



March 23, 2021

Before the Senate Financial Institutions and Technology Committee
Interested Party Testimony on House Bill 2

Chairman Wilson, Vice Chair Hottinger, Ranking Member Maharath and members of the Senate Financial Institutions and Technology Committee, thank you for allowing me to testify today. I am Raja Sundararajan, President and Chief Operating Officer for AEP Ohio. I am here to provide interested party testimony on House Bill 2 (HB 2). Better access to broadband throughout Ohio is not only critical to families and businesses but also to electric utilities. To achieve this, AEP Ohio believes that any legislation aimed at addressing the lack of access to broadband many Ohioans suffer must authorize electric utilities to apply to the Development Services Agency (DSA) for funding to deploy middle mile broadband infrastructure.

To help meet the need for broadband, electric utilities are willing and able to deploy fiber infrastructure to support broadband expansion. Electric utilities are modernizing the grid by deploying fiber designed for utility use to leverage and expand our existing assets. States around us continue to pass legislation outlining a clear role for utility and the results clearly show that involvement in fiber deployment is a cost-effective solution to the problem of building connectivity out to areas that currently lack it.

Under our proposal, electric distribution utilities would be allowed to bring an application before the DSA like other stakeholders in order to apply for grant dollars in the Ohio counties that are most in need. Our application would include an internet service provider's (ISP) documented plan to utilize the middle mile infrastructure to bring service to customers. Electric utilities would be required to formulate and publish procedures for evaluating proposals from ISPs that seek to utilize utility fiber. Finally, our proposal protects customers by implementing safeguards on any project costs that relate to providing electric service.

Recovery from the economic consequences of the pandemic will require an all-hands-on-deck effort, and much of rural Ohio and our service territory was already suffering economically before the pandemic. The committee has heard previous testimony indicating the need for \$2 billion in investment to bridge the broadband access gap. In addition to the support of the major business groups for broadband legislation in the last General Assembly, over 50 community groups and employers throughout our service territory have endorsed our middle mile concept and recognize its potential to improve lives in their communities.

In conclusion, AEP Ohio respectfully asks this committee to authorize electric utilities to apply for grants to deploy the middle mile broadband infrastructure that is critical to finally closing Ohio's broadband gap.

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