

June 18, 2019

## Via Electronic Filing

Public Utilities Commission of Ohio PUCO Docketing 180 E. Broad Street, 10th Floor Columbus, Ohio 43215

Re: Case Nos. 15-1830-EL-AIR, 15-1831-EL-AAM and 15-1832-EL-ATA

Dear Sir/Madam:

Pursuant to Section IV.3 of the June 18, 2018 Stipulation and Recommendation ("Stipulation"), The Dayton Power and Light Company ("DP&L") submits this final report to describe the status of the efforts made by DP&L, the Environmental Parties (i.e., Environmental Law & Police Center, Natural Resources Defense Council, Ohio Environmental Council, and Environmental Defense Fund) and other interested stakeholders in developing a pilot plan with a goal of identifying for potential implementation non-wires alternatives ("NWA") that could cost-effectively result in the deferral or avoidance of a distribution investment project.

On August 15, 2018, within 60 days of the filing of the Stipulation, DP&L met at the Commission's offices with representatives of Staff, the Environmental Parties, customer groups, marketers, and other interested stakeholders to begin this collaborative process ("Collaborative"). Some of this initially broad cross-section of interested parties met again by phone on December 14, 2018, and agreed that DP&L should work with the Environmental Parties prior to reconvening the whole Collaborative. DP&L received related information from the Environmental Parties and had multiple follow-up meetings to explore criteria for identifying potential projects, developing appropriate NWA alternatives, and evaluating the effectiveness of NWAs. In addition, since the filing of the Stipulation, three significant events have taken place.

First, on August 29, 2018, the Commission released its vision for certain aspects of Ohio's energy future in a document entitled "PowerForward: A Roadmap to Ohio's Electricity Future" ("the Roadmap"). In the Roadmap, the Commission indicated an intent to develop a Distribution System Planning Workgroup ("PWG") that would be administered by Staff or a third-party facilitator. One of the specific issues to be addressed by the PWG included "[d]evelopment of NWA suitability criteria, processes and timeline for implementing NWA opportunities, . . . [and] [e]valuation of options for procuring NWA." Roadmap at p. 19.

Second, consistent with the Roadmap, in the fall of 2018, the Commission opened Case No. 18-1596-EL-GRD, and issued an RFP to select a third-party facilitator of the PWG, Entry at pp. 2-3 (November 28, 2018), later selecting Enernex, LLC ("Enernex"). Entry at p. 3 (January 23, 2019). Enernex conducted five meetings about NWAs beginning on April 23, 2019, where all utilities (including DP&L), the Environmental Advocates and other interested parties were active participants. The PWG still continues to meet to discuss specifics of NWAs and to finalize recommendations for the Commission's review.

Third, on December 21, 2018, consistent with Section II.3 of the Amended Stipulation and Recommendation approved in Case No. 16-395-EL-SSO, DP&L filed a comprehensive distribution infrastructure modernization plan in Case No. 18-1875-EL-GRD ("Distribution Modernization Plan"). DP&L's Distribution Modernization Plan includes an NWA demonstration project. Specifically, DP&L proposes 750 kilowatts of battery storage to free up needed circuit capacity in lieu of investment in traditional electric distribution infrastructure. *See*, Case No. 18-1875-EL-GRD, Testimony of Kevin Hall at p. 29 (December 21, 2018). As part of its DMP filing, DP&L further "commits to continue the NWA Collaborative as set forth in that Stipulation to help inform this demonstration project." Id.

Based on these developments, much of the same information, research, disclosures, and conversations taking place in DP&L's Collaborative have simultaneously been taking place in the PWG with the further assistance of Commission-selected, paid consultant, Enernex. Both the Collaborative and the PWG have discovered that the implementation of NWAs is a very complex issue. There is a lack of consensus on sensitive issues regarding ownership and the process to facilitate and implement NWAs. There is also no universally accepted view on how to appropriately measure the success of NWAs. Finally, DP&L has also discovered that some of the information helpful to determine ideal NWA opportunities require more granular information than is currently available to DP&L given its lack of a modernized grid and related supporting infrastructure. For instance, full rollout of SCADA, Advanced Metering Infrastructure, localized load research, and more robust long-term forecasting of circuit-specific load are key to unlocking the full potential of NWAs.

DP&L has expressed its support in exploring and implementing NWAs under the appropriate conditions and safeguards. As discussed in the final Collaborative meeting held on June 11, 2019, DP&L believes it will be most efficient to allow time for the PWG to continue its mission and report its findings, which is expected by January 2020. In the meantime, DP&L expects the participating parties may continue discussions related to the NWA demonstration project DP&L has already proposed in its Distribution Modernization Plan filing. DP&L believes that the two pending Commission actions will be the most appropriate venues to provide for robust discussion and broad stakeholder input into the NWA process prior to implementation. For these reasons, at this time, DP&L does not intend to file an additional NWA pilot beyond the demonstration project already filed in the Distribution Modernization Plan. Unless otherwise agreed or ordered in the Distribution Modernization Plan, DP&L plans to reconvene the Collaborative at an appropriate time after approval to help inform its NWA proposed in that filing.

Very truly yours,

/s/ Michael J. Schuler

Michael J. Schuler

cc. All Counsel of Record

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## **CERTIFICATE OF SERVICE**

I certify that a copy of the foregoing document has been served via electronic mail

upon the following counsel of record, this 18th day of June, 2018:

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Summary: Letter of Notification Letter Regarding The Dayton Power and Light Company's Final Report on the Status of Efforts to Develop a Non-Wires Alternatives Pilot Plan electronically filed by Mr. Jeffrey S Sharkey on behalf of The Dayton Power and Light Company