

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of The Dayton Power and Light     )  
Company's Ten Year Advanced Energy and     )  
Renewable Energy Benchmark Compliance     )  
Plan

Case No. 14-0476-EL-ACP

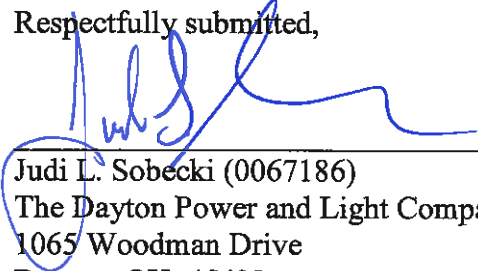
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**THE DAYTON POWER AND LIGHT COMPANY'S  
TEN YEAR ADVANCED ENERGY AND RENEWABLE ENERGY  
BENCHMARK COMPLIANCE PLAN**

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Pursuant to Section 4901:1-40-03(C) of the Ohio Administrative Code, The  
Dayton Power and Light Company hereby submits the attached Ten Year Advanced  
Energy and Renewable Energy Benchmark Compliance Plan.

Respectfully submitted,



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# **The Dayton Power and Light Company**

## **Advanced Energy and Renewable Energy Benchmark 10 Year Compliance Plan**

Dated: April 15, 2014

Pursuant to Ohio Administrative Code (OAC) Section 4901:1-40-03(C), the Dayton Power and Light Company (DP&L or the Company) hereby submits its ten year advanced energy and renewable energy benchmark compliance plan. DP&L is an electric distribution utility as defined by Ohio Revised Code (ORC) Section 4928.01(A)(6) and is therefore subject to the advanced energy and renewable benchmarks contained in ORC §4928.64. The purpose of this plan is to provide the Public Utilities Commission of Ohio (PUCO), as well as all interested parties, an understanding as to how the Company plans to achieve those benchmarks.

## **Baseline**

ORC §4928.64(B) and OAC §4901:1-40-03(B) specify that the distribution utility's Advanced Energy and Renewable Energy Benchmarks must be based on sales made to standard offer retail customers in the last three years.

For the purpose of developing the benchmarks for the next 10 years, DP&L had to develop a forecast of standard offer sales. DP&L's forecast is based upon the Company's recorded standard offer sales through December 31, 2013. The Company has assumed those that were shopping as of that date will continue to shop.

The chart below shows DP&L's renewable energy and solar benchmarks, within and outside of Ohio, for the next ten years consistent with the methodology discussed above.

Year	DP&L's Annual Baseline SB 221 Requirement*	SB 221 Compliance Requirement %		Renewable Requirement		Solar Requirement	
	MWh	Renewable Energy Resource	Solar Energy Resource	Total MWh	50% from Ohio MWh	Total MWh	50% from Ohio MWh
2013	7,799,429	2.00%	0.09%	148,969	74,485	7,019	3,510
2014	5,998,271	2.50%	0.12%	142,759	71,379	7,198	3,599
2015	5,001,387	3.50%	0.15%	167,546	83,773	7,502	3,751
2016	4,553,792	4.50%	0.18%	196,724	98,362	8,197	4,098
2017	4,553,792	5.50%	0.22%	240,440	120,220	10,018	5,009
2018	4,553,792	6.50%	0.26%	284,157	142,078	11,840	5,920
2019	4,553,792	7.50%	0.30%	327,873	163,937	13,661	6,831
2020	4,553,792	8.50%	0.34%	371,589	185,795	15,483	7,741
2021	4,553,792	9.50%	0.38%	415,306	207,653	17,304	8,652
2022	4,553,792	10.50%	0.42%	459,022	229,511	19,126	9,563

#### Assumptions

\* Baseline SB 221 Requirements are based on average MWh standard offer sales from the preceding three calendar years. Requirements beyond 2013 are forecasted assuming annual sales in year 2014 and later are recorded at 2013 levels, and are subject to change.

## Compliance Plan

DP&L filed its initial renewable compliance plan in its Electric Security Plan (ESP) (Case No. 08-1094-EL-SSO) in October 2008. That plan was approved by Commission order dated June 24, 2009. That plan called for the purchase of Renewable Energy Credits (RECs) in the near-term combined with potential DP&L renewable generation and additional REC purchases in the mid- to longer-term. DP&L's annual 10 year compliance plans continued to support the original plan.

On October 5, 2012, DP&L filed an application seeking to implement an Electric Security Plan in PUCO Case Nos. 12-426-EL-SSO, et al. On page 3 of the application, DP&L proposed the following:

9. *During the ESP period, DP&L will continue to meet the alternative energy requirements of Ohio Rev. Code §4928.64 for the SSO load in its service territory in the same way that it does currently, through purchase of Renewable Energy Credits*

*(“RECs”) or through the use of the RECs generated by the Yankee solar generation facility. Renewable compliance costs will continue to be recovered through DP&L’s Alternative Energy Rider much like it is today. This rider will be modified to be trued-up on a seasonal quarterly basis.*

DP&L’s ESP Application was approved on September 4<sup>th</sup>, 2013.

### **Ohio Non-Solar Renewable Benchmarks**

Consistent with the 2009 plan and in the short-term, DP&L continues to expect to meet the Ohio Non-Solar Renewable Benchmarks through the purchase of RECs. Over the mid- to longer-term, DP&L plans to meet the Ohio Non-Solar Benchmark through a combination of REC purchases and potential biomass and/or biodiesel co-firing at DP&L operated generating facilities. In October 2009 in Case Nos. 09-891-EL-REN and 09-892-EL-REN, DP&L filed seeking PUCO renewable certification of its biomass and biodiesel co-firing plans at the Company’s co-owned Killen Station. Those applications were approved by the Commission on April 6, 2010. Currently, due to lack of reliable biomass suppliers, DP&L has no definitive plans to deliver and burn biomass fuel. During the 10 year period, DP&L will continue to evaluate other fuel sources.

### **Non-Ohio Non-Solar Renewable Benchmarks**

Consistent with DP&L’s approved renewable plan and for the short-term, DP&L continues to expect to meet the Non-Ohio Non-Solar Renewable Benchmarks through the purchase of RECs. In the longer-term, DP&L may explore meeting its Non-Ohio Non-Solar Benchmarks through REC purchases and, where feasible, deliverable and economically beneficial, through the purchase of both electricity and associated RECs from renewable facilities located outside the state of Ohio.

### **Ohio Solar Renewable Benchmarks**

DP&L plans to meet its Ohio Solar Benchmarks by purchasing RECs and by self generating at our 1.1MW Yankee Solar Generating Facility which became operational on March 24, 2010. Additionally, when determined to be economically beneficial, the Company may consider Power Purchase Agreements (PPAs). Because the Ohio Solar REC Benchmarks increase year-by-year and it is unclear how many solar projects may be constructed by non-utility entrepreneurs and individuals, there is a significant degree of uncertainty regarding

whether there will be enough Ohio Solar RECs to allow all utilities and energy service providers to meet their future targets through the purchase of RECs. The Company will continually monitor the availability and pricing of Ohio Solar RECs and will endeavor to purchase RECs to provide the lowest possible compliance costs to its ratepayers.

### **Non-Ohio Solar Renewable Benchmarks**

DP&L plans to meet its Non-Ohio Solar Benchmarks by purchasing RECs where economically available. In the longer-term, compliance will be through a combination of REC purchases and, where feasible, deliverable and economically beneficial, through the purchase of electricity and associated RECs from renewable facilities located outside of the State.

### **Advanced Energy Benchmark**

The Advanced Energy Benchmark as outlined in ORC §4928.64 requires that by 2025, 12.5% of the utility's generation resources may be generated from advanced energy resources such as modifications to existing generating facilities that increase the generation output of the facility without increasing carbon emissions, distributed generation systems, clean coal technology, advanced nuclear, fuel cell, or advanced solid waste that results in measurable greenhouse gas emission reductions.

DP&L has already made investments in new technology that was employed to increase the generation output of our existing facilities without additional carbon dioxide emissions by the facility. At the Killen Generating Station and the Stuart Generating Station, DP&L installed new turbine rotors of improved design known as "dense pack." The new design more efficiently uses the normal steam flow through the turbine to provide greater output from the generator. The dense pack's ability to increase overall MW capacity of the generating units resulted in measurable increased kilowatt-hours of advanced energy produced without additional carbon dioxide emissions. DP&L believes this dense pack technology qualifies as an advanced energy resource as defined in OAC §4901:1-40-04(B)(1). The percentage of advanced energy the dense packs will produce to meet the 2025 goal will be dependent upon the baseline of standard offer sales that exist at that time.

## **Conclusion**

DP&L will continue its efforts to meet the Renewable and Advanced Energy Benchmarks in the most cost-effective means possible for its ratepayers. The Company actively monitors REC markets and emerging technologies and continuously evaluates its compliance plans as new information or new projects are introduced or completed.

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

**Commission of Ohio Docketing Information System on**

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**in**

**Case No(s). 14-0476-EL-ACP**

Summary: Annual Report In the matter of The Dayton Power and Light Company's Ten Year Advanced Energy and Renewable Energy Benchmark Compliance Plan electronically filed by Eric R Brown on behalf of The Dayton Power and Light Company