

## THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE PROCUREMENT  
OF PERCENTAGE OF INCOME PAYMENT  
PLAN PROGRAM GENERATION FOR  
CUSTOMERS OF DAYTON POWER AND  
LIGHT COMPANY.

CASE NO. 17-1163-EL-UNC

### FINDING AND ORDER

Entered in the Journal on April 4, 2018

#### I. SUMMARY

{¶ 1} In this Finding and Order, the Commission accepts the results from the competitive auction to procure generation supply for percentage of income payment plan program customers of Dayton Power & Light Company.

#### II. DISCUSSION

{¶ 2} Dayton Power and Light Company (DP&L or the Company) is an electric distribution utility as defined in R.C. 4928.01(A)(6) and public utility as defined in R.C. 4905.02 and, as such, is subject to the jurisdiction of this Commission.

{¶ 3} R.C. 4928.54 requires the director of development services to aggregate percentage of income payment plan (PIPP) program customers for the purpose of establishing a competitive procurement process for the supply of competitive retail electric service for those customers, which shall be an auction. Additionally, under R.C. 4928.544, upon written request by the director of development services, the Commission shall design, manage, and supervise the competitive procurement process.

{¶ 4} By Order issued on March 2, 2016, in Case No. 16-247-EL-UNC, the Commission adopted a competitive request for propose (RFP) auction process to procure generation supply to serve PIPP load. The first phase of the competitive RFP process consists of an initial RFP auction during which certified retail electric service (CRES)

providers submit bids to serve the PIPP load for less than the standard service offer (SSO). If no CRES provider submits a bid to serve the PIPP load for less than the SSO, then a supplemental PIPP auction is conducted where CRES providers may submit bids to serve the PIPP load at any price. Finally, if no CRES provider participates in either RFP auction, the electric utility may implement contingency measures to procure supply for the PIPP load. The Commission found that this process satisfies the requirements in R.C. 4928.542 to ensure reliable electric service to PIPP customers, reduce the cost of the PIPP program relative to otherwise applicable SSO, and results in the best value for persons paying the universal service rider. *In re Implementation of Sections 4928.54 and 4928.544 of the Revised Code (RFP Auction Order)*, Case No. 16-247-EL-UNC, Finding and Order (Mar. 2, 2016).

{¶ 5} DP&L, in consultation with Staff and the independent auction manager, CRA International Inc. (CRA), solicited offers for its initial competitive RFP auction on March 26, 2018. No bidder submitted a conforming bid in the RFP process during the bid window. Accordingly, pursuant to the RFP Auction Order, a supplemental auction was conducted on April 3, 2018. At that time, DP&L, again in consultation with Staff and CRA, accepted bids for its supplemental competitive RFP auction. The April 3, 2018 competitive RFP auction procured supply for 100 percent of the PIPP load for the June 1, 2018, to May 31, 2019, delivery period.

{¶ 6} CRA and Bates White Economic Consulting (Bates White), a consultant retained by the Commission to monitor the RFP auction, submitted reports regarding both the initial competitive RFP auction conducted March 26, 2018 (March Reports), and the supplemental RFP auction conducted April 3, 2018 (April Reports). These reports consisted of confidential versions, filed under seal, and a redacted version of the reports filed by CRA, which are publicly available in this docket. In the April Reports, CRA and Bates White each recommend that the Commission find that the competitive RFP auction, within the limits of its structures, had sufficient competitive attributes and resulted in a winning price that is reasonable.

{¶ 7} The Commission finds that the reports filed by CRA and Bates White do not contain any recommendation or evidence that the auction violated the RFP auction bidding rules in such a manner as to invalidate the auction. Further, the Commission finds that the competitive RFP auction process followed the process adopted by the Commission in the RFP Auction Order and met the requirements of R.C. 4928.542. Accordingly, the Commission will not reject the results of the competitive RFP auction.

{¶ 8} As noted above, CRA and Bates White filed two sets of reports: the March Reports after the first auction and the April Reports after the supplemental auction. In relation to each set of reports, Staff filed a motion for protective order pursuant to Ohio Adm.Code 4901-1-24. Each motion requests that the associated Bates White report regarding the auctions be kept confidential and seeks identical treatment for the notifications of auction results filed by CRA. In support of the motions, Staff states that the documents are highly competitively sensitive because they identify details of various bids and parties making the bids in the auctions. Staff submits that disclosure of the information would be highly prejudicial to the bidding parties and the viability of any future auction Ohio.

{¶ 9} Ohio Adm.Code 4901-1-24 provides that, unless otherwise ordered, protective orders issued pursuant to the rule automatically expire after 24 months. However, given the highly competitive nature of the reports filed by CRA and Bates White, the Commission finds that sensitive information contained within them should be deemed confidential and remain under seal indefinitely, or until otherwise ordered by the Commission. Accordingly, we find that Staff's March 28, 2018 and April 4, 2018 motions for protective order be granted to the extent stated in this Finding and Order. Unless and until the Commission orders otherwise, the Bates White reports will be protected from public release. Further, the Commission finds that the names of unsuccessful bidders and the price of unsuccessful bids should be protected from public release indefinitely. However, the Commission finds that certain information regarding

the competitive RFP auctions contained in the reports submitted by CRA should be released to the public after a brief period of time to allow the winning bidder to procure any additional necessary capacity to serve the PIPP load. Accordingly, unless otherwise ordered by the Commission, the Commission finds that the redacted reports filed by CRA detailing the competitive RFP auction proceedings shall be subject to public release 21 days after the issuance of this Finding and Order.

{¶ 10} Finally, the Commission finds that the winning bidder and winning bid price shall remain confidential until June 1, 2018.

### III. ORDER

{¶ 11} It is, therefore,

{¶ 12} ORDERED, That the information set forth in Paragraphs 9 and 10 be deemed confidential. It is, further,

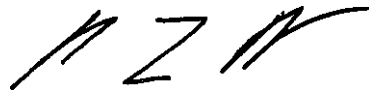
{¶ 13} ORDERED, That, unless otherwise ordered by the Commission, the information set forth in Paragraph 10 remain confidential until June 1, 2018. It is, further,

{¶ 14} ORDERED, That DP&L is authorized to file tariffs, in final form, consistent with this Finding and Order. DP&L shall file one copy in this case docket and one copy in its TRF docket. It is, further,

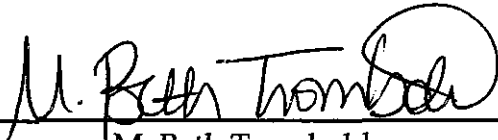
{¶ 15} ORDERED, That the effective date of the new tariffs shall be June 1, 2018, contingent upon final review by the Commission. It is, further,

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


THE PUBLIC UTILITIES COMMISSION OF OHIO



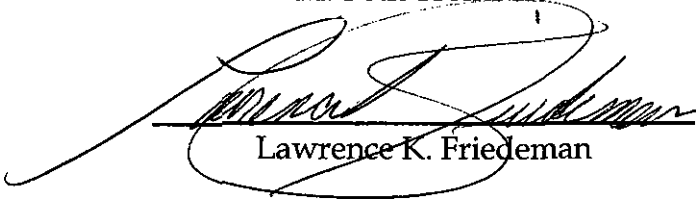
Asim Z. Haque, Chairman



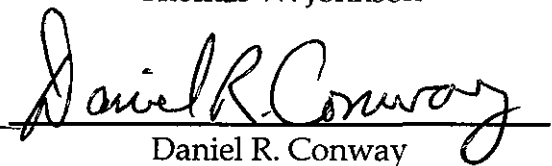
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Entered in the Journal  
**APR 04 2018**



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