

**The Dayton Power and Light Company
D/B/A AES OHIO**

Pre-Qualification Filing

January 2022

(i) Name and address of the entity including a point of contact

The Dayton Power and Light Company d/b/a AES Ohio
1065 Woodman Drive
Dayton, Ohio 45432

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(ii) Technical and engineering qualifications of the entity or its affiliate, partner, or parent company

The Dayton Power and Light Company d/b/a AES Ohio (AES Ohio) has substantial internal expertise in the areas of transmission planning, engineering and design, protective relaying, power siting, project management, NERC compliance, and safety. Additionally, AES Ohio has implemented an number of agreements with industry-leading outside consulting firms to assist AES Ohio with transmission engineering design activities. With a significant number of outside engineering firms already under contract for transmission line and substation design AES Ohio is well positioned for increases in need bandwidth and expertise for any future development of transmission facilities.

AES Ohio has built extensive transmission upgrades that include new transmission lines and substations, and upgrading existing facilities. In particular, AES Ohio recently completed major installations of EHV equipment at West Milton Substation, Peoria Substation, and Bath Substation located in Ohio. Other additional high voltage substation projects have been completed or underway at our Miami Substation, Hutchings Substation, and Sugarcreek Substation to name a few. AES Ohio has also completed or in construction on several transmission line projects such as Bath-Trebein 138kV, West

Milton-Miami 138kV, and several other 345kV, 138kV, and 69kV system upgrades. The strong and reliable transmission system AES Ohio has put in place enabled the AES Ohio system to reliably manage the impacts from the 21 tornados that struck the Dayton area on May 27th, 2019. Following this major weather event, AES Ohio engineering and operational crews demonstrated tremendous skill and expertise to engineer and rebuild parts of the transmission system within short order while maintaining reliability to the bulk power system. From this exceptional effort, AES Ohio was awarded EEI's 2020 Emergency Recovery Awards for its outstanding restoration efforts. ,

AES Ohio are currently in the process of implementing approximately \$200 million in PJM/FERC-approved baseline, and supplemental RTEP transmission projects in the Dayton zone.

AES Ohio has earned a rating as having an excellent culture of NERC compliance and excellent results in our 693, cyber-security, and PJM TO/TOP audits.

Safety is the first value and highest priority objective for AES overall and all of its subsidiaries, including AES Ohio.

- (iii) Demonstrated experience of the entity or its affiliate, partner, or parent company to develop, construct, maintain, and operate transmission facilities. Including a list or other evidence of transmission facilities previously developed regarding construction, maintenance, or operation of transmission facilities both inside and outside of the PJM Region.**

AES Ohio is a regulated electric utility, which has been operating for over 100 years, and currently provides transmission and distribution service to more than 500,000 retail customers in a 6,000 square-mile service area in 24 counties of West Central Ohio with a total system peak load of over 3,200 MWs. Our transmission system consists of approximately 310 miles of 345 kV and 380 miles of 138 kV facilities, with a 69 kV sub-

transmission network of 990 miles. AES Ohio has Over 150 substations with voltage levels of 345kV, 138kV, and 69kV.

AES Ohio recently completed several EHV and HV projects throughout the AES Ohio service territory. These major baseline substation reinforcement projects addressed several RTEP baseline issues identified by AES Ohio and PJM and several system performance issues identified in supplemental planning. Examples of recent major transmission projects include:

- Peoria 345/69kV substation & system upgrades
- Bath – Trebein 138kV teconductor
- Bath 2nd 345/138kV transformer
- Trebein 2nd 345/138kV transformer
- West Milton 2nd 138/69kV & 345/138kV transformers
- 100MVAR System Reactor installations at Miami 138kV, Hutchings 138kV, and Sugarcreek 138kV
- Rebuild/Reconductoring of West Milton – Salem & West Milton – Englewood 69kV
- Reconductoring of Shelby – Sidney 138kV
- Reconductoring of Burdax – Webster 138kV
- Underground reconductoring of Ohio Hutchings – Sugarcreek 138kV

AES Ohio is an indirect subsidiary of AES, with operations in multiple continents and countries. AES owns another traditional T&D company in the US with Indianapolis Power and Light Company d/b/a AES Indiana.

(iv) Previous record of the entity or its affiliate, partner, or parent company to adhere to standardized construction, maintenance and operating practices

AES Ohio has a successful history of project development, construction and management. This is a result of the diligent efforts of both internal and external

resources. The resources are utilized effectively to build on best practices and to take advantage of the latest information and technologies.

In addition to the transmission line projects AES Ohio has constructed using internal resources, depending on the scope of the project, AES Ohio supplementa with nationally recognized construction vendors, which have built thousands of miles of 40 kV to 765 kV transmission projects nationwide. AES Ohio has used external vendors for construction of the following projects, some of which are referenced above, representing several new/expanded substations and transmission lines built to specifications as provided by us. Project scopes included new lines or rebuilding existing lines that utilized multiple types of wood and steel structures for single and double circuits along with single and bundled conductors for short and long spans. The projects below are demonstrations of utilizing standard construction, maintenance, and operating practices.

- Peoria 345/69kV substation & system upgrades
- Bath – Trebein 138kV teconductor
- Bath 2nd 345/138kV transformer
- Trebein 2nd 345/138kV transformer
- West Milton 2nd 138/69kV & 345/138kV transformers
- 100MVAR System Reactor installations at Miami 138kV, Hutchings 138kV, and Sugarcreek 138kV
- Rebuild/Reconductoring of West Milton – Salem & West Milton – Englewood 69kV
- Reconductoring of Shelby – Sidney 138kV
- Reconductoring of Burdox – Webster 138kV
- Underground reconductoring of Ohio Hutchings – Sugarcreek 138kV

Examples of completed transmission projects include:

- Peoria 345kV Substation: This was a new construction project tapping AEP's 345kV system and extending a 345 kV source to the AES Ohio system. The scope of the project included purchasing property, civil construction, and installation of a

345/69kV substation transformer, breakers, control, metering, associated equipment and structures.

- West Milton 345/138/69kV Substation: This was an expansion of a 345/138/69kV substation which included the addition of second 345/138kV and 138/69kV transformers. The scope of the project involved power siting approval, environmental permitting, civil construction, and significant electrical wiring and testing work.
- Bath 345/138 Substation: This was an expansion of a 345/138 substation which included the addition of second 345/138kV transformer. The scope of the project involved power siting approval, environmental permitting, civil construction, and significant electrical wiring and testing work.
- Miami 138kV Substation: This was an upgrade project at an existing substation. The scope of the project included the addition of a 138kV 100MVAR reactor , breaker, controls, and associated equipment.

AES Ohio tracks, trends and reports the Customer Average Interruption Duration Index (CAIDI) and System Average Interruption Frequency Index (SAIFI), as mandated by the Public Utilities Commission of Ohio. Proposed performance targets for 2022 are as follows.

CAIDI (in minutes)	125.04
SAIFI (outage events per customer)	.88

AES Ohio has been a member of PJM since 2004, and has a local control center staffed 24X7 by all NERC-certified operators. AES Ohio has a back-up control center in the event of an emergency condition, which would require an evacuation of the primary control center. PJM, as the Transmission Operator (TOP), delegates numerous operations-related NERC compliance requirements to AES Ohio who is the Transmission Owner (TO). AES Ohio has received 100% compliant results in our TO/TOP matrix audits, as well as our most recent audit by RF.

AES Ohio operates its transmission system to meet the requirements of the applicable NERC standards, RF expectations, PJM requirements via the agreement and TO/TOP Matrix, and our own Standard Operating Procedures. The system operators are formally trained to the NERC 'Transmission Operator' level; they hold the PJM certification, and are certified by AES Ohio. They attend the annual PJM operator seminar and have access to various on-line training programs. AES Ohio is also active in the North American Transmission Forum and participates with various groups, including those related to training.

(v) Capability of the entity or its affiliate, partner, or parent company to adhere to standardized construction, maintenance and operating practices

Construction

As referenced above, in addition to AES Ohio's internal construction resources, AES Ohio supplements with industry leading construction vendors, depending on the scope of the project. AES Ohio designs transmission line and substation facilities to meet or exceed the NESC. The Company ensures its engineering staff has access via seminars and documentation on changes made to the standard. Transmission engineering staff attends training sessions to maintain competency on design standards and software products. AES Ohio maintains an internal staff of transmission maintenance staff that are responsible for the construction and maintenance of the system.

AES Ohio also maintains an internal staff of substation engineers responsible for construction and maintenance of the system. These resources are responsible for successfully engineering all capital and maintenance projects. The projects vary in scope from routine equipment replacements to new substation construction. The resources use the best of past practices as well as the latest information and technology to accomplish the projects. Individuals are encouraged and provided opportunities to participate in training programs that enhance skill sets and awareness of new methods and technologies.

AES strives to develop and maintain strategic relationships with a variety of contract resources to complete capital projects in a safe, reliable and cost-effective manner. The resources are identified and selected through a rigorous process that includes a formal bidding process, reference checks, safety record review, and other financial reviews. Through this process, AES Ohio has a proven record of identifying resources to successfully complete capital projects.

Transmission Maintenance

AES Ohio's Transmission Maintenance Department is responsible for remediation of any items found during our routine inspections. Inspections are performed by helicopter flyover and foot patrol. The 345 kV and 138 kV lines are inspected four times per year and the 69 kV lines are inspected twice per year. Any anomaly identified is prioritized and entered into the transmission maintenance database for repair. If needed, a qualified transmission line technician will inspect the reported item from the ground to define scope. All other items are completed by the department based on priority.

Transmission Pole Inspection Program

In 2007, AES Ohio instituted a Transmission Pole Inspection Program. The program was designed to supplement the existing aerial program for the 69 kV and 138 kV transmission lines. The majority of the 69 kV and 138 kV lines are constructed with wood structures, whereas the 345 kV lines are all steel towers or steel poles. The purpose of the inspection program is to identify decayed/damaged poles and evaluate them for strength and schedule replacement if warranted. Additionally, the program entails inspecting all hardware, especially ground wires and obtaining ground impedance readings.

Transmission Line Clearance

The Transmission Line Clearance department is responsible for vegetation management. The primary metrics that the Transmission Line Clearance Department monitors in order to measure the effectiveness of its program are as follows.

- Maintenance areas and hot spots remediated
- Acres mowed
- Acres treated with herbicide
- Inspections completed
- Outage data related to vegetation

To address the 2010 NERC Alert regarding Facility Ratings, AES Ohio has employed LiDAR. The data gathered as part of this project is computer modeled and utilized to its fullest extent to assist in our vegetation management program.

The goal of the AES Ohio Transmission Line Clearance Department is to have zero MVCD encroachments and/or vegetation-related Sustained outages due to managed trees within the ROW, and to identify and mitigate problems from vegetation located adjacent to ROW by extensive patrolling and inspections as well as employing industry accepted practices and procedures as detailed in this Program document and associated Appendices.

Our commitment to this level of safety and reliability performance has been exhibited through our design and implementation of this plan and our past performance which has resulted in DPL not having experienced any outages on its' transmission system as a result of managed trees since 1996.

Operations

As referenced above, AES Ohio has been a member of PJM since 2004, and has a local control center staffed 24X7 by all NERC-certified operators. AES Ohio also has a back-up control center in the event of an emergency condition, which would require an evacuation of the primary control center. As a PJM Transmission Owner/Local Control Center (TO/LCC), PJM, as our Transmission Operator, delegates numerous operations-

related NERC compliance requirements to us which are reviewed through PJM's TO/TOP matrix.

AES Ohio operates its transmission system to meet the requirements of the applicable NERC standards, RF expectations, PJM requirements via the agreement and TO/TOP Matrix, and our own Standard Operating Procedures. The system operators are formally trained to the NERC 'Transmission Operator' level; they hold the PJM certification, and complete an internal certification process as well. They attend the annual PJM operator seminar and have access to various on-line training programs. AES Ohio is also active in the North American Transmission Owners Forum and participates with various groups, including those related to training.

- (vi) **Financial statements of the entity or its affiliate, partner, or parent company. Please provide the most recent fiscal quarter, as well as the most recent three fiscal years, or the period of existence of the entity, if shorter, or such other evidence demonstrating an entity's current and expected financial capability acceptable to the Office of the Interconnection**

Following are links to the audited financial statements of DPL Inc., parent company of AES Ohio, for the most recent quarter, as well as the last three years.

10-Q for Q4 2021: [EDGAR Filing Documents for 0000787250-21-000056 \(sec.gov\)](#)

10-K for 2020: [EDGAR Filing Documents for 0000787250-21-000007 \(sec.gov\)](#)

10-K for 2019: [EDGAR Filing Documents for 0000787250-20-000005 \(sec.gov\)](#)

10-K for 2018: [EDGAR Filing Documents for 0000787250-19-000013 \(sec.gov\)](#)

Following are links to the audited financial statements of AES Corporation, parent Company of DPL Inc., for the most recent quarter, as well as the last three years.

10-Q for Q4 2021: [EDGAR Filing Documents for 0000874761-21-000074 \(sec.gov\)](#)

10-K for 2020: [EDGAR Filing Documents for 0000874761-21-000015 \(sec.gov\)](#)

10-K for 2019: [EDGAR Filing Documents for 0000874761-20-000012 \(sec.gov\)](#)

10-K for 2018: [EDGAR Filing Documents for 0000874761-19-000012 \(sec.gov\)](#)

(vii) Commitment by the entity to execute the Consolidated Transmission Owners Agreement, if the entity becomes a Designated Entity.

The Dayton Power and Light Company is an existing signatory to the Consolidated Transmission Owners Agreement.

(viii) Evidence demonstrating the ability of the entity to address and timely remedy failure of facilities.

AES Ohio maintains a staff of internal transmission maintenance crews that are responsible for the repair of transmission facilities. This staff is on-call to respond 24x7. The Company is active in two mutual assistance groups (Great Lakes Mutual Aid Group and the Southeastern Electric Exchange) which provides access to additional transmission crews from around the country. In May 2019, a series of tornados struck the AES Ohio system resulting in extensive damage to its the transmission system.. Through various efforts utilizing AES Ohio crews and external contractors, AES Ohio successfully managed the restoration of it system in a safe, organized and coordinated manner. This effort extrodonary response effort won AES Ohio's EEI's 2020 Emergency Recovery Awards for its outstanding restoration efforts. The company maintains a fleet of mobile distribution substation transformers, a mobile capacitor bank, and strategic spare transformers and breakers to be utilized in case of an emergency.

(ix) Description of the experience of the entity in acquiring rights of way

AES Ohio's right-of-way procurement is handled through its Real Estate Services Department. Real Estate Services has significant internal expertise in the areas of

property and rights-of-way procurement, surveying, and administration, including extensive experience with railroads and the Ohio Department of Transportation. The Real Estate Services Department works closely with the Company's engineering and design functions to coordinate schedules and other project needs. The department supplements its staffing with outside engineering and surveying firms on an as-needed basis. Examples of large projects requiring extensive right-of-way procurement includes the West Milton - Eldean and Peoria

DPL Inc., through its regulated and unregulated subsidiaries holds title to approximately 32,000 acres of land. This real property is located across 29 counties in Ohio and Kentucky. Real Estate Services acquires rights-of-way and purchases property for substations, distribution and transmission facilities, and for other needs as necessary to support Company operations. The Real Estate Services Department handles all crossing agreements with railroads and state agencies.