

# Sustainability and AEP

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# Sustainability For AEP

Sustainability is not a program – it's a business strategy that enhances opportunities to deliver greater value to our customers and shareholders.

# Sustainability In Action At AEP

- New environmental controls / equipment in our power plants
- Energy conservation, efficiency in our facilities
- Renewable Energy – APCo's RPS approved by SCC
- Recycling – push to go paperless – Human Resources (e-payroll checks) customer billing (e-bill)
- More hybrid/flex fuel vehicles in fleet

# Sustainability In Action At AEP

## AEP Electricity Demand Reduction Goal

AEP set a goal to reduce electricity demand by 1,000 MW by 2012. 15% of reductions will come from internal efficiencies and 85% from customer programs.

# Sustainability In Action At AEP

## AEP Electricity Demand Reduction Goal

### Internal Efficiency

- AEP Buildings
- Distribution System
- Transmission & Substations
- Generation Plants

# Sustainability In Action At AEP

## AEP Electricity Demand Reduction Goal

### Customer Programs

APCo's Market Potential Study for  
Virginia — Results expected in December 2008

# Sustainability In Action At AEP

## gridSMART<sup>SM</sup>

### Deployment of an advanced metering infrastructure that:

- Provides customers greater visibility into their energy consumption
- Provides a platform for deployment of demand response programs
- Enables remote reading and remote meter operations

# Sustainability In Action At AEP

**gridSMART<sup>SM</sup>**

**Deployment of technologies to  
improve distribution grid  
management for improvements in  
reliability and capacity.**



# Sustainability In Action At AEP

## Watt Why & How

Appalachian Power consumer education program on energy conservation

- Look for ways to save money on your electric bill
- Home Energy Calculator – provides estimates of energy use cost based on inputs
- Go to [www.appalachianpower.com](http://www.appalachianpower.com) and click on the Watt Why & How webpage

# Keeping Energy Affordable

- AEP believes the cost-effectiveness of energy efficiency and demand side management activities is crucial to their ultimate long-term success
- Energy efficiency and demand side management programs require financial resources, making regulatory cost recovery important to AEP

# Issues Unique to Appalachian Power Company

## Virginia Service Area

- APCo has historically been a low cost provider of reliable electric service to our customers.
- APCo service area experiences colder temperatures than areas in other parts of the state.

# Issues Unique to Appalachian Power Company

## Virginia Service Area

- Electricity is the fuel of choice in the APCo service area due to limited availability of natural gas and the high cost of heating oil deliveries in remote areas.

Questions?