

Facing political headwinds, a major Ohio solar developer throws in the towel

By Jake Zuckerman
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COLUMBUS, Ohio – Birch Solar, a 2,300 acre, 300-megawatt proposal that was vociferously opposed by Republican political power in northwest Ohio, is suspending development, its backers said in a court filing.

Kara Herrnstein, an attorney representing the developers, said in a [filing](#) Thursday that Birch Solar would be dropping its case at the Ohio Supreme Court as it has “elected to suspend further development of the solar facility at issue.”

Herrnstein declined further comment, referring inquiries to a company spokeswoman, who did not return them.

Birch, backed by the UK-based Lightsource BP, applied for a permit from the Ohio Power Siting Board in February 2021. It wanted to build on 2,300 acres of privately owned land in Allen and Auglaize counties. The company struck deals with the landowners, who each were set to earn between \$10,000 and \$50,000. According to the project website, it would have paid \$2.7 million annually in property taxes. The 300 megawatts the project was expected to produce [could roughly](#) power between 150,000 and 300,000 homes over the course of a year.

At a November 2021 public hearing, 21 witnesses supported the project versus 38 who opposed. Written comments similarly skewed against it. Most concerns revolved around the viewshed, worries about a decrease in local home valuations because of the project, concerns about losing the rural nature of the landscape, and what regulators [referred to as](#) “dangers of solar facilities attributable to chemical use and panel attachment.”

The two counties’ commissions, plus three townships within them, all mounted various forms of opposition. Matt Huffman – then the GOP Senate President, now the House Speaker, and arguably the single most powerful man in state politics – even submitted [three public comments](#) over two years criticizing the “out of country rent seekers” behind the project. He said the board should listen to the locals urging

rejection. State Rep. Susan Manchester, a Republican who represents the area, also opposed it.

Along with environmental and aesthetic factors, state law requires that a project serve the “public interest, convenience and necessity” to receive a permit. Given the objections from the local governments, the Ohio Power Siting Board determined the project does not serve in the public interest and rejected the permit.

The developers appealed the case to the Supreme Court, arguing the Power Siting Board should have taken a much broader view of what’s in the public interest. They pointed to the landowners who contracted with the developers, 900 short term construction jobs and 35 long term ones, the tax revenue for the local government, and clean energy generation. Plus, the governments who mounted opposition, the developers argued, largely didn’t bother to mount opposition until after the developers finalized agreements compromising over project details with other intervenors like the Ohio Farm Bureau and the electrical workers’ union.

“The Board failed to properly consider the public interest and, in fact, distorted the very meaning of the public interest,” they wrote.

The case was scheduled for oral arguments before the Supreme Court in February. It was to be one of two cases of utility scale solar developers asking the Ohio Supreme Court to overturn permit rejections. Meanwhile, locals have challenged two other solar projects that were approved by the Ohio Power Siting Board. Those cases await rulings as well.

Amid the Power Siting Board negotiations, the Ohio Senate (under Huffman’s leadership) spearheaded a law that [allowed local governments to squash individual renewable projects](#) and ban all future projects from their borders. Since that law passed, [more than 1 in 4 Ohio counties have banned wind or solar in town](#).

It’s unclear what exactly crushed Birch Solar, which has been in the lurch since at least its first regulatory filings in October 2020. The news from the developers comes amid a massive surge in energy demand, driven in large part by data centers supporting a boom in AI and cryptocurrencies. This demand spike, plus a spate of retiring coal plants, has raised concerns that the demand for power could soon outstrip its supply.

“We are disappointed that this project and its benefits will not be coming to Ohio,” said Will Hinman of the Utility Scale Solar Energy Coalition of Ohio. “These are complex projects that face varying development challenges, and we’ve heard from

LightsourceBp that this was a business decision. USSEC and our members remain committed to advancing clean, American-made electricity to meet the state's growing power demands. With significantly growing demand, we need to reduce barriers to energy generation development to ensure communities can grow and have adequate power."

Dan Sawmiller, director of energy policy for the Natural Resources Defense Council, said it's not all that surprising to see Birch drop out after five years of purgatory. There are significant fees owed to grid operators, he said, when projects can't offer a clear timeline after a certain point.

Evan Vaughan, executive director of MAREC Action, a coalition of renewable energy developers, said he didn't know what happened as it relates to Birch Solar specifically. But development is a long process that starts well before an application date when you consider site identification, the leasing process, grid interconnection studies, and the like. Put simply, time is money, and perhaps this all took Birch one year too many.

"Regulatory hangups, court hangups, they're costly and when you add them up, that ultimately kills projects," he said.