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August 22, 2007

Renee J. Jenkins
Docketing Division
The Public Utilities Commission of Ohio
180 East Broad Street, 13th Floor
Columbus, Ohio 43215

Re: Case No. 07-859-EL-AIS

Dear Ms. Jenkins:

Enclosed please find 10 copies of DP&L's Supplement to Application in the above captioned case.

Thank you for your assistance and attention to this matter.

Sincerely,

Robert Adams
Regulatory Operations

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BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of The)	
Dayton Power and Light Company for)	
Authority to Execute and Deliver Long-Term)	
Loan Agreements to Borrow up to a)	Case No. 07-859-EL-AIS
Maximum of \$100 Million from the Ohio Air)	
Quality Development Authority or other)	
Authorized Agency)	

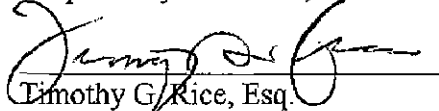
**SUPPLEMENT TO THE APPLICATION OF
THE DAYTON POWER AND LIGHT COMPANY**

Applicant, The Dayton Power and Light Company ("DP&L"), respectfully hereby files this Supplement ("Supplement") to the Application of DP&L for the Authority to Execute, and Deliver Long-Term Loan Agreements to Borrow up to a Maximum of \$100 Million from the Ohio Air Quality Development Authority or other Authorized Agency filed on July 26, 2007 ("Application").

This Supplement serves to amend and supersede page 4 of the Application with the revised page 4 attached hereto. At the request of PUCO Staff, the revised page 4 paragraph 12 references DP&L's Electric Transition Plan as well as its Rate Stabilization Plan approved by the Commission.

DP&L request that the Commission approve the Application as supplemented herein.

Respectfully submitted,



Timothy G. Rice, Esq.
Interim Senior Vice President,
General Counsel and Corporate Secretary
The Dayton Power and Light Company
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Dayton, OH 45432
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Authority's Bonds and the possible issuance and delivery of DP&L's first mortgage bonds will be exempt from registration under the Securities Act of 1933, as amended.

12. Each transaction described herein is and shall remain consistent with the Commission Order in Case No. 99-1687-EL-ETP approving DP&L's Transition Plan and Case Nos.02-2779-EL-ATA, et al., and 05-276-EL-AIR approving DP&L's Rate Stabilization Plan.

13. Although DP&L expects that the applicable interest rate on the Authority's Bonds will be less than the interest rate DP&L would be able to obtain on taxable bonds with similar terms and conditions, the effect of such interest rates on revenue requirements can be determined only in rate proceedings in which all factors relating to DP&L's revenue requirements are taken into account according to law.

14. DP&L proposes to account for the expenses and discounts or premiums, if any, of the Authority's Bonds as prescribed in the Federal Energy Regulatory Commission Uniform System of Accounts as currently in effect.

15. A balance sheet of DP&L showing its assets and liabilities as of June 30, 2007, and an income statement of DP&L for the three (3) months and the six (6) months ended June 30, 2007 (unaudited), are attached and marked Exhibit A.

WHEREFORE, The Dayton Power and Light Company ("DP&L") requests that this Commission issue an order finding that:

- (1) DP&L is a public utility as defined in Section 4905.02, Ohio Revised Code, and as such is subject to the jurisdiction of this Commission.
- (2) The Application is filed under provisions of Section 4905.41, Ohio Revised Code.
- (3) DP&L proposes to borrow from the Ohio Air Quality Development Authority, any statutory successor thereto or other authorized issuer of tax exempt bonds (the "Authority") for a term or terms not to exceed 40 years, the proceeds of a maximum of \$100 million aggregated principal amount of the revenue bonds which may be issued in one or more series by the Authority (the "Authority's Bonds"). DP&L proposes to enter into one or more loan agreements with the Authority ("Loan Agreements") to evidence and secure its obligation to repay such loans.
- (4) The loans are for the purpose of assisting DP&L in financing environmental control equipment, including solid waste disposal facilities.