



April 13, 2020

Ohio Power Siting Board:

The Energy Group at the George V. Voinovich School (GVS) of Leadership and Public Affairs (Energy Group) in Athens, Ohio appreciates the opportunity to provide written comments in response to the Ohio Power Siting Board (OPSB, or Board) 2020 rule review and examination for input on the state siting process for energy projects (Ohio Administrative Code Chapters 4906.1 to 4906.7). The Board has requested comments in line with three major questions: 1) How can the Board better engage the public? 2) What modifications should occur as to application processing? and 3) How should the Board monitor and enforce the terms of its certificates? With these key questions in mind, we offer the following comments to help inform the Board's evaluation of potential regulatory changes to the project application review process, which includes both local and adjudicatory hearings. Please note that we also provided verbal comments that were personally delivered on March 10, 2020 by Professor Gilbert Michaud at the public stakeholder session (Meeting #1: Utilities, renewable energy developers, trade associations) conducted by the Board to receive initial inputs on these matters. Finally, also note that the comments contained herein solely represent the experiences and insights of the Energy Group specifically, and are not intended to represent nor do they constitute the views of Ohio University as a whole, nor any of its schools/colleges or individual departments.

The members of the Energy Group have been involved for nearly 20 years in providing policy guidance, regulatory reviews, feasibility studies, and strategic direction for electric utilities, project developers, and state departments/agencies on energy & environmental projects in Ohio and the surrounding region. The collective experience of this faculty and staff exceeds 70 years in the renewable energy project development arena, including assets such as solar and wind, as well as the historical usage of fossil fuels for traditional power generation. This core experience is supplemented with additional energy research capacities, including studying water usage, sustainability, and community-based energy fostering economic development. Pointedly, over the past four years, our team has served as a research partner and trusted, impartial source for electric utilities and project developers looking to deploy large, utility-scale generation projects, so we are familiar with, and have modeling expertise in, the process regarding projected economic/tax/workforce impacts, pollution impacts, and many others.

Rather than individually addressing each of the specific Board questions posed (i.e., 1.a. to 3.e.), our comments, highlighted below, more broadly focus on the following major areas: 1) the public comment process and project studies; 2) ways to enhance public notice and stakeholder engagement; 3) agency and departmental considerations for land use; and 4) other miscellaneous considerations.

PUBLIC COMMENT PROCESS AND PROJECT STUDIES

Multiple opportunities for civic engagement with the Public Utilities Commission of Ohio (PUCO) and OPSB exist, and there is no specific need to coordinate additional inputs in these regulatory changes. However, the socioeconomic and behavioral changes fostered by a post-COVID-19 world will need to be considered as part of the finalization of these rules. For instance, this may necessitate fewer large-scale public meetings, additional use of video-conferencing, and supplemental satellite meetings for the public, following safety and health protocols coordinated with Board staff present. Flexibility and transparency will be key, as will the proper planning and examination of IT and other technological capabilities to support these efforts. Public facilities such as local libraries, City/Town Hall conference facilities, and public high school auditoriums should be deployed to supplement such technology-oriented solutions, while seeking adequate and informed public inputs. Health and safety benefits should be integrated into stakeholder processes to protect Ohio citizens while providing adequate engagement and public comment opportunities. Moreover, the Board should consider alternative means of citizen input, such as providing opportunities for folks to provide formal testimony in a private room, especially for those who may not want to share their thoughts in front of hundreds of people.

Not only should the siting rules be integrated consistently with public safety, but also with economic development goals in mind, such as with the increased use and standardization of common modeling tools such as the National Renewable Energy Laboratory's (NREL) Jobs and Economic Development Impacts (JEDI) platform, and similar widely recognized modeling tools (e.g., Impact Analysis for PLANning, or IMPLAN). The standardization of studies and requirements imposed by the Board on developers should be structured consistently to conform and follow the national codes and fire and safety standards. This would avoid duplicative or unnecessary regulatory impositions that are inconsistent with properly-vetted national codes and standards. The pre-application conference should be mandatory with local governments to ensure coordination, efficiency in study requests, and one stop filing requirements in Ohio. This has been successfully achieved in Ohio oil & gas (O&G) fracking regulation, and this outcome should be the ultimate goal of the Board.

With regard to logistics from the applicant, mapping and websites should be encouraged, but not necessarily mandated, and reliance should also be incorporated with official notice of studies conducted by applicable RTOs and ISOs. The Board may want to consider requiring developers/applicants to make a presentation at the public information meeting, as well as consider a liaison office or circuit rider approach to assist in community relations and local engagement efforts at all stages of the process. Also at the public information meeting, the Board should require that technical experts are present to answer questions, and that a comment box is available. All comments should be addressed and answered once the case is open with the Board.

Please also note that "stakeholders in Ohio" have expanded beyond our citizenry, electric and gas utilities, and county and city officials. The State of Ohio currently has around 250 Fortune 500 companies seeking or investing in the outputs of renewable energy projects, with 61% having some form of business operations in the state. This is both unique and important, as we are strategically located to serve over 60% of the U.S. population within a six-hour radius of Ohio. As the Board considers changes related to engagement and the public comment process, it ought to consider ways to streamline procedures and appropriately disseminate information to a multi-perspective and geographically discrepant suite of stakeholders.

On that matter, the Board should consider moving up the public hearing to 45 days within the 90-day hearing window to allow earlier input that can be considered fairly within the 90-day hearing procedure. During this period, increased financial community input should be solicited to support stability, certainty, and appropriate state requirements that do not interfere with market protocols for successful placement of project financing for these energy facilities. Further, flexibility should be considered to modify drawings, or promote efficiency or engineering improvements, on projects while not opening up major amendments. Preliminary, final, and operations are differing types of engineering tasks/phases. They typically occur at different time-frames using various types of tools with different fidelity levels and timetables. This is a market reality for successful development and financing that must be accommodated by the Board when working with industry.

Moreover, need determination modifications should be considered. These might include the provision of more flexibility, and planning horizon support for need determinations that should be analyzed by the Board over a timeframe of at least 10 years. This will accommodate the need to weigh environmental, technological, and other considerations that cannot be managed in only a short-term planning horizon. Public input regarding need should be considered, but the Board will assess and ultimately determine the weight affixed to such comments. Any rule changes associated with this modernization and updating of the Board rules should be prospective and apply to only new projects filed after December 31, 2020.

PUBLIC NOTICE

Public notice updates and requirements under the rules should be modernized and conform to new communication tools and media forms that are now available. Enhancing access is of utmost importance. For instance, beyond newspaper and other print notices, enhanced reliance upon social media, podcasts, video tools, and teleconferencing should be considered by developers and other parties to facilitate information, and expand open access to Board stakeholder reviews and proceedings. Newspapers notices were written in the rules in the 1970s and are antiquated and no longer sufficient alone to provide adequate public notice of Board actions. Further, our research from our economic and feasibility studies indicates that the proper use and dissemination of key data and infographics can make a dramatic difference in helping educate the diverse stakeholders (e.g., county commissioners, nonprofit

groups, citizens, etc.) relevant to these types of projects. Our team has done a very comprehensive review of prior economic, pollution, and related reports for renewables projects, both in and outside of Ohio, and the Board should consider mandating the standardized use of one- to two-page summary documents that simplify such reports to be placed at local facilities and made available at public hearings. Many developers already voluntarily practice this, but having a crisp, readable summary that laypersons can read can be a key strategy toward enhancing community outreach. As a synthesizing observation, variables and data points often included on these types of documents include location, MW capacity, acreage, jobs in both construction and operations phases, equivalent homes powered, tax revenues, pollution offsets, costs, timelines, and many others, including a Q&A section.

Requirements considered by PJM and MISO for public notice and stakeholder engagement might also be considered and standardized as part of the Board review and modernization process specific to the State of Ohio. Modifications, amendments, and updates to applications after public hearings should go directly to the Board and a designated officer operating under delegated authority. This approach would avoid delay and undue regulatory and financing burdens. Ultimately, after public hearings are conducted for the proposed rules this summer (in 2020), workshops with the Board and staff should be conducted by fall thereafter to answer or clarify any questions. This would facilitate final inputs to support the completion of the rulemaking process and the issuance of rules by early winter, 2020.

LAND USE

Land-use priorities, patterns of land reclamation, and the evolving use of agricultural lands will also be changing as we look ahead toward the future. In determining the feasibility of projects, the Board should consider requiring opportunity cost type studies to better quantitatively discern the economic impacts of shifting land uses (e.g., from agriculture to solar). Ultimately, multiple and highest priority land uses in Ohio should be preserved, especially for farmland, and especially in the face of climate change, while providing special incentives (e.g., tax credits/exemptions) to use lower-quality lands such as brownfields or abandoned mine lands when siting new energy infrastructure. Under this approach, extra consideration and facilitated fast-track review should be provided for projects aiming to build at such reclamation sites. Further, prospective sites that offer co-benefits with agricultural uses should be incentivized under Board rules. Efforts should be fostered with conditions that preserve other agricultural uses that can be pursued around solar arrays or wind farms, with certain crops to facilitate the additional co-benefits of carbon sinks and sequestration from such sustainable land-use strategies. Projects that advance soil health and remediation with cover crops should receive and score additional benefits under the Board siting review and approval process. This might include inducements to support grazing operations on land underneath renewables projects to encourage multiple uses and smarter land-use strategies. This would facilitate preparation for the continuing future usage and decline of agricultural properties, contributing to the \$125 billion Ohio agricultural economy.

Other uses to be preserved include water and wetland banking, soil remediation and crop enhancement projects that protect flow easements for flooding protection, and other projects that might offer infrastructure improvements to create socioeconomic benefits for Ohio. Such projects should be singled out for fast-track/expedited, facilitated, and coordinated review by the new Board rules. Similar protections could also be provided for natural gas projects deploying methane sequestration, or advanced methane recapture technologies, to limit the greenhouse gas effects of methane releases.

MISCELLANEOUS

Currently, separate siting regulations for wind exist under Board requirements. They are not imposed upon solar, biomass, hydro, or other renewable energy technologies. Such discrimination is unique, is not supported by effective regulation, and is inconsistent with comparable policies adopted in other states. The only siting regulation for renewables should be the standard requirements modified and updated by the Board by the end of this year. A coordinated review should also be considered by the Board to weigh PowerForward recommendations, as applicable in the proposed rules.

Moreover, the decommissioning process needs details, plans, and funding with flexibility to preserve execution strategies in project financing through reserves or bonds. No decommissioning requirement should be imposed upon projects that are separately covered by State regulations beyond the scope of these Board rules. Projects

which advance specific renewable solid waste management and disposal strategies for components of renewable projects should receive favored treatment, as well as an accelerated review to reward circular economy and full lifecycle strategies. This will become increasingly important as projects increase in scale, and reach their useful life and, thus, must be managed beyond simple contractual requirements imposed in electric utility or corporate power purchase agreements (PPAs). The separate risks, and costs imposed upon society for renewables waste disposal, are also critical to manage to support the decarbonization objectives associated with the shift to more renewable and natural gas supplies in the future electricity generation mix.

Renewable energy zones could also be designated by the Board and given incentives within Ohio for projects to receive faster tracking and enhanced regulatory coordination around the state. This would foster economic clusters and enhanced supply chain and ancillary benefits. Such renewable energy zones could be specified consistent with utility integrated resource planning processes. This would foster alignment with the Board requirements and other operative planning horizons which these projects are subject to, as well as overall transmission and distribution (T&D) system and grid modernization. In essence, this would stimulate timelier, enhanced, and efficient coordinated outcomes, as we have seen in similar experiences in Texas, to name an example.

Utility project development requirements could also be coordinated as part of the Board siting process for interconnection, support of interconnection studies, and system benefits. This would provide an opportunity to render those issues more consistent with national codes and standards, and not be subject to later impositions and requirements arising in contracting independent of these Board siting reviews. This would foster more accelerated project consideration, better coordination, and more efficient use of limited project development resources.

These initial comments were not meant to be entirely comprehensive, or overly prescriptive even, but rather offer broad areas for which we see improvement under the current framework of statutes and rules employed by the Board. It is our hope that Ohio University be involved in future Board workshops or stakeholder proceedings to provide additional input as the Board continues to consider modifications and updates to the current process, especially as we look ahead to the rulemaking docket phase, formal comment period, and JCARR review. As researchers at an inherently multi-disciplinary public affairs school, we appreciate the Board's desire to have multiple opportunities for engagement and comments from multi-perspective stakeholders across Ohio. Beyond assisting various clients and partners across the state with research on these topics, we support the Board's efforts to modernize and facilitate smart and coordinated regulation for power siting in the state to benefit all Ohioans in the future. This review should be based on creating efficient, stable outcomes that support project financing, and avoid market barriers that impede modernization while offering little public benefit or value. This is increasingly important as Ohio looks to develop efforts to sustain and diversify the economy, especially in the forthcoming post-COVID-19 world. If there are any further questions regarding our thoughts on the Board review process and its intricacies, or our applied project work such as economic impact studies, please feel free to contact us directly.

Respectfully submitted,



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