

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of)
The Dayton Power and Light Company)
for Authority to Amend its Filed) Case No. 91-414-EL-AIR
Tariffs to Increase the Rates and)
Charges for Electric Service.)

ENTRY

The Commission finds:

- (1) This Commission's Opinion and Order, journalized January 22, 1992, approved and adopted in its entirety a joint stipulation and recommendation filed on November 6, 1991. The stipulation included tariffs to be implemented for each year of a three-year phase-in. The year-one tariffs were to be effective for bills rendered after the Commission's Order approving the settlement and on January 2 of each of the next two years. The first year tariffs were effective on February 1, 1992.
- (2) In accordance with the Opinion and Order, Applicant has submitted for Commission review and approval four complete printed copies of year-three tariffs to be effective on January 3, 1994. The stipulation allowed for an additional revenue of \$3.515 million associated with the costs of Applicant's Demand Side Management (DSM) programs to be included beginning with the phase-two rates. As is the case with the phase-two tariffs currently in effect, the proposed phase-three tariffs reflect additional revenue of \$2.716 million, rather than \$3.515 million. The additional revenue has been allocated to customer classes based on a methodology agreed to by the parties.
- (3) The Commission Staff has reviewed the Applicant's proposed tariffs and finds that the Applicant's proposed tariffs would produce gross revenues not in excess of that authorized in the Commission's Opinion and Order.
- (4) After review of the Applicant's proposed tariffs, the Commission finds that the Applicant's tariffs are consistent with the discussion and findings set forth in its Opinion and Order and should be approved.
- (5) Pursuant to 4901:1-1-03 Ohio Administrative Code (O.A.C.), Applicant's proposed notices to customers affected by the tariff changes set forth in the Opinion and Order, contain appropriate text and should be approved.

It is, therefore,

ORDERED, That the Applicant's final tariffs as filed November 15, 1993, are approved and shall be accepted for inclusion in this

docket. The Applicant shall cancel and withdraw its superseded tariffs. It is, further,

ORDERED, That the effective date of the new tariffs shall be January 3, 1994. The rates contained in the new tariffs shall be applicable to all bills rendered on or after the effective date. It is, further,

ORDERED, That the Applicant shall commence notification of all customers affected by the tariff changes pursuant to 4901:1-1-03, C.A.C., within 30 days of the effective date of this Entry. It is, further,


ORDERED, That nothing in this Entry shall be binding upon this Commission in any future proceeding or investigation involving the justness or reasonableness of any rate, charge, rule or regulation. It is, further,

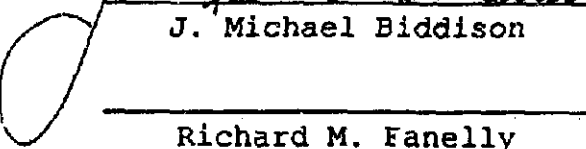
ORDERED, That a copy of this Entry be served on all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO


Craig A. Glazer, Chairman


J. Michael Biddison


Jolynn Barry Butler



Richard M. Fanelly


David W. Johnson

DLH:dj

Entered in the Journal
DEC 30 1993

A True Copy


Gary E. Vigorito
Secretary

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CONCURRING OPINION OF CHAIRMAN CRAIG A. GLAZER

I concur in the Commission's decision in this Entry which is, for the most part, simply a ministerial act of implementing Phase Two of the Stipulation approved in Case No. 91-414-EL-AIR. I write separately to raise a policy issue for future Commission consideration.

The parties to this case stipulated that rate increases would be implemented on a scheduled basis over a three-year period. The parties further agreed that the rate increases would be effective for "bills rendered" after the specified dates. This means that the second phase of the rate increase has been in effect for DP&L customers during this past service period. This is not objectionable in this case since all ratepayers had notice of the increase as part of the implementation of the first phase of the rates.

Although we are implementing the rate increases on a "bills rendered" basis, I believe it would be a mistake for anyone to read into this action that implementation of rates on a bills rendered as opposed to service rendered basis after the effective date of the tariffs should be considered the norm. This is particularly true in cases such as where the Stipulation was reached prior to the expiration of the 275-day clock. There are many arguments why rates in such cases should be implemented on a service rendered basis as, I believe, the General Assembly intended. (On the other hand, a strong case can be made for implementing rates on a bills rendered basis where the timing of the case has exceeded the 275-day clock set forth in Section 4909.42 of the Revised Code).

The matter of whether rates are imposed on a bills rendered or service rendered basis is one which is best left to negotiation in a stipulated case. However, I would not want to see a "bills rendered" standard become the norm in a stipulated case simply on the basis that the Commission approved same in this case. Rather, this item should be negotiated as part of the give and take of any stipulated agreement and should be weighed by the Commission as a factor in its review of the stipulated agreement. All parties should continue to treat this as a negotiated item and not a standard practice, especially for cases where the 275-day clock has not run at the time of the agreement.

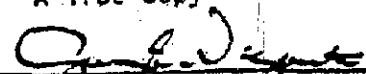


Craig A. Glazer, Chairman Entered in the Journal

CAG:tr

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Gary E. Vigorito
Secretary