



June 13, 2025

**Via eLibrary**

Ms. Debbie-Anne A. Reese, Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, D.C. 20426

Re: Informational Filing  
The Dayton Power and Light Company d/b/a AES Ohio  
Actual Annual Transmission Revenue Requirement and Annual  
True-Up Adjustment for 2024  
Docket No. ER20-1150-000

Dear Secretary Reese:

The Dayton Power and Light Company d/b/a AES Ohio (“AES Ohio” or “Company”) hereby submits for informational purposes its actual annual transmission revenue requirement (“ATRR”) and annual true-up adjustment (“Annual True-Up” or “ATU”) for 2024 in accordance with its Formula Rate Implementation Protocols (“Protocols”) set forth in Attachment H-15B of the Open Access Transmission Tariff (“OATT”) of PJM Interconnection, L.L.C. (“PJM”).<sup>1</sup> This is filed with the Federal Energy Regulatory Commission (“Commission”) in accordance with Section 3.b. of the Protocols, which requires AES Ohio to calculate annually the true-up of its formula rate on or before June 15<sup>th</sup> and further provides that AES Ohio provide these calculations and other information in an information filing to the Commission that does not require any Commission action.

This Informational Filing includes Attachment A, which is an Excel spreadsheet that contains the actual 2024 ATRR computations. The actual ATRR for the Dayton Zone for 2024 is \$109,036,013 million. Comparing this amount to the projected ATRR for the Dayton Zone for 2024 of \$105,611,813<sup>2</sup> results in an ATU for the Dayton Zone of \$776,515, excluding interest. In accordance with the Protocols, this ATU will be reflected in transmission rates beginning January 1, 2026, along with the projected 2026 ATRR, which will be posted on the PJM website on or before October 1, 2025. The October posting will also include interest on the 2024 ATU, calculated using the FERC interest rates in accordance with Section 35.19a of the FPA. Attachment A, Worksheet 5 – CWIP in Rate Base, contains the status of transmission projects at the end of 2024 that have been granted the Construction Work in Progress (“CWIP”) Incentive by the Commission. Lastly, AES Ohio is using the formula rate template approved by the Commission in its Order dated July 12, 2024 in Docket No. ER24-1268,

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<sup>1</sup> These formula rate protocols were part of a comprehensive settlement package approved by the Commission in *The Dayton Power and Light Co.*, Docket No. ER20-1150-001, 175 FERC ¶ 61,021 (Letter Order of Apr. 15, 2021) (“Letter Order”).

<sup>2</sup> This 2024 Projected NITS ATRR was posted to the PJM website on November 20, 2023.



1268<sup>3</sup> with an effective date of April 17, 2024 to determine its 2024 actual ATRR and related ATU Adjustment. Using the template will result in an accurate calculation of the 2024 actual ATRR.

The Company's ultimate parent company, The AES Corporation, annually files FERC Form 60 (the 2024 Report was filed with the Commission on April 30, 2025), which on page 402 describes the allocation methodologies used to allocate costs of the centralized service company, AES US Services, LLC, by service category or function, among affiliated entities, including AES Ohio. AES Ohio further notes that its annual FERC Form 1, page 429, quantifies amounts over \$250,000 paid to or received from affiliated entities.

AES Ohio made changes to cost allocation methodologies for three areas during 2024: Information Technologies, Human Resources and Community Relations. The changes to the cost allocations in these three areas, which are shown in Attachment B, affected the allocation of AES Ohio's indirect costs between transmission and distribution businesses. It did not impact the allocation of indirect costs amongst the AES affiliates. The new allocations, which AES Ohio began using in January 2024, are more consistent with cost causation and are more appropriate for developing distribution and transmission revenue requirements. There is a sound basis and support for making these changes as they are more consistent with cost causation than the allocations in place prior to 2024. For example, prior to 2024, AES Ohio allocated IT Assets to distribution only, which is incorrect as these assets support both distribution and transmission functions. The distribution only allocations were replaced with a Three Factor allocation methodology, which allocates a portion of these indirect costs to transmission. With the HR and Community Relations cost centers, prior to 2024, AES Ohio allocated many items on the basis of headcount. AES Ohio has certain cost centers that comprise the transmission headcount, but the headcount amounts do not include impacts from cost centers that serve both the transmission and distribution functions (these cost centers are considered distribution). AES Ohio replaced the headcount allocator with the Three Factor allocation methodology, which allocates a more cost-based portion of these indirect costs to the transmission function.

During 2024, AES Ohio 1) had no material changes in any accounting standards or policies; 2) had no accounting practices for unusual or unconventional items where FERC had not provided specific accounting direction; 3) had no corrections of material errors and material prior period adjustments that impacted the Annual True-up Adjustment or prior Annual True-up Adjustments; 4) used no new estimation methods or policies that changed prior estimates; 5) made no changes to income tax elections; 6) had no items included in the Annual True-up Adjustment at amounts other than historic costs; and 7) had no reorganizations or merger transactions.

The Commission granted AES Ohio the CWIP Incentive for its Creekside Project.<sup>4</sup> On October 2023, construction of the Project was interrupted due to changing customer needs. As a result, AES Ohio has not included the Creekside Project in CWIP in rate base during 2024 in its actual 2024 ATRR calculations. In fact, AES Ohio will be making a correction to its actual 2023

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<sup>3</sup> See 188 FERC §61,046.

<sup>4</sup> See 182 FERC § 61,147. Order on Transmission Rate Incentives dated March 3, 2023.



ATRR calculations to remove the Project for the October 2023 to December 2023 period and will include this correction with its projected 2026 ATRR.

AES Ohio is providing a copy of this filing to all parties to Docket No. ER20-1150-000 as well as to interested parties who have indicated that they wish to receive such updates. Additionally, as required by Section 3.b. of the Protocols, AES Ohio is providing this informational filing to PJM for posting on its website and is posting it on the AES Ohio website.

Please contact the undersigned should you have any questions.

Respectfully submitted,

*/s/ William M. Rappolt*

William M. Rappolt  
Assistant General Counsel, FERC  
AES US Services LLC  
1065 Woodman Drive  
Dayton, Ohio 45432  
Tel: 703-682-6337  
Email: [william.rappolt@aes.com](mailto:william.rappolt@aes.com)

*Counsel for The Dayton Power and Light Company d/b/a  
AES Ohio*

CERTIFICATE OF SERVICE

I hereby certify that I have this day, June 13, 2024, served via e-mail or by first-class mail, a copy of the foregoing on each party on the official service list compiled by the Secretary in this proceeding.

On behalf of The Dayton Power and Light Company:

*/s/ William M. Rappolt*

William M. Rappolt

Assistant General Counsel, FERC

AES US Services LLC

1065 Woodman Drive

Dayton, Ohio 45432

Tel: 703-682-6337

Email: [william.rappolt@aes.com](mailto:william.rappolt@aes.com)