



May 15, 2024

Via eTariff

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

Re: The Dayton Power and Light Company d/b/a AES Ohio's
Response to Commission Staff Deficiency Letter
Docket No. ER24-1268-000

Dear Secretary Reese:

This filing is being made in response to the Federal Energy Regulatory Commission (“Commission”) Staff’s April 15, 2024 letter issued in the above-captioned docket (“Deficiency Letter”) requesting additional information regarding The Dayton Power and Light Company d/b/a AES Ohio’s (“AES Ohio”) proposed revisions to its formula transmission rate in Attachment H-15A of the PJM Interconnection, L.L.C. (“PJM”) Open Access Transmission Tariff (“OATT”) used to calculate AES Ohio’s Annual Transmission Revenue Requirement.¹

I. Responses to Deficiency Letter

This response addresses each request made in the Deficiency Letter to provide further information below:

- 1. AES Ohio is proposing to revise line 1 (Electric Plant in Service (Excludes Asset Retirement Costs – ARC)) in Attachment 4 of Attachment H-15A to populate “Electric Plant in Service” from its FERC Form No. 1, Page 200, Line 8, Column C instead of from its FERC Form No. 1, Page 207, Line 104, Column g. In turn, this line in the transmission formula rate functionalizes total electric costs between transmission and other utility functions (such as**

¹ Attachment H-15A of the PJM OATT calculates rates for the AES Ohio zone and collects the cost-of-service rates for AES Ohio. Pursuant to Order No. 714, this filing is submitted by PJM on behalf of AES Ohio as part of an XML filing package that conforms with the Commission’s regulations. PJM has agreed to make all tariff filings on behalf of all of the PJM Transmission Owners in order to retain administrative control over the PJM OATT. Thus, AES Ohio has requested PJM to submit this filing in the eTariff system as part of PJM’s electronic Intra PJM OATT.

generation, distribution, and retail functions) in Attachment H-15A, page 1, in the calculation of the gross plant and net plant (after subtracting for [accumulated] depreciation) allocation factors. This proposed Form No. 1 source includes costs such as “Property Under Capital Leases,” “Completed Construction not Classified,” and “Experimental Plant Unclassified.”

Similarly, AES Ohio proposes to populate “Accumulated Depreciation (Total Electric Plant) on Line 3 of Attachment 4 of Attachment H-15A from its Form No. 1, page 200, line 18. This source for depreciation does not include the depreciation of the aforementioned proposed categories of costs from “Electric Plant in Service” costs.

a. Explain and provide support for these proposed revisions.

Response: Lines 1 and 3 of Attachment 4 – Cost Support are total electric plant in service and total electric accumulated depreciation, respectively. These amounts are used to determine gross and net plant allocators in Appendix A (lines 6-12). AES Ohio believes obtaining the total electric plant in service amounts from FERC Form No. 1 (“FF1”), page 200, line 8 is proper as this amount ties to Electric Plant in Service, page 204-207, line 100. AES Ohio also believes obtaining the total electric accumulated depreciation amounts from FF1, page 200, line 18 is proper as this amount ties to Accumulated Provision for Depreciation of Electric Utility Plant, page 219, line 29. In other words, the totals for both lines in AES Ohio’s FF1 are the same. In addition, the amounts in such lines include AES Ohio’s total electric accumulated depreciation amounts including all depreciation that would be accounted for as “Property Under Capital Leases,” “Completed Construction not Classified,” and “Experimental Plant Unclassified.”

b. Include cost support and explain how the proposal is consistent with the cost of service statement requirements under 18 C.F.R. § 35.13(h) for the measurement, functionalization, and depreciation of electric plant in service.

Response: See response to Item 1 a above.

c. Explain whether, as a result of the proposed revisions, any Electric Plant not yet in service could be included in Electric Plant in Service.

Response: Since the pages to which AES Ohio references for Electric Plant in Service (line 8 of page 200) and Accumulated Depreciation (line 18 of page 200) do not include CWIP, the amounts would not include any electric

plant not yet in service. CWIP amounts are included on line 11 of page 200.

- 2. AES Ohio proposes to revise Line 4 of Attachment 4, Attachment H-15A to allow “Accumulated Intangible Amortization” to be “derived.” Explain whether such derivation will be sourced from the Form No. 1. If not, please provide the company records and details necessary to determine how the Accumulated Intangible Amortization amounts would be derived from FERC Accounts.**

Response:

The amount will come from FF1 page 200, line 21 for March, June, September and December of each year. The other monthly amounts will be derived from the accounting records of AES Ohio. Beginning with its 2024 FF1, AES Ohio will include the monthly balances in a footnote on page 200.

- 3. Explain why the Transmission Allocation Factors in Attachment 9, Column G of the formula transmission rate have been revised in the redlined version of the unpopulated formula rate in excel format to be stated components of the rate, instead of pulling from the transmission formula rate allocation factors from page 1 of Attachment H-15A. Furthermore, the eTariff metadata does not reflect this change. Please explain this discrepancy.**

Response: In determining the transmission portion of excess accumulated deferred income taxes, AES Ohio uses several allocators based upon its Cost Alignment and Allocation Manual (see Note A of Attachment 9-Excess ADIT). These allocations factors have been coordinated with Ohio distribution ratemaking to insure consistency between transmission and distribution ratemaking.

The eTariff metadata inadvertently does not reflect this change. AES Ohio respectfully requests that the Commission order AES Ohio to make a compliance filing to correct this error.

- 4. Explain why “Average Monthly FERC Refund Rate” and the “Number of Months of Interest” in lines 8 and 9 of Attachment 11 have been revised. Furthermore, the eTariff metadata does not reflect this change. Please explain this discrepancy.**

Response: Lines 8 and 9 are flexible cells that will be populated with the proper interest rate calculated on Attachment 11-Corrections and the proper time period based upon the particulars of any corrections.

The eTariff metadata inadvertently does not reflect this change. AES Ohio respectfully requests that the Commission order AES Ohio to make a compliance filing to correct this error.

5. Please provide an attestation pursuant to 18 C.F.R. § 35.13(d)(6).

Response: Please see the attached.

II. Effective Date

PJM, on behalf of AES Ohio, is submitting this response within thirty days of the issuance of the Deficiency Letter, as directed therein. AES Ohio respectfully request that the Commission accept this response to the Deficiency Letter and that the Commission allow the proposed tariff changes be made effective as of April 17, 2024, the effective date originally requested by AES Ohio in its initial filings.

III. List of Documents Submitted

The following is a list of documents submitted with this filing:

1. This transmittal letter; and
2. Attestation.

IV. Conclusion

AES Ohio respectfully requests that the Commission accept for filing this response to the Deficiency Letter and its revised Attachment H-15A to the PJM OATT that it filed on February 16, 2024, effective April 17, 2024.

Please contact the undersigned should you have any questions.

Respectfully submitted,

/s/ William M. Rappolt

William M. Rappolt

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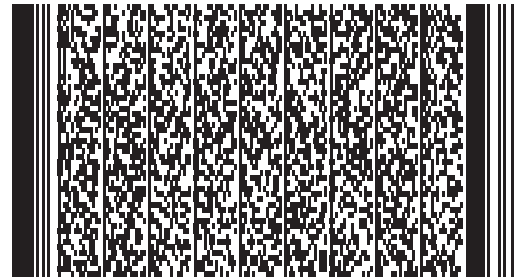
E-Signature Summary

E-Signature 1: Karin Mehringer (KM)

May 14, 2024 10:51:08 -8:00 [8CBAA2B67BF2] [136.226.85.16]
karin.nyhuis@aes.com (Principal) (Personally Known)

E-Signature Notary: Shanna Bowman (SB)

May 14, 2024 10:51:08 -8:00 [D744BFE1471D] [165.225.60.193]
shanna.bowman@aes.com
I, Shanna Bowman, did witness the participants named above electronically sign this document.



UNITED STATE OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

Verification of Application of
The Dayton Power and Light Company

County of Montgomery)
)
State of Ohio)

Karin Mehringer, being duly sworn, deposes and says: That she is the Controller of The Dayton Power and Light Company d/b/a AES Ohio (AES Ohio), the Applicant in the above-referenced proceeding, and has the authority to verify the foregoing Application on behalf of the Applicant, that she has read said Application, and that to the best of her knowledge, information and belief, all of the statements contained therein are true and correct and the supporting data provided therein are true, accurate, and current representations AES Ohio's books, budgets, and other corporate documents.

Karin Mehringer
Signed on 2024/05/14 10:51:08 -8:00

Karin Mehringer

Sworn to before me and subscribed in my presence via online notarization pursuant to Ohio Revised Code 147.60 et seq. this 05/14/2024. This certificate pertains to an electronic notarial act performed with the principal appearing online using audio-video communication. This is a jurat certificate; an oath was administered to the signer.



Shanna Bowman
Signed on 2024/05/14 10:51:08 -8:00

Shanna Bowman
Ohio Online Notary Public
Dayton, Ohio

4ED62590-9E1E-47F6-A906-2B75ACA2D581 --- 2024/05/14 10:37:21 -8:00 --- Remote Notary



CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in these proceedings.

Dated at Washington, D.C., this 15th day of May 2024.

/s/ William M. Rappolt

William M. Rappolt

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