

Dayton Power and Light Company
Case No. 09-256-EL-UNC

SUMMARY

On March 27, 2009, The Dayton Power and Light Company (DP&L) filed an application for approval of a Transmission Cost Recovery Rider (TCRR). On May 15, 2009, DP&L filed an amended application.

In Case No. 07-1287-EL-AAM and Case No. 08-1209-EL-AAM, DP&L was authorized to defer certain PJM related costs. DP&L has proposed to recover these costs, including carrying charges, over a 24 month period. In addition, the proposed TCRR will recover the projected PJM costs from June 1, 2009 through April 30, 2010.

DP&L currently collects certain transmission and ancillary service costs through its unbundled rates and its PJM Administrative Fee Rider. Through this amended application, all charges/credits will be included in the proposed TCRR and the current rates and rider will be withdrawn.

Staff reviewed and verified the revenues and expenses used to calculate the deferrals to the books and records of DP&L. Staff will continue its in-depth review and any resultant changes will be made in the balance reflected in their next TCRR filing.

The Staff utilized the same weighted cost of long-term debt rate as proposed by DP&L. Such rate will be subject to change to reflect the cost of long-term debt approved in any future DP&L rate proceedings.

As a member of PJM, DP&L is assessed various costs/credits by PJM as a result of providing service to retail customers in Ohio. The costs and credits included in the TCRR vary on a periodic basis and are appropriately included in a rider that is subject to annual true-up and adjustments.

CONCLUSION

The Staff recommends the amended Application be approved, on a service rendered basis, beginning on June 1, 2009.