

THE DAYTON POWER AND LIGHT  
CASE NOS. 16-0395-EL-SS0 ET. AL.  
DIR ANNUAL CAP - PLANT ADDITIONS  
(\$MILLION)

		<u>12/31/2014</u>	<u>12/31/2015</u>	<u>Increase</u>	<u>(3) 90.9% DIR Eligible</u>
Gross Distribution Plant	(1)	\$ 1,592.7	\$ 1,666.3	\$ 73.6	\$ 66.9
Accumulated Depreciation	(2)	<u>743.9</u>	<u>782.2</u>	<u>38.3</u>	<u>34.8</u>
Net Distribution Plant in Service		\$ 848.8	\$ 884.1	\$ 35.3	\$ 32.1
Accumulated Deferred Income Taxes			(4)	21%	<u>6.8</u>
Net Rate Base					\$ 25.3
Return Requirement			(5)	10.81%	\$ 2.7
Depreciation Expense			(6)	3.02%	2.0
Property Tax Expense			(7)	6.40%	2.1
CAT on Depreciation and Property Taxes			(8)	0.26%	<u>0.01</u>
Calculated Annual Cap on DIR Revenues for Plant Additions					<u>\$ 6.8</u>
Recommended Annual DIR Cap (Rounded)					<u>\$ 7.0</u>

## Sources:

- (1) 2015 FERC Form 1, Pages 204-207  
(2) 2014, 2015 FERC Form 1, Page 219  
(3) Response to OCC Int 4-286  
DIR Eligible 1345.2  
Total Dist Plant Excl. CCNC 1479.4  
Ratio 90.9%
- (4) Exhibit RJA-1 147.9/703.1  
(5) See Testimony  
(6) Exhibit RJA-1 40.6/1345.2 \* Gross Plant  
(7) Exhibit RJA-1 45/703.1 \* Net Plant  
(8) Exhibit RJA-1