

Case No. 23-0301-EL-SSO

In the Matter of the Application of Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company for Authority to Provide for a Standard Service Offer Pursuant to R.C. § 4928.143 in the Form of an Electric Security Plan

**RESPONSES TO THE PUBLIC UTILITIES COMMISSION OF OHIO'S
DATA REQUESTS**

- PUCO DR-004** On page 9 of Fanelli's testimony, he states: "During the eight-year term of ESP V, the Companies plan to spend \$16 million to support these goals, including at least \$12 million on electric vehicle-related initiatives and up to \$4 million on grid innovation investments, without cost recovery from customers."
1. Please provide additional information on the EV-related initiatives, including the budget and program design for the planned education efforts and financial incentives to encourage EV adoption.
 2. Is the \$12 million in shareholder funded EV initiative in the current case intended to replace or supplement the EV pilot program proposed as part of Case No. 22-0704-EL-UNC (Grid Mod II) application?
 3. If the \$12 million in shareholder funded EV initiative in the current case is intended to supplement the EV pilot program proposed as part of the Grid Mod II application, then how are the two program designs and anticipated benefits different and/or similar?
 4. Is the \$4 million on grid innovation investments for the Companies' "proposed Storage as a Distribution Asset [SADA] program for consideration" under the GIP of the IIJA different in scope from the DER pilot (front-of-the-meter battery energy storage system) proposed as part of Case No. 22-0704-EL-UNC (Grid Mod II) application? Could the DER pilot proposed as part of Grid Mod II be funded under the GIP funds, if awarded by U.S. DOE?
 5. What are the goals and benefits associated with the proposed SADA program in the current case and the DER pilot in the Grid Mod II case?
 6. How do the Companies plan to track the spending associated with the shareholder commitments for EV-related initiatives and grid innovation investments?
 7. Will the annual spending on shareholder commitments for EV-related initiatives and grid innovation investments be shared with stakeholders?
 8. Will the project status of the EV-related initiatives and grid innovation investments be shared with stakeholders? If so, in what forum or format?

- Response:**
1. The Companies' plans for the EV initiatives proposed in ESP V are summarized below.
 - Commercial web application, marketing and communications campaigns – The commercial web application is intended to assist fleets in conversion to electric vehicles and establish charging infrastructure/plans that lower the overall total cost of ownership, including fueling. Application may include EV Benefits, Frequently Asked Questions, EV Promotions and Incentives Directory, Public Charger Finder, Level 2 & 3 (DCFC) Charger Reviewer, Directory of Local EV Charger Installers, Dealer Locator, and Case Study Database. Additional marketing and communications campaigns are intended to drive education and awareness of programs and tools available to customers that enable them to make choices regarding their Electric Vehicle ownership, charging and driving needs. Estimated average annual spending = ~\$0.5M - \$0.7M.
 - Financial assistance for customers to retain professional grant writing assistance to attract government funding – Program intended to provide funding for customers to retain professional grant writing services to help customers apply for grants/funding for qualifying projects. Assistance will be offered on a first-come-first-serve basis, and will prioritize rural and underserved communities, which is consistent with the objectives of the Federal programs. Estimated average annual spending = ~\$0.4M – \$0.6M.
 - Educational “EV toolkit” for auto dealerships – Program intended to market to dealers to join a subscription sponsored by the Companies for the residential and/or fleet website, including a dealer specific URL for use by dealer employees and customers. The program may include in-showroom kiosk and showroom printed materials to provide education and awareness to dealer staff and dealer customers. Estimated average annual spending = ~\$0.1M.
 - Financial assistance for customers to retain fleet advisory services – Customers can retain professional fleet advisory services to perform a detailed assessment of the customer's EV fleet needs, including but not limited to: remote and charging depot vehicle and infrastructure needs to support electrification of their fleet, to balance operational needs, lower initial make-ready costs, improve load management and total cost of ownership. Estimated average annual spending = ~\$0.3M-\$0.5M.
 2. The \$12 million to support EV initiative proposed in ESP V is separate from and in addition to the EV pilot programs proposed in Grid Mod II.
 3. The two programs are separate and unrelated and do not lend themselves to a comparison of program designs and anticipated benefits. The proposed ESP V EV programs are focused on customer education and financial assistance to help customers in their decision to adopt electric vehicles.

These initiatives are designed to help ensure customers have good experiences with electric vehicles, help them understand how to maximize the benefits of their investment, and support widespread adoption of the technology. In contrast, the proposed Grid Mod II EV programs support the Companies' grid modernization efforts and are focused on serving growing EV charger load while continuing to provide safe, reliable, affordable distribution service. These programs are designed to use a Distributed Energy Resource Management System (DERMS) to influence or cause EV charging to occur at times that are beneficial, or at least not detrimental, to the distribution system.

4. The proposed SADA project and the DER Pilot in-front-of-the-meter battery energy storage system ("FTM BESS") proposed in Grid Mod II target different areas. While both projects ultimately alleviate the need for new distribution capacity, the SADA project targets locations in disadvantaged communities (DACs), as defined by the White House Climate and Economic Justice Screening Tool, that have minimal tie opportunities, feeder topology challenges, or a need for voltage support. In contrast, the FTM BESS proposal targets a service plaza on the Ohio Turnpike.

It is unlikely that the DER Pilot FTM BESS proposed as part of Grid Mod II could be funded under the SADA application for GIP funds. An integral part of the SADA proposal in the Commission's application was 100% of the Project benefits would flow to DACs. The DER Pilot FTM BESS proposes installing battery storage at a service plaza on the Ohio Turnpike. Less than five miles of the 241-mile Ohio Turnpike, and none of its 14 service plazas, are in DACs. Further, beneficiaries of the upgrades from the FTM BESS program would be motorists traveling across the state and not the local community.

5. The SADA application was designed to align with DOE program goals. The SADA project will 1) ensure reliable grid operations by reducing the frequency and duration of disruptions, 2) improve overall distribution grid resilience by avoiding, withstanding, and recovering from disruptions, 3) enhance industry collaboration on grid resilience, 4) contribute to the decarbonization of the electric grid by enabling DER, EVs and electrification, and 5) provide enhanced system value by targeting work and benefits to DACs.

The FTM BESS project proposed in Grid Mod II is designed to evaluate the ability to use battery storage to alleviate the need for new distribution capacity at a specific site. Estimated benefits include: 1) avoided transmission and distribution costs, 2) CO₂ emission reductions, 3) opportunity to reduce loading on circuits and thus reduce premature failure of distribution system components, 4) enhancing the Companies' planning flexibility, 5) increasing the Companies' familiarity with the integration,

capabilities, and management of DER technologies and thus lower future distribution costs in the Companies' service territories, and 6) likely regional macroeconomic benefits including economic activity from the supply chain that is necessary to support the direct investment in the pilot and spending by employees in newly created jobs on goods and services within the local economy.

6. For the ESP V EV initiatives, the Companies plan to track the progress of each initiative, including number of participants, and actual spending on a monthly basis. If the SADA project is approved, the Companies expect there will be reporting requirements to the DOE and the Companies intend to follow those reporting requirements. Separately, the Companies intend to track spending on the SADA project through specific cost collectors. That tracking will be used to ensure that up to the first \$4 million of SADA project spend not reimbursed by the DOE, will not be included in the calculation of any rate or rider charged to customers.
7. Yes. The Companies can provide stakeholders with the annual spending on the EV initiatives proposed in ESP V in accordance with terms prescribed by the Commission. The Companies can also provide stakeholders annual spending on the SADA project, if approved, and in accordance with any reporting requirements prescribed by the DOE.
8. Yes. The Companies can provide stakeholders with the project status on the EV initiatives proposed in ESP V in accordance with terms prescribed by the Commission. The Companies can also provide stakeholders with similar information on the SADA project, if approved, and in accordance with any reporting requirements prescribed by the DOE.

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Summary: Exhibit OMAEG Exh 3 electronically filed by Mr. Ken Spencer on behalf
of Armstrong & Okey, Inc..