

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of The)	
Dayton Power and Light Company for)	
Approval of Its Plan to Modernize Its)	Case No. 18-1875-EL-GRD
Distribution Grid)	
)	
In the Matter of the Application of The)	
Dayton Power and Light Company for)	Case No. 18-1876-EL-WVR
Approval of a Limited Waiver of Ohio)	
Adm. Code 4901:1-18-06(A)(2))	
)	
In the Matter of the Application of The)	
Dayton Power and Light Company for)	Case No. 18-1877-EL-AAM
Approval of Certain Accounting)	
Methods)	

**THE ENVIRONMENTAL LAW & POLICY CENTER’S
MOTION TO DISMISS WITHOUT PREJUDICE AND
FOR THE COMMISSION TO DIRECT THE DAYTON POWER AND LIGHT
COMPANY TO RE-FILE ITS APPLICATION
AND
MEMORANDUM IN SUPPORT**

The Dayton Power and Light Company’s “Application for Approval of its Plan to Modernize its Distribution Grid” lacks the information the Commission needs to determine whether the Company’s modernization plan meets minimal standards for approval. Therefore, pursuant to Ohio Civ. R. 41(B)(2) and Ohio Admin Code § 4901-1-12, the Environmental Law & Policy Center moves to dismiss the Company’s Application without prejudice, and for the Commission to direct the Company to re-file its Distribution Modernization Plan. In the alternative, per Ohio Admin. Code § 4901-1-12, ELPC moves the Commission to direct the Company to file supplemental direct testimony that provides the information necessary to sustain its burden of proof. ELPC sets forth support for this motion in more detail in the attached Memorandum in Support.

Dated: September 19, 2019

Respectfully submitted,

/s/ Nikhil Vijaykar
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**MEMORANDUM IN SUPPORT OF
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MOTION TO DISMISS WITHOUT PREJUDICE AND
FOR THE COMMISSION TO DIRECT THE DAYTON POWER AND LIGHT
COMPANY TO RE-FILE ITS APPLICATION**

I. INTRODUCTION

The Dayton Power and Light Company’s proposed Distribution Modernization Plan (DMP or Plan) is vague and incomplete. DP&L proposes nearly \$50 million in capital spending on a series of pilot projects¹, but leaves virtually every question regarding the benefits, cost-effectiveness, design, implementation, and evaluation of those pilots unanswered. Those pilots are an integral part of the grid modernization plan. As DP&L witness Hall notes, “The current distribution grid is not designed to support the multi-directional flow of power associated with significant levels of DER penetration.” Hall Direct Test. at 5. As set forth below, the pilots—if

¹ ELPC’s references to “pilots” or “pilot projects” in this memorandum includes the “pilot projects,” “demonstration projects,” and “initiatives” described in DP&L’s Application and testimony. DP&L uses the terms “pilot project,” “demonstration project,” and “initiative” interchangeably in its Application and testimony.

correctly designed—could provide critical information to make sure the grid works reliably as DP&L and its customers integrate distributed generation and electric vehicles into the system. The Commission cannot be certain that the pilots will provide *any* valuable information, however, because DP&L intends to get Commission approval for spending before it develops detailed pilot proposals. The Company explains: “Due to the novel nature of the project and relatively high uncertainty associated with costs, DP&L is providing these costs as more of an estimate and intends to work with the Commission and different stakeholders to appropriately scope these pilot projects.” Hall Direct Test. at 38. But DP&L never explains why it cannot work with interested parties to develop pilots before it files a grid modernization plan, as opposed to asking for approval of its Application and only then starting the process of designing its pilots. The proposed pilots seem no different than any major investment, and should not receive special regulatory treatment. For example, the Commission would never approve cost recovery for transformers if the utility said it was going to invest \$200 million in transformers, but that it would figure out what kind to buy and where it would put them later. Indeed, when Duke Energy Ohio requested the Commission’s approval of a proposed battery storage project without providing any detail regarding where the project would be located or its projected benefits and costs, the Commission directed the utility to file an application detailing its proposed battery storage project in a separate proceeding. *In re the Application of Duke Energy Ohio, Inc., for an Increase in Electric Distribution Rates*, Pub. Util. Comm’n of Ohio, Case Nos. 17-32-EL-AIR, 17-33-EL-ATA, 17-34-EL-AAM, Order at 72-73 (Dec. 19, 2018).

Even if the Company intends to provide customers real value, it provides insufficient evidence that it will develop pilot projects that are just, reasonable, and in customers’ interests. Assuming DP&L has the best intentions to work with the interested parties to develop these

pilots, the Company must still develop that plan and meet its burden of proof *before* it can receive the Commission’s approval. It’s threadbare filing, however, demonstrates that the Company has not developed a complete Plan and cannot sustain its burden.² The Commission should, therefore, dismiss the Application without prejudice and direct the Company to re-file a complete DMP, including developed pilot proposals and a component-level cost-benefit analysis. In the alternative, the Commission should direct the Company to file revised or supplemental direct testimony that includes the information necessary to sustain its burden of proof.

II. STANDARD

Ohio Revised Code § 4909.18 requires that “Any public utility desiring to establish any rate . . . or any regulation or practice affecting the same, shall file a written application with the public utilities commission.” Ohio Rev. Code § 4909.18. No regulation or practice affecting any rate may become effective until the Commission determines it to be just and reasonable. Ohio Rev. Code §§ 4909.17-18; *see also Elyria Foundry Co. v. Ohio Edison Co.*, Pub. Util. Comm’n of Ohio, Case No. 05-796-EL-CSS, Entry on Rehearing, 2007 WL 817087 at *2 (Mar. 14, 2007). The applicant has the burden of proof to show that the proposals in the application are just and reasonable. Ohio Rev. Code § 4909.18.

² The Company’s responses to data requests confirm this. For example, in response to several of Interstate Gas Supply, Inc. and IGS Solar, LLC’s interrogatories seeking basic information regarding the design of its proposed battery storage pilot, the Company responds: “The Company intends to work with Staff and interested parties to determine the best practices for implementing the Battery Storage projects set forth in the testimony of Company Witness Hall.” *See* Attachment A, Selected Responses from The Dayton Power and Light Company’s Supplemental Objections and Responses to Interstate Gas Supply, Inc. and IGS Solar, LLC’s First Set of Interrogatories and Requests for Production of Documents to the Dayton Power and Light Company, Responses to INT-1.1(b)-(e); INT-1.5(h); INT-1.6(d); INT-1.7(b)-(d); INT-1.8(c)-(e). The Company repeats the same line in response to interrogatories requesting basic information regarding the design of its proposed microgrid project. *See* Attachment A, Responses to INT-1.15; INT-1.17(c). Similarly, in response to an interrogatory asking whether the Company believes there is a need for the energy and capacity produced by the proposed community solar demonstration projects, the Company responds that it has “not yet conducted resource planning projections to identify whether there is a need for the energy and capacity associated with community solar demonstration projects because the specifics of the projects, including location, are have not yet been determined.” (sic) *See* Attachment A, Response to INT-1.11.

The Company's request for approval of its DMP includes a proposal to recover capital investment and expenses associated with its DMP through a "SmartGrid Rider" established in a previous proceeding. App. at 9. The DMP is, therefore, a practice that will affect rates, and the Company has the burden of proof to show that its Plan is just and reasonable. "The party with the burden of proof on an issue must present proof in that party's case in chief and can present evidence in rebuttal only to answer a new matter introduced by his adversary." *Hinkle v. Cleveland Clinic Found.*, 159 Ohio App. 3d 351, 2004-Ohio-6853, 823 N.E. 2d 945, at ¶ 60, citing *Cities Serv. Oil Co. v. Burkett*, 176 Ohio St. 449, 452 (1964). Dismissal is appropriate where the applicant's direct case in chief is insufficient to sustain its burden of proof. Civ. R. 41(B)(2); *Levine v. Beckman*, 48 Ohio App. 3d 24, 27 (10th Dist. 1988). DP&L's Application falls short of any just and reasonable standard.

III. ARGUMENT

A. **DP&L's description of its proposed pilot projects is too vague to allow the Commission to determine whether those individual investments and the DMP as a whole, are just and reasonable.**

DP&L provides substantial expert testimony to support several of its DMP's components. For instance, it provides 32 pages of expert testimony to describe its proposed investments in advanced metering infrastructure (AMI) and AMI-related technology systems. *See* Storm Direct Test. In contrast, DP&L's pilot project proposals—including its distributed energy demonstration projects; its microgrid pilot; its electric vehicle (EV) charging initiative; and its conservation voltage reduction and volt/VAr optimization (CVR/VVO) initiative—are extraordinarily vague or incomplete. Typically, when a utility proposes to undertake a pilot, it supports that proposal with detailed expert testimony and analysis explaining how much the project will cost, how it will benefit customers, and how it will be designed and implemented. DP&L provides minimal information on project costs, benefits, and implementation. Further, if a utility's goal is to learn

from the pilot project, then the utility should lay out what exactly it hopes to learn and how it designed the pilot to produce those lessons. DP&L fails to explain both what it proposes to learn and how it will design its pilots to produce that information. Instead, as ELPC demonstrates below with respect to each pilot, the Company supports its proposals with high-level ideas summarized in a handful of Q&As. This approach makes it impossible for the Commission to determine whether the Company's pilot proposals meet just and reasonable standards. Given that the pilot proposals are an integral part of the DMP, the Company's approach also makes it impossible for the Commission to determine whether the DMP as a whole is just and reasonable.

1. *The Application lacks fundamental information on the design, implementation, or evaluation of DP&L's proposed distributed energy demonstration projects.*

DP&L proposes two "distributed energy demonstration projects" as a part of its DMP: battery storage and community solar. Hall Direct Test. at 28. Those projects will cost a collective \$22.4 million in capital and \$2 million in O&M expenses over ten years. *See* Schedules and Workpapers, WP 4.2. The Company explains that its battery storage demonstration project will consist of four applications that will "test how deployments of battery storage technology may benefit the distribution system." Hall Direct Test. at 28-30. The community solar project will consist of 8MW of capacity across approximately 112,000 panels which "may increase the available capacity of designated circuits to the benefit of all customers." Hall Direct Test. at 31. While those objectives may be worthwhile, the Company's description of *how* each project will be deployed, and what it will cost, is replete with generalities. Specifically, with respect to its proposed battery storage demonstration projects:

- The Company does not explain where battery storage projects will be sited, nor the process by which it will select project sites on its distribution system. Instead, the Company offers, variously, that its battery storage applications will be:

deployed “at a critical location”, “strategically located”; installed “on the utility side of the meter”; “on a capacity constrained circuit”; and deployed “at various points within the distribution system.” Hall Direct Test. at 29-30.

- The Company does not explain whether it proposes to own the battery units and other hardware associated with the projects, or whether it will deploy customer- or third-party-owned resources.
- The Company does not explain how project impacts will be evaluated or reported.

Similarly, with respect to its proposed community solar demonstration project:

- The Company does not explain where its community solar project(s) will be sited, nor the process by which it will select project sites—instead stating that sites will be “determined in the future.” Hall Direct Test. at 31.
- The Company does not explain how customers could elect to participate, what it would cost customers to participate, or the specific energy or economic benefits that would accrue to participating customers.
- The Company does not explain whether it proposes to own the solar panels and other hardware associated with the projects, or whether it will deploy customer- or third-party-owned resources.
- The Company does not explain how project impacts will be evaluated or reported.

Importantly, the Company does not know how much either the battery storage or solar demonstration projects will cost. It acknowledges: “[d]ue to the novel nature of the project and relatively high uncertainty associated with costs, DP&L is providing these costs as more of an estimate and intends to work with the Commission and different stakeholders to appropriately scope these pilot projects.” Hall Direct Test. at 38. The costs, design, implementation, and

evaluation of a demonstration project directly impact whether customers will receive a net benefit from that project, and what information they will learn for future projects. Hence, the Company's cursory presentation does not provide the Commission the information it needs to determine whether the proposed demonstration projects are just and reasonable. The Company's plan to scope its pilot projects after receiving Commission approval does not adequately protect ratepayers. The Commission should direct the Company to develop complete demonstration project proposals and include those proposals in its DMP upon refiling.

2. *DP&L acknowledges that it has not developed a plan for its proposed pilot microgrid project.*

The Company explains that it contemplates a microgrid pilot to provide “valuable benefits to the communities in which the pilot is implemented.” Hall Direct Test. at 32. While microgrids *can* provide valuable benefits to customers, the Commission cannot determine whether DP&L's project *will* provide any benefits because, as the Company acknowledges, it “is still developing plans for the microgrid pilot and will provide those plans to the Commission and Staff once they are finalized.” Hall Direct Test. at 33. All that the Company offers at this stage to describe its proposed microgrid project is a single Q&A in Mr. Hall's testimony.

“Q. Does DP&L's DMP contemplate any other demonstration projects?

A. Yes. The Company's DMP contemplates a microgrid project to provide not only a learning opportunity for DP&L, but also valuable benefits to the communities in which the pilot is implemented. The scope of this project is based on projects from other utilities and best practices from those demonstrations would be used for the contemplated pilot. The proposed microgrid is anticipated to cover customers within a five-mile radius. The microgrid will be designed to meet the full load requirements within the area in which it is deployed, providing resilience to the community's electric supply. A microgrid would support critical facilities, such as medical or 911 centers, with additional backup sources of power in the event of an outage. DERs, including the proposed energy storage and community solar pilot, may contribute to providing the generation required for the microgrid demonstration. DP&L is still developing plans

for the microgrid pilot and will provide those plans to the Commission and Staff once they are finalized.”

Hall Direct Test. at 32-33.

Where utilities have proposed microgrid projects in other states, they have provided regulators with extensive information on project costs, benefits, design, implementation, and evaluation. Commonwealth Edison, for example, supported a proposed microgrid project with testimony from six witnesses who described, in detail, how much the project would cost; how it would benefit customers; how the project would support distribution functions; how the project would be funded and constructed; the location for the project and the factors it considered in choosing that location; and metrics for measuring the lessons from the project, among other details. *Commonwealth Edison Co., Petition Concerning the Implementation of a Demonstration Distribution Microgrid*, Ill. Commerce Comm’n, Docket 17-0331 (Jul. 28, 2017).

DP&L provides none of these details. It does not even provide where the microgrid will be located. Instead, it states generally that “the microgrid pilot is anticipated to cover customers within a five-mile radius”—which would be a huge area for a microgrid, much less a microgrid pilot. Moreover, ELPC submits that any microgrid should test distributed generation and that the Company leaves that undetermined when it says “DERs . . . may contribute to providing the generation required for the microgrid demonstration.” Hall Direct Test. at 32-33. As with its proposed battery and solar demonstration projects, the Company does not provide the cost or benefit information that the Commission needs to determine whether the project will provide a net benefit to customers. *See* Hall Direct Test. at 38. Without any of this information, the Commission cannot determine whether the proposed microgrid pilot is just and reasonable. The Commission should, therefore, direct the Company to develop a plan for its microgrid pilot, including an analysis of pilot costs and benefits, and provide that plan in its DMP upon re-filing.

3. *DP&L supports its electric vehicle charging proposal with a single Q&A.*

DP&L's EV pilot has the same flaws discussed in conjunction with the other pilots. The Company "plans to install, own and operate between 40 and 50 [electric vehicle] charging stations throughout its service area over a three-year period." Hall Direct Test. at 33. The Company proposes to incur approximately \$5 million in capital costs and \$2.1 million in O&M costs over ten years on this proposal. *See Schedules and Workpapers, WP 4.3.* To support this level of spending, the Company again offers one solitary Q&A in Mr. Hall's testimony. Consistent with the Company's other technology proposals, that Q&A provides little substance:

- Mr. Hall does not explain where the Company will locate charging stations or the criteria it will use to determine charging station distribution; instead it states generally that "DP&L anticipates having charging stations installed along the major interstate corridor as well as located at places that make it convenient for the customer to charge their vehicles such as retail stores, airport parking areas, and movie theatres." Hall Direct Test. at 33.
- Mr. Hall states ambiguously that "charging stations will be a combination of Level 2 chargers and DC fast chargers," but does not specify how many of each the Company will deploy. Hall Direct Test. at 33.
- Mr. Hall makes no mention of the rate customers will be charged, or whether non-customers will be able to use DP&L's charging stations.

Again, the level of detail that DP&L provides to support its electric vehicle charging proposal pales in comparison to the detail that utilities in other states have provided in support of similar proposals. For example, in support of their proposal to install and operate electric vehicle charging stations, Louisville Gas and Electric Company and Kentucky Utilities Company

(LG&E and KU) filed an 85-page application including testimony from two witnesses. *Louisville Gas and Electric Co. and Kentucky Utilities Co.*, Ky. Pub. Serv. Comm’n, Case No. 2015-03355, Application (Nov. 13, 2015). That testimony explained in detail how charging stations would be installed, owned, and operated; how station sites would be chosen; how customers could host stations; how LG&E and KU would manage ongoing maintenance for stations; the charging technology that would be deployed; charging station design; the costs and benefits associated with the proposal; how customers would be charged for using and hosting charging stations; and how the companies planned on reporting metrics associated with their proposal to the Kentucky Public Service Commission. *Id.* Even AEP Ohio’s 2016 electric vehicle charging proposal—which, as ELPC pointed out in that case, did not provide the level of detail that it should have—provided far more detail than what DP&L provides here. *See AEP Ohio*, Pub. Util. Comm’n of Ohio, Case No. 16-1852-EL-SSO, Spofforth Direct Test. at 27 (May 3, 2017); Osterholt Direct Test. at 11-21 (Nov. 23, 2016). AEP Ohio filed eleven pages of expert testimony explaining the charging technology it would deploy; the fees and rates it would charge station users; and deployment costs and benefits. *AEP Ohio*, Pub. Util. Comm’n of Ohio, Case No. 16-1852-EL-SSO, Osterholt Direct Test. at 11-21 (Nov. 23, 2016).

DP&L’s filing does not include any of this detail. Without the information necessary to understand or evaluate the Company’s electric vehicle charging infrastructure proposal, all that remains is an unsupported request for a spending approval. The Commission should direct the Company to develop a complete electric vehicle charging proposal and include it in its DMP upon refiling.

4. *DP&L provides no information on its proposed CVR/VVO pilot.*

The Company provides even less information on its proposed CVR/VVO pilot than the minimal information it provides with respect to its other pilots. While the Company projects the

number of capacitor banks and voltage regulator banks and controls it will deploy per year as a part of its proposed CVR/VVO pilot, it does not explain the rationale for its proposed deployment schedule in testimony. Nor does it explain the process by which it will select circuits for deployment; whether it will leverage customer-owned resources; and how it will measure and report the “improved power factor” it expects from the pilot. In order to give the Commission and the parties a meaningful opportunity to evaluate the Company’s planned \$14.3 million in capital and \$2.7 million in O&M expenses on the CVR/VVO pilot, the Commission should direct the Company to develop a complete proposal, and include that proposal in its DMP upon refiling.

B. The Application lacks a component-level cost-benefit analysis.

The Amended Stipulation approved in DP&L’s third Electric Security Plan case directs the Company to “provide a cost/benefit analysis of all of its components.” *Dayton Power and Light Company*, Pub. Util. Comm’n of Ohio, Case No. 16-395-EL-SSO, Order at 7 (Oct. 20, 2017). DP&L’s Application does not meet this requirement. While the Company provides projected costs for each DMP component, as well as a cost-effectiveness ratio for its plan in aggregate, *see* Hall Direct Test. at 7, the Company’s presentation of the benefits (and the cost-effectiveness) of each component within the DMP is incomplete and scattered. *See* Schedules and Workpapers, WP A-C. This makes it impossible for the Commission to determine whether specific components (for example, the microgrid pilot) are just and reasonable and will provide net benefits to customers. The Commission should direct the Company to comply with its Order in Case No. 16-395-EL-SSO and provide a component-level cost-benefit analysis of its DMP.

C. **The Application lacks the information necessary to determine whether the DMP is consistent with the PowerForward Roadmap.**

Ohio Rev. Code § 4909.18 provides the standard of review in this case and the Commission must apply that standard. However, in addition to that standard, the Company has filed its Application “[p]ursuant to . . . the Commission’s PowerForward Roadmap.” DP&L asserts that the DMP “is consistent with the Principles that the Commission identified on page 8 of its PowerForward Roadmap.” App. at 1, 3. Given the time and energy the Commission and parties have put into PowerForward and the Commission’s stated intent that the Roadmap, “[inform] future utility regulatory filings and proceedings in order for electric distribution utilities to advance in grid modernization initiatives,” the Commission should consider whether the DMP is consistent with the PowerForward principles, which include:

- Maintaining the delivery of safe, reliable electric service at fair prices;
- Insisting that electric distribution utilities spend ratepayer dollars wisely and in a manner that delivers eventual net value to the customer; and,
- Ensuring that investments create societal benefit and allow for an enhanced customer electricity experience accessible to all customers.

A Roadmap to Ohio’s Electricity Future at 8, Pub. Util. Comm’n of Ohio, (Aug. 29, 2018). Without a clear presentation of, and justification for, the costs and benefits associated with each component in the DMP, the Commission cannot assess whether several of the Plan’s components would maintain “electric service at fair prices”; “deliver eventual net value to the customer”; “create societal benefit”; or “allow for an enhance customer electricity experience accessible to all customers.” The Commission should, therefore, direct the Company to re-file a complete DMP including the information it needs to determine whether the Plan is consistent with the PowerForward Roadmap.

D. In the alternative, the Commission should direct the Company to file supplemental direct testimony.

ELPC maintains that the Commission should dismiss the Application and direct the Company to re-file a complete Application for the reasons described in this memorandum. Should the Commission decide, for any reason, to deny this request for relief, ELPC moves in the alternative for the Commission to direct the Company to file supplemental direct testimony. That testimony should provide the minimum information necessary for a complete Application. It should include a complete cost/benefit analysis for each DMP component as well as complete proposals for the components discussed at *supra* III.A.1-4, such that the Commission has a meaningful opportunity to review the Company's Plan and determine whether it is just and reasonable.

IV. CONCLUSION

ELPC recognizes the importance of appropriate, cost-effective modernization investments in DP&L's distribution system. As the Commission noted in its PowerForward Roadmap, distribution modernization planning can "enhance the electricity experience for customers." *A Roadmap to Ohio's Electricity Future* at 4, Pub. Util. Comm'n of Ohio, (Aug. 29, 2018). A vague and incomplete plan, however, allows the utility to make significant distribution investments without any determination that those investments will benefit customers, and leaves the Commission with only after-the-fact prudence review to protect customers. DP&L has provided the Commission a vague and incomplete plan that does not meet its burden of proof in this case. ELPC, therefore, requests that the Commission grant its motion, dismiss the Application, and direct the Company to re-file a complete DMP.

ATTACHMENT A:

Selected Responses from The Dayton Power and Light Company's Supplemental
Objections and Responses to Interstate Gas Supply, Inc. and IGS Solar, LLC's
First Set of Interrogatories and Requests for Production of Documents to
the Dayton Power and Light Company

RESPONSES TO INTERROGATORIES

INT-1.1. Page 10 of Mr. Hulsebosch's testimony discusses the methodology used to estimate the demand savings resulting from Battery Storage. Regarding this proposal:

- a. Is one function or purpose of the proposed Battery Storage to reduce the peak demand attributed to the DP&L service territory?
 - a. If so, explain how the proposal will reduce peak demand.
- b. Would the Battery Storage be bid into the PJM market as a capacity resource?
- c. If the Battery Storage will be bid into the PJM capacity market, identify how the assets will be de-rated from their nameplate capacity.
- d. If the Battery Storage will be bid into the PJM capacity market, identify how many consecutive hours the asset is projected to provide energy into the PJM market.
- e. If DP&L does not intend to bid the Battery Storage into the PJM capacity market, please identify how the Battery Storage would produce demand savings for customers.

RESPONSE: General Objections Nos. 2 (unduly burdensome), 3 (privileged and work product), 4 (proprietary), 5 (inspection of business records), 6 (calls for narrative answer), 9 (vague or undefined), 12 (seeks information that DP&L does not know at this time), 13 (mischaracterization). DP&L further objects because it cannot know what will happen in the future. Subject to all general objections, DP&L states:

- (a) As set forth in the Testimony of Witness Hall, there are four demonstrations: the first application uses battery technology to strengthen reliability, the second uses it to peak shave, the third combines a peak shaving ability with a residential customer reliability benefit, and the fourth looks at a utility scale deployment to reduce the amount of generation purchased.
- (b)-(e) The Company has not yet determined the answer to this question. The Company intends to work with Staff and interested parties to determine the best practices

for implementing the Battery Storage projects set forth in the testimony of
Company Witness Hall.

Witness Responsible: Kevin Hall

INT-1.5. Page 29, lines 4 to 11 of Mr. Hall's testimony describes the first proposed battery application. Regarding the first proposed battery application:

- a. Identify all potential applications and uses for the proposed pilot project(s).
- b. Does DP&L intend to use the project(s) in any wholesale markets, including but not limited to the frequency regulation market? If so, identify all markets.
- c. Under the proposal, would the battery be located on the utility side of the meter?
- d. Would the customer(s) able to receive continuous service from the battery pay for the electricity provided by the battery?
- e. Would the customer(s) be required to pay for the benefit of having access to continuous service?
 - i. If so, what would the process be for determining the rate?
 - ii. If so, would the charges collected be refunded to the Smart Grid Rider?
- f. Would DP&L own the battery?
- g. If DP&L will not own the battery, identify the entity or entities that would own the battery.
- h. Through what mechanism(s) would DP&L recover the costs associated with supplying the battery with power?
- i. Would the energy supplied to the battery be procured through the SSO auctions?

RESPONSE: General Objections Nos. 2 (unduly burdensome), 3 (privileged and work product), 4 (proprietary), 5 (inspection of business records), 6 (calls for narrative answer), 7 (available on PUCO web site), 9 (vague or undefined), 12 (seeks information that DP&L does not know at this time), 13 (mischaracterization). DP&L further objects because it cannot know what will happen in the future. Subject to all general objections, DP&L states:

- a. As stated on Page 29, line 5 of Kevin Hall's testimony, the primary purpose of the first battery application is to "enhance the reliability of the distribution grid at a critical location." Other potential use cases for the proposed battery project have not yet been identified.

- b. The Company has not determined whether the projects will participate in the wholesale market.
- c. Please see the Company's response to PUCO DR 04-10 part c, DP&L_GRD_0000670_0000682.
- d. All customers will pay for the battery storage unit and the associated electricity provided through the Smart Grid Rider.
- e. All customers would pay for the proposed battery applications through the Smart Grid Rider.
- f. As proposed, yes, DP&L would own the battery.
- g. Please see the Company's response to sub-part f. above.
- h. Cost recovery associated with energy supply to the battery has not yet specifically been determined. The Company intends to work with Staff and interested parties to determine the best practices for implementing the Battery Storage projects set forth in the testimony of Company Witness Hall.
- i. Please see the Company's response to sub-part h. above.

Witness Responsible: Kevin Hall

INT-1.6. Page 29 of Mr. Hall's testimony describes the second proposed battery application. Regarding the second proposed battery application:

- a. Identify all potential applications and uses for the proposed pilot project(s).
- b. Does DP&L intend to use the project(s) in any wholesale markets, including but not limited to the frequency regulation market? If so, identify all markets.
- c. Would the second proposed battery application be in addition to the battery storage projects provided for in DP&L's Distribution Rate Case? *In re DP&L*, Case Nos. 15-1830-EL-AIR, et al., Opinion and Order (Sept. 26, 2018) at 26.
 - i. If so, how will DP&L determine if a proposed battery project will be recovered through the Distribution Infrastructure Rider or the Smart Grid Rider?
- d. Through what mechanism(s) would DP&L recover the costs associated with supplying the battery with power?
- e. Would DP&L own the battery?

RESPONSE: General Objections Nos. 2 (unduly burdensome), 3 (privileged and work product), 4 (proprietary), 5 (inspection of business records), 6 (calls for narrative answer), 7 (available on PUCO web site), 9 (vague or undefined), 12 (seeks information that DP&L does not know at this time), 13 (mischaracterization). DP&L further objects because it cannot know what will happen in the future. Subject to all general objections, DP&L states:

- a. As stated on page 29, line 14 of Kevin Hall's testimony, the second proposed battery application would be used to free up needed circuit capacity. Other possible use cases for this demonstration project has not yet been identified.
- b. The Company has not determined whether the projects will participate in the wholesale market.
- c. Yes. The battery storage project demonstrations proposed as part of the DMP are in addition to the battery storage projects provided for in the Company's recent Distribution

Rate Case. The battery storage projects proposed as part of this plan will be recovered through the Company's Smart Grid Rider.

- d. Cost recovery associated with energy supply to the battery has not yet specifically been determined. The Company intends to work with Staff and interested parties to determine the best practices for implementing the Battery Storage projects set forth in the testimony of Company Witness Hall.
- e. As proposed, yes, DP&L would own the battery.

Witness Responsible: Kevin Hall

INT-1.7. Pages 29 and 30 of Mr. Hall's testimony describes the third proposed battery application. Regarding the third proposed battery application:

- a. Identify all potential applications and uses for the proposed pilot project(s).
- b. Would the energy supplied to the batteries be procured through the SSO auctions?
- c. Through what mechanism(s) would the cost of energy supplied to the central battery be recovered?
- d. Through what mechanism(s) would the cost of energy supplied to the residential batteries be recovered?
- e. How many residential batteries would be installed?
- f. Who would own the residential batteries?
- g. Would a participating residential customer pay for the electricity provided by the battery?
- h. Who would control the charging behavior of the residential battery?
- i. Would shopping customers be eligible to receive a residential battery?
- j. Would a participating residential customer be required to pay for the benefit of having access to a source of backup power?
- k. What is the function(s) of the "central battery unit?"
- l. Would DP&L seek Commission approval regarding the selection of the specific location for the third proposed battery application location?
- m. Would the capacity of the batteries only be used to create distribution capacity on a capacity-constrained circuit?
- n. Would the central battery unit be located behind a utility meter?
- o. Would the residential batteries be located behind a utility meter?

RESPONSE: General Objections Nos. 2 (unduly burdensome), 3 (privileged and work product), 4 (proprietary), 5 (inspection of business records), 6 (calls for narrative answer), 7 (available on PUCO web site), 9 (vague or undefined), 12 (seeks information that DP&L does not know at this time), 13 (mischaracterization). DP&L further objects because it cannot know what will happen in the future. Subject to all general objections, DP&L states that as proposed:

- a. Aside from the primary purpose of providing for capacity on a capacity-constrained distribution circuit (page 29, lines 21 and 22 of Kevin Hall's testimony), any other use cases for the proposed pilot projects have not been specifically identified.
- b. The source of procurement of the energy supplied to the batteries has not yet specifically been determined. The Company intends to work with Staff and interested parties to determine the best practices for implementing the Battery Storage projects set forth in the testimony of Company Witness Hall.
- c. Cost recovery associated with energy supply to the battery has not specifically been determined. The Company intends to work with Staff and interested parties to determine the best practices for implementing the Battery Storage projects set forth in the testimony of Company Witness Hall.
- d. Cost recovery associated with energy supply to the battery has not specifically been determined. The Company intends to work with Staff and interested parties to determine the best practices for implementing the Battery Storage projects set forth in the testimony of Company Witness Hall.
- e. DP&L specifically objects to this sub-part because it cannot know what will happen in the future.
- f. As proposed, DP&L will own the batteries.
- g. Payment for the electricity supplied by the battery has not specifically been determined. The Company intends to work with Staff and interested parties to determine the best

practices for implementing the Battery Storage projects set forth in the testimony of Company Witness Hall.

- h. The charging behavior of the batteries would be controlled by DP&L.
- i. As proposed, yes, the battery units would be available to both shopping and SSO customers.
- j. As proposed DP&L intends to recover the costs of the battery demonstration project through the Smart Grid Rider.
- k. The "central battery unit" is a battery storage unit that is larger than a residential battery but not as large as utility scale storage units. As proposed, the central battery unit will function as a supplement to the residential battery units.
- l. DP&L has not proposed to file an application for approval with the PUCO for the demonstration projects as part of the DMP. However, the Company intends to comply with any requirements of a Commission Order in this case relative to any requirements associated with the proposed demonstration projects.
- m. Please see the Company's response to sub-part a. above.
- n. The central battery unit will be located before the utility meter.
- o. The residential batteries would be located behind the utility meter. As indicated on page 30, line 2 of Kevin Hall's testimony, the residential battery units will be metered separately.

Witness Responsible: Kevin Hall

INT-1.8. Pages 29 and 30 of Mr. Hall's testimony states, "The fourth proposed application would deploy utility scale battery storage technology at various points within the distribution system. These deployments would look to provide additional reliability improvements and improve load balancing during critical peak periods." Regarding the fourth proposed battery application:

- a. Identify all potential applications and uses for the proposed pilot project(s).
- b. Does DP&L intend to use the project(s) in any wholesale markets, including but not limited to the frequency regulation market? If so, identify all markets.
- c. Through what mechanism(s) would the cost of energy supplied to the battery be recovered?
- d. Would the energy supplied to the battery be procured through the SSO auctions?
- e. For whom would the battery "reduce the amount of generation purchased"?
- f. Is one function or purpose of the battery to supply generation?
- g. Would the battery be located behind the utility meter?
- h. Would DP&L own the battery?

RESPONSE: General Objections Nos. 2 (unduly burdensome), 3 (privileged and work product), 4 (proprietary), 5 (inspection of business records), 6 (calls for narrative answer), 9 (vague or undefined), 12 (seeks information that DP&L does not know at this time), 13 (mischaracterization). DP&L further objects because it cannot know what will happen in the future. Subject to all general objections, DP&L states:

- a. Aside from the primary purpose of providing reliability improvements and improve load balancing during critical peak periods (page 30, line 13 of Kevin Hall's testimony), any other use cases for the proposed fourth battery installation have not been specifically identified.
- b. The Company has not determined whether the projects will participate in the wholesale market.

- c. Cost recovery associated with energy supply to the battery has not yet been determined.

The Company intends to work with Staff and interested parties to determine the best practices for implementing the Battery Storage projects set forth in the testimony of Company Witness Hall.

- d. The source of procurement of the energy supplied to the batteries has not yet been determined. The Company intends to work with Staff and interested parties to determine the best practices for implementing the Battery Storage projects set forth in the testimony of Company Witness Hall.

- e. Please see the Company's response to sub-part a. Further, DP&L states that this level of specifics of the battery demonstration project have not yet been determined. The Company intends to work with Staff and interested parties to determine the best practices for implementing the Battery Storage projects set forth in the testimony of Company Witness Hall.

- f. Please see the Company's response to sub-part a.

- g. As proposed, the central battery unit will be located before the utility meter.

- h. As proposed, yes, DP&L will own the battery.

Witness Responsible: Kevin Hall

INT-1.11. Does DP&L believe there is a need for the energy and capacity produced by the proposed community solar demonstration projects based on resource planning projections?

RESPONSE: General Objections Nos. 3 (privileged and work product), 4 (proprietary), 9 (vague or undefined), 12 (seeks information that DP&L does not know at this time). DP&L further objects because the term "need" is vague and undefined. Subject to all general objections, DP&L states that the Company has not yet conducted resource planning projections to identify if there is need for the energy and capacity associated with community solar demonstration projects because the specifics of the projects, including location, are have not yet been determined. The Company intends to work with Staff and interested parties to determine the best practices for implementing the community solar demonstration projects set forth in the testimony of Company Witness Hall.

Witness Responsible: Kevin Hall

INT-1.15. Regarding the assets used to provide backup sources of power for the microgrid pilot described beginning on page 32 of Mr. Hall's testimony:

- a. Would the assets used to provide backup power be located in front of the customer's or customers' meter(s)?
- b. Will DP&L own any assets that would supply the generation required for the microgrid demonstration?
- c. When the backup sources of power are not needed to maintain service to customers within the microgrids area, would they idle, produce electrons to be fed into DP&L's distribution grid, or something else?

RESPONSE: General Objections Nos. 2 (unduly burdensome), 3 (privileged and work product), 4 (proprietary), 5 (inspection of business records), 6 (calls for narrative answer), 9 (vague or undefined), 12 (seeks information that DP&L does not know at this time), 13 (mischaracterization). DP&L further objects because it cannot know what will happen in the future. Subject to all general objections, DP&L states:

- a. The specific assets, their applications and locations will be determined through the scoping and design phases of the microgrid. The Company intends to work with Staff and interested parties to determine the best practices for implementing the Microgrid demonstration project set forth in the testimony of Company Witness Hall.
- b. Specific ownership of any assets associated with the microgrid have not yet been determined. The Company intends to work with Staff and interested parties to determine the best practices for implementing the Battery Storage projects set forth in the testimony of Company Witness Hall.
- c. Specific use of any backup sources of power will be determined during the scoping and design of the microgrid. The Company intends to work with Staff and interested parties

to determine the best practices for implementing the microgrid demonstration project set forth in the testimony of Company Witness Hall.

Witness Responsible: Kevin Hall

INT-1.17. Pages 32 to 33 of Mr. Hall's testimony states the microgrid project "will be designed to meet the full load requirements within the area in which it is deployed." Regarding this statement:

- a. Would the customers whose load was considered in determining "the full load requirements" be required to pay for the benefit of a backup source of power?
 - i. If so, what would the process be for determining that rate?
 - ii. If so, would those funds be credited to the Smart Grid Rider?
- b. How will DP&L determine "the full load requirements" of the area of deployment?
- c. What capacity value was used to estimate the production of a solar generating facility within the microgrid?
- d. When there is no need for additional sources of backup power or when there is excess power being produced by the microgrid, how will the power generated from the backup sources of power be used?

RESPONSE: General Objections Nos. 2 (unduly burdensome), 3 (privileged and work product), 4 (proprietary), 5 (inspection of business records), 6 (calls for narrative answer), 9 (vague or undefined), 12 (seeks information that DP&L does not know at this time), 13 (mischaracterization). DP&L further objects because it cannot know what will happen in the future. Subject to all general objections, DP&L states:

- a. DP&L specifically objects to this sub-part because the request is vague, ambiguous, and assumes that a backup source of power exists when that is not necessarily true.
- b. The full load requirements will be determined through identification of the specific customers that would be within the deployment area of the microgrid and evaluating the coincident peak load for the deployment area.
- c. The Company did not develop a capacity value for the production of a solar generating facility within the microgrid because the specifics of the projects, including generation and type of generation, have not yet been determined. The Company intends to work

with Staff and interested parties to determine the best practices for implementing the microgrid demonstration project set forth in the testimony of Company Witness Hall.

- d. DP&L specifically objects to this sub-part because the request is vague, ambiguous, and assumes that a backup source of power exists when that is not necessarily true.

Witness Responsible: Kevin Hall

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing *The Environmental Law and Policy Center's Motion to Dismiss Without Prejudice and for the Commission to Direct the Dayton Power and Light Company to Re-file its Application and Memorandum in Support* was filed electronically through the Docketing Information System of the Public Utilities Commission of Ohio on September 19, 2019. The PUCO's e-filing system will electronically serve notice of the filing of this document on counsel for all parties.

/s/ Nikhil Vijaykar
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Summary: Motion to Dismiss Without Prejudice and for the Commission to Direct the Dayton Power and Light Company to Re-File its Application and Memorandum in Support electronically filed by Mr. Nikhil Vijaykar on behalf of Environmental Law & Policy Center