

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of)
The Dayton Power and Light Company) Case No. 14-806-EL-RDR
to Implement its Alternative Energy)
Rider)

FINDING AND ORDER

The Commission finds:

- (1) The Dayton Power and Light Company (DP&L) is an electric utility as defined in R.C. 4928.02, and a public utility as defined in R.C. 4905.02, and, as such, is subject to the jurisdiction of this Commission.
- (2) On September 4, 2013, the Commission issued a Finding and Order authorizing DP&L's proposed electric security plan (ESP), with modification. Included in the ESP was an alternative energy rider (AER), which would recover DP&L's cost of compliance with the R.C. 4928.64 renewable energy targets. *In re The Dayton Power and Light Co.*, Case No. 12-426-EL-SSO, et al., Finding and Order (September 4, 2013) at 30-31. The ESP proposed by DP&L included a request for an expedited regulatory approval process to implement quarterly true-ups of the alternative energy rider (AER). DP&L proposed that it would file tariffs and supporting schedules one month in advance of the tariffs going into effect and, if no objection is made, the tariffs would go into effect automatically on the first day of the new seasonal quarter.
- (3) On May 1, 2014, DP&L filed updated schedules, work papers, and tariffs for modifying its AER. By Finding and Order issued on May 28, 2014, the Commission found that DP&L's application was not unjust or unreasonable, and should be approved. Additionally,

we found that DP&L should file revised tariffs containing the automatic approval language for all riders that are subject to the automatic approval process pursuant to the ESP.

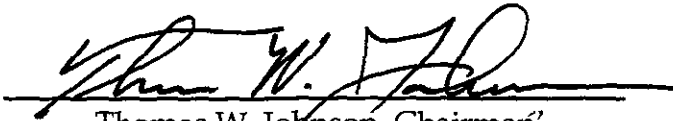
- (4) Subsequently, on July 18, 2014, DP&L filed revised tariffs to update its AER, which would become effective on a bills-rendered basis for the first billing cycle in September 2014.
- (5) On August 14, 2014, Staff issued a Review and Recommendation on DP&L's revised AER tariff. Staff recommends that the proposed AER rate be approved, and that DP&L's AER, including the fair market values used to assign a cost to historical SRECs, be subject to evaluation and potential reconciliation in the next annual audit.
- (6) The Commission finds that DP&L's revised tariffs are consistent with the ESP authorized by the Commission, are not unjust or unreasonable, and should be approved. Further, we find that Staff's recommendation is reasonable and should be adopted. We find that the AER, including the cost of historical SRECs, will be subject to evaluation and potential reconciliation pursuant to the annual audits. Further, since each seasonal quarterly filing of the AER is subject to an automatic approval process, we find that unless otherwise ordered, each subsequent AER filing by DP&L should also be subject to evaluation and potential reconciliation pursuant to an annual audit.

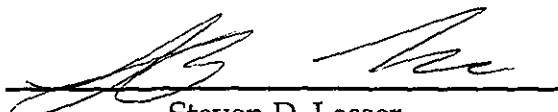
It is, therefore,

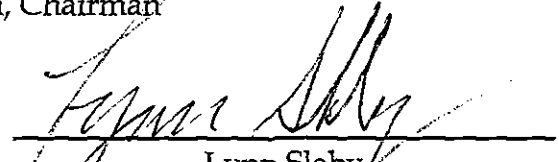
ORDERED, That DP&L's application to update its AER be approved, in accordance with Finding (7). It is, further,

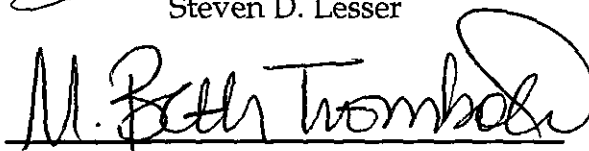
ORDERED, That a copy of this Finding and Order be served upon all parties of record.

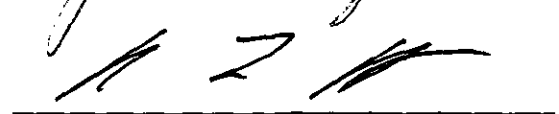
THE PUBLIC UTILITIES COMMISSION OF OHIO


Thomas W. Johnson, Chairman


Steven D. Lesser


Lynn Slaby


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Asim Z. Haque

BAM/sc

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Barcy F. McNeal
Secretary