

Mr. Chairman and members of the House General Laws Committee. My name is Tony Reinhart. I am responsible for Ford Motor Company's state legislative advocacy. Unfortunately the weather prevented me from testifying in person Tuesday afternoon.

Ford Motor Company would like to go on record in support of HB 417, the "Electrical Choice and Competition Law". It has been our experience in other states that when implemented correctly, a competitive market provides a consumer friendly utility environment that:

- allows consumers to choose their energy provider, giving them the ability to select the plan that best suits their needs and budget, fostering price comparison and potentially leading to lower costs.
- creates multiple energy providers competing for customers, companies who are incentivized to offer competitive prices and better customer service to attract and retain customers – large industrial, business, and residential.
- encourages energy companies to develop new energy efficiency products and services to stand out in the market promoting more conscious energy consumption.
- opens the door for smaller, innovative energy companies to enter the market, potentially leading to a wider variety of options for consumers.

Our Kansas City Assembly plant employs nearly 9500 people (and has created thousands of directly related supplier employees) in the State of Missouri and creates significant baseload demand. As we were expanding our MO facility over the past decade plus, Economic Development Rates were helpful to keep our Missouri facility competitive with other Ford manufacturing facilities. Now that our facility is at capacity, there are no economic development tools to offset the anticipated increased energy costs. Now our utility rates have become one of our largest cost challenges with no real ability to offset those increasing costs.

Should various energy legislation proposals become law this year, we anticipate continued increases annually for the foreseeable future. Our Missouri facility competes against other Ford facilities where we are looking to partner with utilities to create on site energy generation, can still find Incentives/Economic Development Rates or other means by which to better manage increasing costs. Which is why we are in support of HB 417.

Missouri normally doesn't look to Illinois for good public policy. But Illinois got it right where they have unbundled generation, transmission and distribution services in a fair and equitable manner provide us the ability to purchase competitive power on the open market and better manage our costs. More importantly Illinois ensures open and nondiscriminatory access to their system for transmission and distribution. Thanks in advance for the Committee's consideration of our testimony in support of HB 417 and we look forward to working with the sponsor, this committee, and all stakeholders to get this issue done correctly to benefit all.

Sincerely,
Tony Reinhart