

**Testimony of Ryan Augsburger  
Regarding the Planned NEXUS Pipeline Project  
Before the  
Federal Energy Regulatory Commission  
Wadsworth, Ohio  
April 29, 2015**

I appreciate the opportunity to speak with you today about the proposed NEXUS Pipeline Project. My name is Ryan Augsburger and I am the Managing Director, Public Policy Services of the Ohio Manufacturers' Association (OMA). My testimony is on behalf of the OMA.

Access to reliable, affordable energy is a competitive issue for Ohio manufacturers. Combined with electricity, the price of energy has a significant impact on manufacturers' bottom lines. While Ohio manufacturers have made many investments to use energy efficiently, natural gas is a major cost for energy intensive manufacturers. It has also proven to be the most volatile. Before shale gas increased the domestic supply of natural gas, there were moments where the high price of natural gas threatened the survival of some businesses.

The OMA represents over 1,400 manufacturing companies across the state. Ohio manufacturers produce every product you can think of ranging from automotive components to medical equipment to pizza rolls. In aggregate, Ohio ranks among the top states for manufacturing. The economic output from manufacturing in 2013 reached \$100 billion up from \$87 billion in 2012. Investments in new production are underway that will drive that figure even higher in subsequent years.

As for employment, in 2013, Ohio again ranked 3<sup>rd</sup> nationally in manufacturing employment, with 5.5% of manufacturing jobs nationwide. 663,000 Ohioans are employed in the state's manufacturing sector. Manufacturing leads all industry sectors in payroll (over \$36 billion in 2012) paying an average annual wage of \$55,525. The men and women who work in Ohio manufacturing are among the most skilled and most productive anywhere on the globe.

Manufacturing productivity is a competitive advantage to Ohio's economy. Manufacturers in Ohio excel in both product and process innovation. Investments underway in plants across the state will improve productivity while saving energy, minimizing waste, and reducing environmental emissions.

Ohio competes with other states for manufacturing investment. Energy policy and energy infrastructure are both important considerations when companies make investment decisions.

The OMA believes energy policy can enhance – or hinder – Ohio’s ability to attract business investment, stimulate economic growth and spur job creation, especially in manufacturing. State and federal energy policies must (a) ensure access to reliable, economical sources of energy, (b) support the development of a diverse energy resource mix, and (c) conserve energy to preserve our natural resources while lowering cost.

The OMA has a long-standing position of support for a modernized energy infrastructure to maximize energy supplies and stabilize energy pricing and reliability. Additionally, the construction of a natural gas pipeline from the Marcellus and Utica shale formations will increase access to gas as a feedstock. Gas is not just a source of energy – it is also a raw material utilized in many manufacturing processes such as chemicals, polymers and fertilizer. Finally, construction and operation of a pipeline will afford manufacturers from the region with expanded market opportunity to bid to supply needed parts, materials and technologies. These will all serve to protect and grow Ohio manufacturing.

The NEXUS Pipeline stands to benefit manufacturing in Ohio and throughout the Midwest. Therefore, the OMA encourages the Federal Energy Regulatory Commission to approve the NEXUS Pipeline project.

Thank you.