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BOUNDLESS ENERGY™

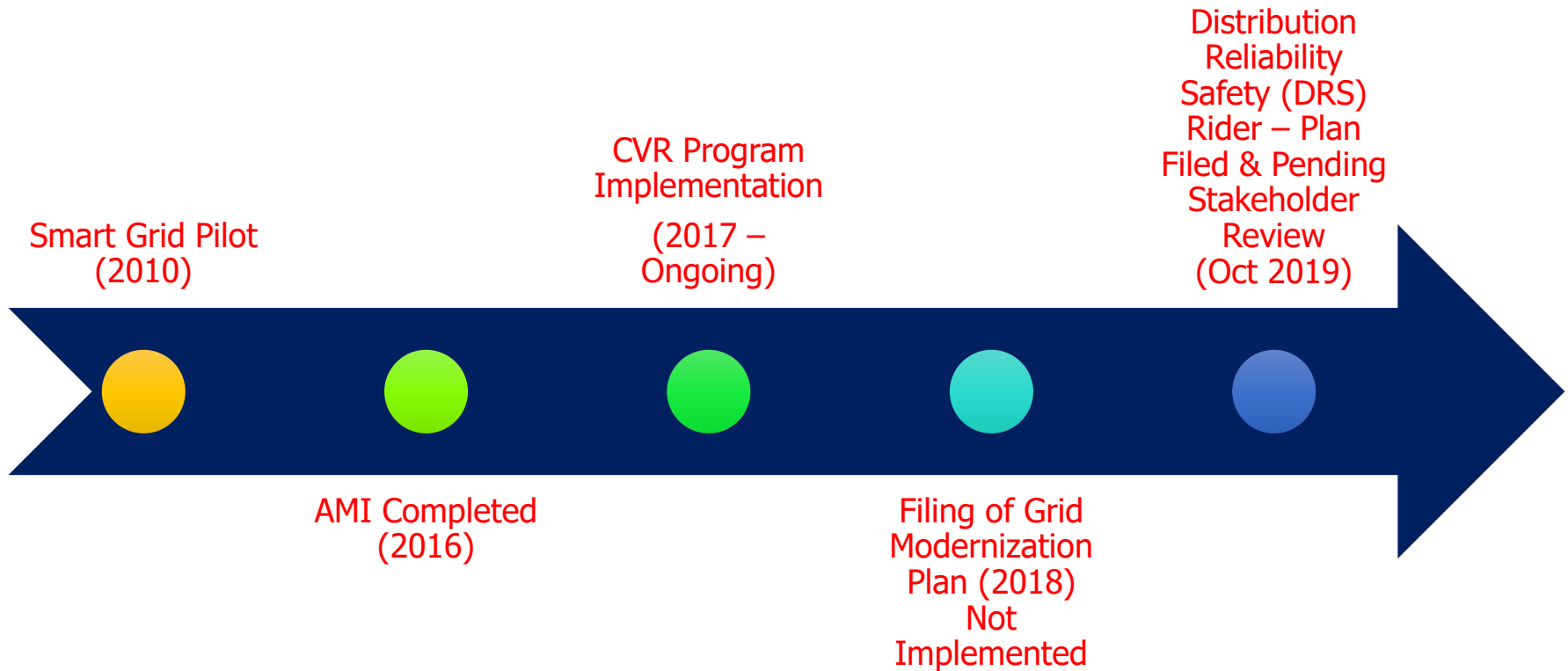
Grid Modernization Update

Oklahoma Corporation Commission
November 14, 2019

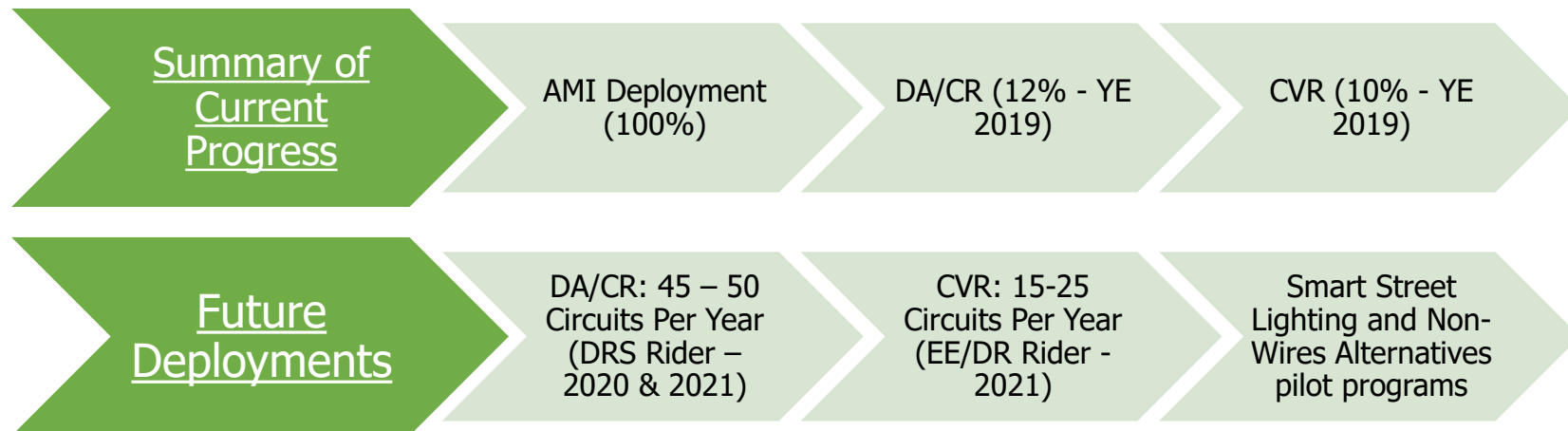
Modernization Acronyms

- AMI – Automated Metering Infrastructure
- CVR – Conservation Voltage Reduction
- DA/CR – Distribution Automation/
Circuit Reconfiguration
- DER – Distributed Energy Resources

Grid Modernization Projects



Progress and Future Technology Deployments



Benefits Realized by Modernization Investments

Automated Metering Infrastructure

- Enabler for Customer Programs (TOU, Pre-Pay, etc.)
- Customer education on energy usage (Web Portal)
- Mobile alerts and outage communications
- Outage Restoration (major events and blue sky days)
- Equipment failure and power quality predictor
- Reduced operating expenses
- System operations and planning
- Reduces/delays capacity increases
- Public and employee safety

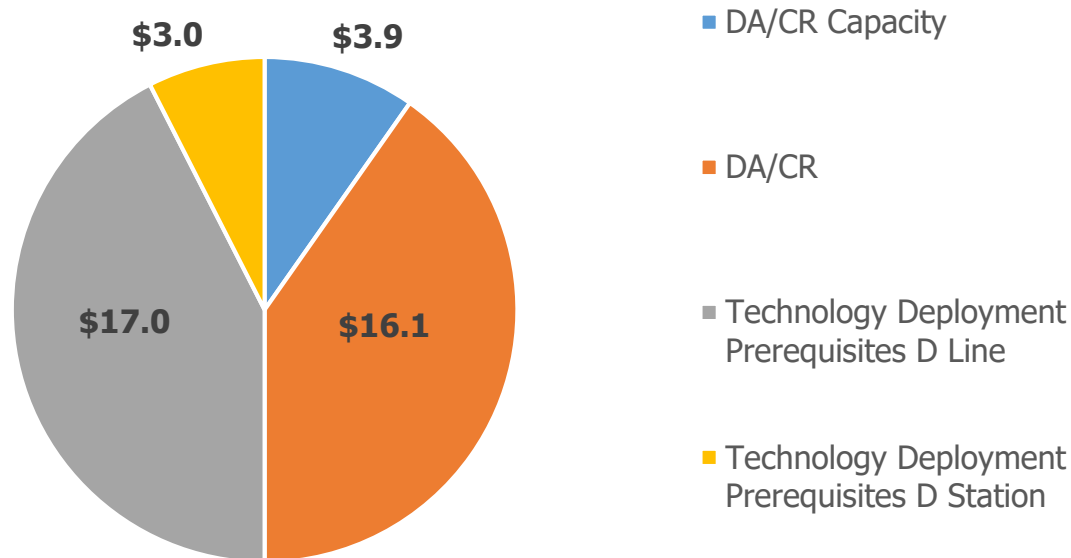
Benefits Realized by Modernization Investments

Distribution Automation

- Automatic isolation of electrical faults and restoration of undamaged sections of grid (resiliency)
- Limits customers impacted by sustained outages
- Reduced trouble shooting and restoration time
- Improved public safety
- Facilitates DER integration
- Overall reduction of outage duration and scope lowers economic impacts on commerce

DRS Rider Plan 2020

Plan Components (proposed pending stakeholder review):



Total 2020 investment = \$40M

Note: Does not address accelerated replacement of aging infrastructure with modern equipment.

Modernization Drivers

- OCC and stakeholder support for NARUC CI-1/EL-2 Resolution Regarding Infrastructure Modernization Programs
- Expansion and continuation of PSO's DRS Rider beyond next rate filing
- Accelerated replacement of aging grid infrastructure with modern equipment
- Added focus on ability to accommodate customer DER installations
- Continued discussions regarding alternative cost recovery mechanisms that support grid modernization activities