



OEC [Action Fund]

**Proponent Testimony
Ohio House Bill 197 (Hoops/Ray)
Ohio House Public Utilities Committee
September 20, 2023**

Good morning Chair Stein, Vice Chair Blasdel, Ranking Member Weinstein; My name is Nolan Rutschilling and I serve as Managing Director of Energy Policy for the Ohio Environmental Council (OEC) Action Fund. Our organization works to secure healthy air, land, and water for all who call Ohio home. Thank you for allowing me to provide proponent testimony on Ohio House Bill 197 (HB 197).

The OEC Action Fund has pushed Ohio to transition away from fossil fuels and toward clean, renewable sources of energy in order to fight climate change and put Ohio on a path to a sustainable future. Community solar pilot programs, like those created by HB 197, are long overdue in the state. These pilot programs will spur development of clean energy generation, help Ohioans save money on their electric bills, and create new development opportunities in communities that have been left behind by the energy transition. These programs bring a new set of Ohio residential and small business customers into the clean energy transition who aren't able to install rooftop solar, whether it's because they rent, their home or building doesn't receive the right type of sunlight, they don't have access to the capital necessary for solar. Passing House Bill 197 will bring environmental benefits and cost savings to Ohioans, and drive economic development and job creation in Ohio. The OEC Action Fund urges support for this legislation.

Environmental Benefits

HB 197 creates multiple opportunities to expand solar in Ohio, improving Ohio's environment to the benefit of all Ohioans. The legislation permits the Public Utilities Commission of Ohio to certify up to 1,500 megawatts (MWs) of community solar projects and an additional 250 MWs to be constructed on distressed sites, with the majority required to be located in the Appalachian Region. By enabling community solar, this bill expands the market for solar development significantly in Ohio, essentially creating a new class of customers for solar projects--those who currently cannot choose to power their homes and businesses by solar. This will result in a cleaner, more diversified grid across our state, reducing harmful emissions and improving air quality.

Cost Savings

Community solar will allow more Ohioans to take advantage of the cost savings solar provides. Rooftop solar allows customers to generate electricity at a potentially lower rate than purchased from the utility, with the opportunity to also receive compensation for excess energy generated from their rooftop installation. Customers who don't own their home, don't have access to credit, or lack the upfront costs of installation are missing out on these potential cost savings. Community solar allows residents to be compensated if the project they subscribe to exceeds their monthly energy needs, up to 120% of their average annual energy usage. The legislation allows community solar subscribers to receive the same benefits that current net metered customers in Ohio are able to receive today.¹ However, we do think this language could be clarified by adding in the specific compensation structure as set forth in the net metering rules² rather than simply referencing the Ohio Revised Code provision.

The average Ohio household spends 3% of their income on their electric bills, with the average monthly bill being \$108.³ Ohio households can expect to save hundreds of dollars if given the opportunity to connect to community solar. Energy burdens are particularly high for low-income and rural Ohioans. Households with extremely low-incomes spend an average of 12% of their income on electric bills compared to the statewide average of 3%. Rural counties (especially in northwest and southeast Ohio) have energy burdens of 6%—twice the statewide average.⁴ By allowing customers in these areas to purchase from local projects, their energy burden is lessened, and they're able to use their incomes for other needs.

The OEC Action Fund urges passage of HB 197. Ohio has been a leader in energy choice for decades, allowing Ohioans to select where their energy comes from and what type of energy to use. This legislation removes an unnecessary barrier that blocks Ohioans from choosing solar, and enables a new set of Ohioans to take advantage of the cost saving and environmental benefits of solar.

All Ohioans will benefit from community solar development across the state, and the legislation's careful focus on developing distressed sites will result in much needed jobs for communities that are struggling amidst the energy transition. Thank you for the opportunity to provide testimony today, I am happy to answer any questions.

1

² See Ohio Administrative Code 4901:1-10-28, *available at* <https://codes.ohio.gov/ohio-administrative-code/rule-4901:1-10-28>.

³ U.S. Energy Information Administration, "[Average retail price of electricity to ultimate customers](#)," 2019.

⁴ Ma, Ookie, Krystal Laymon, Megan Day, Ricardo Oliveira, Jon Weers, and Aaron Vimont. 2019. [Low-Income Energy Affordability Data \(LEAD\) Tool](#) Methodology. Golden, CO: National Renewable Energy Laboratory. NREL/TP-6A20-74249.