
April 5, 2022

Hon. James M. Hoops
Chairman
Ohio House Public Utilities Committee
77 S. High Street
Columbus, Ohio 43215

Dear Chairman Hoops:

AES Ohio, formally The Dayton Power & Light Company, serves over 525,000 customers in west-central Ohio. Our 2,900 employees and retirees have served as the backbone for reliable and affordable electricity across a 6,000 square mile service territory in 24 counties. As part of the AES Corporation, we enjoy the benefits of being both local and global. AES is a US-based, global power company giving us a unique perspective to develop and deliver energy solutions. Our Dayton roots mean that we are completely integrated and invested in the Miami Valley community. Our global reach gives us the ability to develop and deliver new solutions, and to do so at scale. We share the experiences we have so that we can bring innovation and a broad range of solutions to Ohio.

On behalf of AES Ohio, I am writing to express our opposition to HB 317. The wide-ranging, yet one-sided bill re-writes much of Ohio's electric utility regulatory structure. While AES Ohio believes updates are warranted and has submitted comments along with other electric distribution utilities, the current version does not balance the needs of our customers and the company. Many of the proposals may inadvertently lead to increased utility prices and create new regulatory burdens.

Among the areas needing attention are: a. the bill neglects a crucial need to address recent FERC decisions that discriminate against Ohio transmission owners; b. creates an arbitrary administrative mandate for rate cases; c. forces a bureaucratic process to receive and spend IJJA funding already dedicated to improving grid reliability and resilience; d. includes new restrictions on utility owned generation at a time when customers regularly request more competition and options. These and other proposed changes would combine to depress capital investments at a time when economic development opportunities abound, and electric transmission and distribution are key components to the expansion of Ohio's economy.

The stability of Ohio's regulatory compact takes on special importance for AES Ohio as we complete the company's return to sound financials. You may have read a recent article in the Dayton Daily News detailing AES Ohio's financial condition, (*AES Ohio CEO testifies to utility's 'very fragile' financial condition - DDN, January 25, 2022*). The company is making important transmission and smart grid investments for our customers while keeping residential pricing the lowest in Ohio. A constructive state regulatory environment plays an important role in our financial condition.

We welcome conversations regarding energy policy and believe it is time for Ohio to develop a comprehensive energy strategy responding to emerging energy technologies and innovations. At your convenience, the AES Ohio team is available to discuss HB 317 and any other industry related issues.

Sincerely,



Thomas A. Raga
Vice President
AES US Utilities

cc: Ohio House Public Utilities Committee
AES Ohio Service Territory
Rep. Willis Blackshear, Jr.
Rep. Phil Plummer
Rep. Andrea White
Rep. Rodney Creech
Rep. Thomas Hall
Rep. Scott Lipps
Rep. Brian Lampton
Rep. Bill Dean
Rep. Kyle Koehler
Rep. Jena Powell
Rep. Craig Riedel
Rep. Jon Cross
Rep. Susan Manchester
Rep. Tracy Richardson
Rep. Shane Wilkin
Rep. Mark Johnson
Rep. Tom Young