

In Ohio energy policy, the new squares off with the old



Michael W. Wise | Friday, March 3, 2017

In Ohio, shale energy is transforming our economy. This impact was [recently discussed](#) by an executive at V&M Steel, a Youngstown manufacturer of steel pipe that supported the growth of shale energy and will now, as President Donald Trump stated on Wednesday, help supply the new pipelines that will transport our energy abundance to better markets.

The author states that:

the nation's energy security is stronger than it has been in decades. U.S. oil and natural gas production – thanks to the shale revolution happening in states like Ohio – has surged. We are now the world's largest combined producer of oil and natural gas, but we remain beholden to the uncertainties of the global energy marketplace. A supply disruption from one major oil-producing nation such as Iran, Russia or Venezuela, can send the global price of oil through the roof. We may be more energy-secure than we have been in the past, but our economy remains vulnerable to price shocks for oil. President Donald Trump now has the opportunity before him to counter that. The Trump administration would be wise to unleash the full job-creating and economy-boosting potential of the nation's oil and natural gas industry.

A debate is now ensuing in Ohio about whether state government should intervene into the power markets to preserve nuclear and coal fired generation. As [Crain's](#) and the [Youngstown Vindicator](#) both recently reported, this intervention is opposed by the developers of new natural gas fired generation. The developers' basic argument is that by providing financial support to preserve huge nuclear and coal fired power plants, Ohio would be crushing the new gas fired generation projects that are able to succeed without subsidies.

From [Crain's](#):

"[i]nvestors putting billions of dollars into natural gas-fired electric plants in Ohio say they're concerned state legislators might make their investments virtually worthless by re-regulating the state's electric industry. They want to kick us out of Ohio," contends Bill Siderewicz, president of Clean Energy Future, a Boston company that's building four power plants in Lucas and Trumbull counties.

From the [Vindicator](#):

Expanding competition has saved Ohio electric users some \$15 billion over the past five years, according to a report released last month by the Northeast Ohio Public Energy Council. The growth of cleaner and cheaper resources to produce electrical power – plus the state's proximity to the natural-gas rich Utica and

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Marcellus shale plays – deserve the bulk of the credit for those impressive savings.

The shale versus public utility confrontation is still in its early stages. Much more to come in the months ahead.



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