

June 18, 2019

Via Electronic Filing

Ms. Tanowa Troupe
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, Ohio 43215

RE: PUCO Case Nos. 15-1830-EL-AIR *et al.*, Environmental Parties' Status Report on Non-Wires Alternatives Pilot

Dear Ms. Troupe:

The Environmental Law & Policy Center, Environmental Defense Fund, Natural Resources Defense Council, and Ohio Environmental Council (collectively, "Environmental Parties") hereby submit this status report to the Public Utilities Commission of Ohio ("Commission") as provided in the Stipulation and Recommendation ("Stipulation") filed in the above-captioned cases on June 18, 2018.

Since June 2018, the Environmental Parties, Dayton Power & Light Company ("DP&L" or "Company")), and other interested stakeholders have engaged in discussions regarding a pilot plan for potential implementation of "non-wires alternatives, or "NWA," such as energy efficiency, demand response, distributed generation, and energy storage, in order to cost-effectively defer or avoid distribution investments otherwise planned by DP&L. The aim of these efforts has been to work towards carrying out the Commission's vision in the August 2018 PowerForward report, in which the Commission stated that any Ohio electric utility "is encouraged to consider the use of NWAs as an option to defer or avoid more expensive distribution system investments." *PowerForward: A Roadmap to Ohio's Electricity Future* ("PowerForward Roadmap") (Aug. 29, 2018) at 24.

In accordance with the Stipulation, the Environmental Parties, DP&L, the Staff of the Public Utilities Commission of Ohio ("Commission"), and interested stakeholders have met in person and talked by phone on several occasions over the past year. These discussions have been productive in providing additional information to all stakeholders regarding the details of DP&L's distribution planning process. Additionally, the Environmental Parties believe that conversations about a potential specific utility pilot have served as a useful complement to ongoing, but more generic, dialogue about non-wires alternatives in the context of the Commission's PowerForward Distribution System Planning Workgroup (Case No. 18-1596-EL-GRD). Through discussions with DP&L, the Environmental Parties and others have been able to explore how DP&L might utilize existing resources such as energy efficiency and demand response programs, or procure new resources such as distributed generation or storage, within the Company's existing planning process.

Although this process has not yet resulted in a specific pilot proposal, the Environmental Parties intend to continue collaborating with DP&L toward developing a pilot in at least two near-term

contexts: DP&L's pending grid modernization docket, Case No. 18-1875-EL-GRD; and DP&L's energy efficiency/peak demand reduction portfolio plan. Both of these settings involve proposals for distributed energy resources (such as battery storage, distributed solar, and energy efficiency/peak demand reduction resources) that could be applied to defer or avoid more expensive distribution investments, consistent with the Commission's goal of promoting innovation that will enhance the customer electricity experience.

As the Environmental Parties move forward with these discussions with DP&L, Commission Staff, and other stakeholders, it would be extremely helpful for the Commission to provide prospective guidance on certain key issues. In particular, the Commission could greatly facilitate conversations on this topic by clarifying its views on viable avenues for cost recovery for a NWA pilot. It has become clear in the ongoing discussions that it will not be simple to work out the details of a pilot acceptable to all stakeholders. It is important to have a clear path for cost recovery so that all parties' efforts in designing such a pilot and identifying potential projects will not go to waste.

Ohio will ultimately realize the cost savings, as well as the reliability and resiliency benefits, offered by beneficial NWAs only by actually implementing a NWA pilot program. Our discussions pursuant to this stipulation have successfully moved in that direction, but we hope to partner with DP&L, Commission Staff, and other stakeholders in actually reaching the tangible result of a NWA pilot that produces net benefits for all Ohio customers.

Sincerely,

/s/ Madeline Fleisher

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cc: Service List, Case Nos. 15-1830-EL-AIR et al.

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing Correspondence submitted on behalf of the Environmental Law & Policy Center, Environmental Defense Fund, Natural Resources Defense Council, and Ohio Environmental Council was served by electronic mail, upon all Parties of Record, on June 18, 2019.

/s/ Madeline Fleisher

Madeline Fleisher

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in

Case No(s). 15-1830-EL-AIR, 15-1831-EL-AAM, 15-1832-EL-ATA

Summary: Correspondence Correspondence regarding Environmental Parties' Status Report on Development of Non-Wires Alternatives Pilot Plan electronically filed by Madeline Fleisher on behalf of Environmental Law & Policy Center and Natural Resources Defense Council and Ohio Environmental Council and Environmental Defense Fund