



June 11, 2019

The Honorable Steve Wilson
Chairman, Senate Energy and Public Utilities Committee
Ohio State Capitol
Columbus, OH 43215

Dear Chairman Wilson and Committee members,

Thank you for the opportunity to provide testimony in opposition to HB 6 – the Ohio Clean Air Program. I am writing to you in my capacity as Vice President of State Affairs for National Taxpayers Union (NTU). Additionally, I write to you from the perspective of a former Wisconsin state lawmaker.

Founded in 1969, NTU is the oldest non-partisan taxpayer advocacy group in the United States. Every one of our fifty years of existence has prioritized policies to lessen burdensome taxation, streamline inefficiencies in government, promote private markets, and so much more. Our work has culminated in victories across the United States, from stopping property tax hikes at the local level, advocating for responsible budgets in state capitols, and bringing to fruition historic tax cuts in Congress. All this has been made possible by our dedication to taxpayers and the belief that citizens make the best decisions over their hard earned money than government ever can.

NTU has a consistent track record of opposing government subsidies and, therefore, cannot support HB 6. The bill is principally a massive bailout of two failing Ohio nuclear plants which are operated by FirstEnergy Solutions (FES) – a subsidiary of FirstEnergy Corp. The bill will cost all Ohio ratepayers an additional \$30 annually on their energy bills. All totaled, FES would qualify for nearly \$150 million of an estimated \$300 million the new surcharges would generate annually bringing the total price tag of this subsidy to a staggering \$2.5 billion.

HB 6 serves as an example of what not to do when making new law. The energy policy legislation is little more than a handout to corporate special interests that will leave taxpayers in the lurch. Real solutions to energy challenges can be found when technology innovators are given the opportunity to compete.

I spent 16 years as a state legislator and humbly believe this legislation is bad for Ohio and bad for taxpayers. Any policymaker should consider a two-part test when considering a proposal like this:

1. What is the underlying problem that is being addressed by the bill proposal?
2. Is it the role of state government to solve this problem?

Let's apply this test to Ohio House Bill 6: the "underlying problem" is that there are some failing energy plants that would certainly stand to benefit from gouging taxpayers to stay open. While some preach that nuclear energy should be involved in a clean-energy future, it's better to let the market decide rather than have the government pass policies favorable to nuclear generators that would crowd competitors out of the market.

And is it the role of the state government to solve the problems that HB6 is targeted toward? Again, no. The only way we will solve our nation's energy problems is through policies that will allow for true competition among energy sources. America's innovative spirit in energy technology will result in even more opportunities

to adapt to our energy needs. The best thing government can do is to step aside and let innovation and market forces be the guide.

Supporting the state's ineffective nuclear sector at the expense of more innovative, cost-competitive and affordable natural gas power is not in the long-term best interest of the state. I urge you to apply this simple two-part test to HB 6 and remember the basic principles that got you elected in the first place. Pandering to special interest groups for support while violating core principles is a recipe for disaster. Please vote no on HB 6!

Sincerely,

Leah Vukmir, Vice President of State Affairs
National Taxpayers Union