



Office of the Ohio Consumers' Counsel

November 7, 2017

Hon. Richard Bulgrin
Attorney Examiner
Public Utilities Commission of Ohio
180 E. Broad St., 12th Floor
Columbus, OH 43215-3793

Re: In re Application of the Dayton Power and Light Company for Approval of its Energy Efficiency and Peak Demand Reduction Program Portfolio Plan for 2018 through 2020, Stipulation and Recommendation filed October 27, 2017

Dear Attorney Examiner Bulgrin:

Thank you for the opportunity to share our views on behalf of DP&L's 450,000 residential consumers. The Consumers' Counsel neither supports nor opposes the settlement that DP&L filed in this case on October 27, 2017. We appreciate the efforts of DP&L, the PUCO Staff, and the parties in this case to negotiate a settlement with us.

DP&L's energy efficiency programs, as proposed in its application and modified by the settlement, will impact what consumers pay for electricity. Electric energy efficiency programs can benefit customers by giving them an opportunity to lower their bills. At the same time, however, utility-run energy efficiency programs come with a cost—program costs, utility profits, and so-called "lost revenues"—that consumers pay through their electric bills. Given our concerns about these costs for consumers, the Consumers' Counsel is not supporting the settlement. But the settlement's potential to limit these costs enables us to not oppose the settlement.¹

¹ Our non-opposition is not precedent for any future case or issue where the Consumers' Counsel can advocate for Ohio consumers.

The settlement provides benefits to DP&L's residential consumers:

- Customer payments for energy efficiency program costs and utility profits will be capped annually at 4.0% of the utility's revenues.
- There are annual limits on the amount that DP&L can charge its customers for utility profits (shared savings). In contrast, DP&L had proposed in its application that it be permitted to charge customers unlimited profits.
- DP&L's "lost revenues" charges will reset to zero when DP&L's currently-pending rate case (Case No. 15-1830-EL-AIR) is resolved, and DP&L will not be permitted to charge customers for lost revenues and decoupling charges simultaneously.
- DP&L will not charge customers for energy efficiency that they perform on their own through the marketplace.
- DP&L will not charge customers for utility profits in any year in which DP&L fails to meet its annual statutory energy savings benchmarks (*i.e.*, in any year in which DP&L uses banked energy savings to comply with the benchmark).
- Costs will not be reallocated to residential consumers as a result of non-residential customers opting out of the utility's energy efficiency programs.
- DP&L will bid at least 75% of eligible megawatts into PJM's base residual auctions, the proceeds of which will offset energy efficiency charges for consumers.

Again, the Consumers' Counsel appreciates the efforts of DP&L, the PUCO Staff, and others to work with us toward this settlement.

Very truly yours,



Christopher Healey
Assistant Consumers' Counsel

cc: Parties of Record

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Case No(s). 17-1398-EL-POR

Summary: Correspondence Correspondence Regarding the Stipulation by The Office of the Ohio Consumers' Counsel electronically filed by Ms. Jamie Williams on behalf of Healey, Christopher Mr.