

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Commission's Review of)	
Time-Differentiated and Dynamic Pricing)	Case No. 12-150-EL-COI
Options for Retail Electric Services)	

**COMMENTS OF THE DAYTON POWER AND LIGHT COMPANY REGARDING THE
COMMISSION'S REVIEW OF TIME-DIFFERENTIATED AND DYNAMIC PRICING
OPTIONS FOR RETAIL ELECTRIC SERVICES**

The Dayton Power and Light Company ("DP&L" or "the Company") appreciates the opportunity to provide comments in response to the entry dated January 11, 2011 ("Entry") in which the Public Utilities Commission of Ohio ("Commission" or "PUCO") solicited interested parties' comments on whether the electric distribution utilities ("EDUs") and/or competitive electric service ("CRES") providers should offer pricing options for customers with advanced or interval meters that reflect the time-varying prices in wholesale electricity markets and additional dynamic pricing options. The entry also sought comments on how information regarding such pricing options might best be made available to customers. DP&L's comments appear below:

1. DP&L appreciates the Commission's intent to initiate a series of workshops where all interested parties can discuss issues related to time-of-use ("TOU") and/or dynamic pricing options and looks forward to participating in such discussions.
2. DP&L is supportive of customers having the opportunity to take advantage of competitive market benefits. However, prior to EDUs being required to offer TOU and/or dynamic pricing options, input from different customer classes should be sought in order to get a better understanding of customer needs. Assessing and aligning customer needs with what EDUs and/or CRES providers ultimately offer is a critical first step which must be taken prior to

the Commission directing any models to be built, programs to be developed or money to be spent.

3. Once customer input has been analyzed and it is determined that they are indeed interested in TOU and/or dynamic pricing options, prior to the Commission mandating these price options to be offered, an educational campaign should be initiated to assist customers in understanding how TOU and dynamic prices work and possible implications to customers' electric bills. Any educational campaign should be spearheaded and administered through the Commission and targeted to the customers with AMI or interval meters. A central educational campaign would be more effective than individual ones from EDUs and CRES providers, which could overload the customers with multiple pieces of educational material from multiple sources, causing customer confusion.

4. If customer input indicates that there is sufficient interest in TOU and/or dynamic pricing options, consideration must be given to the fact that Ohio is in a competitive market where the market (CRES providers) should be able to determine how and under what circumstances to provide such pricing options. In other words, the market should be allowed to do what it does best without the Commission mandating the implementation of such pricing options. However, if the Commission believes it must mandate market participants to provide TOU and/or dynamic pricing, the same requirements should apply to all market participants (CRES providers and EDUs).

5. Should the Commission require that TOU and/or dynamic prices be offered, DP&L would be limited in the options it could offer. DP&L is positioned differently than the other Ohio utilities because it does not currently have a Commission approved AMI program in place, therefore it doesn't have AMI meters installed in its service territory. As a result, the spectrum

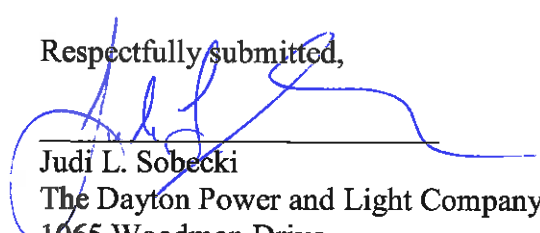
of time-differentiated pricing options DP&L could offer is limited to those which can be implemented using traditional meters.

6. Prior to the Commission mandating TOU and/or dynamic pricing system wide, pilot programs should initially be implemented. The pilot programs would allow the EDUs to determine the feasibility of implementing such pricing options. They would provide a cost-effective and flexible way to determine customer needs and interest levels while easily evaluating and modifying such pricing options. Moreover, as EDUs gain experience and knowledge regarding these pricing options, the offerings can be fine-tuned and expanded to reflect customers' unique usage patterns and interests.

7. With respect to the development of a bill comparison application, which would compare prices offered by all CRES providers and/or EDUs, such an application would be difficult to create and maintain. The best tools for customers to use in choosing the right price and provider would be enough education and information to allow customers to understand and analyze their own electric bills as well as offers from different CRES providers. DP&L is not aware of any comparable applications already commercially available that the Commission could built upon, aside from the price-to-compare tool, which, as the Commission notes in its Entry, does not permit customers to compare fixed prices with TOU or dynamic prices.

8. DP&L appreciates the opportunity to express its comments regarding the TOU and dynamic pricing options and looks forward to being an active participant in additional discussions in the future.

Respectfully submitted,



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Summary: Comments of the Dayton Power and Light Company in the Matter of the Commission's Review of Time-Differentiated and Dynamic Pricing Options for Retail Electric Services, electronically filed by Irda Hoxha Hinders on behalf of The Dayton Power and Light Company