

BEFORE THE

PUBLIC UTILITIES COMMISSION OF OHIO

THE DAYTON POWER AND LIGHT COMPANY

CASE NO. 12-1832-EL-ESS

TESTIMONY OF
ROBERT J. ADAMS
IN SUPPORT OF THE STIPULATION
AND RECOMMENDATION

- ☐ **MANAGEMENT POLICIES, PRACTICES, AND ORGANIZATION**
- ☐ **OPERATING INCOME**
- ☐ **RATE BASE**
- ☐ **ALLOCATIONS**
- ☐ **RATE OF RETURN**
- ☐ **RATES AND TARIFFS**
- ☒ **OTHER**

BEFORE THE
PUBLIC UTILITIES COMMISSION OF OHIO
DIRECT TESTIMONY OF
ROBERT J. ADAMS
ON BEHALF OF
THE DAYTON POWER AND LIGHT COMPANY

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1 **I. INTRODUCTION**

2 Q. Please state your name and business address.

3 A. My name is Robert J. Adams. My business address is 1065 Woodman Drive, Dayton,
4 OH 45432.

5 Q. By whom and in what capacity are you employed?

6 A. I am employed by The Dayton Power and Light Company ("DP&L" or "Company") as a
7 Rate Analyst.

8 Q. What are your responsibilities in your current position and to whom do you report?

9 A. In my current position, I am responsible for assisting in the development, analysis,
10 revision, and administration of the Company's tariff schedules, rate designs, and policies.
11 I have responsibility for regulatory compliance with the electric service and safety
12 standards and load research. I report to the Manager of Regulatory Operations.

13 Q. Will you describe briefly your educational and business background?

14 A. I received a Bachelor of Science degree in Business Economics from Wright State
15 University in April 2006. I have been employed by DP&L since 2006.

16 Q. What is the purpose of this testimony?

17 A. The purpose of this testimony is to support the Stipulation and Recommendation
18 ("Stipulation") filed in this case on July 16, 2013, because it is the product of serious
19 negotiations among knowledgeable parties, benefits customers and the public interest,
20 and it does not violate any important regulatory principle or practice.

1 **II. STIPULATION SUMMARY**

2 Q. Can you summarize the provisions and benefits of the Stipulation?

3 A. Yes. As a background, DP&L filed to update reliability standards on June 29, 2012, in
4 compliance with Section 4901:1-10-10 of the Ohio Administrative Code (OAC).

5 The Stipulation contains an agreement to a new System Average Interruption Frequency
6 Index (SAIFI) of 0.88 and a Customer Average Interruption Duration Index (CAIDI) of
7 125.04 minutes, both of which will become the new reliability standards for DP&L.
8 Section 4901:1-10-10(B)(7) OAC shall control the timing of the next filing to reset
9 DP&L's Reliability Standards. DP&L agrees to develop its next Customer Survey by
10 January 31, 2014, and provide Staff with the opportunity to review prior to
11 implementation. DP&L also agrees to conduct the survey using four quarterly samples
12 with the final results of the survey provided to Staff in May 2015.

13 The Commission should approve the Stipulation because it establishes just and
14 reasonable performance standards that are the product of serious bargaining. The
15 reliability standards are more stringent than the Company's current standards and provide
16 for reliable service to customers and a reasonable opportunity for DP&L to achieve
17 compliance. The signatory parties to the Stipulation include DP&L and the Commission
18 Staff.

19 Q. Did the Ohio Consumers' Counsel (OCC) sign the Stipulation?

20 A. No, but the OCC indicated to DP&L counsel that they would not oppose the Stipulation.

III. COMMISSION'S CRITERIA FOR EVALUATING STIPULATIONS

Q. What criteria does this Commission use to evaluate and approve a Stipulation and Recommendation?

A. Specifically, the Commission has applied the three part test in evaluating previous proceedings: First, is the Stipulation a product of serious bargaining among capable, knowledgeable parties? Second, taken as a package, does the Stipulation benefit ratepayers and the public interest? Third, does the Stipulation violate any important regulatory principle or practice?

Q. In response to the first criterion, was the Stipulation the product of serious bargaining among capable, knowledgeable parties?

A. Yes. The settlement negotiations involved all of the Signatory parties, each was an experienced negotiator and knowledgeable on the subject. All parties to this proceeding were provided the opportunity to negotiate a stipulation and to provide input to drafts of the document that became the final Stipulation.

Q. In response to the second criterion, does the Stipulation benefit the public interest?

A. Yes. Customers will benefit from the more stringent reliability standards set for DP&L. Further, the requirement to conduct a Customer Perception Survey using quarterly samples will ensure the availability of customer feedback.

Q. In response to the third criterion, does the Stipulation violate any important regulatory principles?

A. No. The Stipulation does not violate any important regulatory principle or practice.

1 **IV. CONCLUSION AND RECOMMENDATION**

2 Q. What is your recommendation with respect to the Stipulation?

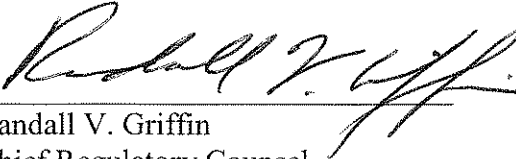
3 A. I recommend that the Commission approve it in its entirety and without modification.

4 Q. Does this conclude your direct testimony?

5 A. Yes, it does.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Testimony of Robert J. Adams has been served electronically, this 2nd day of August, 2013 upon counsel to the parties of record.



Randall V. Griffin
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Summary: Testimony of Robert J. Adams electronically filed by Mr. Robert J Adams on behalf of The Dayton Power and Light Company