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**In the Matter of the Following Joint
Applications for Integration of Mercantile
Customer Energy Efficiency or Peak-
Demand Reduction
Programs between the Dayton Power and Light
Company and**

**Airgas Inc. (Case Nos. 09-702-EL-AEC and 09-1700-EL-EEC)
Appleton Papers, Inc. (Case No. 09-1701-EL-EEC)
AGC Automotive America (Case No. 10-3038-EL-EEC)
The Scotts Company, LLC (Case No. 10-3119-EL-EEC)
Airgas Merchant Gases, Inc. (Case No. 10-3129-EL-EEC)**

Rule 4901:1-39-05(F), Ohio Administrative Code (O.A.C.), permits a mercantile customer to file, either individually or jointly with an electric utility, an application to commit the customer's existing demand reduction, demand response, and energy efficiency programs for integration with the electric utility's programs. In each of the above captioned cases, the customer and the Company filed joint applications in accordance with the Commission's rules at the time.

The mercantile commitment applications are for the years 2009 and 2010. The cash payments or rider exemptions for offered peak demand reductions are as follows:

Case No.	Customer	Payments
09-702-EL-AEC & 09-1700-EL-EEC	Airgas, Inc.	\$ 46,500
09-1701-EL-EEC	Appleton Papers, Inc.	Annual EE Rider exemption for 2009
10-3038-EL-EEC	AGC Automotive America	\$ 62,500
10-3119-EL-EEC	The Scotts Company, LLC	\$ 20,000
10-3129-EL-EEC	Airgas Merchant Gases, LLC	\$ 48,500

All of these DP&L retail customers participate in the PJM demand response program through a Curtailment Service Provider. These customers are committing these peak demand resources to count toward fulfilling the Company's peak demand reduction benchmarks for the years of 2009 or 2010, depending on the application year. The Company will pay \$5/kw to attract capacity resources to fulfill its annual requirements. These resource commitments are needed to fulfill the Company's PDR requirements for the years 2009 and 2010. Since 2011, the Company has instituted an annual auction to

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purchase sufficient demand response capacity to fulfill its annual requirements. The Staff believes that the sealed auction method is more economically efficient than paying an administratively determined price to acquire these resources. Therefore, the Staff recommends the approval of these applications in light of the circumstances at the time.

Filed by: Greg Scheck
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