BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Joint Application for Integration of Mercantile Customer Energy Efficiency or Peak-Demand Reduction Programs Between the Dayton Power and Light Company and Appleton Papers, Inc.	)	Case No. 09-1701-EL-EEC

FINDING AND ORDER

The Commission finds:

(1) Section 4928.66, Revised Code, imposes certain annual energy efficiency and peak demand reduction requirements upon Ohio's electric distribution utilities, beginning in calendar year 2009; but the statute also enables mercantile customers to commit their peak-demand reduction, demand response, and energy efficiency programs for integration with an electric utility's programs in order to meet the statutory requirements.

(2) Section 4928.01(A)(19), Revised Code, defines a mercantile customer as a commercial or industrial customer that consumes more than 700,000 kilowatt hours of electricity per year or that is part of a national account involving multiple facilities in one or more states.

(3) Dayton Power and Light Company (DP&L or utility) is a public utility as defined in Section 4905.02, Revised Code, and, as such, is subject to the jurisdiction of this Commission. DP&L recovers its costs of complying with the energy efficiency and demand reduction (EEDR) requirements imposed by Section 4928.66, Revised Code, from its customers through its Rider EE/PDR.

(4) Rule 4901:1-39-05(G), Ohio Administrative Code (O.A.C.), provides for the filing of an application by a mercantile customer, either individually or jointly with an electric utility, to commit the customer's demand reduction, demand response, and energy efficiency programs for integration with an electric utility's programs in order to meet the utility's statutory requirements.

(5) This energy efficiency credit (EEC) application was filed by DP&L and Appleton Papers, Inc. (Appleton Papers or customer), on December 17, 2009, pursuant to Rule 4901:1-39-05(G), O.A.C., to

commit the customer's programs for integration with DP&L's programs to meet the utility's energy efficiency and peak demand reduction benchmarks. The application was filed prior to the creation of the EEC Pilot Program in Case No. 10-834-EL-POR and therefore not subject to the 60-day auto approval process established in that docket.

(6) On February 3, 2010, a motion to intervene was filed by the Ohio Consumers' Counsel, but subsequently withdrawn on July 12, 2011.

(7) On September 20, 2012, the Commission's Staff filed its recommendation that the application be approved and Appleton Papers be granted an exemption from DP&L's EE/PDR rider for 2009. Staff reports that, through this application, Appleton Papers agreed to commit its PJM demand response capability to the DP&L's demand reduction program in exchange for an exemption from the utility's EEDR rider. Staff noted that in 2011, DP&L instituted an annual auction to purchase sufficient demand response capacity to fulfill its annual requirements, which Staff believes to be a more economically efficient method than paying an administratively-determined price to acquire such resources. However, as this application was filed prior to DP&L's implementation of its auction, Staff recommends that this application be approved.

(8) On May 2, 2012, Staff filed an amendment noting that, as of June 1, 2012, the customer no longer maintained its demand response capability. Accordingly, Staff now recommends that DP&L issue a rider exemption credit to Appleton Papers for the period beginning January 1, 2009 through May 31, 2012.

(9) Upon review of the application, supporting documentation, and Staff's recommendations, the Commission finds that the requirements related to this application have been met. The Commission finds that the request for mercantile commitment pursuant to Rule 4901:1-39-05, O.A.C., does not appear to be unjust or unreasonable. Thus, a hearing on this matter is unnecessary. Accordingly, we find that the application should be approved, and DP&L should refund to the customer any assessed charges under Rider EE/PDR during the exemption period approved by this order. As a result of such approval, we find that DP&L should adjust its baselines, pursuant to Section 4928.66(A)(2)(c), Revised Code, and Rule 4901:1-39-05, O.A.C. However, we note that all

projects are subject to evaluation, measurement, and verification in the portfolio status report proceeding initiated by the filing of DP&L's portfolio status report, as set forth in Rule 4901:1-39-05(C), O.A.C. The Commission also notes that every arrangement approved by this Commission remains under our supervision and regulation, and is subject to change, alteration, or modification by the Commission.

It is, therefore,

ORDERED, That the application be approved, and DP&L refund to the customer any assessed charges under its EEDR Rider during the exemption period approved by this order. It is, further,

ORDERED, That the record of this case be closed. It is, further,

ORDERED, That a copy of this finding and order be served upon all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

Todd A. Snitchler, Chairman

Steven D. Lesser

Lynn Slaby

M. Beth Trombold

Asim Z. Haque

RMB/vrm

Entered in the Journal

AUG 07 2013

Barcy F. McNeal
Secretary