

**BEFORE THE  
PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Procurement of	:	
Standard Generation for Customers of	:	Case No. 17-957-EL-UNC
The Dayton Power and Light Company	:	

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**REPLY COMMENTS OF AES OHIO**

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The Dayton Power and Light Company d/b/a AES Ohio files these brief comments in response to the concerns raised by The Office of the Ohio Consumers' Counsel regarding AES Ohio's Application to Modify Its Competitive Bid Process, filed August 12, 2022.

Earlier this year, AES Ohio was required – due to a confluence of factors – to procure 100% of its Standard Service Offer supply for the June 2022 / May 2023 delivery year at auction just as global energy prices suddenly and dramatically spiked. To mitigate customers' exposure to such risk in the future, AES Ohio seeks authority to hold fall and spring auctions to procure its SSO supply for the June 2023 / May 2024 delivery year and to offer varied-length, multi-year products. Doing so will enable AES Ohio to provide customers with a blended Standard Offer Rate that will afford greater protection against market volatility and more stable generation prices over time.

The comments filed by OCC on September 12, 2022 do not address AES Ohio's proposed reforms. Instead, OCC uses the opportunity to discuss the separate process for procuring supply for customers enrolled in the Percentage of Income Payment Plan ("PIPP") program. All Ohio electric distribution utilities are required to follow that process, which is based on statute and described in the March 2, 2016 Finding and Order in Case No. 16-0247-EL-UNC (*RFP Auction Case*).

OCC does not contend that AES Ohio failed to follow that process. Indeed, the Commission already has found that AES Ohio's procurement of PIPP load for the June 2022 / May 2023 delivery year followed the *RFP Auction Case*, and the Commission approved AES Ohio's PIPP rates reflecting its auction results. May 18, 2022 Case No. 17-1163-EL-UNC (approving AES Ohio's PIPP auction results); May 18, 2022 Finding and Order, Case No. 22-373-EL-RDR (approving AES Ohio's PIPP rates). OCC did not object to those findings or file applications for rehearing in those dockets.

OCC's comments do not acknowledge the governing *RFP Auction Case* or how OCC would propose to change the process established in that proceeding. Instead, OCC identifies the problem (*i.e.*, when PIPP rates are higher than their corresponding SOR rates) and suggests a solution (*i.e.*, requiring AES Ohio to procure its PIPP load through its SSO auction) that is inconsistent with the existing statutory framework.

AES Ohio shares OCC's concerns about the impact of recent PIPP auctions on all customers. However, AES Ohio believes that OCC's recommendation would not comply with R.C. 4928.54, which ***requires*** the aggregation of PIPP load. R.C. 4928.54 ("The director of development services ***shall aggregate*** percentage of income payment plan program customers for the purpose of establishing a competitive procurement process for the supply of competitive retail electric service for those customers.") (emphasis added). OCC also does not address the effect of including PIPP load on the SSO price, or the implications of the statutory requirement that only CRES may participate in the PIPP procurement process. *Id.* Moreover, OCC does not address the *RFP Auction Case* or how the results of a combined SSO/PIPP auction would, in fact, "[r]educe the cost of the percentage of income payment plan program relative to the otherwise applicable standard service offer," as required by R.C. 4928.542(B).

AES Ohio has repeatedly stated in recent weeks that it is open to discussing alternative PIPP procurement processes that would protect customers under the current statutory framework. July 15, 2022 Joint Reply Comments of The Dayton Power and Light Company, Ohio Power Company, and Duke Energy Ohio, Inc., p. 4, Case No. 22-0556-EL-USF; September 12, 2022 Initial Post-Hearing Brief of AES Ohio, p. 9, Case No. 22-0556-EL-USF. However, given the myriad of complex legal and policy questions involved, any PIPP reform should be addressed in an open process with all interested stakeholders, like the *RFP Auction Case*.

Respectfully submitted,

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## CERTIFICATE OF SERVICE

Pursuant to Ohio Adm.Code 4901-1-05, I certify that a copy of the foregoing was e-filed with the Public Utilities Commission of Ohio on September 19, 2022. The PUCO's e-filing system will electronically service notice of the filing of this document on the following parties:

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Summary: Comments Reply Comments of AES Ohio electronically filed by Mr.  
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