<u>Could Ohio change how it gets electricity?</u> <u>House Speaker floats leaving PJM</u>

_{ву} Anna Staver Cleveland.com

COLUMBUS, Ohio --With electricity demand set to skyrocket, some Ohio lawmakers are asking if it's time to ditch the power-sharing network the state has been using for decades.

Ohio is part of PJM Interconnection, <u>a massive power-sharing network</u> that helps power 13 states and Washington, D.C.

Think of it like an air traffic controller for the electric grid. PJM directs electricity <u>from hundreds of power plants</u>, plans for weather events, sets wholesale prices and basically ensures your lights turn on every time you flick a switch.

Ohio began gradually entering PJM in the early 2000s. But House Speaker Matt Huffman, a Lima Republican, says it might be time to switch teams.

He's frustrated by how long PJM takes to approve new power plants. And he thinks our neighboring regional transmission organization, Midcontinent Independent System Operator (MISO), might do a better job.

"They seem to have a better expertise about transition," Huffman said.

The transition Huffman's talking about is the new energy demands from electric vehicles, cloud computing and artificial intelligence.

A February report from the Ohio Business Roundtable projected a 50% jump in Ohio's energy needs over the next decade. Without more power generation, the report said Ohio could face brownouts, higher bills and lost economic growth.

One key bottleneck cited was PJM's backlog.

Since 2014, only 7% of proposed projects have come online. The grid is so overwhelmed, Roundtable President Pat Tiberi said in February, that PJM is telling states not to retire aging coal plants.

In response, lawmakers <u>passed a law this spring</u> allowing companies to build their own "behind-the-meter" power generation as part of a wide-ranging bill meant to stimulate more electricity production in Ohio. Essentially, these are private plants that don't connect to the grid and bypass much of PJM's approval process.

Huffman called it a short-term fix and said it's time to ask a bigger question: "Is PJM the right fit for the state of Ohio?"

PJM's territory stretches mostly to the east and south of Ohio. MISO, on the other hand, is the grid operator for much of the Midwest, stretching as far south as Louisiana.

Huffman started conversations with MISO. He didn't say who he spoke with, but one possible link is <u>Andre Porter</u>, a former Ohio utilities regulator who now serves as MISO's senior vice president and chief strategy officer.

Cleveland.com contacted MISO for comment.

The idea of switching grid operators is in its infancy, but it could get bipartisan support.

State Rep. Sean Brennan, a Parma Democrat on the House Public Utilities Committee, said he'd like to know more.

"I would be the first to say it's worth exploring," Brennan said. "Whether it's the right move or not, I hope it would entail a lot of discussion."

He added that any shift should be introduced as a standalone bill with a full legislative debate.

PJM, for its part, says it's listening.

"PJM takes the Speaker's concerns seriously, and we have reached out to engage him and other legislative leaders to continue a productive dialogue about Ohio's energy future," spokesman Dan Lockwood said in a statement. "PJM's most important responsibility is to keep the lights on for all those we serve."

Switching grid operators isn't simple. The Federal Energy Regulatory Commission would need to approve the move. And there are practical concerns.

Rea Hederman, vice president of policy at The Buckeye Institute, pointed out that Ohio is still an energy importer--meaning it uses more electricity than it produces. "How are you going to rebase transmission," he asked. "How are you going to import energy?"

Pennsylvania, which exports energy into PJM, has also floated the idea of leaving.

"We are exploring all options here in Pennsylvania, including removing ourselves from PJM, going it alone, and determining if that is a better course," Pennsylvania Gov. Josh Shapiro <u>said in February</u>.

That kind of independence, Hederman said, is easier when your state generates more power than it consumes.

"If you're somebody who is more energy sufficient, that makes it easier for you to figure out what to do and how to shift," he said.

Ohio has the natural gas resources to become more self-reliant, but Henderson said the state hasn't developed them as aggressively as its neighbors.

"Ohio needs to be an energy generator," he said. "It doesn't make sense with Ohio's natural resources, with our natural gas, we need to be energy producing."