# BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of The Dayton Power & Light Company for Approval of Its Electric Security Plan.	) )	Case No. 16-0395-EL-SSO
In the Matter of the Application of The Dayton Power & Light Company for Approval of Revised Tariffs.	) )	Case No. 16-0396-EL-ATA
In the Matter of the Application of The Dayton Power & Light Company for Approval of Certain Accounting Authority Pursuant to Ohio Rev. Code § 4905.13.	) ) )	Case No. 16-0397-EL-AAM

### REPLY BRIEF OF THE RETAIL ENERGY SUPPLY ASSOCIATION

The Retail Energy Supply Association<sup>1</sup> ("RESA") submits this Reply Brief in order to respond to two claims made by The Dayton Power and Light Company ("DP&L"). First, DP&L claims in its May 2019 Initial Brief that the standard service offer ("SSO") is a distribution function and that the SSO costs should be recovered through distribution rates. *See*, DP&L Initial Brief at 31. DP&L, however, agreed in the ESP III Stipulation that "[i]n DP&L's filed distribution rate case (Case No. 15-1830-EL-AIR), there will be an evaluation of costs contained in distribution rates that may be necessary to provide standard service offer service. Any

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<sup>&</sup>lt;sup>1</sup> The comments expressed in this filing represent the position of the Retail Energy Supply Association (RESA) as an organization but may not represent the views of any particular member of the Association. Founded in 1990, RESA is a broad and diverse group of retail energy suppliers dedicated to promoting efficient, sustainable and customer-oriented competitive retail energy markets. RESA members operate throughout the United States delivering value-added electricity and natural gas service at retail to residential, commercial and industrial energy customers. More information on RESA can be found at <a href="https://www.resausa.org">www.resausa.org</a>.

reallocation of costs to the standard service offer as a result of this evaluation will be revenue neutral to DP&L."

DP&L's claim that the SSO should be recovered through distribution rates is contrary to DP&L's agreement in the ESP III Stipulation to an evaluation of the SSO service costs and its agreement that a reallocation of such costs be revenue neutral to DP&L. RESA was involved in the negotiation of this particular provision of the ESP III Stipulation, and supports an evaluation of SSO costs and the proper reallocation of costs to the SSO. DP&L should not be allowed to present an argument contrary to the stipulation it signed in these proceedings, and therefore, the Commission should disregard the argument on page 31 of DP&L's May 2019 Initial Brief.

Second, DP&L claims in its May 2019 Initial Brief that "[i]f the Commission were to make an allocation of SSO costs to SSO customers, then it should also allocate costs that DP&L incurs to support shopping to shopping customers." *See*, DP&L Initial Brief at 32. Regardless of the merits of any allocation of costs to shopping customers, neither RESA nor DP&L agreed in the ESP III Stipulation to such a review. DP&L's argument in these proceedings that any allocation involve an evaluation of *shopping-related* costs and that more than an allocation of SSO costs take place is not supported by the record and more importantly, not part of the negotiated stipulation. The Commission should disregard DP&L's claim.

RESA negotiated the ESP III Stipulation, which includes provisions that DP&L now appears to undercut in this phase of the proceedings as well as the rejected provision that triggered additional hearings (making the OVEC cost recovery bypassable). RESA continues to support a bypassable OVEC cost recovery and while the Commission has ruled on that issue in

these proceedings, RESA objects to any claims by DP&L that appear to diminish DP&L's other commitments under the ESP III Stipulation.

Respectfully submitted,

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## /s/ Gretchen L. Petrucci Gretchen L. Petrucci

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Summary: Reply Brief electronically filed by Mrs. Gretchen L. Petrucci on behalf of Retail Energy Supply Association