STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

IN THE MATTER OF THE VERIFIED PETITION OF INDIANA MICHIGAN POWER COMPANY FOR APPROVAL OF MODIFICATIONS TO ITS INDUSTRIAL POWER TARIFF – TARIFF I.P.	**)**	**CAUSE NO. 46097**

SUBMISSION OF INDIANA MICHIGAN POWER COMPANY REPORT

Indiana Michigan Power Company (I&M), by counsel, hereby submits its Report of the meeting held pursuant to the Commission-approved Settlement in the above captioned cause – specifically Term I.A.9.b. of the Settlement Agreement.

Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the foregoing was served this 27th day of June 2025, via email transmission to the following:

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Indiana Michigan Power Company Report

I. BACKGROUND

On February 19, 2025, the Indiana Utility Regulatory Commission ("IURC" or "Commission") approved an all-party Settlement Agreement, with certain modifications, in Cause No. 46097 whereby Indiana Michigan Power Company ("I&M") requested certain updates to its Industrial Power Tariff – Tariff I.P. The settling parties included I&M, the Indiana Office of Utility Consumer Counselor (OUCC), Citizens Action Coalition of Indiana, Inc. ("CAC"), Amazon Data Services, Inc. ("Amazon"), Data Center Coalition ("DCC"), Google, LLC ("Google"), and Microsoft Corporation ("Microsoft").

Term I.A.9.b. of the Settlement Agreement in Cause No. 46097 states the following,

> "I&M will continue to prioritize public safety in its emergency load reduction plans. I&M will convene a meeting, and more if needed, of the Settling Parties to discuss 1) the Company's emergency response procedures, including required system actions that would be necessary to respond to an emergency load shedding event required by PJM that is caused by deficiencies in either transmission and/or generation capacity and consider the potential need to modify such procedures due to the Large Load Customers; and 2) existing and potential demand response opportunities for Large Load Customers. The Settling Parties welcome a Commission representative to participate in this meeting. The Company will convene the meeting(s) within ninety-days of a Commission Final Order approving this Settlement Agreement and will file a report in this proceeding with the Commission upon conclusion of the discussion."

II. MAY 16, 2025 MEETING

On May 16, 2025 I&M held that meeting, shared a presentation, and discussed 1) the Company's emergency response procedures, including required system actions that would be necessary to respond to an emergency load shedding event required by PJM that is caused by deficiencies in either transmission and/or generation capacity and discussed considerations related to Large Load Customers; and 2) existing and potential demand response opportunities for Large Load Customers. All settling parties were invited to this meeting as well as representatives from the Commission.

I&M received questions from the CAC on June 9, 2025 and provided responses on June 24, 2025.

I&M continues to monitor its existing emergency response procedures for continuous improvement, including the ongoing evaluation of unique opportunities or capabilities Large Load customers may have to respond to and support pre- or actual load shedding events.

III. CONCLUSION

I&M has fulfilled its obligation under Term I.A.9.b. of the Settlement Agreement in Cause No. 46097 by conducting a comprehensive presentation and discussion with the Settling Parties. I&M remains committed to transparency and collaboration with all stakeholders regarding the topics discussed at the May 16, 2025 meeting.

Attached to this report is the presentation from the May 16, 2025 meeting.

Respectfully submitted,

INDIANA MICHIGAN POWER COMPANY

By _____
Andrew J. Williamson
Director, Regulatory Services

Cause No. 46097 Settlement:
Load Shedding and Demand Response

May 16, 2025

Participants and Agenda

I&M/AEP Attendees

- Jennifer Ellis
  I&M Vice President Distribution Region Operations
- Andrew Williamson
  I&M Director Regulatory Services
- Stephanny Smith
  I&M Director Communications
- Tammara Avant
  I&M Senior Counsel
- Caleb Loveman
  I&M Regulatory Consultant Staff
- Christopher Shaffer
  AEP Transmission Director Energy Delivery RealTime Reliability
- Roz McAuley
  AEP Transmission Director Energy Delivery System Ops
- Shelly Hagerman
  AEP Director DER Orchestration

Meeting Agenda

- Settlement Agreement Term Review
- Emergency Response Procedures
- Load Shed Event Overview
- Demand Response Overview

Cause No. 46097 Settlement Agreement

Settlement Term

Term I.A.9.b. requires I&M to convene a meeting of the Settling Parties within 90 days of a Commission Final Order to discuss the following related to load shedding and demand response:

1) the Company's emergency response procedures, including required system actions that would be necessary to respond to an emergency load shedding event required by PJM that is caused by deficiencies in either transmission and/or generation capacity and consider the potential need to modify such procedures due to the Large Load Customers; and
2) existing and potential demand response opportunities for Large Load Customers.

I&M and AEP Emergency Procedures Overview

I&M's and AEP's Emergency Management Framework is based on the National Incident Management System (NIMS) and Incident Command System (ICS) management principles that contribute to the strength and efficiency of the overall response.

- ICS is a standardized, on-scene, all-hazard incident management concept that provides responders with an integrated organizational structure to match the complexities and demands of single or multiple incidents.
- As an industry standard, the Federal Emergency Management Agency (FEMA) uses ICS as its framework for emergency management, and AEP has aligned with this approach.
- Emergency procedures are accompanied with a robust and proactive customer and community communication plan.

More information about the Incident Command System, including key features and principles, as well as training materials, can be accessed via the ICS Resource Center on FEMA.gov.

Phases of Managing an Emergency at AEP

Pre-Activation

- Monitoring
- Intelligence & Information Sharing
- Panning activities for events with warning

Activation

- Event severity determination based on event level guidelines
- Decision to Activate
- Who Gets Notified
- Who Gets Activated & How

Emergency Management

- Incident Briefings
- Communication & Notification
- Documentation
- Assessment Coordination
- Demobilization
- Logistics

Deactivation

- Continued demobilization
- Gaining Support for Deactivation
- Decision to Deactivate

Post-Event

- Event Investigations
- After-Action Reporting

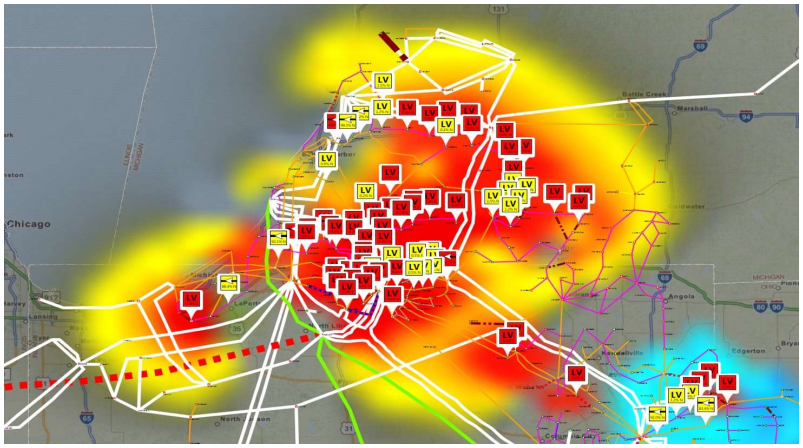
What Causes Load Shedding Events?

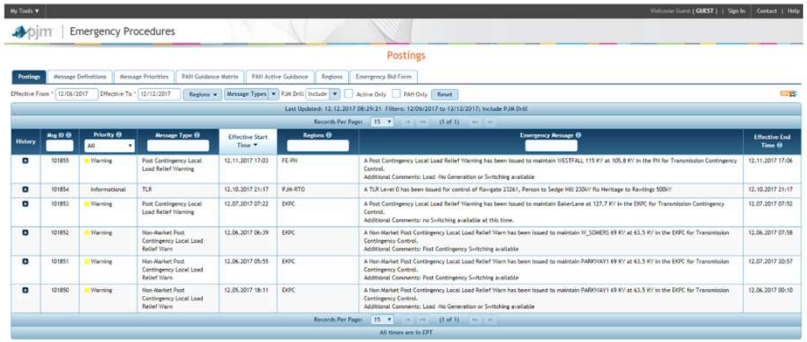
- Load Shed is a last resort emergency procedure directed by PJM to maintain grid reliability and stability across 13 states
  - I&M/AEP perform Real Time Assessments of grid conditions 24/7
  - Operating plans are developed as constraints are identified on the system
- May be caused by:
  - Extreme hot or cold weather
  - Unexpected damage due to storms, accidents, equipment failure, etc.
- Load Shed Events typically occur due to:
  - Transmission Emergencies (local or widespread)
  - Capacity Emergencies
- Two types of Load Shed Events:
  - Manual – Rotating outages in a controlled manner
  - Automatic – Controlled by relays to avoid catastrophic grid event

See PJM Manual 13 for additional information on PJM Emergency Operations:
https://www.pjm.com/-/media/DotCom/documents/manuals/m13.ashx/

PJM Transmission Emergencies

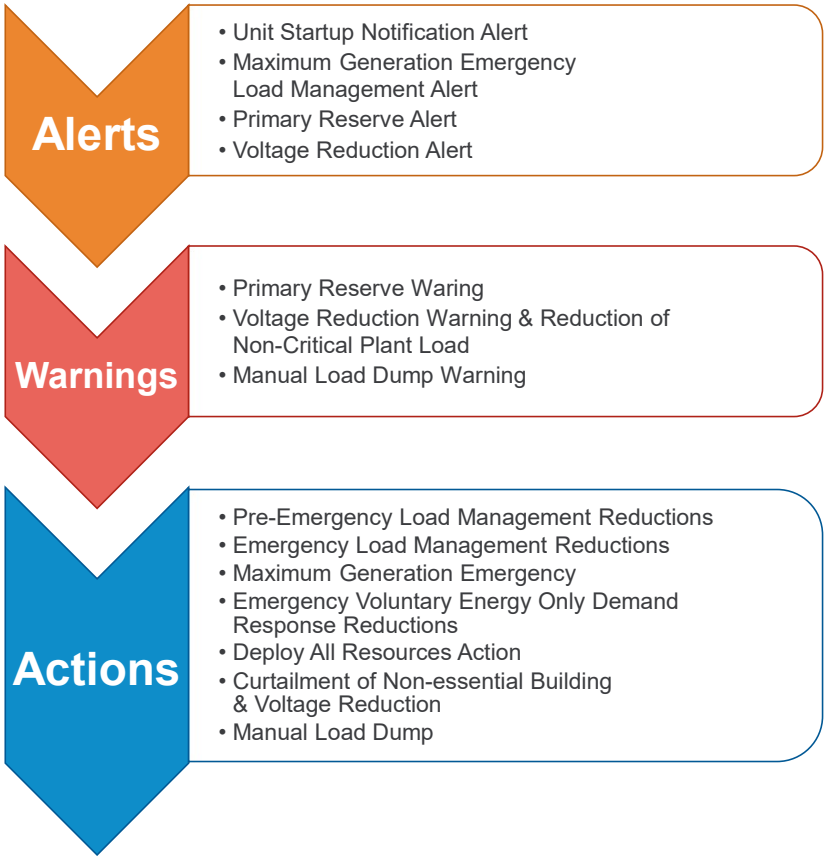
- AEP must operate all facilities within their System Operating Limits (SOLs)
- Operating plans developed when SOLs are approached/exceeded for actual or anticipated contingency conditions
  - Unplanned forced outages most typical reason for SOL exceedances
- PJM Post Contingency Local Load Relief Warning
  - Plans to mitigate constraint may include generation re-dispatch, system re-configuration, transfer adjustments or load shed
  - Load shed locations determined by highest impact on the constraint





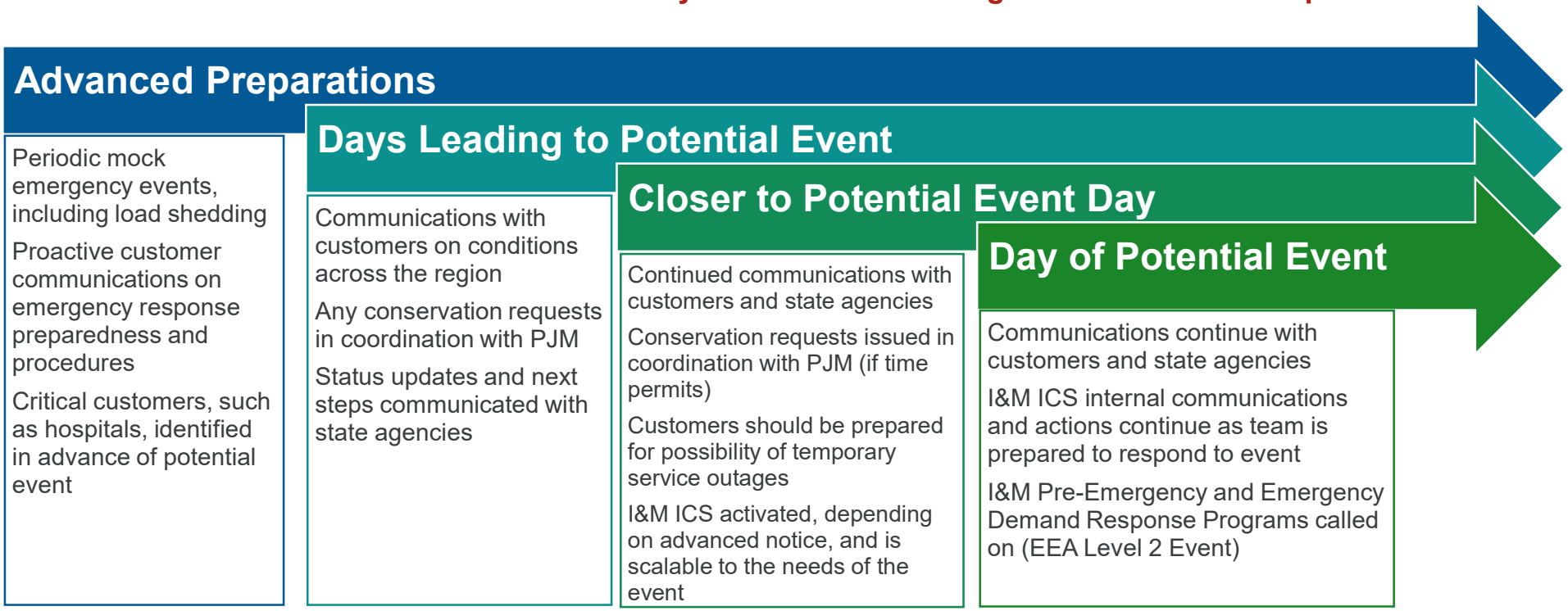
PJM Capacity Emergencies

- PJM utilizes emergency capacity categories to communicate severity
  - Capacity Shortage (Escalation of Severity)
    - **Alerts**
      - Issued day ahead of load period
      - Allows sufficient time to prepare for shortage/excess
      - Intent is to keep personnel aware of forecast and status of PJM RTO
    - **Warnings**
      - Issued real time typically preceding an estimated time for future Action
    - **Actions**
      - Issue-real time and requires PJM member response; Consistent w/ NERC EOP
- Three NERC defined Energy Alert Levels
  - **EEA Level 1:** All available generation resources in use
  - **EEA Level 2:** Load management procedures in effect
  - **EEA Level 3:** Firm load interruption is imminent or in progress
- Most recent event triggering EEAs in PJM was Winter Storm Elliott (Dec 2022)



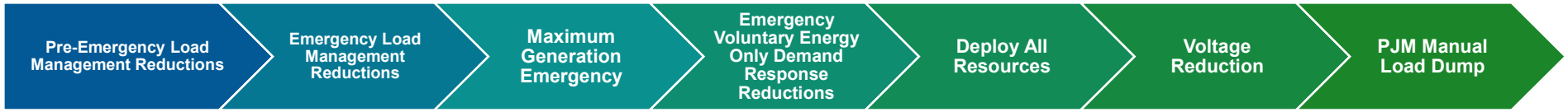
Proactive Actions Related to Emergency Events

Load Shed is a last resort to maintain the stability of the transmission grid across PJM's footprint.



Goal is to utilize proactive and effective communication along with all available resources to prevent a load shedding event, however not all events provide advance notice allowing for proactive actions.

Load Shedding Event Response – Implementation Procedures



PJM Manual Load Dump Process:

- PJM uses real time load data in each control zone to determine member load shed allocation
  - **AEP's share is typically around 17% of the total PJM RTO load total**
- AEP SCC initiates load shed instructions based on 12 month rolling peak load pro rata share between AEP OpCos
  - **I&M typically comprises ~18% share**
  - SCADA load shed program used to implement specified load shed instructions, rotating through defined feeders in specified time increments

I&M Manual Load Shed Process:

- Performed at a circuit level
- Excludes critical infrastructure (hospitals & lift stations)
- Rolling basis – targets 15-to-30-minute outages

I&M Automatic Load Shed Process:

- Avoids overlap with manual load shed circuits
- Load will be automatically shed if manual load shed is not sufficient to stabilize the grid

Large Load Customers

Considerations

- Through interconnection process I&M and AEP is working to develop a process to gather specific information.
- I&M and AEP are proactively working with Large Load customers to identify opportunities to leverage their capabilities to respond and support a pre- or actual load shedding event.
- Each customer is unique, and this will be considered as part of the process to evaluate procedures with large loads.

Demand Response

Existing Programs

Tariff Name	DR Type	Incentive / Discount	Annual Hours	Total Load *DY24/25*	Notes
Contract Service Interruptible Power (C.S. - IRP2)	RTO Capacity – Pre-Emergency/ Emergency	Negotiated Rate	Unlimited	~250 MW	Minimum interruptible demand of 1,000 kW or greater. PJM Pre-Emergency and Emergency events only, which are events PJM declares to reduce the chance of having to declare load shedding
Demand Response Service (DRS1)	RTO Capacity – Pre-Emergency/ Emergency	$3.12/kW-Month *DY24/25*	Unlimited	~100 MW	Minimum interruptible demand of 100 kW or greater. PJM Pre-Emergency and Emergency events only, which are events PJM declares to reduce the chance of having to declare load shedding
Discretionary Load Management Rider (DLMS)	Capacity/Peak Shaving	$5.00/kW-Month *DY24/25*	60	~50 MW	Minimum interruptible demand of 500 kW or greater. Utility peak shaving program, AEP discretion, mandatory interruptions to firm service level, 20 3-hour events. Events are declared to manage peak demand on the AEP system and reduce future capacity costs for all customers
Voluntary Curtailment Service (VCSR)	Capacity Curtailment	DA LMP x $ kW X hrs	Unlimited	Up to 200 MW	Utility Voluntary Curtailment program. When event is called, customer decides participation. Curtailment Price shall be no less than $100 per MWh x kW reduced x the number of hours.

We have a robust set of resources and participants that provide different tools to manage load and emergency events

Demand Response

Potential

We continue to explore and evaluate new opportunities to expand I&M customer program offerings

- Resiliency as a Service
  - Customer-sited natural gas generators and/or Battery Energy Storage Systems (BESS)
  - I&M owned, operated, and maintained. Customer pays Resiliency Fee.
  - I&M would dispatch for grid services. During an outage situation, solution would provide backup power for customer.
- Bring Your Own Generator / BESS
  - Customer owned
  - Dispatched by I&M for grid services
- Special Contracts
  - Explore additional DR product options based on Customer's curtailment ability

Note: All programs / special contracts would be subject to IURC approval.


Questions?
INDIANA MICHIGAN POWER
An AEP Company