

The background of the entire image is a deep blue space scene. On the left, the curved horizon of the Earth is visible, showing a thin layer of white atmosphere and a dark, textured surface. The rest of the background is filled with a dense field of small, bright white stars of varying sizes, creating a starry night sky effect.

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Solar Offerings are Essential for Attracting Business to West Virginia



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Chris Beam is President and Chief Operating Officer of Appalachian Power, which serves one million customers in West Virginia, Virginia and Tennessee. As president, he oversees the company's distribution operations and a wide range of customer and regulatory relationships. Beam is very involved in the business community where he serves on various boards, including The Education Alliance, the Clay Center for the Arts & Sciences, the West Virginia Chamber of Commerce and the Virginia Business Council.

West Virginia is widely known as a coal state, and most of the electricity produced here comes from coal-fired power plants. Interestingly, though, one of the newer and more promising tools in the state's economic development toolbox is legislation that revolves around solar energy.

Senate Bill 583, passed into West Virginia law in 2020, encourages development of large-scale solar energy facilities in the state by allowing expedited application for solar energy production with the Public Service Commission. It provides Appalachian Power and First Energy, the state's two largest regulated electric utilities, each the opportunity to apply for up to 200 megawatts (MW) of solar energy production in increments not to exceed 50 MW.

A Beacon for Jobs

More than anything else, the ability to add solar energy in West Virginia aids economic development efforts. Increasingly, we're seeing existing and potential businesses for whom renewable energy is a top priority, and if they can't get it here, they will get it somewhere else. These companies want to be able to point to actual solar installations from which they purchase electricity.

West Virginia needs to attract businesses that bring significant numbers of jobs to the state, and that is what we're aiming to support. Jobs that retain population and attract new residents are key to reversing the long-term problems created by declining population in the state's southern counties.

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One of the first questions we get from business prospects is, “Do you have the ability to sell me green energy?” This legislation created a pathway for us to be able to answer that question affirmatively.

Just weeks after the bill became law, we issued a request for proposals for up to 50 MW of solar power to be built in West Virginia. Today, we are pursuing one of those proposals – a 50 MW project – and plan to file for approval with the Public Service Commission this quarter.

For example, Appalachian Power's electric system in West Virginia is huge – 23,000 miles of distribution lines alone – and part of the cost of electric service goes to maintaining that system and its rights-of-way.



An **AEP** Company



A shrinking customer base places a larger share of that cost on each remaining customer. Likewise, the more customers there are, the less burden there is for each of them. More jobs and more working residents in the state help solve such problems.

West Virginia's 2020 renewable energy legislation does a lot of nice things.

- **It minimizes rate risk** by capping solar projects at 50 MW until at least 85 percent of the project's output is contracted. The goal is to contract out all those megawatts to businesses and individuals who want renewable energy so that customers who do not want to participate are not paying for it.



- **It supports efforts to repurpose West Virginia sites that might otherwise be overlooked**, such as those previously used in electric generation, industrial, manufacturing or mining operations, including brownfields, closed landfills, hazardous waste sites, former industrial sites and former mining sites.
- **It does not displace coal generation.** The legislation contains language that says renewable energy sources cannot take the place of current capacity at coal-fired power plants.

For Appalachian Power, the program's direction aligns with AEP's goal to achieve net-zero emissions by 2050.

Most importantly, though, the legislation helps answer the question, "What more can we do to encourage businesses to locate here?" At Appalachian Power, we are pleased to be part of an initiative that will develop renewable sources of electricity, result in increased economic development opportunities in the state, create jobs and enhance the use of the state's electricity generation. 