

American Municipal Power, Inc. 1111 Schrock Road, Suite 100 Columbus, Ohio 43229 614-540-1111 www.amppartners.org

INTERVIEW TRANSCRIPT

January 2021 William J. Lyren, Sr.

William J. Lyren Sr., a former director of public service and city engineer with the City of Wadsworth, is also a former AMP Board of Trustees chair and treasurer and a longtime board member. Lyren, a 2011 Wall of Fame recipient, is considered one of AMP's founding fathers, and he recently talked about life for municipal electric systems before and after the organization was formed in 1971. He also shared his thoughts on the strengths of the organization and the value of public power.

- AMP: What was happening with municipal electric utilities in Ohio in the 1960s, leading up to the 1970s, before AMP was formed?
- Lyren: Well basically the situation before AMP-Ohio was that we were wholesale customers of Ohio Edison; and when I say customers, I mean they were the boss and we had to deal with them in an adversarial way because they would impose restrictions on us and impose what I would call anti-competitive activities. were a norm and so you know it was quite different than what we were able to bring about in the form of AMP-Ohio.

Back in the early days, a very significant occurrence was the desire on the part of the investor-owned utilities in Ohio, particularly those in the northern section, Toledo Edison, Ohio Edison and Cleveland Electric Illuminating, wanting to build a nuclear power plant. So, in the process of that they had to get a license to accomplish that project and the license was to be issued by the Nuclear Regulatory Commission and the Justice department was primarily involved in making recommendations with regard to the license agreement. For some unknown reason to me, they decided that I would be helpful in testifying before the licensing commission with regard to how we were being treated by the investor-owned utility, in this case Ohio Edison. It was easy for me to explain to them the various anti-competitive activities that had been going on for years. As a result of all this, the conditions that were placed on the license for them to build this plant were very favorable to us. The major item was that they were required to provide transmission services to us; in other words, we no longer had to be captive customers of theirs. We could go out and obtain other sources of power and we would be able to bring it to our system.

We had at the time a group of municipalities, actually 19 of them, that had joined forces over the years to contest rate increases and items of contractual nature with the investor-owned utilities, and these rate increases would be litigated if you will by appearances before the Federal Energy Regulatory Commission. We were very actively involved as a group in trying to get the very best outcome with regard to those litigations. I can tell you that in many cases we got millions of dollars in refunds associated with those cases, so we had a fairly strong group in

northeastern Ohio. At that time, we called ourselves the Wholesale Customers of Ohio Edison; it became apparent with the development of AMP-Ohio that we could bring about an arrangement whereby we had AMP-Ohio as our power supplier even though the sources of the power through AMP-Ohio would be varied. AMP-Ohio would be the one that was undertaking that responsibility. They agreed to develop a dispatch system and do the things to coordinate our delivery of the power to the various communities. So that's basically how AMP-Ohio got started -- that we could pay them for the services they were providing and obviously these services previously were only provided by First Energy and it was you know simply only their generation that was involved.

- AMP: Can you share, from your experience, about how and why public power is so important and why it's important that we work to protect and preserve public power?
- Lyren: It's extremely important because we're community-oriented; the community owns the system and its local control -- the ultimate in local control. I mean they decide what contractual arrangements we have, what services we provide, and that kind of control on a local level means that you can be face-to-face with the issues and needs of the community as it relates to electric.
- AMP: You spent your whole professional career, devoting so much of your life to preserving and protecting public power. Did you see that as your purpose in life?
- Lyren: Well, my purpose in life was to serve the community as that was my job -- it was to bring forth any expertise that I might have available to me to benefit the community. And it was easy for me to see where joint action was going to be this very important part of our success. I was more than convinced that I should do everything within my power and expertise to make that happen.
- AMP: When you all were getting AMP started, did you envision then what it would or could -- grow to become?
- Lyren: Yes I think I did because as I mentioned earlier we had some experiences with joint action within our own group of 19 municipals, and we knew or I knew -- that this was just a furtherance of that, bringing to the table a much larger group, the opportunity for projects and acquisition of cost-effective power supply resources So, I had the confidence that we were moving in the right direction, although where we would end up it was not necessarily clear. One of the major philosophies or policies that developed initially was that you can't put all your eggs in one basket. By that I mean we were looking for a diversification of our power supply resources. We had already experienced what a captive customer deals with -- we only had one source. And so, I saw AMP as a vehicle that could in fact accomplish a variety of resources, and as it turns out that's exactly what happened.
- AMP: When you think of American Municipal Power, what words come to mind?
- Lyren: Well, I think one thing that comes to mind is reliability. We're able to control our reliability of our system, and the local services that we're able to bring to the table. I think that is something that I think people understand and they appreciate it. When there's a storm and Wadsworth for example has their power back on and people are still reading in the newspaper where hundreds and hundreds and

hundreds of people in the surrounding area are still waiting to have their power restored. That certainly is evidence that we have a very reliable system. It just doesn't come automatically; it comes with planning and expertise that AMP-Ohio has been an important part of. They have developed to staff and professional people that certainly help us in this regard.

- AMP: You already mentioned the big battle when the IOUs were building the nuclear power plants and the licensing conditions that were placed on them. Reflecting on the past 50 years, what are some of the other key milestones that you think have been critical in AMP's success?
- Lyren: The decisions that I would speak to are the projects and again looking at being diversified in our power supply sources. For example, we purchased from Elkem Metals a power plant down in southern Ohio near Marietta and undertook that and refurbished it and made that a successful operation. We also got involved in a hydro project, the Belleville Dam on the Ohio River and a gas-fired plant in northeastern Ohio. We also have projects that involve wind turbines, and we have solar farms. I'm bringing the light to the diversification. Each of these items involved a joint venture among the members, and the decisions as to whether to be involved in the projects were local decisions. It was again a local decision but that has proven to be just a fantastic benefit to us in terms of our power supply resources.
- AMP: Could share with us your favorite AMP story or your favorite AMP memory?
- Lyren: One story I can think of involves when I found myself testifying before the Nuclear Regulatory Commission and I had at my backside attorneys from the Department of Justice. And as I looked out over the people that were involved in the hearing, I soon discovered that there were 16 investor-owned- utility lawyers in the room. And there were two Justice department attorneys in the room, who were both my age, about 35. It was interesting; I mean, I had a good story to tell and, it was hard for them being the opposition to gain any benefit from my story. At one point near the end, one of the attorneys said, "Mr. Lyren, I notice you've been writing on a pad. What does it say?" And what he was referring to was a pad that I had in front of me that I was doodling on, and I had these doodles. So that brought a little bit of smiles on the faces of the judges. But that was an experience that I'll never forget.
- AMP: Looking ahead to the future, if you had to give advice to the people running AMP and the board members, and the leaders from the communities, what would you say? What do you think is important for AMP and its members to focus on, moving into the future? And what do they need to remember?
- Lyren: Well, the past has proven very profoundly that joint action and individual needs can be addressed by the group as a group. And that has been a keynote of our success in the past, and my hope is it will be a keynote for that in the future. Board members bring to the table not a desire to benefit them personally, but they come to the table with the philosophy that this is a team effort. This is a group that needs to continue to operate that way.

For more *AMP 50 Years – Stronger Together* interview transcripts visit: www.amppartners.org/amp-50-years