### **BEFORE** THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of

Case No. 16-0395-EL-SSO

The Dayton Power and Light Company for

Approval of Its Electric Security Plan

In the Matter of the Application of

The Dayton Power and Light Company for

Case No. 16-0396-EL-ATA

Case No. 16-0397-EL-AAM

Approval of Revised Tariffs

In the Matter of the Application of

The Dayton Power and Light Company for Approval of Certain Accounting Authority

Pursuant to Ohio Rev. Code § 4905.13

### THE DAYTON POWER AND LIGHT COMPANY'S MEMORANDUM IN OPPOSITION TO THE MOTION TO REOPEN PROCEEDING

#### INTRODUCTION AND SUMMARY I.

More than six months ago, the Commission issued its final order in this case, which among other things, modified and approved the Reconciliation Rider proposed by The Dayton Power and Light Company ("DP&L") and other parties in the March 14, 2017 Amended Stipulation and Recommendation ("Amended Stipulation"). Oct. 20, 2017 Opinion and Order. The Commission expressly found that the Reconciliation Rider, as modified, is lawful and in the public interest. Id., ¶ 63, 119. Ohio Environmental Council, Sierra Club, Environmental Law & Policy Center, and Environmental Defense Fund (collectively, "Conservation Groups") did not challenge those findings in their post-hearing briefs or in any application for rehearing; however, they now seek to reopen this proceeding to attack that charge.

<sup>&</sup>lt;sup>1</sup> Apr. 26, 2018 Motion to Reopen Proceeding by Ohio Environmental Council, Sierra Club, Environmental Law & Policy Center, and Environmental Defense Fund ("Motion").

Their Motion is procedurally barred and substantively flawed. Pursuant to Ohio Admin. Code § 4901-1-34(A), the Commission may reopen a case only "prior to the issuance of a final order." As the Commission already has issued a final order in this case, the record cannot be reopened. In the Matter of the Application of Verizon North Inc., Case No. 08-989-TP-BLS, 2009 Ohio PUC LEXIS 388, at \*33-35 (Entry on Rehearing, June 3, 2009). Accord: Ohio Rev. Code § 4903.10 (allowing applications for rehearing "within thirty days after the entry of any final order . . . of the commission"). The Motion is nothing more than an untimely application for rehearing, which the Commission has no authority to grant. In the Matter of the Application of The East Ohio Gas Company, Case No. 07-829-GA-AIR, 2009 Ohio PUC LEXIS 566, at \*4-5 (Entry, July 29, 2009); Greer v. Pub. Util. Comm., 172 Ohio St. 361, 362, 176 N.E.2d 416 (1961) (holding that the Commission has "no power to entertain an application for rehearing filed after the expiration of such 30-day period" from a final order). The Commission should deny the Conservation Groups' Motion for this reason alone.

Separately, even if the Motion were timely, the Conservation Groups have failed to show good cause for revisiting the Reconciliation Rider. Ohio Admin. Code § 4901-1-34(A). Relying on speculation and hearsay, they ask the Commission (p. 10) to consider the "risk that DP&L customers may pay more on the Reconciliation Rider" due to the recent request by FirstEnergy Solutions Corp. ("FES") to reject the Intercompany Power Purchase Agreement ("ICPA") with the Ohio Valley Electric Corporation ("OVEC") as part of its bankruptcy case. However, the "facts" they cite (p. 12) – which reflect updated projections by third-parties for future OVEC costs – are insufficient to reopen a closed case, particularly when attacking an

<sup>&</sup>lt;sup>2</sup> Notably, the Conservation Groups do not assert that any of them are DP&L customers who would pay the Reconciliation Rider.

Order that adopted a Stipulation found to be the product of serious bargaining among capable and knowledgeable parties. Oct. 20, 2017 Opinion and Order, ¶ 20. The Commission should deny their Motion for this reason as well.

# II. THE COMMISSION CANNOT REOPEN THIS PROCEEDING BECAUSE IT ALREADY HAS ISSUED A FINAL ORDER

The Conservation Groups concede that the Commission may reopen a proceeding only "before the issuance of a final order 'for good cause shown.'" Motion, p. 8 (quoting Ohio Admin. Code § 4901-1-34(A)). However, they ignore the fact that the Commission already has issued a final order in this case – the October 20, 2017 Opinion and Order.

The Commission has held that a "final order" under § 4901-1-34(A) is an order that affects "a substantial right," including one that implicates an "immediate pecuniary interest."

In the Matter of the Application of Verizon North Inc., Case No. 08-989-TP-BLS, 2009 Ohio PUC LEXIS 388, at \*33-34 (Entry on Rehearing, June 3, 2009) (citing Ohio Rev. Code § 2505.02 and Ohio Domestic Violence Network v. Pub. Util. Comm., 65 Ohio St.3d 438, 406 N.E.2d 13 (1992)). In Verizon, the Commission ruled that its Finding and Order, which provided a utility with "authority to restructure rates" was a final order; thus, the proceeding no longer could be reopened under § 4901-1-34(A). Id. at \*34 ("the most obvious application of Rule 4901-1-34, O.A.C., is between the close of a hearing and the issuance of an order").

The Conservation Groups cite two cases (p. 8) to support the proposition that the Commission may reopen this proceeding: In the Matter of the Application of Delmas Conley

DBA Conley Trucking for A Contract Motor Carrier Permit, Case No. 90-1568-TR-ACO and In the Matter of Columbia Gas of Ohio, Inc., Case No. 07-478-GA-UNC. In neither case, however, did the Commission issue its Opinion and Order before reopening the record. Delmas Conley

(Entry reopening case issued Nov. 15, 1991; Opinion and Order issued May 21, 1992); Columbia Gas (Entry reopening case issued Jan. 10, 2008; Opinion and Order issued Apr. 9, 2008). The cases do not show that the Commission may reopen this proceeding six months after its Opinion and Order authorized DP&L to begin collecting the Reconciliation Rider. Oct. 20, 2017 Opinion and Order, ¶ 142.

Indeed, the Conservation Groups' Motion is nothing more than an untimely application for rehearing. In the Matter of the Application of The East Ohio Gas Company, Case No. 07-829-GA-AIR, 2009 Ohio PUC LEXIS 566, at \*7 (Entry, July 29, 2009) (finding that a motion to reopen a proceeding following a final order "essentially equate[d] to an application for rehearing"). Pursuant to Ohio Rev. Code § 4903.10, "[a]fter any order has been made by the public utilities commission, any party . . . may apply for a rehearing in respect to any matters determined in the proceeding. Such application shall be filed within thirty days after the entry of the order upon the journal of the commission." (Emphasis added.) The Commission has "no power to entertain an application for rehearing filed after the expiration of such 30-day period." Greer v. Pub. Util. Comm., 172 Ohio St. 361, 362, 176 N.E.2d 416 (1961). Accord: In the Matter of the Application of The East Ohio Gas Company, Case No. 07-829-GA-AIR, 2009 Ohio PUC LEXIS 763, at \*8-9 (Entry on Rehearing, Sept. 23, 2009) ("The Commission does not have the authority to waive the statutory deadline for the filing of an application for rehearing"). In this case, the deadline for applications for rehearing was November 20, 2017. Ohio Rev. Code § 4903.10.

Thus, the Conservation Groups' Motion is untimely under Ohio Admin. Code § 4901-1-34(A) and – to the extent it constitutes an application for rehearing – Ohio Rev. Code

§ 4903.10, as well. <u>Greer</u>, 172 Ohio St. at 162. For these reasons alone, the Commission should deny the Motion as procedurally barred.

## III. THE CONSERVATION GROUPS HAVE FAILED TO SHOW GOOD CAUSE TO REOPEN THE PROCEEDING

The Commission should deny the Conservation Group's Motion for the separate and independent reason that they have not shown "good cause" for reopening this case, much less why the evidence they seek to present "could not, with reasonable diligence, have been presented earlier in the proceeding." Ohio Admin. Code § 4901-1-34(A) and (B).

In attacking the Reconciliation Rider, the Conservation Groups ask to present speculation and hearsay regarding FES's request to reject the ICPA with OVEC as part of its bankruptcy case; FES's request has not yet been approved. The Conservation Groups thus can identify no facts – only speculation about what might happen in future FERC and bankruptcy court proceedings.

Further, the "facts" that the Conservation Groups rely upon – projections of future costs made by other parties in other cases – are simply hearsay that would not be admissible in DP&L's ESP case. In other words, the fact that a witness for FES has filed projections in another case would not be an admissible fact in DP&L's ESP case.

The Commission should reject the proposition that updated forecasts and events occurring months after a final order is issued constitute new evidence that justify reopening closed records under § 4901-1-34, particularly when a case has been resolved by a Stipulation found to be the product of serious bargaining among capable and knowledgeable parties. Oct. 20, 2017 Opinion and Order, ¶ 20. Otherwise, litigants unhappy with the state of the record

could simply update their numbers to take another bite at the apple. Rewarding such behavior could dissuade settlement by offering the possibility of new factual records in the future, delay Commission orders by subjecting more cases to reopening, and undermine the finality Commission orders that eventually are reached.

Here, the Commission weighed the evidence in the record – a record that the Conservation Groups were free to develop – and found that the Reconciliation Rider would "benefit customers because it will act as a hedge which will mitigate spikes in market prices."

Id. ¶ 63. Since the Conservation Groups did not present evidence to the contrary, and the new "facts" are simply speculation about what will happen in future FERC and bankruptcy court proceedings and projections made in other cases that are not admissible in DP&L's ESP case, they should not be allowed to unwind the Commission's Opinion and Order.

### IV. <u>CONCLUSION</u>

For these reasons, the Motion to Reopen Proceeding by Ohio Environmental Council, Sierra Club, Environmental Law & Policy Center, and Environmental Defense Fund should be denied.

### Respectfully submitted,

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### **CERTIFICATE OF SERVICE**

I certify that a copy of the foregoing The Dayton Power and Light Company's Memorandum in Opposition to the Motion to Reopen Proceeding by Ohio Environmental Council, Sierra Club, Environmental Law & Policy Center, and Environmental Defense Fund has been

served via electronic mail upon the following counsel of record, this 11th day of May, 2018:

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Summary: Memorandum The Dayton Power and Light Company's Memorandum in Opposition to the Motion to Reopen Proceeding electronically filed by Mr. Jeffrey S Sharkey on behalf of The Dayton Power and Light Company