

Commissioners

Cheryl Roberto Steven D. Lesser Andre T. Porter Lynn Slaby

October 19, 2012

Docketing Division Public Utilities Commission of Ohio 180 East Broad Street Columbus OH 43215

Todd A. Snitchler, Chairman

RE: In the Matter of the Application of The Dayton Power and Light Company to Update its Economic Development Rider, Case No. 12-2512-EL-RDR.

Dear Docketing Division:

Enclosed please find the Staff's Review and Recommendations in regard to the application of The Dayton Power and Light Company to Update its Economic Development Rider (EDR).

Sincerely,

Chief, Accounting & Electricity Division

Public Utilities Commission of Ohio

Enclosure

Cc: Parties of Record

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The Dayton Power and Light Company

Case No. 12-2512-EL-RDR

SUMMARY

The Commission approved The Dayton Power and Light Company's (DP&L) Economic Development Rider (EDR) in Case No. 08-1094-EL-SSO, et al, by Opinion and Order dated June 24, 2009.

On September 21, 2012, DP&L filed an application to update its Economic Development Rider (EDR). The proposed EDR includes charges that will provide the utility the opportunity to timely recover costs resulting from the Commission-approved reasonable arrangements in Case No. 10-734-EL-AEC with Caterpillar Inc. and in Case No. 11-1163-EL-AEC with Wright-Patterson Air Force Base.

The proposed rates are expected to provide recovery of approximately \$3.0M in costs over the next twelve months which results in a reduction to current rates beginning November 2012. The proposed rates include projected costs of approximately \$3.5M and a credit resulting from over recovery of costs during the last period of approximately \$.5M.

DP&L requests that the updated rates be made effective on a bills-rendered basis with the company's first billing cycle for November 2012.

STAFF REVIEW AND RECOMMENDATIONS

Staff has reviewed the application and supporting schedules and finds the proposed EDR charges reflect the current and projected costs resulting from reasonable arrangements approved by the Commission and recommends approval of the application,