## BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the matter of the Market Development	)	
Working Group Staff Report	)	Case No. 14-2074-EL-EDI

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## REPLY COMMENTS OF THE DAYTON POWER AND LIGHT COMPANY REGARDING THE PUBLIC UTILITIES COMMISSION OF OHIO'S STAFF REPORT IN THE MATTER OF THE MARKET DEVELOPMENT WORKING GROUP

The overwhelming majority of Comments submitted in this case are fairly aligned, with the exception of advocates for select competitive retail electric service ("CRES") providers (e.g. the Retail Energy Supply Association and IGS Energy). The CRES providers only appear to be interested in maximizing the number of shopping customers irrespective of the costs borne by the electric distribution utilities ("EDUs") or customers. But costs and administrative feasibility were a unanimous concern of the other parties that filed Comments in this docket.<sup>1</sup>

Unlike the rest of the parties that submitted Comments, the CRES providers criticize the Staff's recommendation to reject the other market development options of instant connect, contract portability, and seamless moves. Arguing in favor of the instant connect and seamless move options, the CRES providers consistently cite to current events in Pennsylvania.<sup>2</sup> Simply because instant connect and seamless move was adopted in another state; however, does not

<sup>&</sup>lt;sup>1</sup> See, Comments of the Dayton Power and Light Company Regarding the Public Utilities Commission of Ohio's Staff Report in the Matter of the Market Development Working Group ("DP&L Comments") at 4-5 (Jan. 6, 2016); Oho Power Company's Initial Comments ("AEP Ohio Comments") at 1, 8-9 (Jan. 6, 2016); Comments of Duke Energy Ohio, Inc. ("Duke Comments") at 2 (Jan. 6, 2016); Comments of Ohio Edison Company, The Cleveland Electric Illuminating Company and the Toledo Edison Company Regarding Staff's Report ("FirstEnergy Comments") at 3, 8-9 (Jan. 6, 2016); Initial Comments by the Office of the Ohio Consumers' Counsel at 5-6 (Jan. 6, 2016),

<sup>&</sup>lt;sup>2</sup> Initial Comments of The Retail Energy Supply Association ("RESA Comments") at 6 (Jan. 6, 2016); Initial Comments of IGS Energy ("IGS Comments") at 4 (Jan. 6, 2016).

mean that it is suitable for Ohio. Not only is each state unique, each utility is uniquely situated based upon internal infrastructure. Moreover, the Staff recognized significant administrative burdens and cost associated with each of those options that were expressed during the Market Development Working Group meetings.<sup>3</sup>

Despite Staff's efforts to assist, the CRES providers also take aim at the Staff's warm transfer recommendation claiming that it is already possible today. The CRES providers overlook the fact that despite the potential for implementation, warm transfer is not yet occurring. Thus, any version of warm transfer will be a huge step toward helping customers understand their energy choices when moving within the same service territory. The CRES providers also complain that warm transfer is "suboptimal" because it is not a customer friendly process and the impact that it will have on the EDUs. Putting aside the fact that the CRES providers don't have visibility into the inner-workings of the EDUs, the CRES providers do concede that the warm transfer has many of the same benefits as some of the other options that they would like to see instituted. The benefits of warm transfer can be provided at far lower cost and administrative burden than the other options preferred by the CRES providers (e.g. seamless move, instant connect, and contract portability).

Nevertheless, the EDUs have expressed concern with the warm transfer process. Those concerns include the need for investing in expanded trunk lines, telecom enhancements, and increased staffing in call centers.<sup>7</sup> The level of investment needed to accommodate warm

<sup>&</sup>lt;sup>3</sup> See, Report by the Staff of the Public Utilities Commission of Ohio at 3-9 (Jul. 16, 2015) ("Staff Report").

<sup>&</sup>lt;sup>4</sup> RESA Comments at 9.

<sup>&</sup>lt;sup>5</sup> RESA Comments at 2-3.

<sup>&</sup>lt;sup>6</sup> See, RESA Comments at 3-4.

<sup>&</sup>lt;sup>7</sup> DP&L Comments at 3-4; Duke Comments at 4; AEP Ohio Comments at 8.

transfer depends greatly upon the infrastructure unique to each of the EDUs<sup>8</sup> as well as the ability to use third party administrators. In order to minimize the administrative and financial impact of the warm transfer process and make it a more feasible option to educate customers and further develop the market, the EDUs have stressed the need for flexibility in developing a warm transfer process.

Staff should be commended for its efforts to balance its objective of enhancing the shopping experience with the administrative and financial burdens associated with the concept of transferability. Allowing the EDUs to develop a warm transfer process suitable to their own infrastructure and customer base, such as using third parties to administer the program, will increase the health, strength, and vitality of the market and improve customer experience in Ohio.

Respectfully submitted,

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<sup>9</sup> AEP Ohio Comments at 4-7; Duke Comments at 3-4;

<sup>&</sup>lt;sup>8</sup> See also, Staff Report at 12.

<sup>&</sup>lt;sup>10</sup> DP&L Comments at 4, FirstEnergy comments at 3.

## **CERTIFICATE OF SERVICE**

I certify that these comments were filed electronically through the Docketing Information System of the Public Utilities Commission of Ohio on this 20<sup>th</sup> day of January 2016. The PUCO's e-filing system will electronically serve notice of the filing of this document on all parties of record.

/s/ Judi L. Sobecki

Counsel for the Dayton Power and Light Company

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Summary: Reply comments of The Dayton Power and Light Company regarding the Public Utilities Commission of Ohio's Staff Report in the matter of the Market Development Working Group electronically filed by Mr. Tyler A. Teuscher on behalf of The Dayton Power and Light Company