

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE PROCUREMENT
OF STANDARD SERVICE OFFER
GENERATION FOR CUSTOMERS OF THE
DAYTON POWER AND LIGHT COMPANY
D/B/A AES OHIO.

CASE NO. 23-923-EL-UNC

ENTRY

Entered in the Journal on October 18, 2024

{¶ 1} The Dayton Power and Light Company d/b/a AES Ohio (AES Ohio or the Company) qualifies as an electric utility as defined by R.C. 4928.01(A)(11) and an electric distribution utility as defined by R.C. 4928.01(A)(6).

{¶ 2} R.C. 4928.141 provides that electric utilities shall provide consumers a standard service offer (SSO) of all competitive retail electric services in accordance with R.C. 4928.142 or 4928.143. The SSO, which may either be a market rate offer in accordance with R.C. 4928.142 or an electric security plan (ESP) in accordance with R.C. 4928.143, functions to make generation supply available to customers that are not receiving this supply from a competitive retail electric services provider. The SSO is sometimes referred to as default supply.

{¶ 3} On August 28, 2023, the Commission approved a stipulation establishing AES Ohio's fourth ESP (ESP IV). *In re The Dayton Power and Light Co. d/b/a AES Ohio for Approval of Its Electric Security Plan*, Case Nos. 22-900-EL-SSO, et al. (*ESP IV Case*), Opinion and Order (Aug. 9, 2023). As part of the approved ESP IV, AES Ohio will continue to use a competitive auction-based format to supply its SSO load throughout the three-year term of ESP IV. The Company will conduct two auctions annually consistent with the process approved by a September 21, 2022 Finding and Order issued in Case No. 17-957-EL-UNC for the Company's 2023/2024 delivery period. *ESP IV Case*, Opinion and Order (Aug. 9, 2023); Stipulation (Apr. 10, 2023); Testimony of Robert J. Lee (Sept. 27, 2022); *In re the*

Procurement of Std. Service Offer Generation for Customers of The Dayton Power and Light Co., Case No. 17-957-EL-UNC, Finding and Order (Sept. 21, 2022).

{¶ 4} On October 15, 2024, AES Ohio conducted an auction to procure SSO generation through the approved competitive bid process (CBP). The auction used a multi-product, descending-clock format to procure 50 tranches of a 12-month product with power flow commencing June 1, 2025.

{¶ 5} On October 16, 2024, Charles River Associates International (CRA), the auction manager for AES Ohio's SSO auctions, and Bates White, LLC (Bates White), a consultant retained by the Commission to monitor auctions, filed reports regarding the conduct of the Company's October 15, 2024 auction. These reports consisted of confidential versions, filed under seal, and a redacted version of the report filed by CRA, which is publicly available in this docket.

{¶ 6} According to the reports filed by CRA and Bates White, for the 50 tranches of the 12-month product, the auction resulted in a clearing price of \$88.05 per megawatt hour (MWh) for the delivery period of June 1, 2025, to May 31, 2026. CRA and Bates White each recommend that the Commission find that the auction, within the limits of its structures, had sufficient competitive attributes and resulted in a winning price that is reasonable.

{¶ 7} Pursuant to the auction bidding rules, and as noted in the Bates White report, the Commission may reject the results of the auction through an order filed within 48 hours of the conclusion of the auction based upon a post auction report from the auction manager or the Commission's consultant in which it is determined that the auction violates a specific CBP rule in such a manner so as to invalidate the auction or should otherwise be rejected for not meeting threshold criteria established for the auction.

{¶ 8} The administrative law judge (ALJ) notes that the reports filed by CRA and Bates White do not contain any recommendation or evidence that the auction violated the

CBP rules in such a manner as to invalidate the auction and further observes the Commission did not issue an order rejecting the results of the auction during the prescribed 48-hour period. Thus, the ALJ concludes that the auction results have been approved by the Commission.

{¶ 9} On October 16, 2024, Staff filed a motion for protective order, pursuant to Ohio Adm.Code 4901-1-24, requesting that both the report of the Commission's consultant regarding AES Ohio's auction and the notification of auction results filed on October 16, 2024, be kept confidential. In support of the motion, Staff submits that these documents are highly competitively sensitive, in that they identify the details of various bids and parties making the bids in the auction. According to Staff, disclosure of this information would be highly prejudicial to the bidding parties and the viability of any future auction in Ohio.

{¶ 10} 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 and sensitive nature of the reports filed by CRA and Bates White, the ALJ finds it would be appropriate to grant protective treatment indefinitely, until the Commission orders otherwise. Therefore, the ALJ finds that Staff's motion for protective order of the information is reasonable and should be granted, to the extent set forth in this Entry. Accordingly, the Bates White report and the following information related to the CRA report will be protected from public release: the names of unsuccessful bidders; price information, including starting price methodologies and round prices/quantities for individual bidders; all information contained in Part I and Part II of the bidder applications; and indicative pre-auction offers.

{¶ 11} However, the ALJ finds that certain information regarding the auction contained in the report submitted by CRA should be released to the public after a brief period of time to allow the winning bidders to procure any additional necessary energy or capacity to serve the SSO load. Therefore, unless otherwise ordered by the Commission, the following information will be subject to release 21 days after the issuance of this Entry: the

names of bidders that won tranches in the auction; the number of tranches won by each bidder; the first round ratio of tranches supplied compared to tranches needed; and the redacted report filed by CRA detailing the CBP auction proceedings, subject only to redaction of any confidential information enumerated in Paragraph 10. The Commission's docketing division is directed to work with Staff to assure the appropriate public release of information.

{¶ 12} Finally, all bidders are required to immediately disclose to the Commission and Staff all prices, terms, and conditions for any post-auction assignments of tranches obtained through the CBP, subject to appropriate protections for confidential or proprietary information.

{¶ 13} It is, therefore,

{¶ 14} ORDERED, That Staff's motion for protective order be granted and the information set forth in Paragraph 10 be deemed confidential and remain under seal indefinitely, until otherwise ordered by the Commission. It is, further,

{¶ 15} ORDERED, That, unless otherwise ordered by the Commission, the information set forth in Paragraph 11 be subject to public release 21 days after the issuance of the Entry. It is, further,

{¶ 16} ORDERED, That all bidders comply with Paragraph 12. It is, further,

{¶ 17} ORDERED, That a copy of this Entry be served upon all parties and interested persons of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

/s/Patricia A. Schabo

By: Patricia A. Schabo
Administrative Law Judge

JSA/dmh

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in

Case No(s). 23-0923-EL-UNC

Summary: Administrative Law Judge Entry ordering that the ALJ finds that Staff's motion for protective order of the information is reasonable and should be granted; that unless otherwise ordered by the Commission, the information set forth in Paragraph 11 be subject to public release 21 days after the issuance of the Entry; and that all bidders are required to immediately disclose to the Commission and Staff all prices, terms, and conditions for any post-auction assignments of tranches obtained through the CBP, subject to appropriate protections for confidential or proprietary information electronically filed by Ms. Donielle M. Hunter on behalf of Patricia A. Schabo, Administrative Law Judge, Public Utilities Commission of Ohio.