To: ALEC Members in the Ohio Legislature
From: ALEC’s Energy, Environment and Agriculture Task Force
Re: ATI/BHI study on the economic effect of Ohio’s renewable electricity mandate
Date: April 13, 2011

The American Tradition Institute has published a study by the Beacon Hill Institute assessing the economic harm inflicted by Ohio’s Alternative Energy Portfolio Standard, which steadily increases the percentage of Ohio’s electricity that must come from renewable resources through 2025, when the percentage will be 12.5 percent.

The study finds that Ohioans will pay an additional $8.6 billion in electricity costs due to the mandate, representing an increase of 9.3 percent by 2025. Ohio’s economy will lose 9,750 jobs and $1.1 billion in annual disposable income, with average annual wages falling by $330.

In the midst of recovering from economic recession, it is poor timing to force Ohioans to limit the use of conventional and reliable energy resources in exchange for negligible environmental benefit. “The last thing Ohio needs, with its high unemployment and population stagnation, is to force more expensive energy on its citizens and businesses,” Paul Chesser, executive director of ATI, said. “The Alternative Energy Portfolio Standard passed in 2008 is a blueprint for more economic misery.”

Download a two-page summary of the study here and the full study here.

ALEC supports free markets and opposes renewable energy mandates because free markets achieve both the optimal economic and the optimal environmental outcomes. If you would like more information on this issue please contact Clint Woods, Director of the Energy, Environment and Agriculture Task Force, at cwoods@alec.org or 202.742.8542.