BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of The)	
Dayton Power and Light Company for)	Case No. 09-754-EL-ESS
Establishing New Reliability Standards.)	·

ENTRY

The attorney examiner finds:

- (1) On August 28, 2009, The Dayton Power and Light Company (DP&L) filed an application for approval of its system reliability standards pursuant to Rule 4901:1-10-10, Ohio Administrative Code (O.A.C).
- (2) A technical conference was held in this matter on November 10, 2009.
- (3) On November 13, 2009, the Office of the Ohio Consumers' Counsel (OCC) filed a motion to intervene. No memorandum contra was filed in opposition to OCC's motion to intervene. The attorney examiner finds that OCC's motion to intervene is reasonable and should be granted.
- (4) Comments on the application were filed on November 30, 2009, by OCC and, on December 10, 2009, by Staff. DP&L and OCC each filed reply comments on December 30, 2009.

In its comments, Staff proposes that the proper methodology for accounting for annual variations in system reliability performance under Rule 4901:1-10-10(B), O.A.C., is to use the electric utility's most recent five-year average plus ten percent. Under this methodology, the performance standards for the Customer Average Interruption Duration Index (CAIDI), which measures the average time to restore service per interrupted customer, would be set at 126.67 minutes per interruption, while the performance standard for the System Average Interruption Frequency Index (SAIDI), which measures the average number of interruptions per customer, would be set at 1.08 interruptions. Although DP&L's application originally proposed using the five-year historical average plus 2.5 standard deviations to establish the performance standards, DP&L's reply comments state that it accepts Staff's recommended standards, while taking no position regarding Staff's methodology.

OCC objects to Staff's methodology, stating that Staff offered no justification for its decision to add ten percent to the historical average. OCC contends that DP&L's five-year historical average, without any adjustment, should constitute the system reliability performance standards.

- (5) Rule 4901:1-10-10(B)(6)(e), O.A.C., states that if it appears to the Commission that the proposals in the application may be unjust or unreasonable, the Commission shall set the matter for hearing. At such hearing, the burden of proof to show that the proposals in the application are just and reasonable shall be upon the electric utility.
- (6) Upon review of the application and the comments and reply comments, the attorney examiner finds that the proposals in the application may be unjust or unreasonable, and that a hearing in this matter is required.

Accordingly, the attorney examiner finds that the following procedural schedule should be established in this matter:

- (a) Motions to intervene shall be filed by February 22, 2010.
- (b) A prehearing conference should be held on February 25, 2010, at 10:00 a.m., at the offices of the Commission, 180 East Broad Street, 12th Floor, Room 1247, Columbus, Ohio 43215.
- (c) The evidentiary hearing shall commence on March 11, 2010, at 10:00 a.m., at the offices of the Commission, 180 East Broad Street, 11th Floor, Hearing Room 11-C, Columbus, Ohio 43215.
- (7) Pursuant to Rule 4901:1-10-10(B)(6)(e), O.A.C., DP&L should publish legal notice of the scheduled hearing in a newspaper of general circulation in each county in DP&L's service territories. Publication of the notice should be completed by February 9, 2010. The hearing notice should not appear in the legal notices section of the newspaper. The notice should read as follows:

LEGAL NOTICE

The Public Utilities Commission of Ohio (PUCO) has scheduled a hearing in Case No. 09-754-EL-ESS, In the Matter of the Applications of The Dayton Power and Light Company for Establishing New Reliability Standards. The application was filed pursuant to Section 4928.11 of the Ohio Revised Code and Rule 4901:1-10-10 of the Ohio

Administrative Code. The Dayton Power and Light Company is seeking PUCO approval of its minimum performance standards for the reliability of its distribution system. The PUCO has scheduled a hearing to consider the matters raised in the company's application. The hearing will commence on March 11, 2010, at 10:00 a.m., at the offices of the PUCO, 180 East Broad Street, 11th Floor, Hearing Room 11-C, Columbus, Ohio. Any person seeking to participate in the hearing should file with the PUCO a motion to intervene by February 22, 2010.

Further information may be obtained by contacting the Public Utilities Commission of Ohio, 180 East Broad Street, Columbus, Ohio 43215-3793; by calling the PUCO hotline at 1-800-686-7826; or by going to the PUCO website at www.puco.ohio.gov, selecting DIS, and inserting the case number referenced above.

It is, therefore,

ORDERED, That OCC's motion to intervene be granted. It is, further,

ORDERED, That the procedural schedule set forth in finding (6) be observed. It is, further.

ORDERED, That DP&L comply with the legal notice requirements set forth in finding (7). It is, further,

ORDERED, That a copy of this entry be served upon all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

By:

Ienry H. Phillips-Gary

Attorney Examiner

graf

Entered in the Journal

<u>JAN 2 9 2010</u>

Reneé J. Jenkins

Secretary