

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of)
The Dayton Power and Light Company) Case No. 14-629-EL-RDR
to Implement its Reconciliation Rider)
Nonbypassable.)

FINDING AND ORDER

The Commission finds:

- (1) The Dayton Power and Light Company (DP&L) is an electric utility as defined in R.C. 4928.02, and a public utility as defined in R.C. 4905.02, and, as such, is subject to the jurisdiction of this Commission.
- (2) On September 4, 2013, the Commission issued a Finding and Order authorizing DP&L's proposed electric security plan (ESP), with modification. Included in the ESP was a reconciliation rider - nonbypassable (RR-N), which would recover any deferred balance that exceeds 10 percent of the base amount of riders FUEL, RPM, AER, and CBT. *In re The Dayton Power and Light Co., Case No. 12-426-EL-SSO (DP&L ESP II), et al., Opinion and Order (September 4, 2013) at 35.*
- (3) By Finding and Order issued on May 28, 2014, the Commission approved DP&L's initial application to update its RR-N, with modification. In the Finding and Order, the Commission found that DP&L should file separate applications to include rider amounts above the 10 percent threshold in the RR-N. Subsequently, by Finding and Order issued on August 20, 2014, the Commission approved DP&L's second application to update its RR-N.
- (4) On October 17, 2014, DP&L filed its third application to update its RR-N and a request for expedited treatment. DP&L's application includes deferral balances exceeding the 10 percent threshold of the base amount of the FUEL rider in the amount of \$1,627,579. The application also includes a reconciliation of \$296,054 from a prior period and carrying costs of \$1,802. DP&L applied carrying charges of 4.943 percent to the total amount of the balances exceeding 10 percent of the base amount of each rider included in the

RR-N. Applying these amounts to the RR-N, along with a gross revenue conversion factor, DP&L's application indicates that the total amount to be recovered is \$1,342,926. This results in an updated RR-N rate for all kilowatt hours for the period December 1, 2014, through February 28, 2015, of \$0.0003668 per kWh.

- (5) On November 10, 2014, Staff filed its Review and Recommendations on DP&L's application to update its RR-N. Thereafter, on November 14, 2014, Staff filed an amended Review and Recommendation. Staff asserts that it has verified that the deferral balance exceeding the 10 percent threshold of the base amount of the FUEL rider was calculated correctly. Staff avers that Staff or its designated auditor will perform an audit of the charges, credits, and revenues during the established annual true-up of the FUEL rider. Accordingly, Staff recommends that the RR-N be approved subject to adjustment for the annual prudence audit of the FUEL rider.
- (6) Upon review of DP&L's application to update its RR-N and Staff's recommendations, the Commission finds that the application filed by DP&L is consistent with our Opinion and Order in DP&L's *ESP II*, does not appear to be unjust or unreasonable, and should be approved, subject to adjustment from the audit of the charges, credits, and revenues during the established annual true-up of the FUEL rider. Further, the Commission finds that a hearing in this matter is not necessary.

It is, therefore,

ORDERED, That DP&L's application to update its RR-N be approved, in accordance with Finding (6). It is, further,



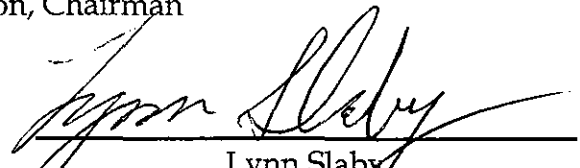
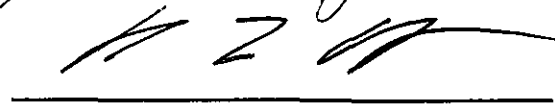
ORDERED, That DP&L file in final form four complete copies of tariffs consistent with this Finding and Order. One copy shall be filed with this case docket, one shall be filed with DP&L's TRF docket, and the remaining two copies shall be designated for distribution to the Rates and Tariffs Division of the Commission's Utilities Department. DP&L shall also update its respective tariffs previously filed electronically with the Commission's Docketing Division. It is, further,

ORDERED, That DP&L shall notify all effected customers via a bill message or via a bill insert within 30 days of the effective date of the tariffs. A copy of the customer notice shall be submitted to the Commission's Service Monitoring and Enforcement Department, Reliability and Service Analysis Division. It is, further,

ORDERED, That nothing in this Finding and Order shall be binding upon this Commission in any future proceeding or investigation involving the justness or reasonableness of any rate, charge, rules, or regulation. It is, further,

ORDERED, That a copy of this Finding and Order be served upon all parties of record.

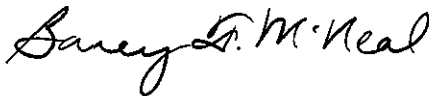
THE PUBLIC UTILITIES COMMISSION OF OHIO


Thomas W. Johnson, Chairman
Steven D. Lesser
Lynn Slaby
M. Beth Trombold
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BAM/sc

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Barcy F. McNeal
Secretary