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By failing to prepare, you are preparing to fail.

— Benjamin Franklin

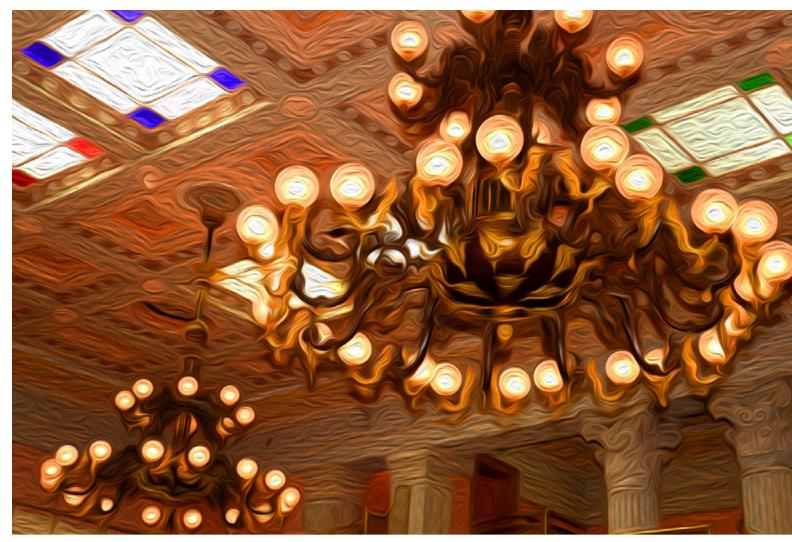
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OHIO MUNICIPAL ELECTRIC ASSOCIATION





2019 OMEA Report to Members

Despite the many changes in leadership in Congress and at the Statehouse over the last year, the Ohio Municipal Electric Association's (OMEA) mission remains the same — protect the independence and constitutional rights of Ohio municipal electric systems. Whether changes come quickly or are years in the making, our advocacy and the grassroots efforts by members are as important now as they have ever been.

We have seen a renewed focus on energy issues at the Statehouse, where a new House Speaker led the effort to pass legislation that ultimately provides subsidies to nuclear power plants and brings an eventual end to the state's renewable energy portfolio standard. The legislature remains focused on energy-related issues and more legislation is already under consideration by the 133rd General Assembly. On the budgetary front, protecting the kWh tax remains our top priority and we are pleased that our new governor brought a renewed focus on the partnership between the state and local governments.

At the federal level, the new House majority resulted in a change of focus — shifting to climate and clean energy policy, which ultimately garnered attention in both chambers and by both parties. In both chambers of Congress, OMEA's top priorities continue to be raising awareness of increasing transmission costs and seeking remedies to the continued sequestration of Build America Bonds and New Clean Renewable Energy Bonds.

Our work is not done. The advocacy of OMEA and the grassroots efforts of our membership help set the stage for future successes. We look forward to continuing to build on those efforts.



Mayor Richard Homrighausen





Jolene Thompson

John be thousan

2019 AMP/OMEA Annual Conference



More than 365 participants took part in the 2019 AMP/OMEA Annual Conference, held in Columbus, Sept. 23-25.

Dover Mayor Richard Homrighausen, OMEA Board President, addresses attendees of the AMP/OMEA Annual Conference.

The annual conference provides members with an opportunity to hear from industry experts on the latest trends, as well as legislative and organizational updates. In 2019, members also heard from two retiring public power thought leaders, AMP President/CEO Marc Gerken and APPA President/CEO Sue Kelly, who gave an "unplugged" discussion reflecting on the future of the industry.

During the 2019 OMEA General Membership Meeting, elections were held for four seats on the OMEA Board of Directors. The Village of Edgerton, Village of Montpelier, City of Napoleon and City of Orrville were reelected to four-year terms on the OMEA Board of Directors. Additionally, the City of Painesville was elected as ex-officio member of the OMEA Board.

Following the election, the OMEA Board of Directors held its annual reorganization meeting and re-elected Dover Mayor Richard Homrighausen as president of the Board. Montpelier Mayor Steve Yagelski and Wadsworth Mayor Robin Laubaugh were re-elected to the Board's three-member Executive Committee.

During the OMEA general membership meeting, members selected four new honorary members:

- Sue Kelly retiring president and CEO of the American Municipal Power Association
- Pat Parish retired village administrator of the Village of Lakeview
- Kraig Noble retiring law director of the City of St. Marys
- Travis Sheaffer retiring Napoleon City Council member and former OMEA Board member

Members of the OMEA Board of Directors gather for the OMEA Reorganizational meeting at the 2019 AMP/OMEA Annual Conference.





OMEA members met with Ohio legislators during the OMEA Day at the Statehouse. Pictured from left: Jackson Center Village Administrator Bruce Metz, Ohio Rep. Susan Manchester (R-84), Versailles Village Administrator Rodd Hale and Wapakoneta Mayor Tom Stinebaugh.

OMEA State Legislative Update

Ohio experienced a year of change in 2019, as five new statewide officeholders, including Mike DeWine as Ohio's 70th Governor, and a new House Speaker were sworn into office.

Fifty-one bills were in the OMEA legislative tracking system in 2019, and adoption of the biennial state budget and the debate over subsidies for the state's nuclear power plants were at the forefront throughout the year.

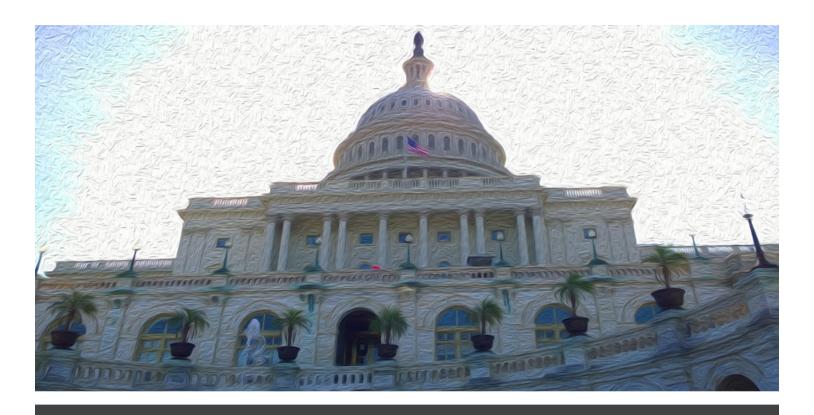


Gov. DeWine's first biennial budget, House Bill (HB) 166, passed the House and Senate with broad bipartisan support. During the process, there were discussions about changes to economic development efforts and changes to increase revenues to the state. OMEA is pleased that the budget places an increased emphasis on partnerships between the state and local governments, and that no changes to the kWh tax made it into the final budget.

Legislation, debated over the last several years, was ultimately enacted in 2019 to provide subsidies to the state's two nuclear plants. The final bill also included subsidies for two investor-owned coal plants (in Ohio and Indiana), the effective end of energy efficiency standards and the phaseout of the renewable energy portfolio standard (RPS) in 2026. Due to members' grassroots advocacy, OMEA was successful in protecting municipal customers from being charged for these new subsidies and providing a glide path toward the elimination of the RPS to avoid rate shock in the renewable energy credit market.

A number of other bills and proposals were considered in 2019, including: Senate Bill (SB) 33 to protect critical infrastructure facilities, including municipal electric utility infrastructure; HB 163 imposes penalties, including reduced or eliminated local government funding, to a municipality if their water and sewer utility is found to charge excessive rates to customers outside of their corporate boundaries — creating a dangerous precedent in state law that punishes any municipal utility for serving customers beyond city limits; and HB 247 allowing regulated investor-owned utilities to provide competitive services to customers. Consideration of these bills is expected to continue into 2020.

Bowling Green city officials participate in the OMEA Day at the Statehouse. Pictured from left: Bowling Green Council Member Michael Aspacher and Brian O'Connell, Bowling Green Utilities Director and AMP Board Member.



OMEA Federal Legislative Update

Over the past year, OMEA has been an effective voice in Washington, raising awareness about public power's concerns and interests on major policy issues. Through meetings, briefings, coalition work and position papers, OMEA's advocacy has reached our congressional delegation and federal agency officials, as well as leaders and senior staff on key congressional committees.

In 2019, OMEA continued our efforts to push Congress or the Administration to take action and end the sequestration of Treasury credit payments to issuers of Build America Bonds (BABs) and New Clean Renewable Energy Bonds (New CREBs). Budget sequestration has forced cuts to BABs payments that have cost OMEA member communities millions of dollars that could otherwise be used to meet local needs. Working with our partners at APPA and Large Public Power Council, we are building support for action to avoid further cuts to promised credit payments, at the least.

OMEA has also continued to push for effective review of supplemental transmission projects, which are driving up member transmission costs. These projects escape effective review and oversight by either regional transmission organizations (RTOs) or the Federal Energy Regulatory Commission (FERC). Ensuring effective oversight remains a top priority to address the efforts of transmission owners to shift investment to these high-return, low-risk projects.

Considerable time and energy in the House was focused on the development of climate change legislation. While federal legislation will not likely be enacted in 2020, signs point toward action in the near future – and the groundwork is being laid now. Consequently, OMEA is working to protect member investments in AMP projects and advance policies that will have the lowest impact on consumer rates, ensuring that public power utilities will have access to all of the technologies and federal support available to help meet environmental goals while maintaining affordable and reliable electric service.



2019 OMEA Statehouse Day

More than 40 member officials from 22 OMEA member communities visited the Ohio Statehouse on May 29 for the 2019 OMEA Legislative Day at the Statehouse.

The event provided an opportunity for OMEA community officials to learn more about legislative issues affecting municipal utilities in Ohio and to share firsthand insights with state lawmakers and their staff.

OMEA member officials participated in 29 meetings throughout the day, meeting with Reps. Jamie Callender, Sarah Carruthers, Steve Hambley, Brett Hillyer, Jim Hoops, Mary Lightbody, Susan Manchester, Joe Miller, Jena Powell, Craig Riedel, Mark Romanchuk, Ryan Smith, Dick Stein, Casey Weinstein, Scott Wiggam, Senate President Larry Obhof, Senate Minority Leader Kenny Yuko, and Sens. Bill Coley, Theresa Gavarone, Jay Hottinger, Matt Huffman, Steve Huffman, Tina Maharath, Nathan Manning, Rob McColley, Sean O'Brien, and Bob Peterson. Additionally, OMEA members met with key staff members in the offices of Sens. Frank Hoagland and Kristina Roegner.

OMEA George V. Voinovich Award

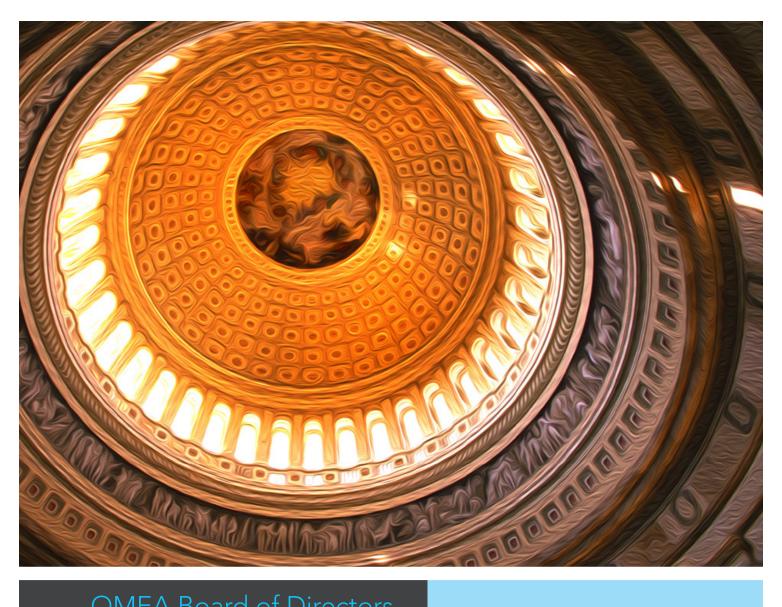
OMEA President Rick Homrighausen and OMEA Executive Director Jolene Thompson presented former Sen. Bill Beagle with the George V. Voinovich Award in recognition of his contributions to public power. The award recognizes state or federal lawmakers from Ohio who have made contributions with a significant and positive impact on public power systems, and who exude the following characteristics:

- Devoted supporter of public power;
- Guardian of municipal rights and local control;
- · Committed public power ally; and
- Active leader at the state or federal level.

Beagle represented the OMEA member communities of Arcanum, Eldorado, Piqua and Tipp City as a state senator from Ohio's 5th District from 2010 to 2018. As a state senator, he could be counted on to fight for and protect the rights of Ohio's municipal electric communities from detrimental legislation. Before his election to the Ohio Senate, Beagle served as a Tipp City council member from 2003–2009. Since his exit from the Ohio Senate due to term limits, Beagle has taken on a senior administration position within the office of the Ohio Treasurer of State.

Former Ohio Sen. Bill Beagle (R-5) receives the George V. Voinovich Award during the OMEA Day at the Statehouse. Pictured from left: Rick Homrighausen, Dover Mayor and OMEA President; Bill Beagle; Jolene Thompson, AMP Executive Vice President/OMEA Executive Director; and Michael Beirne, AMP/OMEA Vice President.





OMEA Board of Directors



MEMBER: DOVER Richard Homrighausen President Mayor City of Dover



MEMBER: MONTPELIER Steve Yagelski Executive Committee Mayor Village of Montpelier



MEMBER: WADSWORTH Robin Laubaugh Executive Committee Mayor City of Wadsworth



MEMBER: BRYAN Carrie Schlade Mayor City of Bryan



MEMBER: CELINA Jeffrey Hazel Mayor City of Celina



MEMBER: PIONEER Ed Kidston Mayor Village of Pioneer



MEMBER: CUYAHOGA FALLS

Don Walters

Mayor

City of Cuyahoga Falls



MEMBER: ST. MARYS
Patrick McGowan
Mayor
City of St. Marys



MEMBER: EDGERTON
Robert Day
Mayor
Village of Edgerton



MEMBER: TIPP CITY Joseph Gibson Mayor City of Tipp City



MEMBER: HAMILTON
Michael Ryan
Council Member, Vice Mayor
City of Hamilton



MEMBER: WAPAKONETA

Tom Stinebaugh

Mayor

City of Wapakoneta



MEMBER: NAPOLEON

Lori Siclair

Council Member

City of Napoleon



MEMBER: WESTERVILLE Kathy Cocuzzi Mayor City of Westerville



MEMBER: OBERLIN Kristin Peterson Council Member City of Oberlin



EX-OFFICIO: Paul Hach Council President City of Painesville



MEMBER: ORRVILLE

David Handwerk

Mayor

City of Orrville



EX-OFFICIO: Michael Beirne Executive Director Ohio Municipal Electric Association



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Michael Beirne











