

**BEFORE THE  
PUBLIC UTILITIES COMMISSION OF OHIO**

|  |   |                         |
|--|---|-------------------------|
| In the Matter of the Application of The      | ) |                         |
| Dayton Power and Light Company to            | ) | Case No. 20-1651-EL-AIR |
| Increase Its Rates for Electric Distribution | ) |                         |
|  | ) |                         |
| In the Matter of the Application of The      | ) | Case No. 20-1652-EL-AAM |
| Dayton Power and Light Company for           | ) |                         |
| Accounting Authority                         | ) |                         |
|  | ) |                         |
| In the Matter of the Application of The      | ) | Case No. 20-1653-EL-ATA |
| Dayton Power and Light Company for           | ) |                         |
| Approval of Revised Tariffs                  | ) |                         |

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**THE CITY OF DAYTON’S OBJECTIONS TO THE STAFF REPORT**

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**I. Introduction**

Pursuant to R.C. 4909.19(C) and Ohio Admin. Code 4901-1-28, the City of Dayton (“City”) submits the following objections to the Staff Report as filed on July 26, 2021.

1. Staff failed to modify Sheet D10, “Emergency and Auxiliary Service”, appropriately. This Sheet discusses redundant service provided to customers who have more than one service connection. DP&L failed to comply with several key provisions included in the Supplemental Stipulation filed on July 12, 2018 in DP&L’s last distribution case, Case No. 15-1830-EL-AIR et al (“2015 Rate Case”). Staff erred by failing to make revisions to DP&L’s proposal which are necessary to ensure the rates charged are reasonable and are allocated based on principles of cost-causation.

2. Staff failed to include certain revenue associated with Emergency and Ancillary Service sources which should have been included by DP&L.

Notwithstanding the foregoing, the City reserves the right to supplement or modify these objections if Staff makes additional findings, conclusions, or recommendations with respect to the

Staff Report. The City further reserves the right to respond to objections or other issues raised by other parties in the above-captioned proceedings.

## **II. OBJECTIONS**

### **A. The Redundant Service Charge, Sheet D10, should have been modified by Staff.**

In the 2015 Rate Case DP&L proposed significant revisions to Sheet D10, “Emergency and Auxiliary Service” which relates to redundant service. The City objected to those revisions because DP&L failed to propose a detailed billing mechanism (“peak” v. “peak usage during on peak hours”), how often is the contract capacity value adjusted, how redundant service could terminate, and numerous other fundamental questions regarding the rate and terms of service for redundant service customers. The City also objected to the rate to be charged to customers as unsupported.

To resolve this dispute, on July 12, 2018 the City entered into a Supplemental Stipulation which addressed the issues associated with redundant service (“Supplemental Stipulation”). The Supplemental Stipulation required, among other things, that as part of its application in this case DP&L should include a cost-of-service study which includes “an analysis to determine what incremental costs are associated with redundant service and are not currently being recovered by DP&L under base distribution rates, and should therefore be included in the redundant service charge as described in the Staff Report. The cost-of-service study shall also recommend a rate to be charged to customers taking redundant service.”<sup>1</sup>

Despite this commitment DP&L failed to address the costs of redundant service in its cost-of-service study. Staff erred by failing to examine redundant service issues in the Staff Report and to recommend appropriate changes to Tariff D10. Staff should have addressed, among other

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<sup>1</sup> Supplemental Stipulation ¶ 3.

things, the terms under which customers can take redundant service, how customers are responsible for the costs of the additional delivery point, and DP&L's failure to present evidence of incremental costs associated with providing redundant service. Until DP&L affirmatively presents evidence as to the amount of those incremental costs, no redundant service charge is appropriate. As a result, Staff erred by failing to enforce the Supplemental Stipulation and by not modifying Tariff D10 accordingly.

**B. Staff failed to properly identify all revenue sources for DP&L.**

Staff also erred by failing to account for any new revenue DP&L would receive from assessing redundant service charges on customers. There has been no consideration of the additional revenue DP&L would receive through the imposition of redundant service charges on customers. This oversight must be addressed by requiring DP&L to identify all customers currently taking redundant service, as well as the revenue which DP&L expects to receive from those customers. And DP&L must account for this new, additional revenue in its overall revenue requirement as part of this rate case to ensure there is no double recovery from customers paying redundant service charges.

Respectfully submitted,

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**CERTIFICATE OF SERVICE**

I certify that the foregoing was filed electronically through the Docketing Information System of the Public Utilities Commission of Ohio on this 25th day of August, 2021. The PUCO's e-filing system will electronically serve notice of the filing of this document on counsel for all parties.

/s/ N. Trevor Alexander

Attorney for The City of Dayton

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**in**

**Case No(s). 20-1651-EL-AIR, 20-1652-EL-AAM, 20-1653-EL-ATA**

Summary: Objection to the Staff Report electronically filed by Sarah Siewe on behalf of City of Dayton