

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of	:	Case No. 13-2420-EL-UNC
The Dayton Power and Light Company	:	
for Authority to Transfer or Sell Its	:	
Generation Assets	:	

**THE DAYTON POWER AND LIGHT COMPANY'S
MOTION FOR A PROTECTIVE ORDER**

Pursuant to Ohio Admin. Code § 4901-1-24(A), The Dayton Power and Light Company ("DP&L") moves for the entry of a Protective Order providing that (1) discovery not be had in this proceeding unless the Attorney Examiner decides to hold a hearing; (2) if discovery is to be conducted in this proceeding, then DP&L need not respond to the irrelevant and unnecessary Interrogatories and Request for Production of Documents Propounded upon the Dayton Power and Light Company by The Office of the Ohio Consumers' Counsel – First Set (March 28, 2014) (attached as Exhibit A) and the Interrogatories and Request for Production of Documents Propounded upon the Dayton Power and Light Company by The Office of the Ohio Consumers' Counsel – Second Set (April 11, 2014) (attached as Exhibit B), for the various reasons identified in the attached memorandum; and (3) DP&L not be required to assemble privileged documents and create a privilege log unless the Commission requires DP&L to respond to OCC's discovery requests.

DP&L has exhausted all other reasonable means of resolving this discovery dispute. Exhibit C.

Respectfully submitted,

s/ Judi L. Sobecki

Judi L. Sobecki (0067186)
THE DAYTON POWER AND
LIGHT COMPANY
1065 Woodman Drive
Dayton, OH 45432
Telephone: (937) 259-7171
Telecopier: (937) 259-7178
Email: judi.sobecki@dplinc.com

s/ Jeffrey S. Sharkey

Charles J. Faruki (0010417)
(Counsel of Record)
Jeffrey S. Sharkey (0067892)
FARUKI IRELAND & COX P.L.L.
500 Courthouse Plaza, S.W.
10 North Ludlow Street
Dayton, OH 45402
Telephone: (937) 227-3705
Telecopier: (937) 227-3717
Email: cfaruki@ficlaw.com

Attorneys for The Dayton Power and
Light Company

**MEMORANDUM IN SUPPORT OF THE DAYTON POWER AND LIGHT
COMPANY'S MOTION FOR A PROTECTIVE ORDER**

I. INTRODUCTION AND SUMMARY

The Office of the Ohio Consumers' Counsel ("OCC") has served irrelevant and unnecessary discovery requests on The Dayton Power and Light Company ("DP&L"), including 145 interrogatories and 87 requests for production of documents. Interrogatories and Request for Production of Documents Propounded upon the Dayton Power and Light Company by The Office of the Ohio Consumers' Counsel – First Set (March 28, 2014) ("March 28, 2014 Discovery Requests") (attached as Exhibit A); Interrogatories and Request for Production of Documents Propounded upon the Dayton Power and Light Company by The Office of the Ohio Consumers' Counsel – First Set (April 9, 2014) ("April 9, 2014 Discovery Requests") (attached as Exhibit B).

The Attorney Examiner has not decided whether to grant DP&L's request to waive a hearing in this proceeding. Mar. 4, 2014 Entry, ¶¶4-5. Unless and until a hearing is set in this matter, DP&L should not be required to respond to OCC's discovery requests because they are not relevant to any pending issue. In addition, OCC's discovery requests are unduly burdensome, and DP&L should not be required to respond to them when no hearing is set.

Even if OCC were entitled to conduct discovery in this matter, many of OCC's discovery requests are objectionable because:

1. OCC seeks information related to a sales process in which DP&L is attempting to sell its generation assets. That sale process is ongoing, and discovery regarding that process will interfere with and may jeopardize that process, and should not be permitted;

2. Many of OCC's individual discovery requests are overbroad, and responding to them would be unduly burdensome;
3. OCC is not entitled to conduct discovery as to AES or DPL Inc.; and
4. Assembling privileged documents would be unduly burdensome, and DP&L should not be required to do so until the objections outlined above are resolved.

The Commission should, therefore, enter a Protective Order providing that (1) discovery not be had in this proceeding unless the Attorney Examiner decides to hold a hearing; (2) even if OCC is entitled to conduct discovery in this proceeding, DP&L need not respond to OCC's many of the requests in OCC's March 28, 2014 Discovery Requests and April 9, 2014 Discovery Requests, for the reasons demonstrated below; and (3) that DP&L not be required to assemble its privileged documents and create a privilege log, unless the Commission requires DP&L to respond to OCC's discovery requests in this matter.

II. BACKGROUND

This proceeding was commenced on December 30, 2013, when DP&L filed the Application of The Dayton Power and Light Company to Transfer or Sell Its Generation Assets ("Application"). In the Application, DP&L requested a waiver of any hearing in this matter under Ohio Admin. Code § 4901:1-37-09(D) because the Commission already conducted an extensive evidentiary hearing in DP&L's recent ESP proceeding (Case No. 12-426-EL-SSO, et al.) as to whether DP&L should be ordered to transfer its generation assets. Application, ¶18.

Shortly thereafter, the Attorney Examiner set a deadline for comments and objections for February 4, 2014, and a deadline for reply comments on February 19, 2014. Jan. 3, 2014 Entry, ¶3. The Attorney Examiner stated that "[a]fter comments and reply comments are received and the issues raised therein considered, a decision will be made

regarding [DP&L's] requests for waivers." Id. at ¶4. Following a supplemental application by DP&L, the Attorney Examiner set deadlines for additional comments on March 25, 2014, and for reply comments to April 7, 2014. Mar. 3, 2014 Entry, ¶4. The Attorney Examiner reiterated that a decision would be made on DP&L's requests for waivers following consideration of the comments. Id. at ¶5.

The Attorney Examiner has not decided whether to waive a hearing in this proceeding. Nevertheless, OCC has served extensive discovery requests on DP&L. In the March 28 Discovery Requests, OCC propounded 113 interrogatories and 47 requests for production of documents, and in the April 9 Discovery Requests, OCC propounded an additional 15 interrogatories and 14 requests for production of documents. Many of those discovery requests are objectionable, for multiple independent reasons.

III. THE COMMISSION SHOULD ENTER A PROTECTIVE ORDER PROVIDING THAT (1) DISCOVERY NOT BE HAD UNLESS A HEARING IS SCHEDULED, (2) DP&L NEED NOT RESPOND TO OCC'S UNDULY BURDENSOME DISCOVERY REQUESTS, AND (3) THAT DP&L NEED NOT ASSEMBLE PRIVILEGED DOCUMENTS OR PREPARE A PRIVILEGE LOG

Under Ohio Admin. Code § 4901-1-24(A), "[u]pon motion of any party or person from whom discovery is sought, the commission, the legal director, the deputy legal directory, or an attorney examiner may issue any order which is necessary to protect a party or person from annoyance, embarrassment, oppression, or undue burden or expense." Thus, this rule "provides a remedy where a response to discovery requests would be unduly burdensome or costly." In the Matter of the Petition of OHIOTELNET.COM, Inc. for Arbitration of Interconnection Rates, Terms, and Conditions and Related Arrangements with ALLTEL Ohio, Inc., Case No. 00-1601-TP-ARB, 2001 Ohio PUC LEXIS 1012, *16 (Jan. 11, 2001).

As demonstrated below, the Commission should conclude that DP&L is not required to respond to OCC's discovery in this matter because no hearing has been set and responding to OCC's discovery requests would be unduly burdensome. Further, as also demonstrated below, many of OCC's individual discovery requests are objectionable.

A. OCC IS NOT ENTITLED TO DISCOVERY BECAUSE NO HEARING HAS BEEN SET

The Commission has previously decided that discovery was not proper while the Commission was deciding the scope of its review. In the Matter of the Joint Application of Cinergy Corp., on Behalf of the Cincinnati Gas & Electric Company, and Duke Energy Holding Corp. for Consent and Approval of a Change of Control of The Cincinnati Gas & Electric Company, et al., Case No. 05-732-EL-MER, pp. 6-7 (Dec. 7, 2005) ("Cinergy Case"). In the Cinergy Case, Cinergy Corp. and Duke Energy Holding Corp. jointly filed an application for the Commission's consent and approval to change the control of the Cincinnati Gas & Electric Company. Id. at *1. The Commission issued an entry that provided an opportunity for interested persons to file comments to "identify the issues which the Commission should consider," and that stayed discovery until the Commission "determine[d] the scope and nature of its review." Id. at *1-2. The Commission later rejected OCC's argument that the Commission should lift the stay on discovery, stating that because "we have not yet determined whether a hearing will be held, we find that it is not appropriate to lift the stay on discovery." Id. at *7.

The same reasoning applies here. There is no hearing set in this matter, and OCC should not be entitled to conduct discovery unless and until a hearing is set in this matter. In addition, it would be particularly inappropriate to require DP&L to respond to OCC's discovery

requests given how unduly burdensome they are. DP&L should not be subject to unduly burdensome discovery requests in a matter that has not been set for hearing.

B. EVEN IF OCC WAS ENTITLED TO CONDUCT DISCOVERY, MANY OF ITS DISCOVERY REQUESTS ARE OBJECTIONABLE

Even if OCC was entitled to conduct discovery in this case, many of its discovery requests are objectionable.

1. Many of OCC's Discovery Requests Are Improper Because They Will Interfere with the Sales Process

As stated in DP&L's Supplemental Application, ¶ 7, DP&L may transfer its generation assets to an affiliate, for that affiliate to sell them to a third party. OCC has proposed many discovery requests related to that sale process. For example, OCC First Set, INT 61 asks DP&L to "Please identify all the proposed terms and conditions of the sale or transfer of DP&L's generation assets." Similarly, OCC Second Set, INT 119 asks "Is there a minimum price for a third party to its assets that is acceptable to DP&L."

The discovery requests that OCC propounded that will interfere with the sale process include: OCC First Set, INT 1, 3, 4, 23, 46, 57, 59, 60, 61, 62, 64, 65, 66, 72, 95, 106, 107; RPD 12, 17, 18, 24, 25, 26, 27, 28, 31, 45; OCC Second Set, INT 114, 115, 116, 117, 118, 119, 120, 121, 122, 126, 143; RPD 49, 50, 51, 54, 57, 58, 59, 76, 79, 81, and 83.

It is unreasonable and inappropriate to conduct discovery as to a sales process that is ongoing. Indeed, potential buyers may be unwilling to participate in a sales process if they know that the sales process is subject to contemporaneous discovery. OCC's requests for discovery regarding a sales process that is ongoing will interfere with that process. The

Commission should thus rule that DP&L does not need to respond to discovery requests that seek information related to the ongoing sales process.

Further, that discovery is premature, because DP&L does not even know whether an asset sale agreement will be reached. It is unreasonable and premature to conduct discovery as to a sale process, for a sale that may never occur.

2. Many of OCC's Discovery Requests Are Overbroad

Many of OCC's discovery requests are overbroad, and it would be unduly burdensome for DP&L to respond to them. As but one example -- OCC's First Set, RPD 29 asks for "all documents in your possession, custody or control that pertain to 'current poor market conditions.'" Identifying and assembling documents responsive to that request alone would be an unduly burdensome task. In addition, many of OCC requests seek all documents that "pertain" to very broadly described matters, e.g., OCC Second Set RPD-49 (seeking all documents that pertain to factors leading DP&L to consider selling its generation assets).

OCC's unduly burdensome requests include OCC First Set INT-5, 6, 7, 8, 9, 10, 11, 20, 22, 23, 28, 30, 38, 40, 49, 50, 51, 52, 53, 54, 61, 72, 80, 84, 99, 105, 106, 107, 109, 110, 112; RPD-6, 7, 8, 9, 10, 11, 14, 15, 17, 18, 19, 20, 21, 22, 24, 25, 27, 29, 31, 32, 33, 34, 39, 42, 44, 46, 47; OCC's Second Set, INT-115, 116, 117, 126, 127, 131, 133, 134, 135, 138, 139, 140, 143, 144; RPD-49, 50, 51, 52, 53, 54, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86 and 87.

**3. OCC Is Not Entitled to Compel Discovery as to AES or
DPL Inc.**

Moreover, OCC seeks information and documents that are beyond the knowledge and control of DP&L. As the Commission has repeatedly held, affiliates of a utility are not subject to discovery. In the Matter of Duke Energy Ohio, Inc., No. 10-2586-EL-SSO, 2010 Ohio PUC LEXIS 1336, at *8-9 (PUCO Dec. 13, 2010) (granting IEU's motion to compel but limiting IEU's original request for "any studies or analysis conducted or commissioned by Duke or its affiliates regarding any revenues Duke's affiliated companies will receive if Duke remains a member of MISO or transitions to PJM" to "require Duke to produce only information and documents within the possession of Duke Energy Ohio, not its affiliates") (emphasis added); In the Matter of Manchester Group, LLC, No. 08-360-GA-CSS, 2009 Ohio PUC LEXIS 988, at *1-3 (Nov. 13, 2009 (denying complainant's motion to compel Columbia Gas to produce 'all documents and correspondence of Columbia and Columbia's affiliates, subsidiaries, and parent companies that relate to the sale of Columbia Service Partners (CSP) to the CSP Acquisition Company" as to the "document not in possession of Columbia 'because such request is overbroad, but granting the motion to compel as to the documents in the possession of Columbia) (emphasis added); Feb. 13, 2013 Transcript of Proceedings, p. 145 (Case No. 12-0426-EL-SSO) (denying motion to compel production of documents in possession of DP&L's affiliates at discovery conference).

OCC's discovery requests that expressly seek information from AES or DPL Inc. are OCC First Set, INT-4, 24, 95(b), and RPD-28, 36; and OCC Second Set, INT-132. AES and DPL Inc. are not subject to discovery in this matter, and the Commission should not require DP&L to respond to discovery requests.

**C. DP&L SHOULD NOT BE COMPELLED TO ASSEMBLE
PRIVILEGED DOCUMENTS AND PREPARE A PRIVILEGE LOG
UNTIL THE OTHER ISSUES IN THIS MOTION ARE RESOLVED**

Finally, many of OCC's discovery requests seek documents that are privileged.

Those privileged documents are in the custody of many different custodians, and assembling those privileged documents and creating a privilege log would require many hours of work by many different persons.

In light of the objections to OCC's discovery requests identified above, it would be unduly burdensome to require DP&L to assemble privileged documents and prepare a privilege log. Indeed, it would be unduly burdensome for DP&L even to determine which discovery requests seek privileged materials, because DP&L would need to identify which documents were responsive to each OCC request before DP&L could determine whether those documents are privileged. DP&L asks that it not be required to assemble privileged documents and prepare a privilege log, unless and until the Commission concludes that OCC is entitled to conduct discovery in this matter.

Respectfully submitted,

s/ Judi L. Sobecki

Judi L. Sobecki (0067186)

THE DAYTON POWER AND
LIGHT COMPANY

1065 Woodman Drive

Dayton, OH 45432

Telephone: (937) 259-7171

Telecopier: (937) 259-7178

Email: judi.sobecki@dplinc.com

s/ Jeffrey S. Sharkey

Charles J. Faruki (0010417)

(Counsel of Record)

Jeffrey S. Sharkey (0067892)

FARUKI IRELAND & COX P.L.L.

500 Courthouse Plaza, S.W.

10 North Ludlow Street

Dayton, OH 45402

Telephone: (937) 227-3705

Telecopier: (937) 227-3717

Email: cfaruki@ficlaw.com

Attorneys for The Dayton Power and
Light Company

CERTIFICATE OF SERVICE

I certify that a copy of the foregoing The Dayton Power and Light Company's Motion for a Protective Order has been served via electronic mail upon the following counsel of record, this 22nd day of April, 2014:

Rocco O. D'Ascenzo, Esq.
Associate General Counsel
Elizabeth Watts, Esq.
Associate General Counsel
DUKE ENERGY OHIO, INC.
139 East Fourth Street
1303-Main
Cincinnati, OH 45202
Elizabeth.Watts@duke-energy.com
Rocco.D'Ascenzo@duke-energy.com

Attorneys for Duke Energy Ohio, Inc.

David F. Boehm, Esq.
Michael L. Kurtz, Esq.
Jody Kyler Cohn, Esq.
BOEHM, KURTZ & LOWRY
36 East Seventh Street Suite 1510
Cincinnati, OH 45202-4454
dboehm@BKLawfirm.com
mkurtz@BKLawfirm.com
jkylercohn@BKLawfirm.com

Attorneys for Ohio Energy Group

Mark A. Whitt, Esq. (Counsel of Record)
Andrew J. Campbell, Esq.
Gregory L. Williams, Esq.
WHITT STURTEVANT LLP
The KeyBank Building
88 East Broad Street, Suite 1590
Columbus, OH 43215
whitt@whitt-sturtevant.com
campbell@whitt-sturtevant.com
Williams@whitt-sturtevant.com

Attorneys for Interstate Gas Supply, Inc.

Mark A. Hayden, Esq.
FIRSTENERGY SERVICE COMPANY
76 South Main Street
Akron, OH 44308
haydenm@firstenergycorp.com

James F. Lang, Esq.
CALFEE, HALTER & GRISWOLD LLP
1400 KeyBank Center
800 Superior Avenue
Cleveland, OH 44114
jlang@calfee.com

N. Trevor Alexander, Esq.
CALFEE, HALTER & GRISWOLD LLP
1100 Fifth Third Center
21 E. State St.
Columbus, OH 43215-4243
talexander@calfee.com

Attorneys for FirstEnergy Solutions Corp.

Melissa R. Yost, Esq., (Counsel of Record)
Maureen R. Grady, Esq.
Edmund "Tad" Berger, Esq.
Assistant Consumers' Counsel
Office of The Ohio Consumers' Counsel
10 West Broad Street, Suite 1800
Columbus, OH 43215-3485
yost@occ.state.oh.us
grady@occ.state.oh.us
berger@occ.state.oh.us

Attorneys for Office of the Ohio
Consumers' Counsel

Vincent Parisi, Esq.
Lawrence Friedeman, Esq.
Matthew White, Esq.
INTERSTATE GAS SUPPLY, INC.
6100 Emerald Parkway
Dublin, OH 43016
vparisi@igsenergy.com
@igsenergy.com
mswhite@igsenergy.com

Attorneys for Interstate Gas Supply, Inc.

Samuel C. Randazzo, Esq.
Frank P. Darr, Esq.
Matthew R. Pritchard, Esq.
MCNEES WALLACE & NURICK LLC
21 East State Street, 17th Floor
Columbus, OH 43215-4225
sam@mwncmh.com
fdarr@mwncmh.com
mpritchard@mwncmh.com

Attorneys for Industrial Energy Users-Ohio

Joseph M. Clark, Esq.
21 East State Street, Suite 1900
Columbus, OH 43215
joseph.clark@directenergy.com

Attorney for Direct Energy Services, LLC
and Direct Energy Business, LLC

Kimberly W. Bojko, Esq.
Mallory M. Mohler, Esq.
CARPENTER LIPPS & LELAND LLP
280 North High Street, Suite 1300
Columbus, OH 43215
Bouko@carpenterlipps.com
Mohler@carpenterlipps.com

Attorneys for The Ohio Manufacturers'
Association Energy Group

Amy B. Spiller, Esq.
Deputy General Counsel
Jeanne W. Kingery, Esq.
Associate General Counsel
DUKE ENERGY COMMERCIAL ASSET
MANAGEMENT, INC.
139 East Fourth Street
1303-Main
Cincinnati, OH 45202
Amy.Spiller@duke-energy.com
Jeanne.Kingery@duke-energy.com

Attorneys for Duke Energy Commercial
Asset Management, Inc.

Thomas W. McNamee, Esq.
Assistant Attorney General
Public Utilities section
180 East Broad Street, 6th Floor
Columbus, OH 43215-3793
thomas.mcnamee@puc.state.oh.us

Attorney for PUCO Staff

M. Howard Petricoff, Esq.
Gretchen L. Petrucci, Esq.
VORYS, SATER, SEYMOUR AND PEASE LLP
52 East Gay Street
P.O. Box 1008
Columbus, OH 43216-1008
mhpetricoff@vorys.com
glpetrucci@vorys.com

Attorneys for the Retail Energy Supply
Association

Anne M. Vogel, Esq.
American Electric Power Service
Corporation
155 West Nationwide Blvd., Suite 500
Columbus, OH 43215
amvogel@aep.com

Attorney for AEP Generation Resources
Inc.

s/ Jeffrey S. Sharkey
Jeffrey S. Sharkey

835019.1

EXHIBIT A

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of The)
Dayton Power and Light Company for) Case No. 13-2420-EL-UNC
Authority to Transfer or Sell Its)
Generation Assets.)

**INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS
PROPOUNDED UPON THE DAYTON POWER AND LIGHT COMPANY
BY
THE OFFICE OF THE OHIO CONSUMERS' COUNSEL**

**FIRST SET
(March 28, 2014)**

The Office of the Ohio Consumers' Counsel in the above-captioned proceeding before the Public Utilities Commission of Ohio submits the following Interrogatories and Requests for Production of Documents pursuant to Sections 4901-1-19, 4901-1-20 and 4901-1-22 of the Ohio Adm. Code for response by The Dayton Power and Light Company ("DP&L" or "Company") within the time period provided in the Commission's rules, and no later than any shorter period required by the Public Utilities Commission of Ohio or its authorized representative. An electronic response should be provided to the extent possible to the Office of the Ohio Consumers' Counsel at the following addresses:

Edmund "Tad" Berger, Counsel of Record
Maureen R. Grady
Assistant Consumers' Counsel

Office of the Ohio Consumers' Counsel
10 West Broad Street, Suite 1800
Columbus, Ohio 43215-3485
Telephone: (Berger) (614) 466-1292
Telephone: (Grady) (614) 466-9567
Edmund.berger@occ.ohio.gov
Maureen.grady@occ.ohio.gov

EXHIBIT A

Additionally, the Company must follow the instructions provided herein in responding to the inquiries. Definitions are provided below that are used in the Office of the Ohio Consumers' Counsel's discovery.

DEFINITIONS

As used herein the following definitions apply:

1. "Document" or "Documentation" when used herein, is used in its customary broad sense, and means all originals of any nature whatsoever, identical copies, and all non-identical copies thereof, pertaining to any medium upon which intelligence or information is recorded in your possession, custody, or control regardless of where located; including any kind of printed, recorded, written, graphic, or photographic matter and things similar to any of the foregoing, regardless of their author or origin. The term specifically includes, without limiting the generality of the following: punchcards, printout sheets, movie film, slides, PowerPoint slides, phonograph records, photographs, memoranda, ledgers, work sheets, books, magazines, notebooks, diaries, calendars, appointment books, registers, charts, tables, papers, agreements, contracts, purchase orders, checks and drafts, acknowledgments, invoices, authorizations, budgets, analyses, projections, transcripts, minutes of meetings of any kind, telegrams, drafts, instructions, announcements, schedules, price lists, electronic copies, reports, studies, statistics, forecasts, decisions, and orders, intra-office and inter-office communications, correspondence, financial data, summaries or records of conversations or interviews, statements, returns, diaries, workpapers, maps, graphs, sketches, summaries or reports of investigations or negotiations, opinions

or reports of consultants, brochures, bulletins, pamphlets, articles, advertisements, circulars, press releases, graphic records or representations or publications of any kind (including microfilm, videotape and records, however produced or reproduced), electronic (including e-mail), mechanical and electrical records of any kind and computer produced interpretations thereof (including, without limitation, tapes, tape cassettes, disks and records), other data compilations (including, source codes, object codes, program documentation, computer programs, computer printouts, cards, tapes, disks and recordings used in automated data processing together with the programming instructions and other material necessary to translate, understand or use the same), all drafts, prints, issues, alterations, modifications, changes, amendments, and mechanical or electric sound recordings and transcripts to the foregoing. A request for discovery concerning documents addressing, relating or referring to, or discussing a specified matter encompasses documents having a factual, contextual, or logical nexus to the matter, as well as documents making explicit or implicit reference thereto in the body of the documents. Originals and duplicates of the same document need not be separately identified or produced; however, drafts of a document or documents differing from one another by initials, interlineations, notations, erasures, file stamps, and the like shall be deemed to be distinct documents requiring separate identification or production. Copies of documents shall be legible.

2. "Communication" shall mean any transmission of information by oral, graphic, written, pictorial, or otherwise perceptible means, including, but not limited to,

telephone conversations, letters, telegrams, and personal conversations. A request seeking the identity of a communication addressing, relating or referring to, or discussing a specified matter encompasses documents having factual, contextual, or logical nexus to the matter, as well as communications in which explicit or implicit reference is made to the matter in the course of the communication.

3. The “substance” of a communication or act includes the essence, purport or meaning of the same, as well as the exact words or actions involved.
4. “And” or “Or” shall be construed conjunctively or disjunctively as necessary to make any request inclusive rather than exclusive.
5. “You,” and “Your,” or “Yourself” refer to the party requested to produce documents and any present or former director, officer, agent, contractor, consultant, advisor, employee, partner, or joint venturer of such party.
6. Each singular shall be construed to include its plural, and vice versa, so as to make the request inclusive rather than exclusive.
7. Words expressing the masculine gender shall be deemed to express the feminine and neuter genders; those expressing the past tense shall be deemed to express the present tense; and vice versa.
8. “Person” includes any firm, corporation, joint venture, association, entity, or group of natural individuals, unless the context clearly indicates that only a natural individual is referred to in the discovery request.
9. “Identify,” or “the identity of,” or “identified” means as follows:

- A. When used in reference to an individual, to state his full name and present or last known position and business affiliation, and his position and business affiliation at the time in question;
- B. When used in reference to a commercial or governmental entity, to state its full name, type of entity (e.g., corporation, partnership, single proprietorship), and its present or last known address;
- C. When used in reference to a document state the date, author, title, type of document (e.g., letter, memorandum, photograph, tape recording, etc.), general subject matter of the document, and its present or last known location and custodian;
- D. When used in reference to a communication, state the type of communication (i.e., letter, personal conversation, etc.), the date thereof, and the parties thereto and the parties thereto and, in the case of a conversation, to state the substance, place, and approximate time thereof, and identity of other persons in the presence of each party thereto;
- E. When used in reference to an act, state the substance of the act, the date, time, and place of performance, and the identity of the actor and all other persons present.
- F. When used in reference to a place, state the name of the location and provide the name of a contact person at the location (including that person's telephone number), state the address, and state a defining physical location (for example: a room number, file cabinet, and/or file designation).

10. The terms “PUCO” and “Commission” refer to the Public Utilities Commission of Ohio, including its Commissioners, personnel (including Persons working for the PUCO Staff as well as in the Public Utilities Section of the Ohio Attorney General’s Office), and offices.
11. The term “e.g.” connotes illustration by example, not limitation.
12. “OCC” means the Office of the Ohio Consumers’ Counsel.
13. “DP&L” means The Dayton Power and Light Company.

INSTRUCTIONS FOR ANSWERING

1. All information is to be divulged which is in your possession or control, or within the possession or control of your attorney, agents, or other representatives of yours or your attorney.
2. Where an interrogatory calls for an answer in more than one part, each part should be separate in the answer so that the answer is clearly understandable.
3. Each interrogatory shall be answered separately and fully in writing under oath, unless it is objected to, in which event the reasons for objection shall be stated in lieu of an answer. The answers are to be signed by the person making them, and the objections are to be signed by the attorney making them.
4. If any answer requires more space than provided, continue the answer on the reverse side of the page or on an added page.
5. Your organization(s) is requested to produce responsive materials and information within its physical control or custody, as well as that physically controlled or possessed by any other person acting or purporting to act on your behalf, whether as an officer, director, employee, agent, independent contractor, attorney,

consultant, witness, or otherwise.

6. Where these requests seek quantitative or computational information (e.g., models, analyses, databases, and formulas) stored by your organization(s) or its consultants in computer-readable form, in addition to providing hard copy (if an electronic response is not otherwise provided as requested), you are requested to produce such computer-readable information, in order of preference:
 - A. Microsoft Excel worksheet files on compact disk;
 - B. other Microsoft Windows or Excel compatible worksheet or database diskette files;
 - C. ASCII text diskette files; and
 - D. such other magnetic media files as your organization(s) may use.
7. Conversion from the units of measurement used by your organization(s) in the ordinary course of business need not be made in your response; e.g., data requested in kWh may be provided in mWh or gWh as long as the unit measure is made clear.
8. Unless otherwise indicated, the following requests shall require you to furnish information and tangible materials pertaining to, in existence, or in effect for the whole or any part of the period from January 1, 2000 through and including the date of your response.
9. Responses must be complete when made, and must be supplemented with subsequently acquired information at the time such information is available.
10. In the event that a claim of privilege is invoked as the reason for not responding to discovery, the nature of the information with respect to which privilege is claimed

shall be set forth in responses together with the type of privilege claimed and a statement of all circumstances upon which the respondent to discovery will rely to support such a claim of privilege (i.e. provide a privilege log). Respondent to the discovery must a) identify (see definition) the individual, entity, act, communication, and/or document that is the subject of the withheld information based upon the privilege claim, b) identify all persons to whom the information has already been revealed, and c) provide the basis upon which the information is being withheld and the reason that the information is not provided in discovery.

INTERROGATORIES

INT-1. Please identify all documents that will be used to determine the fair market value (FMV) for the transferred assets.

RESPONSE:

INT-2. Please explain why the FMV will be determined approximately 90 days before the transfer date.

RESPONSE:

INT-3. Please explain how DP&L expects to determine the FMV of the generation assets, identifying all documents relied on or expected to be relied on to determine the FMV.

RESPONSE:

INT-4. Have you retained an expert or outside consulting firm to assist in determining the FMV of the generation assets? If so, please identify that expert or consultant. Also please identify the department within the DP&L, DPL Inc., or AES that will be responsible for FMV evaluation and identify the individuals tasked with the responsibility to develop and or coordinate the fair market valuation.

RESPONSE:

INT-5. Please identify and define the “current poor market conditions” referred to in your Supplemental Application at 3, ¶9(b).

RESPONSE:

INT-6. Please identify and define “DP&L’s need for the SSR” that continues as referred to in your Supplemental Application at 3, ¶9(b). Identify how that need is measured.

RESPONSE:

INT-7. Page 3 of DP&L’s Supplemental Application refers to DP&L not being a structurally separated utility and financial losses in businesses (generation, transmission, or distribution) are financial losses for the entire utility;

- a) Which DP&L business experienced financial losses in 2012?
- b) Quantify the extent of the losses for each business unit in 2012.
- c) Which DP&L businesses experienced financial losses in 2013?
- d) Quantify the extent of the losses for each business in 2013.

RESPONSE:

INT-8. DP&L's Supplemental Application at page 3 discusses the "current poor market conditions" and "DP&L could sustain a serious, continuing financial loss";

- a) How does DP&L determine that market conditions are "currently poor";
- b) When did market conditions become "poor";
- c) Please identify the basis for your conclusion that "given poor market conditions, DP&L could sustain a serious, continuing financial loss that strongly supports the ongoing need to recover the SSR through the term of the ESP." (Supplemental Application at 3, ¶9(b)).
- d) Could any such continuing losses identified in (c) be recovered in future rate cases, if and when the losses occur?
- e) If the response to (d) is negative, please explain why any future financial loss could not be recovered through a future rate case?

RESPONSE:

INT-9. Please identify the “serious, continuing financial loss” for DP&L that is referred to in your Supplemental Application at 3, ¶9(b). Specify which of DP&L’s businesses (transmission, distribution, generation) are at risk of the serious, continuing financial loss and why.

RESPONSE:

INT-10. Please define what is meant by your “ongoing need to recover the SSR.” (Supplemental Application at 3, ¶9(a)). How is the ongoing need being measured—by what benchmark?

RESPONSE:

INT-11. Please identify the “future environmental liabilities associated with DP&L’s historic ownership of its generation facilities” referenced in its Supplemental Application at 3, ¶9(b). Identify these on a specific plant basis.

RESPONSE:

INT-12. Please explain how DP&L’s “incurrence of these liabilities is directly related to the rendering of service to standard service offer customers.” (Supplemental Application at 4, ¶9(b)).

RESPONSE:

INT-13. When were the environmental liabilities identified by DP&L?

RESPONSE:

INT-14. When was the utility service rendered to customers associated with the generation facilities that have future environmental liabilities?

RESPONSE:

INT-15. When does DP&L expect that it will know the extent of the future environmental liabilities associated with DP&L's historic ownership of its generation facilities?

RESPONSE:

INT-16. Please identify the "real property" referred to in the Supplemental Application at 4, ¶9(b).

RESPONSE:

INT-17. When does the Company expect to seek recovery for prudently incurred environmental clean-up costs?

RESPONSE:

INT-18. Please explain how the “real property” referred to in the Supplemental Application at 4, ¶9(b), had been used and useful for the production of electricity for the benefit of customers. Is the real property currently used and useful for the production of electricity for the benefit of customers?

RESPONSE:

INT-19. Please identify any “legal mandate to perform environmental investigation and remediation activities as to these generation facilities or sites” that you are aware of at this time. (Supplemental Application at 4, ¶9(b)).

RESPONSE:

INT-20. Please identify what environmental investigation and remediation activities are expected at “these generation facilities or sites.” (Supplemental Application at 4, ¶9(b)). Please identify “these generation facilities or sites.”

RESPONSE:

INT-21. Please explain how the environmental liabilities constitute prudently-incurred costs of providing utility service. Is the utility service you are referring to service that DP&L has provided in the past, or is it related to service provided in the future or currently being provided?

RESPONSE:

INT-22. Referring to your Supplemental Application at 4-5 (¶9(b)), please identify the expected level of deferred costs associated with environmental clean-up or remediation, along with the expected cost of debt for the carrying charges the period of deferral, and the period of future recovery.

RESPONSE:

INT-23. Please identify the “financing costs, redemption costs, amendment fees, investment banking fees, advisor costs, taxes and related costs” that you expect to incur to comply with the PUCO Order that DP&L separate its generation assets. Of these costs, please identify which are generation related, and which are “exclusive to the GenCo.”

RESPONSE:

INT-24. Please identify all efforts DP&L/AES has taken to obtain consent from other OVEC members to allow it to transfer its ownership in OVEC to a third party or one of its affiliates.

RESPONSE:

INT-25. Please identify the “recent experience of other OVEC Sponsoring Companies being unable to obtain the necessary consents from other OVEC members.” (Supplemental Application at 6, ¶9(d).

RESPONSE:

INT-26. Please identify the rights and obligations that DP&L asks to retain under the Restated Inter-Company Power Agreement.

RESPONSE:

INT-27. Please identify the “separate proceeding” where DP&L will seek resolution of retail rate issues relating to OVEC. (Supplemental Application at 6, ¶9(d) .

RESPONSE:

INT-28. Please identify the “retail rate issues relating to OVEC” referred to in the Supplemental Application at 6, ¶9 (d).

RESPONSE:

INT-29. Please identify the costs that DP&L seeks to defer associated with OVEC that are not currently being recovered through DP&L’s fuel rider.

RESPONSE:

INT-30. Please identify the OVEC costs that DP&L is currently recovering through its Fuel Rider, including the account number, the amount, a description of the charges, and who pays the charges.

RESPONSE:

INT-31. Are you collecting any OVEC costs through any other mechanism or rates (capacity rates, SSO rates, etc.) besides the Fuel Rider? If so, please identify the mechanism for such recovery, and identify how much is being recovered currently and from whom.

RESPONSE:

INT-32. Do you expect to share the revenues from OVEC sales with all customers or use those revenues to offset OVEC costs asked to be deferred? If so, please describe how this will be done.

RESPONSE:

INT-33. Regarding OVEC Sponsoring Companies being unable to obtain the necessary consents from other OVEC members to allow a member to transfer its ownership interest in OVEC to a stand-alone GenCo.;

- a) Did DP&L withhold its consent pertaining to AEP Ohio's request to transfer its contractual commitments to AEP Generation?
- b) Is DP&L aware of which sponsoring companies withheld consent?
- c) If the response to (b) is affirmative, please identify those companies.
- d) Other than AEP, has DP&L been requested by any OVEC member to consent to allow a member to transfer its ownership interest in OVEC to a stand-alone GenCo;

- e) If response to (d) is affirmative, has DP&L ever granted consent;
- f) If response to (e) is affirmative, what member(s) has DP&L granted consent;
- g) Has DP&L ever been requested by any OVEC member to consent to allow a member to transfer its ownership interest in OVEC to an affiliate of that member;
- h) If the response to (g) is affirmative, did DP&L grant its consent?

RESPONSE:

INT-34. Does DP&L expect to present a proposal similar to AEP Ohio with re: to resolving the retail rate issues related to OVEC? If so identify the similarities and differences in your proposal vs. AEP Ohio's proposal.

RESPONSE:

INT-35. Does DP&L expect to bid each of the generation related items associated with its OVEC entitlement (capacity, energy, and ancillaries) into the PJM market?

RESPONSE:

INT-36. Does DP&L expect that it will propose to bid the energy or capacity associated with its OVEC commitment into the SSO auction or use the energy or capacity to offset any of the SSO load included in the auction?

RESPONSE:

INT-37. Regarding future OVEC revenues;

- a) Does DP&L develop a forecast of future OVEC revenues?
- b) If yes, is the forecast of revenues by energy and capacity?
- c) If the response to (b) is yes, identify the capacity revenues expected from the OVEC entitlement over the forecast period;
- d) If the response to (b) is yes, identify the energy revenues expected from the OVEC entitlement over the forecast period;
- e) If the response to (a) is negative, explain why DP&L does not develop a forecast of future OVEC revenues.

RESPONSE:

INT-38. Please identify the ancillary service revenues expected from the OVEC entitlement over the next five years.

RESPONSE:

INT-39. Please define “temporarily” as used in the Supplemental Application at 7 (¶9(e)).

RESPONSE:

INT-40. Please identify the circumstances that have changed since the Commission approved the merger, as referred to in the Supplemental Application at 8, ¶9.

RESPONSE:

INT-41. Please explain why it is likely that DP&L’s equity ratio will fall below the 50% level in the course of the debt restructuring (Supplemental Application at 8, ¶9).

RESPONSE:

INT-42. Please identify the amount of total debt equal to 75% of rate base at the time of separation as referred to in the Supplemental Application at 8 (¶9).

RESPONSE:

INT-43. Please identify the “limited period of time” referred to in the Supplemental Application at 8 (¶9).

RESPONSE:

INT-44. Please define “market recovery” as used in the Supplemental Application at 8 (¶9).

RESPONSE:

INT-45. Please explain what you mean by “an ability to reallocate debt to its non-regulated affiliate” (Supplemental Application at 8, ¶9) and identify the conditions that affect this ability.

RESPONSE:

INT-46. Please identify the amount of new debt with terms that would preclude DP&L from transferring or selling its generation assets. (Supplemental Application at 9, ¶10(a)).

RESPONSE:

INT-47. Please identify the “cash flows in excess of those necessary for the ordinary operation of the business.” (Supplemental Application at 9, ¶10(b)). Please identify the cash flows necessary for the ordinary operation of the business.

RESPONSE:

INT-48. Please identify “today” (Supplemental Application at 9, ¶10(b)).

RESPONSE:

INT-49. Please identify “all new generation-related contracts.” (Supplemental Application at 9, ¶10(c)).

RESPONSE:

INT-50. Identify (by account and amount) (on a yearly basis) all OVEC costs allocated to DP&L in 2012, 2013, and to date.

RESPONSE:

INT-51. Identify (on a yearly basis) all energy revenues, ancillary service revenue, and capacity revenue DP&L received related to OVEC in 2012, 2013, and to date.

RESPONSE:

INT-52. Identify (on a yearly basis) OVEC’s kilowatt hour output for 2012, 2013 and to date that is allocable to DP&L under its power participation ratio.

RESPONSE:

INT-53. Identify (on a yearly basis) the amount of off-system sales margins DP&L made through OVEC for 2012, 2013 and to date.

RESPONSE:

INT-54. Identify (on a yearly basis) OVEC's projected kilowatt hour output allocable to DP&L for 2015 through 2020.

RESPONSE:

INT-55. Regarding the forecast of the delivered price of coal for OVEC;

- a) Does DP&L have any forecast of the delivered price of coal for OVEC;
- b) If the response to (a) is affirmative, provide the forecast on an annual basis for each year of the forecast period.

RESPONSE:

INT-56. What entity will receive the SSR revenues after corporate separation?

RESPONSE:

INT-57. Does DP&L expect that the FMV will be lower than the net book value of its generating assets as of November 30, 2013? If so what is this expectation based on? If not, why not?

RESPONSE:

INT-58. Please identify the specific amount of debt that is expected to be transferred with the generation assets.

RESPONSE:

INT-59. Does DP&L intend to transfer the land, contractual entitlements, and liabilities associated with the generation units it will be selling/transferring? If not, please explain what is intended to remain with DP&L and why.

RESPONSE:

INT-60. If DP&L's proposal to retain the responsibility for environmental liabilities with respect to transferred/sold generation facilities is accepted, how will the fair market value of the generation facilities be affected? Has DP&L quantified the effect of its proposal on the FMV of the units?

RESPONSE:

INT-61. Please identify all the proposed terms and conditions of the sale or transfer of DP&L's generation assets.

RESPONSE:

INT-62. Please identify how the sale or transfer of DP&L's generation assets will affect the current and future standard service offer established in Case No. 12-426-EL-SSO.

RESPONSE:

INT-63. Please explain how the proposed sale or transfer of DP&L's generation assets will affect the "public interest." See Ohio Admin. Code 4901:1-37-09(c)(3).

RESPONSE:

INT-64. Please identify the transferee or the buyer of the generating units.

RESPONSE:

INT-65. Please identify the date of the transfer or sale.

RESPONSE:

INT-66. Please identify the amount of the purchase price or transfer price.

RESPONSE:

INT-67. Please identify the legal authority under which the Commission can approve retention of environmental liabilities associated with the historical operation of generation units when those generation units are sold or transferred.

RESPONSE:

INT-68. Please identify the legal authority under which the PUCO can order that customers of DP&L must pay environmental clean-up costs.

RESPONSE:

INT-69. Please identify whether DP&L intends to apply off-system sales margins from OVEC against the costs it is requesting authority to defer for future collection.

RESPONSE:

INT-70. What impact will the proposed modification to your capital ratio have on the existing SSO and the future SSO?

RESPONSE:

INT-71. Under the terms of the Inter-Company Power Agreement (ICPA) could you transfer your interest in OVEC to one of your affiliates? If not, why not?

RESPONSE:

INT-72. Please identify the Fair Market Value of the generation assets that DP&L is transferring or selling to an affiliate or a third party.

RESPONSE:

INT-73. For those generating units that are jointly owned, has DP&L communicated with the joint owners to address issues pertaining to DP&L selling or transferring the generation assets to an affiliate or a third party? If so, please identify those communications.

RESPONSE:

INT-74. Will DP&L receive all the proceeds of the sale? If not, please explain.

RESPONSE:

INT-75. Please identify all current bonds or other debt securities if any that need to be refinanced in order to go forward with the sale or transfer of DP&L's generating assets.

RESPONSE:

INT-76. Please identify the refinancing costs DP&L expects to incur for the bonds or other debt securities identified in the preceding interrogatory in order to go forward with the sale or transfer of its generating assets.

RESPONSE:

INT-77. Please identify all safeguards proposed by DP&L to ensure that the remaining wires-only business maintains its financial integrity.

RESPONSE:

INT-78. Please identify all remediation efforts (on a plant by plant basis, with expenses identified, actions described, and dates the action was taken) that DP&L has undertaken with respect to the real property and/or generating assets that DP&L is either transferring to an affiliate or selling to a third party.

- a) Has DP&L collected any of the remediation costs from customers or other third parties? If so how, and when?
- b) Do DP&L's current distribution, generation, or transmission rates contain provisions that permit it to collect remediation costs from customers? If so please specifically identify what rates permit such a collection, and identify the PUCO docket and decision approving such treatment.
- c) Is there a baseline amount included in current distribution, generation, or transmission rates that pertains to remediation efforts for the generating facilities (including the real property)? If so please identify that baseline amount.

RESPONSE:

INT-79. Please identify all dividends paid by DP&L to its parent companies, DPL Inc. or AES, during 2013 and 2014 to date.

RESPONSE:

INT-80. Please explain how "poor market conditions" referenced at the Supplemental Application at 3, affect the transmission and distribution operations of DP&L. Would you agree that the poor market conditions relate to the generation business of DP&L only?

RESPONSE:

INT-81. Referring to page 3 of DP&L's Application of December 30, 2013, please state whether DP&L has completed redemption of First Mortgage Bonds that matured on October 1, 2013 with proceeds from a new bond issuance. If so, please state the terms of the new bond issuance.

RESPONSE:

INT-82. Referring to page 3 of DP&L's Application of December 30, 2013, please state whether DP&L has redeemed \$25 million of First Mortgage Bonds with cash from operations and when this occurred. If it has not occurred, please state whether DP&L intends to proceed with this redemption and when it is expected to occur.

RESPONSE:

INT-83. Referring to the 1998 Sargent and Lundy study of DP&L's generating facilities, presented in Case No. 99-1687-EL-ETP, please identify how much of the "post-retirement net decommissioning costs" pertain to remediation efforts.

RESPONSE:

INT-84. Please identify the exigent circumstances that DP&L is under that would justify permitting DP&L to defer OVEC costs and environmental remediation costs.

RESPONSE:

INT-85. Please explain why the OVEC costs and the environmental remediation costs should be treated any differently than ordinary utility expenses.

RESPONSE:

INT-86. How will DP&L determine whether the costs related to separation are incurred “exclusively” by the GenCo? What standards will DP&L use to make such a determination?

RESPONSE:

INT-87. Does DP&L expect that the costs related to separation will be one time non-recurring costs?

RESPONSE:

INT-88. Please identify the statutory authority for the PUCO to approve the riders requested in your Supplemental Application.

RESPONSE:

INT-89. Referring to page 3 of DP&L’s Application of December 30, 2013, please state whether DP&L has modified its First Mortgage Indenture to release the existing lien on the generating assets. If not, please explain why not. If DP&L is not maintaining its First Mortgage indenture, please explain.

RESPONSE:

INT-90. Referring to page 4 of DP&L's Application of December 30, 2013, please identify all generation assets that DP&L owns but does not operate.

Please state DP&L's current plans with respect to the disposition of these generating assets.

RESPONSE:

INT-91. Referring to page 6 of DP&L's Application of December 30, 2013, did Hutchings station close as of September 30, 2013? If not, please explain the status of Hutchings station since that date.

RESPONSE:

INT-92. Referring to page 6 of DP&L's Application of December 30, 2013, has DP&L developed a plan for cleanup or closure of Hutchings Station? If not, please explain why not.

RESPONSE

INT-93. Referring to page 6 of DP&L's Application of December 30, 2013, has DP&L developed a plan for cleanup or closure of Beckjord Generation Station Unit 6? If not, please explain why not.

RESPONSE:

INT-94. Referring to page 6 of DP&L's Application of December 30, 2013, please state whether DP&L has completed negotiations with respect to the union contract that expires on October 31, 2014. If so, please identify those provisions of the contract that provide "flexibility to address the operational changes in the business and cost structure that will be required to accomplish corporate separation."

RESPONSE:

INT-95. On page 2 of DP&L's Supplemental Application, it states that a sale of DP&L's generation assets to a third party could occur as early as 2014;

- a) Please provide the basis for this statement;
- b) Has DP&L or AES had preliminary discussions with any prospective buyers?

RESPONSE:

INT-96. Has DP&L received a legal opinion regarding DP&L's obligations with respect to any "environmental liabilities" referred to in its Supplemental Application? If so, please identify the "legal opinion." If the legal opinion is claimed to be privileged, please provide a privilege log.

RESPONSE:

INT-97. Please identify DP&L's most recently approved cost of debt.

RESPONSE:

INT-98. If DP&L's proposed deferral of OVEC costs were to be approved by the PUCO, please state when such deferral would commence and explain why.

RESPONSE:

INT-99. Please provide a detailed description of how "it is likely that DP&L's equity ratio will fall below the 50% level in the course of the debt restructuring necessary to achieve separation."

RESPONSE:

INT-100. Is it possible for DP&L to maintain a 50% equity ratio during "debt restructuring necessary to achieve separation"? If not, please explain why not.

RESPONSE:

INT-101. If maintaining a 50% equity ratio has a higher cost associated with it during the course of “debt restructuring necessary to achieve separation,” please provide a detailed analysis of the additional costs associated with maintaining a 50% equity ratio for such period. Indicate if these costs would be considered costs “related to separation incurred exclusively by the GenCo.” (Supplemental Application at 5, ¶9(d)).

RESPONSE:

INT-102. Does DP&L agree that if DP&L is permitted to utilize a higher level of debt financing to capitalize its operations during the period of divestiture that, in applying the Significantly Excessive Earnings Test (SEET), the PUCO should utilize DP&L’s actual capital structure to determine DP&L’s returns on capital during such period of time. If not, please explain why not?

RESPONSE:

INT-103. Is it DP&L’s position that it currently has debt “with terms that would preclude DP&L from transferring or selling its generation assets”? If so, please identify such debt and identify the terms that preclude DP&L from transferring or selling its generation assets.

RESPONSE:

INT-104. Please state whether there is a net book value associated with OVEC's generating assets and, if so, what the amount was as of November 30, 2013 and what it is projected to be at November 30, 2014.

RESPONSE:

INT-105. Referring to DP&L's 2013 10K at 15-21, you report on "Environmental Matters," including "Environmental Matters Related to Air Quality," "Litigation, Notices of Violation and Other Matters Related to Air Quality," and "Environmental Matters Related to Water Quality, Waste Disposal and Ash Ponds ." Please identify for each of the specific items discussed in each of these sections of the 10K, whether they are:

- a. Considered part of the "future environmental liabilities associated with DP&L's historic ownership of its generation facilities."
(Supplemental Application at 3, ¶9(b).
- b. Considered part of "these environmental liabilities" referred to at page 4 of the Supplemental Application.
- c. Considered part of the "prudently incurred environmental clean-up cost for real property that had been used and useful for the production of electricity for the benefit of customers of DP&L, in compliance with federal and state rules and regulations."
(Supplemental Application at 4).

- d. Considered to potentially be part of the “legal mandate to perform environmental investigation and remediation activities as to these generation facilities or sites.” (Supplemental Application at 4).
- e. Considered “environmental liabilities imposed by law, and constitute prudently-incurred costs of providing utility service.” (Supplemental Application at 4).
- f. Considered part of the costs that DP&L is seeking authority to defer as “environmental clean-up or remediation incurred by DP&L because of its ownership or operation of the electric generating assets, and imposed in the future pursuant to federal or state law, rules or regulations.”

RESPONSE:

INT-106. Please explain how the outcome of the rehearing petitions could have effects on DP&L’s plans for its generation assets. (Application at 3, ¶7.)

RESPONSE:

INT-107. Please identify the issues decided on rehearing of DP&L’s ESP that affect DP&L’s plans for its generation assets. (Application at 3).

RESPONSE:

INT-108. Please identify the “optimum mix of coal quality versus cost that allows it [DP&L] to maximize its margin in the wholesale electricity market.”

RESPONSE:

INT-109. Please identify the level of staffing that allows DP&L to continue to operate and to maintain its operations at optimum availability but with the appropriate level of Staff.

RESPONSE:

INT-110. Please identify the needs of the generation business as referred to at page 4 of its Application.

RESPONSE:

INT-111. Please identify the “changes to DP&L’s First Mortgage Indenture” that will ultimately be required to release the existing lien on the generating assets should DP&L opt to maintain its current First Mortgage Indenture,” referred to in its Application at 3.

RESPONSE:

INT-112. Please identify the possible solutions to the problems related to the complex financing issues that DP&L will need to resolve prior to separation of generation assets, referred to at page 6-7 of DP&L's Application.

RESPONSE:

INT-113. Please identify all communications with the PUCO since the Application in this proceeding was filed that pertain to issues raised in this proceeding.

RESPONSE:

REQUESTS FOR PRODUCTION OF DOCUMENTS

- RPD-1. Please provide a copy of all discovery requests served upon DP&L (as well as PUCO Staff's formal and informal data requests), including all request for production of documents, and DP&L's responses thereto.
- RPD-2. Please provide a copy of all documents shown to or provided to the PUCO (excluding those publicly docketed) that pertain to issues raised by DP&L's Application and its Supplemental Application.
- RPD-3. Referring to page 3 of DP&L's Application of December 30, 2013, if DP&L has refinanced its October 1, 2013 maturity First Mortgage Bonds with a new bond issuance, please provide the prospectus for that bond issuance.
- RPD-4. Referring to page 3 of DP&L's Application of December 30, 2013, if DP&L has modified its First Mortgage indenture or is no longer maintaining it, please provide any and all documentation indicating such changes or termination of the First Mortgage indenture.
- RPD-5. Referring to pages 3-4 of DP&L's Application of December 30, 2013, please provide DP&L's "in-depth analysis of fixed and variable costs."
- RPD-6. Referring to pages 3-4 of DP&L's Application of December 30, 2013, please provide DP&L's "thorough evaluation of planned capital expenditures."
- RPD-7. Referring to page 4 of DP&L's Application of December 30, 2013, please provide DP&L's evaluation of "the optimum mix of coal quality versus cost that allows it to maximize its margin in the wholesale electricity market."

- RPD-8. Referring to page 4 of DP&L's Application of December 30, 2013, please provide DP&L's evaluation of the "level of staffing that allows it to continue to operate and to maintain its operations at optimum availability but with the appropriate level of staff."
- RPD-9. Referring to page 4 of DP&L's Application of December 30, 2013, please provide DP&L's evaluation of "the level of contract labor required to maintain the facilities."
- RPD-10. Referring to page 4 of DP&L's Application of December 30, 2013, please provide DP&L's evaluation of "the needs of the generation businesses" with respect to support services to be provided by DP&L's newly-formed service company.
- RPD-11. Referring to page 4 of DP&L's Application of December 30, 2013, please provide DP&L's evaluation to optimize plant efficiency, including heat content of the coal and utilization of by-products of the combustion process in reuse applications.
- RPD-12. Referring to page 5 of DP&L's Application of December 30, 2013, please provide any and all documentation regarding the disposition of DP&L's interest in plants that it owns but does not operate.

- RPD-13. Referring to pages 5-6 of DP&L's Application of December 30, 2013, please provide any and all documentation regarding disposition of DP&L's OVEC interest, including but not limited to internal and external correspondence and analysis of its contractual obligations.
- RPD-14. Referring to page 6 of DP&L's Application of December 30, 2013, please provide any and all documentation of DP&L's evaluation and plan for cleanup and closure of Hutchings station.
- RPD-15. Referring to page 6 of DP&L's Application of December 30, 2013, please provide any and all documentation of DP&L's evaluation and plan for cleanup and closure of Beckjord station Unit 6.
- RPD-16. Referring to page 6 of DP&L's Application of December 30, 2013, if a new union contract is in place, please provide the new union contract.
- RPD-17. Please provide a copy of the "data that DP&L is gathering regarding fair market value of the generation assets. (See Application at 2, ¶5).
- RPD-18. Please provide a copy of all documents relating to DP&L's definitive plan for separation that DP&L is developing. (Application at 2, ¶4).
- RPD-19. Please provide a copy of all documents pertaining to DP&L's "in-depth analysis of fixed and variable costs" referred to in its Application at 3-4.
- RPD-20. Please provide a copy of all documents related to DP&L's "thorough evaluation of planned capital expenditures" referred to in its Application at 4.

- RPD-21. Please provide a copy of all documents related to DP&L's determination of the needs of the generation business referred to in its Application at 4.
- RPD-22. Please provide copies of all documents pertaining to DP&L's comprehensive program utilizing industry best practices to ensure that plant efficiency is being optimized, referred to in its Application at 4.
- RPD-23. Please provide a copy of all documents related to DP&L's analysis of its contractual obligations re: to OVEC, as referred to in its Application at 6.
- RPD-24. Please provide any and all documentation bearing upon the statement that a sale of DP&L's generation assets to a third party could occur as early as 2014.
- RPD-25. Please provide a copy of all documents that pertain to you considering a transfer of your generation assets to an affiliated GenCo at fair market value on or before May 31, 2017.
- RPD-26. Please provide a copy of all documents pertaining to the FMV of the generation assets to be transferred at market value on or before May 31, 2017.
- RPD-27. Please provide a copy of all documents pertaining to you considering the transfer of your generation assets to an unregulated affiliate via an internal restructuring involving a distribution and contribution of those assets.
- RPD-28. Please provide a copy of all documents pertaining to DP&L and AES' evaluation of the transfer of DP&L's generation assets to an unaffiliated third party through a potential sale.

- RPD-29. Please provide a copy of all documents in your possession, custody or control that pertain to “current poor market conditions” referred to in your Supplemental Application at 3. If there are other documents that you rely upon to conclude there are “current poor market conditions” provide a copy of those as well.
- RPD-30. Please provide any and all documentation in your possession that the PUCO “ordered the divestiture of the generation assets without regard for market conditions” as stated on page 3 of the Supplemental Application.
- RPD-31. Please provide any and all documents that DP&L prepared in advance of its Supplemental Application filing that shows that it “could sustain a serious, continuing financial loss” as stated on page 4 of its Supplemental Application
- RPD-32. Please provide any and all documents that DP&L prepared in advance of its Supplemental Application filing that shows that DP&L’s potential financial losses “strongly supports the ongoing need to recover the SSR throughout the term of the ESP” as stated on page 4 of the Supplemental Application. If any such documents were prepared after the date of filing of the Supplemental Application, please provide them, separately identifying the date the document was prepared.
- RPD-33. Please provide a copy of all documents that pertain to “DP&L’s need for the SSR” as referred to in your Supplemental Application at 3.

- RPD-34. Please provide a copy of all documents pertaining to the financial losses that DP&L is currently suffering or projected to suffer in its generation, transmission or distribution businesses.
- RPD-35. Please provide a copy of all documents pertaining to DP&L's estimates of responsibility for future environmental liabilities associated with its historic ownership of its generation facilities.
- RPD-36. Please provide a copy of all documents pertaining to your (DP&L, AES) assessment of "future environmental liabilities associated with DP&L's historic ownership of its generation facilities" referenced in its Supplemental Application at 3.
- RPD-37. Please provide any and all documents upon which you relied to state that the environmental liabilities addressed in DP&L's filing are "imposed by law." If such documents constitute attorney-client privilege or attorney work-product, please provide a privilege log for the same.
- RPD-38. Please provide a complete copy of the OVEC Inter-Company Power agreement along with any modifications or amendments to that agreement including the Amended and Restated ICPA effective August 11, 2011.
- RPD-39. Please provide any and all documents regarding DP&L's decision-making associated with extending the term of the Inter-Company Power Agreement through June 30, 2040.

- RPD-40. Please provide any and all documents of “recent experience of other OVEC Sponsoring Companies being unable to obtain the necessary consents from other OVEC members to allow a member to transfer its ownership interest in OVEC to a stand-alone GenCo.”
- RPD-41. Please provide any and all documents DP&L has with respect to requests of other OVEC Sponsoring Companies to obtain the necessary consents from OVEC members to allow a member to transfer its ownership interest in OVEC to a stand-alone GenCo. Include any and all documents concerning such requests, including DP&L’s internal documents and other OVEC members’ documents addressing such requests.
- RPD-42. Please provide any and all documents in DP&L’s possession, including any documents prepared by DP&L, its affiliated companies or other OVEC members, that show estimates of OVEC charges and of DP&L’s share of such charges for the period during which DP&L may seek recovery of OVEC charges.
- RPD-43. Please provide any and all documents in DP&L’s possession, including any documents prepared by DP&L or its affiliated companies or other OVEC members, that show estimates of OVEC net power and energy produced by OVEC’s two generating stations, including DP&L’s share of such net power and energy produced, for the period during which DP&L may seek recovery of OVEC charges.

- RPD-44. Please provide all documents that underlie the net book value of DP&L's generating assets as of November 30, 2013. If that net book value has changed since that time, please provide documents that support the change in net book value.
- RPD-45. Please provide a copy of the most recent forecasts of DP&L pertaining to the ROE expected to be earned on transmission, distribution, and regulatory assets.
- RPD-46. If the answer to INT-81 or 82 is yes, please provide any and all documentation of DP&L's efforts to restructure the terms of DP&L's debt so that it is not precluded from transferring or selling its generation assets.
- RPD-47. With respect to DP&L's plan to use "cash flows in excess of those necessary for the ordinary operation of the business to pay down debt between today and the Separation Date," please provide any and all documents showing estimates of DP&L's ability and/or plans to pay down such debt with such cash flows. If no such documents have yet been prepared, please provide an estimate of DP&L's ability to pay down debt before the anticipated separation date.

CERTIFICATE OF SERVICE

I hereby certify that a copy of these *Interrogatories and Request for Production of Documents Propounded upon the Dayton Power and Light Company, First Set*, was served on the persons stated below via electronic transmission, this 28th day of March, 2014.

/s/ Maureen R. Grady

Maureen R. Grady

Assistant Consumers' Counsel

SERVICE LIST

Thomas.mcnamee@puc.state.oh.us
Amy.spiller@duke-energy.com
Jeanne.kingery@duke-energy.com
Joseph.clark@directenergy.com
sam@mwncmh.com
fdarr@mwncmh.com
joliker@mwncmh.com
mpritchard@mwncmh.com
whitt@whitt-sturtevant.com
campbell@whitt-sturtevant.com
williams@whitt-sturtevant.com
vparisi@igsenergy.com
lfriedeman@igsenergy.com
mswhite@igsenergy.com
amvogel@aep.com

haydenm@firstenergycorp.com
jmcdermott@firstenergycorp.com
jang@calfee.com
alexander@calfee.com
Judi.sobecki@dplinc.com
cfaruki@ficlaw.com
jsharkey@ficlaw.com
Rocco.dascenzo@duke-energy.com
dboehm@BKLawfirm.com
mkurtz@BKLawfirm.com
jkylercohn@BKLawfirm.com
Bojko@carpenterlipps.com
mohler@carpenterlipps.com
cmooney@ohiopartners.org

EXHIBIT B

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of The)
Dayton Power and Light Company for) Case No. 13-2420-EL-UNC
Authority to Transfer or Sell Its)
Generation Assets.)

**INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS
PROPOUNDED UPON THE DAYTON POWER AND LIGHT COMPANY
BY
THE OFFICE OF THE OHIO CONSUMERS' COUNSEL**

**SECOND SET
(April 11, 2014)**

The Office of the Ohio Consumers' Counsel in the above-captioned proceeding before the Public Utilities Commission of Ohio submits the following Interrogatories and Requests for Production of Documents pursuant to Sections 4901-1-19, 4901-1-20 and 4901-1-22 of the Ohio Adm. Code for response by The Dayton Power and Light Company ("DP&L" or "Company") within the time period provided in the Commission's rules, and no later than any shorter period required by the Public Utilities Commission of Ohio or its authorized representative. An electronic response should be provided to the extent possible to the Office of the Ohio Consumers' Counsel at the following addresses:

Edmund "Tad" Berger, Counsel of Record
Maureen R. Grady
Assistant Consumers' Counsel

Office of the Ohio Consumers' Counsel
10 West Broad Street, Suite 1800
Columbus, Ohio 43215-3485
Telephone: (Berger) (614) 466-1292
Telephone: (Grady) (614) 466-9567
Edmund.berger@occ.ohio.gov
Maureen.grady@occ.ohio.gov

EXHIBIT B

Additionally, the Company must follow the instructions provided herein in responding to the inquiries. Definitions are provided below that are used in the Office of the Ohio Consumers' Counsel's discovery.

DEFINITIONS

As used herein the following definitions apply:

1. "Document" or "Documentation" when used herein, is used in its customary broad sense, and means all originals of any nature whatsoever, identical copies, and all non-identical copies thereof, pertaining to any medium upon which intelligence or information is recorded in your possession, custody, or control regardless of where located; including any kind of printed, recorded, written, graphic, or photographic matter and things similar to any of the foregoing, regardless of their author or origin. The term specifically includes, without limiting the generality of the following: punchcards, printout sheets, movie film, slides, PowerPoint slides, phonograph records, photographs, memoranda, ledgers, work sheets, books, magazines, notebooks, diaries, calendars, appointment books, registers, charts, tables, papers, agreements, contracts, purchase orders, checks and drafts, acknowledgments, invoices, authorizations, budgets, analyses, projections, transcripts, minutes of meetings of any kind, telegrams, drafts, instructions, announcements, schedules, price lists, electronic copies, reports, studies, statistics, forecasts, decisions, and orders, intra-office and inter-office communications, correspondence, financial data, summaries or records of conversations or interviews, statements, returns, diaries, workpapers, maps, graphs, sketches, summaries or reports of investigations or negotiations, opinions

or reports of consultants, brochures, bulletins, pamphlets, articles, advertisements, circulars, press releases, graphic records or representations or publications of any kind (including microfilm, videotape and records, however produced or reproduced), electronic (including e-mail), mechanical and electrical records of any kind and computer produced interpretations thereof (including, without limitation, tapes, tape cassettes, disks and records), other data compilations (including, source codes, object codes, program documentation, computer programs, computer printouts, cards, tapes, disks and recordings used in automated data processing together with the programming instructions and other material necessary to translate, understand or use the same), all drafts, prints, issues, alterations, modifications, changes, amendments, and mechanical or electric sound recordings and transcripts to the foregoing. A request for discovery concerning documents addressing, relating or referring to, or discussing a specified matter encompasses documents having a factual, contextual, or logical nexus to the matter, as well as documents making explicit or implicit reference thereto in the body of the documents. Originals and duplicates of the same document need not be separately identified or produced; however, drafts of a document or documents differing from one another by initials, interlineations, notations, erasures, file stamps, and the like shall be deemed to be distinct documents requiring separate identification or production. Copies of documents shall be legible.

2. "Communication" shall mean any transmission of information by oral, graphic, written, pictorial, or otherwise perceptible means, including, but not limited to,

telephone conversations, letters, telegrams, and personal conversations. A request seeking the identity of a communication addressing, relating or referring to, or discussing a specified matter encompasses documents having factual, contextual, or logical nexus to the matter, as well as communications in which explicit or implicit reference is made to the matter in the course of the communication.

3. The “substance” of a communication or act includes the essence, purport or meaning of the same, as well as the exact words or actions involved.
4. “And” or “Or” shall be construed conjunctively or disjunctively as necessary to make any request inclusive rather than exclusive.
5. “You,” and “Your,” or “Yourself” refer to the party requested to produce documents and any present or former director, officer, agent, contractor, consultant, advisor, employee, partner, or joint venturer of such party.
6. Each singular shall be construed to include its plural, and vice versa, so as to make the request inclusive rather than exclusive.
7. Words expressing the masculine gender shall be deemed to express the feminine and neuter genders; those expressing the past tense shall be deemed to express the present tense; and vice versa.
8. “Person” includes any firm, corporation, joint venture, association, entity, or group of natural individuals, unless the context clearly indicates that only a natural individual is referred to in the discovery request.
9. “Identify,” or “the identity of,” or “identified” means as follows:

- A. When used in reference to an individual, to state his full name and present or last known position and business affiliation, and his position and business affiliation at the time in question;
- B. When used in reference to a commercial or governmental entity, to state its full name, type of entity (e.g., corporation, partnership, single proprietorship), and its present or last known address;
- C. When used in reference to a document state the date, author, title, type of document (e.g., letter, memorandum, photograph, tape recording, etc.), general subject matter of the document, and its present or last known location and custodian;
- D. When used in reference to a communication, state the type of communication (i.e., letter, personal conversation, etc.), the date thereof, and the parties thereto and the parties thereto and, in the case of a conversation, to state the substance, place, and approximate time thereof and identity of other persons in the presence of each party thereto;
- E. When used in reference to an act, state the substance of the act, the date, time, and place of performance, and the identity of the actor and all other persons present.
- F. When used in reference to a place, state the name of the location and provide the name of a contact person at the location (including that person's telephone number), state the address, and state a defining physical location (for example: a room number, file cabinet, and/or file designation).

10. The terms “PUCO” and “Commission” refer to the Public Utilities Commission of Ohio, including its Commissioners, personnel (including Persons working for the PUCO Staff as well as in the Public Utilities Section of the Ohio Attorney General’s Office), and offices.
11. The term “e.g.” connotes illustration by example, not limitation.
12. “OCC” means the Office of the Ohio Consumers’ Counsel.
13. “DP&L” means The Dayton Power and Light Company.

INSTRUCTIONS FOR ANSWERING

1. All information is to be divulged which is in your possession or control, or within the possession or control of your attorney, agents, or other representatives of yours or your attorney.
2. Where an interrogatory calls for an answer in more than one part, each part should be separate in the answer so that the answer is clearly understandable.
3. Each interrogatory shall be answered separately and fully in writing under oath, unless it is objected to, in which event the reasons for objection shall be stated in lieu of an answer. The answers are to be signed by the person making them, and the objections are to be signed by the attorney making them.
4. If any answer requires more space than provided, continue the answer on the reverse side of the page or on an added page.
5. Your organization(s) is requested to produce responsive materials and information within its physical control or custody, as well as that physically controlled or possessed by any other person acting or purporting to act on your behalf, whether as an officer, director, employee, agent, independent contractor, attorney,

consultant, witness, or otherwise.

6. Where these requests seek quantitative or computational information (e.g., models, analyses, databases, and formulas) stored by your organization(s) or its consultants in computer-readable form, in addition to providing hard copy (if an electronic response is not otherwise provided as requested), you are requested to produce such computer-readable information, in order of preference:
 - A. Microsoft Excel worksheet files on compact disk;
 - B. other Microsoft Windows or Excel compatible worksheet or database diskette files;
 - C. ASCII text diskette files; and
 - D. such other magnetic media files as your organization(s) may use.
7. Conversion from the units of measurement used by your organization(s) in the ordinary course of business need not be made in your response; e.g., data requested in kWh may be provided in mWh or gWh as long as the unit measure is made clear.
8. Unless otherwise indicated, the following requests shall require you to furnish information and tangible materials pertaining to, in existence, or in effect for the whole or any part of the period from January 1, 2000 through and including the date of your response.
9. Responses must be complete when made, and must be supplemented with subsequently acquired information at the time such information is available.
10. In the event that a claim of privilege is invoked as the reason for not responding to discovery, the nature of the information with respect to which privilege is claimed

shall be set forth in responses together with the type of privilege claimed and a statement of all circumstances upon which the respondent to discovery will rely to support such a claim of privilege (i.e. provide a privilege log). Respondent to the discovery must a) identify (see definition) the individual, entity, act, communication, and/or document that is the subject of the withheld information based upon the privilege claim, b) identify all persons to whom the information has already been revealed, and c) provide the basis upon which the information is being withheld and the reason that the information is not provided in discovery.

INTERROGATORIES

INT-114. Please explain how the PJM capacity price for 2016/2017 delivery year of \$59.37 caused DP&L to explore the possible sale of its generation assets to a third party. (Supplemental Reply Comments at 2)

RESPONSE:

INT-115. Referring to DP&L's Supplemental Reply Comments at 3, please identify the "changes in market conditions" that caused DP&L to explore the possible sale of its generation assets to a third party.

RESPONSE:

INT-116. Please identify **all** "material changes in market conditions" that DP&L is aware of (Supplemental Reply Comments at 3) and that affected its decision to explore the possible sale of its generation assets to a third party.

RESPONSE:

INT-117. Referring to DP&L's Supplemental Reply Comments at 3, please identify the "other factors" that contributed to DP&L's decision to explore the possible sale of its generation assets to a third party.

RESPONSE:

INT-118. Please identify the price that the generating assets must be purchased at that would allow DP&L to maintain its financial integrity. (Supplemental Reply Comments at 3).

RESPONSE:

INT-119. Is there a minimum price for a third party to purchase its assets that is acceptable to DP&L? If so what are the parameters that make up the minimum price?

RESPONSE:

INT-120. How has, or will, DP&L determine the minimum price that will allow it to maintain its financial integrity?

RESPONSE:

INT-121. Will transferring DP&L's assets at fair market value jeopardize its financial integrity? If so, please explain how.

RESPONSE:

INT-122. How will DP&L measure whether the sale of its generating assets to a third party will jeopardize its financial integrity?

RESPONSE:

INT-123. Please explain why if DP&L's generation assets are to be transferred to and retained by an affiliate that transfer will not happen "for years." (See Supplemental Reply Comments at 4).

RESPONSE:

INT-124. Please identify the affiliate of DP&L that would be transferred the assets if the assets are not transferred to a third-party buyer.

RESPONSE:

INT-125. Does DP&L's ability to transfer the assets to an affiliate depend on the continuation of the SSR? If so, please explain why.

RESPONSE:

INT-126. If the generation assets are transferred to an affiliate how will DP&L determine the FMV of the units?

RESPONSE:

INT-127. If DP&L's generation assets are transferred to and retained by an affiliate, what are the factors that necessitate that "that transfer will not happen for years?" (Supplemental Reply Comments at 4)

RESPONSE:

INT-128. Referring to the preceding interrogatory, define “years.”

RESPONSE:

INT-129. What price would “allow DP&L to pay off a significant portion” of its outstanding indebtedness of \$876.9 million. (See Supplemental Reply Comments at 5).

RESPONSE:

INT-130. Please identify, separately, the amount of generation, transmission, and distribution assets associated with DP&L’s \$876.9 million debt.

RESPONSE:

INT-131. Please identify the “current market conditions and expectations” referred to at page 5 of the Supplemental Reply Comments that require the SSR to continue if DP&L is to sell its generation assets to a third party before the Commission-imposed deadline of January 1, 2016.

RESPONSE:

INT-132. Has DP&L or DPL Inc. performed an impairment analysis with respect to its generating units in 2013 or 2014? If so when was the analysis conducted and what was the result of the analysis?

RESPONSE:

INT-133. Please identify the “regulations being proposed” that would require DP&L to incur costs to remediate its generation facilities for conduct that occurred at those facilities while DP&L owned the assets and they were being used to provide service to Ohio customers. (Supplemental Reply Comments at 7).

RESPONSE:

INT-134. Please define “environmental liabilities” as used in DP&L’s Supplemental Reply Comments at 7. Do environmental liabilities include retrofits or changes to generating units that are made in compliance with future legislation?

RESPONSE:

INT-135. Please identify, by generating unit, the date when DP&L first became aware that there might be future environmental liabilities associated with its generating assets or the real property on which those generating assets are located.

RESPONSE:

INT-136. Please identify the rate recovery DP&L will seek in a separate proceeding for retail rate issues relating to OVEC (Supplemental Reply Comments at 12).

RESPONSE:

INT-137. Please identify the “timely process of seeking consent” that DP&L refers to at page 12 of its Supplemental Reply Comments.

RESPONSE:

INT-138. Please identify each of the conditions of Section 9.183 of the Amended And Restated Inter-company Power Agreement that can be satisfied by DP&L. For those conditions that cannot be satisfied, please explain why they cannot be satisfied.

RESPONSE:

INT-139. Define the “poor market conditions” referred to on page 15 of DP&L’s Supplemental Reply Comments.

RESPONSE:

INT-140. Please identify the basis for the statement that the unregulated affiliate will not be able to support any transfer of debt (Supplemental Reply Comments at 15).

RESPONSE:

INT-141. Please identify the entity referred to when DP&L states that “[t]he parent’s lack of creditworthiness impedes its ability to support utility-level debt. “ (Supplemental Reply Comments at 15)

RESPONSE:

INT-142. Please identify the basis of the statement that “negative retained earnings may be unavoidable, absent a deferral of the separation date.”
(Supplemental Reply Comments at 15).

RESPONSE:

INT-143. Please identify the basis of DP&L’s expectation that the anticipated FMV of the generation assets is expected to be adversely impacted by the poor market conditions.

RESPONSE:

INT-144. Of the costs identified in the Supplemental Application at ¶9(c) please identify what the actual costs incurred to date are, identifying the date the costs were incurred, the amount of the costs, the category of costs, and whether the costs are generation related or distribution related.

RESPONSE:

INT-145. Please identify all communications with the PUCO that pertain to issues raised in this proceeding.

RESPONSE:

REQUESTS FOR PRODUCTION OF DOCUMENTS

- RPD-48. Referring to the 2013 Form 10 K that was filed, specifically page 142, you state that “[w]e evaluate the potential liability related to environmental matters quarterly and may revise our estimates.” Please provide a copy of all documents that pertain to the quarterly evaluations and any revisions thereto for 2013 and 2014 to date.
- RPD-49. Referring to the information that has been requested in OCC INT-117 , please provide a copy of all documents that pertain to the “other factors” that contributed to DP&L’s decision to explore the possible sale of its generation assets to a third party.
- RPD-50. Referring to the information that has been requested in OCC INT-118, please provide a copy of all documents that pertain to identifying a price that the generating assets must be purchased at to allow DP&L to maintain its financial integrity.
- RPD-51. If the response to OCC INT-121 is affirmative, please provide a copy of all documents that pertain to DP&L’s conclusion, including documents with financial projections and including studies and analysis that has been undertaken by or on behalf of DP&L.

- RPD-52. Referring to the information that has been requested in OCC INT-123, please provide a copy of all documents that pertain to DP&L's conclusion that the transfer will not happen "for years".
- RPD-53. Referring to the information that has been requested in OCC INT-131, please provide a copy of all documents that pertain to the current market conditions and expectations.
- RPD-54. Referring to the information that has been requested in OCC INT-116, please provide a copy of all documents that pertain to the material changes in market conditions that affected its decision to explore the possible sale of its generation assets to a third party.
- RPD-55. Referring to the information that has been requested in OCC INT-127, please provide a copy of all documents that pertain to the delayed transfer of the assets to an affiliate.
- RPD-56. Referring to the information that has been requested in OCC INT-132, please provide a copy of all documents that pertain to any impairment analysis, including studies, workpapers, and memoranda explaining or discussing the impairment analysis.

- RPD-57. Referring to the information that has been requested in OCC INT-119 and 120, please provide a copy of all documents that pertain to developing the minimum price and to how DP&L will determine the minimum price, and how DP&L did determine the minimum price.
- RPD-58. Referring to the information that has been requested in OCC INT-121, please provide a copy of all documents that pertain to how DP&L will measure and does measure whether the sale of its generating assets to a third party will jeopardize its financial integrity.
- RPD-59. Referring to the information that has been requested in OCC INT-126, please provide a copy of all documents that pertain to the determination of the FMV of the units.
- RPD-60. If the response to OCC INT-125 is affirmative, please provide a copy of all documents that pertain to DP&L's ability to transfer its assets depending on the continuation of the SSR.
- RPD-61. Referring to the information that has been requested in OCC INT-136, please provide a copy of all documents that pertain to the rate recovery that will be sought.

- RPD-62. Referring to the information that has been requested in OCC INT-137, please provide a copy of all documents that pertain to the process.
- RPD-63. Referring to the information that has been requested in OCC INT-140, please provide a copy of all documents that pertain to the basis of the statement referenced.
- RPD-64. Referring to the information that has been requested in OCC INT-142, please provide a copy of all documents that pertain to DP&L's expectations of negative retained earnings.
- RPD-65. Referring to the information that has been requested in OCC INT-143, please provide a copy of all documents that pertain to DP&L's expectation.
- RPD-66. Referring to the information that has been requested in OCC INT-7, please provide a copy of all documents that pertain to the information requested.
- RPD-67. Referring to the information that has been requested in OCC INT-12, please provide a copy of all documents that pertain to the claim that incurrence of these liabilities is directly related to rendering of service to standard service offer customers.

- RPD-68. Referring to the information that has been requested in OCC INT-24, please provide a copy of all documents that pertain to such efforts.
- RPD-69. Referring to the information that has been requested in OCC INT-29, please provide a copy of all documents that pertain to the information requested.
- RPD-70. Referring to the information that has been requested in OCC INT-30, please provide a copy of all documents that pertain to the information requested.
- RPD-71. Referring to the information that has been requested in OCC INT-31, please provide a copy of all documents that pertain to the information requested.
- RPD-72. Referring to the information that has been requested in OCC INT-37, please provide a copy of all documents that pertain to the information requested.
- RPD-73. Referring to the information that has been requested in OCC INT-38, please provide a copy of all documents that pertain to the source of the projections.

- RPD-74. Referring to the information that has been requested in OCC INT-41, please provide a copy of all documents that pertain to the information requested.
- RPD-75. Referring to the information that has been requested in OCC INT-45, please provide a copy of all documents that pertain to and confirm the conditions and ability of DP&L to reallocate debt to its non-regulated affiliate.
- RPD-76. Referring to the information that has been requested in OCC INT-46, please provide a copy of all documents that pertain to and confirm the amount of new debt with terms that would preclude DP&L from transferring or selling its generation assets.
- RPD-77. Referring to the information that has been requested in OCC INT-47, please provide a copy of all documents that pertain to the information requested.
- RPD-78. Referring to the information that has been requested in OCC INT-49, please provide a copy of all documents that pertain to the information requested.

- RPD-79. Referring to the information that has been requested in OCC INT-57, please provide a copy of all documents that pertain to the information requested.
- RPD-80. Referring to the information that has been requested in OCC INT-58, please provide a copy of all documents that pertain to the information requested.
- RPD-81. Referring to the information that has been requested in OCC INT-60, please provide a copy of all documents that pertain to the information requested.
- RPD-82. Referring to the information that has been requested in OCC INT-70, please provide a copy of all documents that pertain to the information requested.
- RPD-83. Referring to information that has been requested in OCC INT-95, please provide a copy of all documents that pertain to the information requested.
- RPD-84. If the response to OCC INT-105 is affirmative in any respect, please provide a copy of all documents that pertain to the information requested and reported in your 10K.

- RPD-85. Referring to information that has been requested in OCC INT-112, please provide a copy of all documents that pertain to the information requested.
- RPD-86. Referring to information that has been requested in OCC INT-113, please provide a copy of all documents that pertain to the information requested.
- RPD-87. Referring to information that has been requested in OCC INT-141, please provide a copy of all documents that pertain to the information requested.

CERTIFICATE OF SERVICE

I hereby certify that a copy of these *Interrogatories and Request for Production of Documents Propounded upon the Dayton Power and Light Company, Second Set*, was served on the persons stated below via electronic transmission, this 11th day of April, 2014.

/s/ Maureen R. Grady

Maureen R. Grady
Assistant Consumers' Counsel

SERVICE LIST

Thomas.mcnamee@puc.state.oh.us
Amy.spiller@duke-energy.com
Jeanne.kingery@duke-energy.com
Joseph.clark@directenergy.com
sam@mwncmh.com
fdarr@mwncmh.com
mpritchard@mwncmh.com
whitt@whitt-sturtevant.com
campbell@whitt-sturtevant.com
williams@whitt-sturtevant.com
vparisi@igsenergy.com
lfriedeman@igsenergy.com
mswhite@igsenergy.com
amvogel@aep.com

haydenm@firstenergycorp.com
jmcdermott@firstenergycorp.com
jang@calfee.com
tallexander@calfee.com
Judi.sobecki@dplinc.com
cfaruki@ficlaw.com
jsharkey@ficlaw.com
Rocco.dascenzo@duke-energy.com
dboehm@BKLawfirm.com
mkurtz@BKLawfirm.com
jkylercohn@BKLawfirm.com
Bojko@carpenterlipps.com
mohler@carpenterlipps.com
cmooney@ohiopartners.org
mhpetricoff@vorys.com
glpetrucci@vorys.com

EXHIBIT C

Sharkey, Jeffrey S.

From: Sharkey, Jeffrey S.
Sent: Tuesday, April 22, 2014 4:10 PM
To: 'Berger, Edmund'
Cc: 'Judi L Sobecki'; Dona R Seger-Lawson; Faruki, Charles J.; Hollon, Christopher C.
Subject: RE: DP&L/Generation Separation -- 13-2420-EL-UNC - DP&L's Objections and Responses to OCC's First Set of Discovery (3-28-14) [IWOV-DMS.FID87283]

Dear Tad:

Sorry for the delay in responding to your email.

DP&L intends to stand on its objections to OCC's discovery requests. In particular:

1. Your discovery requests come at a point at which, as you can tell from DP&L's filings, DP&L is still working on its plans for sale. This discovery at this point – even if it were appropriate (which we believe it is not – see below), will not provide much detail as of yet.
2. There is no hearing set in the matter, so there is no reason to conduct discovery. Responding to OCC's discovery requests would thus be irrelevant and unduly burdensome.
3. Even if OCC's discovery requests were relevant to any pending issue in the case (which they are not), many of the individual requests are unduly burdensome.
4. Many of OCC's discovery requests seek information related to the sales process, and may interfere with that sales process.
5. Several of OCC's discovery requests seek information from AES or DPL Inc., which are not subject to discovery.
6. OCC's request for a privilege log is unduly burdensome, in light the fact that OCC should not be entitled to conduct discovery at all in this proceeding.

Jeff.

From: Berger, Edmund [mailto:Edmund.Berger@occ.ohio.gov]
Sent: Monday, April 21, 2014 10:24 AM
To: Sharkey, Jeffrey S.; Seabold, Teri
Cc: Grady, Maureen
Subject: DP&L/Generation Separation -- 13-2420-EL-UNC - DP&L's Objections and Responses to OCC's First Set of Discovery (3-28-14)

Hi Jeff – In follow-up to my e-mail on Thursday regarding DP&L's objections and non-responses to OCC's first set of discovery in the above-referenced matter, I note that I have not heard back from you. Please advise me by the close of business tomorrow, April 22, 2014, whether DP&L plans to provide a substantive response to this discovery and a privilege log, or sees a reasonable means of resolving our differences such that we can obtain the information we are requesting. Otherwise, we will proceed with preparation of a Motion to Compel. Thanks for the courtesy of a response.
Tad.

CONFIDENTIAL NOTICE:

THIS COMMUNICATION IS INTENDED ONLY FOR THE PERSON OR ENTITY TO WHICH IT IS ADDRESSED AND MAY CONTAIN CONFIDENTIAL AND/OR PRIVILEGED LEGAL, GOVERNMENTAL MATERIAL. ANY UNAUTHORIZED REVIEW, USE, DISCLOSURE OR DISTRIBUTION IS PROHIBITED. IF YOU ARE NOT, OR BELIEVE YOU ARE NOT, THE INTENDED RECIPIENT OF THIS COMMUNICATION, DO NOT READ IT. PLEASE REPLY TO THE SENDER ONLY, AND STATE THAT

YOU HAVE RECEIVED THIS MESSAGE. THEN IMMEDIATELY DELETE THIS COMMUNICATION AND ALL COPIES OF THIS COMMUNICATION. THANK YOU.

Edmund "Tad" Berger
Assistant Consumers' Counsel
10 West Broad Street
Suite 1800
Columbus, Ohio 43215-3485
(614) 466-1292

From: Berger, Edmund
Sent: Thursday, April 17, 2014 6:13 PM
To: 'Sharkey, Jeffrey S.'; 'Seabold, Teri'
Cc: Grady, Maureen
Subject: RE: DP&L/Generation Separation -- DP&L's Objections and Responses to OCC's First Set of Discovery (3-28-14) [IWOV-DMS.FID87283]

Hi Jeff – I am writing in response to your objections/responses to OCC's First Set of Discovery sent to us electronically this afternoon. As per O.A.C. 4901-1-23, please consider this communication an initial effort to resolve our differences regarding the requested discovery.

Your objections/responses are very problematic. We are certainly entitled to discovery under the PUCO's rules. As you know, under O.A.C. 4901-1-17, discovery may begin immediately after a proceeding is commenced. Further, the PUCO has never issued an order closing discovery.

Our questions are, for the most part, directed to specific statements in your filing and supplemental filing and thus any claim of irrelevance is without merit. Further, many of your objections have no bearing on the information requested. For example, you object that a legal conclusion is asked for when questions are directed specifically at factual claims in your application or supplemental application. You also claim lack of possession of documents when the question is seeking an explanation of a factual claim in DP&L's application. You claim lack of knowledge regarding your own statements in the application and supplemental application. These generalized objections are improper.

Similarly, your privilege claims lack merit as they do not relate to any specific document claimed to be privileged and many of the answers can certainly be provided without providing documents claimed to be privileged. Further, a privilege log is required as per these requests if any document is claimed to be privileged. I expect that will be provided shortly.

In light of the broad sweep of your objections and lack of specificity to any particular discovery request, it is difficult for me to see a reasonable means of resolving our differences regarding these requests in the absence of any substantive response to these requests. I would ask that DP&L provide a substantive response and privilege log to these requests immediately so we can determine whether there is a reasonable basis for resolution of our differences. If DP&L is not able or willing to provide any substantive response and intends not to provide any substantive responses, please advise and we will file a motion to compel as per O.A.C 4901-1-23. Further, please advise whether you see any reasonable means of resolving our differences such that we can obtain the information we are seeking.

Thank you. Tad Berger

CONFIDENTIAL NOTICE:

THIS COMMUNICATION IS INTENDED ONLY FOR THE PERSON OR ENTITY TO WHICH IT IS ADDRESSED AND MAY CONTAIN CONFIDENTIAL AND/OR PRIVILEGED LEGAL, GOVERNMENTAL MATERIAL. ANY UNAUTHORIZED REVIEW, USE, DISCLOSURE OR DISTRIBUTION IS PROHIBITED. IF YOU ARE NOT, OR BELIEVE YOU ARE NOT, THE INTENDED RECIPIENT OF THIS COMMUNICATION, DO NOT READ IT. PLEASE REPLY TO THE SENDER ONLY, AND STATE THAT

YOU HAVE RECEIVED THIS MESSAGE. THEN IMMEDIATELY DELETE THIS COMMUNICATION AND ALL COPIES OF THIS COMMUNICATION. THANK YOU.

Edmund "Tad" Berger
Assistant Consumers' Counsel
10 West Broad Street
Suite 1800
Columbus, Ohio 43215-3485
(614) 466-1292

From: Seabold, Teri [mailto:TSeabold@ficlaw.com]

Sent: Thursday, April 17, 2014 4:46 PM

To: Amy Spiller; Andrew Campbell; Anne Vogel; David Boehm; Elizabeth Watts; Frank Darr; Gregory Williams; Gretchen Petrucci; Howard Petricoff; James Lang; Jeanne Kingery; Jody Kyler Cohn; Joseph Clark; Kimberly Bojko; Mallory Mohler; Mark Hayden; Mark Whitt; Matthew Pritchard; Matthew White; Grady, Maureen; Yost, Melissa; Michael Kurtz; Rocco D'Ascenzo; Samuel Randazzo; Berger, Edmund; McNamee, Thomas; Trevor Alexander; Vincent Parisi

Cc: Judi L Sobecki; dona.seger-lawson@aes.com; Sharkey, Jeffrey S.; Hollon, Christopher C.

Subject: DP&L/Generation Separation -- DP&L's Objections and Responses to OCC's First Set of Discovery (3-28-14) [IWOV-DMS.FID87283]

This email is sent on behalf of Jeff Sharkey. All replies will go directly to Jeff.

Counsel:

Attached are DP&L's Objections and Responses to OCC's First Set of Interrogatories and Requests for Production of Documents (3-28-14) in Case No. 13-2420-EL-UNC, authority to transfer generation assets. If you are unable to open the attachment, please contact me.

Teri Seabold
Secretary to Jeff Sharkey

Teri E. Seabold | Faruki Ireland & Cox P.L.L. |
Legal Secretary to Jeffrey S. Sharkey and Michael S. Mayer
Email: tseabold@ficlaw.com
Tel: 937.227.9917 | Fax: 937.227.3717
500 Courthouse Plaza, S.W. | Dayton, OH 45402
201 East Fifth St., Ste. 1420 | Cincinnati, OH 45202
Trusted Wisdom | Extraordinary Results | Web: www.ficlaw.com

The information contained in this e-mail is intended only for the use of the individual or entity to which it is addressed and may contain information that is privileged, confidential, attorney's work product and/or exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us by replying to this message and then delete it, in its entirety, from your system. Although this e-mail and any attachments are believed to be free of any virus or other defect that might affect any computer system into which it is received and opened, it is the responsibility of the recipient to ensure that it is virus free and no responsibility is accepted by Faruki Ireland & Cox P.L.L. for any loss or damage arising in any way from its use.

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

4/22/2014 5:05:16 PM

in

Case No(s). 13-2420-EL-UNC

Summary: Motion The Dayton Power and Light Company's Motion for a Protective Order electronically filed by Mr. Jeffrey S Sharkey on behalf of The Dayton Power and Light Company