Public Utilities Commission of Ohio

Jenifer French, Chair

Ohio Senate Energy Committee

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Public Utilities Commission

Chair Chavez, Vice Chair Landis and Ranking Member Smith, thank you for the opportunity to speak to the Senate Energy Committee this morning. I'm excited to talk about the great things that are happening within the state of Ohio, because of great leadership. Much of that leadership came through your collective efforts with the passage of House Bill 15.

Siting Utility Infrastructure

As we see increased energy demand, we know that Ohio needs to build new generation. One of the most important changes the legislature made was to update timeframes for the Ohio Power Siting Board (OPSB) to site generation projects. The bill also created new types of cases such as projects in priority investment areas and sites controlled by the developer which require expedited decision-making by the Board.

The state, for a number of years, has had a policy in place where on site, or "behind the meter" electric generation was required to be located on the same area as the end user. The generation that qualified was historically green energy which included wind and solar and it could be sited by the OPSB within 90 days as long as there were existing structures on the location. House Bill 15 expanded the use of behind the meter generation by expanding the types of generating sources that can be used to power businesses while also allowing additional flexibility when the generating source does not share a physical location or is not directly adjacent to the end user.

Ohio has seen more energy intensive users make the decision to locate in Ohio and some have also been exploring the option to provide their own behind the meter electricity. In 2025 alone, the OPSB authorized the construction of, or had applications submitted for, over 2,000 MW of behind the meter dispatchable generation. In addition to the behind the meter applications, we have been provided pre-application notice that another 2,755 MW of traditional gas generating facilities are also looking to expand their existing facilities or site new generation in the state.

With the legislature's guidance in HB 15, and the governor's support, Ohio has positioned itself as a leader for energy intensive users to have the opportunity to begin operation quickly by providing their own firm supply of electricity.

The generation numbers for 2025 are incredibly exciting, but the announcements have kept coming in 2026. Just last month, the Trump Administration announced a $33 billion, 10-gigawatt natural gas power plant project in Piketon, Ohio, in partnership with Japan. Ohio is also poised to become a leader in nuclear technologies with exciting announcements from Vistra and Oklo. Just this month the OPSB received separate notices for another two proposed behind the meter natural gas generating facilities, an 800 MW facility in Ashville and a separate 1,300 MW facility with approximately 1,000 MW of battery storage in Millersport. These announcements are not just important because of the needed energy for grid reliability; they are also investments in Ohio's people and economy.

Advanced Transmission Technologies and Hosting Capacity Maps

Increased costs associated with transmission projects have been a concern for ratepayers across the PJM footprint for years. Going back to 2021, the 134th General Assembly had the foresight to require the OPSB to submit a report under Am. Sub. H.B. 128, analyzing whether the requirements for the planning of the power transmission system and associated facilities investment in Ohio were cost effective and in the interest of consumers. Some of the report recommendations include examining an applicant's consideration of alternatives for transmission projects, and determining if a project was competitively built, and if not, why not.

Moving forward to 2025, and HB 15, the legislature acted on the recommendations of the OPSB in the transmission report by directing the OPSB to look at the use of advanced transmission technologies (ATT) aimed at boosting the capacity of existing lines and/or optimizing new transmission build before granting a certificate for intrastate transmission projects. The applicant for a transmission line certificate must include a summary of studies that contemplate cost-effective transmission technologies that maximize the value, expand the capacity, or improve the reliability of the facility.

Additionally, HB 15 required the PUCO to conduct a study to evaluate the potential use or deployment of ATTs. The PUCO hosted two workshops to invite comments from stakeholders before the report was issued on February 26, 2026, through the office of the Federal Energy Advocate. Ultimately the report encourages an "all tools in the toolbox" approach to meeting surging demand on the electric grid, including the deployment of ATTs, but cautions that a case-by-

case consideration is necessary to determine whether any given technology can be beneficially and cost-effectively deployed.

HB 15 also required electric utilities to post distribution system hosting capacity maps on their websites. Hosting capacity maps have the ability to help identify locations where the addition of new electric generation could help alleviate strain on the grid or help accommodate new development.

The PUCO hosted two workshops to ensure that all interested parties had the opportunity to comment on map design, data accuracy and usability. The law also required that the PUCO establish uniform reporting standards to ensure consistency among all of the electric utilities. Maps must be posted by May 31, 2026, and updated quarterly. To ensure that the maps continue to be a valuable tool, the PUCO is also required to host two workshops every year to contemplate needed updates or changes.

Ohio is a Leader in Advocacy at FERC and PJM

The PUCO, through the work of our federal energy advocate, is also a leader at PJM, Ohio and 12 other states' regional grid operator, and at the Federal Energy Regulatory Commission (FERC). The PUCO's federal energy advocate was created by the legislature in 2008 during the 127th General Assembly with the primary duty to advocate on behalf of the interests of retail electric service consumers in the state.

The federal energy advocate is active at both PJM and FERC, participating in committees, discussions and importantly, filing comments on proceedings at both entities. Recently, PJM has undertaken a number of reforms including a years-long effort to modernize the bogged down interconnection queue. Due to the queue backlog, reliable baseload projects were awaiting study and review. In 2024, Governor DeWine and then Lieutenant Governor Jon Husted asked PJM to identify a path for the most reliable projects to be studied and brought online much faster, as they were sorely needed for resource adequacy.

Interestingly, the idea was discussed by a PJM representative during a joint committee hearing between Pennsylvania and Ohio's Energy and Public Utility Committee members hosted by then House Energy Committee Chair Dick Stein

and Senator Gene Yaw. Again, Ohio was a collaborative leader engaging with neighboring states on impactful policies within PJM.

Ultimately, PJM created the Reliability Resource Initiative (RRI), a one-time accelerated queue opportunity to bring dispatchable generating resources online quickly to preserve reliability. As PUCO Chair, I expressed support for the proposal in a letter to the PJM Board in November 2024. In January 2025, the PUCO's federal energy advocate filed comments at FERC in support of the proposal. FERC approved the RRI in February 2025. In May 2025, PJM announced the approved RRI projects. Ohio had nine projects approved totaling 3,363 MW of nameplate capacity out of a total 51 projects that were selected by PJM. Selected projects are expected to come online no later than 2031.

Data Centers

In Ohio and around the country, we have seen exponential growth in data center development. While the state has experienced substantial data center growth, research has shown that data centers have driven electricity demand at a pace that is not aligned with new electric generation projects in the PJM region. In addition to new generation, these projects often need additional transmission infrastructure to service them.

In 2024, AEP Ohio reported that load growth caused by data center demand was projected to double in central Ohio by 2030. This would have led to significant infrastructure investment within the region. In May 2024, AEP Ohio proposed a tariff specific to data centers that requested long term capacity commitments that would protect AEP Ohio's other customers from the cost of the infrastructure needed to serve them. In July 2025, the PUCO approved the new tariff. To our knowledge, it was the first data center specific tariff approved in the country. We have heard that there are numerous other states now exploring how this concept can be modified and applied to protect their citizens from increased costs.

Additionally, Governor DeWine joined 12 other governors in the PJM region, and the White House's National Energy Dominance Council in signing a Statement of Principles urging PJM to protect non-data center customers from increased energy prices caused by data center demand. The principles outlined several provisions including a one-time auction that would offer long-term contracts to new

generation to serve data centers. Data centers would be responsible for all of the costs associated with the new generation.

Ohio's leadership at OPSI and MACRUC

Ohio is fortunate to have PUCO commissioners who take the initiative to be leaders within PJM. The Organization of PJM States, Inc. (OPSI) is an inter-governmental organization of utility regulatory agencies within the PJM region. OPSI conducts issue analysis and formulates policy related to PJM, its operations, its independent market monitor and FERC related matters. Currently, PUCO Commissioner Dennis Deters is the president of OPSI, ensuring that Ohio has a strong voice in important policies being contemplated at PJM. OPSI is currently establishing cost-allocation mechanisms for long-term transmission projects as required by FERC Order 1920. Additionally, OPSI is very engaged in PJM's efforts to reliably serve data center demand while protecting other rate payers.

Commissioner Deters is also the president of the Mid-Atlantic Conference of Regulatory Utilities Commissioners (MACRUC). MACRUC is a regionally focused subset of the National Association of Regulatory Utility Commissioners and MACRUC's purpose is to promote the region-wide advancement of public utility regulation and the related regulatory, legislative and policy interests of its members. MACRUC provides a forum for discussion on important regulatory topics with Ohio's neighbors and the sharing of best practices. We are excited to be hosting MACRUC's annual conference here in Columbus in June.

As you can see, through collaborative efforts of the legislature, the governor, the PUCO and the office of the FEA, Ohio is a leader in energy policy. We have positioned ourselves as an attractive place for business to locate, especially given the ability to bring your own generation so that operations can move quickly. Thank you to the members and leadership of this committee and the entire Ohio General Assembly, for giving us the statutory direction and guidance that has driven so many of these important energy-related achievements for Ohio. We look forward to continuing this effort together, building upon the strong foundation that we have all worked to create over the years, and I truly believe our best days are ahead.