

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of The)	
Dayton Power and Light Company to)	Case No. 20-1651-EL-AIR
Increase Its Rates for Electric Distribution)	

In the Matter of the Application of The)	
Dayton Power and Light Company for)	Case No. 20-1652-EL-AAM
Accounting Authority)	

In the Matter of the Application of The)	
Dayton Power and Light Company for)	Case No. 20-1653-EL-ATA
Approval of Revised Tariffs.)	

**OBJECTIONS TO THE STAFF REPORT AND SUMMARY OF MAJOR ISSUES OF
DIRECT ENERGY BUSINESS, LLC AND DIRECT ENERGY SERVICES, LLC**

In Accordance with R.C. 4909.18 and O.A.C. 4901-1-28, Direct Energy Business, LLC and Direct Energy Services, LLC (collectively, “Direct”) submit the following objections to the Staff Report issued in this proceeding on July 26, 2021.

I. Objections to Staff’s recommended revenue requirement (Staff Report at 6-8)

Objection 1: Direct objects to Staff’s recommended revenue requirement (Schedule A-1) based on any flow-through effect of Objections 2 through 5 below.

II. Objections to Staff’s calculation of Operating Income (Staff Report at 13-20)

Objection 2: Direct objects to Staff’s adjustment to increase test year operating income to reflect revenue received from competitive retail electric service provider fees, as shown in Schedule C-3.28. The basis for the objection is as follows:

- a. The Company’s proposed tariffs include numerous charges that may be fairly characterized as “CRES provider fees,” but the Staff Report does not identify which

specific charges are included in the adjustment. Therefore, it is not possible to determine whether Staff has accurately accounted for all CRES provider fees.

- b. A just and reasonable rate or charge must bear some relation to an underlying cost.
The Staff Report does not identify costs incurred by the Company, if any, to perform any service subject to a CRES provider fee. Therefore, Staff has failed to support its recommendation that the Company continue to charge CRES provider fees.
- c. Even if the Company will incur costs to perform services subject to a CRES provider fee that are incremental (*i.e.*, in addition) to costs recovered through base rates (including the Monthly Customer Charge), Staff has failed to investigate whether the CRES provider fees are just and reasonable in relation to such costs. Therefore, there is no evidence to support the specific amount of any CRES provider fee.
- d. Given the lack of evidence that CRES provider fees are necessary to recover incremental, identifiable costs, a presumption arises that test year revenue generated by base rates (including the Monthly Customer Charge) is sufficient to recover all costs incurred by the Company to provide the services associated with the proposed CRES provider fees. Therefore, it is inappropriate to impute an additional \$770,254 in test year revenues, as proposed in Staff's Schedule C-3.28 adjustment.
- e. The CRES provider fees unduly discriminate against and unreasonably burden shopping customers and competitive suppliers. CRES provider fees increase the cost to competitive suppliers of supplying electricity, and these costs must necessarily be passed along to shopping customers in the form of higher electric supply rates. Rates for SSO generation service do not reflect the additional cost of CRES provider fees.

Thus, CRES provider fees render competitive suppliers' rates less competitive relative to SSO rates.

III. Objections to Rates and Tariffs (Staff Report pp. 23-35)

Objection 3: Unless noted in the Staff Report, Staff recommends approval of the Company's proposed tariff changes (Staff Report at 23). Direct objects to Staff's recommended approval of the following tariff changes:

- a. The Company did not submit Sheet No. G8 (Alternate Generation Supplier Coordination Tariff) for review or approval. Direct objects to Staff's failure to review this tariff. Because Staff did not review this tariff, there is no basis to conclude that any rate or charge specified therein, or any term or condition, is just and reasonable.
- b. The Company did not submit Sheet No. G9 (Competitive Retail Generation Service) for review or approval. Direct objects to Staff's failure to review this tariff. Because Staff did not review this tariff, there is no basis to conclude that any rate or charge specified therein, or any term or condition, is just and reasonable.
- c. For the reasons explained in Objection No. 2 (a-e), Direct objects to the fee applicable to requests for historical interval meter data contained in Sheet No. G8, page 12 of 30, ¶ 4.2. Certain language in this proposed tariff should be removed as shown below:

4.2 AGS Requests for End-use Customer Information

An AGS may request historical Interval Meter data through a DASR after receiving the appropriate End-use Customer authorization. The Interval Meter data will be transferred in a standardized electronic transaction. ~~The AGS will be responsible for the incremental costs incurred to prepare and send such data. The charges for these services are listed in this or other tariff rate schedules.~~

- d. For the reasons explained in Objection No. 2 (a-e), Direct objects to the technical support and assistance charge contained in Sheet No. G8, page 29 of 30, ¶ 18. Certain language in this proposed tariff should be removed as shown below:

~~18. TECHNICAL SUPPORT AND ASSISTANCE CHARGE~~

~~CHARGES~~

~~First four (4) hours per month per AGS or CSP: No charge.~~

~~Additional hours beyond first four (4) hours per month per AGS or CSP:
\$90 per hour or fraction thereof.~~

- e. For the reasons explained in Objection No. 2 (a-e), Direct objects to all fees listed in Sheet No. G8, pages 29 and 30, Schedule of Fees and Charges. Certain language in this proposed tariff should be removed as shown below:

~~SCHEDULE OF FEES AND CHARGES~~

~~A. AGS Fees~~

~~1. Manual Historical Customer Energy Usage Data: The Company requires Customer authorization for providing historical customer usage data. The Company will only provide customer usage data manually if it is unavailable electronically. For historical customer energy usage data, the following charges will apply:~~

~~Up to twelve (12) months of monthly kW and/or kWh data—No Charge~~

~~Thirteen through thirty-six (13-36) months of monthly kW and/or kWh data—\$16.50 per account per request~~

~~Greater than thirty-six (36) months of monthly kW and/or kWh data—\$32.25 per account per request~~

~~One (1) month of Hourly Load Data (where available)—\$25.00 per account per request~~

~~One (1) month of 30 minute Load Data (where available)—\$25.00 per account per request~~

~~Twelve (12) months of Hourly Load Data (where available)—\$150.00 per account per request~~

~~2. Electronic Interval Meter Data:~~

~~One (1) month of Hourly Load Data (where available)—\$25.00 per account per request~~

~~One (1) month of 30 minute Load Data (where available) – \$25.00
per account per request
Twelve (12) months of Hourly Load Data (where available) –
\$150.00 per account per request~~

~~3. Switching Fee:~~

~~The Company will be entitled to impose a Switching Fee on the
End Use Customer in accordance with Tariff Sheet No. D34 for
any changes made by either a Customer or an authorized agent to a
different AGS. The AGS will be required to pay the Switching
Fees on behalf of the Customer.~~

- f. For the reasons explained in Objection No. 2 (a-e), Direct objects to the manual interval meter read fee referenced in Sheet No. G9 (Competitive Retail Generation Service), page 2 of 2. Certain language in the tariff should be removed as shown below:

~~SCHEDULE OF FEES AND CHARGES:~~

~~Manual Interval Meter Read: \$88.00 per meter read~~

- g. For the reasons explained in Objection No. 2 (a-e), Direct objects to the historical usage fees referenced in Sheet No. D26 (Miscellaneous Service Charges), page 1 of 1. Certain language in the tariff should be struck as shown below:

Hard Copy Historical Customer Usage Data: The Company requires Customer authorization for providing historical customer usage data. ~~For historical customer usage data the following charges will apply:~~

~~Up to twenty four (24) months of monthly kW and/or kWh data No
Charge~~

~~Twenty five to thirty six (25-36) months of monthly kW and/or kWh data
\$16.50 per account per request~~

~~Greater than thirty six (36) months of monthly kW and/or kWh data
\$32.25 per account per request~~

~~One (1) month of Hourly Load Data (where available) \$25.00 per account
per request~~

~~Twelve months of Hourly Load Data (where available) \$150.00 per
account per request~~

- h. For the reasons explained in Objection No. 2 (a-e), Direct objects to the switching fee referenced in Sheet No. D34 (Switching Fee Rider), page 2 of 2. Certain language in the proposed tariff should be removed as shown below:

AUTHORIZATION TO SWITCH TO AN ALTERNATE GENERATION SUPPLIER

The AGS shall coordinate Customer enrollment with the Company in accordance with the procedures set forth in the Alternate Generation Supplier Coordination Tariff, Sheet No. G8. The AGS shall provide notification of the switch request to the Company utilizing standard business protocols before the switch is effectuated. ~~Prior to the switching level reaching twenty percent (20%), each Customer will receive one free switch during the Rate Stabilization Period. Then the Company will charge a switching fee of five dollars (\$5) for every switch to an AGS.~~

RETURNING TO THE STANDARD OFFER

A Customer may at any time return to the Company's applicable Standard Offer Tariff for Generation Service. ~~However, the Company will charge the Customer a switching fee of five dollars (\$5) for returning to the Standard Offer Tariff.~~ In the event that a Customer returns to Standard Offer due to default, abandonment, slamming or certification rescission of their AGS, the Customer will be automatically returned to the applicable Standard Offer Tariff, ~~and will not be charged the switching fee.~~

- i. The Company, as directed by the Commission in Case No. 20-0650-EL-UNC, *et al.*, proposes to recover a percentage of the PUCO/OCC assessment expense through SSO rates and credit the amount so recovered through the Tax Savings Credit Rider, as provided in Sheet No. D41 and Sheet No. G10. Direct objects to Staff's recommendation to ignore the Commission's prior order by recovering the entire assessment through base rates (*see* Staff Report at 24).

Direct reserves the right to supplement or modify these Objections in the event that Staff makes additional findings, conclusions, or recommendations with respect to the Staff Report.

Dated: August 25, 2021

Respectfully submitted,

/s/ Mark A. Whitt

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Objections to Staff Report was served by electronic mail this 25th day of August, 2021 to the following:

/s/ Lucas A. Fykes

One of the Attorneys for Direct Energy
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Case No(s). 20-1651-EL-AIR, 20-1652-EL-AAM, 20-1653-EL-ATA

Summary: Objection Objections to the Staff Report and Summary of Major Issues
electronically filed by Mr. Lucas A. Fykes on behalf of Direct Energy Business, LLC and Direct
Energy Services, LLC