

Summary

House Bill 6, as introduced, proposes a new “Ohio Clean Air Program,” which would create a new energy tax to bail out Ohio’s two nuclear power plants—Davis Besse and Perry Station - as well as the Ohio Valley Electric Corporation (OVEC) coal-burning plants - Kyger Creek in Ohio and Clifty Creek in Indiana.

At the same time, the legislation proposal repeals Ohio’s Renewable Portfolio Standard (RPS) and Energy Efficiency Resource Standard (EERS). These two policies have saved customers millions on their energy bills, reduced carbon emissions from the power sector significantly, and generated new jobs and new tax revenue for Ohio.

HB 6 basics

1. HB 6 guts Ohio's clean energy and efficiency standards - standards that are saving money, creating jobs, reducing energy waste, and lowering carbon emissions.
2. HB 6 forces customers to pay more each month to bail out FirstEnergy's uneconomic nuke plants - plants that have already been paid for many times over.
3. HB 6 charges electric customers more each month to bail out the OVEC coal plants - Kyger Creek in Ohio and Clifty Creek in INDIANA.
4. HB 6 is a new energy tax that rewards FirstEnergy’s bad business decisions and the bad business decisions of Ohio utilities invested in OVEC.
5. Ohio needs a comprehensive energy policy focused on how to reduce energy waste/increase investment in energy efficiency, expand clean energy development, and support communities disproportionately impacted by the transition away from, and retirement of, dirty energy generation.

Impact of HB 6:

1. Would INCREASE Ohio's carbon footprint because the bill proposes to do away with Ohio's RPS and EERS which together are reducing Ohio's reliance on coal fired power plants. These policies are slated to reduce Ohio’s annual carbon pollution by about 10 million tons between 2017 and 2029—equivalent to avoiding a year’s worth of emissions from 1 million homes’ energy use.
2. Reduces investment in cost-saving energy efficiency. Ohio's EERS had delivered over \$4.5 billion in energy savings to Ohioans' utility bills since 2009. HB 6 proposes to dismantle this policy, leaving a lot of untapped energy efficiency potential on the table.
3. Puts Ohio jobs at risk: more than [112,000 Ohioans](#) are employed in the clean energy sector. The 80,000 Ohioans employed in the energy efficiency sector stand to be impacted the most.
4. Impacts Ohioans’ health: Due to rollback of Ohio’s RPS and EERS, the legislation would [forgo the projected health benefits](#) that these standards provide - prevention of over 44,000 asthma attacks, 2,400 asthma-related emergency room visits, 4,400 heart attacks and over 2,800 premature deaths attributable to coal-plant pollution.

OVEC Points

1. HB 6 would bail out two 1950s-era coal-burning power plants; the Kyger Creek plant in Ohio and the Clifty Creek coal plant in Indiana, putting the costs of these failing plants on the bills of Ohio’s electricity customers for years to come.
2. All four regulated Ohio utilities - FirstEnergy, AEP, Duke, Dayton Power & Light - have been losing money on these for years. And, more importantly, all four expect to continue losing money for the foreseeable future, which is why they are seeking a massive bailout from Ohio families and businesses, which the Ohio legislature is considering approving.

3. HB 6 would shift all costs from each respective utility's portion of the OVEC generation to customers for the next eleven years and would require customers to pay for generation that is not competitive.
4. None of these Ohio electric utilities are willing to commit their own resources to these plants since none of them expect Clifty Creek or Kyger Creek to be profitable in the future.
5. This type of bailout seeks to effectively shift all of the risk from four of Ohio's utility companies' to customers, and take away from the purpose of what a competitive energy market is supposed to be.

The History of the OVEC Aging Coal Plants

1. While OVEC was initially developed in response to national security concerns, OVEC's contract with the Department of Energy ended in 2003 and all federal government obligations were accounted for at that time. It was after this time that OVEC signed contracts with Ohio's four utilities and a host of other power providers through 2040. The OVEC units no longer provided power for the uranium enrichment facilities they were originally built for and that uranium enrichments had begun the decommissioning process. In other words, since 2003 the OVEC plants have not provided any "national security" value but are instead simply old high-cost power plants.
2. After the end of the DOE contract, all generation from the OVEC units began to be sold into the marketplace. OVEC contract holders renegotiated the contract in 2011 extending the contract term out to 2040. The owners made a bad deal, and are trying to now offload that bad contract onto Ohio customers.
3. Ohioans have already spent tens of millions of dollars over the past two decades to transition the state to a fully competitive retail energy market and Ohio's utilities are already required to purchase electricity for its Standard Service Offer (SSO) customers through Commission-administered competitive auctions. These auctions are designed to insulate customers from price volatility.
4. HB 6 would impose long-term cost risks on customers that will limit their ability to take advantage of the competitive market place and invest in clean energy. HB 6 seeks to lock customers into paying for OVEC generation costs for the next eleven years, whether or not those units are economic.

What we want from the Ohio legislature:

- Vote NO on HB 6