

AEP OHIO®
A unit of American Electric Power

Community Connections

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Published periodically for community leaders throughout AEP Ohio's service territory

Company's gridSMART® phase two to benefit more than 30 communities



On Sept. 16, AEP Ohio filed a plan with the Public Utilities Commission of Ohio (PUCO) to broaden the company's successful gridSMART® program to more than 30 communities throughout its service territory. The plan includes:

- installation of advanced metering infrastructure (AMI) to approximately 900,000 customers
- distribution automation circuit reconfiguration (DACR) to improve the reliability of 250 distribution circuits
- volt var optimization to better control the voltage of 80 distribution circuits serving 119,000 customers.

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New commercial spotlights company's role in Ohio's growth

AEP Ohio's Economic Development group has developed a 30-second television commercial to promote economic development in the company's service territory. The commercial, "AEP Shining Brightly," is airing through Nov. 19 in the Columbus and Lima television markets on various channels and on *The Columbus Dispatch* website.

"We produced this commercial to highlight our role in supporting Ohio's economic recovery," said Tim Wells, AEP economic development manager for Ohio. "When businesses seek to relocate to Ohio, or expand their operations here, they need to have confidence that they have a foundation of reliable, affordable electricity from AEP Ohio."

A narrator says, "Every day we turn the lights on across the state ..." The commercial goes on to highlight the company's contribution to the state's economic revival.

You can view the ad at bit.ly/AEPShiningBrightly



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Company's gridSMART® phase two will benefit more than 30 communities *continued*

Following regulatory review and approval, AEP Ohio anticipates the $295 million project will take four years to complete.

The company proposes to install AMI in the following cities: Athens, Bucyrus, Cambridge, Canton, Chillicothe, Circleville, Columbus, Coshocton, East Liverpool, Findlay, Fostoria, Fremont, Gallipolis, Hillsboro, Ironton, Kenton, Lancaster, Lima, Marietta, Nelsonville, Newark, New Philadelphia, Portsmouth, Southpoint/Chesapeake, Steubenville, Tiffin, Upper Sandusky, Van Wert, Waverly, Wooster and Zanesville.

The expansion of the gridSMART program is built upon proven technologies and solutions that were implemented during the company's gridSMART Demonstration Project, which was launched in 2009 in northeast central Ohio. The four-year pioneer campaign allowed AEP Ohio to test a host of smart grid devices, programs and services to determine what smart grid services worked best for both customers and AEP Ohio.

AEP Ohio is proposing to recover the costs of this project through a rider to customers' bills. The company anticipates the cost for the average residential customer using 1,000 kWh per month to be approximately $2 per month for the first five years.

To read more about gridSMART Phase Two, please visit www.aepohio.com/gridsmart2. To read more about the gridSMART Demonstration Project, please visit: www.gridsmartohio.com

AMI *is a digital electric meter equipped with two-way communications technology that provides near real-time meter readings and the secure transfer of usage information to AEP Ohio for billing and operational purposes. This provides customers with improved reliability because AEP Ohio is better equipped to detect power outage locations and repairs can begin quickly. In addition, remote meter reading means that meter readers no longer need to enter a customer's property to determine electricity usage.*

"AMI provides environmental benefits as well," said Pablo Vegas, AEP Ohio president and chief operating officer. "Because we no longer have to send meter readers to a customer's home or business, we estimate we will be able to eliminate 187,000 metric tons of carbon dioxide by no longer driving more than 440,000 miles annually."

Distribution automation *is an electrical process that automatically detects energy-load levels and reroutes electricity within the AEP Ohio electrical grid as necessary. This allows AEP Ohio to monitor for potential electrical faults and/or isolate portions of its network when a fault occurs. The ability to strategically reroute electricity loads helps to maintain electricity delivery to the majority of customers. This is known as a "self-healing" system and allows AEP Ohio to reduce the number of homes affected by a power outage. With distribution automation being installed on 250 distribution circuits, more than 330,000 customers will experience fewer outages and quicker restoration times.*

Volt var optimization *reduces energy consumption and demand without customer interaction. This program achieves energy efficiency by better controlling and monitoring the voltage levels on a distribution circuit, reducing the energy consumption on that circuit. This allows AEP Ohio to supply voltages to customers' homes that are closer to the design voltage of customers' electrical equipment and increase the efficiency of a customer's electric usage by reducing excess voltage. Customers experience lower energy consumption while maintaining the same level of comfort and service.*

AEP announces nine qualified data center sites

American Electric Power has received designations for nine data center sites after a comprehensive review of locations across its 11-state territory. Biggins Lacy Shapiro & Co. (BLS), the site selection firm AEP commissioned for the study, determined that AEP's nine sites offer a reliable and redundant power supply, strong fiber networks, low disaster risks and a business-friendly climate.

This site certification is designed to help cities attract companies that may be looking to build a complex data center and bring jobs to the area.

"The data center pre-qualification process allowed us to clearly understand the needs of data center users and distinguish AEP as an electric utility able to support those needs," said Tim Wells, AEP economic and business development manager for Ohio. "It gives our service territory an advantage in a highly competitive site selection process for data centers."

Two of the nine qualified data center sites are in Ohio:

Findlay Commerce Park *(Findlay)*

Wolpert Greenfield Site *(Hilliard)*

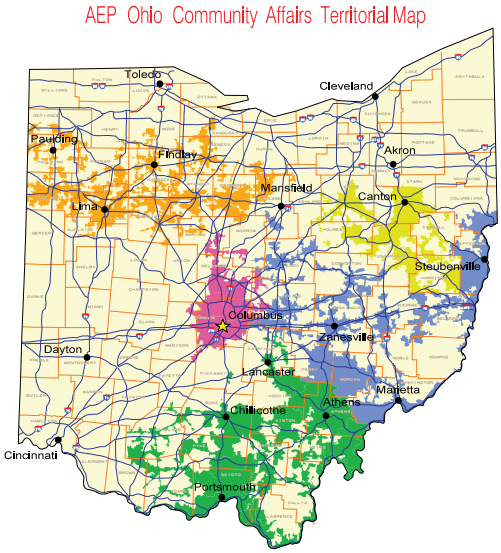
AEP also looked at incentive availability, state tax policy and availability of free cooling to keep the data centers at the optimum temperature.

"We look for growth opportunities to enhance our local and regional economy," said David Meeks, Hilliard economic development director. "This designation provides an attractive opportunity for data center users and other mission critical facilities to consider making our community their home."

"This designation represents Findlay's ability to meet the increasingly complex needs of data center users," said Tony Iriti, Findlay-Hancock economic development director.

Information about AEP's data center qualification process can be found at www.aep.datacenters.com

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