BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of The Dayton Power and Light Company's Ten Year Advanced Energy and Renewable Energy Benchmark Compliance Plan.	))))	Case No. 10-490-EL-ACP

COMMENTS IN OPPOSITION TO DAYTON POWER AND LIGHT COMPANY'S TEN YEAR ADVANCED ENERGY AND RENEWABLE ENERGY BENCHMARK COMPLIANCE PLAN BY THE OHIO CONSUMER AND ENVIRONMENTAL ADVOCATES

I. INTRODUCTION

On April 15, 2010, Dayton Power and Light Company ("DP&L" or "Company") filed a ten-year advanced energy and renewable energy benchmark compliance plan ("Plan"). Pursuant to Ohio Adm. Code 4901:1-40-03(C), the undersigned members of the Ohio Consumers and Environmental Advocates ("OCEA")[1] file comments addressing the Company's Plan. The Company's Plan fails to provide enough information to the Commission or the interested parties to describe the integration of Residential renewable energy credits ("RECs") into the Company's Plan or the distinction between DP&L's efforts to meet the benchmarks and those of Dayton Power & Light Energy Resources ("DPLER").[2] The undersigned OCEA members respectfully seek modifications to the Plan to incorporate Residential RECs and establish a clear procedure by the Company to distinguish DP&L's compliance efforts from DPLER's efforts.

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[1] The undersigned members of OCEA include, the Office of the Ohio Consumers' Counsel, The Ohio Environmental Council and The Environmental Law & Policy Center.

[2] Report at 3.

II. COMMENTS

According to Ohio Adm. Code 4901:1-40-03(C), "Beginning in the year 2010, each electric utility and electric services company annually shall file a plan for compliance with future annual advanced- and renewable-energy benchmarks, including solar, utilizing at least a ten-year planning horizon." DP&L's eight-page Plan fails to incorporate the Residential REC purchase program as required by the terms of the Stipulation in DP&L's initial ESP case[3] and raises questions as to how to distinguish activities for DP&L and those by DPLER to obtain compliance with the alternative energy benchmarks.

A. DP&L's Plan Does Not Incorporate The Residential REC Purchase Program.

DP&L states that it plans to meet the Ohio Non-Solar Renewable benchmarks through the purchase of RECs.[4] In addition, DP&L states that the Yankee Solar Generating Facility ("Yankee Facility"), along with REC purchases already made, will satisfy the Company's total Solar Benchmark requirements through 2010.[5] DP&L does not provide any further details in the Plan about the strategy to meet the Ohio Non-Solar or Solar Renewable benchmarks.

DP&L's assertion that it has already purchased enough RECs to meet the benchmarks through 2010, along with the lack of incorporation of Residential RECs in the Plan, suggests that the purchase of Residential RECs is not an integral part of DP&L's compliance plans. In accordance with the terms of the Stipulation in the Company's initial ESP proceeding, DP&L has filed a residential REC Purchase program

[3] See OCC Comments filed on May 7, 2010 in Case No. 10-262-EL-UNC.

[4] Plan at 3.

[5] Plan at 6.

where the Company commits to obtaining RECs from residential and small commercial renewable generation customers.[6] Although this program has not yet received approval from the Commission, much like many of the other strategies planned by the Company over the next ten-years to meet the benchmarks, DP&L's Plan should account for this REC purchase program as a further compliance tool.

The Plan states that the Company intends to use the Yankee Facility and current REC purchases to meet the 2010 benchmarks. The Company's strategy, including the concept that the purchase of Residential RECs will be limited by the Company's need to meet the annual benchmarks, effectively voids the Residential REC purchase program. In Additional, DP&L's limited purchase of RECs from residential customers under a PUCO approved program will discourage residential customers from purchasing distributed generation that would create a qualifying REC compliance option. With the suggestions offered by OCC in response to *DP&L's Application for a Residential REC program*[7], the approval of the REC purchase program can help to spur the development of residential and small commercial distributed generation. This will assist the Company in meeting its in-state benchmarks over the next 15 years.

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[6] *In the Matter of the Application of the Dayton Power and Light Company for Approval of a Residential and Small Commercial Renewable Energy Credit Purchase Power Agreement*, Case No. 10-262-EL-UNC, Application for Approval (March 4, 2010). ("DP&L Application for a Residential REC program"); and the Stipulation in Case No. 08-1094-EL-SSO at page 14, states that the Energy Efficiency Collaborative will discuss "A cost-effective residential and small commercial (100 kW or less) REC purchase program, which OCC requests be made available by April 30, 2009."

[7] *DP&L Application for a Residential REC program*, Case No. 10-262-EL-UNC, Motion to Intervene and Opposition to Certain Elements of Applicant's Proposal by OCC (May 7, 2010) at 5-8 (For example, DP&L reserves the right to limit or cease new enrollments in the residential REC program if the Company accumulates enough RECs to meet its annual benchmark. OCC recommends removing this limitation to encourage maximum participation by residential customers.).

B. DP&L's Plan Lacks Details Addressing The Proportionate Sharing Of Renewable Energy Credits And Resources To Procure Renewable Energy Credits With DPLER.

Although DP&L's Plan does not mention DP&L Energy Resources, it is apparent through a number of other filings that DP&L intends to combine its efforts to meet the annual benchmarks with DPLER's efforts to meet its benchmarks. DP&L asserted in its 2009 Alternative Energy Portfolio Status Report that it complied with the 2009 Solar benchmark requirements in part through a "proportionate share of Ohio-based Solar Renewable Energy Credits obtained to meet the Benchmarks of both DP&L and DPLER and which were in hand as of April 15, 2010."[8] The Plan does not explain the allocation of RECs and associated costs over the next ten years, creating confusion regarding how the two companies are interacting with respect to these annual benchmarks.

DP&L's Plan should explain the allocation of RECs between DP&L and DPLER, with special attention given to cost implications on all customer classes and the assurance that RECs will not be double-counted between companies. For any REC the Company expects customers to finance, those customers deserve to know all expense information supporting that obligation and the REC tracking number to help avoid double counting. In addition, DP&L must demonstrate that its customers will not fund the REC compliance obligations for DPLER in any manner.

III. CONCLUSION

DP&L's Plan does not provide the information necessary to adequately distinguish between the Company's future renewable benchmark efforts and those of DPLER. The 10-year strategy also identifies limits on DP&L's use of residential REC

[8] Status Report in Case No. 10-489-EL-ACP at page 2.

purchases. Limiting the amount of residential RECs the Company obtains will potentially jeopardize the sustainability of the Company's agreed upon Residential REC purchase program.

Therefore, the undersigned OCEA members recommend that the Commission establish a procedural schedule that provides the parties with an additional opportunity for comment after further discovery and, if needed, an opportunity for a hearing.

Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that he has served a copy of the foregoing Comments on the following counsel, by electronic transmission, postage prepaid, this 30th day of June 2010.

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Summary: Comments Comments in Opposition to Dayton Power and Light Company's Ten Year Advanced Energy and Renewable Energy Benchmark Compliance Plan by the Ohio Consumer and Environmental Advocates electronically filed by Ms. Deb J. Bingham on behalf of Poulos, Gregory J.