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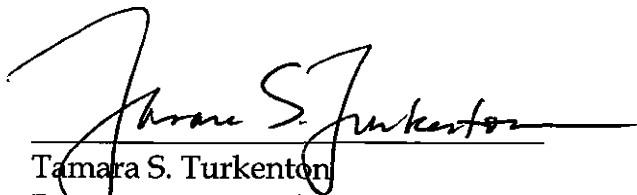
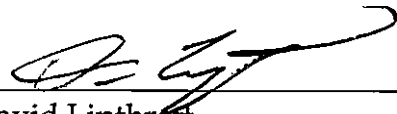
April 4, 2018

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

2018 APR -4 PM 2:47

RE: *In the Matter of the Application of The Dayton Power and Light Company to Update its  
Economic Development Rider, Case No. 18-374-EL-RDR*

Dear Docketing Division:

Enclosed please find the Staff's Review and Recommendations in regard to the  
Application of The Dayton Power and Light Company to update its Economic  
Development Rider, Case No. 18-374-EL-RDR.Tamara S. Turkenton  
Director, Rates and Analysis Dept.  
Public Utilities Commission of OhioDavid Liphtratt  
Chief, Research and Policy Division  
Public Utilities Commission of OhioThis is to certify that the images appearing are an  
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Enclosure

Cc: Parties of Record

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**The Dayton Power and Light Company**  
**Case No. 18-374-EL-RDR**

**SUMMARY**

On March 15, 2018, The Dayton Power and Light Company (DP&L) submitted an application to update its Economic Development Rider (EDR) pursuant to the Commission's Finding and Order in Case No. 11-4503-EL-RDR, et al., dated October 26, 2011, as well as the Finding and Order dated October 20, 2017 in Case No. 16-395-EL-SSO.

The proposed EDR includes charges that will provide the utility the opportunity to timely recover costs resulting from the Commission-approved reasonable arrangement in Case No. 14-1217-EL-AEC with Wright-Patterson Air Force Base. In addition, the EDR includes the recovery costs related to Economic Development Incentives approved by the Commission in Case No. 16-395-EL-SSO.

The proposed rates are expected to provide revenue recovery of \$2,824,888 from May 2018, through October 2018. The proposed rates include \$3,219,486 of forecasted costs from May 2018 through October 2018 and \$394,598 of over-recovered costs through April 2018. The proposed rates will result in a \$0.03 per month increase on a 1,000 kWh residential customer's bill. DP&L requests that the updated rates be made effective on a bills-rendered basis with the Company's first billing cycle for May 2018.

DP&L has proposed EDR tariff language that clarifies that the Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the results of audits as approved by the Commission.

**STAFF REVIEW AND RECOMMENDATIONS**

The Staff's investigation was designed to ensure that the Company's policies and practices comport with sound ratemaking principles and Commission policies, confirm that its books and records are reliable sources of cost data, and ultimately determine if the Application request is just and reasonable. Based on that investigation, the Staff concludes that the proposed EDR rates reflect the current and projected costs through October, 2018. In addition, the Staff believes the proposed tariff language appropriately clarifies that the Rider is subject to reconciliation, including, but not limited to, refunds to customers, based upon the results of audits as approved by the Commission.

## **CONCLUSION**

The Staff finds the proposed EDR charges reflect the current and projected costs resulting from reasonable arrangements approved by the Commission, and recommends approval of the application for new tariff language and for the proposed rates to become effective on a bills-rendered basis with the Company's first billing cycle for May 2018.