

April 2 - Household meeting

Attachment A  
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From: Lisa M Barton [lbarton@aep.com](mailto:lbarton@aep.com)  
Subject: [EXTERNAL] Legislative follow up.  
Date: Mar 18, 2019 at 5:39:24 PM  
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Hi Mike

Good seeing you as well and looking forward to working with you more in my new role. Please see edits below. I also cross referenced my notes on who was supportive of what initiatives. All told I believe most, if not all of us are on the same page and would agree to what is noted below, the difference perhaps being the weight each would give to the overall importance.

I think it's important to start that the possibility of ZEC legislation provides a unique opportunity to move legislation forward and would enable the utilities to come together to support a broader legislative platform.

I took the liberty of framing the issues into natural groupings for case of future edits/ comments. Please let me know if you have any questions. Either Raja or I would be happy to start fleshing out some of what is listed below.

Lisa

**Generation Stabilization**-Goal is to ensure there is generation available within the state of Ohio. Through the creation of a Ohio based allocation, create fund certain investments to stabilize existing generation and encourage limited utility owned generation.

Components:

- Nuclear ZEC statewide [this is here simply because it is the ZEC legislation that creates the opportunity for us to come together to determine how we can support one piece of legislation]
- Ability to build renewable generation - specific legislation to address definition of "need" (AEP Duke AES) (As contemplated, this generation would receive the same clean energy attributes as nuclear if any legislation is passed and in exchange agree to repeal of renewable energy mandates)
- OVEC certainty (AEP & Duke; believe AES). This particular issue is tied to a proposed ZEC. To the extent ZEC charges are applied statewide; stability for OVEC and OVEC production receiving charges to offset future costs similar to ZEC's is essential to ensure support for legislation.
- Ability to build generation - (particularly natural gas) again with specific legislation to address definitions of "need" (AEP); [Chuck also mentioned getting back into IRP business which perhaps is the way to address this topic]

### **Economic Development**

-Line extension - socializing cost of new construction

-Substation - socializing cost of new construction

Infrastructure - "build it and they will come" approach/shovel ready sites to promote and enhance ED within the state. [might also tie in well with utility owned generation as we hear customers would like to at least have a utility option, particularly for renewables]

### **Customer based products/services**

-Products & Services - ability to sell customer-focused energy services (ALL)

-Ability to provide behind the meter solutions to a customer or set of customers (battery, solar etc) through the regulated utility as long as they have no direct financial impact to other customers.

### **Regulatory Reform**

-Energy Storage - ability to use energy storage as distribution asset (FE; AEP would agree)

-Electric Vehicle Charging- ability for EDUs to participate in this space (ALL)

-Demand Response (this was raised by Duke (and later by AES)) (need some clarity on what this means);

-Alternative rate mechanisms (formula rates) (FE)

-BroadbandDeployment - similar to AEP's WV legislation? (No would expect Ohio to be more expansive). Broadband development to focus on expanding BB opportunities to rural underserved communities where there are synergies with our own needed investments, potentially expanding into middle mile and not retail. (AEP) [may require separate legislation?]