

# THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE APPLICATION  
OF THE DAYTON POWER AND  
LIGHT COMPANY TO UPDATE ITS  
TRANSMISSION COST RECOVERY  
RIDER–NON-BYPASSABLE.

CASE NO. 17-712-EL-RDR

## FINDING AND ORDER

Entered in the Journal on May 24, 2017

### I. SUMMARY

{¶ 1} The Commission approves the application filed by The Dayton Power and Light Company to update its transmission cost recovery rider–nonbypassable.

### II. DISCUSSION

{¶ 2} The Dayton Power and Light Company (DP&L or the Company) 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.

{¶ 3} R.C. 4928.141 provides that an electric distribution utility shall provide consumers within its certified territory a standard service offer (SSO) of all competitive retail electric services necessary to maintain essential electric services to customers, including a firm supply of electric generation services. The SSO may be either a market rate offer in accordance with R.C. 4928.142 or an electric security plan (ESP) in accordance with R.C. 4928.143.

{¶ 4} The Commission initially approved DP&L's transmission cost recovery rider (TCRR) by Finding and Orders issued on May 27, 2009, and November 18, 2009. *In re The Dayton Power and Light Co.*, Case No. 09-256-EL-UNC, Finding and Order (May 27, 2009); *In re The Dayton Power and Light Co.*, Case No. 09-256-EL-UNC, Second Finding and Order (November 18, 2009). On September 4, 2013, the Commission issued its Opinion and Order approving DP&L's proposed ESP, with modification, which included an

application to bifurcate the TCRR into separate riders based on their bypassability. This resulted in the creation of the transmission cost recovery rider-nonbypassable (TCRR-N) and the transmission cost recovery rider-bypassable (TCRR-B). TCRR-N permits DP&L to recover transmission-related costs imposed on the Company. *In re The Dayton Power and Light Co.*, Case No. 12-426-EL-SSO (*ESP II*), et al., Opinion and Order (September 4, 2013) at 36.

{¶ 5} Thereafter, on June 20, 2016, the Supreme Court of Ohio issued an opinion reversing the decision of the Commission approving *ESP II*. *In re Application of Dayton Power & Light Co.*, \_\_\_Ohio St.3d, 2016-Ohio-3490, \_\_\_N.E.3d\_\_\_. On July 16, 2016, a mandate from the Supreme Court of Ohio was filed in the *ESP II Case* requiring the Commission to modify its order or issue a new order. Therefore, on August 26, 2016, in the *ESP II Case*, the Commission modified *ESP II* pursuant to the Court's directive and granted DP&L's application to withdraw *ESP II*, thereby terminating it. R.C. 4928.143(C)(2)(b) provides that if the utility terminates an application for an ESP or if the Commission disapproves an application, the Commission shall issue such order as is necessary to continue the provisions, terms, and conditions of the utility's most recent SSO, along with any expected increases or decreases in fuel costs from those contained in that offer, until a subsequent SSO is authorized. By Order issued on August 26, 2016, the Commission granted DP&L's application to implement its most recent SSO pursuant to R.C. 4928.143(C)(2)(b). Although TCRR-N was not a part of the previous SSO, the Commission found that TCCR-N should continue. *In re The Dayton Power and Light Co.*, Case No. 08-1094-EL-SSO, et al., Opinion and Order (August 26, 2016) at ¶ 24.

{¶ 6} On March 15, 2017, DP&L filed an application to amend its tariffs to update Rider TCRR-N, pursuant to R.C. 4928.05(A)(2) and Ohio Adm.Code 4901:1-36-03(B). In its application to update the TCRR-N, DP&L asserts that its revenue requirement remained substantially unchanged from the previous year's filing. Accordingly, DP&L requests that the updated rates be made effective on a bills-rendered basis by the first billing cycle in June 2017.

{¶ 7} On May 11, 2017, Staff filed its Staff Review and Recommendations regarding DP&L's application to update its TCRR-N. According to Staff, it reviewed the application to ensure DP&L's policies and practices comport with sound ratemaking principles and that the request is just and reasonable. Accordingly, Staff recommends that the Commission approve DP&L's application on a bills-rendered basis beginning on June 1, 2017. Staff notes that DP&L's application will result in an increase to customers' bills, as demonstrated below:

Customer Class	Current Rate	Proposed Rate	Proposed Increase
Residential	\$0.0045442 per kWh	\$0.0057607 per kWh	\$0.0012165 per kWh
Residential (1,000 kWh)	\$4.54 per bill	\$5.76 per bill	\$1.22 per bill

{¶ 8} Upon review of DP&L's application to update its TCRR-N and Staff's Review and Recommendations, the Commission finds that DP&L's application to update TCRR-N is just and reasonable and should be approved.

### III. ORDER

{¶ 9} It is, therefore,

{¶ 10} ORDERED, That DP&L's application to update the TCRR-N be approved. It is, further,

{¶ 11} ORDERED, That DP&L is authorized to file tariffs, in final form, consistent with this Finding and Order. DP&L shall file one copy in this docket and one copy in its TRF docket. It is, further,

{¶ 12} ORDERED, That the effective date of the new tariffs shall be a date not earlier than the date upon which the final tariff pages are filed with the Commission. It is, further,

{¶ 13} 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,

{¶ 14} 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,

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

THE PUBLIC UTILITIES COMMISSION OF OHIO

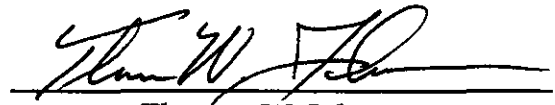
---

Asim Z. Haque, Chairman



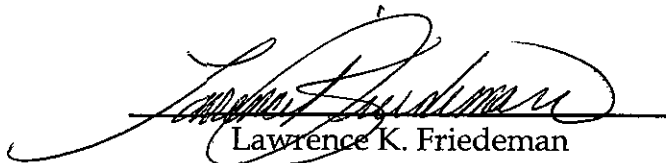
---

M. Beth Trombold



---

Thomas W. Johnson



---

Lawrence K. Friedeman



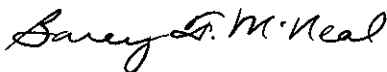
---

Daniel R. Conway

NJW/sc

Entered in the Journal

**MAY 24 2017**



---

Barcy F. McNeal  
Secretary