



# Public Utilities Commission

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December 7, 2021

Docketing Division  
Public Utilities Commission of Ohio  
180 East Broad Street  
Columbus OH 43215

RE: *In the Matter of the Application of The Dayton Power and Light Company for Authority to Recover Certain Storm-Related Service Restoration Costs, Case No. 21-0092-EL-RDR*

Dear Docketing Division:

Enclosed please find the Staff Recommendation in the Matter of The Dayton Power and Light Company to recover certain storm-related service restoration costs, Case No. 21-0092-EL-RDR.

A handwritten signature in black ink, appearing to read "DL", written over a horizontal line.

David Lipthratt  
Chief, Accounting and Finance Division  
Public Utilities Commission of Ohio

Enclosure  
Cc: Parties of Record

**Ohio Power Company  
The Dayton Power and Light Company  
Case No. 21-0092-EL-RDR**

**SUMMARY**

In Case No. 16-0395-EL-SSO, the Public Utilities Commission of Ohio (Commission) approved a non-bypassable Storm Cost Recovery Rider (SCRR) for The Dayton Power and Light Company d/b/a AES Ohio (AES Ohio or the Company) as a recovery mechanism for the prudent costs associated with major storm restorations.<sup>1</sup> The SCRR allows AES Ohio to recover all Operating and Maintenance (O&M) expenses incurred from storms that are determined to be “Major Events” as defined by Ohio Adm.Code 4901:1-10-01.

On May 24, 2021, AES Ohio filed an application (Application) to recover 2018 and 2019 storm-related restoration costs, of which there were two major storms in 2018 and five major storms in 2019. AES Ohio states that it did not seek to recover expenses associated with the two 2018 storms in its last storm rider case (Case No. 19-662-EL-RDR) because not all of the supporting documents were received and catalogued at the time of filing the application. Given that the third and fourth storms in 2018 occurred on December 27 and 31, the Company proposed to include these storms in its 2019 SCRR filing to allow sufficient time for the necessary accounting and reporting and to meet the SCRR filing timelines.

The Company did not file a true-up in 2020 for 2019 storm related expenses. Additionally, AES Ohio has not included any 2020 storm related expenses as part of the Application because the Company has not yet verified all associated expenses, materials, and invoices. AES Ohio expects to make a future filing for recovery of the 2020 storms. The Application also reflects the removal of non-travel meals from its request and has taken steps to improve how its materials and supplies are tracked.

**STAFF REVIEW**

In its review, Staff examined the as-filed schedules for consistency with previous storm rider cases to ensure proper accounting and regulatory treatment was applied. The audit consisted of a review of the financial statements for completeness, occurrence, presentation, valuation, allocation and accuracy. Staff conducted this audit through a combination of document review, interviews, and interrogatories.

In its Application, the Company calculated carrying charges up to March 2022, with anticipation that these rates would go into effect in October 2021. Due to the delayed filing of the Application, Staff found carrying charges to be higher than normal, as the charges accrued for a longer period of time than they would have had the Company filed its Application in a timelier manner.

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<sup>1</sup> *In the Matter of the Application of The Dayton Power and Light Company for Approval of Its Electric Security Plan*, Case No. 16-395-EL-SSO, Opinion and Order (October 20, 2017).

## **STAFF RECOMMENDATION**

Given the delayed filing of this SCRR application, Staff recommends denial of carrying charges totaling \$1,106,774, on incremental storm restoration costs, as proposed by the Company and included for recovery in the Application. Staff recommends carrying charges only accrue based on the unrecovered monthly balances of storm restoration costs attributable to prior SCRR cases, without compounding, shown on Company Schedule WPB-2. This adjustment would add \$239,787 to the revenue requirement. In total, Staff's recommendations result in a revenue requirement of \$8,100,398. Based on this revenue requirement, Staff recommends monthly rates of \$1.01 for residential, \$3.26 for non-residential, and \$0.28 for Private Outdoor Lighting.

Staff concludes that the Company has appropriately included in its SCRR only those restoration costs incurred due to major storms in Ohio and recommends approval of the Application subject to the recommendation above

**This foregoing document was electronically filed with the Public Utilities  
Commission of Ohio Docketing Information System on**

**12/7/2021 10:16:02 AM**

**in**

**Case No(s). 21-0092-EL-RDR**

Summary: Staff Review and Recommendation regarding the Application of The Dayton Power and Light Company for authority to recover certain storm-related service restoration costs electronically filed by Zee Molter on behalf of PUCO Staff