



**LEAGUE OF WOMEN VOTERS®
OF OHIO**

17 South High Street, Suite 650 Columbus, Ohio 43215
Phone (614) 469-1505 Fax (614) 469-7918
www.lwvohio.org

LWVO Testimony on
HB114 -RENEWABLE ENERGY STANDARDS

Alan R. Rosenfield, ScD FASM

alanpeg@alum.mit.edu

House Public Utilities Committee

March 21, 2017

For many years monthly residential electric rates have been increasing sharply. For the past decade these rate increases have been twice the rate of inflation. Today the average Ohio family is paying about \$300 a year more for electricity than they were eight years ago, when 127-SB221 was passed. At the same time their income tax has decreased by about \$300. Their tax relief has gone to pay electric bills.

The above overview provides context for our testimony on renewable energy from the viewpoint of the residential consumer. Renewable-energy compliance costs have averaged about 60 cents per month for the past few years – accounting for about \$7 of the \$300 annual price increase. Even so, it is possible that the price will rise significantly when the 12.5% renewable-energy requirement is reached a decade from now. Previous estimates of the economic consequences have only come from theoretical computer models. But these models are not needed. There is enough factual information to draw conclusions from the actual experience of many states.

We have examined two questions:

1. Does renewable energy raise electric rates?
2. Does renewable energy cost jobs?

The Appendix to this testimony gives the supporting information on both questions. We find that the answer to both is no. Renewal energy does not lead to higher residential electric rates; nor does it lead to job losses.

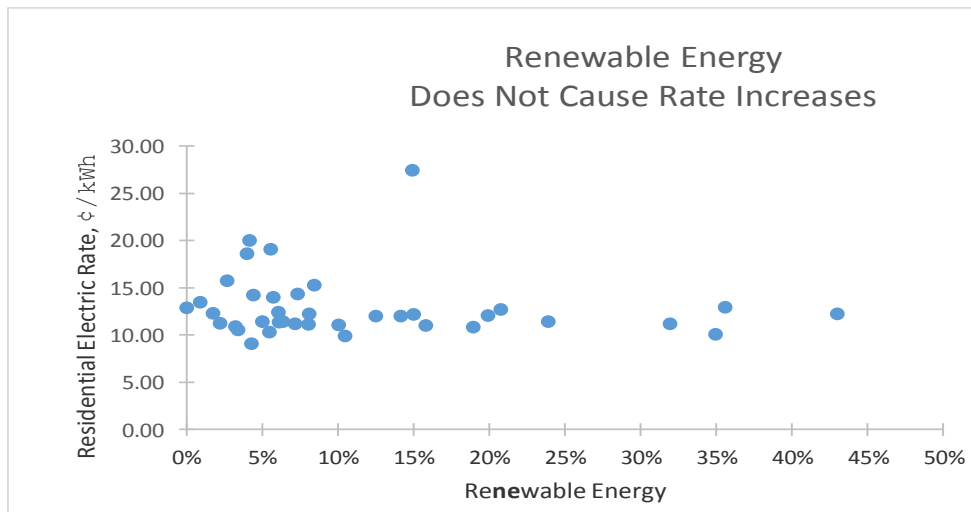
Clearly Ohio families will not suffer if the current renewable-energy requirements are maintained. The problem with high and increasing rates is elsewhere.

Thank you for your attention. I will be happy to answer any questions.

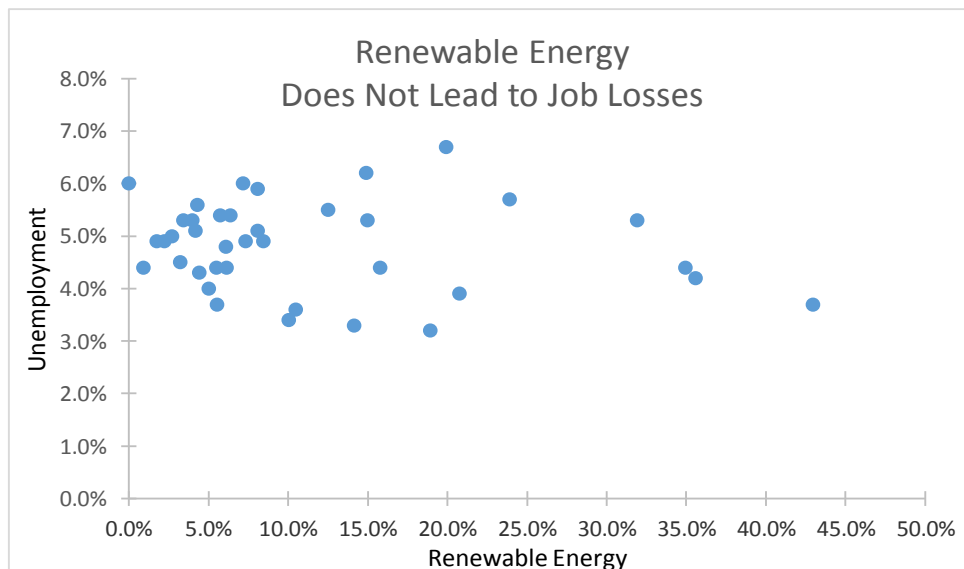
APPENDIX: CONSEQUENCES OF RENEWABLE ENERGY

Below are plots of residential electric rates and unemployment for states with less than ten percent hydropower. Significant hydropower is unlikely in Ohio as it is believed to lower rates and bias the evaluation of renewable energy.

In the graphs below, each dot represents one state. Fourteen states have levels of renewable energy equal to, or greater than, Ohio's eventual goal of 12.5 percent. As can be seen from the graphs, the states with large amounts of renewable energy show similar residential rates and unemployment levels as those, such as Ohio, with little renewable energy.



Source: Energy Information Administration: Electricity Data Browser



Sources: Energy Information Administration: Electricity Data Browser; Bureau of Labor Statistics: Table 1. Employment status of the civilian noninstitutional population