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December 3, 2024
Before the Senate Energy and Public Utilities Committee
Proponent Testimony on House Bill 79

Chairman Reineke, Vice Chair McColley, Ranking Member Smith and members of the Senate Energy and Public Utilities Committee, thank you for allowing me to testify today.

I am Brian Billing, Director, Customer Experience for AEP Ohio. I am here to provide proponent testimony on House Bill 79 (HB 79), a bill that allows electric distribution utilities (EDUs) to voluntarily offer customers programs to help reduce wasted energy.

As this committee knows, the demand for electricity is forecast to continue to grow rapidly in our region. PJM released their preliminary load forecast last week¹, projecting an increase of over 17,000 MWs versus last year's forecast by 2030, which already showed 20,000 MWs of load growth. There are many resources that Ohio will need to leverage to meet that need, and energy waste reduction can be one of those resources Ohio uses to meet that need.

AEP Ohio has always supported the need to help our customers in the efficient use of energy and this bill provides an opportunity to further that support.

Specifically, the bill benefits customers in a number of ways:

- Generation, Transmission and Distribution infrastructure must be built to meet the peak demand for electricity use. That's a supply requirement. To lower the cost of meeting supply in all three areas, the demand for electricity must also be addressed at peak times. This bill helps address this direct need. Energy waste reduction reduces capacity requirements, which, in an environment where capacity costs have increased substantially, lowers costs for all customers.
- Requires that the EDUs deliver cost effective programs; i.e., overall savings must be greater than overall costs.
- Provides PUCO oversight to verify energy savings and cost effectiveness.
- Provides multiple cost caps to ensure minimum impact on customer bills.
- Provides both EDUs and customers a choice in offering and participating in programs.

¹ [20241125-item-05---preliminary-load-adjustment-requests-summary.ashx](#)

- Sets a reasonable level of annual energy savings of at least 0.5% for EDUs to achieve within the cost caps.
- Supports our lower income customers with dedicated programs to save energy and money.
- Provides every customer served by an EDU that offers programs an opportunity to participate regardless of whether they shop for electricity or not.

Further, this bill supports all customers by helping lower the overall cost of energy, supports new economic development in Ohio by providing opportunities for efficient new construction; supports an energy efficient economy; and grows jobs in Ohio for companies in the business of selling and installing energy efficient equipment. Simply put, saving energy, generates jobs. These jobs are spread across the state, benefitting every community.

AEP Ohio has a long and successful history of delivering cost effective programs by exceeding targets well below approved budgets when prior programs were offered. We expect any plan offered or approved under HB 79, while more modest in scope and budget, to be similarly effective.

Our company stands in support of HB 79 and is ready to continue that record of success in helping customers reduce wasted energy.

Thank you for your time and I am happy to answer any questions.