

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of :
The Dayton Power and Light Company for : Case No. 17-1398-EL-POR
Approval of Its Energy Efficiency and Peak : Case No. 17-1399-EL-WVR
Demand Reduction Program Portfolio Plan for :
2018 through 2020 :

STIPULATION AND RECOMMENDATION

Ohio Administrative Code Rule 4901:1-30 provides that any two or more parties to a proceeding may enter into a written stipulation covering the issues presented in that proceeding. This Stipulation and Recommendation ("Stipulation") sets forth the understanding of the parties that have signed below (the "Signatory Parties"). The Signatory Parties recommend that the Public Utilities Commission of Ohio ("Commission") approve and adopt, as part of its Opinion and Order, this Stipulation which will resolve all of the issues relative to The Dayton Power and Light Company's ("DP&L" or the "Company") Energy Efficiency Portfolio Plan in the above-captioned proceeding.

This Stipulation is a product of lengthy, serious, arm's-length bargaining among the Signatory Parties (who are capable, knowledgeable parties) with the participation of the Commission's Staff,¹ which negotiations were undertaken by the Signatory Parties to settle this proceeding. No party was excluded from settlement negotiations in this case. This Stipulation is supported by adequate data and information; as a package, the Stipulation benefits customers and the public interest; promotes effective competition and the development of a competitive

¹ The PUCO Staff will be considered a party for the purpose of entering into this Stipulation. Rule 4901-1-10(c), Ohio Admin. Code.

marketplace; represents a just and reasonable resolution of all issues in this proceeding; violates no regulatory principle or practice; and complies with and promotes the policies and requirements of Ohio Revised Code Chapter 4928. This Stipulation is entitled to careful consideration by the Commission, where, as here, it is sponsored by parties representing a wide range of interests. For purposes of resolving all issues raised by these proceedings, the Signatory Parties stipulate, agree and recommend as set forth below.

This Stipulation is submitted for purposes of this proceeding only, and neither this Stipulation, nor any Commission ruling considering this Stipulation, shall be deemed binding or precedent in any other proceeding, except to the extent necessary to enforce the terms of this Stipulation. Except for purposes of enforcement of the terms of this Stipulation, this Stipulation, (and the information and data contained therein or attached) and any Commission rulings adopting it, shall not be relied upon or cited as precedent in any future proceeding for or against any Signatory Party. The circumstances of this case are unique, and thus, using the terms of this Stipulation in any other case is inappropriate and undermines the willingness of the parties to compromise. The Signatory Parties' agreement to this Stipulation, in its entirety, shall not be cited or interpreted in a future proceeding before this Commission as their agreement to only an isolated provision of this Stipulation or to any position, argument, or recommendation presented in this proceeding. No specific element or item contained in or supporting this Stipulation shall be construed or applied to attribute the results set forth in this Stipulation as the results that any Signatory Party might support or seek, but for this Stipulation in these proceedings or in any other proceeding. This Stipulation recognizes that each Signatory Party may disagree with individual provisions of this Stipulation, but recognizes that the Stipulation has value as a whole.

This Stipulation is a reasonable compromise involving a balancing of competing

positions, and it does not necessarily reflect the position that one or more of the Signatory Parties would have taken if these issues had been fully litigated. This Stipulation shall not be interpreted to reflect the positions that a Signatory Party would take regarding an individual provision in this Stipulation standing alone.

This Stipulation is expressly conditioned upon its adoption by the Commission in its entirety and without material modification. Should the Commission reject or materially modify² all or any part of this Stipulation, the Signatory Parties shall have the right, within thirty (30) days of issuance of the Commission's Order, to file an application for rehearing. If the Commission does not adopt the Stipulation without material modification upon rehearing, or if the Commission makes a material modification to any Order adopting the Stipulation pursuant to any reversal, vacation and/or remand by the Supreme Court of Ohio, then within thirty (30) days of the Commission's Entry on Rehearing or Order on Remand any Signatory Party may withdraw from the Stipulation by filing a notice with the Commission ("Notice of Withdrawal"). The Signatory Parties agree they will not oppose or argue against any Signatory Party's notice of withdrawal or application for rehearing that seeks to uphold the original, unmodified Stipulation. A Notice of Withdrawal shall be accomplished by filing a notice with the Commission, including service to all Signatory Parties, in this proceeding within thirty (30) days of the Commission's Order or ruling on rehearing or other ruling subsequent to the original Order that does not adopt the Stipulation in its entirety without material modification, as applicable.

Prior to the filing of such a Notice of Withdrawal, the Signatory Party agrees to work in

² Any Signatory Party has the right, in its sole discretion, to determine what constitutes a "material modification" for the purposes of that Party withdrawing from the Stipulation.

good faith with the other Signatory Parties (and any parties that have agreed not to oppose the Stipulation) to achieve an outcome that substantially satisfies the intent of the Stipulation and, if a new agreement is reached that includes that Signatory Party, then the new agreement shall be filed for Commission review and approval. If the discussions to achieve an outcome that substantially satisfies the intent of the Stipulation are unsuccessful in reaching a new agreement and a Signatory Party files a Notice of Withdrawal, then the Commission will convene an evidentiary hearing to afford that Signatory Party (and any other parties that opposed the original Stipulation) the opportunity to contest the Stipulation by presenting evidence through witnesses and cross-examination, present rebuttal testimony, and brief all issues that the Commission shall decide based upon the record and briefs.

WHEREAS, The Dayton Power and Light Company ("DP&L") is an electric distribution utility as defined by Ohio Revised Code § 4928.01 and a public utility as defined by Ohio Revised Code § 4905.02, serving hundreds of thousands of electric customers in Ohio;

WHEREAS, in Case No. 08-1094-EL-SSO, the Commission approved a Stipulation and Recommendation which established an Energy Efficiency Portfolio Plan (pursuant to Ohio Administrative Code 4901:1-39-04) and Energy Efficiency Rider ("EER") for DP&L;

WHEREAS, in Case Nos. 16-649-EL-POR and 16-1369-EL-WVR, DP&L filed its proposed third Energy Efficiency Portfolio Plan with the Commission on June 15, 2016;

WHEREAS, DP&L, with certain other Signatory Parties, including Commission Staff, filed a Stipulation and Recommendation in Case No. 16-649-EL-POR;

WHEREAS, pursuant to the Stipulation and Recommendation filed in Case Nos. 16-649-EL-POR and 16-1369-EL-WVR, DP&L filed its proposed fourth Energy Efficiency Portfolio Plan with the Commission in Case Nos. 17-1398-EL-POR and 17-1399-EL-WVR on

June 15, 2017, for Program Years 2018 through 2020; and

WHEREAS, on September 27, 2017, the Commission approved the Stipulation and Recommendation filed in DP&L's third Energy Efficiency Portfolio Plan Case No. 16-649-EL-POR.

Now, therefore, for the purposes of resolving all issues related to DP&L's energy efficiency and peak demand reduction programs, obligations and commitments for 2018-2020, the Signatory Parties stipulate, agree and recommend as follows:

I. Portfolio Plan Programs and Commitments for 2018-2020

- A. DP&L will implement the energy efficiency programs as set forth in DP&L's fourth Energy Efficiency Portfolio Plan set forth in in Case Nos. 17-1398-EL-POR and 17-1399-EL-WVR ("Portfolio Plan"), except as modified by the terms and provisions contained within this Stipulation and Recommendation ("Stipulation"). For each year of the 2018-2020 Portfolio Plan, costs associated with DP&L's energy efficiency programs (including those amounts set forth in sections I.E., I.F., I.G., I.H., I.J., I.L., and I.M.) and any before-tax shared savings resulting from these programs will not exceed \$33,022,141, which is 4% of DP&L's revenue for 2015, as reported on DP&L 2015 FERC Form 1, page 300, line 10, sales to ultimate customers ("Maximum Allowance").³ Any PJM revenues from EE/PDR programs that are passed through the EE/PDR Rider as referenced in Paragraph III.A. can be used for program spending by the Company; however, net Plan costs (i.e., costs subject to the annual Maximum

³ The Oho Environmental Council ("OEC"), Environmental Defense Fund ("EDF"), and the Environmental Law and Policy Center ("ELPC") do not support the cost cap referenced in Section I.A. However, OEC, EDF, and ELPC support the other provisions of the Stipulation and will not oppose adoption of the Stipulation in its entirety.

Allowance minus PJM revenues) may not exceed the Maximum Allowance.

The Maximum Allowance will exclude lost distribution revenues or decoupling costs.

- B. In accordance with the October 20, 2017 Opinion and Order approving DP&L's Amended Stipulation filed in Case No. 16-395-EL-SSO, DP&L will address the details regarding the Decoupling Rider, including but not limited to cost allocation, term, and rate design in Case No. 15-1830-EL-AIR. Upon resolution of Case No. 15-1830-EL-AIR, the costs included in the Decoupling Rider will be reset. DP&L shall not be entitled to double collect the same revenue reductions through lost distribution revenues and decoupling charges simultaneously. And for the avoidance of doubt, the amount of lost distribution revenues will be reset with approval and implementation of Case No. 15-1830-EL-AIR, as provided in section II.G of the approved stipulation in Case No. 16-649-EL-POR.
- C. The Company will work within its Plan budget in order to achieve the program year energy efficiency savings and peak demand reductions within the Maximum Allowance. Except as provided in O.A.C. 4901:1-39-05(C)(2)(c) and Section I.C.i. of this Stipulation and Recommendation, DP&L will not exceed any of the individual program budgets set forth in Exhibit 1.
 - i. At any time and without further approval, DP&L may exceed the respective budgets for the "Custom Rebate" and "Rapid Rebate" programs, but will not jointly exceed their combined budgets. DP&L will notify Signatory Parties and members of its energy efficiency stakeholder collaborative at the earliest reasonable opportunity if it projects exceeding

the respective budgets for these programs.

- D. DP&L will eliminate the Home Audit and Non-Programmatic Savings programs.
- E. DP&L agrees to source to Ohio Partners for Affordable Energy (“OPAE”) \$1,000,000 of the Residential Low Income Affordability Program for each year of the Portfolio Plan. For all contracts, OPAE agrees to work with DP&L to establish mutually agreeable performance targets and continuation of the contracts will be conditioned upon meeting such targets.
 - i. DP&L may cancel the OPAE contract for cause or in the event the Commission denies recovery of funding for the Company’s Portfolio Plan consistent with the terms and conditions of the current contract.
- F. DP&L will annually provide up to \$175,000 of enhanced rebates for Ohio Hospital Association (“OHA”) members from the Rapid Rebate (Prescriptive) and Custom Rebate Programs for qualifying measures. Up to \$50,000 of unused enhanced rebate funds may be rolled over on an annual basis through the term of the Portfolio Plan.
 - i. DP&L commits to work with OHA to develop an improved process for information flow between OHA and DP&L. On a monthly basis, DP&L will provide information to OHA about rebates paid, in process, and planned for OHA members. The information shall be provided on an OHA member and account number basis (not anonymous or aggregated) after OHA member hospitals provide DP&L with written consent to release the information to OHA. In addition, DP&L commits to working with OHA to enable OHA member hospitals to access their interval data on a regular basis within a reasonable time frame.

- ii. OHA agrees to report to the collaborative at least twice annually on the use of the funds described in paragraph I.F. above.
- G. DP&L will work with the Ohio Manufacturers Association Energy Group (“OMAEG”) to communicate energy efficiency programs to manufacturers. DP&L shall annually allocate \$30,000 of the non-residential program budgets to OMAEG to assist in the development of comprehensive communication tools and strategies to promote and market DP&L’s EE/PDR programs to its members, assist in their participation, and conduct energy efficiency training. It is expected that this funding will offset DP&L’s promotional costs. OMAEG will work with DP&L to verify energy savings totaling one half of a percent or more of combined retail annual energy sales average over OMAEG’s members’ previous three years baseline.
 - i. OMAEG agrees to report to the collaborative at least twice annually during the 2018-2020 Portfolio Plan.
- H. Overhead LED Lighting Program for Kroger. The Company will support an LED Lighting Program for the installation of interior overhead LED lighting at Kroger stores in the Company’s service territory through the 2018-2020 Plan. The funding and incentives for this program will be determined in consultation with Kroger and will be included in the approved budget in this Stipulation for non-residential programs. No costs associated with this provision will be allocated to the residential class.
- I. For the duration of the Portfolio Plan, DP&L acknowledges that mercantile customers who apply for and receive an exemption from the Energy Efficiency

Rider (EER) maintain the rights to the energy efficiency capacity for purposes of bidding the capacity into PJM auctions but may elect to voluntarily commit the right to bid the energy efficiency capacity to DP&L, such that DP&L could bid the energy efficiency capacity into PJM auctions. The demand response capabilities of customers, regardless of the option exercised, shall count towards DP&L's compliance with the peak demand reduction benchmarks as set forth in R.C. § 4928.66. In the event that mercantile exemptions negatively impact the actual capacity DP&L can use to meet its PJM auction commitments, DP&L may purchase replacement capacity in the incremental auctions to cover the shortfall as outlined in III. D. of this agreement.

- J. DP&L agrees to provide People Working Cooperatively ("PWC") \$100,000 annually from its Residential Income Eligible Efficiency program to deliver customer funded weatherization and energy efficiency services to low income customers. For all contracts, PWC agrees to work with DP&L to establish mutually agreeable performance targets and continuation of the contracts will be conditioned upon meeting such targets.

- i. DP&L may cancel the PWC contract for cause or in the event the Commission denies recovery of funding for the Company's Portfolio Plan consistent with the terms and conditions of the contract.

- K. DP&L's Energy Efficiency Rider (EER) rate design for non-residential tariff classes will be a combination of distribution revenue and kWh sales. Specifically, 50% of the non-residential EER costs will be allocated to non-residential tariff classes based on the most recent 12 months of distribution

revenue. The other 50% of the non-residential EER costs will be allocated to non-residential tariff classes based on the most recent 12 months of billed sales (kWh). The resulting EER cost per tariff class will be divided by 12 months of forecasted sales to derive a \$ / kWh for the non-residential EER.

- L. DP&L will continue the Combined Heat and Power (CHP) and Waste Energy Recovery (WER) program as developed in accordance with the terms and conditions set forth in the Stipulation and Recommendation approved by the PUCO on December 4, 2013 and set forth in Exhibit 2. DP&L will reserve \$250,000 from the Custom Rebate Program budget for customer incentive payments for CHP and WER. This amount can be released each year for other programming if no customers have moved forward with installing a CHP/WER system by October 15th of the given year.

- i. In collaboration with the Ohio Environmental Council and Ohio Manufacturer's Association Energy Group, DP&L agrees to develop and seek approval of a tariff schedule that will address demand charges or other demand issues for customers that have implemented CHP projects in order to recognize the reliability of CHP and WER systems and incentivize development of CHP and WER.⁴

- M. DP&L agrees to continue to place the pilot program on the agenda for each of its quarterly Energy Efficiency Collaborative meetings where it and pilot program implementers will discuss the previous quarter's activities and the upcoming quarter's plans. DP&L agrees to file an Application before the

⁴ Neither Signatory Parties, nor any non-opposing parties, will be prevented from supporting, opposing, or otherwise participating in the application seeking tariff approval.

Commission seeking approval of any proposed Pilot programs. If no objection to the Application is filed within 60 days and no order is issued by the Commission or Attorney Examiner within 30 days thereafter, the application will be automatically approved.

II. Cost Recovery

- A. The structure and function of DP&L's existing cost recovery mechanism, the Energy Efficiency Rider (EER), has been approved by the Commission in DP&L's ESP Case, Case No. 08-1094-EL-SSO and modified in 13-833-EL-POR and 16-649-EL-POR.⁵ Except as otherwise described in this Stipulation, the EER will continue in its same form, as most recently approved by the Commission in 16-649-EL-POR, with carrying costs on programs equal to DP&L's most recently approved cost-of-debt on any over- or under-recovered balances.
- B. In addition, the Signatory Parties agree to implementation of a Shared Savings mechanism that provides an after-tax net benefit of 87% to DP&L's Customers and 13% to DP&L, based on the Utility Cost Test (UCT), when the Company exceeds its energy efficiency requirements (kWh) by 15%.
- C. DP&L will be eligible for shared savings if it exceeds the benchmarks of R.C. §4928.66 (A)(1)(a) and (A)(1)(b) for a particular calendar year, in accordance with the following chart:

⁵ That mechanism provides that program costs will be assigned to and paid by, for collection purposes, the respective rate classes whose customers are eligible for the program. For example, program costs for customers in a nonresidential customer class will not be collected from residential customers and residential program costs will not be collected from non-residential customers.

Incremental Energy Savings Achievement	Shared Savings Incentive %
≤ 100%	0.0%
> 100%-105%	5.0%
>105%-110%	7.5%
>110%-115%	10.0%
>115%	13.0%

Any shared savings benefit recovered by DP&L for each program year will be capped at \$7 million, on an after-tax basis.⁶

- D. For utility shared savings purposes, total gross, annualized savings against the benchmark requirements will be used in the shared savings calculation. The following programs will not be included in the calculation of the shared savings incentive: Mercantile Self-Direct, Residential Low Income Affordability, Pilot Program, Transmission and Distribution Infrastructure Improvements, or other energy efficiency savings achieved through actions taken by customers without the assistance of utility sponsored programs.
- E. DP&L understands that it may only count savings for shared savings one-time (meaning there is no double counting of shared savings) and only in the year in which the savings were generated.
- F. DP&L may only count savings for compliance one time (meaning there is no double counting for compliance) during the term of the Portfolio Plan, but reserves the option of either counting any portion of over-compliance in the year of compliance or banking any portion of over-compliance for use in connection

⁶ Consistent with the Office of the Ohio Consumers' Counsel ("OCC") objections filed in this case requesting a lower shared savings cap, OCC does not support the proposed shared savings cap of \$7 million after tax. OCC, however, agrees not to oppose the Stipulation because of the other benefits that it provides to consumers.

with a subsequent year or portfolio plan.

- G. In any year in which DP&L uses banked energy or demand savings to achieve its statutory benchmark savings under R.C. 4928.66(A), DP&L shall not be eligible for shared savings.
- H. Shared savings will be allocated to the residential and nonresidential classes based on the net benefits that result from each class's programs.
- I. Subject to the conditions set forth in Section I.C. of this Stipulation and Recommendation, costs associated with this Portfolio will not be reallocated to the residential class as a result of nonresidential customer opt-outs.

III. PJM Auctions

- A. The proceeds from the PJM auctions, including Base Residual Auctions (BRAs) and incremental auctions, if any, net of evaluation costs and any other administrative expenses necessary to conduct the bid for efficiency resources⁷ including but not limited to the cost of collateral and penalties, shall be shared between DP&L and DP&L's Customers with 80% of the net auction proceeds credited to DP&L's Customers through the EER.
- B. Upon Commission approval of this Stipulation, DP&L agrees to bid at least 75% of the 2018-2020 Program Portfolio megawatts (MWs) which are eligible⁸ to be bid⁹ pursuant to PJM rules into the PJM BRAs occurring during the duration of

⁷ "Efficiency resources" is defined as the energy efficiency and demand response resources, both existing and planned, that are expected to be created in each respective year of the 2018-2020 Portfolio Plan. These resources specifically exclude mercantile self-direct resources, unless a self-direct mercantile customer affirmatively and explicitly chooses to grant its energy efficiency capacity resources to DPL.

⁸ "Eligible" is defined for purposes of this Stipulation as existing and planned energy efficiency savings and demand response that comply with PJM Manuals 18 and 18b.

⁹ Eligible Program Portfolio megawatts specifically exclude energy efficiency capacity resources created via mercantile self-direct energy efficiency projects. Mercantile self-direct energy efficiency projects are defined

the 2018-2020 Portfolio Plan. DP&L is not precluded from bidding into incremental auctions occurring during the duration of the 2018-2020 Portfolio Plan. Further, DP&L will bid projected megawatts from the 2021 program year into the PJM BRA auctions occurring during the term of the 2018-2020 Portfolio Plan. For purposes of including 2021 megawatts in the bid, DP&L will assume projected megawatts from the 2021 program year to be equal to at least 50% of the eligible megawatts in the 2020 plan year. Specifically, DP&L will bid into the BRAs for PJM delivery years 2021/2022, 2022/2023, and 2023/2024.

- C. All prudently incurred penalties, evaluation costs, administrative costs and capital collateral costs associated with bidding into PJM will be netted against PJM revenues prior to sharing of auction proceeds.
- D. If DP&L falls short of the energy efficiency and peak demand reduction resources that cleared the PJM BRA for any year, and to avoid payment of penalties, DP&L may purchase replacement capacity in the incremental auctions corresponding to the applicable PJM BRA to cover the shortfall. The balance of the incremental auction purchases shall be charged against the net PJM revenue for energy efficiency resources for the delivery year.
- E. If the costs outlined in C and D above are greater than the corresponding PJM revenue, the net costs will be recovered through DP&L's EER. To help

herein as projects for which a mercantile customer has committed certain energy efficiency resources to DP&L for purposes of DP&L's compliance with Am. Sub. SB 221 benchmarks through the PUCO's EEC Pilot program as authorized and permanently adopted by the Commission in Case No. 10-834-EL-POR, in exchange for (1) the customer's exemption from Rider EER, or (2) a cash payment in lieu of exemption from Rider EER, while retaining their ownership rights to demand reductions associated with their energy efficiency measures for purposes of bidding the capacity into PJM. In either case, customers may choose to affirmatively and explicitly commit their energy efficiency capacity resources to DP&L, by separate agreement, such that DP&L could bid the committed energy efficiency capacity resources into PJM auctions.

manage this risk, DP&L will include in its auction bid price the reasonably anticipated costs associated with the capacity bid into the auction.

- F. The parties acknowledge and understand that PJM calculations can differ regarding coincident peak MW values and ultimately PJM approves the eligible MW value. Further, the parties agree and understand that PJM makes the final determination as to the eligibility of capacity that may be bid into the auctions. Consequently, the parties agree that DP&L will not be penalized for determinations by PJM that result in MW values falling below the agreed-upon thresholds, provided that the determination by PJM is not based on gross negligence by DP&L.
- G. DP&L will report to the collaborative the results of PJM auctions by the third quarter of each year.

IV. Other

- A. The Signatory Parties support DP&L's request for a waiver from the Commission to file the annual Portfolio Status Report on May 15 instead of March 15 each year to provide sufficient time for adequate evaluation, measurement and verification of plan results. Comments on the Portfolio Status Report by others, including signatories to this Stipulation, will be due 90 days from the date of the filing.
- B. After the completion of each year of the Portfolio Plan, DP&L shall prepare an auditable summary of all costs incurred for that respective year, and include that summary as part of DP&L's annual rider true-up filing. The summary shall include all costs associated with shared savings and programs administered in

each respective year, including all known and anticipated costs associated with each program year which would be paid during a following period of time, as well as costs for evaluation, measurement and verification that were incurred during each program year. The summary shall also include DP&L's Maximum Allowance applicable to each program year as set forth in I.A. To the extent that the shared savings and program costs set forth in the summary of costs exceeds the Maximum Allowance set forth in I.A., the amount of shared savings recoverable by DP&L shall be reduced to the extent necessary in order to not exceed the Maximum Allowance.

- C. By approving the Stipulation, the Commission is granting DP&L appropriate accounting authority related to the EER, as described above, to record a regulatory asset for any under-recovery or a regulatory liability for any over-recovery of energy efficiency portfolio program costs, and shared savings.
- D. DP&L will use the annualized reporting convention for purposes of benchmark compliance each year as set forth in R.C. 4928.662(C).
- E. All Signatory Parties will be eligible for membership in DP&L's existing Energy Efficiency Collaborative, which was formed pursuant to the Stipulation and Recommendation filed in Case No. 08-1094-EL-SSO, *et al.*
- F. Paragraph 21 on page 9 of the application filed in this case, regarding DP&L's authority to file a new or amended program portfolio if there are changes in legislation, shall be deleted. However, DP&L will be permitted to amend its program portfolio if expressly permitted by changes in legislation.

IN WITNESS THEREOF, the undersigned Signatory Parties agree to this Stipulation and Recommendation as of this 27th day of October, 2017. The undersigned parties respectfully request the Commission to issue its Opinion and Order approving and adopting this Stipulation.

THE DAYTON POWER AND LIGHT
COMPANY

By: /s/ Michael J. Schuler
Michael J. Schuler (0082390)
Regulatory Counsel
1065 Woodman Drive
Dayton, Ohio
P: (937)259-7358
Micahel.schuler@aes.com

STAFF OF THE PUBLIC UTILITIES
COMMISSION OF OHIO

By: John H. Jones (by MJS per email authority)
John H. Jones (0051913)
Assistant Attorney General
Public Utilities Section
30 East Broad Street, 16th Floor
Columbus, Ohio 43215
P: (614) 466-4395
john.jones@ohioattorneygeneral.com

THE ENVIRONMENTAL LAW & POLICY
CENTER

By: Madeline Fleisher (by MJS per email authority)
Madeline Fleisher (0091862)
Environmental Law & Policy Center
21 W. Broad St., 8th Floor
Columbus, OH 43215
P: (614) 569-3827
mfleisher@elpc.org

THE KROGER CO.

By: /s/ Angela P. Whitfield (by MJS per email authority)
Angela P. Whitfield (0068774)
Carpenter Lipps & Leland LLP
280 North High Street, Suite 1300
Columbus, Ohio 43215
P: (614) 365-4100
paul@carpenterlipps.com

OHIO ENVIRONMENTAL COUNCIL AND
THE ENVIRONMENTAL DEFENSE FUND

By: Miranda Leppla (by MJS per email authority)
Trent Dougherty (0079817)
Miranda Leppla (0086351)
Ohio Environmental Council
1145 Chesapeake Ave, Suite 1
Columbus, Ohio 43212-3449
P: (614) 487-7506
tdougherty@theoec.org
mleppla@theoec.org

OHIO MANUFACTURERS
ASSOCIATION ENERGY GROUP

By: /s/ Kimberly W. Bojko (by MJS per email authority)
Kimberly W. Bojko (0069402)
Carpenter Lipps & Leland LLP
280 North High Street, Suite 1300
Columbus, Ohio 43215
P: (614) 365-4100
Bojko@carpenterlipps.com

OHIO HOSPITAL ASSOCIATION

By: /s/ Dylan F. Borchers (by MJS per email authority)

Richard L. Sites (0019887)
Regulatory Counsel
Ohio Hospital Association
155 East Broad Street, 3rd Floor
Columbus, Ohio 43215-3620
P: (614) 221-7614
F: (614) 221-4771
rick.sites@ohiohospitals.org

Dylan F. Borchers (0090690)
BRICKER & ECKLER LLP
100 South Third Street
Columbus, Ohio 43215-4291
P: (614) 227-2335
F: (614) 227-2390
dborchers@bricker.com

OHIO PARTNERS FOR AFFORDABLE ENERGY

By: /s/ Colleen L. Mooney (by MJS per email authority)

Colleen L. Mooney (0015668)
Ohio Partners for Affordable Energy
P.O. Box 12451
Columbus, OH 43212-2451
P: (614) 488-5739
cmooney@ohiopartners.org

PEOPLE WORKING COOPERATIVELY, INC.

By: /s/ Devin D. Parram (by MJS per email authority)

Devin D. Parram (0082507)
Elyse Akhbari (0090701)
BRICKER & ECKLER LLP
100 South Third Street
Columbus, Ohio 43215-4291
P: (614) 227-8813
P: (614) 227-8859
dparram@bricker.com
eakhbari@bricker.com

IN WITNESS THEREOF, the undersigned Non-Opposing parties agree not to challenge this Stipulation and Recommendation as of this 27th day of October, 2017.

IGS ENERGY

By: /s/ Joseph Olikier (by MJS per email authority)

Joseph Olikier (0086088)
IGS Energy
6100 Emerald Parkway
Dublin, OH 43016
P: (614) 659-5000
F: (614) 659-5073
joliker@igsenergy.com

Exhibit 1

Programs	Program Costs			
Residential Programs	2018	2019	2020	3-Year Total
Efficient Products	\$ 3,223,155	\$ 3,217,175	\$ 3,216,769	\$ 9,657,099
HVAC Equipment	\$ 1,303,023	\$ 1,316,731	\$ 1,330,862	\$ 3,950,616
Appliance Recycling	\$ 627,675	\$ 628,870	\$ 630,112	\$ 1,886,657
Income Eligible Efficiency	\$ 1,292,086	\$ 1,293,580	\$ 1,295,134	\$ 3,880,800
School Education	\$ 385,988	\$ 394,042	\$ 402,490	\$ 1,182,520
Home Audit	REMOVED	REMOVED	REMOVED	\$ -
Behavior Change	\$ 576,471	\$ 577,851	\$ 579,285	\$ 1,733,607
Energy Savings Kits	\$ 399,662	\$ 400,558	\$ 401,481	\$ 1,201,701
Multi-Family Direct Install	\$ 648,358	\$ 656,622	\$ 662,372	\$ 1,967,352
Smart Thermostats	\$ 600,000	\$ 600,900	\$ 601,827	\$ 1,802,727
Residential Total	\$ 9,056,418	\$ 9,086,329	\$ 9,120,332	\$ 27,263,079
Business Programs	2018	2019	2020	3-Year Total
Rapid Rebates (Prescriptive)	\$ 7,575,108	\$ 7,775,457	\$ 8,062,584	\$ 23,413,149
Custom	\$ 3,910,255	\$ 4,396,854	\$ 4,907,728	\$ 13,214,837
Small Business Direct Install	\$ 987,693	\$ 1,027,201	\$ 1,027,729	\$ 3,042,623
Mercantile Self-Direct	\$ 197,547	\$ 181,442	\$ 184,256	\$ 563,245
Business Total	\$ 12,670,603	\$ 13,380,954	\$ 14,182,297	\$ 40,233,854
Cross-Sector Programs	2018	2019	2020	3-Year Total
Customer Education and Marketing	\$ 1,628,418	\$ 1,628,419	\$ 1,628,420	\$ 4,885,257
Pilot Program	\$ 573,528	\$ 594,876	\$ 620,309	\$ 1,788,713
Stakeholder Initiatives	\$ 645,000	\$ 645,000	\$ 645,000	\$ 1,935,000
T&D Infrastructure Improvement	\$ -	\$ -	\$ -	\$ -
Smart Grid	\$ -	\$ -	\$ -	\$ -
Non-Programmatic Savings	REMOVED	REMOVED	REMOVED	\$ -
Cross-Sector Total	\$ 2,846,946	\$ 2,868,295	\$ 2,893,729	\$ 8,608,970
Other Costs	2018	2019	2020	3-Year Total
Evaluations, Measurement & Verification	\$ 1,031,523	\$ 1,066,532	\$ 1,108,243	\$ 3,206,298
Other Costs Total	\$ 1,031,523	\$ 1,066,532	\$ 1,108,243	\$ 3,206,298
PORTFOLIO TOTAL	\$ 25,605,490	\$ 26,402,110	\$ 27,304,601	\$ 79,312,201

Table 2 Summary of Program Costs for 2018-2020 Plan

Custom rebates are available for DP&L customers investing in Combined Heat and Power technologies.

Combined Heat & Power (CHP), also known as cogeneration, is the simultaneous production of electricity and heat from a single fuel source. Some benefits of CHP include:

- CHP is more efficient than separate generation of electricity and thermal energy.
- Higher efficiency translates to lower operating costs and reduced emissions.
- CHP can increase power reliability and enhance power quality.
- On-site electric generation can help reduce grid congestion.



Gain a Competitive Edge

Controlling energy costs is becoming increasingly important. Not only does it positively affect your bottom line, it's also an important component of any company's green initiative. Thanks to new technologies, there are ample opportunities to decrease energy use, increase efficiency and save money.

CHP Incentives from DP&L

CHP rebates can help reduce the payback period for investments in CHP technologies. Qualified projects will receive a rebate based on kWh generated during the first year the project is commissioned, and rated design capacity. Generation will be paid in two installments at 6 and 12 months; capacity will be paid at project completion.

	\$0.08 per kWh Generated
	\$100 per kW Capacity

- Rebates will be based on the final cost of the project, and will be limited to 50% of the total design and construction project cost.
- Rebates will be capped at \$500,000 per DP&L account. For CHP systems over 500 kW, please contact DP&L to discuss potential incentive levels.
- CHP rebates are funded through the [Custom Rebate program](#) and are available on a first-come first-served basis.
- Reimbursement for all CHP projects:

Lower Heat Value	Reimbursement Percent
80% or higher	100% of the calculated payment
70-80%	90% of the calculated payment
60-70%	80% of the calculated payment

Eligibility

All DP&L business and government customers have the opportunity to receive CHP rebates. All CHP rebate applications must be submitted while in the design phase. CHP projects that are not pre-approved will be ineligible to receive a rebate.

Eligible equipment must:

- Be installed in the DP&L service territory
- Meet or exceed a minimum system efficiency of 60% LHV

How to Apply:

Pre-approval is required for all CHP rebates.

1 - Feasibility Study Application*

- Submit the [CHP Feasibility Application](#) and the [Facility Data Form](#) for the facility that will be studied. DP&L will let you know if the program is approved to proceed.
 - DP&L's [Business Energy Audit Program](#) provides up to \$10,000 to subsidize the cost of a CHP feasibility study.
- Submit the request for proposal (RFP) that will be issued for the study for DP&L approval. Once approved, issue the RFP and select the CHP study vendor.
- Submit the [Firm Selection Form](#) and the winning proposal for DP&L approval.
- Upon approval of the selected firm and study proposal, proceed with the study.

2 - Submit [CHP Rebate Application](#) with Feasibility Study Results (if available)

3 - Proceed with Project Implementation

4 - Submit Actual Energy Savings Figures

*A feasibility study is not required, but will help ensure your project meets DP&L's criteria for energy savings. Note: All Feasibility study PDF forms are combined in the [CHP Feasibility Study Packet](#). Max study cost will be net of any outside funding received and in no case will the DP&L reimbursement exceed your final out-of-pocket costs.

More information

Rebate measures and values for the 2017 program are for equipment and services purchased and installed on or after January 1, 2017.

Eligible products and rebate values are subject to change and apply only to new equipment that replaces existing equipment or is part of a facility upgrade. DP&L shall make the final determination regarding rebate amounts and DP&L reserves the right to cap rebate amounts. All DP&L energy programs are subject to Public Utilities Commission of Ohio rules and regulations.

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Summary: Stipulation Stipulation and Recommendation electronically filed by Gail A. Sims
on behalf of The Dayton Power and Light Company