



Clean Energy Lobby Day Legislative Priorities May 10, 2010

SB223 Financing Clean Energy through Revolving Loan Funds

Once passed, the legislation would allow local governments to utilize municipal bonds, federal loan guarantees, federal stimulus dollars, and private funding to set up a revolving loan fund program to help finance energy efficiency and renewable improvements. Borrowers would repay the loan over a 25-year period through an annual assessment on their property tax bill. The PACE program would dramatically improve the economics of energy retrofits and micro renewable projects by eliminating the upfront cost barrier for property owners. Because the loan stays with the property for the life of the loan, borrowers are able to pay back the loan as they reap the economic and energy benefits of the efficiency or renewable energy project.

Much synergy could be created between these projects and investor-owned utility programs. It is important, however, to ensure that utilities are not getting a free ride by taking credit for the efficiency through projects with which they were not involved. In the alternative, language should be adopted to ensure that utilities can receive proportional credit for efficiency actions where a utility has contributed to the savings in some way – such a proposal would give utilities an opportunity to help make more efficiency possible in Ohio, and prevent windfalls.

Ask in Both Houses: Pass Senate Bill 223, authorizing municipalities to expand revolving loan programs to include investments in efficiency, wind power, and other forms of renewable energy. Support fair language that would allow utilities to only count energy efficiency savings for projects with which they assisted.

HB7 Energy-Efficient and Sustainable Publicly Funded Building Projects

The legislation embraces a sensible approach to assuring that building construction and renovation projects funded with state capital budget moneys embrace forwarding-

looking environmental and energy efficiency design and technologies. The bill also encourages the use of Ohio made products during construction.

House Bill 7 opens the door for environmental benefits to be achieved by meeting the requirements of a nationally-recognized environmental design and construction rating system—either LEED, Green Globes, or any other that Ohio determines is equivalent. Sustainable design standards promote water efficiency, reduce storm water runoff, and reduce pollution. Through recycling standards and by encouraging the use of recycled materials, these sustainable design programs also significantly decrease landfill waste.

Ask in the Senate: Pass House Bill 7

HB464/SB232 Make Ohio More Competitive for Wind and Solar Investments and Jobs

Ohio's tax laws were written before renewable energy was commonplace and are designed to apply to traditional electricity generation; this type of generation is generally, large, centralized, utility-owned and massively expensive. Because this tax structure is outdated, Ohio has the highest tax rates for wind and solar in the region, and dollars and jobs are going to new construction in Indiana and Michigan - to facilities that will sell power into Ohio. Ohio needs to ensure that these tax barriers are removed, so small and large producers of clean, efficient renewable energy can get down to business in Ohio – making clean energy and creating new jobs.

Some proposed amendments to the Senate version of this legislation don't make sense. Some are attempting to extend this change in the tax code to coal and nuclear plants, as well as renewable. However, tax laws are not currently a barrier to the construction of new nuclear and coal facilities, and the coal and nuclear industry have been receiving significant support from taxpayers and ratepayers for years.

Ask in the House: Please pass HB464 as originally amended; continue to exclude nuclear and coal facility from this tax change

Ask in the Senate: Please support SB232 as originally amended and do not support tax breaks for coal or nuclear facilities

Coal mine tragedies. Oil Spills.

Everywhere we look, we are reminded that our reliance on fossil fuels is dirty, expensive, and even deadly. Though Ohio seems far away from these national events, our state is the fourth largest user of coal in the country and guzzles over 230 million gallons of oil every year. It is time for the Senate to move forward policies that will help finance clean energy in the state - these policies won't cost the state money, but will create jobs, stimulate industry, and clean our environment.

Ohio has the highest tax rates for wind and solar in the region, and dollars and jobs are going to Indiana and Michigan - to facilities that will sell power into Ohio. Ohio needs to remove these tax barriers so producers of renewable energy can get down to business in Ohio making clean energy and creating new jobs. While nuclear and coal industries have reaped billions of subsidies, it is time for the Ohio Senate to support wind and solar industries by reducing the tax burden for large scale wind and solar facilities.

Small businesses, homeowners, and churches throughout Ohio want to invest in efficiency and renewables projects, and local governments need the authority to start revolving loan funds to assist with upfront costs. Cincinnati and Toledo have received millions in stimulus grants to start revolving loan funds for efficiency, but they can't put that money to work until the legislature acts. Please allow municipalities throughout the state to start revolving loan funds for efficiency, wind, geothermal, and other renewables. While these efficiency projects will provide opportunity for partnerships with utilities; please support fair language that would allow utilities to only count energy efficiency savings for projects with which they assisted and resist language that could create windfalls for energy companies.