

10:00 a.m. (EST)
1-866-362-9768
940-609-8246#



**OMA Energy Committee Agenda
August 25, 2016**

Welcome and Introductions

Brad Belden, Belden Brick, Chair

State Public Policy Report

Ryan Augsburger, OMA Staff

- Megatrends
- Reregulation / Restructuring
- Alternative energy freeze

Customer-Sited Resources Report

John Seryak, PE, RunnerStone, LLC

- Energy efficiency program updates
- Energy efficiency peer network activity
- PJM update
- New Phase In Recovery Rider (AEP only)

Counsel's Report

Kim Bojko, Carpenter Lipps & Leland
Ryan O'Rourke, Carpenter Lipps & Leland
Thomas Lause, Cooper Tire

- Subsidy Cases (Formerly PPAs)
- Utility Case Highlights
- FERC and Appeals

Special Presentation

Michael J. Roman, ExxonMobil Corp.

The Outlook for Energy: A View to 2040

Electricity Market Trends

Susanne Buckley, Scioto Energy

Natural Gas Market Trends

Richard Ricks, NiSource, Columbia Gas of Ohio

Lunch

2016 Energy Committee Calendar
Meetings will begin at 10:00 a.m.

Meeting sponsored by:

Thursday, August 25, 2016
Thursday, November 17, 2016



Michael J. Roman

**Exxon Mobil Corporation
Public and Government Affairs
Federal Government Relations Senior Advisor
Washington, D.C.**

A veteran of the energy industry, Mike began his career with Mobil Oil Corporation and has held numerous marketing, operating, finance and government relations management positions prior to his current assignment in ExxonMobil's Washington, D.C. Public and Government Affairs office in 2010. There he manages communication and advocacy initiatives for energy-related issues affecting the full range of ExxonMobil's domestic and global business operations.

He works closely with the American Petroleum Institute and several petroleum and industry associations and think-tanks, providing ExxonMobil's perspective on global energy-related operational, legislative, and regulatory issues.

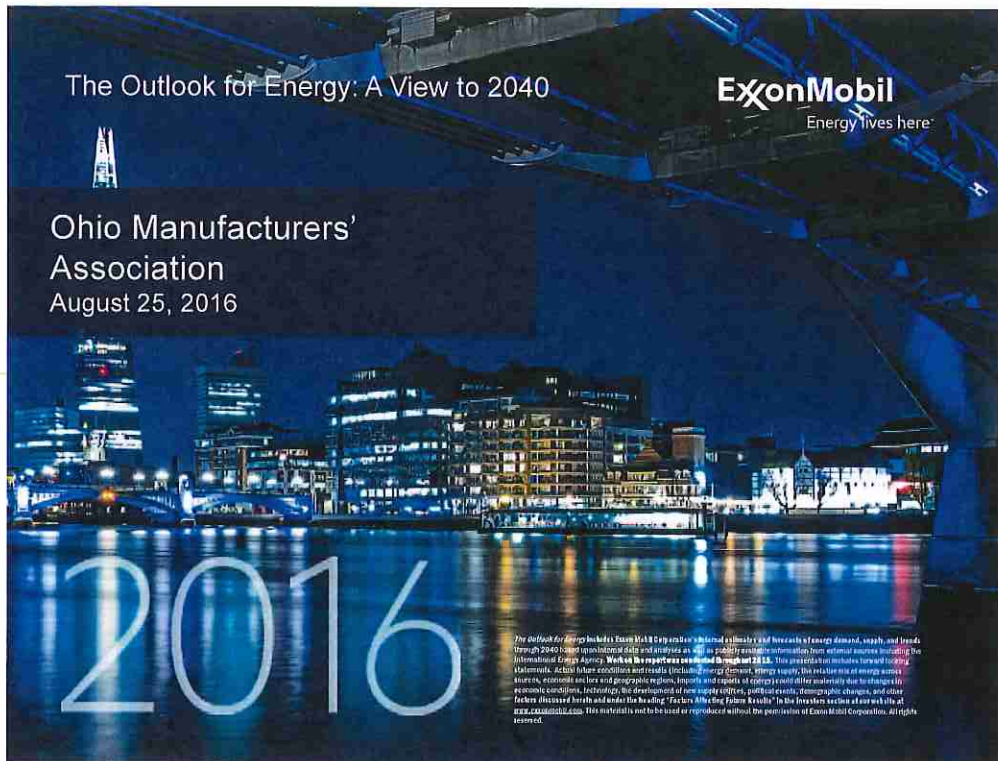
Mike leads ExxonMobil's Global Cybersecurity Issues team and the International Trade and Investment Issues team. He is a member of the Business Roundtable and U.S. Chamber of Commerce cybersecurity work groups, and serves on the Chamber's National Security Task Force.

He holds board positions at the National Foreign Trade Council and TransAtlantic Business Council. He serves as Vice-Chair of the National Association of Manufacturers National Public Affairs Steering Committee and a member of the NAM International Trade and Economics Committee.

Mike earned a BA in Economics from Central Connecticut State University. He holds an MS in Finance from Lesley University in Boston, an MBA in finance from Marymount University and is a graduate of the Georgetown University International Business program.

He is a member of the National Association for Business Economics, the National Economics Club of Washington, D.C., the Delta Epsilon Sigma Academic Society, and has been named to "Who's Who in Finance and Industry." In 2012 he was awarded the International Franchise Association's William Rosenberg Leadership Award.

He and his wife, Karen, reside in Vienna, VA.



Key Energy Outlook Themes



Energy is fundamental to standards of living.



Developing nations lead gains in GDP and living standards.



Economics and policies impact the fuel mix.



Oil remains the world's primary fuel through 2040.



Natural gas grows more than any other energy source.

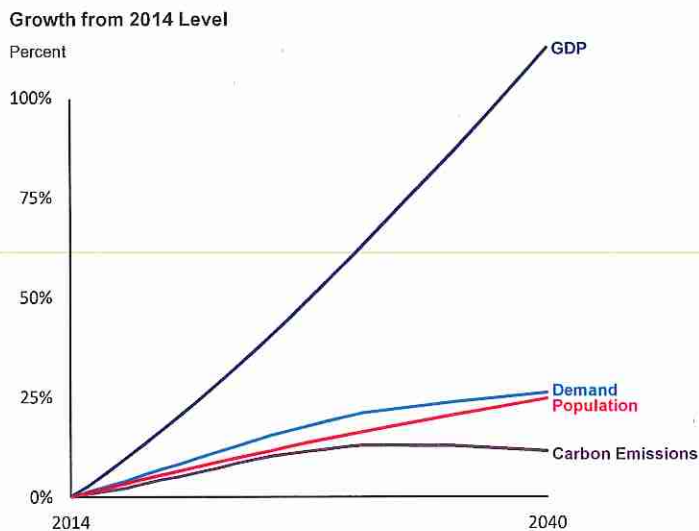


Technology has the highest potential and greatest uncertainty.



ExxonMobil 2016 Outlook for Energy

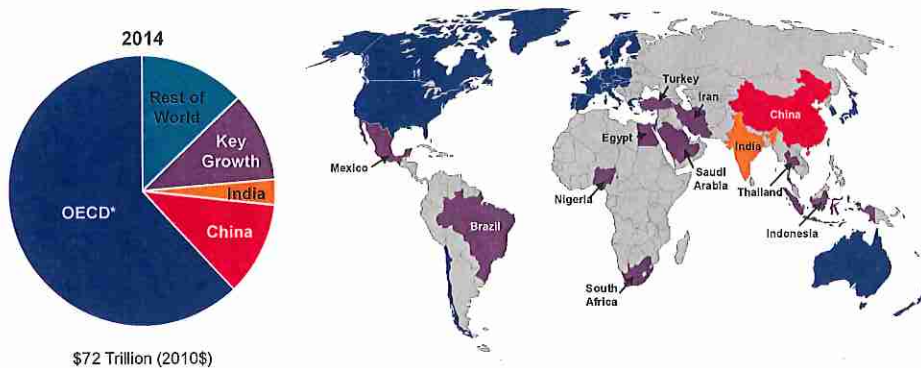
Global Trends Continue to Evolve



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ExxonMobil 2016 Outlook for Energy

Global GDP Shifts Toward Developing Nations

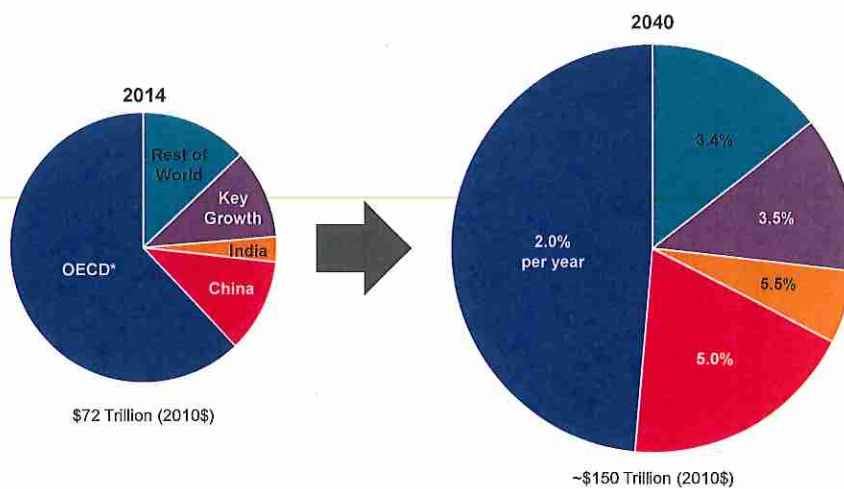


*Mexico and Turkey included in Key Growth countries

ExxonMobil

ExxonMobil 2016 Outlook for Energy

Global GDP Shifts Toward Developing Nations



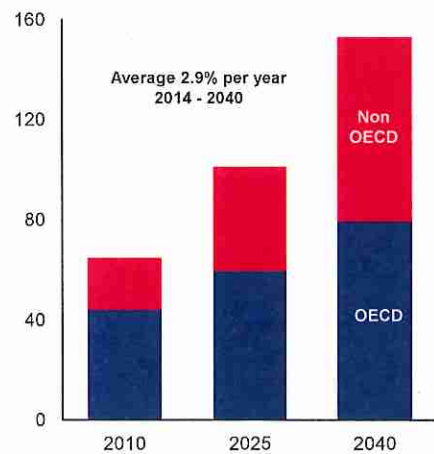
*Mexico and Turkey included in Key Growth countries

ExxonMobil

ExxonMobil 2016 Outlook for Energy

GDP Growth Varies By Region

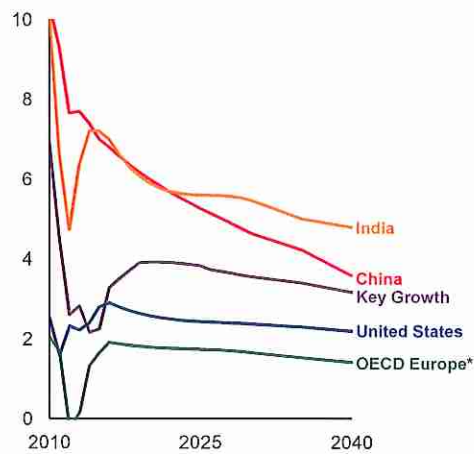
World GDP by Region
 Trillion 2010\$



*Turkey included in Key Growth countries

ExxonMobil

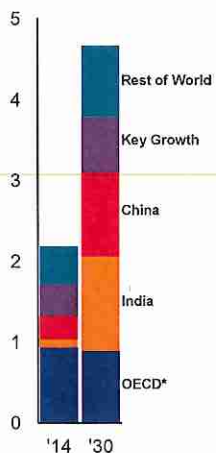
GDP Growth Rate
 Y/Y Percent



ExxonMobil 2016 Outlook for Energy

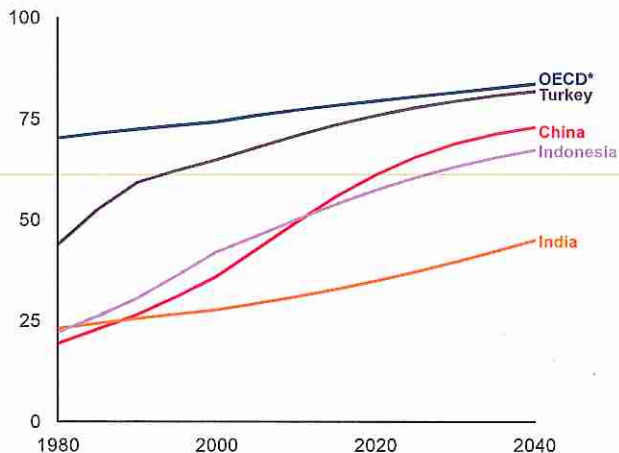
Middle Class and Urbanization Increase

Global Middle Class
Billion People



Source: The Brookings Institution
*Mexico and Turkey included in Key Growth countries

Urbanization
Percent



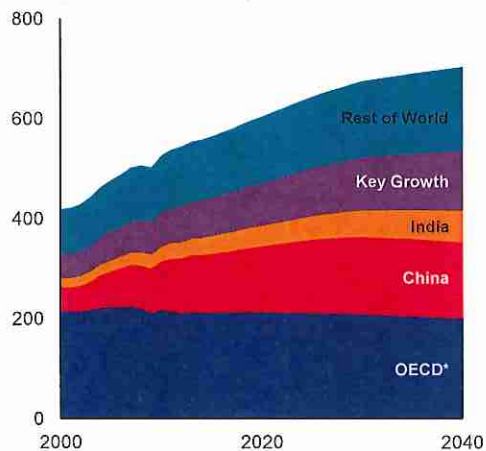
Source: United Nations



ExxonMobil 2016 Outlook for Energy

Demand Growth From Developing Nations

Energy Demand
Quadrillion BTUs



*Mexico and Turkey included in Key Growth countries

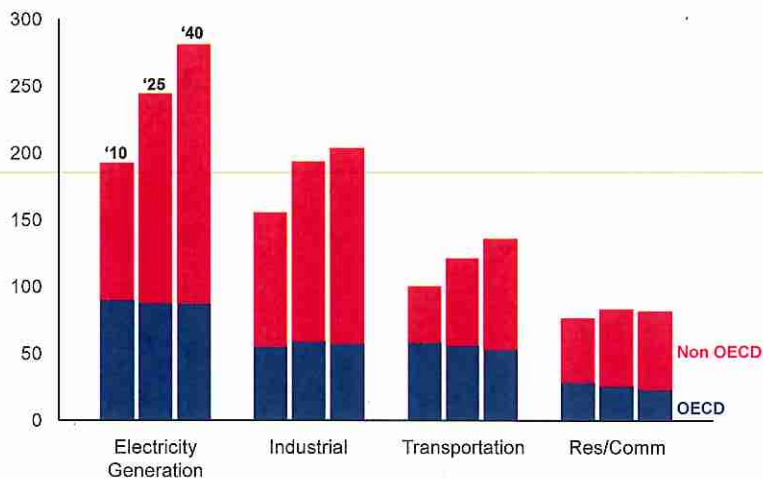


ExxonMobil 2016 Outlook for Energy

Electricity Generation Leads Growth

Primary Energy Demand by Sector

Quadrillion BTUs



ExxonMobil

ExxonMobil 2016 Outlook for Energy

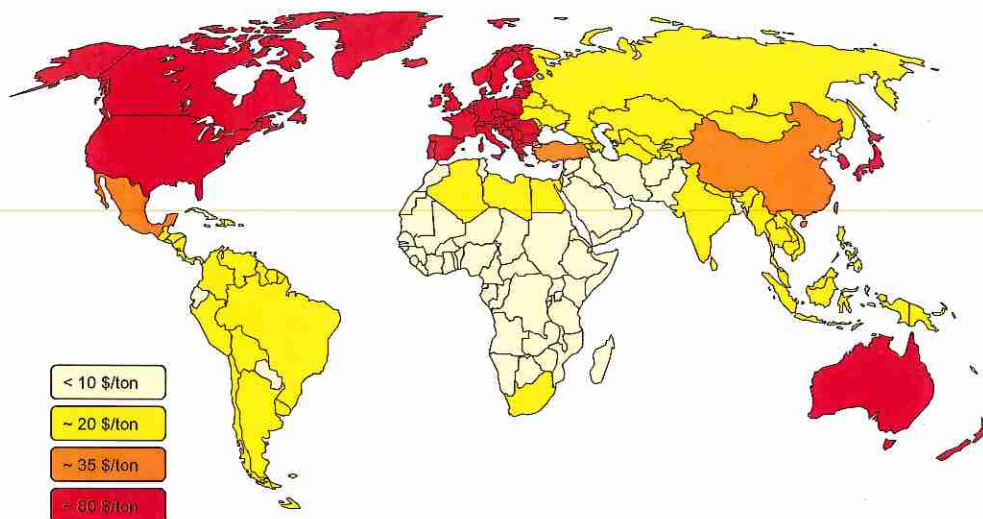


Economics and policies impact the fuel mix.

ExxonMobil

CO₂ Policy Assumptions Vary by Region

2040 CO₂ "Proxy" Cost

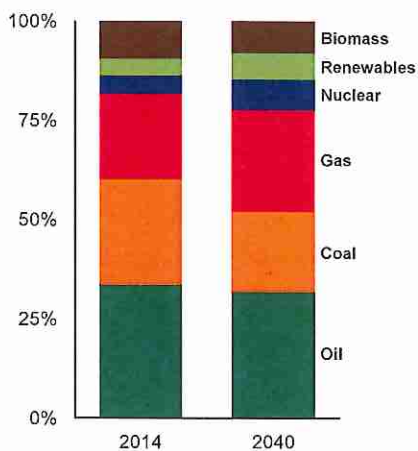


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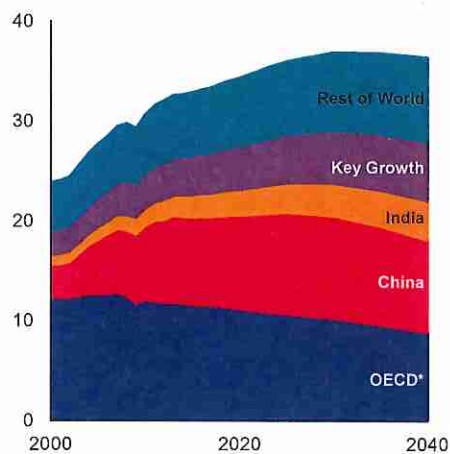
ExxonMobil 2016 Outlook for Energy

Energy Mix Shifts to Lower-Carbon Fuels

Global Energy Mix
Percent



Energy-Related CO₂ Emissions by Region
Billion Tonnes



*Mexico and Turkey included in Key Growth countries

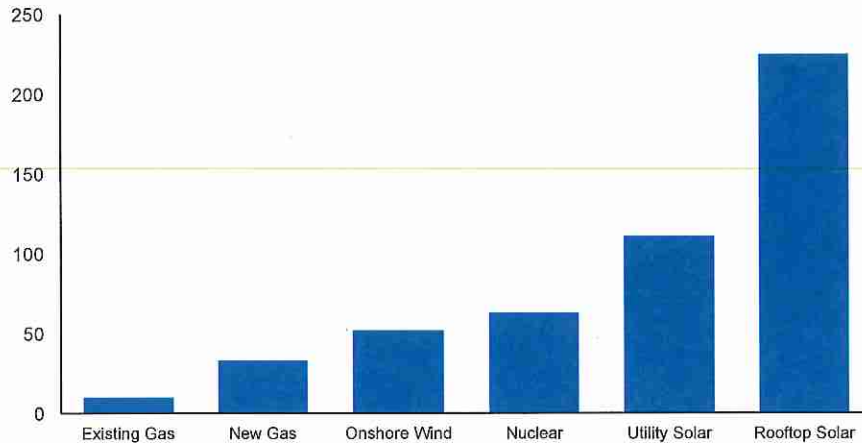
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ExxonMobil 2016 Outlook for Energy

Managing Climate Risk

U.S. Average CO₂ Abatement Costs vs. Existing Coal

Dollars per tonne



Wind and solar exclude full costs for integration and intermittency



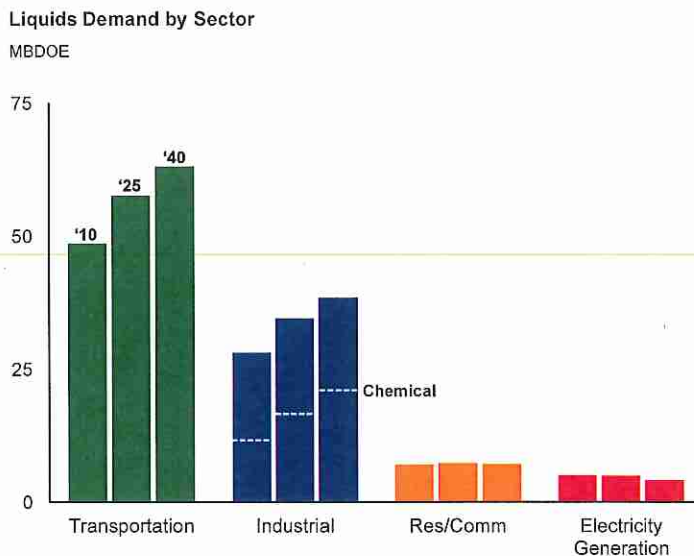
ExxonMobil 2016 Outlook for Energy



Oil remains the world's primary fuel through 2040.



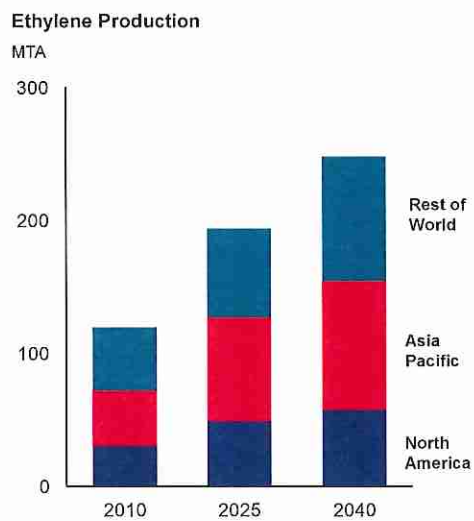
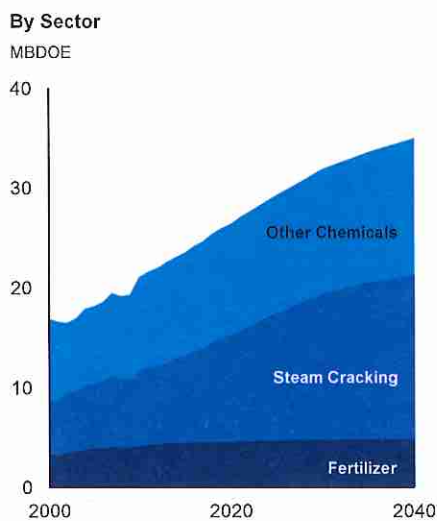
Transportation and Chemicals Drive Growth



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ExxonMobil 2016 Outlook for Energy

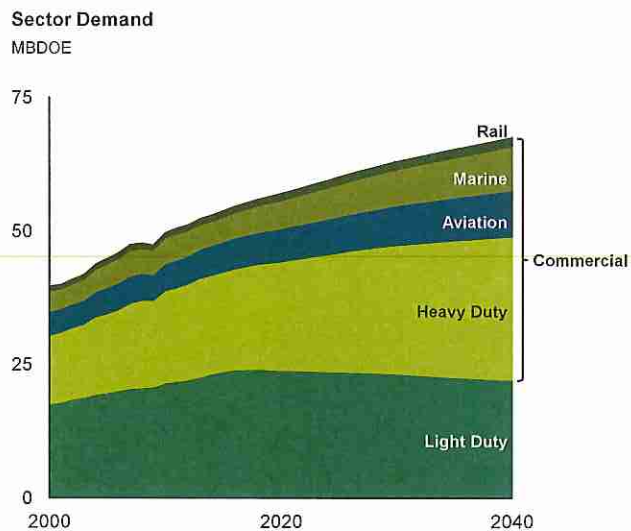
Chemicals Demand Sees Significant Growth



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ExxonMobil 2016 Outlook for Energy

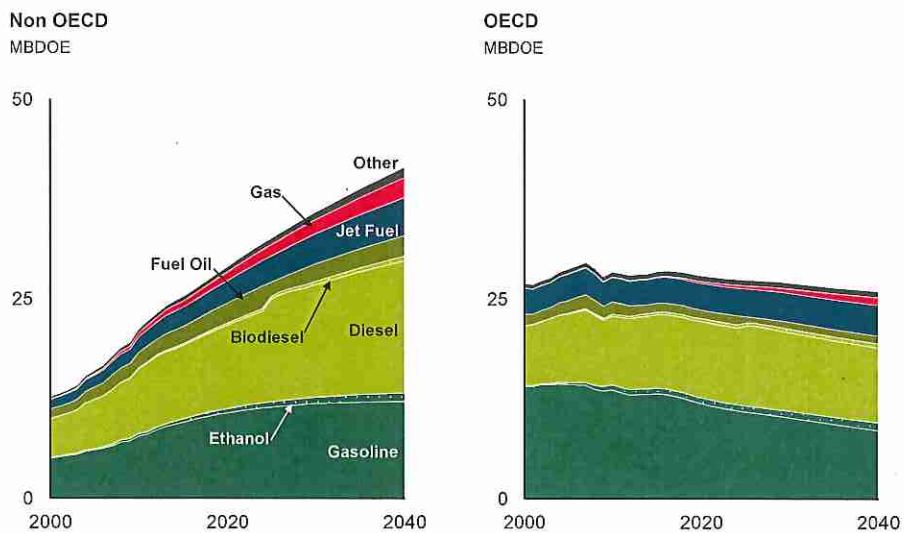
Transportation Demand



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ExxonMobil 2016 Outlook for Energy

Transportation Demand Shifts Toward Diesel

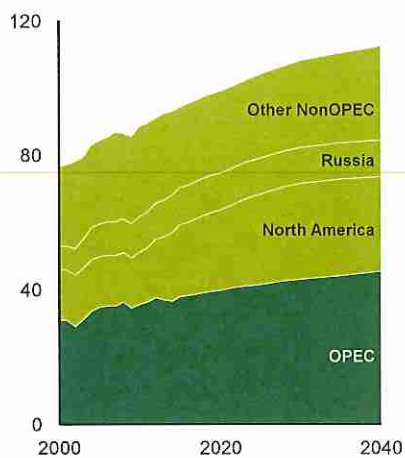


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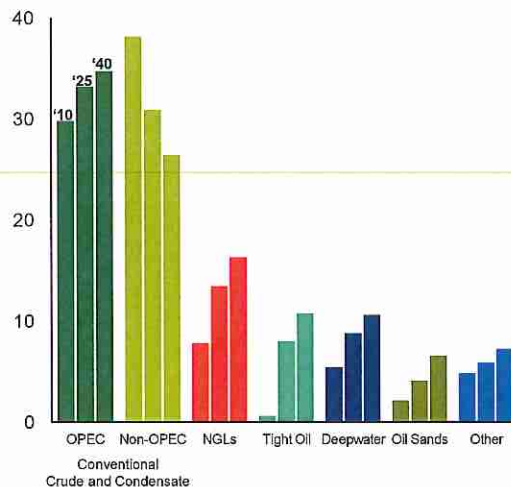
ExxonMobil 2016 Outlook for Energy

Liquids Production

By Region
MBDOE



By Type
MBDOE

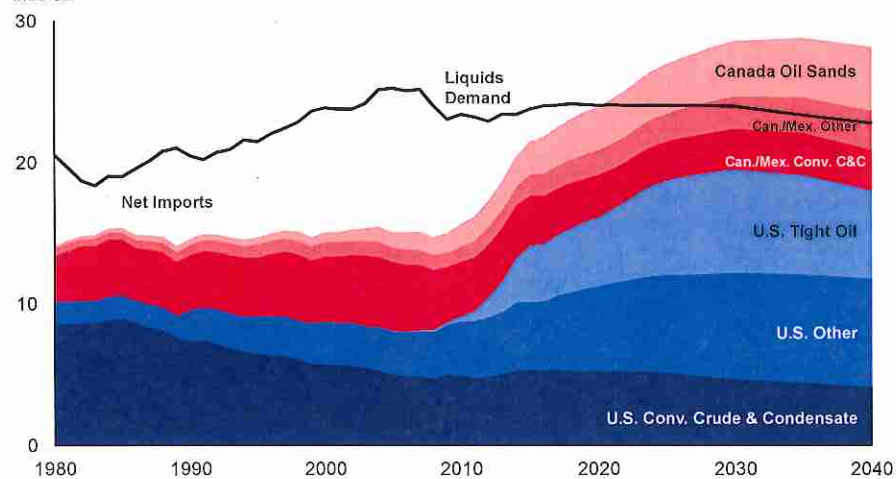


ExxonMobil 2016 Outlook for Energy

North America Liquids Supply Grows

North America Liquids Supply and Demand

MBDOE



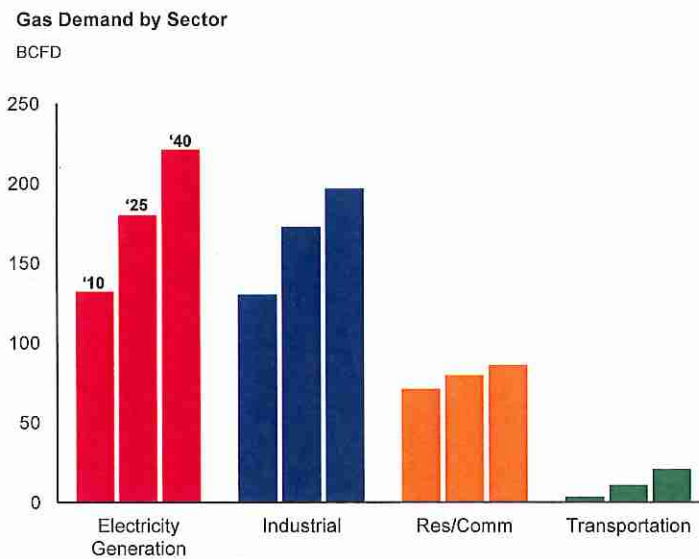
ExxonMobil 2016 Outlook for Energy



Natural gas grows more than any other energy source.

ExxonMobil

Gas Demand Grows in All Sectors

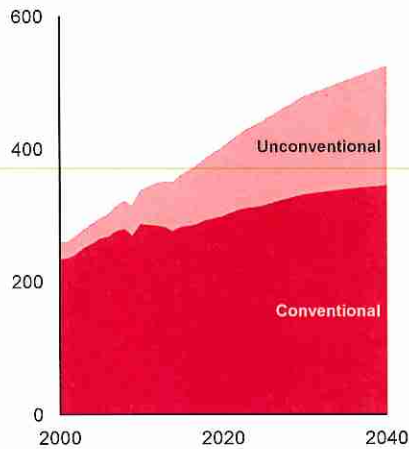


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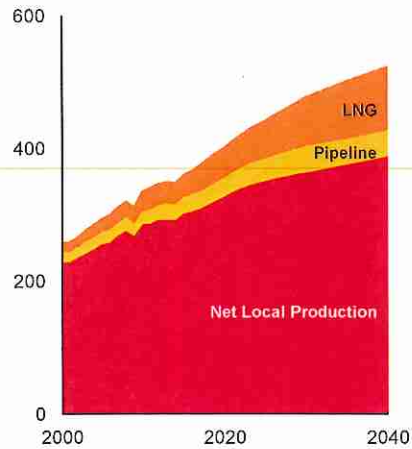
ExxonMobil 2016 Outlook for Energy

Natural Gas Supply

By Production Type
BCFD



By Delivery Type
BCFD



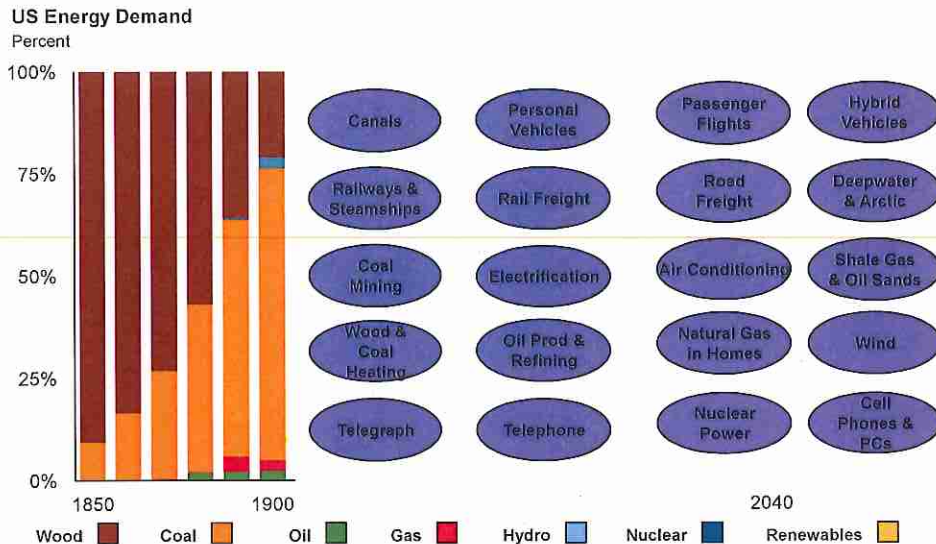
ExxonMobil 2016 Outlook for Energy



Technology has the highest potential and greatest uncertainty.



Transition to Modern Energy / Technology



Source: Energy Information Agency & ExxonMobil
ExxonMobil

ExxonMobil 2016 Outlook for Energy

ExxonMobil
Energy lives here™

For more information, visit
exxonmobil.com/energyoutlook
or download the ExxonMobil app

Available on the **App Store** **ANDROID APP ON Google play**

To: OMA Energy Committee
From: Ryan Augsburger
Re: Energy Public Policy Report
Date: August 25, 2016

Overview

2016 is a presidential election year, as such a relatively light legislative agenda is forecast. After the election, lawmakers will return to the Statehouse for a short post-election, or "lame-duck" session. The prospect for energy policy to be addressed via legislation later this year is very real.

Also over the summer, utility company leaders have made statements to investors and policymakers in the wake of the FERC ruling to block the PPAs and other rulings by the Ohio Supreme Court that are favorable for customers. The utilities are in effect calling for reregulation of power generation in Ohio, a reversal from Ohio's deregulation law.

PUCO Weighs Utility Subsidy Proposals

After the FERC ruling in April prevented FirstEnergy's power purchase agreement subsidy, the Akron utility revised its proposal. Initially it sought \$4 billion in customer subsidies in the "virtual PPA" case. The OMA Energy Group (OMAEG) opposed the proposal. OMA member Thomas Lause, Vice President and Treasurer of Cooper Tire served as our witness. His testimony is appended to counsel's report.

The PUCO staff then recommended a more modest subsidy proposal amounting to \$131 million per year. The OMAEG testified in opposition to that proposal. Then, FirstEnergy requested up to \$8.9 billion in customer subsidy over 8 years. The OMAEG filed testimony in opposition to that proposal. We thank Tom and Cooper Tire for their extraordinary leadership on behalf of Ohio manufacturers! If FirstEnergy wins a subsidy, other utilities are expected to follow suit.

Reregulation

Perhaps a *plan B* to hedge bets if the PUCO doesn't give utilities enough subsidies from customers, AEP and FirstEnergy are calling for legislative *reregulation* or *restructuring*. Details of a restructuring proposal are not yet clear but legislative leaders have signaled that they will not act on the controversial issue in 2016; however, it may be considered in the 2017-2018 legislative session.

AEP's CEO has stated that if the General Assembly fails to act by spring 2017, then the Columbus-based utility will sell its generation fleet. The company has developed a concept paper it is using in meetings with policymakers and stakeholders. Meanwhile, the company reported profit on its regulated distribution activities were higher in Ohio than anywhere else.

FirstEnergy, long a champion of competition has publicly switched positions and is now calling for reregulation. Like AEP, it is meeting with legislators. In addition, Dayton Power & Light is rumored to have been shopping a legislative proposal to reverse a Supreme Court decision that fairly protects customers from transition charges.

In 1999, with the passage of Senate Bill 3, Ohio began a transition to deregulated generation. That transition which has taken over decade, has delivered customer choice, cost-savings and innovation. One of the main tenets of deregulation was forcing then-integrated utility companies

to sell or spin-off their generation. "Stranded costs" and other above-market surcharge constructs enabled the utilities to have their generation paid for by Ohioans for a second time. If approved in some form, the subsidy cases would have represented yet another above-market payment to utilities by customers who realize no benefit.

The OMA has been a proponent of markets, supporting the original deregulation legislation and opposing utility profit subsidy schemes that distort the market and result in new above-market charges on manufacturers.

Several noteworthy studies have demonstrated how the market delivers lower prices, choice and innovation without compromising reliability.

PUCO Appointment

Governor Kasich appointed veteran energy attorney Howard Petricoff to the vacancy on the PUCO created by the departure of Commissioner Andre Porter (Mr. Porter assumed a position with MISO). Senate President Keith Faber has questioned the qualifications of the Governor's appointee and has hinted the Senate may refuse confirmation, a step required of gubernatorial appointments. The OMA has expressed support for Commissioner Petricoff. It's the worst secret around capitol square that utilities don't like the pick because of his past work in support of competitive energy suppliers.

Clean Power Plan / Federal Greenhouse Gas Regulations / 111(d)

US EPA issued a final rule in August 2015. The OMA filed comment together with the NAM and individually. Ohio EPA and the PUCO filed comment on behalf of the state as did the Ohio attorney general. The gist of the testimony: as proposed, 111(d) revisions are unworkable. Litigation on the rule is expected to delay effectiveness. If the provision goes into effect, states will need to adopt "state implementation plans" that will impose regulations on emissions to attain the federal goals. Ohio regulators intend to seek extension. The OMA is conducting research on the many ramifications of the CPP.

The US Supreme Court recently granted the stay requested in the Attorneys General lawsuit meaning that implementation steps will dependent upon legal finding. Early this year, the OMA joined with the National Association of Manufacturers and the U.S. Chamber in filing an amicus brief to highlight economic concerns with the Plan. Many legal scholars believe that the passing of Justice Scalia portends survival of the Clean Power Plan.

Natural Gas Infrastructure

The OMA continues to express industry support for the Rover Pipeline and Nexus Pipeline. Billions of dollars of pipeline investment are underway by several different developers. Additionally the OMA has participated in discussions with JobsOhio and representatives of America Natural Gas Alliance to consider measures to spur industrial delivery off new transmission investments. Research recently conducted by Cleveland State University may be helpful in this vein. Natural gas production continues to grow in the Buckeye state even with depressed pricing. Officials at JobsOhio have revisited their desire to advance the issue. JobsOhio will be on hand at the Nov 17 meeting of the OMA energy committee to brief members on the new cracker project in Belmont County.

Energy Efficiency Legislation

Legislation was enacted in 2014 to revise Ohio's energy standards which required utilities to deliver a certain amount of efficiency from customers and to procure a certain amount of

renewable generation. The issue has been reported and discussed at OMA meetings for over three years.

SB 310 froze the alternative energy standards for two years and created a legislative study committee to assess the impacts of the standards. A report was issued in September recommending an indefinite freeze. Governor Kasich subsequently commented that indefinite freeze was unacceptable, and that he did not favor the existing standards either. Without legislative revision, the freeze is scheduled to lift the first of 2017. Senator Seitz has introduced SB 320 to revise some provisions and to extend the freeze for another three years. In contrast Representative Amstutz (#2 ranked member of the House) introduced HB 524 which makes the freeze more permanent. Hearings were held on both bills in the Spring. It is unclear if or when these bills may advance.

Meanwhile, utilities have addressed plans for future renewable and energy efficiency programs in their PPA settlements in spite of the uncertain governing statutes...a move that angered some in the General Assembly. The OMA is an active party in the cases.

Energy

[AEP Seeks Legislation to Protect Itself from Competition](#)

August 19, 2016

AEP is approaching the legislature with a proposal to protect its plants from competition. It apparently is seeking to have a bill passed in the first quarter of 2017 that would place surcharges on customers to finance the plants. Customers would not be able to "shop around" the charges.

This is the latest effort by Ohio utilities to distort Ohio's competitive electricity marketplace, and to deprive consumers of its benefits.

Read more in [a story](#) in Columbus Business First.

[Is Measuring & Reporting Energy Savings a Brainer?](#)

August 19, 2016

The OMA [Energy Efficiency Peer Network](#) (EEPN) will hold a one-hour webinar on [Friday, September 16](#), from 10:00 – 11:00 a.m. – Measuring & Reporting Energy Savings in Manufacturing Facilities. OMA manufacturing members welcome.

Forty percent of Ohio manufacturers have established energy reduction goals. And increasingly, manufacturers' suppliers are being asked to set energy goals and to measure and report progress. But with changing production levels, weather, and energy prices, it's difficult to set, measure, and report on energy savings goals.

This webinar will provide a basis for measuring energy savings while factoring out changes in price, weather, and production.

Our subject matter expert is [Dr. Kelly Kissock](#), Ph.D, P.E., Professor and Chair, Department of Mechanical and Aerospace Engineering, University of Dayton (UD).

Dr. Kissock has led the UD Industrial Assessment Center for the past 20 years, during which time the center has provided 476 no-cost energy audits to small and medium manufacturers. Dr. Kissock is credited with pioneering the measurement of energy savings in manufacturing facilities. His work is widely regarded and is used by U.S. EPA's EnergyStar Portfolio Manager as well as the Evaluation

Verification Organization, which publishes on energy savings measurement and methods.

[Register here.](#)

[FirstEnergy Intends to Pursue Electricity Re-Regulation](#)

August 12, 2016

Late last month, FirstEnergy announced plans to bolster its finances by issuing \$500 million in new stock which will be purchased by the company's pension fund. At the same time, the company asked regulators to approve a new subsidy request of nearly \$9 billion paid by new above-market charges on customer bills. The OMA Energy Group has been opposing the proposal pending at the Public Utilities Commission of Ohio (PUCO). A decision could come as soon as September.

Meanwhile, the Cleveland Plain Dealer [reported](#) on statements made by FirstEnergy CEO Charles Jones in a July 29th investor call indicating that the company's goal now is to persuade the state to re-regulate electric utilities. [Listen to the investor call](#) and hear the CEO describe how FirstEnergy is not succeeding in the competitive generation market.

Re-regulation (meaning taking away customers' right to shop) would require legislative approval by the Ohio General Assembly and would reverse the deregulated generation market enacted in 1999. Last week, Senate President Keith Faber (R-Celina) said that any electricity structural reform would be a discussion for the next legislative session that begins in January 2017.

[Rover Pipeline Makes FERC Progress](#)

August 5, 2016

[According to the Coalition for the Expansion of Pipeline Infrastructure](#), of which OMA is a member, "... the Federal Energy Regulatory Commission (FERC) released a final environmental impact statement for the Rover Pipeline, the next step in the process of the federal review process. FERC concluded that construction and operation of the Rover Pipeline will create minimal environmental impacts, which will be effectively mitigated through the extensive planning and coordination enacted by the Rover team.

" ... With FERC having concluded its environmental impact statement, the agency now has asked other

federal agencies to complete their comments before a certificate can be issued for the project. ... The Coalition expects the final certificate for Rover to be issued in the fall of 2016, after which construction will commence. ..."

[Goldman Downgrades FirstEnergy](#)

July 29, 2016

Goldman Sachs this week [downgraded](#) FirstEnergy stock from "neutral" to "sell."

FirstEnergy has a cash problem; at risk is its investment grade bond status. Goldman speculates that the company will need to issue additional stock to raise more than \$1 billion.

Meanwhile, FirstEnergy continues to push for a massive bailout by customers. Recently, PUCO staff had recommended a customer-paid, above-market subsidy of \$131 million a year for three to five years. In rebuttal testimony this week, FirstEnergy said it needs \$558 million a year from customers for the next eight years, or \$4.46 billion, to keep an investment grade bond rating.

However, information that surfaced in depositions reveals that FirstEnergy is actually seeking almost double this amount. (See [related story](#).)

[FirstEnergy Stuns with New Ask for Subsidy](#)

July 29, 2016

This week, in response to a proposal submitted by the Staff of the Public Utilities Commission of Ohio, FirstEnergy filed another customer-paid subsidy proposal to the PUCO asking regulators to approve more than \$4.46 billion in above-market customer charges over the next eight years as a subsidy to buffer FirstEnergy's precarious balance sheet.

Energy lawyers participating in the proceedings this week were shocked to learn that in addition to requesting \$558 million annually from customers (\$4.46 billion over an eight-year term) for credit support for FirstEnergy Corp., FirstEnergy is seeking an additional customer surcharge in exchange for FirstEnergy Corp.'s commitment to maintain its corporate headquarters and nexus of operations in Akron, Ohio. This additional charge could cost customers up to an additional \$568 million per year for eight years. If approved, FirstEnergy's new proposal could cost FirstEnergy's Ohio distribution customers up to \$1.126 billion per year (\$558 million + up to \$568 million) for eight years.

[FirstEnergy testimony](#) states that: "The annual amount would equal the \$558 million associated with the credit support of jump-start grid modernization and the additional amount not [to] exceed the economic development value outline[d] by Company witness Sarah Murley arising from having the FirstEnergy Corp. headquarters and nexus of operations in Akron, Ohio." In [her testimony](#), Ms. Murley quantifies the economic development value at \$568 million per year.

The OMA Energy Group has been litigating against unjustified customer paid subsidies. Tom Lause, VP, Treasurer, Cooper Tire & Rubber Co., [recently testified in opposition](#) to a FirstEnergy aid package proposed by PUCO staff. Contact OMA's [Ryan Augsburger](#) to learn more how your company can support the effort to protect Ohio manufacturing competitiveness.

[Ohio Natural Gas Production Topic of RNC/DNC Conventions](#)

July 29, 2016

During both the RNC and DNC conventions, the American Petroleum Institute (API) held opportunities for party leaders to learn more about important domestic energy industry trends.

In conjunction with the RNC convention in Cleveland last week, API described how [Ohio natural gas production is up](#) nearly one thousand percent since 2005. The organization also shared statistics detailing how increased natural gas is yielding [economic benefits](#) to Ohio.

API President and CEO Jack Gerard was on hand to share how the increased use of natural gas has [lowered carbon emissions](#) from electric power generation throughout Ohio. Here's [Mr. Gerard's speech](#).

[Exxon Mobil to Present 50 Year Energy Forecast to OMA Energy Committee](#)

July 29, 2016

Mark your calendar to attend the OMA Energy Committee on [Thursday, August 25](#) to hear a number of good energy topics including:

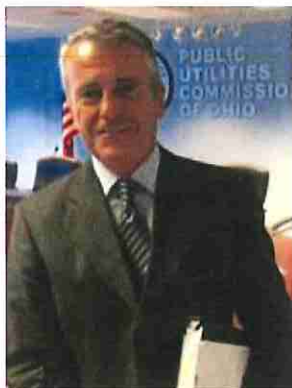
- Exxon Mobil 50 year energy forecast
- Updates on PUCO cases that affect your cost of electricity, including FirstEnergy's pending proposals
- Best energy management practices
- Electricity & natural gas market reports

You can come in person (the meeting will be held at the [OMA office](#) and includes a nice lunch) or via call-in.

There is no charge; [register here](#).

[OMA Testifies at PUCO Against FirstEnergy Bailout](#)

July 22, 2016



Pictured: Tom Lause, VP, Treasurer, Cooper Tire & Rubber Co.

Whereas PUCO staff has recommended denial of FirstEnergy's rider proposal, a "virtual" power purchase agreement that could cost customers \$3.6 billion, staff has recommended the creation of a "distribution modernization rider" that would allow FirstEnergy to annually recover \$131 million per year from customers over the next three years, with a potential two year extension.

One of the stated purposes of staff's proposal is to enable FirstEnergy to maintain an investment grade rating.

[Testifying before the PUCO](#) last week on behalf of the OMA Energy Group, Cooper Tire & Rubber Co. Vice President, Treasurer, Tom Lause, said: "... The corporate bailout proposed by Staff will actually diminish diversity of supply and suppliers and limit consumers' effective choices over the selection of those supplies and suppliers over the longer term. ... The Commission should allow the competitive markets to work and not provide competitive advantages to certain generators.

"... Currently, it is my understanding that there are significant new generation resources scheduled to come online and a healthy capacity reserve margin in the PJM market; therefore, there is no need to raise funds to support one generator's business over another.

"... Rather than receive a bailout from customers under the Staff's Proposal, FirstEnergy Corp., similar to all other public companies, should be required to consider and make financial business decisions that would allow it to sustain an investment grade credit rating. ..."

[OMA Group Tours Energy Efficiency Innovations](#)

July 22, 2016



This week the [OMA Energy Efficiency Peer Network \(EEPN\)](#) visited The Dannon Company and the Village of Minster solar field to see innovative energy efficiency installations.

If you'd be interested in participating in future plant tours and other EEPN activities, [click here](#). Manufacturing members are invited and there is no charge.

[Senate Grills Governor's PUCO Appointee](#)

July 15, 2016

This week the Senate Public Utilities Committee held a hearing to consider Governor Kasich's recent appointment to the Public Utilities Commission of Ohio (PUCO), M. Howard Petricoff.

Members of the Senate peppered Mr. Petricoff with questions about possible conflicts of interest.

Mr. Petricoff, a respected utility lawyer who recently retired from the Vorys law firm, adeptly handled the questions but the Senate Committee Chair did not call for a confirmation vote.

Committee Chairman Senator Bill Seitz told the media that Senate confirmation would likely occur sometime this summer.

The [OMA wrote](#) to Senate President Faber in support of Mr. Petricoff's appointment. Some utilities are advocating against Petricoff's appointment since he has represented competitive electricity suppliers.

[Come on Our Plant Tour: Dannon Company & Village of Minster Solar Field](#)

July 15, 2016

The OMA [Energy Efficiency Peer Network](#) (EEPN) has scheduled a plant tour on [Wednesday, July 20](#) at the [Dannon Company, Inc. 216 Southgate Dr.](#), Minster, Ohio 45865. The tour will focus on energy efficiency and sustainability initiatives. A hosted lunch will follow the tour. The event starts at 9:30 a.m. and concludes at 1:00 p.m.

But wait, there's more! The Village of Minster has graciously agreed to host a tour for the OMA EEPN of its 3 MW solar array and 7 MW lithium-ion battery, the [first municipal electric solar-battery system in the U.S.](#) This tour will immediately follow the Dannon tour. Interested members can caravan to the solar site at 1:30 p.m. for a 1-hour tour and discussion.

Spaces are limited; please register by close of business *today, July 15th*. [Register here](#) or [contact Peter Kleinhenz](#).

[Good News, Bad News from PUCO Staff](#)

July 8, 2016

PUCO staff has recommended denial of FirstEnergy's rider proposal, a "virtual" power purchase agreement that could cost customers \$3.6 billion. That's the good news.

Staff said the proposed rider does not preserve resource diversity in the state, does not protect Ohio's local economies from harms associated with plant closures, and could interfere with FERC's authority over the wholesale markets.

Here's the bad news: Staff recommended the creation of a "distribution modernization rider" that would allow FirstEnergy to annually recover \$131 million from customers over the next three years. One of the stated purposes of staff's proposal is to enable FirstEnergy's parent company to maintain an investment grade rating. One of the conditions attached to staff's proposal is that FirstEnergy must maintain its corporate headquarters in Akron.

So, the pretense that the proposal was to keep generating plants in operation to protect customers from future price increases is gone. It is a bailout. Just as the OMA Energy Group and others have said from the beginning.

The OMA Energy Group will continue its opposition. Customers should not be on the hook for FirstEnergy's poor business decisions for its generation subsidiary.

[Senate Sets Hearing on Petricoff Appointment](#)

July 8, 2016

Hours after Governor John Kasich appointed veteran energy lawyer Howard Petricoff to the Public Utilities Commission of Ohio, the Ohio Senate President called for formal hearings to determine Petricoff's qualifications.

In his [press statement](#), Senator Keith Faber said: "Senators have expressed some concerns about Mr. Petricoff's inability to hear many of the cases pending before the commission due to conflicts of interest involving past legal work."

The Senate Public Utilities Committee [will meet on Tuesday, July 12](#), to consider the appointment.

Rumor has it some utility companies are advocating against the Petricoff pick.

The [OMA supports](#) the appointment of Petricoff, who is eminently qualified, by Governor Kasich.

[OMA Member, Cooper Tire & Rubber, Testifies Against FirstEnergy Proposal](#)

July 1, 2016

The OMA Energy Group and a diverse array of interests filed testimony in opposition to FirstEnergy's bailout proposal pending before the PUCO.

OMA Energy Group witness Tom Lause, VP of Treasury & Tax, Cooper Tire & Rubber Company, [characterized](#) the proposal as a corporate bailout and explained that it will have the same negative impact on customers as the original rider proposal. He further explained that the corporate bailout requested by FirstEnergy will make businesses less competitive in the global economy and will thwart their ability to take advantage of low market prices offered by competitive suppliers.

Discovery in the case is ongoing.

[Supreme Court of Ohio Reverses PUCO Approval of DP&L Rider](#)

July 1, 2016

This week, in a [one-sentence decision](#), the Supreme Court of Ohio reversed the PUCO's approval of Dayton Power and Light's (DP&L) Service Stability Rider (SSR).

DP&L had claimed that the SSR was necessary to make up for lost revenue due to increased customer switching, declining wholesale prices, and declining capacity prices. But opponents argued that the SSR was impermissible because it enabled DP&L to collect transition revenue or its equivalent.

The court did not provide a detailed rationale to justify its reversal of the PUCO; instead, the court simply cited to its decision involving AEP from a few months ago where it found that the PUCO erred in authorizing AEP to collect the equivalent of transition revenue through a charge that was similar to DP&L's SSR.

It is estimated that DP&L has so far collected about \$250 million through the SSR and that another \$80 million remains to be collected.

[Plant Tour of Dannon Company, Inc., Minster – You're Invited](#)

July 1, 2016

The OMA [Energy Efficiency Peer Network](#) (EEPN) has scheduled its next plant tour for [Wednesday, July 20](#) at the [Dannon Company, Inc. 216 Southgate Dr.](#), Minster, Ohio 45865.

The tour will focus on energy efficiency and sustainability initiatives. Highlights will include corporate sustainability goals in energy, CO₂ emissions and water. A hosted lunch will follow the tour.

The event starts at 9:30 a.m. and concludes at 1:00 p.m. Please register prior to July 15th. [Register here](#) or [contact Peter Kleinhenz](#).

[OMA Supports Governor's PUCO Appointment](#)

June 24, 2016

Eric Burkland, OMA president, issued the following statement today supporting Governor Kasich's decision to appoint M. Howard Petricoff to the Public Utilities Commission of Ohio:

"Petricoff's appointment to the PUCO is positive and welcome news for Ohio manufacturers. He brings to his new post at the Commission more than three decades of valuable institutional history and deep industry expertise that will enable him to fairly and effectively balance the needs of energy customers and energy suppliers alike. We look forward to working with Commissioner Petricoff on the energy issues that matter to manufacturers."

[Read more from OMA.](#)

[Ohio is Attracting New Power Generation](#)

June 24, 2016

AEP Ohio, FirstEnergy and Dayton Power & Light argue that if Ohio does not act to approve their proposed above-market cost riders pending at the PUCO, their affiliated generation facilities will shut down, threatening the availability and affordability of electricity for Ohioans. They claim that adequate supplies of generation can be assured only if customers pay certain above-market charges to subsidize continued operation of their unprofitable power plants.

The truth of the matter is that major new power plant projects are in various stages of development throughout Ohio. Nearly 65 GW of new generation has been built since 2000, and more than 25 GW is committed to be built in the next four years.

[Here's a look at those investments.](#)

[OMA Goes to FERC \(again\) to Block FirstEnergy](#)

June 24, 2016

The OMA Energy Group again [filed comments](#) before the Federal Energy Regulatory Commission (FERC), which had previously blocked the Ohio-approved power purchase agreements (PPA) from going into effect. Since that decision in late April, FirstEnergy has modified its subsidy proposal to remove the problematic affiliate PPA and replace it with a virtual PPA. OMA Energy Group continues to oppose FirstEnergy's unlawful attempts to collect subsidies from ratepayers.

"The implementation of the virtual PPA will bestow upon FirstEnergy Ohio regulated utilities and likely their parent company and/or FirstEnergy's Ohio market-regulated affiliates at least \$3.6 billion in revenues from Ohio customers," said OMA Energy Group counsel Kimberly Bojko of Carpenter Lipps & Leland in the OMA motion to intervene.

[PUCO Nominating Council Narrows Field](#)

June 17, 2016

The Public Utilities Commission of Ohio (PUCO) Nominating Council [this week submitted](#) the names of four finalists to be considered by Gov. John Kasich for the position of commissioner to fill an unexpired term ending April 10, 2020.

The Nominating Council recommended the following individuals: Sam Gerhardstein, Dave Hall, M. Howard Petricoff, and Gregory Williams.

The PUCO Nominating Council is a broad-based 12-member panel charged with screening candidates for the position of commissioner.

\$8 Billion in Above-Market Charges, Already

June 10, 2016

Take a look at [this infographic](#) that shows that FirstEnergy and AEP have collected – or will collect – more than \$8 billion in above-market charges from their customers from 2001-2018 as the generation market moved through the deregulation process. That is, by regulatory fiat their customers paid, or will pay, \$8 billion above the market.

This is no way to have a competitive, job-producing industrial economy.

Now, as you know, FirstEnergy and AEP Ohio continue to attempt to secure more non-bypassable customer subsidization of the utilities' uneconomic power plants. What they asked for would have resulted in another \$6 billion in above-market charges.

Isn't it time to stop punishing customers and allow the markets to work?

Shell Commits to Western PA Cracker

June 10, 2016

In big news for the region, Shell this week [announced its commitment](#) to build an ethane cracker in western Pennsylvania on the Ohio River. The announcement comes five years after Shell initially indicated the plant's potential siting in the region.

The company expects to begin construction in 18 months and production in the early 2020s. Shell indicates the plant will produce annually 1.6 million tons of polyethylene from ethane coming from the Marcellus and Utica shales. It's a multi-billion dollar project is projected to create 6,000 construction jobs and 600 permanent jobs at the cracker.

Upcoming: Webinar about NEXUS Gas Pipeline Project

June 10, 2016

The NEXUS Pipeline stands to benefit manufacturers in Ohio and throughout the Midwest. Access to reliable, affordable energy is a big competitive issue for Ohio manufacturers.

OMA is [hosting a webinar](#) with OMA Connections Partner, NEXUS, on [Thursday, June 16](#) to brief manufacturers about the proposed project and how manufacturers can supply NEXUS project needs; whenever possible, NEXUS is committed to using local suppliers. [Details here.](#)

Threats to Ohio's Competitive Market for Electricity

June 3, 2016

Ongoing efforts by FirstEnergy (FE) and AEP Ohio (AEP) to secure non-bypassable customer subsidization of the utilities' uneconomic power plants put the benefits of Ohio's and the region's electricity markets at risk.

In continuing its opposition to the utilities' proposals to secure guaranteed profits for their uneconomic generation assets, the [OMA Energy Group](#) is standing up to protect energy markets. The utilities' efforts to add non-bypassable charges to the market-based price of power would cause electricity customers to pay above market prices, undermining the competitiveness of the state's industrial economy.

[Read an issue brief here.](#) Contact OMA's [Ryan Augsburger](#) for more information.

AEP Asks PUCO to Extend Rate Plan

June 3, 2016

On May 13, AEP filed an application to extend and revise its current electric security plan (ESP) through May 2024. This amended ESP proposal is an outgrowth of AEP's PPA settlement case.

OMA Energy Counsel [Kim Bojko](#) of Carpenter Lipps & Leland has prepared [a summary](#) of AEP's proposal.



Threats to Ohio's Competitive Market for Electricity

Recent developments in Ohio's regulatory framework for electricity generation demonstrate the need for continued vigilance, analysis and advocacy by the OMA Energy Group (OMAEG) and manufacturers across Ohio.

What's all the fuss about?

On March 31, 2016, the Public Utilities Commission of Ohio (PUCO) approved proposals from FirstEnergy (FE) and American Electric Power (AEP) to create non-bypassable Power Purchase Agreement (PPA) riders. The PPAs would force all customers in each utility's service territory to pay a monthly charge to subsidize the continued operation of certain uneconomic generating facilities owned partially or wholly by the utilities or their regulated competitive generation affiliates. Customers would be forced to pay an extra charge on their monthly electric bills to provide the utilities guaranteed levels of profit from aging, uneconomic power plants – even when cheaper power is available and/or a customer purchases its generation service from an alternative supplier.

Expert witnesses found that over the next eight years, the PPAs could cost FE customers \$3.6 billion and AEP customers \$2 billion.

Multiple parties, including the OMAEG, supported a complaint concerning the PPAs to the Federal Energy Regulatory Commission (FERC). On April 27, 2016, in a victory for Ohio manufacturers, the FERC ruled that the FE and AEP PPAs would need to undergo additional federal review before they could be enacted. The purpose of the additional review would be to determine if enactment of the PPAs would result in "market abuse" from subjecting electricity customers to non-bypassable, above-market charges from the utilities' competitive affiliates.

Here we go again.

FE and AEP both have filed for rehearings of the PUCO decisions, but they have responded to the FERC ruling in markedly different ways.

Through what may be described as a kind of verbal sleight of hand, FE has proposed a new non-bypassable rider – what it calls a financial "hedging" mechanism – that its customers would, as in FE's original PPA proposal, be unable to avoid paying. Basically, FE is asking the PUCO to completely forget about the PPAs the utility had previously proposed to generate profits from otherwise unprofitable power plants – while also seeking PUCO approval of FE's request to collect the same additional monthly subsidy from its customers that the utility had proposed in its PPA.

Under FE's latest proposal, its customers would pay more when wholesale electricity prices are low; any credits that customers would have coming to them when wholesale prices are high would be paid by FE's regulated companies, which are paid by customers. In other words, customers would end up paying their credit to themselves with their own money.

In either case, the result is the same: an estimated \$3.6 billion bailout of FirstEnergy.

AEP, on the other hand, has responded to the FERC ruling by abandoning its request for a non-bypassable PPA rider (with one small exception) associated with coal plants. Further, AEP indicated it may seek to sell its Ohio power plants or move "very aggressively" to seek re-regulation of the retail electric market via legislative action at the Ohio General Assembly. Additionally, AEP has reiterated its commitment to develop 500 MW of wind energy and 400 MW of solar energy, but with a few caveats related to the modifications made by the PUCO, including insisting that any cost-recovery rider for renewable energy projects must be non-bypassable and owned in part by AEP affiliates.

Why do the utilities want these subsidies?

The utilities increasingly have been painting doomsday scenarios for Ohio's energy future. They are dismissive of the role that PJM Interconnection plays as a regional transmission organization, arguing that PJM is not operating effectively and that Ohio would be better served by a more Ohio-centric position on electricity generation. They contend that if the state does not act soon to approve customer subsidization of certain obsolete, unprofitable power plants, these generation assets will be at risk of shutting down, in turn threatening the availability and affordability of power for Ohio customers.

The truth, however, is something more fundamental.

As Ohio has slowly transitioned from a regulated environment for electricity to a competitive market for electricity generation, utilities have failed to adapt their business models accordingly so they are positioned to thrive in a competitive market. In the last quarter of the 21st-century, U.S. manufacturers were forced to dramatically reinvent their operations in order to survive the onslaught of globalization – and we continue to do so today. This also has been the case in other deregulated industries such as transportation, trucking, airlines, banking, telecommunications and others.

The time has come for Ohio's electric utilities to undertake their own transformation.

Why should manufacturers be concerned?

The OMA was one of the driving forces behind the first concerted effort to transition Ohio's retail electric market from regulation to competition, dating back to the passage of Senate Bill 3, Ohio's historic electric restructuring legislation, in 1999. That restructuring effort sought to secure safe, reliable, lowest-cost electricity for customers.

While the transition to “electric choice” has had its rocky moments, electricity customers in Ohio today enjoy unprecedented options for shopping for generation service. The competitive market is working. It’s delivering customer choice, new energy technologies, innovative energy services, and direct energy savings to customers – all while assuring energy reliability.

Efforts by FE and AEP to secure non-bypassable customer subsidization of the utilities’ uneconomic power plants put the benefits of electric choice at great risk. If FE and AEP are successful with the rehearings they have requested from the PUCO, electricity customers in Ohio can expect reduced ability to shop for the best available price and no option but to pay above-market prices for electricity whether they actually shop or not.

In continuing its opposition to the utilities’ proposals to secure guaranteed profits for their uneconomic generation assets, the OMAEG is standing up to protect what has long been the engine of economic growth and strength in Ohio and the nation: American free enterprise. The utilities’ efforts to add non-bypassable charges to the market-based price of power is the latest of repeated ploys by FE and AEP to try to mitigate the impact of their past poor business decisions and deny the benefits of free-market competition to customers in Ohio. More broadly, it also represents an ongoing strategy of the utilities to shift the financial risk associated with obsolete, uneconomic power plants from utility shareholders to utility customers.

For all of these reasons, the OMAEG remains committed to sustained opposition to FE’s and AEP’s petitions to the PUCO for rehearings. We ask that OMA member manufacturers join our effort. To find out more, contact Ryan Augsburger at raugsburger@ohiomfg.com or (800) 662-4463.

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Competitive Market is Attracting Substantial New Power Plant Investments in Ohio

In recent cases before the Public Utilities Commission of Ohio (PUCO), utility companies FirstEnergy (FE), American Electric Power (AEP) and Dayton Power & Light (DP&L) sought approval to create non-bypassable riders that would force all customers in each utility's service territory to pay a monthly charge to subsidize the continued operation of certain aging, uneconomic generating facilities owned partially or wholly by the utilities or their unregulated competitive generation affiliates.

Customers would be forced to pay the extra charge even when cheaper power is available and/or customers purchase generation service from an alternative supplier.



In March 2016, the PUCO approved FE's and AEP's proposals that expert witnesses said would cost FE and AEP customers nearly \$6 billion over eight years. One month later, the Federal Energy Regulatory Commission (FERC) held that FE and AEP could not transact any power sales under the underlying purchase power agreements without receiving further FERC approval, thereby effectively halting implementation of the proposals. The similar DP&L proposal is pending currently. In the meantime, FE and AEP have submitted new proposals to the PUCO that in varying degrees seek approval to collect from customers above-market charges similar to the previous proposals recently rejected by FERC.

Throughout these cases, the utilities have continued to argue that if Ohio does not act to approve their proposed above-market cost riders, their affiliated generation facilities will shut down, threatening the availability and affordability of electricity for Ohioans. The utilities claim that rejection of such riders would send a clear message to the marketplace discouraging utility investment in new generation assets in Ohio, further compromising our future energy security – and that adequate supplies of generation can be assured only if customers pay certain above-market charges to subsidize continued operation of the utilities' obsolete, unprofitable power plants.

Don't be fooled by the myths that FE and AEP have perpetuated. Look at the facts and judge for yourself.

The utilities continue to try to convince policymakers, regulators and customers that without guaranteed cost-recovery through some form of customer subsidization, investors will not be willing to take on the financial risk of building new generation plants in Ohio.

That assertion is absolutely untrue.

As the map on the preceding page shows, major new power plant investment projects are in various stages of development throughout Ohio. The total economic impact of these new investments can be measured in several ways:



Investment: **\$4 billion**



MW capacity: **3,677**



Job creation: **5,807**

Contrary to the utilities' assertions, **markets work**. PJM Interconnection LLC's (PJM) energy and capacity markets are sending price signals that **attract** investment in new generation.

“Iron in the Ground” Case Study: Oregon Clean Energy Center

The Oregon Clean Energy Center in northwest Ohio will be a **newly built combined cycle gas turbine (“clean”) energy plant**. **Currently under construction**, the plant will provide clean, reliable and competitively priced power for customers.

- The Oregon Clean Energy Center was **developed and financed in direct response to the robust wholesale price signal** provided by PJM's capacity and energy markets.
- PJM **maintains reliability** of the electric power system within its footprint (including Ohio) **through market-based mechanisms**.
- The Oregon Clean Energy Center will contribute **more than \$800 million to the economies of the State of Ohio, Lucas County and the City of Oregon** from the facility's construction and during its first 20 years of operations – **without the need for any capital expenditures by government and without any customer subsidy**.
- Construction of the facility will create approximately 500 on-site construction jobs and approximately 450 indirect jobs in Lucas County, as well as approximately 350 additional indirect jobs across Ohio. **In total, the construction will create 1,300 new jobs in Ohio.**

- **The total economic impact of the facility's construction in Lucas County alone is \$36 million**, with an additional economic benefit of \$50 million across the state.
- **Operating the facility will create approximately 50 permanent jobs**, which will provide an additional \$20 million of economic impact in Ohio.

The willingness of Oregon Clean Energy Center investors to commit more than \$800 million to this Ohio-based project was predicated on investors' long-term confidence in PJM's competitive energy markets and Ohio's commitment to those markets. **The PUCO and, alternatively, the Ohio legislature must protect the open, competitive markets created by deregulation, which provide reliable, affordable power for Ohioans.**

Bottom line

Policymakers and regulators should reject the efforts by some utilities and their allies to impose non-bypassable, above-market charges on customers as a means of incentivizing new generation. ***It isn't needed.***

Moreover, imposition of such charges by the PUCO would distort the free and competitive marketplace. Further, it would be unfair to companies that are taking investment risks by building new generation in the competitive market.

The fact is, real businesses ***are*** assuming risk and building new generation in Ohio – in spite of the fear-mongering rhetoric of the utilities. FE, AEP and DP&L would have us believe Ohio will not have adequate generation resources unless policymakers act to guarantee profits to the utilities or their unregulated affiliates and to subsidize the continued operation of aging, uneconomic power plants.

PJM has provided a workable competitive market to investors. **Nearly 65 GW of new generation has been built since 2000, and more than 25 GW is committed to be built in the next four years** (some, such as the Oregon Clean Energy Center, already under construction). It appears that investors believe that the PJM energy markets are working, which has led to new merchant investment activity.

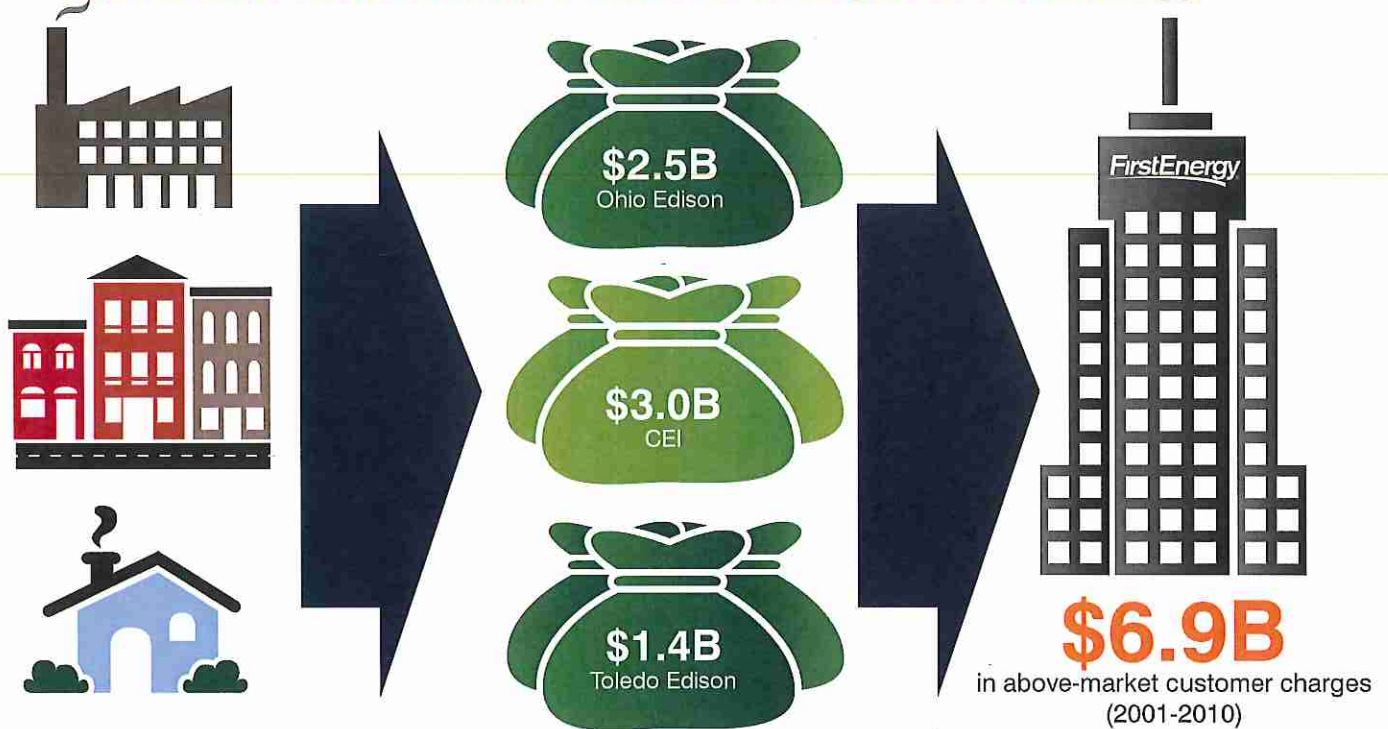
As long as PJM continues to provide a level playing field, where all generators compete on equal footing in PJM's energy and capacity markets, investment will continue in the future.

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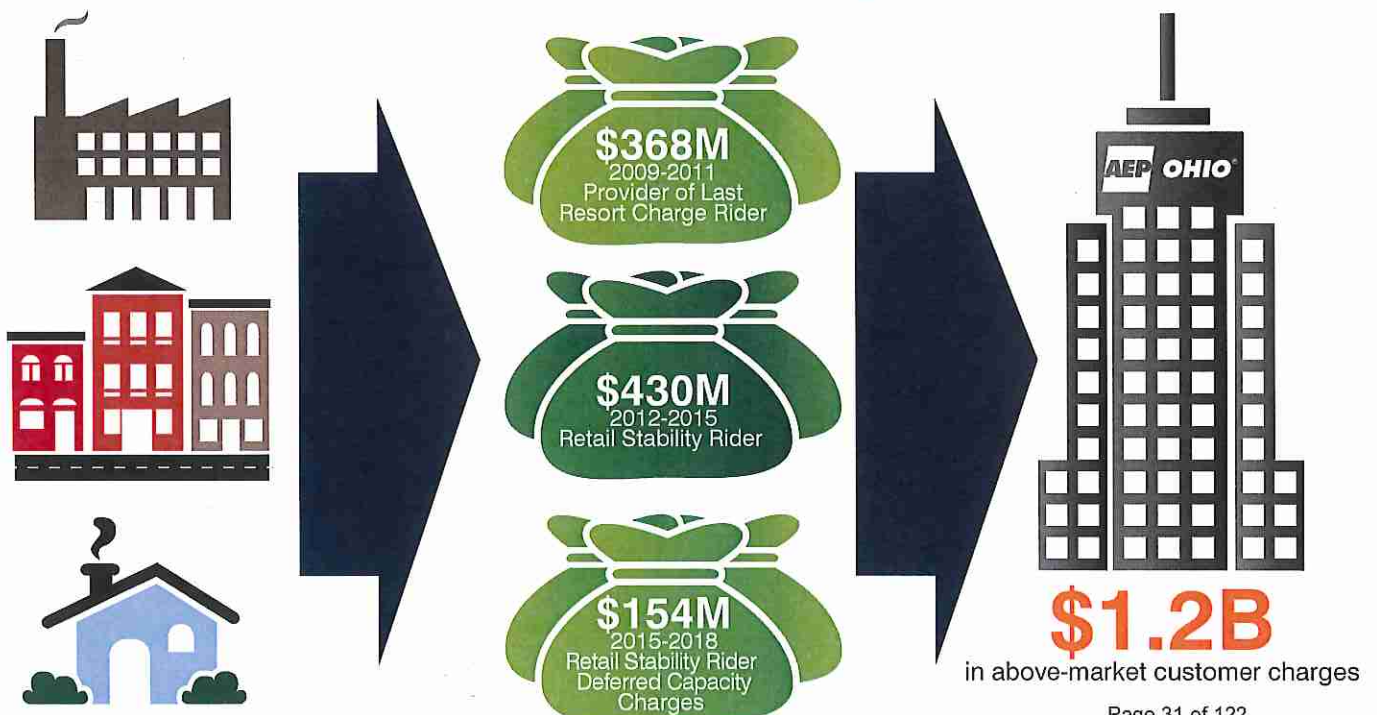
AEP OHIO AND FIRSTENERGY HAVE COLLECTED **BILLIONS OF DOLLARS** IN ABOVE-MARKET CHARGES

Through their various rate cases approved by the Public Utilities Commission of Ohio (PUCO), both AEP Ohio and FirstEnergy have collected—or will collect—significant above-market charges from their customers.

Estimated Above-Market Customer Charges to FirstEnergy



Estimated Above-Market Customer Charges to AEP Ohio



Duke Energy's campaign contribution pipeline



[Carrie Blackmore Smith](#), csmith@enquirer.com 8:56 a.m. EDT August 21, 2016



(Photo: Enquirer file/Kareem Elgazzar)

If its political contributions are any indication, Duke Energy likes Republicans – the more powerful the better.

The Enquirer delved into donations from Duke's political action committee and individual employees as the corporation prepares to ask permission from the state to build the largest natural gas pipeline ever built in Hamilton County, a plan with swelling local opposition.

Duke plans to submit an application by Sept. 13.

First, a little about the project

Duke hopes to construct a 12-14 mile, high-pressure natural gas pipeline through 14 Hamilton County communities, including densely populated parts

of Blue Ash, Norwood, Sycamore Township and parts of Cincinnati.

Opponents believe a pipeline should never be built in such a populated area, particularly because more stringent federal safety regulations are currently being worked out, in light of deadly explosions around the country.

Duke officials say this pipeline is necessary to keep up with future demands for natural gas. They share examples of large pipelines they've built successfully with good safety records.

They say this section of pipe is only in Ohio, so it is an intrastate pipeline and therefore falls within state jurisdiction.

What The Enquirer did

The Enquirer decided to find out what kind of money Duke's employees, through their PAC or individually, gave to politicians along the proposed pipeline route. While the decision is ultimately up to an independent board, elected officials wield influence in many ways.

These are perfectly legal contributions and Duke has lots of other projects and reasons for financially supporting candidates. The Enquirer isn't suggesting

the company made these donations simply because of the ongoing pipeline debate.

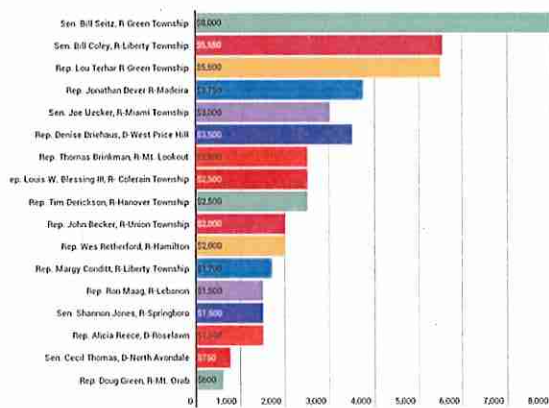
The fact that Duke gave to Republicans – and to the most powerful – is not surprising in itself. The GOP controls every statewide office and both houses in the General Assembly, something not expected to change this November.

Ohio Sen. Bill Seitz, R-Green Township, who is at the top of the list, called what he got "chump change."

A Duke spokesman said the findings indicate the Duke PAC believes these candidates best represent their values and understand what they need to do their work and want to keep them in office.

Here's what we found in a review of political contributions from January 2014 through July 2016.

Who got what from Duke?



Source: Ohio Secretary of State

Here's what politicians representing Butler, Clermont, Hamilton and Warren counties got from Duke's PAC, according to an Enquirer review of donations from January 2014 to July 2016. Infogr.am (Photo: Carrie Blackmore Smith)

We found that nearly every state-level politician representing Southwest Ohio received some funding

from the Duke PAC and those with the most power in the state got the most money.

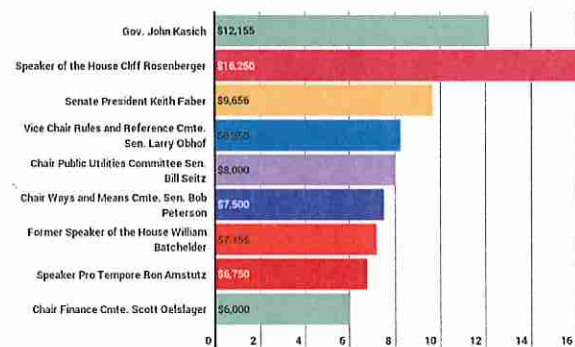
In all, the Duke PAC gave more than \$232,000 to political committees in Ohio from January 2014 to July 2016.

That's less than some other public utility PACs, including FirstEnergy's \$1.1 million, American Electric Power's \$450,465 and Time Warner Cable's \$448,091.

But it's far more than PACs for say, the University of Cincinnati or Procter & Gamble, which gave \$46,005 and \$23,500 respectively over the last 2½ years.

Every politician representing Southwest Ohio got a slice, with the exception of state representatives Christie Bryant Kuhns, D-Northside, and Paul Zeltwanger, R-Mason.

The 11 politicians below got 40 percent of Duke's donations and are the most powerful in the state.



Source: Ohio Secretary of State

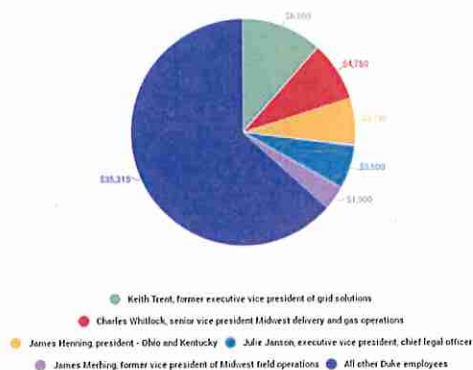
These 11 politicians, the most powerful in state government, got the most in campaign contributions from Duke, according to an Enquirer review of donations from January 2014 to July 2016. Infogr.am (Photo: Carrie Blackmore Smith)

Duke employees up the ante

It's not only the Duke's PAC making campaign contributions. Duke employees make them, too.

One of the top donors in the last six years was James Henning, president of Duke Energy's utility operations in Ohio and Kentucky. Those who attended the pipeline panel discussion at the Sharonville Convention Center in July will recognize him.

He made personal donations to Gov. John Kasich, Senate President Keith Faber, former Speaker of the House William Batchelder and former State Rep. Peter Stautberg, a Republican from Anderson Township, who is now an appellate judge in Hamilton County.



Source: Ohio Secretary of State

Duke employees also made individual donations to Ohio politicians, according to an Enquirer review of political contributions from January 2014 to July 2016. *Infogr.am (Photo: Carrie Blackmore Smith)*

Sen. Bill Seitz disappoints opponents

Pipeline opponents are frustrated with Sen. Bill Seitz, who has remained neutral on the topic.

Seitz said Duke has not yet filed an application with project specifics so doing so would be "premature."

Seitz lives in Green Township but he represents much of the area where the pipeline is proposed.

Other politicians with constituents affected by the routes, such as state representatives Jonathan Dever, a Republican, and Denise Driehaus, a Democrat, have declared their opposition. Hamilton County Commissioners and Cincinnati City Council have pledged to legally fight Duke if it moves forward with what has been suggested.

The full list of communities that could be affected is Blue Ash, Amberley Village, Golf Manor, Evendale, Madeira, Deer Park, Montgomery, Reading, Silverton, Sycamore Township, Norwood, Fairfax, Columbia Township and the Cincinnati neighborhoods of Madisonville and Pleasant Ridge.

As chair of the Senate's Public Utilities Committee, Seitz relationship with public utilities in the state is more complicated than most. His committee regulates and oversees providers of gas, electric, cable television and telephone services and it makes recommendations to the full Senate on the governor's appointments to the Public Utilities Commission of Ohio, which has the same staff as the Ohio Power Siting Board.

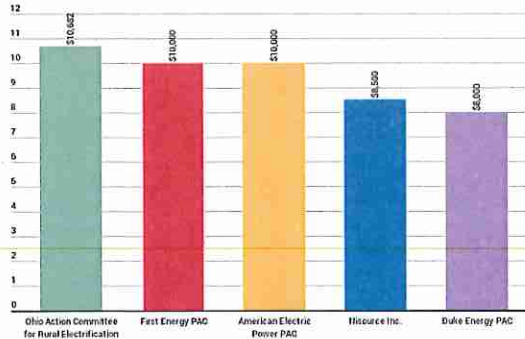
Those state employees are responsible for vetting Duke's proposal for the independent board to decide whether a large pipeline can be built.

Seitz argues "the legislature has absolutely nothing to do with the location of this pipeline."

"The more people print stories like this the more people see black helicopters where there are none," Seitz said.

All of his top contributors are tied to the gas and electric industry, but Seitz said that's likely true of any

politician who chairs the Senate or House public utilities committees.

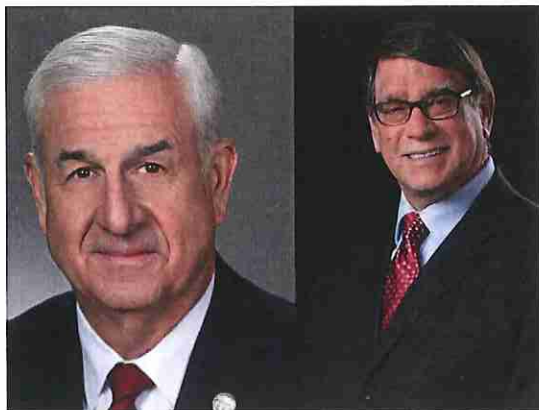


Source: Ohio Secretary of State

Duke Energy PAC was one of the five top donors to Sen. Bill Seitz's political committee. All of the top donors are in the electric and gas industries. [Infogr.am](#) (Photo: Carrie Blackmore Smith)

Seitz's term limit is up this year, so his influence going forward will change.

However, he and State Rep. Lou Terhar are running for one another's seats this fall. Unlike Seitz, Terhar has been in attendance at local pipeline meetings, including a meeting held by Neighbors Opposing the Pipeline Extension.



State Rep. Lou Terhar (left) and Sen. Bill Seitz are running for one another's seats this fall. (Photo: Provided/Meg Vogel)

Seitz said he could oppose it, but will reserve judgment until Duke submits its application, despite countless city, township and village leaders along the pipeline begging Duke to drop the idea altogether.

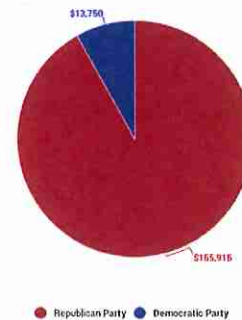
The public might also want to know, for context, how Duke contributions stack up next to other utility companies and local corporations.

When compared to other large utilities, the per customer breakdown is 18 cents from Duke; 55 cents from FirstEnergy (which serves much of Northern Ohio) and 30 cents from AEP (which serves Southeast and Central parts of Ohio).

Republicans dominate

Not just the candidates, but also GOP organizations.

In fact, The Enquirer analysis showed more money was given to the Hamilton County GOP Golf Outing than to former Democratic Gov. Ted Strickland.

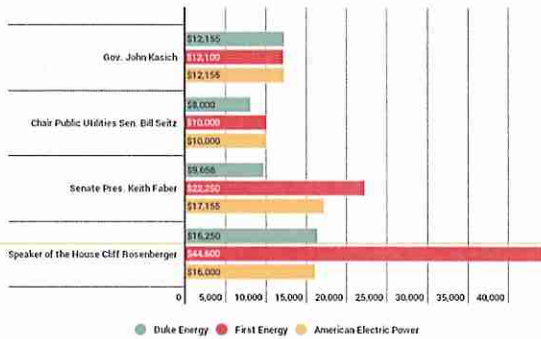


Source: Ohio Secretary of State

When reviewing party-affiliated contributions, Republicans got 92 percent of Duke Energy PAC's donations. [Infogr.am](#) (Photo: Carrie Blackmore Smith)

Brad Miller, spokesman for the Ohio House Republican Organizational Committee noted: "Any individual or group is free to contribute to political campaigns. But under no circumstances do campaign contributions dictate policy decisions."

Other power companies donate more than Duke



Source: Ohio Secretary of State

Other power companies gave more to Ohio politicians than Duke's PAC, according to an Enquirer review of donations from January 2014 to July 2016. [Infogr.am](#) (Photo: *Carrie Blackmore Smith*)

The Enquirer also reviewed donations to local elected officials in the communities along the pipeline and

found no donations to any of them from the Duke PAC, aside from Cincinnati Mayor John Cranley, who got \$2,500 in the last 30 months.

Duke officials noted that the Duke PAC generates its donations from voluntary employee contributions and is one of over 3,800 federal PACs and thousands of state PACs.

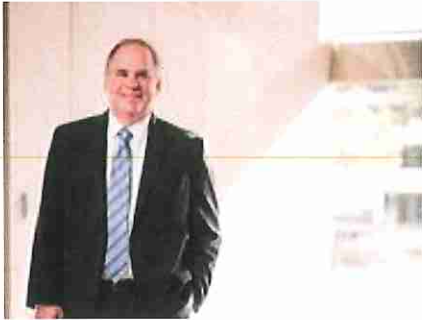
Political "decisions affect our customers, employees and shareholders," said Lee J. Freedman, a spokesperson for Duke. "That's why it's critical that we help elect decision-makers who understand our industry and our point of view."

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AEP CEO fighting to restructure the state's energy market because it's 'the right thing for Ohio'

Aug 5, 2016, 7:18am EDT

Tom Knox, Reporter *Columbus Business First*



AEP CEO Nick Akins

Some shareholders in [American Electric Power Company Inc.](#) may be fine if the utility ended its regulatory wrangling over its Ohio plants and just sold them, but the company's CEO says that's not the right thing to do for the state.

AEP is [closing in on selling one batch](#) of plants, and another is in the early stages, but first the Columbus utility is trying one more move, advocating for state legislation [to restructure Ohio's electric market](#).

"Some of our investors say, 'Just forget it,'" Akins told me last week after he updated analysts on AEP's Statehouse push. "'You can just sell it and move on and you'll be in great shape.' Well my point is – yeah, that may be true but it's not the right thing for Ohio. And for our customers and for the state of Ohio where I live, I don't want to see that happen.

"I want Ohio to be able to decide its own resources and its own time frame and its own construct and drive the solutions that we believe are right for the state," he said.

AEP (NYSE:AEP) wants to know by the first quarter of 2017 if the yet-to-be-introduced legislation stands a chance. It's an aggressive timetable for a proposal that [its rivals are watching closely](#), as I reported for this week's paper.

It's not just a financial issue for Akins, though. Those investors may want a quick and easy solution, but he said it's more than that: "It's a policy thing."

The utility has long [bemoaned the number of retiring coal plants](#) without enough new plants to replace them. Though it's a separate regional grid operator's job to ensure there's enough power flowing, Akins said the model needs tweaked. He wants a restructuring so AEP can feel secure building its own plants here.

"All these units are retiring," he said. "They're retiring the ones that are probably the most valuable to keep the system up and running and I don't want to see that. I don't want to see that for Ohio or any of our jurisdictions. I guess I'm probably too close to this but I can't understand why other people don't see what I see."

AEP's lobbyists will try to garner as much support as they can at the Statehouse, but there will be opponents. [Bob Flexon](#), CEO of Dynegey Inc. (NYSE:DYN), the Houston-based independent power producer with plants throughout Ohio, said in an email he has "no appetite" to support AEP's proposal.

As chairman of the Ohio Senate's Public Utilities Committee, Cincinnati Republican [Bill Seitz](#) is one of the more influential energy voices at the Statehouse. The AEP bill's success depends "on how much they want to bite off and on what degree of front-end support they can muster from all the interested parties," he said in an email.

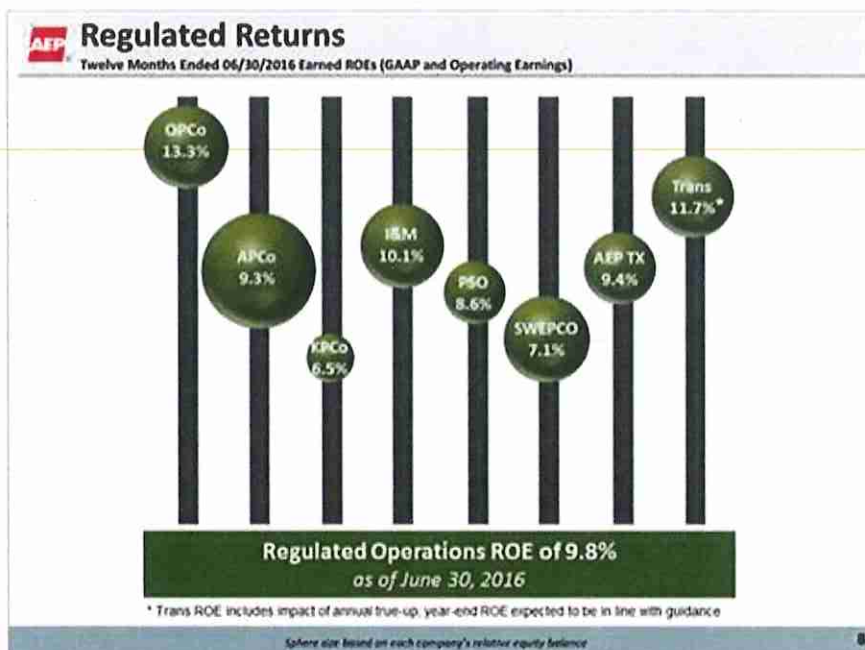
"Certainly the issue will receive legislative consideration in 2017," he said, "but I have yet to see what 'it' is."

Tom Knox covers Ohio State University, public policy, energy and manufacturing.

AEP is making more money in Ohio than anywhere else

According to AEP's Aug 11 investor presentation: https://www.aep.com/investors/evntpresentationsandwebcasts/documents/GoldmanSachs-August_11_2018.pdf

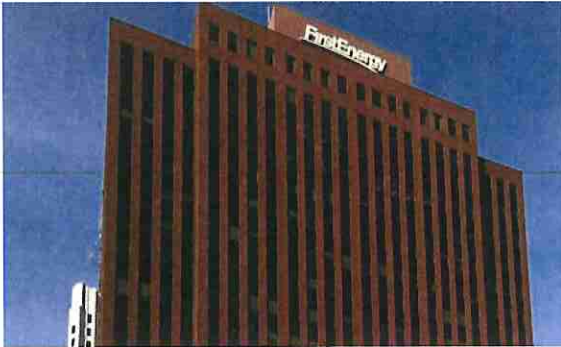
- AEP recognizes 13.3% ROE on their regulated returns in Ohio
- AEP's business strategy is to build its rate base, not shield its customers from volatility.



Growing Rate Base



FirstEnergy raising \$500 million with new stock, asking the PUCO for up to \$8.9 billion in customer surcharges over eight years



FirstEnergy Corp. plans to have its pension fund buy new shares in the company to raise about \$500 million. The company is also seeking enormous increases in delivery charges. (*FirstEnergy*)



By John Funk, The Plain Dealer
on July 29, 2016 at 4:36 PM, updated August 12, 2016 at 2:58 PM

AKRON --FirstEnergy's top executives confirmed today that the company intends to issue \$500 million worth of new stock and contribute those shares to the company's pension plan instead of cash. The fund does not currently own any company shares.

The acknowledgement that more shares will be issued -- diluting the value of existing stock -- comes as the company continues to wrangle with opponents in a case before state regulators that could cost customers as much as \$8.9 billion extra over the next eight years.

And it comes just hours after the company [reported](#) that it took a \$1.1 billion loss in the second quarter because its power plants are no longer competitive.

The company [plans to close](#) one plant and downsize another in 2020. It has taken an accounting write-off now to reflect the cost of those closings and on its entire fleet of power plants because of their expected future value.

Charles Jones, president and chief executive officer, mentioned the plan to substitute new shares for cash during a public teleconference Friday with financial analysts while discussing the company's outlook for the rest of this year. [Click here](#) to listen to a recording of that teleconference.

Jim Pearson, executive vice president and chief financial officer, later revealed in answer to an analyst's question that the company would issue the new shares to FirstEnergy's pension plan, which is well-funded.

Analysts repeatedly asked whether the company would sell off or "ring fence" its power plant subsidiaries in order to protect the corporation.

Jones said no such action was contemplated but also revealed that the company's goal now is to persuade the state to re-regulate electric utilities.

The credit worthiness of FirstEnergy's power plant companies has already put the company under the microscope at bond rating companies.

Moody's Investor Services on Friday [lowered its bond rating](#) for FirstEnergy Solutions from Baa3 to Ba2, alerting investors that FES bonds could be more risky.

Moody's also lowered its rating on Allegheny Energy Supply, the Pennsylvania company that is similar to FES. Moody's in April changed its outlook to negative on both subsidiaries and their parent FirstEnergy Corp.

Standard and Poor's put the subsidiaries on a negative watch a week ago. And this week Goldman Sachs [lowered its rating](#) of the stock from neutral to sell because, it reasoned, the company's power plants are going to earn less in the future.

In its case before the Public Utilities Commission of Ohio, FirstEnergy now appears to be asking for approval of up to \$1.1 billion in annual delivery surcharges, say opponents. Those charges would have to be paid by all customers, even those who buy their electricity from other companies.

If approved and spread evenly across all customers -- from residential to industrial -- the new charges would add \$477 a year to electric bills.

Opponents, particularly competing power companies, believe the PUCO may be leaning toward awarding FirstEnergy some level of surcharge in order to help the company maintain its investment status.

Earlier, the staff of the PUCO proposed adding a new surcharge that would ostensibly pay for modernizing FirstEnergy's delivery system -- though there were no guarantees that the money would have been earmarked solely for grid modernization. That would have added about \$131 million extra a year for three years.

The company said it needed about \$558 million to \$1.1 billion extra per year for eight years.

Earlier in the case, when the company wanted \$3.6 billion extra over eight years, the Ohio Consumers' Counsel calculated that it would add about \$100 a year to average residential bills for the next eight years -- the equivalent of [paying an extra monthly bill](#) every year.

Hearings continue next week, and the five-member commission is not expected to rule until September or October, said Jones.

The proposed extra delivery charges first appeared in a rate plan the company filed two years ago.

Initially, FirstEnergy proposed an arrangement that would have had customers directly subsidize the company's last coal-fired power plant in Ohio and its Davis-Besse nuclear power plant.

The argument was that the old plants could not at the time make power as cheaply as the new gas-fired power plants that dominate wholesale markets. FirstEnergy reasoned that within three or four years, natural gas prices would increase enough to make the old plants competitive again. At that point, customers were to get credits on their monthly bills.

Opponents, citing the latest [gas price projections](#) from the U.S. Energy Information Administration, argued that the price of natural gas will not significantly increase over the next 25 years.

The Consumers' Counsel, the Ohio Manufacturers' Association and opposing power companies appealed to the Federal Energy Regulatory Commission, which rejected that plan as a violation of federal rules that favor competitive markets.

Clarifications:

The initial version of this article stated the company would sell the new stock to the pension plan. The company is issuing shares directly to the pension plan in place of making a required \$500 million cash payment to the plan. The fund is administered by an outside company, which may hold or sell the shares.

Also, In the last week, FirstEnergy has filed documents in the ongoing case at the PUCO in which a company witness states FirstEnergy wants an additional \$558 million annually for eight years, plus an additional amount "not to exceed the economic development value" of the company's corporate headquarters remaining in Akron. An economist retained by the company also recently testified that the headquarters has a \$568 million annual impact on the Ohio economy. In other words, the company is now asking for an increase of up to \$1.1 billion annually.



FOR IMMEDIATE RELEASE

CONTACT: info@expandpipelineinfrastructure.com

8/1/16

FERC Clears Way for Next Stage of Rover Pipeline Approval

Release of the Final Environmental Impact Statement Greenlights Next Steps for Critical Regional Energy Infrastructure

On Friday, the Federal Energy Regulatory Commission (FERC) released a final environmental impact statement (EIS) for the Rover Pipeline, the next step in the process of the federal review process. FERC concluded that construction and operation of the Rover Pipeline will create minimal environmental impacts, which will be effectively mitigated through the extensive planning and coordination enacted by the Rover team.

The Rover Pipeline has been under FERC review since the company filed its first request with the Commission in June 2014. This comprehensive EIS has taken into account feedback from a wide range of stakeholders, from local community members along the pipeline route to federal agencies working in coordination with FERC. Through more than a dozen public meetings in Ohio, Pennsylvania, West Virginia, and Michigan over the past two years, FERC was able to collect input on the project from all along the pipeline route. FERC's positive assessment of the project is testament to both the comprehensiveness of the FERC review process as well as Rover's thorough attention to detail in preparing its application.

"The Laborers International Union of North America (LIUNA) is incredibly excited to see FERC take this important next step in reviewing the Rover Pipeline. The project stands to create as many as 10,000 construction positions along the pipeline route, and many of these positions will be filled by hardworking members of LIUNA and other unions throughout the region. Among all these organizations, safety is the highest priority – ensuring the job will be done right, with minimal impacts to local communities," said Geno Alessandrini, business manager of the Michigan Laborers' District Council.

Once in operation, the Rover Pipeline will distribute natural gas to markets in Ohio, Michigan, West Virginia, and Pennsylvania. Access to this important resource will carry lasting benefits for manufacturers, businesses, and other energy consumers throughout the region.

As Ryan Augsburger, Vice President and Managing Director of Public Policy Services for the Ohio Manufacturers Association, related, "Access to affordable, domestically-produced natural gas is vital to the success of manufacturers in Ohio and other energy-intensive industries in the region. The Rover Pipeline will provide that access, significantly lowering overhead costs for our manufacturing plants. We can then pass those savings along to consumers, which is a true win-win for all."

With FERC having concluded its environmental impact statement, the agency now has asked other federal agencies to complete their comments before a certificate can be issued for the project. The Coalition for the Expansion of Pipeline Infrastructure is encouraged that the Rover pipeline has reached this next stage in the review process of the Rover Pipeline. The Coalition expects the final certificate for Rover to be issued in the fall of 2016, after which construction will commence. We look forward to continuing to educate the public on the importance of the responsible development of our region's energy infrastructure.

About CEPI: The Coalition for the Expansion of Pipeline Infrastructure (CEPI) is a partnership of entities from the agriculture, business, manufacturing, and labor sectors whose goal is to educate and advocate for expanding responsibly constructed, local-jobs creating pipeline infrastructure in Michigan, Ohio, and West Virginia. Together it represents more than 20,000 individuals, farmers, and businesses from across Ohio and Michigan. Members of the coalition include the Laborers District Council of Ohio, Land Improvement Contractors Association – Michigan, Michigan Chemistry Council, Michigan Forest Products Council, Michigan Infrastructure and Transportation Association, Michigan Laborers' District Council, Michigan Laborers-Employers Cooperation and Education Trust (LECET), Michigan Oil and Gas Association, Michigan State Grange, Ohio Association of Convenience Stores, Ohio Chamber of Commerce, Ohio Chemistry Technology Council, Ohio Council of Retail Merchants, Ohio Grocers Association, Ohio Hotel & Lodging Association, Ohio Manufacturers Association, Ohio Oil and Gas Association, Ohio State Grange, Operating Engineers Local 18, Pipeliners Local 798, United Association and the West Virginia Manufacturers Association. Visit us online at <http://www.expandpipelineinfrastructure.org>.

Energy Legislation

Prepared by: The Ohio Manufacturers' Association
Report created on August 24, 2016

- HB8 OIL-GAS LAW (HAGAN C)** To revise provisions in the Oil and Gas Law governing unit operation, including requiring unit operation of land for which the Department of Transportation owns the mineral rights.
Current Status: 4/14/2015 - Senate Energy and Natural Resources, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HB-8>
- HB23 OIL-GAS LEASE INCOME (AMSTUTZ R)** To use one-half of any income from oil and gas leases on state land to fund temporary income tax reductions, to modify the law governing the use of new Ohio use tax collections, and to require the Director of Budget and Management to recommend whether or not income tax rates should be permanently reduced.
Current Status: 11/18/2015 - Senate Ways and Means, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HB-23>
- HB64 OPERATING BUDGET (SMITH R)** To make operating appropriations for the biennium beginning July 1, 2015, and ending June 30, 2017, and to provide authorization and conditions for the operation of state programs.
Current Status: 6/30/2015 - **SIGNED BY GOVERNOR**; eff. 6/30/15; certain provisions effective 9/29/15, other dates
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HB-64>
- HB72 ENERGY IMPROVEMENT DISTRICTS (CONDITT M)** To authorize port authorities to create energy special improvement districts for the purpose of developing and implementing plans for special energy improvement projects and to alter the law governing such districts that are governed by a nonprofit corporation.
Current Status: 5/6/2015 - **BILL AMENDED**, House Public Utilities, (Fourth Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HB-72>
- HB83 OIL-GAS ROYALTY STATEMENT (CERA J)** To require the owner of an oil or gas well to provide a royalty statement to the holder of the royalty interest when the owner makes payment to the holder.
Current Status: 3/10/2015 - House Energy and Natural Resources, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HB-83>
- HB122 PUBLIC UTILITIES COMMISSION MEMBERSHIP (LELAND D)** To require that each major political party be represented on the Public Utilities Commission, to specify that not more than three commissioners may belong to or be affiliated with the same major political party, and to require that Public Utilities Commission Nominating Council lists of nominees include individuals who, if selected, ensure that each major political party is represented on the Commission.
Current Status: 3/24/2015 - Referred to Committee House Government

Accountability and Oversight

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HB-122>

HB162 SEVERANCE TAX RATES (CERA J) To change the basis, rates, and revenue distribution of the severance tax on oil and gas, to create a grant program to encourage compressed natural gas as a motor vehicle fuel, to authorize an income tax credit for landowners holding an oil or gas royalty interest, and to exclude some oil and gas sale receipts from the commercial activity tax base.

Current Status: 5/12/2015 - House Ways and Means, (First Hearing)

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HB-162>

HB176 GAS-FUEL CONVERSION PROGRAM (HALL D, O'BRIEN S) To create the Gaseous Fuel Vehicle Conversion Program, to allow a credit against the income or commercial activity tax for the purchase or conversion of an alternative fuel vehicle, to reduce the amount of sales tax due on the purchase or lease of a qualifying electric vehicle by up to \$500, to apply the motor fuel tax to the distribution or sale of compressed natural gas, to authorize a temporary, partial motor fuel tax exemption for sales of compressed natural gas used as motor fuel, and to make an appropriation.

Current Status: 11/18/2015 - **REPORTED OUT**, House Finance, (First Hearing)

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HB-176>

HB190 WIND FARM SETBACKS-COUNTY (BURKLEY T, BROWN T) To create an alternative wind farm setback in cases where a process has been initiated to interconnect the wind farm to a transmission system and the wind farm is in the Ohio wind corridor.

Current Status: 5/18/2016 - **SUBSTITUTE BILL ACCEPTED**, House Public Utilities, (Third Hearing)

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HB-190>

HB214 PUBLIC IMPROVEMENT-PIPING MATERIAL (THOMPSON A) To restrict when a public authority may preference a particular type of piping material for certain public improvements.

Current Status: 5/24/2016 - House Energy and Natural Resources, (Third Hearing)

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HB-214>

HB349 STATE EMISSIONS PLAN (SMITH R, GINTER T) To require the Environmental Protection Agency to submit a state plan governing carbon dioxide emissions to the General Assembly prior to submitting it to the United States Environmental Protection Agency, and to declare an emergency.

Current Status: 12/8/2015 - House Energy and Natural Resources, (Third Hearing)

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HB-349>

HB390 NATURAL GAS-ET AL (SCHAFFER T, RETHERFORD W) To provide authorization and conditions for the operation of state programs and to make appropriations.

Current Status: 6/28/2016 - **SIGNED BY GOVERNOR**; eff. 9/28/16

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HB-390>

HB472 **RENEWABLE-EFFICIENCY ENERGY REQUIREMENTS (STRAHORN F)** To unfreeze the requirements for renewable energy, energy efficiency, and peak demand reduction, to permit changes in and Public Utilities Commission action on electric distribution utility portfolio plans in 2016, to revise the setback requirement for economically significant wind farms, and to repeal the setback requirement for wind farms of fifty megawatts or more.

Current Status: 2/23/2016 - Referred to Committee House Public Utilities

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HB-472>

HB473 **UTILITY SERVICE TAX-LEVY (AMSTUTZ R)** To require voter approval before a county may levy a new utilities services tax, to allow small businesses to count employees of related or affiliated entities towards satisfying the employment criteria of the business investment tax credit, to permit a bad debt refund for cigarette and tobacco product excise taxes paid when a purchaser fails to pay a dealer for the cigarettes or tobacco products and the unpaid amount is charged off as uncollectible by the dealer.

Current Status: 5/17/2016 - House Ways and Means, (Fourth Hearing)

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HB-473>

HB489 **MINE FUNDS (CERA J)** To credit a portion of the money derived from the Kilowatt-Hour Tax Receipts Fund to the Abandoned Mine Reclamation Fund, the Acid Mine Drainage Abatement and Treatment Fund, and the Mine Safety Fund and to make other changes to those funds.

Current Status: 5/10/2016 - House Ways and Means, (First Hearing)

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HB-489>

HB515 **HEATING FUELS-SALES TAX (PATTERSON J, CERA J)** To exempt from sales and use taxation the bulk sale of firewood and certain other heating fuels, and to reimburse the Local Government Fund and Public Library Fund and county and transit sales tax collections for the resulting revenue losses.

Current Status: 4/26/2016 - Referred to Committee House Ways and Means

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HB-515>

HB522 **INJECTION WELLS (PHILLIPS D)** To prohibit injection of brine and other waste substances except in class I injection wells, to prohibit the conversion of oil and gas wells, to require municipal or township approval prior to the issuance of an oil or gas well permit, and to levy a fee on the injection of brine and other waste substances into a class I injection well.

Current Status: 4/26/2016 - Referred to Committee House Energy and Natural Resources

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HB-522>

HB540 **OIL-GAS WELL FUND REVENUE (CERA J)** To limit the amount of revenue that may be credited to the Oil and Gas Well Fund and to allocate funds in excess of that amount to local governments and fire departments.

Current Status: 5/17/2016 - Referred to Committee House Finance

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation->

[summary?id=GA131-HB-540](https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HB-540)

- HB541** **STATE AGENCY-CLEAN POWER PLAN (LANDIS A)** To prohibit any state agency from implementing the federal "Clean Power Plan."
Current Status: 5/4/2016 - Referred to Committee House Energy and Natural Resources
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HB-541>
- HB554** **RENEWABLE ENERGY REQUIREMENTS (AMSTUTZ R)** To revise the requirements for renewable energy, energy efficiency savings, and peak demand reduction and to revise provisions governing which customers can opt out of related programs.
Current Status: 5/11/2016 - House Public Utilities, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HB-554>
- HCR7** **TAX EXEMPT MUNICIPAL BONDS (SPRAGUE R)** To urge the President and the Congress of the United States to preserve the tax-exempt status of municipal bonds.
Current Status: 5/11/2016 - **ADOPTED BY SENATE**; Vote 33-0
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HCR-7>
- HCR9** **SUSTAINABLE ENERGY-ABUNDANCE PLAN (BAKER N)** To establish a sustainable energy-abundance plan for Ohio to meet future Ohio energy needs with affordable, abundant, and environmentally friendly energy.
Current Status: 6/17/2015 - **ADOPTED BY SENATE**; Vote 32-1
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-HCR-9>
- SB45** **LAKE ERIE SHORELINE IMPROVEMENT (SKINDELL M, EKLUND J)** To authorize the creation of a special improvement district to facilitate Lake Erie shoreline improvement.
Current Status: 3/17/2015 - Senate Energy and Natural Resources, (Second Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-SB-45>
- SB46** **LAKE ERIE DRILLING BAN (SKINDELL M)** To ban the taking or removal of oil or natural gas from and under the bed of Lake Erie.
Current Status: 5/11/2016 - Senate Energy and Natural Resources, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-SB-46>
- SB47** **DEEP WELL BRINE INJECTION PROHIBITION (SKINDELL M)** To prohibit land application and deep well injection of brine, to prohibit the conversion of wells, and to eliminate the injection fee that is levied under the Oil and Gas Law.
Current Status: 5/11/2016 - Senate Energy and Natural Resources, (First Hearing)
State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-SB-47>
- SB58** **CONDITIONAL SEWAGE CONNECTION (PETERSON B)** To authorize a property owner

whose property is served by a household sewage treatment system to elect not to connect to a private sewerage system, a county sewer, or a regional sewerage system under specified conditions.

Current Status: 3/4/2015 - Referred to Committee Senate Energy and Natural Resources

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-SB-58>

SB100 SALES TAX HOLIDAY-ENERGY STAR (BROWN E) To provide a three-day sales tax "holiday" each April during which sales of qualifying Energy Star products are exempt from sales and use taxes.

Current Status: 3/4/2015 - Referred to Committee Senate Ways and Means

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-SB-100>

SB120 OIL-GAS LAW REVISION (SCHIAVONI J) To revise enforcement of the Oil and Gas Law, including increasing criminal penalties and requiring revocation of permits for violations of that Law relating to improper disposal of brine.

Current Status: 3/10/2015 - Referred to Committee Senate Energy and Natural Resources

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-SB-120>

SB164 UTILITY SMART METER CONSENT (JORDAN K) To require electric distribution utilities to obtain a customer's consent prior to installing a smart meter on the customer's property

Current Status: 5/27/2015 - Referred to Committee Senate Public Utilities

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-SB-164>

SB166 HORIZONTAL WELL EMERGENCY PLAN (GENTILE L) To require the owner of a horizontal well to develop and implement an emergency response plan for the purpose of responding to emergencies.

Current Status: 10/7/2015 - Senate Energy and Natural Resources, (First Hearing)

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-SB-166>

SB185 SPECIAL IMPROVEMENT DISTRICTS (SEITZ B) To revise the law governing special improvement districts created for the purpose of developing and implementing plans for special energy improvement projects.

Current Status: 5/25/2016 - **REPORTED OUT AS AMENDED**, Senate Energy and Natural Resources, (Fifth Hearing)

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-SB-185>

SB320 RENEWABLE ENERGY (SEITZ B) To revise the requirements for renewable energy, energy efficiency, and peak demand reduction, to permit property owners to petition municipal corporations and townships for the purpose of developing and implementing special energy improvement projects.

Current Status: 5/11/2016 - Senate Energy and Natural Resources, (First Hearing)

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation->

[summary?id=GA131-SB-320](#)

SB325 **ELECTRICAL DISTRIBUTION-RENEWABLE REQUIREMENT** (JORDAN K) To repeal the requirement that electric distribution utilities and electric services companies provide 12.5% of their retail power supplies from qualifying renewable energy resources by 2027.

Current Status: 5/4/2016 - Referred to Committee Senate Energy and Natural Resources

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-SB-325>

SB327 **OIL-GAS LAW REVISION** (BALDERSON T) To revise provisions in the Oil and Gas Law governing unit operation and to specify that the discounted cash flow formula used to value certain producing oil and gas reserves for property tax purposes is the only method for valuing all oil and gas reserves.

Current Status: 5/11/2016 - Referred to Committee Senate State and Local Government

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-SB-327>

SCR6 **EXPORT-CRUDE OIL** (BALDERSON T) The urge the U.S. Congress to lift the prohibition on the export of crude oil from the United States.

Current Status: 12/8/2015 - **ADOPTED BY HOUSE**; Vote 67-24

State Bill Page: <https://www.legislature.ohio.gov/legislation/legislation-summary?id=GA131-SCR-6>