

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Review of Ohio Adm.	)	
Code Chapter 4901:1-36, Electric	)	Case No. 13-953-EL-ORD
Transmission Cost Recovery Riders.	)	
	)	
In the Matter of the Review of Ohio Adm.	)	Case No. 13-954-EL-ORD
Code Chapter 4901:1-37, Corporate	)	
Separation for Electric Utilities and	)	
Affiliates.	)	
	)	
In the Matter of the Review of Ohio Adm.	)	Case No. 13-955-EL-ORD
Code Chapter 4901:1-38, Reasonable	)	
Arrangements for Electric Utility	)	
Customers.	)	

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**REPLY COMMENTS OF  
THE DAYTON POWER AND LIGHT COMPANY**

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The Dayton Power and Light Company (“DP&L” or “the Company”) hereby submits comments in reply to initial comments previously filed by interested participants in this proceeding.<sup>1</sup> The lack of reply comment with respect to some or any aspect of another participant’s comments should not be construed as agreement with the comments. DP&L’s reply comments with respect to changes to rules are presented by Section.

**4901:1-36 Electric Transmission Cost Recovery Riders**

DP&L disagrees with Direct Energy’s comment and proposed amendment at page 3 concerning Section 4901:1-36-02(A) OAC. Direct Energy’s comments do not take into account that this rule allows for a bypassable transmission cost recovery rider. In that case, the utility should be permitted to charge their standard service offer customers for “any charge or fee also assigned to a competitive retail electric supply provider and not

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<sup>1</sup> For ease of citation, references to other participants’ Initial Comments omit the words “Initial Comments of.” Citations are in the form [party name or abbreviation] at [page number].

transferred to the utility via line item transfer.” If Direct Energy’s language is to be adopted, it must be adopted in the context of a non-bypassable transmission cost recovery rider. To this purpose, DP&L does not object to Ohio Edison, Cleveland Electric Illuminating and Toledo Edison Company’s (First Energy) proposed addition at page 3 to Rule 4901:1-36-04(B), and therefore suggests placing Direct Energy’s proposal after First Energy’s addition. However, the phrase “via line item transfer” should be eliminated, as there are other means (such as a bilateral adjustment) that may be used to transfer costs from a supplier to a utility. Therefore, DP&L recommends that the language to Rule 4901:1-36-02(A) would remain unchanged, and the complete paragraph to Rule 4901:1-36-04(B) would read as follows:

“Market-based transmission costs shall be avoidable by all customers who choose alternative generation suppliers and the electric utility no longer bears the responsibility of providing generation and market-based transmission service to the customers. A non-bypassable cost recovery rider may be established to recover from all customers non-market based costs, fees, or charges imposed on or charged to the electric utility by FERC, a regional transmission organization, an independent transmission operator, or similar organization approved by FERC, excluding any charge or fee also assigned to a competitive retail electric supply provider and not transferred to the utility.”

DP&L also disagrees with OCC’s assertion at page 2 concerning Section 4901:1-36-06 OAC, that quarterly reports should be filed in a public docket. The OCC fails to explain how a publicly filed report would benefit the public over a report submitted to Staff. A quarterly report is not part of a rate-setting process and thus, no benefit can be realized by the OCC or other parties by merely reviewing a report of incurred costs. Further, DP&L argues that a quarterly status filing would unnecessarily complicate a process that is currently effective, efficient, and most importantly, sufficient. DP&L questions the OCC’s intent of this proposal and whether the OCC is attempting to

establish another forum for case discovery. Providing a quarterly report to Staff is more than sufficient in keeping the Staff informed of the costs as they are incurred so that the Commission can make a determination as to whether a rate adjustment is necessary.

DP&L urges the Staff to reject the OCC's proposal to ensure that all required documents be filed publicly only at the time DP&L files for true-up of its transmission riders.

#### **4901:1-38 Reasonable Arrangements for Electric Utility Customers**

DP&L agrees with Direct Energy's proposals at pages 5 and 6 of their initial comments to amend Sections 4901:1-38-03(A) and 4901:1-38-05(A) OAC. DP&L believes that customers who take generation service from a CRES provider should be allowed to enter into an economic development arrangement. Both competition and economic development arrangements help to encourage potential customers as well as expanding customers to locate in Ohio.

DP&L opposes First Energy's proposal on page 3 for a new section in 4901:1-38 OAC,

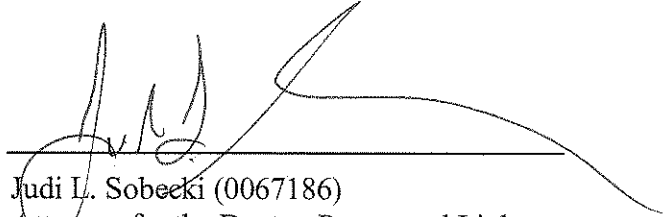
A customer approved for an arrangement under this chapter shall be permitted to select a certified retail electric service provider to supply its generation service.

While DP&L doesn't oppose a customer's right to choose a generation supplier, DP&L does oppose this wording. A customer who is "approved" for an arrangement would have a contract with the utility and the Commission would have issued an order approving the application and contract. If the customer chooses a CRES provider, it should be before the contract is signed with the utility.

#### **Conclusion**

DP&L appreciates the opportunity to provide comments in reply and urges the Commission to adopt the recommendations set forth above.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Judi L. Sobecki', is written over a horizontal line.

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Summary: Comments Reply Comments of the Dayton Power and Light Company  
electronically filed by Mr. Robert J Adams on behalf of The Dayton Power and Light Company