

John R. Kasich, Governor Thomas W. Johnson, Chairman Commissioners

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October 20, 2014

Docketing Division Public Utilities Commission of Ohio 180 East Broad Street Columbus OH 43215

In the Matter of the Application of the Dayton Power and Light Company to Update its RE: Economic Development Rider, Case No. 14-1668-EL-RDR

Dear Docketing Division:

Enclosed please find the Staff's Review and Recommendations in regard to the application filed by The Dayton Power and Light Company to update its Economic Development Rider, in Case No. 14-1668-EL-RDR.

Accounting & Electricity Division

Public Utilities Commission of Ohio

Enclosure

Cc: Parties of Recordnis is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business

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The Dayton Power and Light Company

Case No. 14-1668-EL-RDR

SUMMARY

The Commission approved The Dayton Power and Light Company's (DP&L) Economic Development Rider (EDR) in Case No. 08-1094-EL-SSO, et al, by Opinion and Order dated June 24, 2009.

On September 30, 2014, DP&L filed an application to update its Economic Development Rider (EDR). The proposed EDR includes charges that will provide the utility the opportunity to timely recover costs resulting from the Commission-approved reasonable arrangements in Case No. 10-734-EL-AEC with Caterpillar Inc. and in Case No. 11-1163-EL-AEC with Wright-Patterson Air Force Base.

The proposed rates are expected to provide recovery of approximately \$6.6 million in costs over the next six months which results in an increase to current rates beginning November 2014. The proposed rates include projected costs of approximately \$3.9 million and approximately \$2.7 million in under recovered costs.

DP&L requests that the updated rates be made effective on a bills-rendered basis with the company's first billing cycle for November 2014.

STAFF REVIEW AND RECOMMENDATIONS

The Staff has reviewed the application and finds that the proposed EDR rates reflect the current and projected costs through April 2015.

The application for the EDR update was filed on September 30, 2014 for rates to become effective with the company's first billing cycle for November 2014. Filing an application approximately 30 days prior to the proposed effective date does not provide adequate time for Staff to review and process an application for Commission consideration. While Staff was able to review the application in an expedited manner in this case, it recommends that the Commission direct DP&L to file future EDR applications at least 45 days prior to the proposed effective date of the proposed rates.

CONCLUSION

The Staff finds the proposed EDR charges reflect the current and projected costs resulting from reasonable arrangements approved by the Commission, and recommends approval of the application for rates to become effective on a bills-rendered basis with the company's first billing cycle for November 2014. In addition, as discussed above, the Staff recommends that the Commission direct DP&L to file future EDR applications at least 45 days prior to the proposed effective date of the proposed rates.