

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE APPLICATION
OF THE DAYTON POWER AND
LIGHT COMPANY TO UPDATE ITS
RECONCILIATION RIDER.

CASE No. 18-1379-EL-RDR

FINDING AND ORDER

Entered in the Journal on October 24, 2018

I. SUMMARY

{¶ 1} The Commission finds that the Dayton Power & Light Company's application to update its reconciliation rider should be approved.

II. DISCUSSION

{¶ 2} The Dayton Power & Light Company (DP&L or the Company) is a public utility, an electric light company, and an electric distribution utility as defined in R.C. 4905.02, R.C. 4905.03(C), and R.C. 4928.01(A)(6), respectively. Therefore, DP&L is subject to the jurisdiction of this Commission.

{¶ 3} On October 20, 2017, the Commission approved, with modifications, DP&L's application for an electric security plan (ESP) under R.C. 4928.143. *In re the Application of Dayton Power and Light Co. to Establish a Std. Serv. Offer in the Form of an Electric Security Plan*, Case No. 16-395-EL-SSO, Opinion and Order (Oct. 20, 2017) (*ESP III Order*). As part of the approved ESP, the Commission authorized DP&L to recover or credit the net proceeds of selling Ohio Valley Electric Corporation (OVEC) energy and capacity into the PJM marketplace and OVEC costs through its reconciliation rider (RR). *ESP III Order* at ¶ 14, 63, 119.

{¶ 4} On September 14, 2018, DP&L filed an application to update the RR. In its application, DP&L represents that the proposed RR rates are just and reasonable and should be approved. DP&L additionally represents that, in the *ESP Order*, the

Commission approved the implementation of the RR. The Company further states that the schedules and work papers necessary to update the rider are attached to the application. As demonstrated in one of the attachments, DP&L projects that the bill impact of the RR rate for a typical residential customer using 1000 kilowatt hours (kWh) per month will be an increase of \$0.14 per month for the period spanning November 2018 through October 2019. The Company avers that the RR is subject to reconciliation, including but not limited to, refunds to customers, based upon the results of audits as approved and ordered by the Commission. The proposed tariffs reflect the following rate increase for residential customers:

Customer Class	Current Rate	Proposed Rate	Proposed Increase
Residential	\$0.0005427 per kWh	\$0.0006822 per kWh	\$0.0001395 per kWh
Residential (1,000 kWh)	\$0.54 per bill	\$0.68 per bill	\$0.14 per bill

{¶ 5} On October 3, 2018, Staff filed a review and recommendation regarding DP&L's application to update its RR. According to Staff, the Company proposes to recover \$8,924,154 in costs from November 1, 2018, through October 31, 2019. The proposed rate includes \$10,613,064 of forecasted costs and an estimated \$1,688,910 of over-recovered costs through October 31, 2018. Staff further notes that the Company has proposed tariff language to clarify that the RR is subject to reconciliation, including but not limited to customer refunds, based upon the results of Commission audits. Based on its investigation, Staff concludes that DP&L's proposed RR rates reflect the current and projected costs resulting from reasonable arrangements approved by the Commission. Staff recommends approval of the application, as well as the Company's proposed new tariff language, with rates to become effective on November 1, 2018.

III. CONCLUSION

{¶ 6} The Commission finds that DP&L's application to update its RR is consistent with the *ESP III Order*, does not appear to be unjust or unreasonable, and should be accepted. Additionally, the Commission finds that it is unnecessary to hold a hearing in this matter. The Commission finds that DP&L's updated RR should become effective on November 1, 2018.

IV. ORDER

{¶ 7} It is, therefore,

{¶ 8} ORDERED, That DP&L's application be approved, and DP&L be authorized to adjust the rates for its RR, in accordance with Paragraph 6. It is, further,

{¶ 9} ORDERED, That DP&L be authorized to file two complete copies of tariffs in final form consistent with this Finding and Order. DP&L shall file one copy in this case docket and one copy in its TRF docket. It is, further,

{¶ 10} ORDERED, That the effective date of the new tariffs shall be a date not earlier than the date upon which the final tariff pages are filed with the Commission. It is, further,

{¶ 11} ORDERED, That DP&L shall notify customers via a bill message or bill insert within 30 days of the effective date of the tariffs. Additionally, DP&L shall submit a copy of the customer notice to the Commission's Service Monitoring and Enforcement Department prior to its distribution to customers. It is, further,

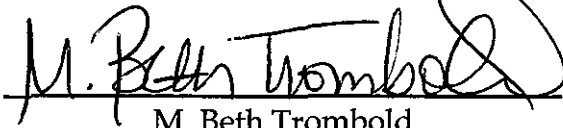
{¶ 12} ORDERED, That nothing in this Finding and Order shall be binding upon this Commission in any future proceeding or investigation involving the justness or reasonableness of any rate, charge, rule, or regulation. It is, further,

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

THE PUBLIC UTILITIES COMMISSION OF OHIO

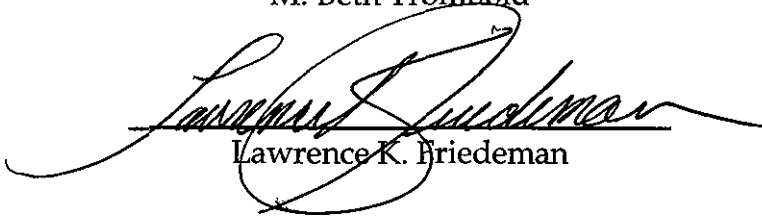


Asim Z. Haque, Chairman



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OCT 24 2018



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Secretary