

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Procurement of)
Standard Service Offer Generation as Part) Case No. 13-2120-EL-UNC
of the Electric Security Plan for Customers)
of The Dayton Power and Light Company.)

FINDING AND ORDER

The Commission finds:

- (1) The Dayton Power and Light Company (DP&L) is an electric utility as defined by R.C. 4928.01(A)(11) and an electric distribution utility as defined by R.C. 4928.01(A)(6).
- (2) R.C. 4928.141 provides that an electric distribution utility shall provide consumers a standard service offer (SSO) of all competitive retail electric services in accordance with R.C. 4928.142 and 4928.143.
- (3) On September 4, 2013, the Commission issued its Opinion and Order in Case No. 12-426-EL-SSO, et al., authorizing DP&L to establish its second electric security plan (ESP), as modified by the Commission. The Commission's Order provided that DP&L's retail generation rates should be determined by a descending-clock format competitive bid process (CBP). *In re The Dayton Power and Light Company*, Case No. 12-426-EL-SSO, at al., (ESP II), Opinion and Order (Sept. 4, 2013) at 15-17. The Commission determined that the CBP products should be 10 tranches of a 41 month product commencing on January 1, 2014, 50 tranches of a 29 month product commencing on January 1, 2015, and 40 tranches of a 17 month product commencing on January 1, 2016. *ESP II*, Second Entry on Rehearing (Mar. 19, 2014) at 18-19.
- (4) Pursuant to *ESP II*, DP&L will procure for the year 2016, on a slice of system basis, 40 percent of its aggregate, wholesale full requirements SSO. Further, the ESP provides that the CBP will be conducted by an independent bid manager, CRA International (CRA). Although the ESP provides that CRA was to select the winning bidder(s), the ESP also provides that the

Commission may reject the results within 48 hours of the auction conclusion.

- (5) Accordingly, a CBP auction was held on September 28, 2015. The auction procured 40 tranches of a 17-month product and cleared with a price of \$51.49 per MWh for the January 1, 2016, to May 31, 2017, delivery period. On September 30, 2015, CRA and Boston Pacific Company, Inc. (Boston Pacific), a consultant retained by the Commission to monitor the CBP auction, submitted reports regarding the conduct of the auction. These reports consist of confidential versions, filed under seal, and a redacted version of the report filed by CRA, which is publicly available in this docket. CRA and Boston Pacific each recommend that the Commission find that the CBP auction, within the limits of its structures, had sufficient competitive attributes and resulted in winning prices that are reasonable.
- (6) The Commission finds that the reports filed by CRA and Boston Pacific do not contain any recommendation or evidence that the auction violated the CBP rules in such a manner as to invalidate the auction. Accordingly, the Commission will not reject the results of the CBP auction.
- (7) In addition, the Commission notes that the reports filed by CRA and Boston Pacific also contain sensitive information which should be deemed confidential and remain under seal. Therefore, the Commission finds that the following information will be protected from public release indefinitely: the names of unsuccessful bidders; price information, including starting price methodologies and round prices/quantities for individual bidders; all information contained in Part I and Part II bidder applications; and indicative pre-auction offers.
- (8) However, the Commission finds that certain information regarding the CBP auction contained in the reports submitted by CRA should be released to the public after a brief period of time to allow the winning bidders to procure any additional necessary capacity to serve the SSO load. Therefore, unless otherwise ordered by the Commission, the following information will be subject to public release 21 days after the issuance of this Finding and Order: the names of bidders who won tranches in the CBP auction; the number of tranches won by each bidder; the first round ratio of tranches supplied compared to tranches needed; and the redacted report filed by CRA

detailing the CBP auction proceedings, subject only to redaction of any confidential information enumerated in Finding (8).

- (9) Finally, the Commission finds that all bidders should immediately disclose to the Commission and Staff all prices, terms and conditions for any post-auction assignments of tranches obtained through the CBP, subject to appropriate protections for confidential or proprietary information.

It is, therefore,

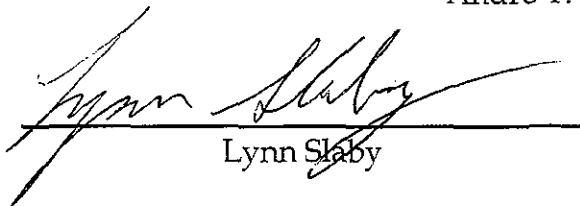
ORDERED, That the information set forth in Finding (7) be deemed confidential and remain under seal indefinitely. It is, further,

ORDERED, That, unless otherwise ordered by the Commission, the information set forth in Finding (8) be subject to public release 21 days after the issuance of this Finding and Order. 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

Andre T. Porter, Chairman

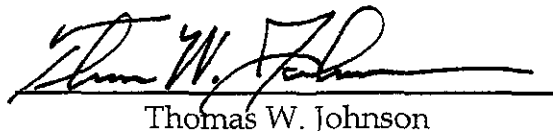


Lynn Slaby

M. Beth Trombold



Asim Z. Haque

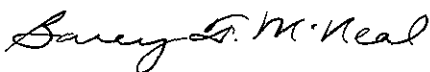


Thomas W. Johnson

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Barcy F. McNeal
Secretary