



August 8, 2013

Ms. Barcy S. McNeal, Secretary  
Docketing Division  
Public Utilities Commission of Ohio  
180 East Broad Street, 11<sup>th</sup> Floor  
Columbus, Ohio 43215-3793

Re: In the Matter of the Application of The Dayton Power and Light Company for  
Establishing New Reliability Targets, Case No. 12-1832-EL-ESS.

Dear Ms. McNeal:

The Staff of the Public Utilities Commission of Ohio (“PUCO”) and the Dayton Power and Light Company (“DP&L”) signed a settlement (Stipulation)<sup>1</sup> in this case where the issues involve the standards for the reliability of the electric service that DP&L provides to its 450,000 residential customers. OCC appreciated the opportunity to participate in negotiations and, for reasons explained below, did not sign the settlement that DP&L and the PUCO Staff negotiated. Given the PUCO’s settlement standards that favor the recommendations of settling parties over the litigation positions of non-settling parties, OCC will not be litigating this case. OCC is filing this letter, as a courtesy, to inform the parties of this status.

Four years ago in the preceding reliability case (No. 09-754-EL-ESS) for DP&L, OCC agreed to a settlement because, in part, it provided for the reliability standards to be revisited on a set schedule. This case is that scheduled opportunity to revisit the standards that apply to customers’ electric service.

This case involves two standards of reliability of electric service for customers. The Customer Average Interruption Duration Index (“CAIDI”) measures service reliability according to the average length of time that customers’ service is interrupted. The System Average Interruption Frequency Index (“SAIFI”) measures service reliability according to the number of times that customers’ service is interrupted.

The settlement contains new CAIDI and SAIFI standards for reliability of service to customers for 2013, to continue until new reliability standards are established (though no future review is scheduled). OCC supports the standard for SAIFI (0.88) that is in the Stipulation because it is consistent with the methodology set forth in the PUCO’s rules [Ohio Adm. Code 4901:1-10-10(B)(4)] and with the PUCO Staff’s Guidelines for the Establishment of Reliability Standards

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<sup>1</sup> The Stipulation was filed on July 16, 2013.

Letter to PUCO  
August 8, 2013  
Page Two

[\[http://www.puco.ohio.gov/puco/index.cfm/rules/pending-rules/rule-49011-10-10b-guidelines-for-reliability-standards-applications/\]](http://www.puco.ohio.gov/puco/index.cfm/rules/pending-rules/rule-49011-10-10b-guidelines-for-reliability-standards-applications/).

But, for the reliability of service defined by the CAIDI standard, the standard in the settlement (125.04 minutes) is not consistent with the PUCO's rules and guidelines. The PUCO's rules and guidelines would produce a better standard (meaning reduced minutes of outage time for customers) than what the PUCO Staff and DP&L agreed to in the settlement. The methodology in the PUCO rules and guidelines would result in the setting of a Customer Average Interruption Duration Index ("CAIDI") that reflects the average actual performance of the DP&L distribution system over the last five to ten years. Consistent with OCC's comments, customers would be better served by conforming the CAIDI standard to the PUCO's rules and guidelines. DP&L's customers are paying for reliable service in their electric rates.

Thank you.

Sincerely,

/s/ Joseph P. Serio

Joseph P. Serio

Assistant Consumers' Counsel

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Cc: Parties of Record

**This foregoing document was electronically filed with the Public Utilities**

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**Case No(s). 12-1832-EL-ESS**

Summary: Correspondence Letter by the Office of the Ohio Consumers' Counsel electronically filed by Ms. Deb J. Bingham on behalf of Serio, Joseph P. Mr.