

2024 REPORT TO MEMBERS





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LETTER TO MEMBERS

We're pleased to share this annual report, detailing some of the major initiatives and issues the Ohio Municipal Electric Association (OMEA) undertook in 2024 on behalf of Ohio's public power communities.

The year ended as the year began — with the OMEA focused on advocating for public power, no matter who was in the majority driving state and federal policy.

The November 2024 elections dominated the landscape throughout the year, with virtually all formal legislative activity at both the state and federal levels focused on the political impact it would have. Through all of this, the OMEA continued to work diligently in its mission to protect the independence and constitutional rights of Ohio's municipal electric systems.



At the federal level, the OMEA focused advocacy efforts on the overall transition taking place in the industry, as well as the issues of protecting tax-exempt financing, ensuring the reliability of the electric grid, securing support for grants under the Infrastructure Investment and Jobs Act and the Inflation Reduction Act (IIJA), adopting reasonable permitting reform, and highlighting the challenges with the electric industry greenhouse gas rule. The OMEA continued to seek a resolution to the issue of sequestration of Build America Bonds (BABs) and New Clean Renewable Energy Bonds (New CREBs) and raised awareness of the transformer supply shortage and detrimental regulatory action that could further strain the supply chain.

The OMEA's primary focus at the Ohio Statehouse was protecting the local share of the kilowatt-hour tax and Home Rule authority. We were pleased that no such legislative changes were adopted. The OMEA also closely monitored legislation that would make changes to the

use of utility liens, which would have a negative impact on all municipal utility services in Ohio. The OMEA provided opponent testimony on the bill in November, noting that the proposal would likely raise costs for all other customers. Ultimately, while the bill passed the House, it did not pass out of the Senate Local Government Committee before the end of the General Assembly. We expect this proposal to return in 2025 and will continue to advocate against its passage. The OMEA also began laying groundwork for protecting the public power business model as state lawmakers gear up for a significant energy debate that is expected to take place in early 2025.

The OMFA will continue to build on the successes of 2024 and advocate on behalf of our Members and their consumers in 2025. It is imperative that we continue to have a strong, unified voice in both Congress and the Ohio Statehouse so that we are prepared for the legislative challenges and opportunities that are certain to come.

On behalf of the Members,



Michael Beirne Executive Director, OMEA



Con Lawbargh

Robin Laubaugh

President, OMEA Board of Directors Mayor, City of Wadsworth

THE OMEA PERFORMS FIVE **PRIMARY FUNCTIONS:**



Monitor Legislation



Advocate



Build Coalitions



Act As An Information Resource



Organize Member Activities

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Marshallville Beach City OHIO Galion St. Clairsvillle Westerville Columbus Woodsfield Fldorado Jackson

2024 OMEA GENERAL MEMBERSHIP MEETING

The OMEA General Membership Meeting took place on Oct. 2 as part of the 2024 AMP Annual Conference in Columbus. The conference provided attendees with a full schedule of sessions led by industry experts and leaders.

The OMEA is guided by a 16-member Board of Directors elected by their peers to staggered four-year terms. Board seats are held by OMEA Member communities. During the OMEA General Membership Meeting, the communities of Celina (Mayor Jeffrey Hazel), Hamilton (Council Member Michael Ryan) and St. Marys (Mayor Joe Hurlburt) were re-elected to four-year terms on the OMEA Board of Directors. Additionally, the community of Jackson Center (Council Member Wayne York) was elected to a four-year term and the City of Oberlin (Council President Eboni Johnson) was elected as an ex officio member of the OMEA Board of Directors.

Following the OMEA General Membership Meeting, the OMEA Board of Directors conducted its annual reorganization meeting and re-elected City of Wadsworth Mayor Robin Laubaugh as President of the Board. City of Bryan Mayor Carrie Schlade and Village of Montpelier Mayor Steve Yagelski were re-elected to the Board's three-member Executive Committee.

2024 OMEA GENERAL MEMBERSHIP MEETING (CONTINUED)

During the OMEA General Membership Meeting, the following individuals were recognized and named OMEA Honorary Members:

CITY OF HUDSON

Frank Comeriato

VILLAGE OF OAK HARBOR

Randy Genzman

VILLAGE OF GENOA

Kevin Gladden

CITY OF WADSWORTH

William C. Lyren, Jr.

CITY OF CUYAHOGA FALLS AND CITY OF PAINESVILLE

Jeff McHugh

VILLAGE OF JACKSON CENTER

Bruce Metz

CITY OF NAPOLEON

Lori Siclair

CITY OF ST. CLAIRSVILLE

Don Smithberger

CITY OF BRYAN

Tom Sprow



The OMEA General Membership selects Honorary Members in recognition of individuals whose dedication and service on behalf of public power have been of the highest order.



APPA LEGISLATIVE RALLY

Representatives from 20 OMEA
Member communities participated
in the 2024 American Public
Power Association (APPA)
Legislative Rally, Feb. 26-28 in
Washington, D.C.

More than 35 OMEA Member community officials attended the Rally. In addition to the Ohio attendees, representatives from the AMP footprint states of Delaware, Kentucky, Michigan, Pennsylvania, Virginia and West Virginia also participated.

The annual APPA Legislative Rally provided a valuable opportunity for public power leaders to directly engage in the legislative process and raise awareness about the issues that affect their systems and customers.

OMEA Member officials focused their discussions with lawmakers on the transition in the industry, as well as

such key issues as grid reliability, transmission costs, climate policy and cuts to BABs and New CREBs.

A key part of the Rally was the APPA Legislative & Resolutions Committee meeting, during which APPA members adopted 13 resolutions to establish their position on key issues affecting the industry. The OMEA co-sponsored Resolution 24-03: In Support of Electric Reliability; Resolution 24-08: In Support of Protecting Critical Electric Information from Public Disclosure; and Resolution 24-09: Cybersecurity Incident Reporting for Electric Utilities.

Throughout the week, OMEA Members met with U.S. Senators Sherrod Brown and JD Vance, and, despite the House being out of session, Rep. Emilia Sykes (D-13). Additionally, OMEA Members met with staff members from 10 congressional offices: U.S. Representatives Troy Balderson (R-12), Joyce Beatty (D-3), Mike Carey (R-15), Warren Davidson (R-8), Jim Jordan (R-4), David Joyce (R-14), Marcy Kaptur (D-9), Bob Latta (R-5), Max Miller (R-7), and Brad Wenstrup (R-2).



APPA POLICY MAKERS COUNCIL

OMEA officials who are members of the APPA Policy Makers Council (PMC) participated in the organization's summer fly-in event in July in Washington, D.C.

During the event, PMC members met with elected officials and congressional staff to advance public power's legislative and regulatory agendas. Approximately 40 officials from across the country participated, including Paul Hach, a Painesville City Council Member and a member of the OMEA Board of Directors, and Montpelier Mayor Steve Yagelski, a member of the OMEA Board of Directors and OMEA Executive Committee.

Hach and Yagelski, along with OMEA staff, met with U.S. Representatives Troy Balderson (R-12) and Marcy Kaptur (D-9), as well as key congressional staff from the offices of Sen. Sherrod Brown and Representatives Mike Carey (R-15), Dave Joyce (R-14) and Bob Latta (R-5).

During the meetings, Hach and Yagelski provided information and updates on issues currently facing public power, including the effects of sequestration on BABs and New CREBs, the impacts of the U.S. Environmental Protection Agency's final greenhouse gas rule, permitting reform legislation, supply chain concerns and the status of recent grant applications.

Later in 2024, Jackson Center City Council Member and OMEA Board member Wayne York was elected to a seat on the APPA Policy Makers Council. He would fill the role in early 2025.





While formal legislative activity in Washington was limited, the OMEA continued raising awareness and advocating on issues of importance to Ohio public power communities.

Throughout the year, the OMEA actively engaged with federal lawmakers and tracked legislative proposals that could have been detrimental or beneficial to its Members. The OMEA was closely involved with advocating on a number of important issues throughout the year.

The primary focus was on the transition taking place in the industry and the associated challenges. As the OMEA noted with federal policymakers, "it's imperative that the transition occur in a thoughtful manner that recognizes and addresses the realities involved in such a historic industry shift. Electricity is an essential component of our lives and our economy, and decarbonization goals must be balanced with the need for affordable and reliable power for homes and businesses."

Managing that transition requires a focus on several policy areas, and the OMEA advocated with the congressional delegation to protect public power. A central theme in those efforts was on the issue of grid reliability. The OMEA specifically noted that a plan needs to be in place for generation sources that can produce reliable, baseload, intermediate as well as peaking electricity that can be committed and dispatched when solar and wind are not producing energy. Adopting reasonable environmental regulations and transmission policies is essential to an affordable and reliable electric supply.

In addition, throughout 2024, AMP and Members applied for a number of federal grants under the IIJA. These opportunities included hydropower investment incentives, Rural and Municipal Utility Advanced Cybersecurity grants, and Grid Resilience and Innovation Partnerships grants, among others. The OMEA was active in securing letters of support from members of Congress, including additional follow-up actions to relevant grant-authorizing agencies.

The ongoing issue of the sequestration of BABs and New CREBs continued to be a point of concern in 2024. Combined, AMP and OMEA members have lost more than \$50 million to date and stand to lose another \$28 million through the end of the sequester, scheduled to run through 2031. The OMEA worked with Sen. Sherrod Brown, who drafted legislation to mitigate the sequestration issue and raised the issue with other senators. Despite finally making progress on the issue with federal lawmakers, the legislation was not introduced before the year ended.



At the state level, the OMEA was pleased to finish the year without the passage of any major legislation that would be detrimental to Ohio's public power communities.

The OMEA pushed back extensively on House Bill 93, which would have fundamentally altered how the municipal lien process works for municipal utilities. The bill applied additional notification and procedural restrictions on municipal utilities that used a property lien to recover unpaid balances. The OMEA testified and voiced concerns to legislators that, among other things, the bill would pass costs from the for-profit, business interest to the non-profit, municipal utility service provider. The House passed the bill, but it did not advance out of committee in the Senate and officially died when the year

ended. We fully expect the issue to reappear in 2025 and will continue our advocacy efforts against it.

In addition, the OMEA continued to push back on efforts to modify eminent domain laws. Legislation considered in 2024 would have fundamentally shifted Ohio's current eminent domain laws toward the landowner. The OMEA, along with a number of other interested parties, opposed the bill. Ultimately, the bill died in committee as the year ended. However, this is another issue that is expected to return in 2025.

Other legislative issues that the OMEA actively lobbied on include:

• HB 197

Legislation that would create a community solar program within the State of Ohio

• HB 331

Legislation that would create a path for the automatic dissolution of a village under certain circumstances

• HB 358/SB 200

Legislation that would permit Ohio to regulate Class VI injection wells related to carbon capture

• SB 6

Legislation regarding environmental, social and governance policies

• SB 88

Legislation that would increase penalties for menacing utility workers

• SB 123

Legislation related to submetering of utility services by property owners

• SB 266

Legislation related to the ownership of electric vehicle charging stations

• SB 275

Legislation related to virtual net metering

The full list of bills in the OMEA legislative tracking system is available on the AMP Member Extranet.



MEMBER: WADSWORTH

Mayor Robin Laubaugh

President



MEMBER: BRYAN

Mayor Carrie Schlade

Executive Committee



MEMBER: MONTPELIER

Mayor Steve Yagelski

Executive Committee



MEMBER: CELINA

Mayor Jeffrey Hazel



MEMBER: CUYAHOGA FALLS

Mayor Don Walters



MEMBER: DOVER

Mayor Shane Gunnoe



MEMBER: EDGERTON

Mayor Robert Day

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MEMBER: HAMILTON

Michael Ryan

Council Member



MEMBER: JACKSON CENTER

Wayne York

Council Member



J. Ross Durham

Council President



Mayor Matthew Plybon

MEMBER: ORRVILLE



MEMBER: PAINESVILLE Paul Hach Council Member



MEMBER: PIONEER Mayor Ed Kidston



Mayor Joe Hurlburt

MEMBER: ST. MARYS



MEMBER: TIPP CITY John Kessler Council Member



MEMBER: WESTERVILLE Megan Reamsnyder Council Vice Chair

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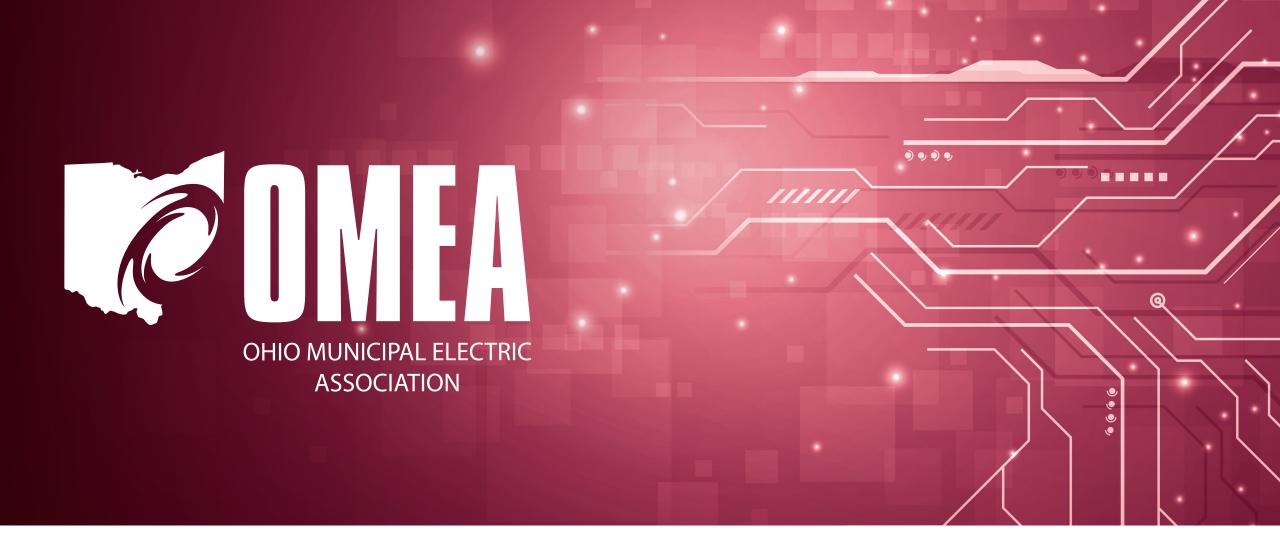


Eboni Johnson Council President

EX OFFICIO: OBERLIN



EX OFFICIO: OMEA EXECUTIVE DIRECTOR Michael Beirne



OHIO MUNICIPAL ELECTRIC ASSOCIATION

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