



**Public Utilities  
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October 3, 2018

FILE

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

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PUCO

RE: *In the Matter of the Application of The Dayton Power and Light Company to Update its  
Reconciliation Rider, Case No. 18-1379-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 Reconciliation  
Rider, Case No. 18-1379-EL-RDR.

Tamara S. Turkenton  
Director, Rates and Analysis Dept.  
Public Utilities Commission of Ohio

David Lipthrott  
Chief, Research and Policy Division  
Public Utilities Commission of Ohio

Enclosure

Cc: Parties of Record

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**The Dayton Power and Light Company**  
**Case No. 18-1379-EL-RDR**

**SUMMARY**

On September 14, 2018, The Dayton Power and Light Company (DP&L) submitted an application to update its Reconciliation Rider (RR) pursuant to the Commission's Finding and Order dated October 20, 2017 in Case No. 16-395-EL-SSO.

The RR became effective November 1, 2017, and is updated annually. The RR is designed to recover or credit the net proceeds of selling OVEC energy and capacity into the PJM marketplace and OVEC costs.

The proposed rates are designed to recover \$8,924,154 from November 1, 2018 through October 31, 2019. This amount includes \$10,613,064 of forecasted costs and an estimated \$1,688,910 of over recovered costs through October 31, 2018.

DP&L has proposed new 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 RR rates accurately reflect the intent of the Commission's Order in Case No. 16-395-EL-SSO. Staff recommends approval of the proposed tariff language clarifying 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. Separate reviews will be conducted to ensure the appropriateness of the OVEC costs/credits included in RR.

**CONCLUSION**

The Staff finds the proposed RR rates and proposed tariff language should be approved and become effective on November 1, 2018.