BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Ohio)	
Power Company for Authority to Establish a)	
Standard Service Offer Pursuant to Section)	Case No. 16-1852-EL-SSO
4928.143, Revised Code, in the Form of an)	
Electric Security Plan)	
In the Matter of the Application of Ohio)	
Power Company for Approval of Certain)	Case No. 16-1853-EL-AAM
Accounting Authority)	

AEP OHIO REPORT ON MIDSTREAM ADJUSTMENTS TO THE EV REBATE PROGRAM ADOPTED AS PART OF THE SMART CITY RIDER

As part of the Stipulation, the Signatory Parties agreed to establish a new Smart City

Rider to recover costs associated with technology demonstration projects for electric vehicle

charging stations and microgrids. Jt. Ex. 1 at 10 (§III.F). In its Opinion and Order in this case,

the Commission thoroughly explained the background and context of its decision to approve the

Smart City Rider as part of AEP Ohio's ESP IV:

[I]n June 2016, the city of Columbus won the Smart City Challenge and received a \$40 million grant from the U.S. Department of Transportation to be the model for connected cities of the future. In addition, as the winner of the Smart City Challenge, the city of Columbus received a \$10 million grant from Vulcan, Inc., a Paul Allen Company, to focus on decarbonization of the energy and transportation sectors. Despite the name, the Smart Columbus Plan is a region-wide, comprehensive, integrated plan to address an array of urban mobility and transportation challenges faced by central Ohio communities using new technologies, including, but not limited to, connected infrastructure, electric vehicles and EV charging station infrastructure and integrated data platforms, and autonomous vehicles. The purpose of the Smart Columbus Plan is to improve people's quality of life particularly in underserved communities, drive growth in the economy, provide better access to jobs and ladders of opportunity, and foster sustainability. It is the Commission's understanding that AEP Ohio committed to support the Smart Columbus Plan particularly with regard to decarbonization of the power supply and other carbon emission reduction strategies, to advance the deployment of EV charging stations, and to seek regulatory approval for the associated projects, as necessary.

ESP IV Opinion and Order at ¶ 172.

The Commission summarized the EV rebate component of the Smart City Rider programs

as follows:

AEP Ohio has agreed, as part of the Stipulation, to initiate and operate an EV charging station rebate program. The program will offer up to \$10 million in rebates, including AEP Ohio administrative fees, on a competitively neutral basis, for up to 375 network-connected, smart EV charging stations. AEP Ohio has committed to ensuring that at least ten percent of the charging stations will be reserved for low-income geographic areas. AEP Ohio will access or receive data from the charging stations installed as part of the program and the data will be shared with the Signatory Parties and in a final report to be available to the public. The Signatory Parties assert that the EV charging station project will provide AEP Ohio, the Commission, and other interested stakeholders with information regarding siting considerations, pricing, and affordability, in order to optimize resources, ensure system reliability, and facilitate well informed utility planning decisions. EVCA [the electric vehicle charging association comprised of competitive providers] and Staff endorse the charging station rebate program for its ability to foster a scalable and sustainable competitive market for electric vehicles and charging stations in Ohio. According to EVCA, the rebate program facilitates a competitive market among charging station participants, limits utility development risk, and enhances innovation, competition, and customer choice.

Id. at ¶ 159. Thus, the EV rebate program is competitively-neutral, designed to benefit public-

serving facilities, and includes low-income target benefits.

The Stipulation established initial "targets" for the EV rebate program but provided for a

midstream review of the program:

At the midpoint of the four-year EV rebate implementation, the Company will reassess the target categorical allocation as well as the allocation of \$9.5 million rebate funding as between DCF (\$5.8 million) and Level 2 (\$3.7 million); with

Staff's input and advice, the Company may reallocate the funding as between DCF and Level 2 underneath the \$9.5 million cap.

Stipulation, Jt. Ex. 1, at 15 (§ III.H.1.d.) The allocation for low-income geographic areas was also subject to re-evaluation as part of the midstream review. Id. at 16 (§ III.H.1.e.)

AEP Ohio recently undertook its midstream evaluation of the EV rebate program consistent with Paragraph III.H of the Stipulation adopted by the Commission in this proceeding. The Company notified the Parties about the pending evaluation and conducted an open discussion at the Commission offices on June 28, 2019, which included the Staff and several intervenors and even a few additional interested organizations that were not formal parties to this proceeding. The Company exchanged information with interested parties, conducted follow-up discussions with each party that expressed an interest.

AEP Ohio circulated proposed adjustments on September 9, 2019 and asked for written comments back by September 18, 2019. After considering all of comments received and incorporating the experience accumulated to date in administering the program, AEP Ohio plans to make the following adjustments, effective November 15, 2019, consistent with the midstream update to the program:

Level 2 Charging Program Changes

• Re-open all categories and remove target allocations for rebates. Continue to make strong efforts to maintain low income and multi-family targets. This change will allow the highest interest area of public charging need to be met, providing more customer access to EV charging.

DC Fast Charging Program Changes

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- Increase the 5% incentive limit per customer (\$475,000) to 10% (\$950,000). This will help customers with multiple locations serve the public; i.e., corridor charging, shared mobility charging, etc.
- Clarify the definition of public charging to include customers who provide transportation to the public such as mass transit, shuttle buses for communities/airports/etc., taxis or other public serving transportation.

In addition, AEP Ohio proposes to establish three regular meetings per year with Staff and the Parties to *ESP IV* to discuss additional progress, opportunities and review reporting. We plan to schedule the next meeting in December 2019 and hold them every 4 months.

The purpose of this report is to update the record and implement the midstream adjustments in a manner consistent with the Stipulation adopted by the Commission. Absent additional directives from the Commission, the Company plans to proceed as described above. The Company is excited about the progress made to date and the modified plans for completing the implementation of this program. AEP Ohio anticipates continued cooperation with the Staff, the Parties and the Commission in completing this important program. Respectfully submitted,

> <u>/s/ Steven T. Nourse</u> Steven T. Nourse (0046705) Counsel of Record Christen M. Blend (0086881) American Electric Power Service Corporation 1 Riverside Plaza, 29th Floor Columbus, Ohio 43215 Telephone: (614) 716-1608 Fax: (614) 716-2950 Email: <u>stnourse@aep.com</u> <u>cmblend@aep.com</u>

(willing to accept service by e-mail)

Counsel for Ohio Power Company

CERTIFICATE OF SERVICE

In accordance with Rule 4901-1-05, Ohio Administrative Code, the PUCO's e-filing system will electronically serve notice of the filing of this document upon the following parties. In addition, I hereby certify that a service copy of the foregoing was sent by, or on behalf of, the undersigned counsel to the following parties of record this 18th day of October, 2019, via electronic transmission.

<u>/s/ Steven T. Nourse</u> Steven T. Nourse

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Summary: Report - AEP Ohio Report on Midstream Adjustments to the EV Rebate Program Adopted as Part of the Smart City Rider electronically filed by Mr. Steven T Nourse on behalf of Ohio Power Company