



OEC [Action Fund]

**Proponent Testimony (Written)
Ohio House Bill 197 (Hoops/Ray)
Ohio House Public Utilities Committee
April 24, 2024**

Chair Stein, Vice Chair Blasdel, Ranking Member Weinstein, and members of the Ohio House Public Utilities Committee,

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 written 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.

Example of Successful Implementation

While community solar is new to Ohio, it is not new to energy grids across the country, and it is not new to many utilities. The following affiliates of Ohio's Electric Distribution Utilities (EDU) operate in states with community solar currently:

- Maryland (Potomac Edison/First Energy)
- New Jersey (First Energy)
- North Carolina (Duke Energy)
- New Mexico (AES retail affiliate is currently developing community solar projects)

AEP Energy, AEP Ohio's parent company, has resources around [community solar on their website](#), and are seeing potential community solar legislation in Virginia¹, where their affiliate Appalachian Power operates. With this noted, we are confident the pilot programs under HB 197 will be easily established and supported by the EDUs, if they are able to draw upon their experience in other states.

The state of Maryland adopted a community solar pilot in 2016. It's worth noting Potomac Edison, First Energy's utility in Maryland, has successfully participated in the program. While utilities are able to participate in the pilot as subscriber organizations, no utility chose to operate a project, likely because they were unable to recover project costs in base rates. The Public Service Commission of Maryland issued a report² on the Community Solar program in 2022, sharing the following takeaways:

- Each of the utilities participating indicated that there was no negative impact on their standard service offerings, including Potomac Edison.
- Programs grew steadily throughout the four years of the study, carefully managed across utility territories.
- The study also identified that community solar projects may provide “offsetting cost-related benefits that are compared against program costs and non-financial benefits related to societal or economic measures.”

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. Thank you for the opportunity to provide testimony today.

Nolan Rutschilling
Managing Director of Energy Policy
Ohio Environmental Council Action Fund

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<https://cardinalnews.org/2024/02/12/a-shared-solar-program-for-appalachian-power-customers-is-one-step-closer-to-reality/>

2

<https://www.psc.state.md.us/wp-content/uploads/Report-on-the-Community-Solar-Energy-Generating-Systems-CSEGS.pdf>