

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of The)
Dayton Power and Light Company) Case No. 14-2043-EL-UNC
for Approval of a Revised Bill Format)
for Electric Service.)

In the Matter of the Application of The)
Dayton Power and Light Company) Case No. 14-2042-EL-AAM
for Approval of Certain Accounting)
Authority.)

ENTRY ON REHEARING

The Commission finds:

- (1) The Dayton Power and Light Company (DP&L) is an electric distribution utility as defined in R.C. 4928.01(A)(6), and a public utility as defined in R.C. 4905.02, and, as such, is subject to the jurisdiction of this Commission.
- (2) By Entry issued on December 12, 2012, in Case No. 12-3151-EL-COI, the Commission initiated an investigation into the health, strength, and vitality of Ohio's competitive retail electric service (CRES) market. Thereafter, on March 26, 2014, the Commission issued its Finding and Order in the case adopting numerous enhancements to Ohio's CRES market. One of the enhancements the Commission adopted was a revised bill format that would better inform customers. Accordingly, the Commission ordered each electric distribution utility (EDU) in the state of Ohio to file an application to revise its bill format to better inform customers and implement the policies of the state of Ohio in R.C. 4928.02, 4928.07, and 4928.10. *In re Comm.'s Investigation of Ohio's Retail Elec. Service Mkt.*, Case No. 12-3151-EL-COI, Finding and Order (Mar. 26, 2014) at 25-32.
- (3) On November 21, 2014, DP&L filed its application in the present case for approval of a revised bill format for electric service and for approval of certain accounting authority. In its application, DP&L proposed to add the logos of certified

retail electric service (CRES) providers to customer bills, to standardize the price-to-compare language, to divide the charges between supply and delivery charges, and to provide additional bill enhancements.

- (4) On April 8, 2015, the Commission issued its Finding and Order in this case approving DP&L's application for a revised bill format and authorizing DP&L to defer up to \$500,000 for future recovery of costs for revising its bill format. The Commission's authorization of deferral authority for up to \$500,000 set a limit on the amount that DP&L could defer for future recovery. The Commission adopted a limit on DP&L's deferral authority based upon DP&L's estimated cost of implementing the revised bill format, Staff's recommendation, and the Commission's determination that we should not authorize DP&L authority to defer an unlimited amount.
- (5) Pursuant to R.C. 4903.10, any party who has entered an appearance in a Commission proceeding may apply for rehearing with respect to any matters determined by the Commission, within 30 days of the entry of the order upon the Commission's journal.
- (6) On April 8, 2015, the DP&L filed an application for rehearing. DP&L asserts that the Commission's Order was unreasonable because it adopted a cost cap such that deferral authority should be granted for an amount not to exceed \$500,000. DP&L avers that the deferral cost cap threshold was established based upon a good-faith estimate of approximate costs provided by DP&L at the time of the filing, and imposition of the cap will prevent DP&L from recovering prudently incurred costs associated with the new bill format. Additionally, DP&L argues that Staff and the Commission conduct a standard prudence review before any deferred costs are recovered from customers.
- (7) On May 18, 2015, the Ohio Consumers' Counsel (OCC)¹ filed a memorandum contra the application for rehearing filed by DP&L. OCC argues that the Commission should deny

¹ The Commission granted OCC's motion to intervene in its Order issued on April 8, 2015.

rehearing on the assignment of error raised by DP&L because the Commission's approval of a limit on the amount of the deferral was not unreasonable. OCC asserts that the record supports no finding other than for a deferral of not more than \$500,000. OCC notes that there were no workpapers, spreadsheets, testimony, or descriptions of the costs that make up the estimated \$500,000. OCC avers that, if the Commission is to permit deferral, then it would be unreasonable to authorize an unknown and unlimited deferral amount as requested by DP&L.


- (8) The Commission finds that rehearing on the assignment of error raised by DP&L should be granted, in part, and denied, in part. Initially, we note that our approval of deferral authority for up to \$500,000 was based upon DP&L's estimated cost to conduct the required bill format changes, Staff's recommendation that deferral authority be approved for up to \$500,000, and our determination that DP&L should not be authorized to defer an unlimited amount. However, we recognize that DP&L failed to provide support for how it arrived at its estimate. Therefore, the Commission finds that DP&L should file a supplemental application that supports an updated estimate of the cost to make the required bill format changes. Additionally, the Commission finds that Staff should file a Staff Review and Recommendation on the appropriate amount of deferral based upon DP&L's supplemental application. The Commission will determine the appropriate amount that DP&L should be authorized to defer after DP&L files its supplemental application and Staff files its Staff Review and Recommendation. Accordingly, rehearing on the assignment of error raised by DP&L in its application for rehearing should be granted, in part, and denied, in part.

It is, therefore,

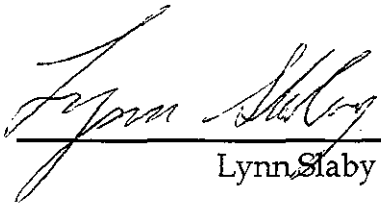
ORDERED, That rehearing on the assignment of error raised by DP&L be granted, in part, and denied, in part. It is, further,

ORDERED, That a copy of this Entry on Rehearing be served upon all parties of record in this case.

THE PUBLIC UTILITIES COMMISSION OF OHIO



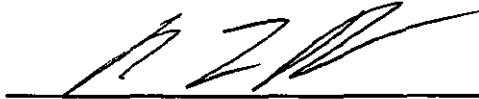
Andre T. Porter, Chairman



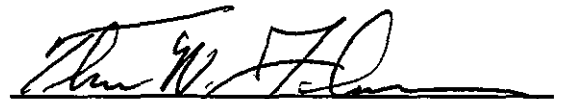
Lynn Slaby



M. Beth Trombold



Asim Z. Haque



Thomas W. Johnson

BAM/sc

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JUN 03 2015



Barcy F. McNeal
Secretary