

**Proponent Testimony by Robert Kelter
on behalf of the Environmental Law & Policy Center
House Bill 197
House Public Utilities Committee
April 24, 2024**

Chairman Stein, Vice-Chair Blasdel, Ranking Member Weinstein, and members of the House Public Utilities Committee, thank you for the opportunity to submit proponent testimony on House Bill 197. My name is Robert Kelter and I am an attorney for the Environmental Law and Policy Center (ELPC). ELPC is a regional organization that works on energy issues in states across the Midwest, and regularly intervenes in cases at the PUCO. ELPC has consistently supported solar development in Ohio as an important component of a balanced energy portfolio for the state.

ELPC supports HB 197 because it is a balanced approach to encouraging the development of community solar in Ohio. The pilot program proposed in HB 197 reflects many of the best practices and lessons learned from other states that have already implemented community solar programs.

Community solar refers to solar projects developed and located in Ohio, that provide power to the state's utilities, and allow their subscribers to support clean energy and save money on their bills, through bill credits from their utility. Community solar benefits everyone through avoided generation, transmission, and distribution costs, which would otherwise be passed through to ratepayers, and other electricity system benefits associated with local generation.

The 1500 MW of New Capacity Will Help Address Concerns About Capacity Shortages

The 1500 MW of community solar will help Ohio meet its capacity needs and give customers the opportunity to choose clean energy. The 1000 megawatts of development allowed under the law, and phased in annually in 250-megawatt increments, allows the utilities to gain experience with community solar projects in a gradual manner. Moreover, the law ensures that the projects will be developed proportionally across the service territories of all four electric distribution utilities, which will ensure that no one utility is overburdened with projects, and development takes place throughout the state.

HB 197 also allows for an *additional* 500 MW on distressed sites, including brownfields,. ELPC is particularly supportive of this provision because such projects will not only help clean up sites, they will bring jobs to these regions and help with air quality over time.

As you consider this bill I think it's important to consider recent concerns legislators and regulators have raised that we face capacity shortages in the next several years. PJM has appeared before the Committee and you've held joint meetings with Pennsylvania legislators to discuss this issue. This community solar bill won't solve those problems but it will help. Let me make a few points:

- Ohio faces capacity challenges including shortages at peak times, of the concern relates to the hottest days of summer;
- Solar works on the hottest days of summer at those peak times – after the sun goes down the temperature cools and usage goes down;
- The criticisms that renewable energy isn't baseload capacity doesn't diminish community solar's value. While not available at night unless combined with storage, solar is in fact reliable in that it works and is available on hot summer days, when it is most needed.

- Community solar will not shut down any nuclear, coal or gas plants, it will merely help meet additional demand from new data centers and factories.

I also think it's important that we continue to put things in perspective. In 2022 AEP OH had a summer peak of 7,914 MW and FirstEnergy had a summer peak of 12,194 MW. Hence, if you assume out of the 1000 MW AEP gets 300 MW and FE gets 350 MW, we are talking about increasing peak capacity by about 3%-4% over four years. This means community solar will provide incremental help.

Another bill currently before the legislature would provide additional energy efficiency. When you add energy efficiency with community solar, then you make further impact towards meeting Ohioans' energy needs with clean energy that reduces pollution.

In sum, ELPC believes that the community solar pilot program laid out in HB 197 will provide Ohio utility customers an opportunity to benefit from both bill savings and a cleaner environment, and it would help to address the energy capacity concerns. It constitutes a good start to community solar and we urge the Committee to pass it quickly. Thank you and I would be happy to answer any questions.