

# THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE LEGACY  
GENERATION RESOURCE RIDER AUDITS  
REQUIRED BY R.C. 4928.148 FOR DUKE  
ENERGY OHIO, INC., THE DAYTON  
POWER AND LIGHT COMPANY D/B/A AES  
OHIO, AND OHIO POWER COMPANY  
D/B/A AEP OHIO.

CASE NO. 24-153-EL-RDR

## ENTRY

Entered in the Journal on June 12, 2024

### I. SUMMARY

{¶ 1} The Commission selects London Economics International LLC as the third-party auditor to assist the Commission with the audit of the legacy generation resources costs of Duke Energy Ohio, Inc., The Dayton Power and Light Company d/b/a AES Ohio, and Ohio Power Company d/b/a AEP Ohio for the period from January 1, 2021, through December 31, 2023.

### II. DISCUSSION

{¶ 2} Duke Energy Ohio, Inc. (Duke), The Dayton Power and Light Company d/b/a AES Ohio (AES Ohio), and Ohio Power Company d/b/a AEP Ohio (AEP Ohio) (collectively, the Companies) are electric distribution utilities (EDUs), as defined by R.C. 4928.01(A)(6), and public utilities, as defined in R.C. 4905.02, and, as such, are subject to the jurisdiction of this Commission.

{¶ 3} R.C. 4928.148, which became effective on October 22, 2019, required the Commission to (1) establish a replacement nonbypassable rate mechanism for the retail recovery of prudently incurred costs related to a legacy generation resource (LGR) for the period commencing January 1, 2020 and extending up to December 31, 2030, and (2)

determine the prudence and reasonableness of the actions of EDUs with ownership interests in a LGR.

{¶ 4} By Entry issued on November 21, 2019, the Commission established the LGR Rider pursuant to R.C. 4928.148. *In re Establishing the Nonbypassable Recovery Mechanism for Net Legacy Generation Resource Costs Pursuant to R.C. 4928.148*, Case No. 19-1808-EL-UNC.

{¶ 5} In accordance with R.C. 4928.148(A)(1), the Commission is required to determine the prudence and reasonableness of the actions of EDUs with LGR ownership interests during years 2021, 2024, 2027, and 2030. On May 1, 2024, pursuant to the requirements set forth in R.C. 4928.148(A)(1), the Commission directed Staff to issue the request for proposal (RFP) for audit services to assist the Commission with the review of the Companies' actions for the period from January 1, 2021, through December 31, 2023. Prospective bidders were directed to demonstrate their understanding of the project and work required by showing clear understanding of the tasks to be completed, the experience and qualifications of the personnel who would perform the work, and the anticipated breakdown of costs and timing.

{¶ 6} The proposals received in response to the RFP have been evaluated and, after consideration of those proposals, the Commission selects London Economics International LLC (LEI). The Commission finds that LEI has the necessary experience to complete the required work.

{¶ 7} The Companies shall enter into a contract with LEI by June 26, 2024, for the purpose of providing payment for its services. The contract shall incorporate the terms and conditions of the RFP, the auditor's proposal, and relevant Commission entries in this case.

{¶ 8} The Commission shall select and solely direct the work of LEI. Staff will review and approve payment invoices submitted by LEI.

{¶ 9} LEI shall perform its audit and investigation as an independent contractor. Any conclusions, results, or recommendations formulated by LEI may be examined by any

participant to this proceeding. Further, it shall be understood that the Commission and/or its Staff shall not be liable for any acts committed by LEI or its agents in the preparation and presentation of the report.

{¶ 10} LEI will execute its duties pursuant to the Commission's statutory authority to investigate and acquire records, contracts, reports, and other documentation under R.C. 4903.02, 4903.03, 4905.06, 4905.15, and 4905.16. The auditor is subject to the Commission's statutory duty under R.C. 4901.16, which provides:

Except in his report to the public utilities commission or when called on to testify in any court or proceeding of the public utilities commission, no employee or agent referred to in section 4905.13 of the Revised Code shall divulge any information acquired by him in respect to the transaction, property, or business of any public utility, while acting or claiming to act as such employee or agent. Whoever violates this section shall be disqualified from acting as agent, or acting in any other capacity under the appointment or employment of the commission.

{¶ 11} Upon request of LEI or Staff, the Companies shall provide any and all documents or information requested. The Companies may conspicuously mark such documents or information "confidential" if the Companies believe the document should be deemed as such. In no event shall the companies refuse or delay in providing such documents or information.

{¶ 12} Once disclosure is permitted by R.C. 4901.16, the following process applies to the release of any document or information marked as confidential. Three days' prior notice of intent to disclose shall be provided to the party claiming confidentiality. Three days after such notice, Staff or the auditor may disclose or otherwise make use of such documents or information for any lawful purpose, unless the Commission receives a request for a protective order pertaining to such documents or information within the three-day

notice period. The three-day notice period will be computed according to Ohio Adm.Code 4901-1-07.

**III. ORDER**

{¶ 13} It is, therefore,

{¶ 14} ORDERED, That LEI be selected to perform the auditing services set forth above and in the RFP. It is, further,

{¶ 15} ORDERED, That the Companies and LEI shall observe the requirements set forth herein. It is, further,

{¶ 16} ORDERED, That a copy of this Entry be served upon all parties of record.

**COMMISSIONERS:**

*Approving:*

Jenifer French, Chair  
Daniel R. Conway  
Lawrence K. Friedeman  
Dennis P. Deters  
John D. Williams

MJA/dmh

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**Case No(s). 24-0153-EL-RDR**

Summary: Entry ordering that the Commission selects London Economics International LLC as the third-party auditor to assist the Commission with the audit of the legacy generation resources costs of Duke Energy Ohio, Inc., The Dayton Power and Light Company d/b/a AES Ohio, and Ohio Power Company d/b/a AEP Ohio for the period from January 1, 2021, through December 31, 2023 electronically filed by Ms. Donielle M. Hunter on behalf of Public Utilities Commission of Ohio.