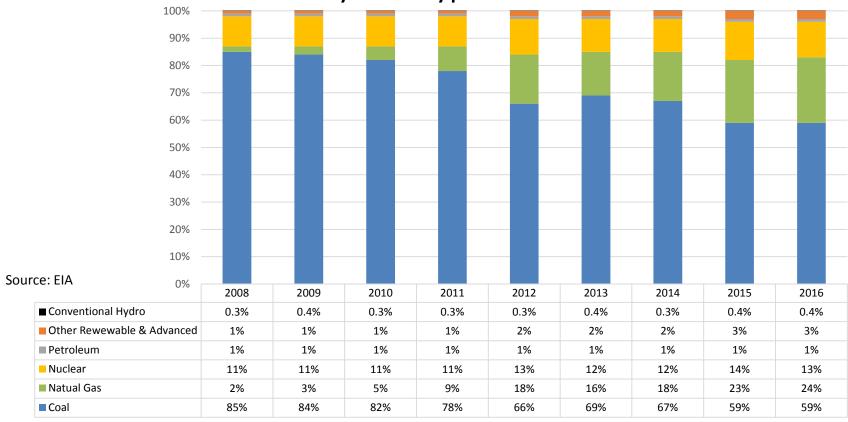


Key State Public Policies in the PJM Footprint

Asim Z. Haque, Chairman, Public Utilities Commission of Ohio June 2, 2017

Ohio Annual Generation by Fuel Type



Ohio PPA Timelines

- 12/13 AEP Ohio files ESP w/OVEC PPA.
- 5/14 Duke Energy Ohio files ESP w/OVEC PPA.
- 8/14 FirstEnergy files ESP w/PPA rider.
- 10/14 AEP Ohio files expanded PPA rider.
- 2/15 PUCO authorizes AEP Ohio ESP w/rider; denied OVEC cost/credits.
- 4/15 PUCO authorizes Duke Energy Ohio ESP w/rider; denies OVEC cost/credits.
- 12/15 Settlements in AEP Ohio expanded PPA; FE ESP.

- 3/16 PUCO approves and modifies settlement agreements.
- 4/16 FERC requires *Edgar* test.
- 5/16 AEP files OVEC-only PPA; FE files for "virtual" PPA.
- 6/16 PUCO staff propose FE DMR alternative.
- 10/16 PUCO authorizes FE DMR, denies "virtual" PPA (pending rehearing).
- 11/16 PUCO grants AEP Ohio OVEC-only PPA.
- 3/17 Duke Energy Ohio files modified OVEC PPA rider (*pending case*).

Ohio Revised Code 4928.143 (B)(2)(c)

The establishment of a nonbypassable surcharge for the life of an electric generating facility that is owned or operated by the electric distribution utility, was sourced through a competitive bid process subject to any such rules as the commission adopts under division (B)(2)(b) of this section, and is newly used and useful on or after January 1, 2009, which surcharge shall cover all costs of the utility specified in the application, excluding costs recovered through a surcharge under division (B)(2)(b) of this section. However, no surcharge shall be authorized unless the commission first determines in the proceeding that there is need for the facility based on resource planning projections submitted by the electric distribution utility. Additionally, if a surcharge is authorized for a facility pursuant to plan approval under division (C) of this section and as a condition of the continuation of the surcharge, the electric distribution utility shall dedicate to Ohio consumers the capacity and energy and the rate associated with the cost of that facility. Before the commission authorizes any surcharge pursuant to this division, it may consider, as applicable, the effects of any decommissioning, deratings, and retirements.



Adjusted Scopes and Priority

- 1. Reliability Value of Baseload Generation and Implications of Accelerated Retirements
- 2. Contingency Response of DER and Other Inverter-Based Resources
- 3. Changing Resource Mix on Reserves, Forecasting, and Resource Adequacy
- 4. Changing End-Use Load Characteristics and Dynamic Load Modeling

- Addresses all "baseload" generation
- Considers the value of low outage/maintenance
- Considers the value of firm and onsite fuel
- Assessment of dynamic behavior and interaction with transmission system dynamics, protection, and control
- Combine related issues that focus on resource adequacy components and analysis
- Oriented for technical audience



Thank you!