

**BEFORE THE
PUBLIC UTILITIES COMMITTEE
OF THE OHIO HOUSE OF REPRESENTATIVES**

REP. ROBERT CUPP, CHAIRMAN

**HOUSE BILL 247
TESTIMONY
OF**

THE OHIO MANUFACTURERS' ASSOCIATION

**BY
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NOVEMBER 28, 2017

Chairman Cupp, Vice Chair Carfagna, Ranking Member Ashford. . . members of the House Public Utilities Committee . . .
Good morning. Thank you for the opportunity to present proponent testimony today on House Bill 247.

My name is Luke Harms. I am Senior Manager of Government Relations at Whirlpool Corporation.

Whirlpool is the number-one appliance manufacturer in the world, with approximately 93,000 employees and 70 manufacturing and technology centers. Here in Ohio, Whirlpool has five manufacturing facilities and approximately 10,000 employees.

I am testifying today on behalf of The Ohio Manufacturers' Association (OMA). I currently serve as Vice Chairman of the OMA Government Affairs Committee.

The OMA was created in 1910 to advocate for Ohio manufacturers; today it has approximately 1,400 members – large, small and in between. Its mission is to protect and grow Ohio manufacturing.

Access to reliable, affordable energy is critical to all manufacturers. For that reason, companies like Whirlpool are always seeking cost-effective energy solutions. We are constantly looking for ways to reduce our electricity costs because money we save by reducing our energy costs is money we can reinvest in our business –

in our employees, our facilities and product innovations—as well as the communities where our facilities reside.

And of course, policies that avoid unnecessary above-market electricity costs help Ohio manufacturers compete – and are a crucial element of Ohio's efforts to strengthen existing employers and attract new businesses to the state.

One way we are investing in our company's success at Whirlpool is through on-site wind energy. Just two weeks ago, we announced plans for building three wind turbines to power our manufacturing facility in Greenville, Ohio.

The three Greenville turbines will generate more than 12 million kWh annually and offset approximately 70 percent of the plant's electricity consumption. That will eliminate the equivalent of more than 9,000 annual tons of CO₂.

The Greenville plant is the latest Ohio facility where Whirlpool is implementing wind energy to power its manufacturing facilities, following installation of wind turbines at our manufacturing facilities in Findlay, Marion and Ottawa, Ohio.

Expanding our company's commitment to sustainability and reducing our overall energy footprint are two objectives for these wind energy investments. An additional objective is to mitigate the impact of unwarranted above-market charges that put upward pressure on energy costs.

Manufacturers like Whirlpool are deeply concerned about the negative impact of a number of unwarranted rate-making provisions in current law. For example, according to the Ohio Consumers' Counsel, Ohio utilities have collected more than \$14 billion in PUCO-approved, above-market charges from utility customers since 2000.

For this and other reasons, the OMA strongly supports House Bill 247. The legislation will help protect customers by restoring much-needed balance and fairness to Ohio's rate-making process, and by strengthening customer protections against above-market charges through unwarranted, non-bypassable riders.

Above-market charges are an issue of concern for manufacturers of all sizes because they drive up energy costs without delivering any additional benefit to customers. And this is happening at a time when market prices are in decline and electric bills should be dropping, not rising.

ChairmanCupp . . . members of the committee . . . this concludes my prepared remarks. With the assistance of OMA Chief Energy Counsel, Kimberly Bojko, I will be happy to respond to any questions you may have.

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