

Legislator to propose overhaul of ‘green’ energy rules

By [Dan Gearino](#)

The Columbus Dispatch Sunday September 22, 2013 6:58 AM

A long-simmering proposal to overhaul Ohio’s energy policy is to be released this week. It would throw out the requirement that utilities buy half of their renewable energy from in-state sources, and it would change the way the state encourages energy efficiency.

But the proposal does not change the benchmarks for “green” energy and energy efficiency that utilities must meet by 2025.

Sen. Bill Seitz, R-Cincinnati, said he will introduce the measure on Wednesday, and he is optimistic that the General Assembly will pass it this year.

Environmental groups are digging in for a fight. They argue that the proposal is a job-killer that threatens to smother the state’s green economy.

Seitz said many of the opponents depend on government requirements to an unhealthy extent. “There are economic rent-seekers who like to preserve their protected status,” he said. “Some people are going to be very upset by this.”

The bill will have these key elements, Seitz said:

- The largest industrial energy users will be allowed to opt out of requirements for renewable energy and energy efficiency, which means they would no longer have to pay for incentive programs and would no longer receive any benefits.
- Utilities would not have to meet the energy-efficiency requirement if doing so would increase the costs to consumers above a certain level.

If a technology provides both renewable energy and energy efficiency, it will be allowed to count toward both benchmarks, not just one.

Utilities would no longer have to get half their renewable energy from Ohio. Instead, they could buy it anywhere if it is deliverable to Ohio.

“This bill is a classic example of a solution in search of a problem,” said Jed Thorp, Ohio chapter manager for the Sierra Club. “These changes are going to benefit a small handful of companies at the expense of the rest of Ohio’s ratepayers.”

Thorp said the proposal would “gut the energy-efficiency standard” and “put in place rules that would hurt Ohio companies.”

But another close observer of the process said Seitz is on the right track.

“I am hopeful that if people actually read the legislation and appreciate the problems that the legislation is trying to address in a common-sense fashion, that we can get this work done,” said Sam Randazzo, an attorney for the Industrial Energy Users-Ohio, a business group.

Will it pass? Despite Seitz’s optimism, Randazzo noted that anything with an organized opposition “seems to be a heavy lift these days.”

FirstEnergy, the Akron-based utility, has been pushing for about a year for the legislature to freeze or change the energy-efficiency requirements. The rules say utilities must find ways to help customers reduce energy use and make annual progress toward a final goal in 2025.

The Sierra Club responded to the company’s actions by starting a campaign last week to urge consumers not to buy electricity from FirstEnergy Solutions.

Seitz said he told company officials that their ideas were “not going to fly” and his proposal is more reasonable.

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