

1 BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO
2 IN THE MATTER OF THE
3 APPLICATION OF THE DAYTON
4 POWER AND LIGHT COMPANY CASE NO. 12-426-EL-SSO
5 FOR APPROVAL OF ITS
6 MARKET RATE OFFER.

7 IN THE MATTER OF THE
8 APPLICATION OF THE DAYTON
9 POWER AND LIGHT COMPANY CASE NO. 12-427-EL-ATA
10 FOR APPROVAL OF REVISED
11 TARIFFS.

12 IN THE MATTER OF THE
13 APPLICATION OF THE DAYTON
14 POWER AND LIGHT COMPANY CASE NO. 12-428-EL-AAM
15 FOR APPROVAL OF CERTAIN
16 ACCOUNTING AUTHORITY.

17 IN THE MATTER OF THE
18 APPLICATION OF THE DAYTON
19 POWER AND LIGHT COMPANY CASE NO. 12-429-EL-WVR
20 FOR WAIVER OF CERTAIN
21 COMMISSION RULES.

22 IN THE MATTER OF THE
23 APPLICATION OF THE DAYTON
24 POWER AND LIGHT COMPANY CASE NO. 12-672-EL-RDR
25 TO ESTABLISH TARIFF
26 RIDERS.

27 Deposition of JAMES D. WILLIAMS,
28 Witness herein, called by The Dayton Power and
29 Light Company for cross-examination pursuant to
30 the Rules of Civil Procedure, taken before me,
31 Beverly W. Dillman, a Notary Public in and for
32 the State of Ohio, at the Office of the Ohio
33 Consumers' Counsel, 10 West Broad Street, Suite
34 1800, Columbus, Ohio, on Monday, March 11, 2013,
35 at 1:31 o'clock p.m.

1 APPEARANCES:

2 On behalf of The Dayton Power and
3 Light Company:

4 Faruki, Ireland & Cox P.L.L.

5 By: Adam V. Sadlowski
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10 On behalf of the Office of the
11 Ohio Consumers' Counsel:

12 Office of the Ohio Consumers' Counsel

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18 On behalf of The Kroger Company:

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20 By: Zachary D. Kravitz (via telephone)
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25 On behalf of the Ohio Partners for
Affordable Energy:

Ohio Partners for Affordable Energy

By: Colleen L. Mooney (via telephone)
Attorney at Law
231 West Lima Street
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* * *

1 JAMES D. WILLIAMS

2 of lawful age, Witness herein, having been first
3 duly cautioned and sworn, as hereinafter
4 certified, was examined and said as follows:

5 MR. SADLOWSKI: Just for the record,
6 this is Adam Sadlowski, for The Dayton Power and
7 Light Company.

8 MR. BERGER: Whenever you want to
9 get started.

10 MR. SADLOWSKI: Oh, okay. I thought
11 you were gonna --

12 MR. BERGER: I was just waiting to
13 see if anyone else would join the line. I have
14 just about a minute after 1:30, so perhaps we
15 want to take a couple minutes.

16 MR. SADLOWSKI: Okay. That's fine.

17 (Brief recess taken.)

18 MR. SADLOWSKI: Okay. Let's go back
19 on the record.

20 CROSS-EXAMINATION

21 BY MR. SADLOWSKI:

22 Q. Good morning, Mr. Williams. Thank
23 you for coming here today. I don't know that we
24 are going to take that much of your time; I
25 anticipate being done in, hopefully, less than an

1 hour, if that. But based on your resume it
2 appears that you have been deposed before; is
3 that correct?

4 A. I have been.

5 Q. Okay. So you know how this works?

6 A. (Witness nodding head up and down.)

7 Q. The one thing I would say is if you
8 don't understand a question, just let me know;
9 I'll try and rephrase it, make it more clear.

10 Just for the record, could you
11 please state your full name and where you
12 currently reside?

13 A. Yes. My name is James D. Williams,
14 and I -- my address is 10 West Broad Street,
15 Columbus, Ohio 43215.

16 MR. BERGER: That's your business
17 address.

18 THE WITNESS: That's my business
19 address.

20 BY MR. SADLOWSKI:

21 Q. That's fine. And what is your
22 current employment?

23 A. I work in our analytical department
24 as a senior consumer protection research analyst.

25 Q. And what are the types of duties and

1 responsibilities that you have in that role?

2 A. I'm involved in a number of
3 different issues involving consumer protections;
4 involved in a number of different cases involving
5 low-income customers, as well as reliability,
6 quality of service types of matters.

7 Q. And how long have you been employed
8 with the OCC?

9 A. I have been with the OCC for 17
10 years.

11 Q. And I saw that you previously were
12 in the Air Force; is that correct?

13 A. I was.

14 Q. What did you do in the Air Force?

15 A. I worked in the Air Force -- I'm an
16 electronics engineer technologist by trade. I
17 worked on design in antenna systems for the
18 intelligence -- Air Force intelligence community.

19 Q. And just very briefly, could you
20 give me a summary of your educational background?

21 A. Yes. I have a Bachelor's degree in
22 electronics engineering technology; I have a
23 Master's in business administration from Webster
24 University.

25 Q. Okay. And in preparing for today's

1 deposition, did you review any documents?

2 A. Specifically for the deposition?

3 Q. For the deposition, yes.

4 A. I just reviewed my testimony.

5 Q. Okay. And did you consult with
6 anyone, other than your attorney, in preparing
7 for today's deposition?

8 A. No, I did not.

9 Q. Okay. And I have had the
10 opportunity to read your testimony. I was hoping
11 to get an idea of the process that went on in
12 preparing your testimony, if you could just
13 provide me a sort of a high-level summary on how
14 you prepared your testimony.

15 MR. BERGER: Objection, ambiguous.

16 When you say how did he prepare --

17 THE WITNESS: Yeah --

18 BY MR. SADLOWSKI:

19 Q. Well, for example, was there -- did
20 anyone provide you any assistance in preparing
21 your written testimony? Were there documents
22 that you consulted in preparing your testimony?

23 MR. BERGER: Objection, to the
24 extent that it seeks any privileged information.

25 If you can answer -- if you can

1 answer without giving privileged information --

2 THE WITNESS: Primary information I
3 relied upon was discovery in the case.

4 BY MR. SADLOWSKI:

5 Q. Okay.

6 A. I also relied upon other publicly
7 available reports evolving from the Census
8 Bureau, Bureau of Labor Statistics, the State --
9 the Research Department of the Ohio Department of
10 Development, and others, seeking data in terms of
11 the people that I work with. It was primarily
12 internally with counsel.

13 Q. Okay. Did you have an opportunity
14 to review The Dayton Power and Light's most
15 recent -- I'll call it the Second Amended ESP
16 Application?

17 A. Yes, I did.

18 Q. Okay. Did you -- did you review any
19 specific portions in preparing your testimony?

20 A. Not specifically. I was looking for
21 issues involving affordability. I didn't
22 particularly see where anybody was addressing
23 that directly in their testimony.

24 Q. Okay. I'm gonna move right along to
25 the substance of your testimony here. In

1 preparing your testimony, did you perform any
2 analysis or review of The Dayton Power and
3 Light's financial integrity?

4 A. I did not.

5 Q. Okay. And I guess, just so the
6 record is clear, your testimony does not sponsor
7 or address any issue relating to DP&L's financial
8 integrity; correct?

9 A. No, it does not.

10 Q. Okay.

11 A. Other than to the extent that I do
12 refer to another OCC witness, Dr. Daniel Duann --

13 Q. Uh-huh.

14 A. -- and I do refer to -- and I
15 believe that the financial performance of the
16 company is a consideration in reviewing and
17 considering affordability. But nothing beyond
18 that.

19 Q. Okay. Thank you.

20 (Thereupon, Mr. Zachary Kravitz
21 joined the deposition via conference call.)

22 MR. BERGER: It appears that
23 somebody has joined us on the telephone; who
24 would that be?

25 MR. KRAVITZ: This is Zach Kravitz,

1 from Taft. I apologize for the interruption.

2 This is the bridge to the Williams deposition?

3 MR. BERGER: Yes.

4 MR. KRAVITZ: Okay.

5 MR. BERGER: Okay. Thank you for
6 identifying yourself.

7 MR. SADLOWSKI: And, Zach, this is
8 Adam Sadlowski, with Faruki, Ireland & Cox,
9 representing The Dayton Power and Light Company.

10 MR. BERGER: And this is Tad Berger,
11 with the Ohio Consumers' Counsel, here with the
12 witness.

13 MR. KRAVITZ: Thank you. And,
14 again, I apologize for the interruption.

15 BY MR. SADLOWSKI:

16 Q. Mr. Williams, I want to take a look
17 at your testimony, specifically, starting on Page
18 5, if you could turn to that page, please. I'm
19 looking at starting on Lines 21 and 22, you state
20 that, quote: A significant number of DP&L
21 residential customers are currently struggling to
22 afford electric service -- and continuing on to
23 Page 6 -- under the existing Electric Security
24 Plan rates. Did I read that correctly?

25 A. Yes, you did.

1 Q. What is your basis for that
2 statement?

3 A. Just a high number of customers who
4 have experienced disconnections; the high number
5 of customers -- or the number of customers that
6 are on extended payment plans, and the number of
7 customers who are on the Percentage of Income
8 Payment Plan; as well as considering the monthly
9 costs of DP&L service, compared to the other
10 electric utilities in the state, as they are
11 published on a monthly basis in the PUCO rate
12 survey.

13 Q. Okay. And are you aware of any
14 consumer complaints regarding the current rates
15 that DP&L has in its service area?

16 A. I have not seen any complaint data.

17 Q. Okay.

18 A. OCC does not have a call center,
19 though, or any ability to, you know, to receive
20 those types of complaints, so --

21 (Thereupon, Ms. Colleen Mooney
22 joined the deposition via conference call.)

23 BY MR. SADLOWSKI:

24 Q. Okay. So, again, I -- just for my
25 own personal knowledge, I guess, who would have

1 those sorts of data and who would receive those
2 calls? Would that be the company, DP&L?

3 A. I would suspect it would be the
4 company, or potentially the PUCO.

5 Q. Okay. And if you would turn to Page
6 7, I'm looking at Lines 4 through 5, and I'm also
7 looking at Line 20. Basically, you state that
8 there has been an increase of, what, 1,670
9 customers, from 2011, who are participating in
10 the PIPP Plus payment plan --

11 A. Yes.

12 Q. -- is that correct?

13 A. (Witness nodding head up and down.)

14 Q. What are your reasons for -- or do
15 you -- let me strike that.

16 What is your basis for that
17 statement? How did you calculate that number?

18 A. The data itself would have come from
19 the PUCO and from what's called the PIPP metrics
20 report.

21 Q. Okay.

22 A. And this is monthly data that's
23 provided to the PUCO, and the PUCO provides it to
24 OCC.

25 Q. And did you perform any sort of

1 analysis with regard to reasons for the increase
2 identified in Line 4 through 5?

3 A. I just noticed that -- noted that
4 there was an increase. That increase itself, you
5 know, seemed to be significant because the state
6 statute, you know, requires specific protection
7 for at-risk customers. So -- so I typically look
8 at the numbers of PIPP customers and the impact
9 that a program would have on PIPP customers to be
10 one measure of considering impact on at-risk.

11 Q. And in performing this analysis, did
12 you also look at the PIPP numbers for other
13 utilities in Ohio?

14 A. I did.

15 Q. Okay. And do you recall which
16 utilities those are? Or if it's in your
17 testimony, could you point those out to me?

18 A. That was also -- it was also in the
19 PIPP metrics data, and --

20 Q. What page is that?

21 A. I ended up not putting it in the
22 testimony. It would be the PIPP metrics data
23 would be the source.

24 Q. Okay.

25 A. The table I was referring to was

1 Table 3 that I was thinking I may have put that
2 data in, but --

3 Q. But that data is not part of your
4 testimony; correct?

5 A. Data is not part of the testimony.

6 Q. And then at the bottom of Page 7,
7 Line 20, you state that, quote, there might be
8 several reasons, closed quote, for the number of
9 customers in DP&L's service area who are
10 struggling to pay their bills in 2012; is that
11 correct?

12 A. Yes.

13 Q. Did you perform any sort of analysis
14 of what those reasons may be?

15 A. Well, the sluggish economy, high
16 poverty rate, high electric bills, I think, could
17 all contribute to reasons why this would be
18 occurring.

19 Q. Okay. Thank you. And then if you
20 turn to Page 8, please, sir. And, specifically,
21 I'm looking at your testimony on Lines 6 through
22 9, last sentence on Line 6, starting to the
23 extent?

24 A. Yes.

25 Q. If -- and, again, I just want to

1 make sure I understand your testimony. Is it
2 your testimony that any rate increase will
3 continue to make electricity unaffordable for
4 many residential customers?

5 A. Yes, it is.

6 Q. Is that -- okay. Is there -- in
7 your opinion, is there any situation where DP&L
8 would be able to raise its rates and not impact
9 the affordability?

10 A. Well, no. Any kind of a rate
11 increase would continue to keep the DP&L service
12 higher than -- than the average of the other
13 state utilities.

14 Q. Okay. And have you performed any
15 impact analysis with regard to DP&L's current ESP
16 filing with regard to disconnections? I guess
17 I'm looking at projections going forward, how
18 they would impact disconnections.

19 A. No, I didn't look at it going
20 forward, I just looked at the data that was
21 available, you know, because disconnection data
22 typically becomes available after it occurs. I
23 don't know of any kind of a source for projecting
24 disconnections.

25 Q. So you don't know how DP&L's current

1 ESP filing would impact disconnections; is that
2 correct?

3 MR. BERGER: Objection. Misleading.
4 You can answer.

5 THE WITNESS: I just know that --
6 that the projected impact of the ESP would just
7 result in an increase in bills, \$2.81 a month for
8 a 750-KWH customer.

9 BY MR. SADLOWSKI:

10 Q. Okay.

11 A. Which then makes more -- more of a
12 disparity between the average bill in the state
13 and a DP&L bill.

14 Q. Okay. But, again, just so the
15 record is clear, you don't know or you did not
16 perform any sort of analysis on projections as to
17 number of connections that would result as a --
18 as a result of DP&L's current filing?

19 A. What I provided in the testimony was
20 just historical.

21 THE NOTARY: Did you mean
22 connections?

23 MR. SADLOWSKI: Disconnections.
24 Thank you.

25 BY MR. SADLOWSKI:

1 Q. Okay. If you turn to Page 11 in
2 your testimony, and I'm looking at Lines 1 and 2,
3 where you state that, quote, the average DP&L
4 residential bill has increased by approximately
5 19 percent over the last six years; did I read
6 that correctly?

7 A. Yes.

8 Q. Okay. That 19-percent increase, is
9 that on an annual basis or is that over the
10 entire six-year period?

11 A. No, this was just comparing a 2007
12 average number with a 2012 average number.

13 Q. Okay. And so do you know what the
14 average annual increase would be during that
15 six-year period?

16 A. No, I don't.

17 Q. Okay.

18 A. I was just trying to compare two
19 time periods.

20 Q. So you compared two -- just so I
21 understand, you compared 2007 with 2012; is that
22 right?

23 A. Yes.

24 Q. And you came up with that 19 percent
25 as the increase between the 2012 number and the

1 2007 number?

2 A. Yes.

3 Q. Okay. Well, I will represent to you
4 that that -- the average annual increase is
5 approximately 3 percent per year. Wouldn't you
6 agree that that is consistent with the rate of
7 inflation?

8 MR. BERGER: Objection to the
9 hypothetical, based on facts not in evidence.

10 But if you can answer --

11 THE WITNESS: I can't answer.

12 BY MR. SADLOWSKI:

13 Q. You can't answer?

14 A. No. (Witness shaking head from side
15 to side.)

16 Q. Do you know what the current rate of
17 inflation is over that period, over the five- or
18 six-year period?

19 A. I do not.

20 Q. You do not? Okay. And then I'm
21 still on Page 11, Lines 5 through 6, where you
22 state there has been a 90-percent increase in the
23 number of PIPP customers being disconnected for
24 nonpayment. Are you aware of any law or rule
25 that DP&L has violated that has resulted in that

1 increase?

2 A. No, I'm not.

3 Q. Okay.

4 A. Just saying factually --

5 Q. (Nodding head up and down.)

6 A. -- this is what has happened.

7 Q. Okay. Then if you turn to Page 13
8 of your testimony, I'm looking at Lines 11
9 through 15, and, specifically, I'm looking at
10 your testimony stating that: DP&L's service
11 territory are subject to a delayed payment charge
12 of 1.5 percent per month if the bills are not
13 paid by the due date?

14 A. Yes.

15 Q. Did I read that correctly?

16 A. Yes, you did.

17 Q. Okay. Are you aware of any law or
18 order that DP&L would have violated in charging
19 that -- that fee?

20 A. No, I'm not.

21 Q. And would you agree, Mr. Williams,
22 that there is a cost to DP&L when customers are
23 either disconnected or have to be reconnected?

24 A. Yes, there are costs.

25 Q. There are costs. Have you performed

1 any sort of analysis of what those costs would be
2 to the company?

3 A. I have not performed an analysis.

4 Q. So you don't know what the actual
5 costs are; is that correct?

6 A. No, I don't.

7 Q. Okay. If you would please turn to
8 Page 15 of your testimony, and I'm looking at
9 Lines 4 through 8 -- excuse me -- 4 through 8 in
10 that testimony. You outline various charges that
11 DP&L customers are billed in order to make
12 alternative payments. For example, there is a
13 hundred -- excuse me -- a 1.50 charge for making
14 a payment to an authorized agent. There is
15 also -- below that testimony you discuss a \$2.95
16 charge for payments made with credit cards and
17 electronic checks?

18 A. Yes.

19 Q. That's correct?

20 Very similar to my previous
21 question, have you performed any analysis with
22 regard to the cost to DP&L of implementing these
23 alternative services to its customers?

24 A. No, I have not. Again, the point of
25 my testimony is to the extent that the costs

1 could be reduced to help customers pay their
2 bill, it's beneficial for both customers and the
3 company.

4 Q. Wouldn't you agree that when a DP&L
5 customer makes one of these alternative payments,
6 that's a decision that they make on their own?

7 A. (Witness nodding head up and down.)

8 MR. BERGER: Objection. Asking the
9 witness to speculate about what a witness'
10 decision-making -- or what a customer's
11 decision-making process is.

12 But you can answer -- if you can
13 answer, you can do so.

14 THE WITNESS: I'm not aware of any
15 kind of an analysis about that, but that's --

16 BY MR. SADLOWSKI:

17 Q. Okay. Let me rephrase that then.
18 Wouldn't you agree that DP&L still permits its
19 customers to pay via U.S. Mail at no charge?

20 A. Yes.

21 Q. Yes?

22 A. Yes.

23 Q. Okay. And wouldn't you also agree
24 that that is a decision made by each individual
25 customer as to their payment method?

1 A. (Witness nodding head up and down.)

2 MR. BERGER: Objection. Again,
3 asking him to speculate as to the ability -- or
4 their ability to make payments and the other
5 influences on their payment decisions.

6 BY MR. SADLOWSKI:

7 Q. You can answer.

8 MR. BERGER: You can answer if you
9 can.

10 THE WITNESS: I can't answer
11 beyond -- I don't know.

12 BY MR. SADLOWSKI:

13 Q. Okay. Are you aware of any rule or
14 provision in the consumer contract with DP&L's
15 customers that would require the customers to
16 make payments in a manner that would charge a
17 fee, such as the ones outlined on Page 15?

18 A. Well, for payments made to
19 authorized agents, the rules support that -- that
20 authorized agents can charge up to \$2 for
21 payments. But, again, those are part of the
22 minimum service standards of the state. It
23 doesn't mean that it can't be less, it doesn't
24 mean that that can't even be waived.

25 In terms of the payments made by

1 credit card or electronic checks, those are not
2 tariff charges.

3 Q. Okay. And just so the record is
4 clear, would you agree that you don't know the
5 cost to DP&L of offering such services outlined
6 here on Page 15?

7 MR. BERGER: Objection. There are a
8 number of services on Page 15. Would you --

9 MR. SADLOWSKI: Page -- the
10 alternative payment fees outlined on Lines 4
11 through -- we'll call it 4 through 8.

12 MR. BERGER: Okay.

13 THE WITNESS: I don't know what the
14 cost would be to DP&L for those.

15 BY MR. SADLOWSKI:

16 Q. Okay. Just a couple more questions
17 and, hopefully, we can get out of here. But
18 first, if you turn to Page 26 of your testimony,
19 and, specifically, I'm looking at Lines 6 through
20 8 --

21 A. (Witness nodding head up and down.)

22 Q. -- where you recommend that the PUCO
23 staff, DP&L, OCC and other interested
24 stakeholders seek cost-effective ways to enhance
25 the current credit and collection policies and

1 practices to reduce connections -- or excuse
2 me -- disconnections --

3 A. Yes.

4 Q. -- are you aware of any other
5 similar review the Commission has ordered on any
6 other utilities with regard to their credit and
7 collection practices?

8 A. I'm not aware of anything with the
9 electric utilities. I am familiar with a review
10 like this that's happened with a natural gas --
11 with the natural gas industry a couple years ago.

12 Q. That was here in Ohio?

13 A. It was here in Ohio.

14 Q. And was it the entire industry or
15 was it a specific utility?

16 A. No, it was an audit that was done on
17 credit and collection policies that was looking
18 at UXE costs, the costs for the uncollectible
19 riders.

20 Q. And --

21 A. So all of the companies were
22 reviewed, you know, were audited. There were
23 credit and collection policies put together for
24 each of them.

25 Q. But to your knowledge, this has

1 never been done to an electric utility here in
2 the State of Ohio?

3 A. I'm not aware of where this has been
4 done.

5 Q. Was there any specific cause or
6 reason for implementing the audit study on the
7 gas utilities?

8 A. I believe it had to do with looking
9 at different ways to try to reduce uncollectible
10 expense.

11 Q. And do you know the outcome of that
12 audit or that study?

13 A. There was a finding and order, and a
14 number of the different companies were -- you
15 know, a number of different credit and collection
16 policies were changed as a result of that.

17 Q. Okay. Do you know approximately
18 what year that would have --

19 A. Yeah, I believe that that was
20 2008-2009.

21 Q. Okay.

22 A. But that's not the specific
23 recommendation I'm making here. This -- I'm
24 looking at specifically isolating this review
25 just with DP&L.

1 Q. Okay. Continuing on Page 26, and
2 I'm looking specifically at Lines 13 through 17,
3 I'm not gonna read that entire paragraph, but
4 Lines 13 through 17, you make a series of
5 recommendations; is that correct?

6 A. Yeah, the -- well, considerations.

7 Q. Considerations?

8 A. Yes. These are items that should be
9 considered as part of the review as -- again, the
10 emphasis would be on trying to find ways to
11 reduce disconnections, to the extent that that
12 could be done in a cost-effective manner.

13 Q. Okay. And what -- to your
14 knowledge, what is the basis in law for the
15 recommended considerations?

16 MR. BERGER: Objection. He makes no
17 statement anywhere that there is a basis in law.

18 MR. SADLOWSKI: I'm asking if he is
19 aware of any basis in law that would require such
20 considerations.

21 MR. BERGER: Oh, where there is
22 somewhere that it would be required?

23 MR. SADLOWSKI: Correct.

24 MR. BERGER: Okay. Withdraw the
25 objection.

1 THE WITNESS: I'm not aware of any
2 specific law that would require this. Again, in
3 terms of looking at the stated policy of
4 protecting at-risk --

5 BY MR. SADLOWSKI:

6 Q. Uh-huh.

7 A. -- is that it seems as though this
8 review would be consistent with protecting
9 at-risk customers.

10 Q. All right. Okay. If you turn to
11 Page 27, Line 9, where you're discussing the PIPP
12 Plus, and you are recommending that payment
13 amounts not exceed 5 percent of consumers'
14 monthly income to maintain service; is that
15 correct?

16 A. No.

17 MR. BERGER: Objection.

18 BY MR. SADLOWSKI:

19 Q. No?

20 MR. BERGER: Mischaracterizes the
21 testimony. If you read the entire sentence, he
22 is suggesting -- giving an example of something
23 that might be considered, not making a specific
24 recommendation there.

25 MR. SADLOWSKI: Okay.

1 BY MR. SADLOWSKI:

2 Q. So the 5 percent isn't a
3 recommendation?

4 A. (Witness shaking head from side to
5 side.)

6 Q. Okay.

7 A. It was a suggestion of 5 percent,
8 and it was also specifically for non-PIPP-
9 eligible customers, customers that are not
10 eligible for PIPP.

11 Q. How did you come up with the
12 5-percent number?

13 A. It was just a suggestion of coming
14 up with some type of a level that may be more
15 affordable for customers.

16 Q. So you didn't perform any sort of
17 analysis or study --

18 A. (Witness shaking head from side to
19 side.)

20 Q. -- to come up with that 5-percent
21 number?

22 A. No. The intent was -- of this
23 testimony was just to say there are options
24 between the PUCO, the company, OCC and other
25 stakeholders. Perhaps we could come up with some

1 recommendations -- or come up with some specific
2 items that would be able to help or make the
3 utilities more affordable, to prevent utility
4 disconnections.

5 Q. Thank you.

6 On Page 28 of your testimony, I'm
7 going to ask you a few questions on -- or about
8 Lines 3 through 10 of your testimony on that
9 page. Is it accurate that the bill payment
10 assistance program that you recommend would be a
11 shareholder-funded program?

12 A. Yes.

13 Q. Yes? Okay. Would you agree that
14 the bill payment assistance program that you
15 recommend would be a benefit to the entire
16 community that DP&L services?

17 A. To the extent that it helps prevent
18 disconnections, I believe that would be a
19 benefit. I think it would also be a benefit to
20 the customer to avoid disconnections, and
21 continue to obtain a revenue stream from
22 customers that would otherwise be disconnected,
23 incurring the disconnect and the reconnect costs.

24 MR. BERGER: Just for clarification,
25 you mean avoiding incurring the disconnect and

1 reconnect cost?

2 THE WITNESS: Right, avoiding the
3 occurrence of those costs. Thank you.

4 BY MR. SADLOWSKI:

5 Q. Okay. What is your rationale for
6 advocating that it be a shareholder-funded
7 program versus a program that would be funded by
8 the community?

9 A. When I looked at the ESP, in terms
10 of the statute for an ESP, it seemed as though it
11 was very broad. It seemed as though a program
12 like this would have benefits that are for both
13 the company and the customers. And so as part
14 of -- of a program that could result in rate
15 increases for customers, there would also be some
16 offsetting bill payment assistance to help
17 address those billing -- those bill increases.

18 It also seemed to me as though a
19 shareholder-funded program helps reduce the
20 impact on customers, and -- and also, because
21 it's shareholder-funded, would perhaps provide
22 additional incentive for the company to be
23 managing the program to be able to help find ways
24 to reduce disconnections.

25 Q. Are you aware of similar -- strike

1 that.

2 Does DP&L currently have a similar
3 bill assistance program in place?

4 A. I -- yes. My understanding is that
5 DP&L, as part of the last merger case, made
6 \$400,000 available for 2013 to the Ohio Partners
7 for Affordable Energy to provide bill payment
8 assistance. I'm not aware of details beyond
9 that, though.

10 Q. So you're not aware whether that was
11 shareholder-funded versus funded through their
12 charges to consumers?

13 A. I thought it was shareholder-funded
14 as part of the merger program.

15 Q. But you don't know?

16 A. I'm not a hundred-percent sure.

17 The other program that -- program
18 that I listed on Page 34, that was provided
19 2009 through 2012, that was definitely
20 shareholder-funded. That was part of the first
21 ESP.

22 Q. On Page 28, Lines 3 --

23 A. Page 28, Lines 3 and 4.

24 Q. On the last page of your testimony,
25 Page 29, I'm looking at Line 1, you advocate a

1 bill payment program at a level of \$1.5 million;
2 is that correct?

3 A. Yeah. I'm saying that at a level of
4 \$1.5 million -- the average amount that was on a
5 disconnect notice last year was -- was, I think,
6 \$274. And I assumed that if an average customer
7 could receive benefits in the area of \$250, that
8 might help 6,000 or more customers avoid
9 disconnection. That would bring DP&L's
10 disconnection rate down to a level commensurate
11 with the other Ohio utilities.

12 Q. Assuming that the \$1.5 million
13 program was implemented, how would that money be
14 used, exactly? I guess how would the program
15 operate and how would that money be used and paid
16 out?

17 A. I mean, a program would have to be
18 set up between the PUCO staff, OCC, the company
19 and their stakeholders to identify community
20 agencies that could distribute that money and,
21 you know, try to find the -- the right places to
22 be able to target customers that need the
23 assistance.

24 As I point out, it's not necessarily
25 just the lowest income customers that need help.

1 Customers of median income could also use help.

2 So trying to find ways to -- to identify, be
3 available and accessible for those customers.

4 In my testimony I didn't identify a
5 specific agency or group that would do that. I
6 thought that was something that was sort of maybe
7 a next level of -- of a program that's to be
8 developed.

9 MR. SADLOWSKI: Okay. Mr. Williams,
10 I think that's all I have for you today.

11 Zach, I don't know, do you have any
12 questions?

13 MR. KRAVITZ: No.

14 MR. BERGER: Anybody else on the
15 call besides Zach?

16 MS. MOONEY: This is Colleen Mooney.
17 I have been on the call, but I don't have any
18 questions. Thanks.

19 MR. BERGER: Thank you. All right.
20 So I believe that --

21 MR. SADLOWSKI: That's all I have.

22 MR. BERGER: That completes the
23 deposition then. Thank you for attending.

24 He will read and sign.

25 (Thereupon, the deposition was

concluded at 2:13 o'clock p.m.)

1 I, JAMES D. WILLIAMS, do hereby
2 certify that the foregoing is a true and accurate
3 transcription of my testimony.

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8 Dated -----

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1 STATE OF OHIO)

2 COUNTY OF MONTGOMERY) SS: CERTIFICATE

3 I, Beverly W. Dillman, a Notary Public
4 within and for the State of Ohio, duly
5 commissioned and qualified,

6 DO HEREBY CERTIFY that the above-named
7 JAMES D. WILLIAMS, was by me first duly sworn to
8 testify the truth, the whole truth and nothing
9 but the truth.

10 Said testimony was reduced to writing by
11 me stenographically in the presence of the
12 witness and thereafter reduced to typewriting.

13 I FURTHER CERTIFY that I am not a
14 relative or Attorney of either party, in any
15 manner interested in the event of this action,
16 nor am I, or the court reporting firm with which
17 I am affiliated, under a contract as defined in
18 Civil Rule 28(D).

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1 IN WITNESS WHEREOF, I have hereunto
2 set my hand and seal of office at Dayton, Ohio,
3 on this 15th day of March, 2013.



5 Beverly W. Dillman
6 BEVERLY W. DILLMAN, RPR, CRR
7 NOTARY PUBLIC, STATE OF OHIO
8 My commission expires 3-6-2017
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Case No(s). 12-0426-EL-SSO, 12-0427-EL-ATA, 12-0428-EL-AAM, 12-0429-EL-WVR, 12-0672-EL-RDR

Summary: Deposition of James D. Williams electronically filed by Mr. Jeffrey S Sharkey on behalf of The Dayton Power and Light Company