

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE APPLICATION OF
THE DAYTON POWER AND LIGHT
COMPANY D/B/A AES OHIO TO UPDATE
ITS ECONOMIC DEVELOPMENT RIDER.

CASE NO. 21-1034-EL-RDR

FINDING AND ORDER

Entered in the Journal on November 17, 2021

I. SUMMARY

{¶ 1} In this Finding and Order, the Commission approves the application to update the economic development rider of the Dayton Power & Light Company d/b/a AES Ohio.

II. DISCUSSION

{¶ 2} The Dayton Power & Light Company d/b/a AES Ohio (AES Ohio or the Company) is a public utility, an electric light company, and an electric distribution utility as defined in R.C. 4905.02, R.C. 4905.03(C), and R.C. 4928.01(A)(6), respectively. Therefore, AES Ohio is subject to the jurisdiction of this Commission.

{¶ 3} Under R.C. 4905.31, a public utility may enter into a reasonable arrangement with one of its customers providing for “any other financial device that may be practicable or advantageous to the parties interested.” R.C. 4905.31(E). Additionally, in the case of an arrangement with an electric light company such as AES Ohio, that “other financial device may include a device to recover costs incurred in conjunction with any economic development and job retention program of the utility within its certified territory, including recovery of revenue foregone as a result of any such program * * *.” R.C. 4905.31(E). To that end, Ohio Adm.Code 4901:1-38-08 provides that an electric utility serving customers pursuant to an approved reasonable arrangement may apply for a rider for the recovery of certain costs associated with serving those customers. Such a rider must be updated and reconciled, by application to the Commission, on a semi-annual basis. Ohio Adm.Code 4901:1-38-08(A)(5).

{¶ 4} On June 24, 2009, the Commission approved a stipulation and recommendation establishing the Company's first electric security plan (ESP I). *In re The Dayton Power and Light Co.*, Case No. 08-1094-EL-SSO, et al., (*ESP I Case*), Opinion and Order (June 24, 2009). As part of ESP I, the Commission approved the Company's implementation of an economic development rider (EDR), initially set at zero, through which recovery of delta revenues associated with reasonable arrangements could be collected. *ESP I Case*, Stipulation (Feb. 24, 2009) at 7. Due to events surrounding AES Ohio's subsequent applications for a second and third electric security plan, the Company is presently operating under ESP I. See *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*), Notice of Withdrawal (Nov. 26, 2019); *ESP III Case* Finding and Order (Dec. 18, 2019); *ESP I Case*, Proposed Revised Tariffs (Nov. 26, 2019); *ESP I Case*, Second Finding and Order (Dec. 18, 2019); *ESP I Case*, Sixth Entry on Rehearing (Aug. 11, 2021).

{¶ 5} On June 3, 2011, AES Ohio filed an application in Case No. 11-3399-EL-AAM to modify its accounting procedures to defer costs associated with the implementation of any Commission-approved reasonable arrangements and to apply carrying charges on the unrecovered or over-recovered balances based upon the cost of debt as approved in the Company's last rate proceeding. And, on August 12, 2011, AES Ohio filed an application in Case No. 11-4503-EL-RDR to update its EDR pursuant to R.C. 4905.31(E) and Ohio Adm.Code 4901:1-38-08. On October 26, 2011, the Commission approved both applications. *In re Dayton Power and Light Co.*, Case Nos. 11-3399-EL-AAM, 11-4503-EL-RDR, Finding and Order (Oct. 26, 2011). As required by Ohio Adm.Code 4901:1-38-08(A)(5), the Company has filed applications to update and reconcile its EDR on a semi-annual basis.

{¶ 6} On October 18, 2021, AES Ohio filed its most recent application to update the EDR. In the application, AES Ohio represents that it currently has in place one Commission-approved reasonable arrangement. With the application, AES Ohio submits schedules and work papers to support the update and reconciliation of the rider, as well as proposed tariffs. AES Ohio projects that the bill impact of the EDR rate for a typical residential

customer using 1000 kilowatt hours (kWh) per month will be a decrease of \$0.02 per month for the period spanning December 1, 2021, through May 31, 2022. The Company maintains that the proposed rates in its updated EDR are just and reasonable and should be approved. The proposed tariffs reflect the following rate decrease for residential customers:

Customer Class	Current Rate	Proposed Rate	Proposed Decrease
Residential	\$0.0001012 per kWh	\$0.0000831 per kWh	\$0.0000181 per kWh
Residential (1,000 kWh)	\$0.10 per bill	\$0.08 per bill	\$0.02 per bill

{¶ 7} On November 2, 2021, Staff filed a review and recommendation regarding AES Ohio's application to update its EDR. According to Staff, the proposed rates are expected to provide revenue recovery of \$329,809 from December 2021 through May 2022, including \$424,686 of forecasted costs for the same time period and \$94,877 of over-recovered costs as of September 2021. Based on its investigation, Staff concludes that the Company's proposed EDR rates reflect the current and projected costs resulting from the Company's sole Commission-approved reasonable arrangement through May 2022. Staff recommends approval of the application, with rates to become effective on a bills-rendered basis with AES Ohio's first billing cycle for December 2021.

III. CONCLUSION

{¶ 8} The Commission finds that AES Ohio's application to update its EDR is consistent with R.C. 4905.31(E) and Ohio Adm.Code 4901:1-38-08, does not appear to be unjust or unreasonable, and should be accepted. Additionally, the Commission finds that it is unnecessary to hold a hearing in this matter. The Commission finds that the Company's updated EDR should become effective on a bills-rendered basis for December 2021.

IV. ORDER

{¶ 9} It is, therefore,

{¶ 10} ORDERED, That AES Ohio's application be approved, and AES Ohio be authorized to adjust the rates for its EDR, in accordance with Paragraph 8. It is, further,

{¶ 11} ORDERED, That the Company be authorized to file two complete copies of tariffs in final form consistent with this Finding and Order. AES Ohio shall file one copy in this case docket and one copy in its TRF docket. It is, further,

{¶ 12} ORDERED, That the effective date of the new tariffs shall be a date not earlier than the date upon which the final tariff pages are filed with the Commission. It is, further,

{¶ 13} ORDERED, That AES Ohio shall notify customers via a bill message or bill insert within 30 days of the effective date of the tariffs. Additionally, the Company shall submit a copy of the customer notice to the Commission's Service Monitoring and Enforcement Department prior to its distribution to customers. It is, further,

{¶ 14} ORDERED, That nothing in this Finding and Order shall be binding upon this Commission in any future proceeding or investigation involving the justness or reasonableness of any rate, charge, rule, or regulation. It is, further,

{¶ 15} ORDERED, That a copy of this Finding and Order be served upon all parties of record.

COMMISSIONERS:

Approving:

Jenifer French, Chair
M. Beth Trombold
Daniel R. Conway
Dennis P. Deters

PAS/hac

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Case No(s). 21-1034-EL-RDR

Summary: Finding & Order approving the application to update the economic development rider of the Dayton Power & Light Company d/b/a AES Ohio electronically filed by Heather A. Chilcote on behalf of Public Utilities Commission of Ohio