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EPSA Statement on Ohio Bill to Force Consumers to Pay for “Zero Emissions Nuclear Credits”

WASHINGTON, D.C. – The Electric Power Supply Association (EPSA) issued the following statement in response to the introduction in the Ohio State Senate yesterday of SB 128. This proposed legislation would create a multi-billion dollar, 16-year program to force certain Ohio consumers to pay for Zero Emissions Nuclear credits (ZENS) with all the proceeds going to only two power plants owned by one company, FirstEnergy:

“If allowed to continue functioning as intended, Ohio’s competitive electric markets can keep delivering reliable and competitively-priced electricity. EPSA members help deliver these benefits as suppliers in PJM’s regional wholesale market, including with Ohio-based assets. SB 128 represents a giant step in precisely the wrong direction, shielding from competitive market forces two nuclear facilities with which all other market participants must compete. Doing so is especially egregious in Ohio given the stated intent to use consumer-backed ZENS to increase the sale price of the nuclear plants to prospective new owners.

“As developments in other states attest, the more the public and policymakers learn about these discriminatory subsidy schemes, the less they like about them. Those seeking consumer-financed subsidies claim to “only” want certainty and stability, but they do so at the expense of their own captive customers and other competitors. The only certainty about proposals such as SB 128 is controversy, in the legislature and in court.

“The electric industry is in the middle of the most profound changes in decades. Consumers have more choices than ever. Technological developments impacting relative costs of various fuels used to generate electricity continue to accelerate. The public good is best served not by special interest appeals to aid a single market participant, but by fuel neutral wholesale market reforms that recognize the reality that various kinds of resources together ensure reliable and affordable electricity. SB 128 completely fails that simple test of the public good.”

-EPSA-

Celebrating its 20th anniversary in 2017, EPSA is the national trade association representing leading independent power producers and marketers. EPSA members provide reliable and competitively priced electricity from environmentally responsible facilities using a diverse mix of fuels and technologies. Power supplied on a competitive basis collectively accounts for 40 percent of the U.S. installed generating capacity. EPSA seeks to bring the benefits of competition to all power customers.