Commissioners

Asim Z. Haque Lynn Slaby M. Beth Trombold Thomas W. Johnson

November 18, 2015

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

RE: The Dayton Power and Light Company, Case No. 15-0046-EL-RDR

Dear Docketing Division:

Enclosed please find the Staff's Review and Recommendations in regard to The Dayton Power and Light Company's October 16, 2015 filing updating it's TCRR-B and RPM riders in Case No. 15-0046-EL-RDR.

Tamara S. Turkentoh

Chief, Regulatory Services Division Public Utilities Commission of Ohio David Lipthratt

Chief, Research and Policy Division Public Utilities Commission of Ohio

Enclosure

Cc: Parties of Record

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## Dayton Power and Light Company Case No. 15-0046-EL-RDR (TCRR-B)

## Overview

Pursuant to the Commission's Opinion and Order approved on September 4, 2013, in Case No. 12-0426-EL-SSO, et al., the Dayton Power and Light Company (DP&L or Company) was authorized to separate its Transmission Cost Recovery Rider into a market based bypassable rider (TCRR-B) and a non-market based non-bypassable rider (TCRR-N). In that same case, DP&L was authorized to update its TCRR-B rider and its PJM RPM rider on a quarterly basis. These riders are subject to an annual audit and expected to end on December 31, 2015.

The Commission stated that DP&L should file with the Commission a proposal at the end of the ESP term for appropriate collection of any uncollected TCRR balance, including whether the uncollected TCRR balance should be collected through a bypassable or non-bypassable TCRR true-up rider.

In Case No. 15-0361-EL-RDR, DP&L requested authority to include in a future TCRR-N filing, the remaining Transmission Cost Recovery Rider-Bypassable (TCRR-B) balance as well as future adjustments to prior TCRR-B costs. In its Opinion and Order, the Commission denied DP&L's request and stated that "DP&L should file a proposal on how to recover the remaining balance of the TCRR-B in its final quarterly application to update the TCRR-B."

In Case No. 15-0046-EL-RDR, DP&L filed a quarterly update to the TCRR-B on October 16, 2015.

## **Staff Review and Recommendation**

Staff will conduct an annual audit of the TCRR-B and RPM riders in 2016. However, consistent with its position in Case No. 15-0043-EL-RDR, Staff believes that DP&L should recover costs from customers that caused the costs to be incurred. Therefore, Staff recommend to the Commission that any balance as well as any future adjustments to the TCRR-B costs should be charged/credited through the TCRR-B rider. Additionally, Staff recommends to the Commission that DP&L be allowed to extend the TCRR-B rider for up to a six month period for the sole purpose of addressing any TCRR-B balance as of December 31, 2015 and any future adjustments pursuant to Staff's annual audit.