

THE PUBLIC UTILITIES COMMISSION OF OHIO

ENTRY ON REHEARING

- (1) The Dayton Power and Light Company (DP&L) is a public utility as defined in Sections 4905.02 and 4905.03(A)(4), Revised Code, and, as such, is subject to the jurisdiction of this Commission.
- (2) On December 26, 2008, DP&L filed an application for authority to defer the incremental operation and maintenance (O&M) expenses associated with restoring electric service to its customers in the aftermath of Hurricane Ike's destructive wind storm of September 14, 2008. DP&L's application proposed to defer the incremental amount, plus carrying charges, by which 2008 storm-related service restoration expenses exceeds the three-year average service restoration O&M expenses associated with major storms. The application requested deferral of such incremental expenses and carrying charges for future recovery under their approved rate stabilization plan from all customers, over a 12-month period, beginning at a date determined by the Commission in a future proceeding.
- (3) On January 13, 2009, the Ohio Consumers' Counsel (OCC) filed a motion to intervene on behalf of DP&L's residential customers which should now be granted. On January 14, 2009, the Commission issued a finding and order granting DP&L's request to defer the incremental 2008 storm-related O&M expenses with carrying costs, but expressly reserved for future determination the reasonableness and recovery of these deferred amounts.

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- (4) Section 4903.10, Revised Code, states that any party to a Commission proceeding may apply for rehearing with respect to any matters determined by the Commission, within 30 days of the entry of the order upon the Commission's journal.
- (5) On February 13, 2009, OCC filed an application for rehearing with a single assignment of error, which essentially mirrors the assignment of error recently rejected by this Commission on February 11, 2009, in Case No. 08-1301-EL-AAM. OCC maintains that the order in the instant case should have expressly stated that any future recovery of deferrals by DP&L must be made within the context of a distribution rate case under Sections 4909.18 and 4909.15, Revised Code, and related statutes. In support of its argument, OCC asserts that only a distribution rate case, as opposed to an electric security plan case under Section 4928.143, Revised Code, provides the appropriate procedural setting for examination of the O&M deferrals authorized in this case.
- (6) Consistent with our February 11, 2009, entry on rehearing in Case No. 08-1301-EL-AAM, the Commission finds that the concerns raised in OCC's application for rehearing are premature. The Commission shares OCC's concerns regarding verification and review of authorized deferred expenses prior to approval of recovery, but we do not find it necessary to mandate the forum for such recovery at this time. If OCC has specific objections to the recovery of authorized deferrals or the forum under which such recovery is sought, it may raise its objections at the time DP&L seeks to recover these costs from ratepayers. Accordingly, OCC's application for rehearing will be denied.

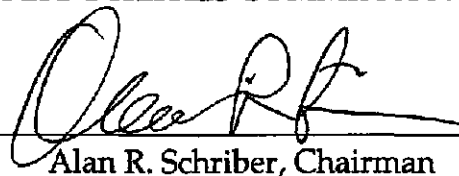
It is, therefore,

ORDERED, That OCC's application for rehearing is denied. It is, further,

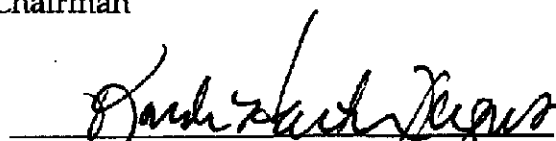
ORDERED, That OCC's motion to intervene is granted. It is, further,

ORDERED, That a copy of this entry be served upon all parties of record.

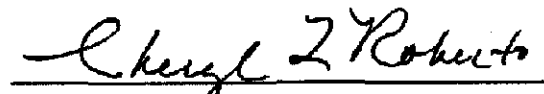
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Alan R. Schriber, Chairman


Paul A. Centolella


Ronda Hartman Fergus

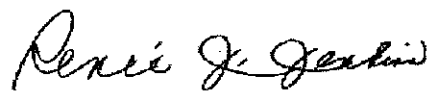

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RMB;geb

Entered in the Journal

MAR 04 2009


Renee J. Jenkins
Secretary