

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE REVIEW OF THE
RECONCILIATION RIDER OF THE
DAYTON POWER AND LIGHT COMPANY.

CASE NO. 20-165-EL-RDR

ENTRY

Entered in the Journal on September 17, 2020

{¶ 1} Dayton Power and Light Company (DP&L or the Company) is an electric distribution utility as defined in R.C. 4928.01(A)(6) and a public utility as defined in R.C. 4905.02, and, as such, is subject to the jurisdiction of this Commission.

{¶ 2} R.C. 4928.141 provides that an electric distribution utility (EDU) shall provide consumers within its certified territory a standard service offer (SSO) of all competitive retail electric services necessary to maintain essential electric services to customers, including a firm supply of electric generation service. The SSO may be established as a market rate offer under R.C. 4928.142 or an electric security plan (ESP) under R.C. 4928.143.

{¶ 3} On February 22, 2016, as amended on October 11, 2016, DP&L filed an application for its third ESP (ESP III). On October 20, 2017, the Commission issued an Opinion and Order modifying and approving an amended stipulation and establishing ESP III with an effective date of November 1, 2017. *In re the Application of Dayton Power and Light Co. to Establish a Std. Serv. Offer in the Form of an Electric Security Plan*, Case No. 16-395-EL-SSO (ESP III Case), Opinion and Order (Oct. 20, 2017). As part of the approved ESP III, the Commission authorized DP&L to recover or credit the net proceeds of selling Ohio Valley Electric Corporation (OVEC) energy and capacity into the PJM Interconnection, LLC (PJM) marketplace and OVEC costs through a reconciliation rider. *ESP III Case*, Opinion and Order (Oct. 20, 2017) at ¶ 14, 63, 119. The reconciliation rider became effective as part of ESP III and is subject to annual true-ups. *Id.*

{¶ 4} On September 14, 2018, in Case No. 18-1379-EL-RDR, DP&L filed an application to update the reconciliation rider for the period spanning November 1, 2018, through October 31, 2019. The application proposed an increased rider rate of \$0.68 per

month (for a typical residential customer using 1,000 kilowatt hours) and new tariff language clarifying that the reconciliation rider is subject to reconciliation, including refunds to customers, based upon the results of audits as approved and ordered by the Commission. Ultimately, the Commission issued a Finding and Order approving DP&L's application. *In re The Dayton Power and Light Co.*, Case No. 18-1379-EL-RDR, Finding and Order (Oct. 24, 2018).

{¶ 5} In July 2019, the 133rd General Assembly passed Amended Substitute House Bill Number 6 (H.B. 6), which enacted R.C. 4928.148 effective October 22, 2019. Pursuant to the new statute, on January 1, 2020, any mechanism authorized by the Commission prior to October 22, 2019, for recovery of prudently incurred costs related to a legacy generation resource—including OVEC—shall be replaced by a nonbypassable rate mechanism established by the Commission for recovery of those costs through December 31, 2030, from customers of all EDUs in Ohio. DP&L's reconciliation rider is subject to the new legislation and, thus, was required to be replaced by the statute's prescribed mechanism.

{¶ 6} On September 16, 2019, in Case No. 19-1776-EL-RDR, DP&L filed an application to update its reconciliation rider. Considering H.B. 6, the Company's application sought to update the reconciliation rider for the period November 1, 2019, through December 31, 2019, only. After evaluating the application and a September 26, 2019 review and recommendation by Staff, the Commission issued a Finding and Order approving the application to update the reconciliation rider rates effective November 1, 2019. *In re The Dayton Power and Light Co.*, Case No. 19-1776-EL-RDR, Finding and Order (Oct. 23, 2019).

{¶ 7} On November 21, 2019, the Commission established the new nonbypassable rate mechanism—the Legacy Generation Resource Rider (LGR Rider)—for recovery of legacy generation resource costs pursuant to R.C. 4928.148. *In the Matter of Establishing the Nonbypassable Recovery Mechanism for Net Legacy Generation Resource Costs Pursuant to R.C. 4928.148*, Case No. 19-1808-EL-UNC, Entry (Nov. 21, 2019). On December 27, 2019, DP&L

filed new tariff sheets, which replaced the reconciliation rider with the LGR Rider, bearing an effective date of January 1, 2020.

{¶ 8} On January 29, 2020, the Commission issued an Entry in this docket directing Staff to issue a request for proposal (RFP) for audit services to assist with a prudency and performance audit of DP&L's reconciliation rider for the period of November 1, 2018, through December 31, 2019. And, by Entry dated March 11, 2020, the Commission selected Vantage Energy Consulting, LLC (Vantage) to conduct the audit. Pursuant to the RFP, the final audit report was due to be filed with the Commission on September 16, 2020.

{¶ 9} Previously, on March 9, 2020, the governor signed Executive Order 2020-01D (Executive Order), declaring a state of emergency in Ohio to protect the well-being of Ohioans from the dangerous effects of COVID-19. As described in the Executive Order, state agencies are required to implement procedures consistent with recommendations from the Department of Health to prevent or alleviate the public health threat associated with COVID-19. Additionally, all citizens are urged to heed the advice of the Department of Health regarding this public health emergency in order to protect their health and safety. The Executive Order was effective immediately and will remain in effect until the COVID-19 emergency no longer exists. The Department of Health is making COVID-19 information, including information on preventative measures, available via the internet at coronavirus.ohio.gov/.

{¶ 10} On March 17, 2020, Ohio Consumers' Counsel (OCC) filed a motion to intervene in this proceeding on behalf of DP&L's residential customers. OCC asserts that it is entitled to intervene under R.C. 4903.221 and Ohio Adm.Code 4901-1-11. The motion is unopposed. Upon review, the attorney examiner finds that the motion to intervene is reasonable and should be granted.

{¶ 11} On September 16, 2020, Staff filed an unopposed motion for an extension of the deadline for filing the final audit report; Staff requests expedited consideration of the motion. Staff states that, due to challenges caused in part by the COVID-19 emergency, Staff

and Vantage need additional time to complete and file the reconciliation rider audit report. Staff requests that the deadline be extended three weeks to October 7, 2020. Finally, Staff represents that counsel for DP&L and for OCC were consulted and neither objects to the requested extension.

{¶ 12} Ohio Adm.Code 4901-1-13 permits extensions of filing deadlines for good cause shown. The attorney examiner finds that Staff's motion for an extension is supported by good cause, is reasonable, and should be granted. Accordingly, the final audit report shall be filed with the Commission no later than October 7, 2020.

{¶ 13} It is, therefore,

{¶ 14} ORDERED, That OCC's motion to intervene be granted. It is, further,

{¶ 15} ORDERED, That Staff's motion for an extension of time be granted. It is, further,

{¶ 16} ORDERED, That the final audit report be filed with the Commission by October 7, 2020. It is, further,

{¶ 17} ORDERED, That a copy of this Entry be served upon all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

/s/ Patricia A. Schabo

By: Patricia A. Schabo
Attorney Examiner

SJP/hac

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Case No(s). 20-0165-EL-RDR

Summary: Attorney Examiner Entry ordering that OCC's motion to intervene be granted, Staff's motion for an extension of time be granted and the final audit report be filed with the Commission by October 7, 2020 electronically filed by Heather A Chilcote on behalf of Patricia Schabo, Attorney Examiner, Public Utilities Commission