

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of The Dayton) Power and Light Company for Approval of a) Non-Commodity Billing Process)	Case No. 19-860-EL-UNC
In the Matter of the Application of the Dayton) Power and Light Company for Approval of) Certain Accounting Authority and Recovery) on an Expedited Basis)	Case No. 19-861-EL-AAM

**APPLICATION OF THE DAYTON POWER & LIGHT COMPANY
FOR APPROVAL OF NON-COMMODITY BILLING PROCESS
AND FOR APPROVAL OF CERTAIN ACCOUNTING AUTHORITY AND COST
RECOVERY ON AN EXPEDITED BASIS**

1. Applicant the Dayton Power and Light Company (DP&L) is a public utility and electric light company as defined by R.C. § 4905.02 and § 4905.03(A)(4) respectively, and an electric distribution utility as defined by R.C. § 4928.01(A)(6) and is subject to the jurisdiction of the Public Utilities Commission of Ohio (“the Commission”).

2. On October 20, 2017, the Commission approved the Amended Stipulation and Recommendation (“Amended Stipulation”) filed in Case No. 16-395-EL-SSO, et al. on March 14, 2017.

3. The Amended Stipulation provided, in part, that “DP&L shall submit an application to the Commission to establish non-commodity billing and parameters and to establish any terms for cost recovery by DP&L no later than eighteen (18) months after the date a Commission order issues approving this Stipulation with or without modification.”¹

¹ Amended Stipulation at IX.1., dated March 14, 2017.

4. Accordingly, DP&L requests the Commission's approval, of a non-commodity billing process that will allow CRES Providers (Suppliers) to include non-commodity products and services on DP&L's consolidated bill ready bill pursuant to the Finding and Order in Case Nos. 16-395-EL-SSO, *et al.*, subject to the associated cost recovery on an expedited basis as explained below.

5. DP&L will implement non-commodity billing by updating its billing system and accounting records to allow suppliers to add "non-commodity" charges to DP&L's consolidated **bill ready** bill, separate from supplier commodity charges. In order to accommodate this new functionality with minimal change to the customer, DP&L will include supplier non-commodity charges in the Miscellaneous section of its consolidated bill and consistent with the Ohio EDI guidelines. These charges will be separately shown and identified as supplier charges.

6. Any supplier "non-commodity" charges will be paid last through the posting priorities, as prescribed in O.A.C § 4901:1-10-33(H)(1)(e). This interpretation of posting priorities will prevent DP&L customers from having their electricity shut off for nonpayment of non-commodity services.

7. DP&L's objective in designing this modified utility consolidated billing process is to comply with the Commission's Finding and Order with minimal change to the customer experience, while providing a bill that clearly indicates the amount customers are paying their suppliers for any non-commodity products and services.

8. DP&L intends to implement this new process to allow for suppliers to include non-commodity products and services on its utility consolidated bill within twelve (12) months of final Commission approval of the application in this matter.

9. Pursuant to the Approved Amended Stipulation in Case Nos. 16-395-EL-SSO, *et al.*, DP&L is seeking approval of accounting authority to defer all expenses related to the implementation of non-commodity billing, including all carrying charges at DP&L's most recently approved cost of long-term debt on an expedited basis. DP&L estimates that the overall cost to implement non-commodity billing as detailed in this application to be approximately \$500,000, plus any appropriate carrying charges.

10. The Amended Stipulation states that: "DP&L will be permitted to seek cost recovery associated with providing non-commodity billing in part from CRES providers utilizing non-commodity billing and other third parties and ratepayers equally in another proceeding with any application for cost recovery to be submitted on an expedited basis to ensure timely implementation of non-commodity billing." DP&L proposes that Suppliers pay half of the final expenses in a lump sum, estimated to be approximately \$250,000. The supplier recovery will be used to pay down asset and deferral balances. Finally, DP&L proposes that the recovery of the remaining expenses be recovered through the Regulatory Compliance Rider (RCR), which is subject to a \$20M cap on recovery,² in order to ensure cost recovery on an expedited basis.

11. To the extent it is necessary, DP&L will file the necessary tariff updates.

CONCLUSION

DP&L respectfully requests that the Commission approve this Application, on an expedited basis, pursuant to the Amended Stipulation dated March 14, 2017 and the Finding and Order dated October 20, 2017 in Case Nos. 16-395-EL-SSO, *et al.*

² Approved Amended Stipulation at VI.1.d., dated March 14, 2017.

Respectfully submitted,

/s/ Michael J. Schuler

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Summary: Application of DP&L for Approval of a Non Commodity Billing Process and for Approval of Certain Accounting Authority and Recovery on an Expedited Basis electronically filed by Mr. Hani S Jaber on behalf of Dayton Power and Light Company