's broken energy policy and to help restore a level playing field to the competitive energy market in Ohio.

The members of the Alliance are supportive of the entirety of SB 10 for the following reasons:

- 1. It completely repeals the decoupling mechanism created in House Bill 6 (HB 6);
- 2. It repeals the modification made in the last State Operating Budget that permits FirstEnergy to pool the total earned return on common equity of its three Ohio electric distribution utilities for purposes of applying it to the state's Significantly Excessive Earnings Test;
- 3. SB 10 fully refunds to customers all associated charges already collected.

While we are appreciative of this first step, several other changes to existing Ohio law related to HB 6 need to be revisited, as well as other anti-competitive provisions currently in statute that need to be changed in order to further level the playing field for other market participants and to enhance fairness and transparency for customers. We look forward to having those discussions another day.

We appreciate this opportunity to submit written proponent testimony on SB 10. The Alliance urges the Ohio Senate to act swiftly on behalf of Ohio's citizens and businesses to pass this critical first step in correcting these recently enacted, damaging policies.

As always, please do not hesitate to contact us if you have any questions or would like further information regarding this document or the Alliance for Energy Choice.

Alliance for Energy Choice

The Alliance for Energy Choice membership currently includes Calpine, Eastern Generation, The Energy Professionals of Ohio, LS Power, and Vistra Energy.