

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Commission's Review   )  
of its Rules for the Alternative Energy       )  
Portfolio Standard Contained in Chapter     ) Case No. 13-652-EL-ORD  
4901:1-40 of the Ohio Administrative       )  
Code.   )

---

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

---

The Dayton Power and Light Company ("DP&L" or "the Company") appreciates the opportunity to provide comments in response to the Entry dated July 11, 2014 in which the Public Utilities Commission of Ohio ("Commission" or "PUCO") seeks comments and reply comments from interested persons to assist in the review of Ohio Administrative Code 4901:1-40-03 in conjunction with the Commission's implementation of Sub. Senate Bill 310. The Commission solicited general comments on policy questions as set forth in the entry itself.

- A. Does the General Assembly's amendment to R.C. 4928.64(B)(3) by Sub.S.B. 310 require the Commission to amend Ohio Adm. Code 4901:1-40-03 to eliminate the in-state requirement in its entirety, including the portion of 2014 prior to the effective date of Sub.S.B. 310?**
- B. Does the General Assembly's amendment to R.C. 4928.64(B)(3) by Sub.S.B. 310 require the Commission to amend Ohio Adm. Code 4901:1-40-03 to prorate the in-state requirement for 2014 based upon the effective date of Sub.S.B. 310 and to eliminate the requirement thereafter?**

DP&L believes the amendment to R.C. 4928.64(B)(3) by Sub.S.B 310 requires the Commission to amend O.A.C. 4901:1-40-03 to eliminate the in-state requirement in its entirety, including the portion of 2014 prior to the effective date of Sub.S.B. 310.

Allowing entities to purchase deliverable SRECS at the lowest price will result in the lowest costs to all Ohio consumers, the driving factor in eliminating the in-state requirement. By applying the statute equally to the entire period, the Commission would preserve rate stability for entities by minimizing costs associated with the creation of a commodity spread between in-state and out-of-state eligible RECs as well as “pre-implementation 2014” and “post-implementation 2014”. Also, speaking in general terms, entities may not have been purchasing Ohio SRECs to meet a 2014 in-state compliance requirement in anticipation of a change to Ohio law. By requiring entities to purchase Ohio SRECs for a prorated 2014 compliance year, the supply of qualified SRECs could be constrained due to the limited nature of eligibility.

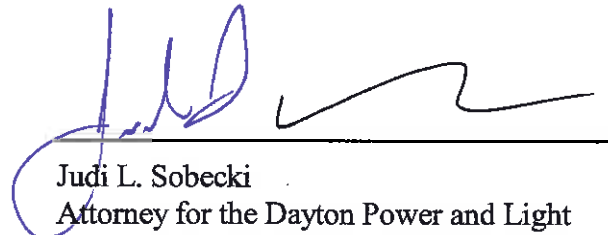
Significant consideration should also be placed on ease of calculation and administration of the renewable requirements. The individual attributes of RECs require careful attention to properly maintain and identify the appropriate commodity supply for compliance. Introducing an artificial boundary under which some RECs from 2014 must conform to different geographical criteria than others from the same year would complicate this process. The Company would caution the Commission on implementing a calculation methodology to prorate a portion of a yearly requirement that consists of an average of the previous three year’s historical sales. To complicate further, Sub.S.B. 310 also allows an entity the option of using a baseline of either an average of total kilowatt hours sold in the preceding three calendar years or a baseline consisting of kilowatt hours

sold in the applicable compliance year. This could lead to confusion and disparity among entities and inconsistent calculations of baseline and requirement figures.

### **Conclusion**

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

Respectfully submitted,



Judi L. Sobecki  
Attorney for the Dayton Power and Light  
Company  
1065 Woodman Drive  
Dayton, OH 45432  
Telephone: (937) 259-7171  
Facsimile: (937) 259-7178  
Email: [Judi.Sobecki@dp&linc.com](mailto:Judi.Sobecki@dp&linc.com)

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

**Commission of Ohio Docketing Information System on**

**7/31/2014 4:24:48 PM**

**in**

**Case No(s). 13-0652-EL-ORD**

Summary: Comments made pursuant to the Attorney Examiner's Entry electronically filed by Eric R Brown on behalf of The Dayton Power and Light Company