

BEFORE THE
PUBLIC UTILITIES COMMISSION OF OHIO

THE DAYTON POWER AND LIGHT COMPANY D/B/A AES OHIO

CASE NOS. 22-0900-EL-SSO
22-0901-EL-ATA
22-0902-EL-AAM

DIRECT TESTIMONY OF
PATRICK DONLON

- ☐ **MANAGEMENT POLICIES, PRACTICES, AND ORGANIZATION**
- ☐ **OPERATING INCOME**
- ☐ **RATE BASE**
- ☐ **ALLOCATIONS**
- ☐ **RATE OF RETURN**
- ☒ **RATES AND TARIFFS**
- ☐ **OTHER**

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1 **I. INTRODUCTION**

2 **Q. Please state your name, employer, position and business address.**

3 A. My name is Patrick Donlon. My business address is One Monument Circle, Indianapolis,
4 Indiana, 46204. I am employed by AES U.S. Services, LLC ("AES Services") as
5 Director of Regulatory Accounting and Services for its US Strategic Business Unit
6 ("SBU"), which includes AES Indiana ("AES Indiana", "IPL"), as well as AES Ohio
7 ("AES Ohio", or "DP&L", or "Company").

8 **Q. Please describe your duties as the Director of Regulatory Accounting.**

9 A. I am responsible for regulatory accounting for both AES Indiana and AES Ohio. In that
10 capacity, the accounting journal entries for both entities related to most regulatory assets
11 and liabilities are prepared under my direction and/or review. Additionally, I am
12 involved in regulatory policy and strategy for AES Indiana and AES Ohio.

13 **Q. Please summarize your educational and professional qualifications.**

14 A. I received a Bachelor of Science degree in Accounting with a minor in Economics
15 Management from Ohio Wesleyan University in 2000. In 2010, I earned a Master of
16 Business Administration degree from Franklin University.

17 **Q. Please summarize your prior work experience.**

18 A. I worked for American Electric Power ("AEP") for just under ten years in two stints with
19 the company serving in various roles. For AEP, I was an accountant in the Generation
20 Accounting Department; an Hourly Energy Trader focusing on the Southwestern Power
21 Pool market; a Fuel, Emissions and Logistics Coordinator; and a Financial Planning
22 Analyst in Commercial Operations. I worked for the Public Utilities Commission of

1 Ohio ("Commission" or "PUCO") from August 2012 through January 2018. I served as a
2 Manager of the Rates Division of the Utilities Department and then was promoted to
3 Director of the Rates and Analysis Department and Executive Director of the Ohio Power
4 Siting Board. Following my time at the PUCO, I worked as a consultant for a small
5 energy startup prior to joining AES Services in June of 2020 as the Director of
6 Regulatory Accounting.

7 **Q. Have you previously provided testimony before the PUCO?**

8 A. Yes, I have provided testimony in various gas and electric rate cases, electric Standard
9 Service Offer ("SSO") cases, significantly excessive earnings cases, and natural gas cost
10 recovery cases.

11 **Q. What are the purposes of your testimony in this proceeding?**

12 A. The purposes of my testimony are to support and explain the following items:

- 13 1. AES Ohio proposed a Green Energy Alternative ("GEA") tariff, which will provide
14 opportunities for mercantile customers to work with AES Ohio regarding the installation
15 of renewable energy resources.
- 16 2. AES Ohio's proposed a Regulatory Compliance Rider ("RCR"), which will recover
17 certain regulatory assets that are recorded in AES Ohio's accounting records.
- 18 3. AES Ohio's proposed modifications to its Storm Cost Rider ("SCRR"), which will
19 allow AES Ohio to recover costs of responding to major storms.

20 **Q. Do you support any schedules or exhibits?**

21 A. Yes, I support Exhibit PD-1, which are RCR schedules.

II. GREEN ENERGY ALTERNATIVE ("GEA")

Q. What is the GEA Tariff?

A. This tariff proposes an optional green generation service for mercantile customers. AES Ohio will identify interested customers after the tariff is approved. Once interested customers are identified, AES Ohio will work with them to develop customer-sited renewable energy resources. Customers will commit to switching to this option upon commercial in-service dates of the renewable energy resource and will agree to other terms regarding length and pricing per a contract between the Company and mercantile customer.

Q. What is the regulatory basis for AES Ohio's proposed GEA Tariff?

A. Ohio Revised Code ("ORC") Section 4928.47 allows an electric distribution utility to enter into an agreement with a mercantile customer or group of mercantile customers to construct a customer-sited renewable energy resource. ORC Section 4928.47 states:

(A) An electric distribution utility may, on a nondiscriminatory basis and subject to approval by the public utilities commission, enter into an agreement having a term of three years or more with a mercantile customer or group of mercantile customers for the purpose of constructing a customer-sited renewable energy resource in this state that will provide the mercantile customer or group with a material portion of the customer's or group's electricity requirements.

(B) Any direct or indirect costs, including costs for infrastructure development or generation, associated with the in-state customer-sited renewable energy resource shall be paid for solely by the utility and the mercantile customer or group of mercantile customers. At no point shall the commission authorize the utility to collect, nor shall the utility ever collect, any of those costs from any customer other than the mercantile customer or group of mercantile customers.

1 **Q. What is the definition of a mercantile customer that will be eligible to participate in**
2 **the GEA?**

3 A. ORC 4928.01(A)(19) defines "Mercantile customer" as "a commercial or industrial
4 customer if the electricity consumed is for nonresidential use and the customer consumes
5 more than seven hundred thousand kilowatt-hours per year or is part of a national account
6 involving multiple facilities in one or more states."

7 **Q. Will the GEA tariff allocate costs to any customers other than the mercantile**
8 **customer(s) that incurred the costs?**

9 A. No. AES Ohio will charge only the mercantile customer(s) electing to take service under
10 the GEA tariff that incurred the costs.

11 **Q. How will the details of each project be established?**

12 A. AES Ohio and each individual mercantile customer will enter into a contract based on the
13 specific needs of that mercantile customer. Each contract will be submitted to the PUCO
14 for approval, as required by ORC 4928.47.

15 **III. REGULATORY COMPLIANCE RIDER ("RCR")**

16 **Q. What is the RCR Rider?**

17 A. The RCR will recover the following regulatory assets that are recorded in AES Ohio's
18 accounting records: OVEC, decoupling, prior RCR, uncollectible, and deferrals allowed
19 in AES Ohio's smart grid case. In addition, the RCR will recover other amounts
20 authorized for deferral in the following pending cases: decoupling deferral case 20-140-
21 EL-AAM and any deferrals authorized in the distribution rate case, 20-1651-EL-
22 AIR. Additionally, the RCR will be the mechanism to recover/credit future regulatory

1 assets/liabilities that AES Ohio records and are authorized for recovery by the
2 Commission.

3 **Q. How will the RCR be allocated and charged to customers?**

4 A. The components of the RCR will be allocated as shown in Exhibit PD-1. The RCR will
5 be charged to customers as a percentage of base distribution revenues.

6 **Q. Will there be an ongoing review process for the collection of the RCR amounts?**

7 A. Yes, the RCR will be filed annually for Commission review and approval to ensure the
8 proper amortization schedules and accounting of the deferrals. This Rider will be subject
9 to reconciliation, including but not limited to, refunds to customers, based upon the
10 results of audits as approved and ordered by the Commission.

11 **Q. Why is the OVEC deferral recovery appropriate in the RCR?**

12 A. The OVEC deferral represents the OVEC costs not recovered in the Fuel Rider from
13 October 1, 2014 to October 31, 2017, and from December 19, 2019 to December 31,
14 2019. In Case No. 13-2420-EL-UNC, AES Ohio's Feb. 25, 2014, Supplemental
15 Application, pp. 6-7 and its May 23, 2014, Amended Supplemental Application, p. 14,
16 the Company asked for Commission authority to defer OVEC costs that AES Ohio was
17 not recovering through its then-existing fuel rider. The Commission's Sept. 17, 2014,
18 Finding and Order, p. 22 approved AES Ohio's application, including the Supplemental
19 and Amended Supplemental applications.

20 **Q. Why is the Decoupling deferral recovery appropriate in the RCR?**

21 A. AES Ohio is seeking to recover the decoupling amounts AES Ohio recorded as a
22 regulatory asset up to December 18, 2019, when AES Ohio reverted to ESP I and the

1 Decoupling Rider was terminated. Per the Commission's Orders in Case Nos. 16-395-
2 EL-SSO and 15-1830-EL-AIR, AES Ohio was authorized to collect decoupling amounts
3 while it was operating under ESP 3. However, due to regulatory lag, AES Ohio did not
4 recover those reconciliation amounts, and has deferred those amounts that preceded the
5 termination of ESP 3 until such time as a recovery mechanism is available. Additionally,
6 upon approval from the Commission of deferral authority in Case No. 20-140-EL-AAM,
7 AES Ohio proposes that those decoupling amounts also be recovered through the RCR.

8 **Q. Why is the prior Regulatory Compliance Rider deferral recovery appropriate in the**
9 **RCR?**

10 A. In the Commission-approved Stipulation and Recommendation, p. 17, in Case No. 16-
11 395-EL-SSO, AES Ohio was authorized to collect the following deferral balances
12 through the RCR: (i) consumer education campaign costs (ii) retail settlement system
13 costs, (iii) green pricing program costs, (iv) generation separation costs, (v) bill format
14 redesign costs, and (vi) supplier consolidated billing costs. However, due to regulatory
15 lag and the recovery mechanism no longer being available under ESP I, AES Ohio did
16 not fully recover those amounts. AES Ohio has continued to defer these costs until such
17 time as a recovery mechanism is available.

18 **Q. Why is the uncollectible deferral recovery appropriate in the RCR?**

19 A. In Case No. 20-1651-EL-AIR, in the Aug. 25, 2021, Supplemental Testimony of AES
20 Ohio Witness Teuscher and in post-hearing briefing, AES Ohio demonstrated that the
21 Commission had previously authorized AES Ohio to defer its uncollectible expenses.

1 **Q. Over what time frame is AES Ohio recommending amortizing the deferrals?**

2 A. AES Ohio is recommending collecting the deferrals evenly over three years.

3 **Q. Is AES Ohio proposing carrying charges on the RCR and have they been recording**
 4 **carrying charges on the currently deferred amounts?**

5 A. AES Ohio has been authorized to record carrying costs for the uncollectible deferral. It
 6 has not been recording carrying costs for the OVEC, decoupling or RCR deferrals. AES
 7 Ohio proposes to include carrying charges beginning at the time of RCR recovery,
 8 calculated at AES Ohio's most recently approved cost of long-term debt.

9 **Q. Is AES Ohio seeking to recover the COVID-19 deferral authorized in Case No. 20-**
 10 **650-EL-AAM?**

11 A. No, AES Ohio is not and will not be seeking recovery of the expenses authorized for
 12 deferral in Case No. 20-650-EL-AAM.

13 **IV. STORM COST RECOVERY RIDER ("SCRR")**

14 **Q. What is the SCRR?**

15 A. This existing rider recovers costs incurred by AES Ohio for certain expenses related to
 16 restoring service and repairing distribution facilities as a result of severe storms in the
 17 Company's service territory.

18 **Q. Does AES Ohio currently have authority to collect costs through the SCRR?**

19 A. Yes. The SCRR was authorized under ESP I, which AES Ohio is currently operating
 20 under. However, the Company is proposing a modification to the current SCRR.

1 **Q. What modifications is the Company proposing to the current SCRR?**

2 A. AES Ohio is proposing to file the SCRR in April and October of every year, instead of
3 annually as is the current practice. The April filing will be a full filing for the prior audit
4 period (October 1st through September 30th). The October filing will update the rates
5 (including storm expenses that will be audited in the subsequent April audit) and will go
6 into effect 30 days after filing unless suspended by the Commission. Rates will be
7 subject to reconciliation.

8 **Q. Why is the Company proposing to change the SCRR to include an additional filing?**

9 A. AES Ohio believes including an additional filing each year that implements rates prior to
10 the annual audited filing will eliminate the need for carrying costs associated with the
11 SCRR, ultimately saving customers money.

12 **V. DEFERRAL AUTHORITY**

13 **Q. Is AES Ohio requesting any new deferral authority?**

14 A. Yes, AES Ohio is requesting deferral authority of the over/under recovery of all riders
15 authorized by the Commission as part of the normal true-up process and
16 timing/regulatory lag.

17 **VI. CONCLUSION**

18 **Q. Does this complete your testimony?**

19 A. Yes.

AES Ohio
Case No. 22-0900-EL-SSO

Summary of Proposed Regulatory Compliance Rider (RCR) Rates

Data: Actual & Estimated

Type of Filing: Original

Sch. A-1

Work Paper Reference No(s): None

Page 1 of 1

Line No.	Description	Unit	Rate	Source
(A)	(B)	(C)	(D)	(E)
1	Rates Effective July 1, 2023			
2	Residential	% of Base D	9.54%	Sch. B-1 + Sch. B-2 + Sch. B-3 + Sch. B-4
3	Residential Heating	% of Base D	2.74%	Sch. B-1 + Sch. B-2 + Sch. B-3 + Sch. B-4
4	Secondary	% of Base D	37.48%	Sch. B-1 + Sch. B-2 + Sch. B-3 + Sch. B-4
5	Primary	% of Base D	12.56%	Sch. B-1 + Sch. B-2 + Sch. B-3
6	Primary Substation	% of Base D	9.36%	Sch. B-1 + Sch. B-2 + Sch. B-3
7	High Voltage	% of Base D	69.47%	Sch. B-1 + Sch. B-2 + Sch. B-3
8	Streetlighting	% of Base D	7.89%	Sch. B-1 + Sch. B-2 + Sch. B-3
9	Private Outdoor Lighting	% of Base D	1.97%	Sch. B-1 + Sch. B-2

AES Ohio
Case No. 22-0900-EL-SSO

Regulatory Compliance Rider - Rate Development (Prior RCR Deferral Balance)

Data: Actual & Estimated

Type of Filing: Original

Sch. B-1

Work Paper Reference No(s).: WPB-1

Page 1 of 1

Line No.	Description	Annual Revenue Requirement - RCR	Base Distribution Revenue (\$)	Proposed Rates (per Bill)
(A)	(B)	(C)	(D)	(E)
		Sch C-1, Line 3	WPB-1	(E) = (C) / (D)
1	All Classes	\$ 2,266,356	\$ 240,920,867	0.94%

AES Ohio
Case No. 22-0900-EL-SSO
Regulatory Compliance Rider - Rate Development (OVEC)

Data: Actual & Estimated

Type of Filing: Original

Work Paper Reference No(s): WPB-1

Sch. B-2

Page 1 of 1

Line No.	Description	Annual Revenue Requirement - OVEC	Legacy Generation Revenue (\$)	Allocators	Allocated Rev. Requirement	Base Distribution Revenue (\$)	Proposed Rates (per Bill)
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
		Sch C-1, Line 1	Internal Documents	(E) = (D) / Sum (D)	(F) = (C) * (E)	WPB-1	(H) = (F) / (G)
1		\$ 10,381,853					
2	Residential		\$ 9,496,015	40.40%	\$ 4,194,071	\$ 168,551,378	2.5%
3	Non-Residential						
4	Secondary		\$ 9,478,937	40.33%	\$ 4,186,528	\$ 53,036,655	7.9%
5	Primary		\$ 3,941,840	16.77%	\$ 1,740,978	\$ 15,048,113	11.6%
6	Primary Substation		\$ 214,645	0.91%	\$ 94,802	\$ 1,132,768	8.4%
7	High Voltage		\$ 230,065	0.98%	\$ 101,612	\$ 148,383	68.5%
8	Streetlighting		\$ 87,863	0.37%	\$ 38,806	\$ 562,427	6.9%
9	Private Outdoor Lighting		\$ 56,732	0.24%	\$ 25,057	\$ 2,441,143	1.0%

AES Ohio
Case No. 22-0900-EL-SSO

Regulatory Compliance Rider - Rate Development (Uncollectible)

Data: Actual & Estimated

Type of Filing: Original

Sch. B-3

Work Paper Reference No(s): WPB-1

Page 1 of 1

Line No.	Description	Annual Revenue Requirement UC Expense	Distribution Allocators	Allocated Rev. Requirement	Base Distribution Revenue (\$)	Proposed Rates (per Bill)
(A)	(B)	(C)	(D)	(E)	(F)	(G)
		Sch C-1, Line 4	Internal Documents	(E) = (C) * (D)	WPB-1	(G) = (E) / (F)
1		\$ 2,337,977				
2	Residential		98.40%	\$ 2,300,570	\$ 168,551,378	1.36%
3	Non-Residential		1.60%	\$ 37,408	\$ 69,928,346	0.05%

AES Ohio
Case No. 22-0900-EL-SSO

Regulatory Compliance Rider - Rate Development (Decoupling)

Data: Actual & Estimated

Type of Filing: Original

Sch. B-4

Work Paper Reference No(s): WPB-1, WPB-4, WPB-4.1

Page 1 of 1

Line No.	Description	Annual Revenue Requirement - RCR	Base Distribution Revenue (\$)	Proposed Rates (% base D)
(A)	(B)	(C)	(D)	(E)
		Sch C-1, Line 2	WPB-1	(E) = (C) / (D)
1	Residential	\$ 5,476,143	\$ 115,452,124	4.7%
2	Residential Heating	\$ (1,090,209)	\$ 53,099,254	-2.1%
3	Secondary	\$ 15,166,404	\$ 53,036,655	28.6%

AES Ohio
Case No. 22-0900-EL-SSO
Regulatory Compliance Rider - Revenue Requirement

Data: Actual & Estimated

Type of Filing: Original

Work Paper Reference No(s): WPC-1

Sch. C-1

Page 1 of 1

Line No.	Description	Balance as of July 31, 2022	Gross Revenue Conversion	36-Month Amortization	Carrying Cost Allocation	Source
(A)	(B)	(C)	(D)	(E)	(F)	(G)
1	OVEC	\$ 28,930,352	\$ 29,005,767	\$ 9,668,589	\$ 713,264	Accounting Records
2	Decoupling	\$ 54,485,069	\$ 54,627,100	\$ 18,209,033	\$ 1,343,304	Accounting Records
3	Prior RCR	\$ 6,315,489	\$ 6,331,952	\$ 2,110,651	\$ 155,705	Accounting Records
4	Uncollectible	\$ 6,515,070	\$ 6,532,054	\$ 2,177,351	\$ 160,626	Accounting Records
5						
6	Forecasted Carrying Costs	\$ 7,118,698	\$ 7,118,698	\$ 2,372,899		WPC-1, Col (F)
7	Revenue Requirement	\$ 103,364,679	\$ 103,615,571	\$ 34,538,524	\$ 2,372,899	Sum (Lines 1 thru 4)
8						
9	Gross Revenue Conversion Factor	1.0026				

AES Ohio
Case No. 22-0900-EL-SSO

Billing Determinants

Data: Actual

Type of Filing: Original

WPB-1

Work Paper Reference No(s): None

Page 1 of 1

Line No.	Description	Annual Base Distribution July '21 - June '22	
(A)	(B)	(C)	
1	Residential	\$	115,452,124
2	Residential Heating	\$	53,099,254
3	Secondary	\$	53,036,655
4	Primary	\$	15,048,113
5	Primary Substation	\$	1,132,768
6	High Voltage	\$	148,383
7	Streetlighting	\$	562,427
8	Private Outdoor Lighting	\$	2,441,143

AES Ohio
Case No. 22-0900-EL-SSO

Regulatory Compliance Rider - Calculation of Distribution Decoupling Amounts

Data: Actual & Estimated

Type of Filing: Original

Work Paper Reference No(s): WPB-4.1

WPB-4

Page 1 of 1

	Residential				Residential Heating				Secondary			
	2019	2020	2021	2022	2019	2020	2021	2022	2019	2020	2021	2022
RPC	\$ 330.46	\$ 330.46	\$ 330.46	\$ 330.46	\$ 450.12	\$ 450.12	\$ 450.12	\$ 450.12	\$ 1,096.77	\$ 1,096.77	\$ 1,096.77	\$ 1,096.77
Actual Customers	352,323	355,106	357,063	357,721	114,940	116,540	117,491	117,732	57,821	58,283	58,881	59,108
Allowed Rev. Requirement	\$ 116,428,659	\$ 117,348,329	\$ 117,995,039	\$ 68,957,281	\$ 51,736,793	\$ 52,456,985	\$ 52,885,049	\$ 30,912,891	\$ 63,416,338	\$ 63,923,046	\$ 64,578,914	\$ 37,816,264
Actual Revenues	\$ 112,018,443	\$ 112,703,005	\$ 114,544,541	\$ 66,530,485	\$ 53,015,864	\$ 51,411,116	\$ 52,914,024	\$ 33,876,908	\$ 52,878,318	\$ 51,407,463	\$ 52,632,426	\$ 30,780,659
Decoupling Amount	\$ 4,410,215	\$ 4,645,324	\$ 3,450,498	\$ 2,426,796	\$ (1,279,071)	\$ 1,045,869	\$ (28,975)	\$ (2,964,017)	\$ 10,538,020	\$ 12,515,583	\$ 11,946,489	\$ 7,035,605

Total Decoupling by Year		Decoupling by Class			
		Total	Gross Revenue Conversion	3-Year Amort.	
2019 ¹	\$ 14,411,898				
2020	\$ 18,206,776	Residential \$ 15,270,167	\$ 15,309,972	\$ 5,103,324	
2021	\$ 15,368,012	Residential Heat \$ (3,019,209)	\$ (3,027,079)	\$ (1,009,026)	
2022	\$ 6,498,383	Secondary \$ 42,234,111	\$ 42,344,206	\$ 14,114,735	

¹ Includes \$742,733 due to under recovery of the Distribution Decoupling Rider

AES Ohio
Case No. 22-0900-EL-SSO
Actual Base Distribution Revenues

Data: Actual
Type of Filing: Original
Work Paper Reference No(s):: None

WPB-4.1
Page 1 of 1

Line No.	Description	2019 Total	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Total
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)
1	Residential Revenue	\$ 112,018,443	\$ 9,713,220	\$ 9,019,100	\$ 8,813,653	\$ 8,125,306	\$ 7,790,789	\$ 9,642,534	\$ 12,410,794	\$ 11,757,487	\$ 10,764,037	\$ 8,138,237	\$ 7,539,301	\$ 8,988,546	\$ 112,703,005
2	Residential Heating Revenue	\$ 53,015,864	\$ 5,925,440	\$ 5,902,986	\$ 5,570,741	\$ 4,223,710	\$ 3,568,467	\$ 3,444,666	\$ 3,963,025	\$ 3,724,092	\$ 3,512,311	\$ 3,113,756	\$ 3,459,303	\$ 5,002,619	\$ 51,411,116
3	Secondary Revenue	\$ 52,878,318	\$ 4,387,825	\$ 4,374,202	\$ 4,357,978	\$ 3,969,037	\$ 3,782,148	\$ 4,217,684	\$ 4,580,775	\$ 4,622,217	\$ 4,604,446	\$ 4,245,442	\$ 3,958,845	\$ 4,306,863	\$ 51,407,463
4															
5			Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Total
6	Residential Revenue		\$ 10,377,939	\$ 9,522,830	\$ 9,313,421	\$ 8,052,825	\$ 7,422,969	\$ 9,581,144	\$ 11,446,532	\$ 11,763,812	\$ 11,452,831	\$ 8,746,640	\$ 7,791,399	\$ 9,072,200	\$ 114,544,541
7	Residential Heating Revenue		\$ 6,575,595	\$ 6,591,733	\$ 6,097,205	\$ 4,070,343	\$ 3,275,274	\$ 3,413,060	\$ 3,694,772	\$ 3,745,017	\$ 3,678,230	\$ 3,067,365	\$ 3,564,581	\$ 5,140,849	\$ 52,914,024
8	Secondary Revenue		\$ 4,430,164	\$ 4,163,678	\$ 4,363,421	\$ 4,205,534	\$ 4,085,662	\$ 4,437,253	\$ 4,660,070	\$ 4,653,106	\$ 4,727,161	\$ 4,391,128	\$ 4,266,377	\$ 4,248,872	\$ 52,632,426
9															
10			Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22						Total
11	Residential Revenue		\$ 10,150,274	\$ 9,951,740	\$ 9,007,596	\$ 8,156,651	\$ 7,954,517	\$ 9,856,557	\$ 11,453,151						\$ 66,530,485
12	Residential Heating Revenue		\$ 6,220,701	\$ 7,039,835	\$ 5,608,499	\$ 4,483,590	\$ 3,467,672	\$ 3,391,100	\$ 3,665,512						\$ 33,876,908
13	Secondary Revenue		\$ 4,456,283	\$ 4,321,617	\$ 4,347,158	\$ 4,194,573	\$ 4,176,231	\$ 4,562,691	\$ 4,722,106						\$ 30,780,659

Source: Internal Records

AES Ohio
Case No. 22-0900-EL-SSO

Regulatory Compliance Rider - Calculation of Carrying Costs
July 2023 - June 2026

Data: Actual & Estimated

Type of Filing: Original

Work Paper Reference No(s): None

WPC-1

Page 1 of 1

Line	Period	MONTHLY ACTIVITY					CARRYING COST CALCULATION	
		First of Month Balance	Amount Collected (CR)	End of Month before Carrying Cost	Carrying Cost @ 4.800%	End of Month Balance	Less: One-half Monthly Amount	Total Applicable to Carrying Cost
(A)	(B)	(C)	(D)	(E) (E) = (C) + (D)	(F) (F) = (I) * (4.8% / 12)	(G) (G) = (E) + (F)	(H) (H) = - (D) * 0.5	(I) (I) = (E) + (H)
1	Jul-23	\$ 96,496,872	\$ (2,870,727)	\$ 93,626,145	\$ 380,246	\$ 94,006,391	\$ 1,435,363	\$ 95,061,509
2	Aug-23	\$ 94,006,391	\$ (2,870,727)	\$ 91,135,664	\$ 370,284	\$ 91,505,949	\$ 1,435,363	\$ 92,571,028
3	Sep-23	\$ 91,505,949	\$ (2,870,727)	\$ 88,635,222	\$ 360,282	\$ 88,995,504	\$ 1,435,363	\$ 90,070,585
4	Oct-23	\$ 88,995,504	\$ (2,870,727)	\$ 86,124,777	\$ 350,241	\$ 86,475,018	\$ 1,435,363	\$ 87,560,140
5	Nov-23	\$ 86,475,018	\$ (2,870,727)	\$ 83,604,291	\$ 340,159	\$ 83,944,449	\$ 1,435,363	\$ 85,039,654
6	Dec-23	\$ 83,944,449	\$ (2,870,727)	\$ 81,073,722	\$ 330,036	\$ 81,403,759	\$ 1,435,363	\$ 82,509,086
7	Jan-24	\$ 81,403,759	\$ (2,870,727)	\$ 78,533,032	\$ 319,874	\$ 78,852,905	\$ 1,435,363	\$ 79,968,395
8	Feb-24	\$ 78,852,905	\$ (2,870,727)	\$ 75,982,178	\$ 309,670	\$ 76,291,848	\$ 1,435,363	\$ 77,417,542
9	Mar-24	\$ 76,291,848	\$ (2,870,727)	\$ 73,421,121	\$ 299,426	\$ 73,720,547	\$ 1,435,363	\$ 74,856,485
10	Apr-24	\$ 73,720,547	\$ (2,870,727)	\$ 70,849,820	\$ 289,141	\$ 71,138,961	\$ 1,435,363	\$ 72,285,184
11	May-24	\$ 71,138,961	\$ (2,870,727)	\$ 68,268,234	\$ 278,814	\$ 68,547,049	\$ 1,435,363	\$ 69,703,598
12	Jun-24	\$ 68,547,049	\$ (2,870,727)	\$ 65,676,322	\$ 268,447	\$ 65,944,768	\$ 1,435,363	\$ 67,111,685
13	Jul-24	\$ 65,944,768	\$ (2,870,727)	\$ 63,074,041	\$ 258,038	\$ 63,332,079	\$ 1,435,363	\$ 64,509,405
14	Aug-24	\$ 63,332,079	\$ (2,870,727)	\$ 60,461,352	\$ 247,587	\$ 60,708,939	\$ 1,435,363	\$ 61,896,716
15	Sep-24	\$ 60,708,939	\$ (2,870,727)	\$ 57,838,212	\$ 237,094	\$ 58,075,306	\$ 1,435,363	\$ 59,273,576
16	Oct-24	\$ 58,075,306	\$ (2,870,727)	\$ 55,204,579	\$ 226,560	\$ 55,431,139	\$ 1,435,363	\$ 56,639,943
17	Nov-24	\$ 55,431,139	\$ (2,870,727)	\$ 52,560,412	\$ 215,983	\$ 52,776,395	\$ 1,435,363	\$ 53,995,776
18	Dec-24	\$ 52,776,395	\$ (2,870,727)	\$ 49,905,668	\$ 205,364	\$ 50,111,033	\$ 1,435,363	\$ 51,341,032
19	Jan-25	\$ 50,111,033	\$ (2,870,727)	\$ 47,240,306	\$ 194,703	\$ 47,435,008	\$ 1,435,363	\$ 48,675,669
20	Feb-25	\$ 47,435,008	\$ (2,870,727)	\$ 44,564,281	\$ 183,999	\$ 44,748,280	\$ 1,435,363	\$ 45,999,645
21	Mar-25	\$ 44,748,280	\$ (2,870,727)	\$ 41,877,553	\$ 173,252	\$ 42,050,805	\$ 1,435,363	\$ 43,312,916
22	Apr-25	\$ 42,050,805	\$ (2,870,727)	\$ 39,180,078	\$ 162,462	\$ 39,342,539	\$ 1,435,363	\$ 40,615,441
23	May-25	\$ 39,342,539	\$ (2,870,727)	\$ 36,471,812	\$ 151,629	\$ 36,623,441	\$ 1,435,363	\$ 37,907,176
24	Jun-25	\$ 36,623,441	\$ (2,870,727)	\$ 33,752,714	\$ 140,752	\$ 33,893,466	\$ 1,435,363	\$ 35,188,078
25	Jul-25	\$ 33,893,466	\$ (2,870,727)	\$ 31,022,740	\$ 129,832	\$ 31,152,572	\$ 1,435,363	\$ 32,458,103
26	Aug-25	\$ 31,152,572	\$ (2,870,727)	\$ 28,281,845	\$ 118,869	\$ 28,400,714	\$ 1,435,363	\$ 29,717,208
27	Sep-25	\$ 28,400,714	\$ (2,870,727)	\$ 25,529,987	\$ 107,861	\$ 25,637,848	\$ 1,435,363	\$ 26,965,350
28	Oct-25	\$ 25,637,848	\$ (2,870,727)	\$ 22,767,121	\$ 96,810	\$ 22,863,931	\$ 1,435,363	\$ 24,202,485
29	Nov-25	\$ 22,863,931	\$ (2,870,727)	\$ 19,993,204	\$ 85,714	\$ 20,078,919	\$ 1,435,363	\$ 21,428,568
30	Dec-25	\$ 20,078,919	\$ (2,870,727)	\$ 17,208,192	\$ 74,574	\$ 17,282,766	\$ 1,435,363	\$ 18,643,555
31	Jan-26	\$ 17,282,766	\$ (2,870,727)	\$ 14,412,039	\$ 63,390	\$ 14,475,428	\$ 1,435,363	\$ 15,847,402
32	Feb-26	\$ 14,475,428	\$ (2,870,727)	\$ 11,604,702	\$ 52,160	\$ 11,656,862	\$ 1,435,363	\$ 13,040,065
33	Mar-26	\$ 11,656,862	\$ (2,870,727)	\$ 8,786,135	\$ 40,886	\$ 8,827,021	\$ 1,435,363	\$ 10,221,498
34	Apr-26	\$ 8,827,021	\$ (2,870,727)	\$ 5,956,294	\$ 29,567	\$ 5,985,861	\$ 1,435,363	\$ 7,391,657
35	May-26	\$ 5,985,861	\$ (2,870,727)	\$ 3,115,134	\$ 18,202	\$ 3,133,336	\$ 1,435,363	\$ 4,550,497
36	Jun-26	\$ 3,133,336	\$ (2,870,727)	\$ 262,609	\$ 6,792	\$ 269,400	\$ 1,435,363	\$ 1,697,972

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in

Case No(s). 22-0900-EL-SSO, 22-0901-EL-ATA, 22-0902-EL-AAM

Summary: Testimony Direct Testimony of Patrick Donlon electronically filed by Mr.
Jeffrey S. Sharkey on behalf of The Dayton Power and Light Company