



August 20, 2015

Senator Troy Balderson
District 20
Senate Building
1 Capitol Square, Ground Floor
Columbus, OH 43215

Representative Kristina Roegner
District 37
House Building
77 S. High St., 11th Floor
Columbus, OH 4321

Re: Companies and Investors Support Ohio Clean Energy Standards

Dear Senator Balderson and Representative Roegner:

In order to ensure that Ohio remains an attractive place to invest and do business, we respectfully request your strong support for reinstating and strengthening Ohio's clean energy policies.

Last spring, clean energy and efficiency opponents successfully lobbied the General Assembly to freeze Ohio's popular renewable-energy and energy-efficiency standards. Senate Bill 310 (SB 310) also created the Energy Mandates Study Committee to consider the state's renewable energy, efficiency, and peak demand reduction mandates.

As you reach the end of your hearings and deliberations and present your recommendations to the legislature this fall, it is imperative that you hear from investors and companies who are using clean energy as a means to cut costs, hedge against volatile fossil fuel prices, gain a competitive advantage, and cut emissions.

Investors & Companies Want Clean Energy Standards

We are institutional investors with over \$15 billion in assets under management - investors that hold shares of many Ohio companies and have clients throughout the state. We hold investments across many sectors and see the value of clean energy policies in helping companies and investors grow profits, save money, and mitigate the risks posed by climate change.

Strong clean energy policies in Ohio have provided policy certainty for companies like Campbell Soup Co. and General Motors Corp. to follow through on corporate commitments and adopt solar power for their Ohio manufacturing facilities.

A recent report from Calvert Investments finds that 60 percent of the Fortune 100 set greenhouse-gas-emissions reduction commitments, renewable-energy commitments, or both. These companies include globally recognized, mainstream brands like Procter & Gamble, Dow Chemical, AT&T, Walgreen's, and Google.

Many companies with a presence in Ohio support renewable energy policies because adopting clean energy gives them a competitive edge. Ikea has installed a full megawatt of solar power on its Ohio facilities, and Staples is close to exceeding 2.5 megawatts of solar across several facilities. Other companies, such as Avon and Xanterra Parks and Resorts are also actively installing wind and solar at their Ohio facilities.

Campbell's Soup, Ball Corporation, Whirlpool, Walgreen's and others all have installed or purchased renewable energy to meet some of their energy needs. Walmart installed solar panels on 12 Ohio stores that produce over 6 million kWh of energy, supplying between 5 -20% of the electricity used for each store.

Freezing the Standards Has Hurt Investment

Ohio's clean energy and efficiency standards work, and they enjoy strong support from the private sector. Freezing and possibly repealing them will be bad for business, and businesses know it. Even the state's oldest manufacturing group, the Ohio Manufacturer's Association, supports unfreezing Ohio's common sense energy standards because it knows that these standards have created jobs.

As recently as 2013, Ohio had more facilities than any other state manufacturing components for wind technology and was second in the number of solar equipment providers. A recent study from Pew shows that Ohio attracted \$1.3 billion in private clean energy investment from 2009 to 2013 and was predicted to generate an additional \$3 billion over the next ten years. SB 310 has created policy uncertainty for companies and investors that will erode this initial growth and economic diversification.

When the state froze its clean energy policies, the clean tech sector supported 89,000 jobs in Ohio and was growing at an incredible pace. Since that time, clean tech jobs in Ohio have grown at a rate of only 1.5 percent – far below the national average for wind and solar growth.

The freeze has hurt local entrepreneurs. Steve Melink of Melink Corp, an energy efficiency manufacturer and renewable energy developer recently said, "SB 310 killed the market. It forced us to look at richer opportunities in other states."

Freezing Energy Efficiency Programs Has Hurt Ratepayers

The freeze is also costing Ohio businesses and ratepayers money on their utility bills. Bruce Weston of the Office of Ohio Consumers' Counsel testified before your committee and recommended reinstatement of the State's clean energy laws. "This recommendation," he said, "particularly with respect to energy efficiency, reflects that energy efficiency programs save money for Ohioans."

This report supports Mr. Weston's claims. It estimates that between 2009 and 2012, energy-efficiency programs cost \$456 million, but resulted in more than \$1 billion in savings for Ohio ratepayers and produced thousands of new jobs. That's why a broad coalition of manufacturers and energy service companies — including Honda, Scotts Miracle-Gro, Whirlpool Corp. and Ingersoll Rand — wrote in **a letter** to state lawmakers that the standards promoted competitiveness by keeping utility costs stable and low.

The data bear this out. A recent study by the Lawrence Berkeley National Lab found that Ohio's energy efficiency programs were the cheapest and most cost effective in the nation. And a study by the American Council for an Energy Efficient Economy found that Ohio's efficiency programs lowered wholesale energy prices in the state. Even those who didn't participate in the

energy efficiency programs ended up saving money.

Clean Energy Standards Help Attract Business and Investment

Companies such as Campbell Soup, General Motors, Staples, Procter & Gamble, Wendy's, Goodyear, Kroger, Wal-Mart, and hundreds of others are making clean energy a priority. Almost half of all Fortune 500 companies have announced some form of clean energy target. In order to meet these targets, it's only natural that they will consider state clean energy policies as they decide where to invest and expand.

In fact, access to renewable energy and strong efficiency programs are already playing a role in determining where companies locate new facilities. If Ohio is going to attract tech giants such as Apple, Facebook, and Microsoft to build data centers in the state, it must remain competitive with other states that are aggressively recruiting companies by fostering a clean energy economy.

Fighting Climate Change Is an Economic Opportunity

Over 1,500 companies have publicly expressed support for action on climate change through the Ceres Climate Declaration, calling tackling climate change "one of the greatest economic opportunities of the 21st Century." Major companies with a presence in Ohio that have publicly expressed support for action to fight climate change includes Owens Corning, L Brands, Nestlé, Brown-Forman, General Mills, IKEA, Novelis, and Microsoft.

Ohio's utilities are falling behind on clean energy investments. Ohio is the 5th highest CO₂ emitting state in the nation. The state's coal energy portfolio is costly and risky due to volatile energy prices, compliance costs, and public health risks from emissions. Renewable energy and energy efficiency can help lower prices for ratepayers while reducing carbon emissions and improving public health.

Support Clean Energy and Energy Efficiency in Ohio

Freezing the energy efficiency and renewable energy standards isn't good for business and isn't good for Ohio. SB 310 has created policy uncertainty for companies that are looking to plan and invest for the future, making Ohio a less desirable destination to do business. As you prepare your recommendations for the legislature and consider future legislation, we urge you to strongly support reinstating and strengthening Ohio's clean energy and efficiency policies. They are good for business, good for ratepayers, good for public health, and good for Ohio.

Thank you for your consideration and for your work on behalf of the people of Ohio.

Sincerely,

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Cc:

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