



Office of the Ohio Consumers' Counsel

Before
The Ohio Senate Energy and Public Utilities Committee

Testimony on Senate Bill 118
(Repeal of Solar Energy Subsidies in House Bill 6)

By

Larry Sauer, Deputy Consumers' Counsel

On Behalf of the
Office of the Ohio Consumers' Counsel

September 14, 2021

Hello Chair McColley, Vice-Chair Schuring, Ranking Member Williams, and Committee members. I hope you and your colleagues are well.

Consumers' Counsel Weston and I thank you and Senator Romanchuk (the bill sponsor) for this opportunity to testify in support of Senate Bill 118. It is a pro-competition bill for repealing charges from tainted House Bill 6 that makes Ohioans subsidize solar power plants. Renewable energy is a good thing that should be enabled for Ohioans through the competitive market. I am testifying on behalf of the Office of the Ohio Consumers' Counsel, for Ohio residential utility consumers. OCC testified seven times against tainted House Bill 6. And OCC has now testified ten times to repeal it.

OCC thanks the legislature for repealing the FirstEnergy/Energy Harbor nuclear bailout and the FirstEnergy decoupling subsidy in House Bill 6. And we thank you for repealing the profits benefit for FirstEnergy that was unfortunately slipped into the 2019 budget bill, House Bill 166. (For its part, FirstEnergy has now been charged with a federal crime regarding the scandal.) Please finish the consumer protection job of repealing the House Bill 6 subsidies, by enacting Senate Bill 118 (and Senate Bill 117).

Senate Bill 118 would accomplish the repeal of the solar subsidy in House Bill 6. But even at up to \$20 million annually, the H.B.6 solar subsidy is much less costly for Ohioans than the corporate welfare of the H.B.6 subsidy for AEP, Duke and AES's OVEC coal plants. OMA projected the total consumer cost of the H.B.6 coal plant subsidy as \$700 million through 2030 for the two Indiana and Ohio plants. Moreover, solar plants do not pollute the environment as do AEP, Duke and AES's OVEC coal plants. Therefore, with its higher electric bills for consumers and subsidizing of air pollution, the H.B.6 coal plant bailout may

be the worst of the bad H.B.6 subsidies and should be a priority for repeal. We therefore respectfully ask that Senate Bills 117 and 118 be enacted together.

In conclusion, the legacy of Ohio's 1999 power-plant deregulation law should be lower prices and greater innovation for consumers through competition. Government-endorsed subsidies at consumer expense for solar plants and for AEP, Duke and AES's coal plants fail to advance the vision of Ohio's electric deregulation. Please enact Senate Bills 118 and 117 together.

Thank you for your consideration.