Minutes of the Commission Meeting
PowerForward: Ratemaking and Regulation
Week 2, Day 3
March 22, 2018 – 9:00 a.m. – 4:30 p.m.

Present:

Asim Z. Haque, Chairman
M. Beth Trombold, Commissioner
Thomas W. Johnson, Commissioner
Lawrence K. Friedeman, Commissioner
Daniel R. Conway, Commissioner
Howard Petricoff, Chief Analyst
Tamara Turkenton, Director, Rates and Analysis Department
Krystina Schaefer, Grid Modernization & Security Section, Rates and Analysis Department

The Commission met for the purpose of the third phase of PowerForward.

The meeting began at 9:00 a.m. in Hearing Room 11-B at the offices of the Commission.

1. Rate Design: Stakeholder Perspectives
   Robert Kelter, Senior Attorney, Environmental Law & Policy Center
   Mr. Kelter presented cautions for rate design strategies and focused on energy efficiency programs.

   David Roush, Director, Regulatory Pricing & Analysis, AEP
   Mr. Roush presented balanced pricing approaches of rate design.

   Nathan Parke, Senior Management, Regulatory Operations, Dayton Power & Light
   Mr. Parke presented DP&L’s rate design approaches and potential future rate design approaches.

2. Rate Design: Stakeholder Perspectives
   Sam Randazzo, Partner, McNees Wallace & Nurick LLC; General Counsel, Industrial Energy Users-Ohio
   Mr. Randazzo gave a history on how utility regulation in Ohio has evolved and will continue to evolve.
Sonny Fanelli, Director, Rates & Regulatory Affairs – Ohio, FirstEnergy
Mr. Fanelli presented FirstEnergy’s current rate design tariffs and pilot programs previously employed.

Jeff Bailey, Director, Rate Design & Analysis, Duke Energy
Mr. Bailey presented Duke Energy’s goals and objectives for rate design in the future.

Katie Rever, Director, Legislative & Regulatory Affairs, IGS Solar
Ms. Rever discussed tailoring rate design to encourage customer involvement.

The meeting took a break at 12:30 p.m. and resumed at 1:15 p.m.

3. Rate Design: Optimizing Value for the Customer & System
   Paul Centolella, President, Paul Centolella & Associates, LLC
   Mr. Centolella presented focuses and avoidances for creating better rate design strategies.

   James Sherwood, Manager, Rocky Mountain Institute
   Mr. Sherwood provided an objective review of varying rate design methods, namely tied to timing.

   Doug Staker, Vice President, Global Sales, Demand Energy Networks, Inc.
   Mr. Staker demonstrated peak demand pricing structures.

4. Rate Design: Optimizing Value for the Customer & System (continued)
   Russell Feingold, Vice President, Rates & Regulatory Practice, Black & Veatch Management Consulting, LLC
   Mr. Feingold presented rate design implications as it relates to distributed energy resources.

   Danny Waggoner, Senior Manager, Regulatory Transformation, Advanced Energy Economy
   Mr. Waggoner discussed the transitional period that DERs technology is in and will continue to experience through rate design.

   Jennifer Kefer, Executive Director, Alliance for Industrial Efficiency
   Ms. Kefer discussed standby tariffs, mainly as it relates to combined heat and power generation.

   Jamie Scripps, Principal, S Lakes Energy
   Ms. Scripps explained the Apples-to-Apples standby approach to determine if CHP generation is cost effective.

5. Closing Remarks were given by Chairman Haque and Vice-Chair Trombold.
The meeting adjourned at approximately 5:00 p.m.

[Signatures]

Chair

Secretary