

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of The)	
Dayton Power and Light Company for)	Case No. 20-650-EL-AAM
Approval of Certain Accounting Authority.)	

In the Matter of the Application of The)	
Dayton Power and Light Company for)	
Approval of its Temporary Plan for)	Case No. 20-651-EL-UNC
Addressing the COVID-19 State of)	
Emergency.)	

In the Matter of the Application of The)	
Dayton Power and Light Company for)	
Waiver of Tariffs and Rules Related to the)	Case No. 20-652-EL-WVR
COVID-19 State of Emergency.)	

In the Matter of the Application of The)	
Dayton Power and Light Company for)	
Approval of Revised Contract with Certain)	
Customers and Reasonable Arrangement)	Case No. 20-755-EL-AEC
Related to the COVID-19 State of)	
Emergency.)	

COMMENTS OF INTERSTATE GAS SUPPLY, INC.

On March 12, 2020, the Commission issued an Entry that, due to the declaration of a state of emergency, directed public utilities “to review their service disconnection policies, practices, and tariff provisions and to promptly seek any necessary approval to suspend otherwise applicable requirements that may impose a service continuity hardship on residential and nonresidential customers or create unnecessary COVID-19 risks associated with social contact.” *In the Matter of the Proper Procedures and Process*

for the Commission's Operations and Proceedings During the Declared State of Emergency and Related Matters, Case No. 20-591-AU-UNC, Entry (Mar. 12, 2020).

In response, on March 23, 2020, and as supplemented on April 15, 2020, The Dayton Power and Light Company ("DP&L") filed an application ("Application") in these proceedings with the purpose of implementing the Commission's directives in the State of Emergency Proceedings. In its Application, DP&L seeks, among other things, the authority to track and defer the recovery of its uncollectible expenses.¹ Specifically, DP&L states "as part of the package of emergency ratemaking measures under R.C. 4909.16, the Company will continue to track and defer, for later recovery those uncollectible costs."²

Currently, DP&L's base distribution rates do not include the recovery of any uncollectible expenses, nor does DP&L recover uncollectible expenses through a rider mechanism.³ However, previously in effect prior to DP&L's withdrawal of its Third Electric Security Plan ("ESP 3"), DP&L did have an Uncollectible Rider to provide for the recovery of these expenses.⁴ As approved by the Commission, DP&L's Uncollectible Rider recovered uncollectible expenses on a nonbypassable basis with the exception of the bad

¹ Application of DP&L (Mar. 23, 2020) at 6.

² *Id.*

³ See *In the Matter of the Application of The Dayton Power and Light Company to Increase its Rates for Electric Distribution*, Case Nos. 15-1830-EL-AIR, et al., Staff Report (Mar. 12, 2018) at 15 and 111; *In the Matter of the Application of The Dayton Power and Light Company for a Finding That Its Current Electric Security Plan Passes the Significantly Excessive Earnings Test and More Favorable in the Aggregate Test in R.C. 4928.143(E)*, Case No. 20-680-EL-UNC, Test. of Gustavo Garavaglia (Apr. 1, 2020) at 6-7.

⁴ See *In the Matter of the Application of the Dayton Power and Light Company to Establish a Standard Service Offer in the Form of an Electric Security Plan*, Case Nos. 16-395-EL-SSO, et al., Opinion and Order (Oct. 20, 2017) at 14.

debt associated with default service generation receivables, which was recovered on a bypassable basis.⁵ In light of DP&L's Application and this prior commitment, IGS respectfully requests that, should the proposed deferral mechanism be approved, the Commission direct DP&L to track, defer, and recover the unexpected uncollectible costs associated with default service generation receivables through a bypassable mechanism.

If DP&L collects uncollectible expenses associated with default service generation through distribution rates or some other nonbypassable charge, shopping customers in the DP&L territory are paying twice for generation bad debt: once through distribution rates paid to DP&L and once through generation rates paid to their supplier. Indeed, as CRES Suppliers also incur bad debt due to unpaid generation expenses, CRES Suppliers must pass along these costs to their customers through rates.

However, this disparity can easily be remedied by only collecting the default service bad debt from those customers receiving default service. Then shopping customers would only be responsible for their Supplier's bad debt.

Further, proper allocation of these unexpected costs will avoid increased hardships to shopping customers, consistent with the spirit of the Commission's March 12, 2020 Order. Finally, properly allocating the generation related uncollectible expenses furthers state policy to ensure "nondiscriminatory retail electric service" and "the availability of unbundled and comparable retail electric service" to customers.⁶

⁵ *Id.*

⁶ R.C. 4928.02(H).

Therefore, IGS requests that any deferral mechanism approved by the Commission would separate the uncollectible expenses associated with DP&L's default service generation.

Respectfully submitted,

/s/ Bethany Allen

Bethany Allen (0093732)

Counsel of Record

bethany.allen@igs.com

Joseph Olikier (0086088)

joe.oliker@igs.com

Michael Nugent (0090408)

michael.nugent@igs.com

IGS Energy

6100 Emerald Parkway

Dublin, Ohio 43016

Telephone: (614) 659-5000

Attorneys for IGS

(willing to accept service via email)

CERTIFICATE OF SERVICE

I certify that these *Comments of Interstate Gas Supply, Inc.* were filed electronically through the Docketing Information System of the Public Utilities Commission of Ohio on May 4, 2020. The Commission's e-filing system will electronically serve notice of the filing of this document on the parties subscribed to these proceedings. Additionally, notice was provided to the parties listed below.

/s/ Bethany Allen

Bethany Allen

SERVICE LIST

ambrosia.logsdon@occ.ohio.gov
kboehm@BKLawfirm.com
jkylercohn@BKLawfirm.com
mkurtz@BKLawfirm.com
mpritchard@mcneeslaw.com
rdove@keglerbrown.com
rglover@mcneeslaw.com
william.michael@occ.ohio.gov
Michael.Schuler@aes.com

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

5/4/2020 4:53:44 PM

in

Case No(s). 20-0650-EL-AAM, 20-0651-EL-UNC, 20-0652-EL-WVR, 20-0755-EL-AEC

Summary: Comments of Interstate Gas Supply, Inc. electronically filed by Mr. Evan F Betterton on behalf of Interstate Gas Supply, Inc.