

Press Release

New HB 6 Bailout Law Kills \$ 1.1 Billion Lordstown-3 Power Project

August 20, 2019 : Today, Clean Energy Future, LLC (CEF) has terminated its efforts to build the new \$ 1.1 Billion Lordstown-3 (LEC-3) gas-to-power project. This decision is based on the July 2019 passage of HB 6 in Columbus. This local development effort had begun in late 2018 including working with both the OhioEPA for permits and the electric grid operator of PJM. The \$ 1+ million in prior development/permitting costs will be written down as a loss.

The financial losses of LEC-3 to : the Valley, NE Ohio and the State are far more significant, namely :

- Loss of 1,100 new local union construction jobs
- Loss of 2,600,000 man hours of union construction labor over the next 34 months
- Loss of a \$ 1.1 Billion construction project
- Loss of \$ 150 million in water purchases from Youngstown
- Loss of new local full time jobs and purchase of local supplies and services
- Loss of \$ 300 million in local property, salary and income taxes
- Loss of \$ 29 Billion of economic benefit to the Valley, NE Ohio and Ohio (over 50 yr)

During HB 6 testimony in Columbus, CEF warned that bailing out 3,000 MW of uneconomical coal/nuclear plants will have devastation economic “ripple effects” in Ohio by forcing new investment to leave Ohio in the form of an equivalent 3,000 MWs of new modern gas-fired plants going elsewhere. On this July 16 th LS Power announced it’s abandoning its \$ 500 million 500 MW gas-fired project in NW Ohio. Now LEC-3 is gone at 1,170 MW. This means that another 1,500 MW of new gas-fired projects will not happen in Ohio as well (another \$ 1.6 Billion of construction). Political tampering with Ohio’s free electricity generation markets has very real impacts and results, as we see happening now.

Sadly enough, this direct damage to Ohio is just the “tip of the iceberg” in terms of bad news for Ohio. What else does HB 6 do ?

- Require Ohioans to hand out \$ 350-375 million/yr in electric utility bailout money by increases in everyone’s electric bills
- Guts nearly all prior “green power” initiatives in Ohio
- Keeps antiquated polluting coal plants subsidized in SE Ohio and Indiana
- Keeps two uneconomical and bankrupt Ohio nuclear plants on economic life support

Poll after poll shows that common sense Ohioans reject HB 6 by a 4 to 1 margin. Sen. S. O'Brien-D and Rep M. O'Brien-D both voted NO on this ridiculous legislation. There are no "green" advocates for this fraudulent Clean Air Bill. There are no consumer, business or environmental advocates. The only advocates are the recipients of the corporate welfare funds of \$ 350-375 million/yr. HB 6 is a classic case of " Ohio Main St. bailing out Wall St."

Over the past 6 years, I have come to know and appreciate the strong will and moral fiber of those who call the Valley home, and today I find it deeply painful not to be able to help boost the region's growth due to political forces that exist in Columbus.

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