

Testimony of Dave Crusey, Director, Risk Management

AES Ohio (The Dayton Power and Light Company)

October 27, 2021

Chairman Hoops, Vice Chair Ray, Ranking Member Smith, and members of the House Public Utilities Committee, thank you for allowing me the opportunity to testify today with respect to AES Ohio's interest in OVEC and HB 351.

My name is Dave Crusey and I have been employed for 32 years at The Dayton Power and Light Company (now AES Ohio). I currently serve as the Director of Risk Management for our US operations.

As one of Ohio's four electric distribution utilities, AES Ohio safely and efficiently provides distribution and transmission services to approximately 520,000 customers located in West Central Ohio. We are proud of our 100+ years of service to the residents and businesses in our 24-county service territory.

AES Ohio opposes HB 351 which eliminates a long-term solution for our commitment as an owner in the Ohio Valley Electric Corporation (OVEC). AES Ohio owns approximately 5% of OVEC.

In my duties for AES Ohio, I serve as a representative on the OVEC operating committee. Unlike other generating stations, major decisions at OVEC require unanimous support from the diverse group of OVEC owners. As a result, while our state regulatory structure has evolved, we still have our obligation as a part-owner of OVEC and must make the necessary expenditures to keep it operating.

These plants are run in a lean and efficient manner. Operating costs must be approved by the OVEC owners who all have a keen focus on controlling OVEC's costs.

The existing law provides a long-term solution which balances customer and owner interests. The existing language provides customers with the net amount of all revenues and costs associated with OVEC. Importantly, this net amount may be either a charge or a credit to customers. As seen this past winter in different regions of the country, energy market conditions can change quickly and can be very volatile. OVEC's generating capacity helps support system reliability and increases stability and predictability for our customers.

We are seeking a sensible path forward for OVEC that balances customer and owner interests. I respectfully urge your rejection of HB 351.

Thank you. I would be happy to answer any questions.