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BOUNDLESS ENERGY™

April 26th, 2023

Before the House Public Utilities Committee
Proponent Testimony on House Bill 79

Chairman Stein, Vice Chair Robb Blasdel, Ranking Member Weinstein and members of the House Public Utilities Committee, thank you for allowing me to testify today.

I am Jon Williams, Managing Director, Customer Experience & Distribution Technology 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.

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. The demand for electricity continues to grow. 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, lowering 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.
- 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.

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.