

# SSO Cost Allocation

MW1

Total SSO Allocated Costs: \$ 28,333,028.03

2015 SSO Sales (kWh) 3,928,593,462.00 Case 16-0395 Exhibit ERB 2.1 at 1.

Bypassable DSS Charge(\$/kWh): \$ 0.007212

Bypassable DDS Charge (mils) \$ 7.212003

Total SSO Residential Sales (kWh) 2,762,042,838

Case 160395 Exhibit ERB 2.1 at 1.

Projected Residential Rider

Collection: \$ 19,919,861.37

Total Residentail System

Distribution (kWh): 5,101,000,000

Test Year Scehdule C-11.3 Column H at 2

## C-Schedule Allocation

## MW2

Schedule	Line	Description	Unadjusted Jurisdictional			Adjusted Jurisdictional	
			Revenue & Expenses	DP&L Adjustments	RESA/IGS Adjustments	Revenue & Expenses	
C-2	12	Customer Accounts Expense	\$ 45,587,070.00	\$ (30,173,863.00)	\$ 3,643,913.00	\$ 19,057,120.00	
C-2	13	Customer Service and Information Expense	\$ 23,593,776.00	\$ (23,523,402.00)	-	\$ 70,374.00	
C-2	14	Administrative & General Expense	\$ 45,373,699.00	\$ 1,705,725.00	-	\$ 47,079,424.00	
C-2	22	Taxes Other Than Income Taxes	\$ 104,708,806.00	\$ (47,899,726.00)	\$ (54,209,065.00)	\$ 2,600,015.00	
					<b>Total:</b>	\$ 68,806,933.00	
					Allocated Total:	\$ 26,613,010.87	

# Revenue Allocation Factor

MW3

Line No.	Description		Total Revenue		Customer	Base	Universal	Excise Tax	Storm Charge	Energy	Econ	Discount	Discount Eco	Reconciliation	Offpeak	Rate	Env	Investment	Base	Alt Energy	PJM RPM	Fuel Rdr	Other	Competitive	Comp Bid	Service Stability				
			Dollars	Charges	Distribution	Service Rdr	Rdr	D38		D39	D38				D39				D29	D19-D20	T9		T8	G25	G24		G10-G18	G26	G27	G28
2	Residential Heating	CRES	\$ 95,056,325	\$ 8,005,611	\$ 36,993,922	\$ 3,723,684	\$ 7,517,296	\$ 5,168,972	\$ 7,466,912	\$ 1,133,790	\$ -	\$ -	\$ -	\$ -	\$ 1,147,630	\$ -	\$ -	\$ -	\$ (81)	\$ 8,127,054	\$ (8)	\$ -	\$ (13)	\$ (361)	\$ (2,520)	\$ (754)	\$ (93)	\$ 15,780,657		
3	Residential Heating	SSO	\$ 235,525,851	\$ 9,581,855	\$ 39,407,833	\$ 3,963,697	\$ 8,000,873	\$ 6,184,764	\$ 7,955,311	\$ 1,198,113	\$ -	\$ -	\$ -	\$ -	\$ 1,223,987	\$ -	\$ -	\$ -	\$ 2,680,585	\$ 8,645,765	\$ 1,196	\$ 2,345	\$ 36,119,715	\$ 369,382	\$ 1,121,150	\$ 21,749,450	\$ (7,748)	\$ 67,174,517	\$ 33,327,077	\$ 16,825,985
4	Residential Non-Heating	CRES	\$ 43,396,459	\$ 2,369,770	\$ 18,367,507	\$ 1,864,611	\$ 3,715,541	\$ 1,515,049	\$ 3,721,030	\$ 741,421	\$ -	\$ -	\$ -	\$ -	\$ 639,683	\$ -	\$ -	\$ -	\$ (12)	\$ 4,058,269	\$ 6	\$ -	\$ (7)	\$ (87)	\$ (407)	\$ (250)	\$ (13)	\$ 6,406,964		
5	Residential Non-Heating	SSO	\$ 122,109,811	\$ 3,398,764	\$ 23,086,863	\$ 2,348,348	\$ 4,686,424	\$ 2,173,614	\$ 4,687,100	\$ 926,269	\$ -	\$ -	\$ -	\$ -	\$ 811,062	\$ -	\$ -	\$ -	\$ 11	\$ 16,108,066	\$ 331,138	\$ 810,482	\$ 13,216,640	\$ (256)	\$ 33,809,270	\$ 1,234,029	\$ 8,193,547			
6	Commercial	CRES	\$ 111,003,309	\$ 3,811,949	\$ 31,483,200	\$ 6,722,800	\$ 11,647,176	\$ 3,609,776	\$ 10,495,879	\$ 1,026,860	\$ -	\$ -	\$ -	\$ -	\$ 2,243,875	\$ 18,156	\$ (13)	\$ 15,509,666	\$ (11)	\$ -	\$ (4,371)	\$ (4)	\$ (21)	\$ (287)	\$ 5273,848	\$ (820)	\$ (19)	\$ 24,165,670		
7	Commercial	SSO	\$ 78,499,181	\$ 2,651,647	\$ 8,493,781	\$ 1,461,085	\$ 2,636,995	\$ 2,700,407	\$ 2,315,465	\$ 263,450	\$ -	\$ -	\$ -	\$ -	\$ (102,595)	\$ 467,771	\$ 1,829	\$ 954,661	\$ 3,862,199	\$ 54	\$ 106	\$ 12,540,017	\$ 144,080	\$ 546,418	\$ 8,013,814	\$ 16,119	\$ 24,756,608	\$ 1,132,408	\$ 5,642,862	
8	Industrial	CRES	\$ 77,689,895	\$ 445,479	\$ 14,089,949	\$ 4,873,141	\$ 8,631,411	\$ 162,607	\$ 9,394,655	\$ 448,970	\$ (290,475)	\$ -	\$ -	\$ -	\$ 2,662,500	\$ 3,860	\$ (98)	\$ 14,103,787	\$ -	\$ -	\$ (2,432)	\$ (56)	\$ (129)	\$ (1,932)	\$ (82,692)	\$ (335)	\$ (30)	\$ 23,251,714		
9	Industrial	SSO	\$ 8,337,788	\$ 97,499	\$ 810,939	\$ 166,613	\$ 300,925	\$ 60,054	\$ 253,512	\$ 23,727	\$ -	\$ -	\$ -	\$ -	\$ 53,839	\$ 393	\$ 109,724	\$ 429,034	\$ -	\$ -	\$ 1,378,324	\$ 18,916	\$ 62,710	\$ 973,474	\$ (20,113)	\$ 2,878,161	\$ 105,778	\$ 634,277		
10	State & Local Government	CRES	\$ 26,886,299	\$ 655,172	\$ 7,631,009	\$ 1,655,277	\$ 2,809,972	\$ 503,175	\$ 2,535,724	\$ 237,248	\$ -	\$ -	\$ -	\$ -	\$ 574,746	\$ 5,768	\$ 0	\$ 4,135,443	\$ -	\$ -	\$ (5,996)	\$ 0	\$ -	\$ 3	\$ (2,044)	\$ 6	\$ 0	\$ 6,150,796		
11	State & Local Government	SSO	\$ 3,276,040	\$ 87,491	\$ 299,246	\$ 56,981	\$ 89,935	\$ 92,859	\$ 97,025	\$ 10,011	\$ -	\$ -	\$ -	\$ -	\$ 24,264	\$ 365	\$ 36,102	\$ 166,704	\$ 18	\$ 35	\$ 528,732	\$ 9,073	\$ 22,892	\$ 369,461	\$ 296	\$ 1,097,497	\$ 44,545	\$ 242,509		
12	Federal Government	CRES	\$ 1,050,024	\$ 23,858	\$ 167,621	\$ 80,433	\$ -	\$ 16,543	\$ 131,602	\$ 5,099	\$ -	\$ -	\$ -	\$ -	\$ 37,209	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 230,037	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 357,623		
13	Federal Government	SSO	\$ 26,763,026	\$ 13,216	\$ 56,743	\$ 266,452	\$ -	\$ 9,169	\$ 928,970	\$ 2,228	\$ -	\$ (4,062,689)	\$ 304,377	\$ -	\$ 652,010	\$ 1,629,856	\$ -	\$ -	\$ 4,883,397	\$ 90,137	\$ 188,303	\$ 5,105,609	\$ -	\$ 13,342,957	\$ 720,683	\$ 2,631,610				
14	Public Street & Highway Lighting	CRES	\$ 785,277	\$ 144,541	\$ 153,158	\$ 29,610	\$ 55,771	\$ 175,534	\$ 46,900	\$ 5,363	\$ -	\$ -	\$ -	\$ -	\$ 9,518	\$ -	\$ -	\$ -	\$ 65,561	\$ 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 99,315		
15	Public Street & Highway Lighting	SSO	\$ 488,915	\$ 37,988	\$ 71,532	\$ 8,620	\$ 16,696	\$ 54,554	\$ 16,583	\$ 2,270	\$ -	\$ -	\$ -	\$ -	\$ 2,839	\$ -	\$ 5,191	\$ 14,329	\$ 8	\$ 15	\$ 50,085	\$ 944	\$ 2,323	\$ 47,417	\$ (783)	\$ 129,231	\$ 5,547	\$ 23,526		
16	Street Railway	SSO	\$ 441,030	\$ 1,235	\$ 29,422	\$ 9,486	\$ 14,225	\$ 125	\$ 9,872	\$ 555	\$ -	\$ -	\$ -	\$ -	\$ 2,811	\$ -	\$ 4,810	\$ 27,307	\$ -	\$ -	\$ 90,649	\$ 1,202	\$ 4,732	\$ 52,693	\$ -	\$ 150,574	\$ 5,451	\$ 35,881		
17	Total		\$ 831,309,229	\$ 31,326,075	\$ 181,142,726	\$ 27,230,838	\$ 50,123,240	\$ 22,427,202	\$ 50,056,540	\$ 6,025,375	\$ (290,475)	\$ (4,165,284)	\$ 10,206,111	\$ 30,370	\$ 5,618,484	\$ 66,117,840	\$ 1,272	\$ 2,512	\$ 71,678,200	\$ 964,808	\$ 2,758,839	\$ 49,525,894	\$ 173,700	\$ 143,336,662	\$ 6,575,363	\$ 110,442,935				

Source: DP&L-AIR 0009090

IGS 1st Set INT-1 Attachment 1

SSO Related Revenue:	\$ 280,458,250
Total Revenue:	\$ 725,114,198
Revenue Allocation Factor:	38.68%

# B-Schedule Allocation

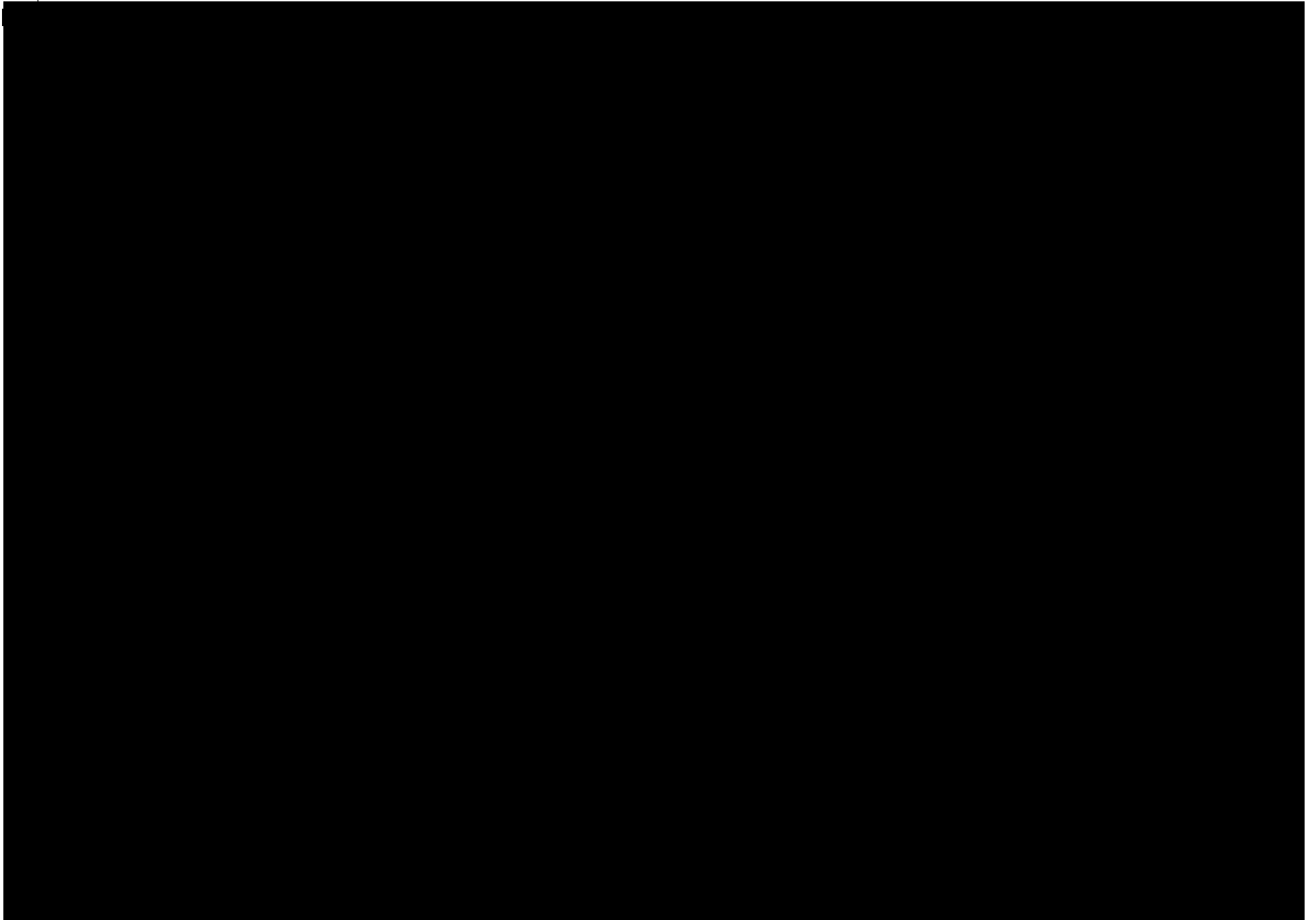
MW4

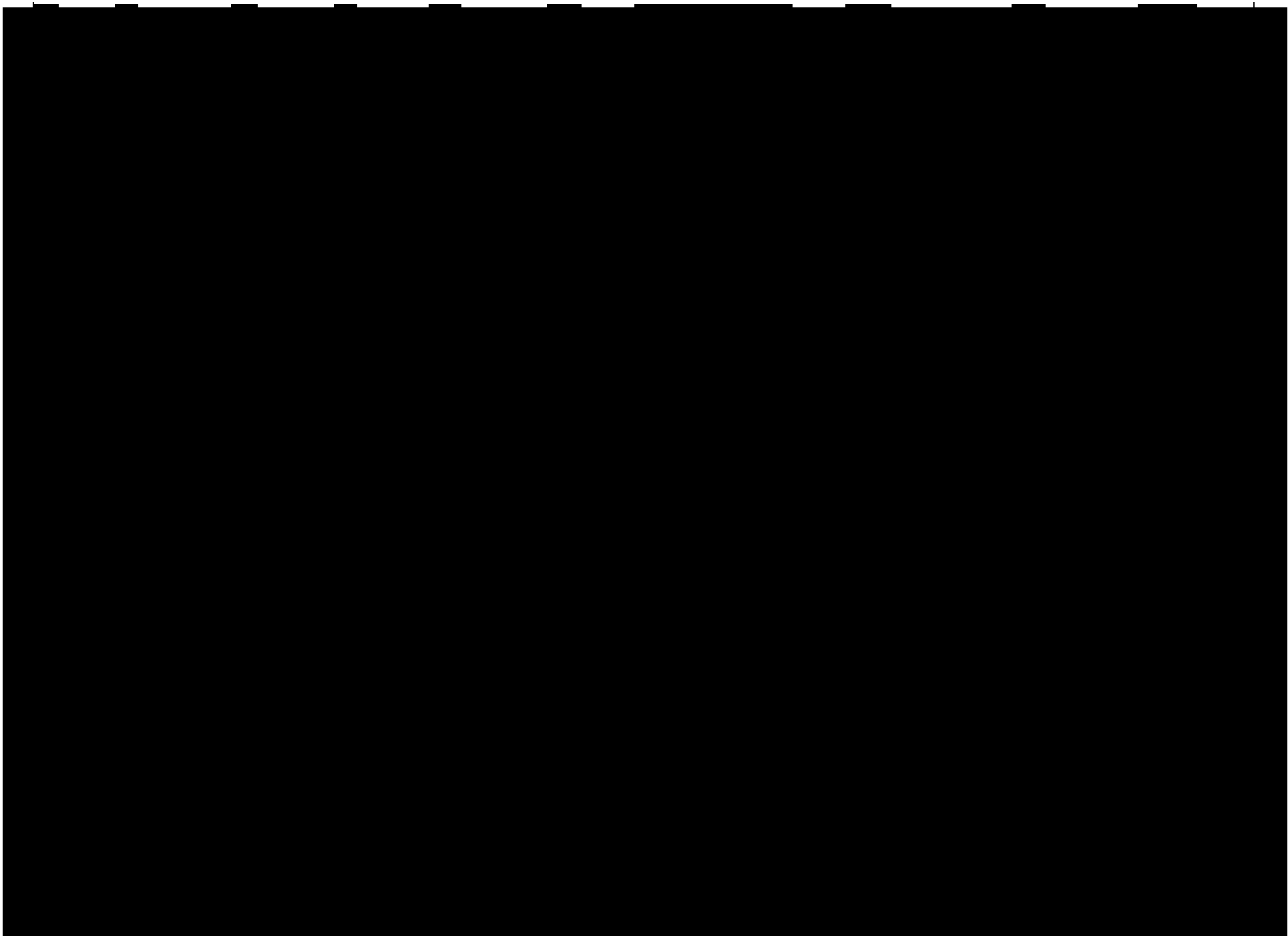
Schedule B-2.1 at 6 lines 7-14			14.29%					
			Allocation Percen		Allocated Total	Yearly Depreciation	Total Depreciated	Total Remaining Value
7	SW08 Allocation	\$	1,367,024.40	56.60%	\$ 773,735.81	\$ 110,566.85	773,967.93	\$ -
6	SW09 Allocation	\$	11,029,979.41	50.32%	\$ 5,550,285.64	\$ 793,135.82	4,758,814.91	\$ 791,470.73
5	SW10 Allocation	\$	504,412.76	74.21%	\$ 374,324.71	\$ 53,491.00	267,455.00	\$ 106,869.70
4	SW11 Allocation	\$	6,863,748.23	66.28%	\$ 4,549,292.33	\$ 650,093.87	2,600,375.49	\$ 1,948,916.83
3	SW12 Allocation	\$	6,437,685.52	68.95%	\$ 4,438,784.17	\$ 634,302.26	1,902,906.77	\$ 2,535,877.39
2	SW13 Allocationm	\$	4,690,023.92	47.22%	\$ 2,214,629.30	\$ 316,470.53	632,941.05	\$ 1,581,688.24
1	SW14 Allocation	\$	26,917.94	65.25%	\$ 17,563.96	\$ 2,509.89	2,509.89	\$ 15,054.07
0	SW15 Allocation	\$	-	61.14%	\$ -	\$ -	-	
							Sum of Annual Deprecia	\$ 2,560,570.21
							Allocated SSO Depreciat	\$ 990,372.34
							Net Plant in Service:	\$ 6,979,876.97
ROE	10.50%	50/50 total		Return	Allocated Total		Grossed per GRCF	
Effective Tax Rate	37.44%	Equity	\$ 3,489,938.49	\$	366,443.54	\$ 141,732.32	\$	219,543.36
Debt	50.00%	Debt	\$ 3,489,938.49	\$	184,617.75	\$ 71,406.09		
equity	50.00%							
Annual Depreciation	14.29%		Plant Amount:	\$ 290,949.45				
Cost of long term debt	5.29%		Depreciation	\$ 990,372.34				
WACC	7.86%							
Allocation %	38.68%		Total SW Plant	\$ 1,281,321.78				
GRCF (schedule A-2)	1.549							

Assumed 50/50 debt equity structure

Schedule B-3.2									
Line	Acct. No.	S&I Common Other		Plant Investment	Reserve Balance	Total Equity	Annual Depreciation		
2	3902			\$ 17,301,900	\$	11,433,285	\$ 5,868,615	\$	501,755
		50/50 total	Return	Allocated Total		Grossed per GRCF			
	Equity	\$ 2,934,307.50	\$ 308,102.29	\$	119,167.20	\$	184,589.99		
	Debt	\$ 2,934,307.50	\$ 155,224.87	\$	60,037.57				
	S&I Total	\$ 244,627.56							
	Depreciation Allocation	\$ 194,067.82							
				Total S&I Common Other	\$ 438,695.38				
							Total Schedule B Allocation of SSO Costs:		
							\$ 1,720,017.16		

Assumed 50/50 debt equity structure







**BEFORE THE  
PUBLIC UTILITIES COMMISSION OF OHIO**

**THE DAYTON POWER AND LIGHT COMPANY**

**CASE NO. 15-1830-EL-AIR**

**CASE NO. 15-1831-EL-AAM**

**CASE NO. 15-1832-EL-ATA**

**2015 DISTRIBUTION BASE RATE CASE**

**BOOK II – SCHEDULES**

**VOLUME 1 OF 4**

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DOCKETING DIVISION  
Public Utilities Commission of Ohio

**Dayton Power and Light Company**  
**DP&L Case No. 15-1830-EL-AIR**  
**Standard Filing Requirements for Rate Increases**  
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1	1	Appendix A, Chapter II, (B)(2)(a)-(c) Appendix A, Chapter II, (B)(3)(a)-(d)	S-2	Most recent 5 year financial forecast and support for the underlying assumptions.
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1	1	Appendix A, Chapter II, (B)(8)	S-4.1	An executive summary of applicant utility's corporate process.
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1	9-12	Appendix A, Chapter II, (C)(4)	Supplemental	The most recent SEC Form 10-K, 10-Q, and 8-K of the applicant, and/or parent company.
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1	14	Appendix A, Chapter II, (C)(7)	Supplemental	CWIP included in the prior case.
1	14	Appendix A, Chapter II, (C)(8)	Supplemental	Copy of latest certificate of valuation from department of taxation.
1	14	Appendix A, Chapter II, (C)(9)	Supplemental	Monthly sales for the test year by rate schedule classification and/or customer classes.
1	14	Appendix A, Chapter II, (C)(10)	Supplemental	Written summary explaining the forecasting method used by the utility as related to test year data.
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**Dayton Power and Light Company**  
**DP&L Case No. 15-1830-EL-AIR**  
**Standard Filing Requirements for Rate Increases**  
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**Dayton Power and Light Company**  
**DP&L Case No. 15-1830-EL-AIR**  
**Standard Filing Requirements for Rate Increases**  
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**Dayton Power and Light Company**  
**DP&L Case No. 15-1830-EL-AIR**  
**Standard Filing Requirements for Rate Increases**  
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Section A  
Revenue Requirements

The Dayton Power & Light Company

Case No.: 15-1830-EL-AIR

Test Year: Twelve Months Ending May 31, 2016

Date Certain: September 30, 2015

A-1	Overall Financial Summary
A-2	Computation of Gross Revenue Conversion Factor
A-3	Calculation of Mirrored CWIP Revenue Sur-Credit Rider

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Overall Financial Summary**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule A-1

Page 1 of 1

Witness Responsible: Nathan C. Parke

Line No.	Description	Jurisdictional Proposed Test Year	Schedule Reference
(A)	(B)	(C)	(D)
1	Rate Base as of Date Certain	<u>\$ 683,779,476</u>	B-1, Line 27
2			
3	Current Operating Income	<u>\$ 11,305,453</u>	C-1, Column C, Line 17
4			
5	Earned Rate of Return	1.65%	Line 3 / Line 1
6			
7	Requested Rate of Return	7.86%	D-1a, Column I, Line 7
8			
9	Required Operating Income	<u>\$ 53,745,067</u>	Line 1 * Line 7
10			
11	Operating Income Deficiency	<u>\$ 42,439,614</u>	Line 9 - Line 3
12			
13	Gross Revenue Conversion Factor	<u>1.54977</u>	A-2, Line 29
14			
15	Revenue Deficiency	<u>\$ 65,771,725</u>	Line 11 * Line 13
16			
17	Revenue Increase Requested (No Mirrored	<u>\$ 65,750,232</u>	E-4, Pg 1, Line 54 - Pg 2, Line 62
18	CWIP Revenue Offset)		
19			
20	Adjusted Operating Revenues	<u>\$ 217,400,884</u>	C-1, Line 1, Column C
21			
22	Revenue Requirements	<u>\$ 283,172,609</u>	Line 15 + Line 20

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Computation of Gross Revenue Conversion Factor**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule A-2

Page 1 of 1

Witness Responsible: Stephen A. Allamanno

Line No.	Description	% of Incremental Gross Revenues	Schedule Reference
(A)	(B)	(C)	(D)
1	Operating Revenues	100.0000%	
2			
3	Less: Commercial Activities Tax (CAT)	0.2600%	Statutory Rate
4			
5	Percentage of Income After CAT	99.7400%	Line1 - Line 3
6			
7	Less: Kentucky Income Tax (KIT)		
8	KIT Apportionment Factor	0.0425%	Kentucky Corporate Income Tax Return-Form 720
9	KIT Marginal Tax Rate (KY Corp Income and License Tax)	6.0000%	Kentucky Corporate Income Tax Return-Form 720
10	Effective KIT Rate	0.0026%	Line 8 * Line 9
11	Effective KIT Rate	0.0026%	Line 5 * Line 10
12			
13	Percentage of Income After KIT	99.7374%	Line 5 - Line 11
14			
15	Less: Ohio Municipal Income Tax Return		
16	Municipal Income Tax Due	\$390,875	Ohio Municipal Income Tax Return, Sch 4
17	Federal Taxable Income	\$83,432,860	Ohio Municipal Income Tax Return, Sch 1
18	Effective Ohio Municipal Tax Rate	0.4685%	Line 16 / Line 17
19	Effective Ohio Municipal Tax Rate as a Percent of Line 15	0.4673%	Line 13 * Line 18
20			
21	Percentage of Income Before Federal Income Tax	99.2701%	Line 13 - Line 19
22			
23	Less: Federal Income Tax (FIT)		
24	FIT Marginal Rate	35.0000%	Federal Tax Return
25	Effective Marginal Rate	34.7445%	Line 21 * Line 24
26			
27	Net Operating Income Percentage	64.5256%	Line 21 - Line 25
28			
29	Gross Revenue Conversion Factor	1.54977	Line 1 / Line 27

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Calculation of Mirrored CWIP Revenue Sur-Credit Rider**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated

Type of Filing: Original

Work Paper Reference No(s).: None

Schedule A-3

Page 1 of 1

Witness Responsible: Nathan C. Parke

Line No.	Description	Jurisdictional Proposed Test Year	Schedule Reference
(A)	(B)	(C)	(D)

DP&L did not have CWIP in its Revenue Requirement in the prior (1991) rate case, therefore there is no mirrored CWIP adjustment.



Section B  
Rate Base

The Dayton Power & Light Company

Case No.: 15-1830-EL-AIR

Test Year: Twelve Months Ending May 31, 2016

Date Certain: September 30, 2015

B-1	Jurisdictional Rate Base Summary
B-2	Plant In Service Summary By Major Property Groupings
B-2.1	Plant In Service By Accounts and Subaccounts
B-2.2	Adjustments to Plant In Service
B-2.3	Gross Additions, Retirements and Transfers
B-2.4	Lease Property
B-2.5	Property Excluded From Rate Base - For Reasons Other Than Rate Area Allocation
B-3	Reserve For Accumulated Depreciation
B-3.1	Adjustments to the Reserve for Accumulated Depreciation
B-3.2	Depreciation Accrual Rates and Jurisdictional Reserve Balances by Accounts
B-3.3	Depreciation Reserve Accruals, Retirements, and Transfers
B-3.4	Depreciation Reserve and Expense for Lease Property
B-4	Construction Work in Progress
B-4.1	Construction Work in Progress - Percent Complete ( Time )
B-4.2	Construction Work in Progress - Percent Complete ( Dollars )
B-5	Allowance for Working Capital
B-5.1	Miscellaneous Working Capital Items
B-6	Other Rate Base Items Summary
B-6.1	Adjustments to Other Rate Base Items
B-6.2	Contributions in Aid of Construction by Accounts and Subaccounts
B-7	Jurisdictional Allocation Factors
B-7.1	<i>Jurisdictional Allocation Statistics</i>
B-7.2	Explanation of Changes in Allocation Procedures
B-9	Mirrored CWIP Allowances

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Jurisdictional Rate Base Summary**  
**As of September 30, 2015**

Data: Actual

Type of Filing: Original

Work Paper Reference No(s): None

Schedule B-1

Page 1 of 1

Witness Responsible: Don Rennix

Line No.	Description	Proposed Amount	Schedule Reference
(A)	(B)	(C)	(D)
1	Plant in Service		
2	Production	\$ -	B-2, Line 1, Col. H
3	Transmission	\$ -	B-2, Line 3, Col. H
4	Distribution	\$ 1,541,351,600	B-2, Line 5, Col. H
5	General	\$ 33,554,075	B-2, Line 7, Col. H
6	Other: Intangible	\$ 37,730,493	B-2, Line 9, Col. H
7	Total Plant In Service	<u>\$ 1,612,636,168</u>	Sum Lines 2 thru 6
8			
9	Reserve for Accumulated Depreciation		
10	Production	\$ -	B-3, pg 1, Line 9, Col. J
11	Transmission	\$ -	B-3, pg 1, Line 15, Col. J
12	Distribution	\$ 733,158,899	B-3, pg 4, Line 27, Col. J
13	General	\$ 18,660,611	B-3, pg 5, Line 20, Col. J
14	Other: Intangible	\$ 24,060,116	B-3, pg 6, Line 18, Col. J
15	Total Reserve for Accumulated Depreciation	<u>\$ 775,879,626</u>	Sum Lines 10 thru 14
16			
17	Net Plant In Service	\$ 836,756,542	Line 7 less Line 15
18			
19	Construction Work In Progress 75% Complete	\$ -	None Requested
20			
21	Working Capital Allowance	\$ 5,735,724	B-5, pg 2, Line 20, Col. H
22			
23	Customers' Advances for Construction	\$ (466,036)	B-6, Line 1, Col. I
24			
25	Other Rate Base Items	<u>\$ (158,246,754)</u>	B-6, Line 27, Col. I
26			
27	Jurisdictional Rate Base	<u>\$ 683,779,476</u>	Sum Lines 17 thru 25

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Plant In Service Summary by Major Property Groupings**  
**As of September 30, 2015**

Data: Actual  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule B-2  
Page 1 of 1  
Witness Responsible: Don Rennix

Line No.	Major Property Groupings	Total Company	Allocation %	Allocation Code	Allocated Total	Adjustments	Adjusted Jurisdictional	Schedule Reference
(A)	(B)	(C)	(D)	(E)	(F) = (C) * (D)	(G)	(H) = (F) + (G)	(I)
1	Production	\$ 3,077,844,190	0.00%	NONDIST	\$ -	\$ -	\$ -	B-2.1, pg 1, Line 8
2								
3	Transmission	\$ 440,133,607	0.00%	NONDIST	\$ -	\$ -	\$ -	B-2.1, pg 1, Line 13
4								
5	Distribution	\$ 1,642,323,883	93.85%	DIRECT	\$ 1,541,351,600	\$ -	\$ 1,541,351,600	B-2.1, pg 4, Line 25
6								
7	General	\$ 34,168,842	98.20%	DIRECT	\$ 33,554,075	\$ -	\$ 33,554,075	B-2.1, pg 5, Line 18
8								
9	Intangible	\$ 71,852,172	52.51%	DIRECT	\$ 37,730,493	\$ -	\$ 37,730,493	B-2.1, pg 6, Line 18
10								
11	Total	<u>\$ 5,266,322,694</u>			<u>\$ 1,612,636,168</u>	<u>\$ -</u>	<u>\$ 1,612,636,168</u>	

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Plant In Service by Accounts and Subaccounts**  
**As of September 30, 2015**  
**Non-Jurisdictional Electric Plant**

Data: Actual

Type of Filing: Original

Work Paper Reference No(s): WPB-2a, WPB-2b, WPB-2c, WPB-2d, WPB-2e

Schedule B-2.1

Page 1 of 6

Witness Responsible: Don Rennix

Line No.	Acct. No.	Description	Total Company	Allocation %	Allocation Code	Allocated Total	Adjustments <sup>1</sup>	Adjusted Jurisdictional
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)	(H)	(I) = (G) + (H)
1	Various	Production - Steam (Unitized)	\$ 3,080,657,744	0.00%	NONDIST	\$ -	\$ -	\$ -
2	Various	Production - Steam (Completed Construction)	\$ 18,079,092	0.00%	NONDIST	\$ -	\$ -	\$ -
3	Various	Production - Steam (Reconciling Adjustments)	\$ 17,386	0.00%	NONDIST	\$ -	\$ -	\$ -
4	Various	Production - Steam (Cost Modifications)	\$ (119,830,136)	0.00%	NONDIST	\$ -	\$ -	\$ -
5	Various	Production - Other (Unitized)	\$ 97,638,430	0.00%	NONDIST	\$ -	\$ -	\$ -
6	Various	Production - Other (Completed Construction)	\$ 2,967,417	0.00%	NONDIST	\$ -	\$ -	\$ -
7	Various	Production - Other (Cost Modifications)	\$ (1,685,743)	0.00%	NONDIST	\$ -	\$ -	\$ -
8		Total Production Plant	<u>\$ 3,077,844,190</u>			<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
9								
10	Various	Transmission (Unitized)	\$ 430,635,514	0.00%	NONDIST	\$ -	\$ -	\$ -
11	Various	Transmission (Completed Construction)	\$ 8,333,069	0.00%	NONDIST	\$ -	\$ -	\$ -
12	Various	Transmission (Reconciling Adjustments)	\$ 1,165,024	0.00%	NONDIST	\$ -	\$ -	\$ -
13		Total Transmission Plant	<u>\$ 440,133,607</u>			<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<sup>1</sup> Col. (H) from Schedule B-2.2 Col. (G).

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Plant In Service by Accounts and Subaccounts**  
**As of September 30, 2015**  
**Distribution Plant**

Data: Actual

Type of Filing: Original

Work Paper Reference No(s): WPB-2a, WPB-2b, WPB-2c, WPB-2d, WPB-2e

Schedule B-2.1

Page 2 of 6

Witness Responsible: Don Rennix

Line No.	Acct. No.	Description	Total Company	Allocation %	Allocation Code	Allocated Total	Adjustments <sup>1</sup>	Adjusted Jurisdictional
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)	(H)	(I) = (G) + (H)
1	3601	Substation Land - NONE	\$ 1,879,925	100.00%	ALLDIST	\$ 1,879,925	\$ -	\$ 1,879,925
2	3602	Other Land - NONE	\$ 2,382	100.00%	ALLDIST	\$ 2,382	\$ -	\$ 2,382
3	3603	Land Rights - NONE	\$ 23,493,716	100.00%	ALLDIST	\$ 23,493,716	\$ -	\$ 23,493,716
4	3604	Distribution Land-OT - DSB	\$ 117,769	100.00%	ALLDIST	\$ 117,769	\$ -	\$ 117,769
5	3604	Distribution Land-OT - EATON	\$ 18,635	100.00%	ALLDIST	\$ 18,635	\$ -	\$ 18,635
6	3604	Distribution Land-OT - GREENVILLE	\$ 349,912	100.00%	ALLDIST	\$ 349,912	\$ -	\$ 349,912
7	3604	Distribution Land-OT - HUBER	\$ -	100.00%	ALLDIST	\$ -	\$ -	\$ -
8	3604	Distribution Land-OT - MARYSVILLE	\$ 114,162	100.00%	ALLDIST	\$ 114,162	\$ -	\$ 114,162
9	3604	Distribution Land-OT - MIAMISBURG	\$ 286,563	100.00%	ALLDIST	\$ 286,563	\$ -	\$ 286,563
10	3604	Distribution Land-OT - NORTH DAYTON	\$ 339,580	100.00%	ALLDIST	\$ 339,580	\$ -	\$ 339,580
11	3604	Distribution Land-OT - OTHER	\$ 46,594	100.00%	ALLDIST	\$ 46,594	\$ -	\$ 46,594
12	3604	Distribution Land-OT - SIDNEY	\$ 4,005	100.00%	ALLDIST	\$ 4,005	\$ -	\$ 4,005
13	3604	Distribution Land-OT - WASH CH	\$ 93,971	100.00%	ALLDIST	\$ 93,971	\$ -	\$ 93,971
14	3604	Distribution Land-OT - XENIA	\$ 12,890	100.00%	ALLDIST	\$ 12,890	\$ -	\$ 12,890
15	3610	S&I - NONE	\$ 9,424,899	100.00%	ALLDIST	\$ 9,424,899	\$ -	\$ 9,424,899
16	3610	S&I - WPAFB31	\$ 108,613	0.00%	NONDIST	\$ -	\$ -	\$ -
17	3614	S&I-OTHER - COLDWATER	\$ 23,522	100.00%	ALLDIST	\$ 23,522	\$ -	\$ 23,522
18	3614	S&I-OTHER - DSB	\$ 23,249,580	100.00%	ALLDIST	\$ 23,249,580	\$ -	\$ 23,249,580
19	3614	S&I-OTHER - EATON	\$ 1,284,906	100.00%	ALLDIST	\$ 1,284,906	\$ -	\$ 1,284,906
20	3614	S&I-OTHER - GREENVILLE	\$ 1,713,466	100.00%	ALLDIST	\$ 1,713,466	\$ -	\$ 1,713,466
21	3614	S&I-OTHER - HUBER	\$ -	100.00%	ALLDIST	\$ -	\$ -	\$ -
22	3614	S&I-OTHER - MARYSVILLE	\$ 1,142,794	100.00%	ALLDIST	\$ 1,142,794	\$ -	\$ 1,142,794
23	3614	S&I-OTHER - MIAMISBURG	\$ 1,642,811	100.00%	ALLDIST	\$ 1,642,811	\$ -	\$ 1,642,811
24	3614	S&I-OTHER - NONE	\$ -	100.00%	ALLDIST	\$ -	\$ -	\$ -

<sup>1</sup> Col. (H) from Schedule B-2.2 Col. (G).

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Plant In Service by Accounts and Subaccounts**  
**As of September 30, 2015**  
**Distribution Plant**

Data: Actual

Type of Filing: Original

Work Paper Reference No(s).: WPB-2a, WPB-2b, WPB-2c, WPB-2d, WPB-2e

Schedule B-2.1

Page 3 of 6

Witness Responsible: Don Rennix

Line	Acct.		Total	Allocation	Allocation	Allocated		Adjusted
No.	No.	Description	Company	%	Code	Total	Adjustments <sup>1</sup>	Jurisdictional
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)	(H)	(I) = (G) + (H)
1	3614	S&I-OTHER - NORTH DAYTON	\$ 4,364,877	100.00%	ALLDIST	\$ 4,364,877	\$ -	\$ 4,364,877
2	3614	S&I-OTHER - OTHER	\$ 112,577	100.00%	ALLDIST	\$ 112,577	\$ -	\$ 112,577
3	3614	S&I-OTHER - SIDNEY	\$ 2,110,285	100.00%	ALLDIST	\$ 2,110,285	\$ -	\$ 2,110,285
4	3614	S&I-OTHER - TRANS	\$ 804,846	96.39%	DMAINT	\$ 775,791	\$ -	\$ 775,791
5	3614	S&I-OTHER - URBANA	\$ -	100.00%	ALLDIST	\$ -	\$ -	\$ -
6	3614	S&I-OTHER - WASH CH	\$ 1,346,663	100.00%	ALLDIST	\$ 1,346,663	\$ -	\$ 1,346,663
7	3614	S&I-OTHER - XENIA	\$ 2,232,616	100.00%	ALLDIST	\$ 2,232,616	\$ -	\$ 2,232,616
8	3620	Station Equip - NONE	\$ 135,835,303	100.00%	ALLDIST	\$ 135,835,303	\$ -	\$ 135,835,303
9	3620	Station Equip - WPAFB	\$ 630,864	0.00%	NONDIST	\$ -	\$ -	\$ -
10	3620	Station Equip - WPAFB31	\$ 16,946,452	0.00%	NONDIST	\$ -	\$ -	\$ -
11	3621	Station Equip-Genera - COMPUTERS	\$ 29,545,325	43.70%	DLABOR	\$ 12,911,307	\$ -	\$ 12,911,307
12	3621	Station Equip-Genera - COMPUTERS10	\$ 4,221,346	43.70%	DLABOR	\$ 1,844,728	\$ -	\$ 1,844,728
13	3621	Station Equip-Genera - COMPUTERS11	\$ 3,957,088	43.70%	DLABOR	\$ 1,729,247	\$ -	\$ 1,729,247
14	3621	Station Equip-Genera - COMPUTERS12	\$ 2,925,057	43.70%	DLABOR	\$ 1,278,250	\$ -	\$ 1,278,250
15	3621	Station Equip-Genera - COMPUTERS13	\$ 4,801,463	43.70%	DLABOR	\$ 2,098,239	\$ -	\$ 2,098,239
16	3621	Station Equip-Genera - COMPUTERS14	\$ 2,024,329	43.70%	DLABOR	\$ 884,632	\$ -	\$ 884,632
17	3621	Station Equip-Genera - COMPUTERS15	\$ 363,856	43.70%	DLABOR	\$ 159,005	\$ -	\$ 159,005
18	3621	Station Equip-Genera - OTHER	\$ 17,897,647	100.00%	ALLDIST	\$ 17,897,647	\$ -	\$ 17,897,647
19	3622	Station Equip-Genera - OTHER	\$ 35,234,648	96.39%	DMAINT	\$ 33,962,677	\$ -	\$ 33,962,677
20	3622	Station Equip-Genera - VEHI5	\$ 157,191	96.39%	DMAINT	\$ 151,516	\$ -	\$ 151,516
21	3626	Station Equip - EDS - NONE	\$ 625,742	43.70%	DLABOR	\$ 273,449	\$ -	\$ 273,449
22	3627	Station Equip-Genera - FIBER CABLE	\$ 541,432	43.70%	DLABOR	\$ 236,606	\$ -	\$ 236,606
23	3627	Station Equip-Genera - MULTIPLEX	\$ 1,750,695	43.70%	DLABOR	\$ 765,054	\$ -	\$ 765,054
24	3627	Station Equip-Genera - OTHER	\$ 42,701,605	43.70%	DLABOR	\$ 18,660,601	\$ -	\$ 18,660,601

<sup>1</sup> Col. (H) from Schedule B-2.2 Col. (G).

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Plant In Service by Accounts and Subaccounts**  
**As of September 30, 2015**  
**Distribution Plant**

Data: Actual

Type of Filing: Original

Work Paper Reference No(s).: WPB-2a, WPB-2b, WPB-2c, WPB-2d, WPB-2e

Schedule B-2.1

Page 4 of 6

Witness Responsible: Don Rennix

Line No.	Acct. No.	Description	Total Company	Allocation %	Allocation Code	Allocated Total	Adjustments <sup>1</sup>	Adjusted Jurisdictional
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)	(H)	(I) = (G) + (H)
1	3640	Poles, Towers & Fixt - NONE	\$ 260,613,653	100.00%	ALLDIST	\$ 260,613,653	\$ -	\$ 260,613,653
2	3640	Poles, Towers & Fixt - WPAFB	\$ 31,903	0.00%	NONDIST	\$ -	\$ -	\$ -
3	3640	Poles, Towers & Fixt - WPAFB31	\$ 569,365	0.00%	NONDIST	\$ -	\$ -	\$ -
4	3650	Ovhd Conductor & Dev - NONE	\$ 158,430,461	100.00%	ALLDIST	\$ 158,430,461	\$ -	\$ 158,430,461
5	3650	Ovhd Conductor & Dev - WPAFB	\$ 132,171	0.00%	NONDIST	\$ -	\$ -	\$ -
6	3650	Ovhd Conductor & Dev - WPAFB31	\$ 494,974	0.00%	NONDIST	\$ -	\$ -	\$ -
7	3660	Underground Conduit - NONE	\$ 10,652,766	100.00%	ALLDIST	\$ 10,652,766	\$ -	\$ 10,652,766
8	3660	Underground Conduit - WPAFB	\$ 87,103	0.00%	NONDIST	\$ -	\$ -	\$ -
9	3660	Underground Conduit - WPAFB31	\$ 5,536,919	0.00%	NONDIST	\$ -	\$ -	\$ -
10	3670	Underground Conducto - NONE	\$ 203,324,254	100.00%	ALLDIST	\$ 203,324,254	\$ -	\$ 203,324,254
11	3670	Underground Conducto - WPAFB	\$ 1,632,136	0.00%	NONDIST	\$ -	\$ -	\$ -
12	3670	Underground Conducto - WPAFB31	\$ 4,556,673	0.00%	NONDIST	\$ -	\$ -	\$ -
13	3680	Line Transformers - NONE	\$ 271,712,937	100.00%	ALLDIST	\$ 271,712,937	\$ -	\$ 271,712,937
14	3680	Line Transformers - WPAFB	\$ 687,950	0.00%	NONDIST	\$ -	\$ -	\$ -
15	3680	Line Transformers - WPAFB31	\$ 6,772,217	0.00%	NONDIST	\$ -	\$ -	\$ -
16	3691	Ovhd Electric Servc - NONE	\$ 48,245,168	100.00%	ALLDIST	\$ 48,245,168	\$ -	\$ 48,245,168
17	3692	Underground Electric - NONE	\$ 158,964,844	100.00%	ALLDIST	\$ 158,964,844	\$ -	\$ 158,964,844
18	3700	Meters - NONE	\$ 46,780,659	100.00%	ALLDIST	\$ 46,780,659	\$ -	\$ 46,780,659
19	3711	Cust Install - Priv - NONE	\$ 15,594,843	100.00%	ALLDIST	\$ 15,594,843	\$ -	\$ 15,594,843
20	3712	Cust Install - Other - NONE	\$ 227,694	100.00%	ALLDIST	\$ 227,694	\$ -	\$ 227,694
21	3720	Leased Prop on Cust - NONE	\$ 47,450	100.00%	ALLDIST	\$ 47,450	\$ -	\$ 47,450
22	106	Completed Construction	\$ 64,218,227	96.48%	DIRECT	\$ 61,957,745	\$ -	\$ 61,957,745
23	106	Completed Construction - WPAFB	\$ 6,600,940	0.00%	NONDIST	\$ -	\$ -	\$ -
24	Various	Distribution (Reconciling Adjustments)	\$ (74,026)	100.00%	ALLDIST	\$ (74,026)	\$ -	\$ (74,026)
25		Total Distribution Plant	\$ 1,642,323,883			\$ 1,541,351,600	\$ -	\$ 1,541,351,600

<sup>1</sup> Col. (H) from Schedule B-2.2 Col. (G).

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Plant In Service by Accounts and Subaccounts**  
**As of September 30, 2015**  
**General Plant**

Data: Actual  
Type of Filing: Original  
Work Paper Reference No(s).: WPB-2a, WPB-2b, WPB-2c, WPB-2d, WPB-2e

Schedule B-2.1  
Page 5 of 6  
Witness Responsible: Don Rennix

Line No.	Acct. No.	Description	Total Company	Allocation %	Allocation Code	Allocated Total	Adjustments <sup>1</sup>	Adjusted Jurisdictional
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)	(H)	(I) = (G) + (H)
1	3892	Land & Rights - Comm - OTHER	\$ 1,608,881	100.00%	ALLDIST	\$ 1,608,881	\$ -	\$ 1,608,881
2	3902	S&I - Common - OTHER	\$ 17,301,900	100.00%	ALLDIST	\$ 17,301,900	\$ -	\$ 17,301,900
3	3915	Office Furn & Equip - EAST BEND	\$ -	0.00%	NONDIST	\$ -	\$ -	\$ -
4	3915	Office Furn & Equip - MIAMI FORT	\$ -	0.00%	NONDIST	\$ -	\$ -	\$ -
5	3915	Office Furn & Equip - ZIMMER	\$ -	0.00%	NONDIST	\$ -	\$ -	\$ -
6	3925	Transportation Equip - ZIMMER	\$ -	0.00%	NONDIST	\$ -	\$ -	\$ -
7	3930	Stores Equip - Commo - OTHER	\$ 357,953	96.39%	DMaint	\$ 345,031	\$ -	\$ 345,031
8	3935	Stores Equip - COF - EAST BEND	\$ -	0.00%	NONDIST	\$ -	\$ -	\$ -
9	3935	Stores Equip - COF - MIAMI FORT	\$ 78,569	0.00%	NONDIST	\$ -	\$ -	\$ -
10	3940	Tools, Shop & Garage - OTHER	\$ 7,668,510	96.39%	DMaint	\$ 7,391,677	\$ -	\$ 7,391,677
11	3950	Lab Equip - Common - OTHER	\$ 4,597,512	96.39%	DMaint	\$ 4,431,542	\$ -	\$ 4,431,542
12	3960	Power Operated Equip - OTHER	\$ 2,229,175	96.39%	DMaint	\$ 2,148,702	\$ -	\$ 2,148,702
13	3960	Power Operated Equip - PWR OPER EQUIP	\$ -	96.39%	DMaint	\$ -	\$ -	\$ -
14	3975	Communication Equip - EAST BEND	\$ -	0.00%	NONDIST	\$ -	\$ -	\$ -
15	3975	Communication Equip - ZIMMER	\$ -	0.00%	NONDIST	\$ -	\$ -	\$ -
16	3980	Misc Equipment - Com - OTHER	\$ 326,342	100.00%	ALLDIST	\$ 326,342	\$ -	\$ 326,342
17	106	Completed Construction	\$ -	98.43%	DIRECT	\$ -	\$ -	\$ -
18		Total General Plant	<u>\$ 34,168,842</u>			<u>\$ 33,554,075</u>	<u>\$ -</u>	<u>\$ 33,554,075</u>

<sup>1</sup> Col. (H) from Schedule B-2.2 Col. (G).



**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Plant In Service by Accounts and Subaccounts**  
**As of September 30, 2015**  
**Intangible Plant**

Data: Actual

Type of Filing: Original

Work Paper Reference No(s).: WPB-2a, WPB-2b, WPB-2c, WPB-2d, WPB-2e

Schedule B-2.1

Page 6 of 6

Witness Responsible: Don Rennix

Line No.	Acct. No.	Description	Total Company	Allocation %	Allocation Code	Allocated Total	Adjustments <sup>1</sup>	Adjusted Jurisdictional
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)	(H)	(I) = (G) + (H)
1	3030	Intangible Plant - BECKJORD	\$ -	0.00%	NONDIST	\$ -	\$ -	\$ -
2	3030	Intangible Plant - CONESVILLE	\$ 855	0.00%	NONDIST	\$ -	\$ -	\$ -
3	3030	Intangible Plant - EAST BEND	\$ -	0.00%	NONDIST	\$ -	\$ -	\$ -
4	3030	Intangible Plant - MIAMI FORT	\$ 859,527	0.00%	NONDIST	\$ -	\$ -	\$ -
5	3030	Intangible Plant - NONE - GEN	\$ 5,103,045	0.00%	NONDIST	\$ -	\$ -	\$ -
6	3030	Intangible Plant - NONE	\$ 14,933,869	56.08%	DIRECT	\$ 8,375,428	\$ -	\$ 8,375,428
7	3030	Intangible Plant - SW08	\$ 1,569,694	56.60%	DIRECT	\$ 888,403	\$ -	\$ 888,403
8	3030	Intangible Plant - SW09	\$ 12,048,690	50.32%	DIRECT	\$ 6,062,801	\$ -	\$ 6,062,801
9	3030	Intangible Plant - SW10	\$ 1,096,346	74.21%	DIRECT	\$ 813,551	\$ -	\$ 813,551
10	3030	Intangible Plant - SW11	\$ 11,661,411	66.28%	DIRECT	\$ 7,729,703	\$ -	\$ 7,729,703
11	3030	Intangible Plant - SW12	\$ 11,464,771	68.95%	DIRECT	\$ 7,905,487	\$ -	\$ 7,905,487
12	3030	Intangible Plant - SW13	\$ 8,771,684	47.22%	DIRECT	\$ 4,142,385	\$ -	\$ 4,142,385
13	3030	Intangible Plant - SW14	\$ 1,002,618	65.25%	DIRECT	\$ 654,182	\$ -	\$ 654,182
14	3030	Intangible Plant - SW15	\$ 53,356	61.14%	DIRECT	\$ 32,621	\$ -	\$ 32,621
15	3030	Intangible Plant - ZIMMER	\$ 976,128	0.00%	NONDIST	\$ -	\$ -	\$ -
16	106	Completed Construction	\$ 1,925,657	58.47%	DIRECT	\$ 1,125,932	\$ -	\$ 1,125,932
17	106	Completed Construction - Non Regulated	\$ 384,521	0.00%	NONDIST	\$ -	\$ -	\$ -
18		Total Intangible Plant	<u>\$ 71,852,172</u>			<u>\$ 37,730,493</u>	<u>\$ -</u>	<u>\$ 37,730,493</u>

<sup>1</sup> Col. (H) from Schedule B-2.2 Col. (G).

**The Dayton Power and Light Company  
Case No. 15-1830-EL-AIR**

**Adjustments to Plant In Service  
As of September 30, 2015**

Data: Actual  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule B-2.2

Page 1 of 1

Witness Responsible: Don Rennix

Line No.	Acct. No.	Description	Company Adjustment	Allocation %	Allocation Code	Adjusted Jurisdictional
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)

No adjustments to be made.

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Gross Additions, Retirements, and Transfers**  
**From April 1, 1991 To September 30, 2015**  
**Distribution Plant**

Data: Actual  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule B-2.3  
Page 1 of 3  
Witness Responsible: Don Rennix

Line No.	Acct. No.	Description	Beginning Balance	Additions	Retirements	Transfer/Reclassifications		Other Accts. Involved	Ending Balance
						Amount	Explanation of Transfers <sup>1</sup>		
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J) = (D) + (E) - (F) + (G)
1	360	Land and Land Rights	\$ 9,723,000	\$ 15,904,166	\$ 750,243	\$ 1,883,182		\$	26,760,105
2	361	Structures and Improvements	\$ 6,809,000	\$ 24,040,014	\$ 12,605,464	\$ 31,318,906		\$	49,562,456
3	362	Station Equipment	\$ 67,982,000	\$ 216,311,442	\$ 49,118,398	\$ 64,984,998		\$	300,160,042
4	363	Storage Battery Equipment	\$ -	\$ -	\$ -	\$ -		\$	-
5	364	Poles, Towers and Fixtures	\$ 81,982,000	\$ 181,311,893	\$ 4,226,707	\$ 2,147,734		\$	261,214,920
6	365	Overhead Conductors and Devices	\$ 47,658,000	\$ 85,313,449	\$ 12,694,337	\$ 38,780,494		\$	159,057,606
7	366	Underground Conduit	\$ 4,356,000	\$ 16,410,985	\$ 29,308	\$ (4,460,889)		\$	16,276,788
8	367	Underground Conductors and Devices	\$ 54,841,000	\$ 163,673,332	\$ 12,208,224	\$ 3,206,955		\$	209,513,083
9	368	Line Transformers	\$ 113,171,000	\$ 230,145,622	\$ 20,171,740	\$ (43,971,778)		\$	279,173,104
10	369	Services	\$ 46,617,000	\$ 160,475,744	\$ (399,386)	\$ (282,116)		\$	207,210,014
11	370	Meters	\$ 27,416,000	\$ 43,438,175	\$ 23,899,054	\$ (174,461)		\$	46,780,660
12	371	Installations on Customers' Premises	\$ 8,408,000	\$ 9,057,754	\$ 1,630,769	\$ (12,448)		\$	15,822,537
13	372	Leased Property on Customers' Premises	\$ 56,866	\$ (1)	\$ -	\$ (9,415)		\$	47,450
14	373	Street Light and Signal Systems	\$ -	\$ -	\$ -	\$ -		\$	-
15	374	Asset Retirement Costs for Distr Plant	\$ -	\$ -	\$ -	\$ -		\$	-
16	106	Distribution Plant Not Classified	\$ -	\$ 70,819,167	\$ -	\$ -		\$	70,819,167
17		Total Distribution Plant	\$ 469,019,866	\$ 1,216,901,742	\$ 136,934,858	\$ 93,411,162		\$	1,642,397,912

<sup>1</sup> Transfers through 2014 are as reported within FERC Form 1; additional transfers occurring in 2015 are based on a review of the Company's property accounting records.

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Gross Additions, Retirements, and Transfers**  
**From April 1, 1991 To September 30, 2015**  
**General Plant**

Data: Actual  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule B-2.3  
Page 2 of 3  
Witness Responsible: Don Rennix

Line No.	Acct. No.	Description	Beginning Balance	Additions	Retirements	Transfer/Reclassifications		Other Accts. Involved	Ending Balance
						Amount	Explanation of Transfers <sup>1</sup>		
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J) = (D) + (E) - (F) + (G)
1	389	Land and Land Rights	\$ 4,840,000	\$ 1,655,345	\$ (2,189)	\$ (4,888,653)			1,608,881
2	390	Structures and Improvements	\$ 54,368,000	\$ 5,661,918	\$ 16,191,218	\$ (26,536,800)			17,301,900
3	391	Office Furniture and Equipment	\$ 13,383,000	\$ 24,372,482	\$ 3,369,790	\$ (34,385,692)			-
4	392	Transportation Equipment	\$ 4,166,000	\$ 19,445,475	\$ 5,888,497	\$ (17,722,978)			-
5	393	Stores Equipment	\$ 447,280	\$ 757,551	\$ 686,986	\$ (81,323)			436,522
6	394	Tools, Shop and Garage Equipment	\$ 2,546,000	\$ 6,492,257	\$ 2,403,552	\$ 1,033,805			7,668,510
7	395	Laboratory Equipment	\$ 1,158,295	\$ 4,430,060	\$ 1,544,736	\$ 553,893			4,597,512
8	396	Power Operated Equipment	\$ 1,559,000	\$ 1,624,928	\$ 1,024,716	\$ 69,963			2,229,175
9	397	Communication Equipment	\$ 9,525,000	\$ 7,814,146	\$ 2,145,306	\$ (15,193,840)			-
10	398	Miscellaneous Equipment	\$ 1,150,000	\$ 1,943,716	\$ 5,117,056	\$ 2,349,682			326,342
11	399	Other Tangible Property	\$ -	\$ -	\$ -	\$ -			-
12	399.1	Asset Retirement Costs for General Plant	\$ -	\$ -	\$ -	\$ -			-
13	106	General Plant Not Classified	\$ -	\$ -	\$ -	\$ -			-
14		Total General Plant	\$ 93,142,575	\$ 74,197,878	\$ 38,369,668	\$ (94,801,943)			34,168,842

<sup>1</sup> Transfers through 2014 are as reported within FERC Form 1; additional transfers occurring in 2015 are based on a review of the Company's property accounting records.

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Gross Additions, Retirements, and Transfers**  
**From April 1, 1991 To September 30, 2015**  
**Intangible Plant**

Data: Actual  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule B-2.3  
Page 3 of 3  
Witness Responsible: Don Rennix

Line No.	Acct. No.	Description	Beginning Balance	Additions	Retirements	Transfer/Reclassifications		Other Accts. Involved	Ending Balance
						Amount	Explanation of Transfers <sup>1</sup>		
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J) = (D) + (E) - (F) + (G)
1	301	Organization	\$ -	\$ -	\$ -	\$ -		\$ -	-
2	302	Franchises and Consents	\$ -	\$ -	\$ -	\$ -		\$ -	-
3	303	Miscellaneous Intangible Plant	\$ -	\$ 113,194,078	\$ 24,051,911	\$ (19,600,172)		\$ -	69,541,995
4	106	Intangible Plant Not Classified	\$ -	\$ 2,310,178	\$ -	\$ -		\$ -	2,310,178
5		Total Intangible Plant	\$ -	\$ 115,504,256	\$ 24,051,911	\$ (19,600,172)		\$ -	71,852,173

<sup>1</sup> Transfers through 2014 are as reported within FERC Form 1; additional transfers occurring in 2015 are based on a review of the Company's property accounting records.

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Lease Property**  
**As of September 30, 2015**

Data: Actual  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule B-2.4  
Page 1 of 1  
Witness Responsible: Don Rennix

Line No.	Description of Type and Use of Property	Name of Lessee	Frequency of Payment	Amount of Lease Payment	Dollar Value of Property Involved	Explain Method of Capitalization	Included In Rate Base (Yes/No)
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)

The Company holds no property under capital lease.

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Property Excluded from Rate Base - For Reasons Other than Rate Area Allocation**  
**As of September 30, 2015**

Data: Actual  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule B-2.5  
Page 1 of 1  
Witness Responsible: Don Rennix

Line No.	Acct. No.	Description	In Service Date	Original Cost	Accumulated Depreciation	Net Book Value Cost (G) = (E) - (F)	Test Year Revenue & Expense <sup>1</sup>			Reasons For Exclusion
							Amount	Acct. No.	Description	
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (E) - (F)	(H)	(I)	(J)	(K)
1	3610	S&I - WPAFB31	Various	\$ 108,613	\$ 108,613	\$ -				Special Contract
2	3620	Station Equip - WPAFB	Various	\$ 630,864	\$ 67,660	\$ 563,204				Special Contract
3	3620	Station Equip - WPAFB31	Various	\$ 16,946,452	\$ 7,242,647	\$ 9,703,805				Special Contract
4	3640	Poles, Towers & Fixt - WPAFB	Various	\$ 31,903	\$ 3,150	\$ 28,753				Special Contract
5	3640	Poles, Towers & Fixt - WPAFB31	Various	\$ 569,365	\$ 229,759	\$ 339,606				Special Contract
6	3650	Ovhd Conductor & Dev - WPAFB	Various	\$ 132,171	\$ 12,058	\$ 120,113				Special Contract
7	3650	Ovhd Conductor & Dev - WPAFB31	Various	\$ 494,974	\$ 331,288	\$ 163,686				Special Contract
8	3660	Underground Conduit - WPAFB	Various	\$ 87,103	\$ 4,466	\$ 82,637				Special Contract
9	3660	Underground Conduit - WPAFB31	Various	\$ 5,536,919	\$ 5,061,809	\$ 475,110				Special Contract
10	3670	Underground Conducto - WPAFB	Various	\$ 1,632,136	\$ 163,942	\$ 1,468,194				Special Contract
11	3670	Underground Conducto - WPAFB31	Various	\$ 4,556,673	\$ 4,383,156	\$ 173,517				Special Contract
12	3680	Line Transformers - WPAFB	Various	\$ 687,950	\$ 62,335	\$ 625,615				Special Contract
13	3680	Line Transformers - WPAFB31	Various	\$ 6,772,217	\$ 3,120,227	\$ 3,651,990				Special Contract
14	106	Completed Construction - WPAFB	Various	\$ 6,600,940	\$ 356,712	\$ 6,244,228				Special Contract
15		Total		<u>\$ 44,788,280</u>	<u>\$ 21,147,822</u>	<u>\$ 23,640,458</u>				

<sup>1</sup> See Schedule C-3.18

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Reserve for Accumulated Depreciation**  
**As of September 30, 2015**  
**Non-Jurisdictional Electric Plant**

Data: Actual

Type of Filing: Original

Work Paper Reference No(s).: WPB-2a, WPB-2b, WPB-2c, WPB-2d, WPB-2e, WPB-3

Schedule B-3

Page 1 of 6

Witness Responsible: Don Rennix

Line No.	Acct. No.	Description	Total Company Plant Investment	Reserve for Accumulated Depreciation at Date Certain						Adjusted Jurisdictional
				Total Company	Allocation %	Allocation Code	Allocated Total	Adjustments <sup>1</sup>		
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H) = (E) * (F)	(I)	(J) = (H) + (I)	
1	Various	Production - Steam (Unitized)	\$ 3,080,657,744	\$ 1,676,966,062	0.00%	NONDIST	\$ -	\$ -	\$ -	
2	Various	Production - Steam (Completed Construction)	\$ 18,079,092	\$ 1,949,597	0.00%	NONDIST	\$ -	\$ -	\$ -	
3	Various	Production - Steam (Reconciling Adjustment)	\$ 17,386	\$ 191,520	0.00%	NONDIST	\$ -	\$ -	\$ -	
4	Various	Production - Steam (Cost Modifications)	\$ (119,830,136)	\$ (50,779,688)	0.00%	NONDIST	\$ -	\$ -	\$ -	
5	Various	Production - Other (Unitized)	\$ 97,638,430	\$ 74,118,554	0.00%	NONDIST	\$ -	\$ -	\$ -	
6	Various	Production - Other (Completed Construction)	\$ 2,967,417	\$ 40,273	0.00%	NONDIST	\$ -	\$ -	\$ -	
7	Various	Production - Other (Cost Modifications)	\$ (1,685,743)	\$ (414,395)	0.00%	NONDIST	\$ -	\$ -	\$ -	
8	108	Production - Retirement Work in Progress	\$ -	\$ (7,447,676)	0.00%	NONDIST	\$ -	\$ -	\$ -	
9		Total Production Plant	\$ 3,077,844,190	\$ 1,694,624,247			\$ -	\$ -	\$ -	
10										
11	Various	Transmission (Unitized)	\$ 430,635,514	\$ 235,545,905	0.00%	NONDIST	\$ -	\$ -	\$ -	
12	Various	Transmission (Completed Construction)	\$ 8,333,069	\$ 339,156	0.00%	NONDIST	\$ -	\$ -	\$ -	
13	Various	Transmission (Reconciling Adjustments)	\$ 1,165,024	\$ 1,967,263	0.00%	NONDIST	\$ -	\$ -	\$ -	
14	108	Transmission - Retirement Work in Progress	\$ -	\$ (2,637,911)	0.00%	NONDIST	\$ -	\$ -	\$ -	
15		Total Transmission Plant	\$ 440,133,607	\$ 235,214,413			\$ -	\$ -	\$ -	

<sup>1</sup> Col. (I) from Schedule B-3.1 Col. (G).



**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Reserve for Accumulated Depreciation**  
**As of September 30, 2015**  
**Distribution Plant**

Data: Actual

Type of Filing: Original

Work Paper Reference No(s): WPB-2a, WPB-2b, WPB-2c, WPB-2d, WPB-2e, WPB-3

Schedule B-3

Page 2 of 6

Witness Responsible: Don Rennix

Line No.	Acct. No.	Description	Total Company Plant Investment	Reserve for Accumulated Depreciation at Date Certain					
				Total Company	Allocation %	Allocation Code	Allocated Total	Adjustments <sup>1</sup>	Adjusted Jurisdictional
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H) = (E) * (F)	(I)	(J) = (H) + (I)
1	3601	Substation Land - NONE	\$ 1,879,925	\$ -	100.00%	ALLDIST	\$ -	\$ -	\$ -
2	3602	Other Land - NONE	\$ 2,382	\$ -	100.00%	ALLDIST	\$ -	\$ -	\$ -
3	3603	Land Rights - NONE	\$ 23,493,716	\$ 70,315	100.00%	ALLDIST	\$ 70,315	\$ -	\$ 70,315
4	3604	Distribution Land-OT - DSB	\$ 117,769	\$ -	100.00%	ALLDIST	\$ -	\$ -	\$ -
5	3604	Distribution Land-OT - EATON	\$ 18,635	\$ -	100.00%	ALLDIST	\$ -	\$ -	\$ -
6	3604	Distribution Land-OT - GREENVILLE	\$ 349,912	\$ -	100.00%	ALLDIST	\$ -	\$ -	\$ -
7	3604	Distribution Land-OT - HUBER	\$ -	\$ -	100.00%	ALLDIST	\$ -	\$ -	\$ -
8	3604	Distribution Land-OT - MARYSVILLE	\$ 114,162	\$ -	100.00%	ALLDIST	\$ -	\$ -	\$ -
9	3604	Distribution Land-OT - MIAMISBURG	\$ 286,563	\$ -	100.00%	ALLDIST	\$ -	\$ -	\$ -
10	3604	Distribution Land-OT - NORTH DAYTON	\$ 339,580	\$ -	100.00%	ALLDIST	\$ -	\$ -	\$ -
11	3604	Distribution Land-OT - OTHER	\$ 46,594	\$ -	100.00%	ALLDIST	\$ -	\$ -	\$ -
12	3604	Distribution Land-OT - SIDNEY	\$ 4,005	\$ -	100.00%	ALLDIST	\$ -	\$ -	\$ -
13	3604	Distribution Land-OT - WASH CH	\$ 93,971	\$ -	100.00%	ALLDIST	\$ -	\$ -	\$ -
14	3604	Distribution Land-OT - XENIA	\$ 12,890	\$ -	100.00%	ALLDIST	\$ -	\$ -	\$ -
15	3610	S&I - NONE	\$ 9,424,899	\$ 4,871,850	100.00%	ALLDIST	\$ 4,871,850	\$ -	\$ 4,871,850
16	3610	S&I - WPAFB31	\$ 108,613	\$ 108,613	0.00%	NONDIST	\$ -	\$ -	\$ -
17	3614	S&I-OTHER - COLDWATER	\$ 23,522	\$ 107	100.00%	ALLDIST	\$ 107	\$ -	\$ 107
18	3614	S&I-OTHER - DSB	\$ 23,249,580	\$ 11,341,461	100.00%	ALLDIST	\$ 11,341,461	\$ -	\$ 11,341,461
19	3614	S&I-OTHER - EATON	\$ 1,284,906	\$ 653,135	100.00%	ALLDIST	\$ 653,135	\$ -	\$ 653,135
20	3614	S&I-OTHER - GREENVILLE	\$ 1,713,466	\$ 589,583	100.00%	ALLDIST	\$ 589,583	\$ -	\$ 589,583
21	3614	S&I-OTHER - HUBER	\$ -	\$ -	100.00%	ALLDIST	\$ -	\$ -	\$ -
22	3614	S&I-OTHER - MARYSVILLE	\$ 1,142,794	\$ 484,266	100.00%	ALLDIST	\$ 484,266	\$ -	\$ 484,266
23	3614	S&I-OTHER - MIAMISBURG	\$ 1,642,811	\$ 1,110,607	100.00%	ALLDIST	\$ 1,110,607	\$ -	\$ 1,110,607
24	3614	S&I-OTHER - NONE	\$ -	\$ -	100.00%	ALLDIST	\$ -	\$ -	\$ -

<sup>1</sup> Col. (I) from Schedule B-3.1 Col. (G).

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Reserve for Accumulated Depreciation**  
**As of September 30, 2015**  
**Distribution Plant**

Data: Actual

Type of Filing: Original

Work Paper Reference No(s): WPB-2a, WPB-2b, WPB-2c, WPB-2d, WPB-2e, WPB-3

Schedule B-3

Page 3 of 6

Witness Responsible: Don Rennix

Line No.	Acct. No.	Description	Total Company Plant Investment	Reserve for Accumulated Depreciation at Date Certain					
				Total	Allocation	Allocation	Allocated	Adjusted	
				Company	%	Code	Total	Adjustments <sup>1</sup>	Jurisdictional
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H) = (E) * (F)	(I)	(J) = (H) + (I)
1	3614	S&I-OTHER - NORTH DAYTON	\$ 4,364,877	\$ (4,617)	100.00%	ALLDIST	\$ (4,617)	\$ -	\$ (4,617)
2	3614	S&I-OTHER - OTHER	\$ 112,577	\$ 112,577	100.00%	ALLDIST	\$ 112,577	\$ -	\$ 112,577
3	3614	S&I-OTHER - SIDNEY	\$ 2,110,285	\$ 832,987	100.00%	ALLDIST	\$ 832,987	\$ -	\$ 832,987
4	3614	S&I-OTHER - TRANS	\$ 804,846	\$ 508,913	96.39%	DMAINT	\$ 490,541	\$ -	\$ 490,541
5	3614	S&I-OTHER - URBANA	\$ -	\$ -	100.00%	ALLDIST	\$ -	\$ -	\$ -
6	3614	S&I-OTHER - WASH CH	\$ 1,346,663	\$ 963,773	100.00%	ALLDIST	\$ 963,773	\$ -	\$ 963,773
7	3614	S&I-OTHER - XENIA	\$ 2,232,616	\$ 1,086,767	100.00%	ALLDIST	\$ 1,086,767	\$ -	\$ 1,086,767
8	3620	Station Equip - NONE	\$ 135,835,303	\$ 51,235,961	100.00%	ALLDIST	\$ 51,235,961	\$ -	\$ 51,235,961
9	3620	Station Equip - WPAFB	\$ 630,864	\$ 67,660	0.00%	NONDIST	\$ -	\$ -	\$ -
10	3620	Station Equip - WPAFB31	\$ 16,946,452	\$ 7,242,647	0.00%	NONDIST	\$ -	\$ -	\$ -
11	3621	Station Equip-Genera - COMPUTERS	\$ 29,545,325	\$ 29,545,325	43.70%	DLABOR	\$ 12,911,307	\$ -	\$ 12,911,307
12	3621	Station Equip-Genera - COMPUTERS10	\$ 4,221,346	\$ 3,084,319	43.70%	DLABOR	\$ 1,347,847	\$ -	\$ 1,347,847
13	3621	Station Equip-Genera - COMPUTERS11	\$ 3,957,088	\$ 1,872,216	43.70%	DLABOR	\$ 818,158	\$ -	\$ 818,158
14	3621	Station Equip-Genera - COMPUTERS12	\$ 2,925,057	\$ 1,183,758	43.70%	DLABOR	\$ 517,302	\$ -	\$ 517,302
15	3621	Station Equip-Genera - COMPUTERS13	\$ 4,801,463	\$ 1,355,590	43.70%	DLABOR	\$ 592,393	\$ -	\$ 592,393
16	3621	Station Equip-Genera - COMPUTERS14	\$ 2,024,329	\$ 195,803	43.70%	DLABOR	\$ 85,566	\$ -	\$ 85,566
17	3621	Station Equip-Genera - COMPUTERS15	\$ 363,856	\$ 22,282	43.70%	DLABOR	\$ 9,737	\$ -	\$ 9,737
18	3621	Station Equip-Genera - OTHER	\$ 17,897,647	\$ 14,476,225	100.00%	ALLDIST	\$ 14,476,225	\$ -	\$ 14,476,225
19	3622	Station Equip-Genera - OTHER	\$ 35,234,648	\$ 35,264,648	96.39%	DMAINT	\$ 33,991,594	\$ -	\$ 33,991,594
20	3622	Station Equip-Genera - VEH15	\$ 157,191	\$ 6,433	96.39%	DMAINT	\$ 6,201	\$ -	\$ 6,201
21	3626	Station Equip - EDS - NONE	\$ 625,742	\$ 625,742	43.70%	DLABOR	\$ 273,449	\$ -	\$ 273,449
22	3627	Station Equip-Genera - FIBER CABLE	\$ 541,432	\$ 389,127	43.70%	DLABOR	\$ 170,048	\$ -	\$ 170,048
23	3627	Station Equip-Genera - MULTIPLEX	\$ 1,750,695	\$ 1,750,695	43.70%	DLABOR	\$ 765,054	\$ -	\$ 765,054
24	3627	Station Equip-Genera - OTHER	\$ 42,701,605	\$ 12,054,939	43.70%	DLABOR	\$ 5,268,008	\$ -	\$ 5,268,008

<sup>1</sup> Col. (I) from Schedule B-3.1 Col. (G).

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Reserve for Accumulated Depreciation**  
**As of September 30, 2015**  
**Distribution Plant**

Data: Actual

Type of Filing: Original

Work Paper Reference No(s): WPB-2a, WPB-2b, WPB-2c, WPB-2d, WPB-2e, WPB-3

Schedule B-3

Page 4 of 6

Witness Responsible: Don Rennix

Line No.	Acct. No.	Description	Total Company Plant Investment	Reserve for Accumulated Depreciation at Date Certain					
				Total Company	Allocation %	Allocation Code	Allocated Total	Adjustments <sup>1</sup>	Adjusted Jurisdictional
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H) = (E) * (F)	(I)	(J) = (H) + (I)
1	3640	Poles, Towers & Fixt - NONE	\$ 260,613,653	\$ 153,937,606	100.00%	ALLDIST	\$ 153,937,606	\$ -	\$ 153,937,606
2	3640	Poles, Towers & Fixt - WPAFB	\$ 31,903	\$ 3,150	0.00%	NONDIST	\$ -	\$ -	\$ -
3	3640	Poles, Towers & Fixt - WPAFB31	\$ 569,365	\$ 229,759	0.00%	NONDIST	\$ -	\$ -	\$ -
4	3650	Ovhd Conductor & Dev - NONE	\$ 158,430,461	\$ 77,836,256	100.00%	ALLDIST	\$ 77,836,256	\$ -	\$ 77,836,256
5	3650	Ovhd Conductor & Dev - WPAFB	\$ 132,171	\$ 12,058	0.00%	NONDIST	\$ -	\$ -	\$ -
6	3650	Ovhd Conductor & Dev - WPAFB31	\$ 494,974	\$ 331,288	0.00%	NONDIST	\$ -	\$ -	\$ -
7	3660	Underground Conduit - NONE	\$ 10,652,766	\$ 5,551,476	100.00%	ALLDIST	\$ 5,551,476	\$ -	\$ 5,551,476
8	3660	Underground Conduit - WPAFB	\$ 87,103	\$ 4,466	0.00%	NONDIST	\$ -	\$ -	\$ -
9	3660	Underground Conduit - WPAFB31	\$ 5,536,919	\$ 5,061,809	0.00%	NONDIST	\$ -	\$ -	\$ -
10	3670	Underground Conducto - NONE	\$ 203,324,254	\$ 99,060,724	100.00%	ALLDIST	\$ 99,060,724	\$ -	\$ 99,060,724
11	3670	Underground Conducto - WPAFB	\$ 1,632,136	\$ 163,942	0.00%	NONDIST	\$ -	\$ -	\$ -
12	3670	Underground Conducto - WPAFB31	\$ 4,556,673	\$ 4,383,156	0.00%	NONDIST	\$ -	\$ -	\$ -
13	3680	Line Transformers - NONE	\$ 271,712,937	\$ 96,911,140	100.00%	ALLDIST	\$ 96,911,140	\$ -	\$ 96,911,140
14	3680	Line Transformers - WPAFB	\$ 687,950	\$ 62,335	0.00%	NONDIST	\$ -	\$ -	\$ -
15	3680	Line Transformers - WPAFB31	\$ 6,772,217	\$ 3,120,227	0.00%	NONDIST	\$ -	\$ -	\$ -
16	3691	Ovhd Electric Servc - NONE	\$ 48,245,168	\$ 38,002,061	100.00%	ALLDIST	\$ 38,002,061	\$ -	\$ 38,002,061
17	3692	Underground Electric - NONE	\$ 158,964,844	\$ 85,593,622	100.00%	ALLDIST	\$ 85,593,622	\$ -	\$ 85,593,622
18	3700	Meters - NONE	\$ 46,780,659	\$ 13,712,156	100.00%	ALLDIST	\$ 13,712,156	\$ -	\$ 13,712,156
19	3711	Cust Install - Priv - NONE	\$ 15,594,843	\$ 15,245,663	100.00%	ALLDIST	\$ 15,245,663	\$ -	\$ 15,245,663
20	3712	Cust Install - Other - NONE	\$ 227,694	\$ 160,968	100.00%	ALLDIST	\$ 160,968	\$ -	\$ 160,968
21	3720	Leased Prop on Cust - NONE	\$ 47,450	\$ 47,450	100.00%	ALLDIST	\$ 47,450	\$ -	\$ 47,450
22	106	Completed Construction	\$ 64,218,227	\$ 5,057,507	96.48%	DIRECT	\$ 4,879,483	\$ -	\$ 4,879,483
23	106	Completed Construction - WPAFB	\$ 6,600,940	\$ 356,712	0.00%	NONDIST	\$ -	\$ -	\$ -
24	Various	Distribution (Reconciling Adjustments)	\$ (74,026)	\$ 298,398	5.58%	DIRECT	\$ 16,663	\$ -	\$ 16,663
25	108	RWIP - Cost of Removal	\$ -	\$ (7,379,189)	18.24%	DIRECT	\$ (7,145,589)	\$ -	\$ (7,145,589)
26	108	RWIP - Salvage	\$ -	\$ 4,298,637	12.98%	DIRECT	\$ 4,277,018	\$ -	\$ 4,277,018
27		Total Distribution Plant	\$ 1,642,323,883	\$ 785,167,084			\$ 733,158,899	\$ -	\$ 733,158,899

<sup>1</sup> Col. (I) from Schedule B-3.1 Col. (G).

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Reserve for Accumulated Depreciation**  
**As of September 30, 2015**  
**General Plant**

Data: Actual

Type of Filing: Original

Work Paper Reference No(s): WPB-2a, WPB-2b, WPB-2c, WPB-2d, WPB-2e, WPB-3

Schedule B-3

Page 5 of 6

Witness Responsible: Don Rennix

Line No.	Acct. No.	Description	Total Company Plant Investment	Reserve for Accumulated Depreciation at Date Certain					
				Total Company	Allocation %	Allocation Code	Allocated Total	Adjusted Jurisdictional	
				(E)	(F)	(G)	(H) = (E) * (F)	(I)	(J) = (H) + (I)
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H) = (E) * (F)	(I)	(J) = (H) + (I)
1	3892	Land & Rights - Comm - OTHER	\$ 1,608,881	\$ -	100.00%	ALLDIST	\$ -	\$ -	\$ -
2	3902	S&I - Common - OTHER	\$ 17,301,900	\$ 11,433,285	100.00%	ALLDIST	\$ 11,433,285	\$ -	\$ 11,433,285
3	3915	Office Furn & Equip - EAST BEND	\$ -	\$ -	0.00%	NONDIST	\$ -	\$ -	\$ -
4	3915	Office Furn & Equip - MIAMI FORT	\$ -	\$ -	0.00%	NONDIST	\$ -	\$ -	\$ -
5	3915	Office Furn & Equip - ZIMMER	\$ -	\$ -	0.00%	NONDIST	\$ -	\$ -	\$ -
6	3925	Transportation Equip - ZIMMER	\$ -	\$ -	0.00%	NONDIST	\$ -	\$ -	\$ -
7	3930	Stores Equip - Commo - OTHER	\$ 357,953	\$ 285,056	96.39%	DMAIN	\$ 274,765	\$ -	\$ 274,765
8	3935	Stores Equip - COF - EAST BEND	\$ -	\$ -	0.00%	NONDIST	\$ -	\$ -	\$ -
9	3935	Stores Equip - COF - MIAMI FORT	\$ 78,569	\$ 60,894	0.00%	NONDIST	\$ -	\$ -	\$ -
10	3940	Tools, Shop & Garage - OTHER	\$ 7,668,510	\$ 4,380,832	96.39%	DMAIN	\$ 4,222,684	\$ -	\$ 4,222,684
11	3950	Lab Equip - Common - OTHER	\$ 4,597,512	\$ 787,281	96.39%	DMAIN	\$ 758,860	\$ -	\$ 758,860
12	3960	Power Operated Equip - OTHER	\$ 2,229,175	\$ 2,229,175	96.39%	DMAIN	\$ 2,148,702	\$ -	\$ 2,148,702
13	3960	Power Operated Equip - PWR OPER EQUIP	\$ -	\$ -	96.39%	DMAIN	\$ -	\$ -	\$ -
14	3975	Communication Equip - EAST BEND	\$ -	\$ -	0.00%	NONDIST	\$ -	\$ -	\$ -
15	3975	Communication Equip - ZIMMER	\$ -	\$ -	0.00%	NONDIST	\$ -	\$ -	\$ -
16	3980	Misc Equipment - Com - OTHER	\$ 326,342	\$ (60,394)	100.00%	ALLDIST	\$ (60,394)	\$ -	\$ (60,394)
17	106	Completed Construction	\$ -	\$ -	98.43%	DIRECT	\$ -	\$ -	\$ -
18	108	RWIP - Cost of Removal	\$ -	\$ (66,462)	96.39%	DMAIN	\$ (64,063)	\$ -	\$ (64,063)
19	108	RWIP - Salvage	\$ -	\$ (55,222)	96.39%	DMAIN	\$ (53,228)	\$ -	\$ (53,228)
20		Total General Plant	\$ 34,168,842	\$ 18,994,445			\$ 18,660,611	\$ -	\$ 18,660,611

<sup>1</sup> Col. (I) from Schedule B-3.1 Col. (G).

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Reserve for Accumulated Depreciation**  
**As of September 30, 2015**  
**Intangible Plant**

Data: Actual

Type of Filing: Original

Work Paper Reference No(s): WPB-2a, WPB-2b, WPB-2c, WPB-2d, WPB-2e, WPB-3

Schedule B-3

Page 6 of 6

Witness Responsible: Don Rennix

Line No.	Acct. No.	Description	Total Company Plant Investment	Reserve for Accumulated Depreciation at Date Certain						
				Total Company	Allocation %	Allocation Code	Allocated Total	Adjusted Adjustments <sup>1</sup>	Adjusted Jurisdictional	
										(E)
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H) = (E) * (F)	(I)	(J) = (H) + (I)	
1	3030	Intangible Plant - BECKJORD	\$ -	\$ -	0.00%	NONDIST	\$ -	\$ -	\$ -	
2	3030	Intangible Plant - CONESVILLE	\$ 855	\$ 753	0.00%	NONDIST	\$ -	\$ -	\$ -	
3	3030	Intangible Plant - EAST BEND	\$ -	\$ -	0.00%	NONDIST	\$ -	\$ -	\$ -	
4	3030	Intangible Plant - MIAMI FORT	\$ 859,527	\$ 738,090	0.00%	NONDIST	\$ -	\$ -	\$ -	
6	3030	Intangible Plant - NONE - GEN	\$ 5,103,045	\$ 4,050,225	0.00%	NONDIST	\$ -	\$ -	\$ -	
5	3030	Intangible Plant - NONE	\$ 14,933,869	\$ 14,933,869	56.08%	DIRECT	\$ 8,375,428	\$ -	\$ 8,375,428	
7	3030	Intangible Plant - SW08	\$ 1,569,694	\$ 1,555,692	56.60%	DIRECT	\$ 880,478	\$ -	\$ 880,478	
8	3030	Intangible Plant - SW09	\$ 12,048,690	\$ 10,462,680	50.32%	DIRECT	\$ 5,264,734	\$ -	\$ 5,264,734	
9	3030	Intangible Plant - SW10	\$ 1,096,346	\$ 659,769	74.21%	DIRECT	\$ 489,586	\$ -	\$ 489,586	
10	3030	Intangible Plant - SW11	\$ 11,661,411	\$ 6,512,525	66.28%	DIRECT	\$ 4,316,792	\$ -	\$ 4,316,792	
11	3030	Intangible Plant - SW12	\$ 11,464,771	\$ 4,934,304	68.95%	DIRECT	\$ 3,402,430	\$ -	\$ 3,402,430	
12	3030	Intangible Plant - SW13	\$ 8,771,684	\$ 2,468,442	47.22%	DIRECT	\$ 1,165,710	\$ -	\$ 1,165,710	
13	3030	Intangible Plant - SW14	\$ 1,002,618	\$ 138,699	65.25%	DIRECT	\$ 90,497	\$ -	\$ 90,497	
14	3030	Intangible Plant - SW15	\$ 53,356	\$ 4,342	61.14%	DIRECT	\$ 2,655	\$ -	\$ 2,655	
15	3030	Intangible Plant - ZIMMER	\$ 976,128	\$ 967,669	0.00%	NONDIST	\$ -	\$ -	\$ -	
16	106	Completed Construction	\$ 1,925,657	\$ 122,809	58.47%	DIRECT	\$ 71,806	\$ -	\$ 71,806	
17	106	Completed Construction - Non Regulated	\$ 384,521	\$ 54,879	0.00%	NONDIST	\$ -	\$ -	\$ -	
18		Total Intangible Plant	\$ 71,852,172	\$ 47,604,747			\$ 24,060,116	\$ -	\$ 24,060,116	

<sup>1</sup> Col. (I) from Schedule B-3.1 Col. (G).

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Adjustments to the Reserve for Accumulated Depreciation**  
**For the Twelve Months Ended May 31, 2016**

Data: Actual  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule B-3.1  
Page 1 of 1  
Witness Responsible: Don Rennix

Line No.	Acct. No.	Description	Total Company Adjustment	Allocation %	Allocation Code	Adjusted Jurisdictional
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)

No adjustments to be made.

**The Dayton Power and Light Company  
Case No. 15-1830-EL-AIR**

**Depreciation Accrual Rates and Jurisdictional Reserve Balances by Accounts  
As of September 30, 2015  
Distribution Plant**

Data: Actual  
Type of Filing: Original  
Work Paper Reference No(s): WPB-2a

Schedule B-3.2  
Page 1 of 5  
Witness Responsible: Don Rennix

Line No.	Acct. No.	Description	Adjusted Jurisdictional		Current Depreciation Rates					Proposed Depreciation Rates				
			Plant Investment	Reserve Balance	Current Accrual Rate <sup>A</sup>	Calculated Depreciation Expense	% Net Salvage <sup>A</sup>	Average Service Life <sup>A</sup>	Curve Form <sup>A</sup>	Proposed Accrual Rate	Calculated Depreciation Expense	% Net Salvage	Average Service Life	Curve Form
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (F)	(H)	(I)	(J)	(K)	(L) = (D) * (K)	(M)	(N)	(O)
1	3601	Substation Land - NONE	\$ 1,879,925	\$ -	0.00%	\$ -	N/A	N/A	N/A	0.00%	\$ -	N/A	N/A	N/A
2	3602	Other Land - NONE	\$ 2,382	\$ -	0.00%	\$ -	N/A	N/A	N/A	0.00%	\$ -	N/A	N/A	N/A
3	3603	Land Rights - NONE	\$ 23,493,716	\$ 70,315	0.00%	\$ -	N/A	N/A	N/A	0.00%	\$ -	N/A	N/A	N/A
4	3604	Distribution Land-OT - DSB	\$ 117,769	\$ -	0.00%	\$ -	N/A	N/A	N/A	0.00%	\$ -	N/A	N/A	N/A
5	3604	Distribution Land-OT - EATON	\$ 18,635	\$ -	0.00%	\$ -	N/A	N/A	N/A	0.00%	\$ -	N/A	N/A	N/A
6	3604	Distribution Land-OT - GREENVILLE	\$ 349,912	\$ -	0.00%	\$ -	N/A	N/A	N/A	0.00%	\$ -	N/A	N/A	N/A
7	3604	Distribution Land-OT - HUBER	\$ -	\$ -	0.00%	\$ -	N/A	N/A	N/A	0.00%	\$ -	N/A	N/A	N/A
8	3604	Distribution Land-OT - MARYSVILLE	\$ 114,162	\$ -	0.00%	\$ -	N/A	N/A	N/A	0.00%	\$ -	N/A	N/A	N/A
9	3604	Distribution Land-OT - MIAMISBURG	\$ 286,563	\$ -	0.00%	\$ -	N/A	N/A	N/A	0.00%	\$ -	N/A	N/A	N/A
10	3604	Distribution Land-OT - NORTH DAYTON	\$ 339,580	\$ -	0.00%	\$ -	N/A	N/A	N/A	0.00%	\$ -	N/A	N/A	N/A
11	3604	Distribution Land-OT - OTHER	\$ 46,594	\$ -	0.00%	\$ -	N/A	N/A	N/A	0.00%	\$ -	N/A	N/A	N/A
12	3604	Distribution Land-OT - SIDNEY	\$ 4,005	\$ -	0.00%	\$ -	N/A	N/A	N/A	0.00%	\$ -	N/A	N/A	N/A
13	3604	Distribution Land-OT - WASH CH	\$ 93,971	\$ -	0.00%	\$ -	N/A	N/A	N/A	0.00%	\$ -	N/A	N/A	N/A
14	3604	Distribution Land-OT - XENIA	\$ 12,890	\$ -	0.00%	\$ -	N/A	N/A	N/A	0.00%	\$ -	N/A	N/A	N/A
15	3610	S&I - NONE	\$ 9,424,899	\$ 4,871,850	2.48%	\$ 233,737	-10.00%	44.4	R3.0	2.85%	\$ 268,610	-25.00%	43.9	L1.5
16	3610	S&I - WPAFB31	\$ -	\$ -	0.00%	\$ -	N/A	N/A	N/A	0.00%	\$ -	N/A	N/A	N/A
17	3614	S&I-OTHER - COLDWATER	\$ 23,522	\$ 107	2.90%	\$ 682	0.00%	34.5	R2.5	4.41%	\$ 1,037	-25.00%	28.3	L0.0
18	3614	S&I-OTHER - DSB	\$ 23,249,580	\$ 11,341,461	2.90%	\$ 674,238	0.00%	34.5	R2.5	4.41%	\$ 1,025,306	-25.00%	28.3	L0.0
19	3614	S&I-OTHER - EATON	\$ 1,284,906	\$ 653,135	2.90%	\$ 37,262	0.00%	34.5	R2.5	4.41%	\$ 56,664	-25.00%	28.3	L0.0
20	3614	S&I-OTHER - GREENVILLE	\$ 1,713,466	\$ 589,583	2.90%	\$ 49,691	0.00%	34.5	R2.5	4.41%	\$ 75,564	-25.00%	28.3	L0.0
21	3614	S&I-OTHER - HUBER	\$ -	\$ -	2.90%	\$ -	0.00%	34.5	R2.5	4.41%	\$ -	-25.00%	28.3	L0.0
22	3614	S&I-OTHER - MARYSVILLE	\$ 1,142,794	\$ 484,266	2.90%	\$ 33,141	0.00%	34.5	R2.5	4.41%	\$ 50,397	-25.00%	28.3	L0.0
23	3614	S&I-OTHER - MIAMISBURG	\$ 1,642,811	\$ 1,110,607	2.90%	\$ 47,642	0.00%	34.5	R2.5	4.41%	\$ 72,448	-25.00%	28.3	L0.0
24	3614	S&I-OTHER - NONE	\$ -	\$ -	2.90%	\$ -	0.00%	34.5	R2.5	4.41%	\$ -	-25.00%	28.3	L0.0

Note 1: Indicated Average Service Lives for all property on this page are on an ELG basis.  
Note 2: Indicated Average Service Lives for Account 3614 are on a total account basis, not by individual location.

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Depreciation Accrual Rates and Jurisdictional Reserve Balances by Accounts**  
**As of September 30, 2015**  
**Distribution Plant**

Data: Actual  
Type of Filing: Original  
Work Paper Reference No(s): WPB-2a

Schedule B-3.2  
Page 2 of 5  
Witness Responsible: Don Rennix

Line No.	Acct. No.	Description	Adjusted Jurisdictional		Current Depreciation Rates					Proposed Depreciation Rates				
			Plant Investment	Reserve Balance	Current Accrual Rate <sup>A</sup>	Calculated Depreciation Expense	% Net Salvage <sup>A</sup>	Average Service Life <sup>A</sup>	Curve Form <sup>A</sup>	Proposed Accrual Rate	Calculated Depreciation Expense	% Net Salvage	Average Service Life	Curve Form
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (F)	(H)	(I)	(J)	(K)	(L) = (D) * (K)	(M)	(N)	(O)
1	3614	S&I-OTHER - NORTH DAYTON	\$ 4,364,877	\$ (4,617)	2.90%	\$ 126,581	0.00%	34.5	R2.5	4.41%	\$ 192,491	-25.00%	28.3	L0.0
2	3614	S&I-OTHER - OTHER	\$ 112,577	\$ 112,577	2.90%	\$ -	0.00%	34.5	R2.5	4.41%	\$ -	-25.00%	28.3	L0.0
3	3614	S&I-OTHER - SIDNEY	\$ 2,110,285	\$ 832,987	2.90%	\$ 61,198	0.00%	34.5	R2.5	4.41%	\$ 93,064	-25.00%	28.3	L0.0
4	3614	S&I-OTHER - TRANS	\$ 775,791	\$ 490,541	2.90%	\$ 22,498	0.00%	34.5	R2.5	4.41%	\$ 34,212	-25.00%	28.3	L0.0
5	3614	S&I-OTHER - URBANA	\$ -	\$ -	2.90%	\$ -	0.00%	34.5	R2.5	4.41%	\$ -	-25.00%	28.3	L0.0
6	3614	S&I-OTHER - WASH CH	\$ 1,346,663	\$ 963,773	2.90%	\$ 39,053	0.00%	34.5	R2.5	4.41%	\$ 59,388	-25.00%	28.3	L0.0
7	3614	S&I-OTHER - XENIA	\$ 2,232,616	\$ 1,086,767	2.90%	\$ 64,746	0.00%	34.5	R2.5	4.41%	\$ 98,458	-25.00%	28.3	L0.0
8	3620	Station Equip - NONE	\$ 135,835,303	\$ 51,235,961	2.25%	\$ 3,056,294	-5.00%	46.8	R2.0	2.23%	\$ 3,029,127	10.00%	49.2	R1.5
9	3620	Station Equip - WPAFB	\$ -	\$ -	2.79%	\$ -	-10.00%	55.0	R2.0	2.79%	\$ -	-10.00%	55.0	R2.0
10	3620	Station Equip - WPAFB31	\$ -	\$ -	2.21%	\$ -	-10.00%	55.0	R2.0	2.21%	\$ -	-10.00%	55.0	R2.0
11	3621	Station Equip-Genera - COMPUTERS	\$ 12,911,307	\$ 12,911,307	11.90%	\$ -	0.00%	8.4	N/A	11.90%	\$ -	0.00%	N/A	L2.0
12	3621	Station Equip-Genera - COMPUTERS10	\$ 1,844,728	\$ 1,347,847	11.90%	\$ 219,523	0.00%	8.4	N/A	12.82%	\$ 236,494	0.00%	7.8	L2.0
13	3621	Station Equip-Genera - COMPUTERS11	\$ 1,729,247	\$ 818,158	11.90%	\$ 205,780	0.00%	8.4	N/A	13.89%	\$ 240,192	0.00%	7.2	L2.0
14	3621	Station Equip-Genera - COMPUTERS12	\$ 1,278,250	\$ 517,302	11.90%	\$ 152,112	0.00%	8.4	N/A	14.29%	\$ 182,662	0.00%	7.0	L2.0
15	3621	Station Equip-Genera - COMPUTERS13	\$ 2,098,239	\$ 592,393	11.90%	\$ 249,690	0.00%	8.4	N/A	14.93%	\$ 313,267	0.00%	6.7	L2.0
16	3621	Station Equip-Genera - COMPUTERS14	\$ 884,632	\$ 85,566	11.90%	\$ 105,271	0.00%	8.4	N/A	15.63%	\$ 138,268	0.00%	6.4	L2.0
17	3621	Station Equip-Genera - COMPUTERS15	\$ 159,005	\$ 9,737	11.90%	\$ 18,922	N/A	N/A	N/A	15.63%	\$ 24,852	N/A	N/A	N/A
18	3621	Station Equip-Genera - OTHER	\$ 17,897,647	\$ 14,476,225	5.31%	\$ 950,365	5.00%	17.9	N/A	3.67%	\$ 656,844	10.00%	24.5	R1.5
19	3622	Station Equip-Genera - OTHER	\$ 33,962,677	\$ 33,991,594	12.00%	\$ -	N/A	N/A	N/A	12.00%	\$ -	N/A	N/A	N/A
20	3622	Station Equip-Genera - VEH15	\$ 151,516	\$ 6,201	12.00%	\$ 18,182	N/A	N/A	N/A	12.00%	\$ 18,182	N/A	N/A	N/A
21	3626	Station Equip - EDS - NONE	\$ 273,449	\$ 273,449	8.93%	\$ -	0.00%	11.2	R3.0	8.93%	\$ -	0.00%	11.2	R3.0
22	3627	Station Equip-Genera - FIBER CABLE	\$ 236,606	\$ 170,048	12.50%	\$ 29,576	N/A	N/A	N/A	3.85%	\$ 9,109	N/A	26.0	N/A
23	3627	Station Equip-Genera - MULTIPLEX	\$ 765,054	\$ 765,054	4.68%	\$ -	-2.00%	21.8	L1.5	5.52%	\$ -	0.00%	N/A	S1.5
24	3627	Station Equip-Genera - OTHER	\$ 18,660,601	\$ 5,268,008	4.68%	\$ 873,316	-2.00%	21.8	L1.5	5.52%	\$ 1,030,065	0.00%	18.1	S1.5

Note 1: Indicated Average Service Lives for all property on this page are on an ELG basis except WPAFB assets and Account 3627, Station Equipment-Fiber Cable which appear on ALG basis.

Note 2: Indicated Average Service Lives for Account 3614 are on a total account basis, not by individual location.

Note 3: Depreciation of 2015 computer hardware additions (Line 17) based on rate for 2014 additions.

Note 4: Depreciation of company vehicles (Line 20) based on 100-month service life.

Note 5: Depreciation of fiber optic cable (Line 22) based on eight-year service life.

Note 6: Depreciation of all "WPAFB" assets are based on a depreciation study of 10-31-13.



**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Depreciation Accrual Rates and Jurisdictional Reserve Balances by Accounts**  
**As of September 30, 2015**  
**Distribution Plant**

Data: Actual  
Type of Filing: Original  
Work Paper Reference No(s): WPB-2a

Schedule B-3.2  
Page 3 of 5  
Witness Responsible: Don Rennix

Line No.	Acct. No.	Description	Adjusted Jurisdictional		Current Depreciation Rates					Proposed Depreciation Rates				
			Plant Investment	Reserve Balance	Current Accrual Rate <sup>A</sup>	Calculated Depreciation Expense	% Net Salvage <sup>A</sup>	Average Service Life <sup>A</sup>	Curve Form <sup>A</sup>	Proposed Accrual Rate	Calculated Depreciation Expense	% Net Salvage	Average Service Life	Curve Form
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (F)	(H)	(I)	(J)	(K)	(L) = (D) * (K)	(M)	(N)	(O)
1	3640	Poles, Towers & Fixt - NONE	\$ 260,613,653	\$ 153,937,606	4.02%	\$ 10,476,669	-40.00%	34.8	R1.0	3.54%	\$ 9,225,723	-60.00%	45.3	R2.0
2	3640	Poles, Towers & Fixt - WPAFB	\$ -	\$ -	4.51%	\$ -	-60.00%	50.0	R2.0	4.51%	\$ -	-60.00%	50.0	R2.0
3	3640	Poles, Towers & Fixt - WPAFB31	\$ -	\$ -	3.76%	\$ -	-60.00%	50.0	R2.0	3.76%	\$ -	-60.00%	50.0	R2.0
4	3650	Ovhd Conductor & Dev - NONE	\$ 158,430,461	\$ 77,836,256	2.92%	\$ 4,626,169	-15.00%	39.4	R1.0	2.76%	\$ 4,372,681	-30.00%	47.2	R2.0
5	3650	Ovhd Conductor & Dev - WPAFB	\$ -	\$ -	3.65%	\$ -	-30.00%	50.0	R2.0	3.65%	\$ -	-30.00%	50.0	R2.0
6	3650	Ovhd Conductor & Dev - WPAFB31	\$ -	\$ -	2.65%	\$ -	-30.00%	50.0	R2.0	2.65%	\$ -	-30.00%	50.0	R2.0
7	3660	Underground Conduit - NONE	\$ 10,652,766	\$ 5,551,476	1.95%	\$ 207,729	-5.00%	53.8	R3.0	1.51%	\$ 160,857	-10.00%	72.9	R4.0
8	3660	Underground Conduit - WPAFB	\$ -	\$ -	1.60%	\$ -	-5.00%	70.0	R4.0	1.60%	\$ -	-5.00%	70.0	R4.0
9	3660	Underground Conduit - WPAFB31	\$ -	\$ -	1.49%	\$ -	-5.00%	70.0	R4.0	1.49%	\$ -	-5.00%	70.0	R4.0
10	3670	Underground Conducto - NONE	\$ 203,324,254	\$ 99,060,724	3.55%	\$ 7,218,011	-15.00%	32.4	S0.0	2.55%	\$ 5,184,768	-15.00%	45.1	S1.5
11	3670	Underground Conducto - WPAFB	\$ -	\$ -	2.71%	\$ -	-15.00%	48.0	S2.0	2.71%	\$ -	-15.00%	48.0	S2.0
12	3670	Underground Conducto - WPAFB31	\$ -	\$ -	2.40%	\$ -	-15.00%	48.0	S2.0	2.40%	\$ -	-15.00%	48.0	S2.0
13	3680	Line Transformers - NONE	\$ 271,712,937	\$ 96,911,140	2.51%	\$ 6,819,995	0.00%	39.9	S1.0	3.22%	\$ 8,749,157	-40.00%	43.4	S2.0
14	3680	Line Transformers - WPAFB	\$ -	\$ -	3.09%	\$ -	-25.00%	46.0	S2.0	3.09%	\$ -	-25.00%	46.0	S2.0
15	3680	Line Transformers - WPAFB31	\$ -	\$ -	2.85%	\$ -	-25.00%	46.0	S2.0	2.85%	\$ -	-25.00%	46.0	S2.0
16	3691	Ovhd Electric Servic - NONE	\$ 48,245,168	\$ 38,002,061	4.47%	\$ 2,156,559	-50.00%	33.6	R3.0	4.08%	\$ 1,968,403	-75.00%	43.0	R2.5
17	3692	Underground Electric - NONE	\$ 158,964,844	\$ 85,593,622	4.09%	\$ 6,501,662	-25.00%	30.6	R2.0	3.42%	\$ 5,436,598	-50.00%	43.9	S4.0
18	3700	Meters - NONE	\$ 46,780,659	\$ 13,712,156	3.26%	\$ 1,525,049	0.00%	30.7	S1.0	3.50%	\$ 1,637,323	0.00%	28.6	S1.0
19	3711	Cust Install - Priv - NONE	\$ 15,594,843	\$ 15,245,663	5.77%	\$ 899,822	-20.00%	20.8	R0.5	3.61%	\$ 562,974	-20.00%	33.2	R1.0
20	3712	Cust Install - Other - NONE	\$ 227,694	\$ 160,968	2.04%	\$ 4,645	0.00%	49.1	R5.0	1.67%	\$ 3,802	0.00%	59.8	L2.0
21	3720	Leased Prop on Cust - NONE	\$ 47,450	\$ 47,450	2.50%	\$ -	0.00%	40.0	SQ	2.50%	\$ -	0.00%	40.0	SQ
22		Total Distribution Plant	\$ 1,479,467,881	\$ 731,131,324		\$ 47,705,810					\$ 45,208,987			

Note 1: Indicated Average Service Lives for all property on this page are on an ELG basis except WPAFB assets and Account 3720, Leased Property on Customer Premises which appear on ALG basis.  
Note 2: Depreciation of all "WPAFB" assets are based on a depreciation study of 10-31-13.

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Depreciation Accrual Rates and Jurisdictional Reserve Balances by Accounts**  
**As of September 30, 2015**  
**General Plant**

Data: Actual  
Type of Filing: Original  
Work Paper Reference No(s): WPB-2a

Schedule B-3.2  
Page 4 of 5  
Witness Responsible: Don Rennix

Line No.	Acct. No.	Description	Adjusted Jurisdictional		Current Depreciation Rates					Proposed Depreciation Rates				
			Plant Investment	Reserve Balance	Current Accrual Rate <sup>A</sup>	Calculated Depreciation Expense	% Net Salvage <sup>A</sup>	Average Service Life <sup>A</sup>	Curve Form <sup>A</sup>	Proposed Accrual Rate	Calculated Depreciation Expense	% Net Salvage	Average Service Life	Curve Form
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (F)	(H)	(I)	(J)	(K)	(L) = (D) * (K)	(M)	(N)	(O)
1	3892	Land & Rights - Comm - OTHER	\$ 1,608,881	\$ -	0.00%	\$ -	0.00%	N/A	N/A	0.00%	\$ -	N/A	N/A	N/A
2	3902	S&I - Common - OTHER	\$ 17,301,900	\$ 11,433,285	2.90%	\$ 501,755	0.00%	34.5	R2.5	2.87%	\$ 496,565	0.00%	34.8	L1.5
3	3915	Office Furn & Equip - EAST BEND	\$ -	\$ -	0.00%	\$ -	5.00%	22.4	N/A	0.00%	\$ -	5.00%	22.4	N/A
4	3915	Office Furn & Equip - MIAMI FORT	\$ -	\$ -	4.38%	\$ -	5.00%	21.7	N/A	4.38%	\$ -	5.00%	21.7	N/A
5	3915	Office Furn & Equip - ZIMMER	\$ -	\$ -	7.20%	\$ -	N/A	N/A	N/A	7.20%	\$ -	N/A	N/A	N/A
6	3925	Transportation Equip - ZIMMER	\$ -	\$ -	8.70%	\$ -	N/A	N/A	N/A	8.70%	\$ -	N/A	N/A	N/A
7	3930	Stores Equip - Commo - OTHER	\$ 345,031	\$ 274,765	3.79%	\$ 13,077	0.00%	26.4	L2.0	3.85%	\$ 13,284	0.00%	26.0	SQ
8	3935	Stores Equip - COF - EAST BEND	\$ -	\$ -	0.00%	\$ -	0.00%	52.6	FCST	0.00%	\$ -	0.00%	52.6	FCST
9	3935	Stores Equip - COF - MIAMI FORT	\$ -	\$ -	1.21%	\$ -	0.00%	49.3	FCST	1.21%	\$ -	0.00%	49.3	FCST
10	3940	Tools, Shop & Garage - OTHER	\$ 7,391,677	\$ 4,222,684	3.53%	\$ 260,926	5.00%	26.9	S2.0	3.66%	\$ 270,535	5.00%	26.0	SQ
11	3950	Lab Equip - Common - OTHER	\$ 4,431,542	\$ 758,860	3.70%	\$ 163,967	0.00%	27.0	L0.0	4.00%	\$ 177,262	0.00%	25.0	SQ
12	3960	Power Operated Equip - OTHER	\$ 2,148,702	\$ 2,148,702	0.00%	\$ -	N/A	N/A	N/A	0.00%	\$ -	N/A	N/A	N/A
13	3960	Power Operated Equip - PWR OPER EQUIP	\$ -	\$ -	6.33%	\$ -	N/A	N/A	N/A	0.00%	\$ -	N/A	N/A	N/A
14	3975	Communication Equip - EAST BEND	\$ -	\$ -	0.00%	\$ -	N/A	N/A	N/A	0.00%	\$ -	N/A	N/A	N/A
15	3975	Communication Equip - ZIMMER	\$ -	\$ -	5.65%	\$ -	N/A	N/A	N/A	5.65%	\$ -	N/A	N/A	N/A
16	3980	Misc Equipment - Com - OTHER	\$ 326,342	\$ (60,394)	4.95%	\$ 16,154	5.00%	19.2	L0.0	6.25%	\$ 20,396	5.00%	16.0	SQ
17		Total General Plant	\$ 33,554,075	\$ 18,777,902		\$ 955,879					\$ 978,042			

Note 1: Indicated Average Service Lives for all property on this page are on an ELG basis.

Note 2: Depreciation of assets dedicated to generation activities (Lines 3, 4, 5, 6, 8, 9, 14, and 15) based on depreciation study of 2010.

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Depreciation Accrual Rates and Jurisdictional Reserve Balances by Accounts**  
**As of September 30, 2015**  
**Intangible Plant**

Data: Actual  
Type of Filing: Original  
Work Paper Reference No(s): WPB-2a

Schedule B-3.2  
Page 5 of 5  
Witness Responsible: Don Rennix

Line No.	Acct. No.	Description	Adjusted Jurisdictional		Current Depreciation Rates					Proposed Depreciation Rates				
			Plant Investment	Reserve Balance	Current Accrual Rate <sup>1</sup>	Calculated Depreciation Expense	% Net Salvage <sup>1</sup>	Average Service Life <sup>1</sup>	Curve Form <sup>1</sup>	Proposed Accrual Rate	Calculated Depreciation Expense	% Net Salvage	Average Service Life	Curve Form
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (F)	(H)	(I)	(J)	(K)	(L) = (D) * (K)	(M)	(N)	(O)
1	3030	Intangible Plant - BECKJORD	\$ -	\$ -	14.29%	\$ -	N/A	N/A	N/A	14.29%	\$ -	N/A	N/A	N/A
2	3030	Intangible Plant - CONESVILLE	\$ -	\$ -	14.29%	\$ -	N/A	N/A	N/A	14.29%	\$ -	N/A	N/A	N/A
3	3030	Intangible Plant - EAST BEND	\$ -	\$ -	14.29%	\$ -	N/A	N/A	N/A	14.29%	\$ -	N/A	N/A	N/A
4	3030	Intangible Plant - MIAMI FORT	\$ -	\$ -	14.29%	\$ -	N/A	N/A	N/A	14.29%	\$ -	N/A	N/A	N/A
5	3030	Intangible Plant - NONE - GEN	\$ -	\$ -	14.29%	\$ -	N/A	N/A	N/A	14.29%	\$ -	N/A	N/A	N/A
6	3030	Intangible Plant - NONE	\$ 8,375,428	\$ 8,375,428	14.29%	\$ -	N/A	N/A	N/A	14.29%	\$ -	N/A	N/A	N/A
7	3030	Intangible Plant - SW08	\$ 888,403	\$ 880,478	14.29%	\$ 126,953	N/A	N/A	N/A	14.29%	\$ 126,953	N/A	N/A	N/A
8	3030	Intangible Plant - SW09	\$ 6,062,801	\$ 5,264,734	14.29%	\$ 866,374	N/A	N/A	N/A	14.29%	\$ 866,374	N/A	N/A	N/A
9	3030	Intangible Plant - SW10	\$ 813,551	\$ 489,586	14.29%	\$ 116,256	N/A	N/A	N/A	14.29%	\$ 116,256	N/A	N/A	N/A
10	3030	Intangible Plant - SW11	\$ 7,729,703	\$ 4,316,792	14.29%	\$ 1,104,575	N/A	N/A	N/A	14.29%	\$ 1,104,575	N/A	N/A	N/A
11	3030	Intangible Plant - SW12	\$ 7,905,487	\$ 3,402,430	14.29%	\$ 1,129,694	N/A	N/A	N/A	14.29%	\$ 1,129,694	N/A	N/A	N/A
12	3030	Intangible Plant - SW13	\$ 4,142,385	\$ 1,165,710	14.29%	\$ 591,947	N/A	N/A	N/A	14.29%	\$ 591,947	N/A	N/A	N/A
13	3030	Intangible Plant - SW14	\$ 654,182	\$ 90,497	14.29%	\$ 93,483	N/A	N/A	N/A	14.29%	\$ 93,483	N/A	N/A	N/A
14	3030	Intangible Plant - SW15	\$ 32,621	\$ 2,655	14.29%	\$ 4,662	N/A	N/A	N/A	14.29%	\$ 4,662	N/A	N/A	N/A
15	3030	Intangible Plant - ZIMMER	\$ -	\$ -	14.29%	\$ -	N/A	N/A	N/A	14.29%	\$ -	N/A	N/A	N/A
16		Total Intangible Plant	<u>\$ 36,604,561</u>	<u>\$ 23,988,310</u>		<u>\$ 4,033,944</u>					<u>\$ 4,033,944</u>			

Note 1: Amortization of computer software is based on a seven-year useful life.

<sup>1</sup>Columns (F), and (H) through (J) represent depreciation values as prescribed by the PUCO for booking purposes.

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Depreciation Reserve Accruals, Retirements, and Transfers**  
**From April 1, 1991 Through September 30, 2015**  
**Total by Function**

Data: Actual  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule B-3.3  
Page 1 of 1  
Witness Responsible: Don Rennix

Line No.	Account Numbers	Description	Beginning Balance	Accruals	Retirements	Salvage, Removal, Transfers & Reclassifications	Ending Balance
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H) = (D) + (E) - (F) + (G)
1	301-303	Intangible Plant	\$ -	\$ 72,164,492	\$ 24,051,911	\$ (507,832)	\$ 47,604,749
2	360-373	Distribution Plant	\$ 126,197,000	\$ 800,641,100	\$ 136,934,858	\$ (4,736,157)	\$ 785,167,085
3	389-399	General Plant	\$ 18,308,000	\$ 58,803,672	\$ 38,369,668	\$ (19,747,558)	\$ 18,994,446
4		Total In-Service Property	\$ 144,505,000	\$ 931,609,264	\$ 199,356,437	\$ (24,991,547)	\$ 851,766,280

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Depreciation Reserve and Expense for Lease Property**  
**As of September 30, 2015**

Data: Actual  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule B-3.4

Page 1 of 1

Witness Responsible: Don Rennix

Line No.	Acct. No.	Description	Dollar^ Value of Plant Investment	Accumulated Depreciation/ Amortization Reserve	Accrual Rate/ Amortization Period	Depreciation Expense/ Amortization Expense/	Explain Method of Depreciation/ Amortization	Included in Rate Base (Yes/No)
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)

The Company holds no property under capital lease.

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Construction Work in Progress**  
**As of September 30, 2015**

Data: Actual  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule B-4  
Page 1 of 1  
Witness Responsible: Don Rennix

Line No.	Project No.	Description	Accumulated Costs			Allocation %	Total Jurisdictional Cost at Date Certain	Estimated Physical Percent Completion
			Construction Dollars	AFDC Capitalized	Total Cost		(H) = (F) * (G)	(I)
(A)	(B)	(C)	(D)	(E)	(F) = (D) +(E)	(G)	(H) = (F) * (G)	(I)

The Company is not requesting the inclusion of CWIP in Rate Base.

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Construction Work in Progress - Percent Complete (Time)**  
**As of September 30, 2015**

Data: Actual

Type of Filing: Original

Work Paper Reference No(s).: None

Schedule B-4.1

Page 1 of 1

Witness Responsible: Don Rennix

Line No.	Project No.	Date Construction Work Began	Estimated Project Completion Dollars	Elapsed Days: Beginning to Date Certain	Elapsed Days: Beginning to Estimated Completion	Date Certain %
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (E) / (F)

The Company is not requesting the inclusion of CWIP in Rate Base.

**The Dayton Power and Light Company  
Case No. 15-1830-EL-AIR**

**Construction Work in Progress - Percent Complete (Dollars)  
As of September 30, 2015**

Data: Actual  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule B-4.2  
Page 1 of 1  
Witness Responsible: Don Rennix

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Line No.	Project No.	Most Recent Budget Estimate				Project Expenditures As of Date Certain		Date Certain % Completion	
		Construction Dollars	AFUDC	Total	Construction Dollars Trended	Construction Dollars	Construction Dollars Trended	Construction Dollars	Construction Dollars Trended
		(C)	(D)	(E) = (C) + (D)	(F)	(G)	(H)	(I) = (G) / (C)	(J) = (H) / (F)
(A)	(B)	(C)	(D)	(E) = (C) + (D)	(F)	(G)	(H)	(I) = (G) / (C)	(J) = (H) / (F)

The Company is not requesting the inclusion of CWIP in Rate Base.



The Dayton Power and Light Company  
Case No. 15-1830-EL-AIR

Allowance for Working Capital  
As of September 30, 2015

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule B-5  
Page 1 of 2  
Witness Responsible: Alan D. Felsenthal

Line No.	Working Capital Component	Description of Methodology Used to Determine Jurisdictional Requirement	Schedule Reference	Jurisdictional
(A)	(B)	(C)	(D)	(E)
1	<u>Working Capital - Cash:</u>			
2				
3	Cash Working Capital	Lead-Lag Study	B-5.1, pg 1	\$ (1,827,487)

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Allowance for Working Capital**  
**For the Thirteen Months Ended May 31, 2016**

Data: 5 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule B-5

Page 2 of 2

Witness Responsible: Kurt A. Tornquist, Emily W. Rabb

Line No.	Working Capital Component	Description of Methodology Used to Determine Jurisdictional Requirement	Schedule Reference	T&D	Allocation %	Allocation Code	Jurisdictional
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H) = (E) * (F)
1	<u>Working Capital - Non Cash:</u>						
2							
3	Fuel Stock	13 month average balance	B-5.1, pg 2, Line 3, Column F	\$ -	0.00%	NONDIST	\$ -
4							
5	Allowance Inventory	13 month average balance	B-5.1, pg 2, Line 5, Column F	\$ -	0.00%	NONDIST	\$ -
6							
7	M&S Held for Normal Operations	13 month average balance	B-5.1, pg 2, Line 7, Column F	\$ 11,360,951			
8	Less: Allowance for new construction		B-5.1, pg 2, Line 8, Column F	\$ 2,447,642			
9	M&S Held for Normal Operations less allowance for new construction			\$ 8,913,309	96.39%	(a)	\$ 8,591,365
10							
11	Other (Specify and List)						
12	Prepayments	13 month average balance	B-5.1, pg 2, Line 12, Column F	\$ 5,259,507	88.21%	DIRECT	\$ 4,639,244
13							
14	Accruals	13 month average balance	B-5.1, pg 2, Line 14, Column F	\$ (6,217,489)	91.00%	DIRECT	\$ (5,657,673)
15							
16	WPAFB	13 month average balance	B-5.1, pg 2, Line 16, Column F	\$ (9,725)	100.00%	DIRECT	\$ (9,725)
17							
18	Total Non-cash Working Capital			\$ 7,945,602			\$ 7,563,211
19							
20	Working Capital Allowance						\$ 5,735,724

Sources:

(a) Supplemental (C)(11)(c)

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Miscellaneous Working Capital Items**  
**As of September 30, 2015**

Data: 4 Months Actual & 8 Months Estimated

Type of Filing: Original

Work Paper Reference No(s): WPB-5.1a

Schedule B-5.1

Page 1 of 3

Witness Responsible: Alan D. Felsenthal

Line No.	Description	Jurisdictional
(A)	(B)	(C)
	<u>Cash Working Capital</u>	
1	Revenue Lag	\$ 36,608,278
2		
3	Expense Lead	\$ 38,435,765
4		
5	Net Cash Working Capital Requirement	<u>\$ (1,827,487)</u>

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Miscellaneous Working Capital Items**  
**For the Thirteen Months Ended May 31, 2016**

Data: 5 Months Actual & 8 Months Estimated

Type of Filing: Original

Work Paper Reference No(s): WPB-5.1b, WPB-5.1d, WPB-5.1e, WPB-5.1f

Schedule B-5.1

Page 2 of 3

Witness Responsible: Kurt Tornquist, Emily Rabb

Line No.	Description	Reference	Thirteen Month Average Balance					
			Total Company	Generation / Other Entities	T&D	Allocation %	Allocation Code	Jurisdictional
(A)	(B)	(C)	(D)	(E)	(F) = (D) - (E)	(G)	(H)	(I) = (F) * (G)
1	<u>Working Capital - Non Cash</u>							
2								
3	Fuel Stock	Oracle General Ledger and Forecast	\$ 60,036,318	\$ 60,036,318	\$ -	0.00%	NONDIST	\$ -
4								
5	Allowance Inventory	Oracle General Ledger and Forecast	\$ 3,161	\$ 3,161	\$ -	0.00%	NONDIST	\$ -
6								
7	Materials & Supplies	WPB-5.1b, pg 1, Line 19, Column E & F	\$ 39,506,588	\$ 28,145,637	\$ 11,360,951			
8	Less: Amount Allocated to New Construction	WPB-5.1b, pg 1, Line 19, Column I			\$ 2,447,642			
9	Total M&S Other than New Construction		\$ 39,506,588	28,145,637	\$ 8,913,309	96.39%	(a)	\$ 8,591,365
10								
11	Other (Specify & List)							
12	Prepayments	WPB-5.1d, Line 16, Column C & D	\$ 16,082,672	\$ 10,823,165	\$ 5,259,507	88.21%	DIRECT	\$ 4,639,244
13								
14	Accruals	WPB-5.1e, Line 16, Column C & D	\$ (12,099,887)	\$ (5,882,398)	\$ (6,217,489)	91.00%	DIRECT	\$ (5,657,673)
15								
16	WPAFB	WPB-5.1f, Line 16, Column C & D	\$ (9,725)	\$ -	\$ (9,725)	100.00%	DIRECT	\$ (9,725)
17								
18	Total Non-Cash Working Capital		\$ 103,519,127	\$ 93,125,883	\$ 7,945,602			\$ 7,563,211

Sources:

(a) Supplemental (C)(11)(c)

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Miscellaneous Working Capital Items**  
**As of September 30, 2015**

Data: Actual  
Type of Filing: Original  
Work Paper Reference No(s): WPB-5.1b, WPB-5.1d, WPB-5.1e, WPB-5.1f

Schedule B-5.1  
Page 3 of 3

Witness Responsible: Kurt A. Tornquist, Emily W. Rabb

Line No.	Description	Reference	Date Certain Balance				Allocation %	Allocation Code	Jurisdictional
			Total Company	Generation / Other Other Entities	T&D				
(A)	(B)	(C)	(D)	(E)	(F) = (D) - (E)	(G)	(H)	(I) = (F) * (G)	
1	<u>Working Capital - Non Cash</u>								
2									
3	Fuel Stock	Oracle General Ledger	\$ 58,364,357	\$ 58,364,357	\$ -	0.00%	NONDIST	\$ -	
4									
5	Allowance Inventory	Oracle General Ledger	\$ 2,565	\$ 2,565	\$ -	0.00%	NONDIST	\$ -	
6									
7	Materials & Supplies	WPB-5.1b, pg 2, Line 19, Column E & F	\$ 40,553,114	\$ 29,276,510	\$ 11,276,604				
8	Less: Amount Allocated to New Construction	WPB-5.1b, pg 2, Line 19, Column I			\$ 2,429,470				
9	Total M&S Other than New Construction		\$ 40,553,114	29,276,510	\$ 8,847,134	96.39%	(a)	\$ 8,527,581	
10									
11	Other (Specify & List)								
12	Prepayments	WPB-5.1d, Line 5, Column C & D	\$ 11,801,654	\$ 8,410,338	\$ 3,391,316	90.00%	DIRECT	\$ 3,052,283	
13									
14	Accruals	WPB-5.1e, Line 5, Column C & D	\$ (12,508,014)	\$ (6,122,848)	\$ (6,385,166)	90.95%	DIRECT	\$ (5,807,547)	
15									
16	WPAFB	WPB-5.1f, Line 5, Column C & D	\$ (9,749)	\$ -	\$ (9,749)	100.00%	DIRECT	\$ (9,749)	
17									
18	Total Non-Cash Working Capital		\$ 98,203,927	\$ 89,930,922	\$ 5,843,535			\$ 5,762,568	

Sources:

(a) Supplemental (C)(11)(c)

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Other Rate Base Items Summary**  
**As of September 30, 2015**

Data: Actual  
Type of Filing: Original  
Work Paper Reference No(s): WPB-6a, WPB-6b

Schedule B-6  
Page 1 of 1

Witness Responsible: Stephen A. Allamanno, Don Rennix, Edward J. Kunz

Line No.	Account No.	Description	Total Company	Allocation %	Allocation Code	Allocated Total	Adjustments <sup>1</sup>	Adjusted Jurisdictional
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)	(H)	(I) = (G) + (H)
1	252	Customers' Advances for Construction	\$ (466,036)	100.00%	ALLDIST	\$ (466,036)	\$ -	\$ (466,036)
2								
3		<u>Other Rate Base Items</u>						
4	235	Customers' Deposits	\$ (36,200,945)	10.34%	DIRECT	\$ (3,743,178)	\$ -	\$ (3,743,178)
5								
6	255	Investment Tax Credits:						
7		Pre-1971 3% Credit	\$ -			\$ -	\$ -	\$ -
8		1971 4% Credit	\$ -			\$ -	\$ -	\$ -
9		1975 6% Credit	\$ -			\$ -	\$ -	\$ -
10		1981 10% Credit on Recovery of Property	\$ -			\$ -	\$ -	\$ -
11		ITC Tax Benefits Sold	\$ -			\$ -	\$ -	\$ -
12		Other (Specify and List Separately)	\$ -			\$ -	\$ -	\$ -
13		Total Investment tax Credits	\$ (20,578,112)	3.14%	DIRECT	\$ (646,120)	\$ -	\$ (646,120)
14								
15								
16		Deferred Income Taxes:						
17	190	Debits	\$ 19,736,594	41.59%	DIRECT	\$ 8,207,918	\$ -	\$ 8,207,918
18	281	Accelerated Amortization Property	\$ -	0.00%	NONDIST	\$ -	\$ -	\$ -
19	282	Utility Property	\$ (615,410,717)	29.79%	DIRECT	\$ (183,301,658)	\$ -	\$ (183,301,658)
20	283	Credits	\$ (32,496,796)	60.39%	DIRECT	\$ (19,624,827)	\$ -	\$ (19,624,827)
21		Other (Specify and List Separately)	\$ -	0.00%	DIRECT	\$ -	\$ -	\$ -
22		Total Deferred Income Taxes	\$ (628,170,919)			\$ (194,718,567)	\$ -	\$ (194,718,567)
23								
24		Other (Specify and List Separately):						
25		Net Prepaid Pension Asset	\$ 74,046,462	55.18%	DIRECT	\$ 40,861,111	\$ -	\$ 40,861,111
26								
27		Total Other Rate Base Items	\$ (610,903,514)			\$ (158,246,754)	\$ -	\$ (158,246,754)

<sup>1</sup> Col. (H) adjustments must be shown on Schedule B-6.1

**The Dayton Power and Light Company  
Case No. 15-1830-EL-AIR**

**Adjustments to Other Rate Base Items  
As of September 30, 2015**

Data: Actual  
Type of Filing: Original  
Work Paper Reference No(s).: None

Schedule B-6.1  
Page 1 of 1  
Witness Responsible: Don Rennix

Line No.	Acct. No.	Description	Total Company Adjustments	Allocation %	Allocation Code	Jurisdictional Adjustments
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)

No adjustments to be made.

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Contributions in Aid of Construction by Accounts and Subaccounts**  
**As of September 30, 2015**

Data: Actual  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule B-6.2  
Page 1 of 1  
Witness Responsible: Don Rennix

Line No.	Acct. No.	Description	Total Company	Allocation %	Allocation Code	Allocated Total	Adjustments	Adjusted Jurisdictional
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)	(H)	(I) = (G) + (H)
1	252	Electric Line Extensions	\$ (466,036)	100.00%	ALLDIST	\$ (466,036)	\$ -	\$ (466,036)
2								
3		Total	\$ (466,036)			\$ (466,036)	\$ -	\$ (466,036)



**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Jurisdictional Allocation Factors**  
**Rate Base and Operating Income**

Data: Actual  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule B-7  
Page 1 of 1

Witness Responsible: Kurt A. Tornquist, Don Rennix

Line No.	Acct. No.	Description	Allocation Code/	Allocation %	Schedule Reference
(A)	(B)	(C)	(D)	(E)	(F)
<u>Rate Base</u>					
1	Various	100% Jurisdictional Items	ALLDIST	100.00%	B-7.1
2	Various	Non-Jurisdictional Items	NONDIST	0.00%	B-7.1
3	Various	Regulated Maintenance	DMAINT	96.39%	B-7.1
4	Various	Distribution Gross Plant	DGRSPLNT	30.62%	B-7.1
5	Various	Distribution Net Plant	DNTPLNT	33.68%	B-7.1
6	235	Customer Deposits	CUSTDPST	10.34%	B-7.1
<u>Operating Income</u>					
7	Various	100% Jurisdictional Items	ALLDIST	100.00%	B-7.1
8	Various	Non-Jurisdictional Items	NONDIST	0.00%	B-7.1
9	450	Forfeited Discounts	OTHREV1	27.92%	B-7.1
10	451	Misc. Service Revenues	OTHREV2	100.00%	B-7.1
11	454	Rent	OTHREV3	55.95%	B-7.1
12	456	Other Electric Revenue	OTHREV4	84.66%	B-7.1
13	456.1	Revenues from Transmission of Electricity of Others	OTHREV5	1.19%	B-7.1
14	920	Administrative and General Salaries	A&G1	34.23%	B-7.1
15	921	Office Supplies and Expenses	A&G2	48.54%	B-7.1
16	922	Administrative Expenses Transferred - Cr.	A&G3	42.81%	B-7.1
17	923	Outside Services	A&G4	45.51%	B-7.1
18	924	Property Insurance	A&G5	24.54%	B-7.1
19	925	Injuries and Damages	A&G6	23.05%	B-7.1
20	926	Employee Pensions and Benefits	A&G7	57.91%	B-7.1
21	929	Company Use	A&G9	40.65%	B-7.1
22	930.1	General Advertising Expenses	A&G10	50.57%	B-7.1
23	930.2	Miscellaneous General Expenses	A&G11	39.64%	B-7.1
24	931	Rents	A&G12	75.71%	B-7.1
25	935	Maintenance of General Plant	GPMaint	74.08%	B-7.1
26	408	Property Taxes	OTHTAX1	68.00%	B-7.1
27	408	Commercial Activities Tax	OTHTAX2	19.44%	B-7.1
28	408	Payroll Tax	OTHTAX3	45.04%	B-7.1
29	Various	Distribution Salaries & Wages	DLABOR	43.70%	B-7.1

The Dayton Power and Light Company  
Case No. 15-1830-EL-AIR

Jurisdictional Allocation Statistics

Data: Actual  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule B-7.1

Page 1 of 1

Witness Responsible: Kurt A. Tornquist, Don Rennix

Line No.	Acct. No.	Allocation Code	Description	Statistic Total Company	Adjustment to Total Company Statistic	Adjusted Statistic for Total Company	Statistic for Rate Area	Allocation %
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (E) + (F)	(H)	(I) = (H) / (G)
1	Various	ALLDIST	100% Jurisdictional Items					100.00%
2	Various	NONDIST	Non-Jurisdictional Items					0.00%
3	Various	DIRECT	Based upon the relationship reflected in the Functional books and records					
4	Various	DMAINT	Regulated Maintenance	\$ 9,834,203	\$ -	\$ 9,834,203	\$ 9,479,133	96.39%
5	Various	DGRSPLNT	Distribution Gross Plant	\$ 5,266,322,694	\$ -	\$ 5,266,322,694	\$ 1,612,636,168	30.62%
6	Various	DNTPLNT	Distribution Net Plant	\$ 2,484,717,758	\$ -	\$ 2,484,717,758	\$ 836,756,542	33.68%
7	235	CUSTDPST	Customer Deposits	\$ 36,200,945	\$ -	\$ 36,200,945	\$ 3,744,388	10.34%
8	450	OTHREV1	Forfeited Discounts	\$ 3,031,752	\$ -	\$ 3,031,752	\$ 846,540	27.92%
9	451	OTHREV2	Misc. Service Revenues	\$ (809,784)	\$ -	\$ (809,784)	\$ (809,784)	100.00%
10	454	OTHREV3	Rent	\$ (554,471)	\$ -	\$ (554,471)	\$ (310,211)	55.95%
11	456	OTHREV4	Other Electric Revenue	\$ (8,343,932)	\$ -	\$ (8,343,932)	\$ (7,084,318)	84.66%
12	456.1	OTHREV5	Revenues from Transmission of Electricity of Others	\$ (55,957,493)	\$ -	\$ (55,957,493)	\$ (666,849)	1.19%
13	920	A&G1	Administrative and General Salaries	\$ 4,298,947	\$ -	\$ 4,298,947	\$ 1,471,717	34.23%
14	921	A&G2	Office Supplies and Expenses	\$ 24,657,952	\$ -	\$ 24,657,952	\$ 11,969,393	48.54%
15	922	A&G3	Administrative Expenses Transferred - Cr.	\$ (2,162,537)	\$ -	\$ (2,162,537)	\$ (925,864)	42.81%
16	923	A&G4	Outside Services	\$ 10,167,341	\$ -	\$ 10,167,341	\$ 4,627,362	45.51%
17	924	A&G5	Property Insurance	\$ 4,070,693	\$ -	\$ 4,070,693	\$ 998,929	24.54%
18	925	A&G6	Injuries and Damages	\$ 2,875,145	\$ -	\$ 2,875,145	\$ 662,729	23.05%
19	926	A&G7	Employee Pensions and Benefits	\$ 29,713,758	\$ -	\$ 29,713,758	\$ 17,208,017	57.91%
20	929	A&G9	Company Use	\$ (1,315,605)	\$ -	\$ (1,315,605)	\$ (534,778)	40.65%
21	930.1	A&G10	General Advertising Expenses	\$ 944,352	\$ -	\$ 944,352	\$ 477,576	50.57%
22	930.2	A&G11	Miscellaneous General Expenses	\$ 4,634,964	\$ -	\$ 4,634,964	\$ 1,837,474	39.64%
23	931	A&G12	Rents	\$ 31,710	\$ -	\$ 31,710	\$ 24,009	75.71%
24	935	GPMaint	Maintenance of General Plant	\$ 1,837,835	\$ -	\$ 1,837,835	\$ 1,361,388	74.08%
25	408	OTHTAX1	Property Taxes	\$ 57,780,732	\$ -	\$ 57,780,732	\$ 39,293,030	68.00%
26	408	OTHTAX2	Commercial Activities Tax	\$ 2,907,068	\$ -	\$ 2,907,068	\$ 565,242	19.44%
27	408	OTHTAX3	Payroll Tax	\$ 5,773,253	\$ -	\$ 5,773,253	\$ 2,600,012	45.04%
28	Various	DLABOR	Distribution Salaries & Wages	\$ 101,156,632	\$ -	\$ 101,156,632	\$ 44,209,139	43.70%

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Explanation of Changes in Allocation Procedures**

Data: Actual

Type of Filing: Original

Work Paper Reference No(s).: None

Schedule B-7.2

Page 1 of 1

Witness Responsible: Kurt A. Tornquist

Line No.	Account No.	Description	Procedures Approved in Prior Case	Rationale for Change
(A)	(B)	(C)	(D)	(E)

DP&L's last Rate Case was settled by Blackbox Settlement therefore allocation factors were not specifically agreed to nor approved.

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Mirrored CWIP Allowances**

Data: Actual

Type of Filing: Original

Work Paper Reference No(s): None

Schedule B-9

Page 1 of 1

Witness Responsible: Don Rennix

Line No.	Project No.	Description	Prior Case Reference(s)	Effective Date of Rates Including CWIP	In Service Date of Project	Allowance Included in Rates
(A)	(B)	(C)	(D)	(E)	(F)	(G)

DP&L did not recover CWIP in the 1991 rate case, therefore there are no Mirrored CWIP Allowances.

Section C  
Operating Income

The Dayton Power & Light Company

Case No.: 15-1830-EL-AIR

Test Year: Twelve Months Ending May 31, 2016

Date Certain: September 30, 2015

C-1	Jurisdictional Proforma Net Operating Income Statement
C-2	Adjusted Test Year Jurisdictional Operating Income
C-2.1	Operating Revenue and Expenses by Accounts - Jurisdictional Allocation
C-3	Summary of Jurisdictional Adjustments to Operating Income
C-3.1	Adjust Federal and State Income Taxes
C-3.2	Eliminate Universal Service Fund Rider Revenue and Expense
C-3.3	Eliminate Reconciliation Rider Nonbypassable Revenue
C-3.4	Eliminate Storm Cost Recovery Rider Revenue and Expense
C-3.5	Eliminate Energy Efficiency Rider Revenue and Expense
C-3.6	Eliminate Economic Development Discounts and Rider Revenue
C-3.7	Eliminate Alternative Energy Rider Expense
C-3.8	Eliminate State Excise Tax Rider Revenue and Expense
C-3.9	Annualize Property Tax to Reflect Plant In Service on Date Certain
C-3.10	Annualize Commercial Activity Tax
C-3.11	Annualize AES Services Labor, Benefits, and Payroll Tax
C-3.12	Annualize Test Year Labor and Payroll Taxes
C-3.13	Annualize Employee Benefits Expense
C-3.14	Annualize Depreciation Expense
C-3.15	Include Interest on Customer Service Deposits
C-3.16	Include Rate Case Expense
C-3.17	Eliminate Uncollectible Expense
C-3.18	Eliminate Wright Patterson Non-Jurisdictional Revenues and Expenses
C-3.19	Eliminate General Advertising Expense
C-3.20	Eliminate PUCO Approved Payments Funded by Shareholders
C-3.21	Miscellaneous Expense Adjustments
C-3.22	Eliminate Major Storm Expenses
C-3.23	Eliminate Unbilled Revenue and Expense
C-3.24	Eliminate Company Use Credit
C-3.25	Adjust Test Year Revenues
C-4	Adjusted Jurisdictional Income Taxes
C-4.1	Development of Jurisdictional Income Taxes
C-5	Social and Service Club Dues
C-6	Charitable Contributions
C-7	Customer Service and Informational, Sales, and General Expense
C-8	Rate Case Expense
C-9	Operation & Maintenance Payroll Costs of DP&L Employees
C-9.1	Total Company Payroll Analysis By Employee Classifications / Payroll Distribution
C-10.1	Comparative Balance Sheets for the Most Recent Five Calendar Years
C-10.2	Comparative Income Statements for the Most Recent Five Years
C-11.1	Revenue Statistics - Total
C-11.2	Revenue Statistics - Jurisdictional
C-11.3	Sales Statistics - Total
C-11.4	Sales Statistics - Jurisdictional
C-12	Analysis of Reserve for Uncollectible Accounts

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Jurisdictional Proforma Net Operating Income Statement**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule C-1  
Page 1 of 1  
Witness Responsible: Nathan C. Parke

Line No.	Description	Adjusted Jurisdictional Revenue & Expenses	Proposed Increase	Proforma Jurisdictional Revenue & Expenses	Schedule Reference
(A)	(B)	(C)	(D)	(E) = (C) + (D)	(F)
1	Operating Revenues	\$ 217,400,884	\$ 65,771,725	\$ 283,172,609	Schedule C-2, Pg. 1, Column E, Line 5
2					
3	<u>Operating Expenses</u>				
4	Operation & Maintenance	\$ 102,121,540	\$ -	\$ 102,121,540	Schedule C-2, Pg. 1, Column E, Line 15
5	Depreciation and Amortization Expenses	\$ 52,277,776	\$ -	\$ 52,277,776	Schedule C-2, Pg. 1, Column E, Line 21
6	Taxes - Other Than Income Taxes	\$ 56,809,080	\$ 171,006	\$ 56,980,086	Schedule C-2, Pg. 1, Column E, Line 22
7	Operating Expenses Before Income Taxes	\$ 211,208,396	\$ 171,006	\$ 211,379,402	Sum Lines 4 thru 6
8					
9	NOI before Income Taxes	\$ 6,192,488	\$ 65,600,719	\$ 71,793,207	Line 1 - Line 7
10					
11	State Income Taxes	\$ (58,474)	\$ 309,045	\$ 250,571	Schedule C-2, Pg. 2, Column E, Line 6
12	Federal Income Taxes	\$ (5,054,491)	\$ 22,852,086	\$ 17,797,595	Schedule C-2, Pg. 2, Column E, Line 11
13	Total Income Taxes	\$ (5,112,965)	\$ 23,161,131	\$ 18,048,166	
14					
15	Total Operating Expenses	\$ 206,095,431	\$ 23,332,137	\$ 229,427,568	Line 7 + Line 13
16					
17	Net Operating Income	\$ 11,305,453	\$ 42,439,588	\$ 53,745,041	Line 1 - Line 15
18					
19	Rate Base	\$ 683,779,476		\$ 683,779,476	Schedule B-1, Column C, Line 27
20					
21	Rate of Return	1.65%		7.86%	Line 17 / Line 19

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Adjusted Test Year Jurisdictional Operating Income**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule C-2  
Page 1 of 2  
Witness Responsible: Craig A. Forestal

Line No.	Description	Unadjusted Jurisdictional Revenue & Expenses (Sch C-2.1)	Adjustments (Sch C-3)	Adjusted Jurisdictional Revenue & Expenses (E) = (C) + (D)
(A)	(B)	(C)	(D)	(E)
1	OPERATING REVENUES			
2	Distribution Revenues	\$ 347,286,520	\$ (134,999,320)	\$ 212,287,200
3	Other Retail Revenues	\$ -	\$ -	\$ -
4	Other Operating Revenues	\$ 11,460,710	\$ (6,347,026)	\$ 5,113,684
5	Total Operating Revenues	\$ 358,747,230	\$ (141,346,346)	\$ 217,400,884
6				
7	OPERATING EXPENSES			
8	Operation and Maintenance Expenses			
9	Production Expense	\$ -	\$ -	\$ -
10	Transmission Expense	\$ -	\$ -	\$ -
11	Distribution Expense	\$ 50,224,905	\$ (10,666,369)	\$ 39,558,536
12	Customer Accounts Expense	\$ 45,587,070	\$ (30,173,863)	\$ 15,413,207
13	Customer Service & Information Expense	\$ 23,593,776	\$ (23,523,402)	\$ 70,374
14	Administrative & General Expense	\$ 45,373,699	\$ 1,705,725	\$ 47,079,424
15	Total Operating and Maintenance Expense	\$ 164,779,450	\$ (62,657,910)	\$ 102,121,540
16	Depreciation and Amortization Expenses			
17	Depreciation	\$ 51,320,150	\$ (3,237,214)	\$ 48,082,936
18	Amortization. & Depletion Of Utility Plant	\$ 4,287,557	\$ (92,717)	\$ 4,194,840
19	Net Amortization of Regulatory Credits/Debits	\$ -	\$ -	\$ -
20	Accretion Expense	\$ -	\$ -	\$ -
21	Total Depreciation and Amortization Expenses	\$ 55,607,707	\$ (3,329,931)	\$ 52,277,776
22	Taxes Other Than Income Taxes	\$ 104,708,806	\$ (47,899,726)	\$ 56,809,080
23	TOTAL OPERATING EXPENSE BEFORE INCOME TAXES	\$ 325,095,963	\$ (113,887,567)	\$ 211,208,396

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Adjusted Test Year Jurisdictional Operating Income**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule C-2  
Page 2 of 2  
Witness Responsible: Craig A. Forestal

Line No.	Description	Unadjusted Jurisdictional Revenue & Expenses (Sch C-2.1)	Adjustments (Sch C-3)	Adjusted Jurisdictional Revenue & Expenses (E) = (C) + (D)
(A)	(B)	(C)	(D)	(E) = (C) + (D)
1	NOI BEFORE INCOME TAXES	\$ 33,651,267	\$ (27,458,779)	\$ 6,192,488
2				
3	Income Taxes-State and Local			
4	Current	\$ 144,630	\$ (216,165)	\$ (71,535)
5	Provision for Deferred Income Taxes	\$ (11,925)	\$ 24,986	\$ 13,061
6	Total State & Local Income Taxes	\$ 132,705	\$ (191,179)	\$ (58,474)
7	Income Taxes-Federal			
8	Current	\$ 10,694,521	\$ (15,984,158)	\$ (5,289,637)
9	Provision for Deferred Income Taxes	\$ (2,451,500)	\$ 2,855,924	\$ 404,424
10	Deferred Investment Tax Credit	\$ (169,278)	\$ -	\$ (169,278)
11	Total Federal Income Taxes	\$ 8,073,743	\$ (13,128,234)	\$ (5,054,491)
12	Total Income Taxes	\$ 8,206,448	\$ (13,319,413)	\$ (5,112,965)
13				
14	<b>Total Operating Expenses</b>	<b>\$ 333,302,411</b>	<b>\$ (127,206,980)</b>	<b>\$ 206,095,431</b>
15				
16	<b>Net Operating Income</b>	<b>\$ 25,444,819</b>	<b>\$ (14,139,366)</b>	<b>\$ 11,305,453</b>



**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Operating Revenue and Expenses by Accounts - Jurisdictional Allocation**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s).: WPC-2.1

Schedule C-2.1  
Page 1 of 5

Witness Responsible: Craig A. Forestal, Emily W. Rabb

Line No.	Acct. No.	Description	Unadjusted Total Utility (D)	Allocation % (E)	Unadjusted Jurisdictional (F) = (D) * (E)	Allocation Code/Description (G)
(A)	(B)	(C)	(D)	(E)	(F) = (D) * (E)	(G)
1		OPERATING REVENUES				
2	440-446	Distribution Revenues	\$ 347,286,520	100.00%	\$ 347,286,520	ALLDIST
3	440-446	Other Retail Revenues	\$ 410,444,426	0.00%	\$ -	NONDIST
4		TOTAL Sales to Ultimate Customers	<u>\$ 757,730,946</u>		<u>\$ 347,286,520</u>	
5						
6	447	Sales for Resale	\$ 704,008,678	0.00%	\$ -	NONDIST
7		TOTAL Sales of Electricity	<u>\$ 1,461,739,625</u>		<u>\$ 347,286,520</u>	
8						
9	450	Forfeited Discounts	\$ 3,106,958	27.92%	\$ 867,463	OTHREV1
10	451	Misc. Service Revenues	\$ 944,084	100.00%	\$ 944,084	OTHREV2
11	454	Rental Income	\$ 704,656	55.95%	\$ 394,255	OTHREV3
12	456	Other Electric Revenues	\$ 10,252,195	84.66%	\$ 8,679,508	OTHREV4
13	456.1	Revenues from Transmission of Electricity of Others	\$ 48,352,957	1.19%	\$ 575,400	OTHREV5
14		TOTAL Other Operating Revenues	<u>\$ 63,360,850</u>		<u>\$ 11,460,710</u>	
15						
16		TOTAL Electric Operating Revenues	<u>\$ 1,525,100,475</u>		<u>\$ 358,747,230</u>	
17						
18		OPERATING EXPENSES				
19		PRODUCTION EXPENSES				
20	501-509, 548-549, 555-557	Production Operation Expenses	\$ 752,800,470	0.00%	\$ -	NONDIST
21	510-514, 553	Production Maintenance Expenses	\$ 66,444,092	0.00%	\$ -	NONDIST
22		TOTAL Power Production Expenses	<u>\$ 819,244,563</u>		<u>\$ -</u>	

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Operating Revenue and Expenses by Accounts - Jurisdictional Allocation**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated

Type of Filing: Original

Work Paper Reference No(s).: WPC-2.1

Schedule C-2.1

Page 2 of 5

Witness Responsible: Craig A. Forestal, Emily W. Rabb

Line No.	Acct. No.	Description	Unadjusted Total Utility	Allocation %	Unadjusted Jurisdictional	Allocation Code/Description
(A)	(B)	(C)	(D)	(E)	(F) = (D) * (E)	(G)
1		OPERATING EXPENSES				
2		TRANSMISSION EXPENSES				
3	560-567	Transmission Operation Expenses	\$ 78,424,538	0.00%	\$ -	NONDIST
4	568-571, 554	Transmission Maintenance Expenses	\$ 3,160,545	0.00%	\$ -	NONDIST
5		TOTAL Transmission Expenses	<u>\$ 81,585,083</u>		<u>\$ -</u>	
6						
7		DISTRIBUTION EXPENSES				
8		Operation				
9	580	Operation Supervision and Engineering	\$ 2,697,287	100.00%	\$ 2,697,287	ALLDIST
10	581	Local Dispatching	\$ -	100.00%	\$ -	ALLDIST
11	582	Station Expenses	\$ 374,773	100.00%	\$ 374,773	ALLDIST
12	583	Overhead Line Expenses	\$ 494,877	100.00%	\$ 494,877	ALLDIST
13	584	Underground Line Expenses	\$ 834,906	100.00%	\$ 834,906	ALLDIST
14	585	Street Lighting and Signal System Expenses	\$ -	100.00%	\$ -	ALLDIST
15	586	Meter Expenses	\$ 32,475	100.00%	\$ 32,475	ALLDIST
16	587	Customer Installations Expenses	\$ 604,224	100.00%	\$ 604,224	ALLDIST
17	588	Miscellaneous Expenses	\$ 95,402	100.00%	\$ 95,402	ALLDIST
18	589	Rents	\$ 7,132	100.00%	\$ 7,132	ALLDIST
19		TOTAL Operation	<u>\$ 5,141,076</u>		<u>\$ 5,141,076</u>	
20		Maintenance				
21	590	Maintenance Supervision and Engineering	\$ 2,463,241	100.00%	\$ 2,463,241	ALLDIST
22	591	Maintenance of Structures	\$ -	100.00%	\$ -	ALLDIST
23	592	Maintenance of Station Equipment	\$ 4,074,468	100.00%	\$ 4,074,468	ALLDIST
24	593	Maintenance of Overhead Lines	\$ 37,940,098	100.00%	\$ 37,940,098	ALLDIST
25	594	Maintenance of Underground Lines	\$ 75,068	100.00%	\$ 75,068	ALLDIST
26	595	Maintenance of Line Transformers	\$ 233,149	100.00%	\$ 233,149	ALLDIST
27	596	Maintenance of Street Lighting and Signal Systems	\$ -	100.00%	\$ -	ALLDIST
28	597	Maintenance of Meters	\$ 149,115	100.00%	\$ 149,115	ALLDIST
29	598	Maintenance of Miscellaneous Distribution Plant	\$ 148,690	100.00%	\$ 148,690	ALLDIST
30		TOTAL Maintenance	<u>\$ 45,083,829</u>		<u>\$ 45,083,829</u>	
31		TOTAL Distribution Expenses	<u>\$ 50,224,905</u>		<u>\$ 50,224,905</u>	

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Operating Revenue and Expenses by Accounts - Jurisdictional Allocation**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s).: WPC-2.1

Schedule C-2.1  
Page 3 of 5

Witness Responsible: Craig A. Forestal, Emily W. Rabb

Line No.	Acct. No.	Description	Unadjusted Total Utility	Allocation %	Unadjusted Jurisdictional	Allocation Code/Description
(A)	(B)	(C)	(D)	(E)	(F) = (D) * (E)	(G)
1		OPERATING EXPENSES				
2						
3		CUSTOMER ACCOUNTS EXPENSES				
4		Operation				
5	901	Supervision	\$ -	100.00%	\$ -	ALLDIST
6	902	Meter Reading Expenses	\$ 3,653,751	100.00%	\$ 3,653,751	ALLDIST
7	903	Customer Records and Collection Expenses	\$ 10,957,095	100.00%	\$ 10,957,095	ALLDIST
8	904	Uncollectible Accounts	\$ 30,976,224	100.00%	\$ 30,976,224	ALLDIST
9	905	Miscellaneous Customer Accounts Expenses	\$ -	100.00%	\$ -	ALLDIST
10		TOTAL Customer Accounts Expenses	<u>\$ 45,587,070</u>		<u>\$ 45,587,070</u>	
11						
12		CUSTOMER SERVICE AND INFORMATIONAL EXPENSES				
13		Operation				
14	907	Supervision	\$ 2,465,547	100.00%	\$ 2,465,547	ALLDIST
15	908	Customer Assistance Expenses	\$ 6,202,665	100.00%	\$ 6,202,665	ALLDIST
16	909	Informational and Instructional Expenses	\$ 2,270,531	100.00%	\$ 2,270,531	ALLDIST
17	910	Misc. Customer Service and Informational Expenses	\$ 12,655,033	100.00%	\$ 12,655,033	ALLDIST
18		TOTAL Customer Service and Informational Expenses	<u>\$ 23,593,777</u>	100.00%	<u>\$ 23,593,776</u>	ALLDIST
19						
20	911-916	SALES EXPENSES	<u>\$ -</u>	0.00%	<u>\$ -</u>	NONDIST
21						
22		ADMINISTRATIVE AND GENERAL EXPENSES				
23		Operation				
24	920	Administrative and General Salaries	\$ 13,148,734	34.23%	\$ 4,500,812	A&G1
25	921	Office Supplies and Expenses	\$ 19,416,429	48.54%	\$ 9,424,735	A&G2
26	922	Administrative Expenses Transferred - Cr.	\$ (2,435,257)	42.81%	\$ (1,042,533)	A&G3
27	923	Outside Services Employed	\$ 11,266,155	45.51%	\$ 5,127,227	A&G4
28	924	Property Insurance	\$ 5,184,311	24.54%	\$ 1,272,230	A&G5
29	925	Injuries and Damages	\$ 3,479,445	23.05%	\$ 802,012	A&G6

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Operating Revenue and Expenses by Accounts - Jurisdictional Allocation**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s).: WPC-2.1

Schedule C-2.1  
Page 4 of 5

Witness Responsible: Craig A. Forestal, Emily W. Rabb

Line No.	Acct. No.	Description	Unadjusted Total Utility	Allocation %	Unadjusted Jurisdictional	Allocation Code/Description
(A)	(B)	(C)	(D)	(E)	(F) = (D) * (E)	(G)
1	926	Employee Pensions and Benefits	\$ 30,836,438	57.91%	\$ 17,857,381	A&G7
2	927	Franchise Requirements	\$ -	0.00%	\$ -	NONDIST
3	928	Regulatory Commission Expenses	\$ 4,016,665	100.00%	\$ 4,016,665	ALLDIST
4	929	Duplicate Charges-Cr.	\$ (1,524,173)	40.65%	\$ (619,576)	A&G9
5	930.1	General Advertising Expenses	\$ 1,504,355	50.57%	\$ 760,752	A&G10
6	930.2	Miscellaneous General Expenses	\$ 4,800,601	39.64%	\$ 1,902,958	A&G11
7	931	Rents	\$ 24,793	75.71%	\$ 18,771	A&G12
8		TOTAL Operation	<u>\$ 89,718,497</u>		<u>\$ 44,021,434</u>	
9		Maintenance				
10	935	Maintenance of General Plant	\$ 1,825,412	74.08%	\$ 1,352,265	GPMaint
11		TOTAL Administrative and General Expenses	<u>\$ 91,543,909</u>		<u>\$ 45,373,699</u>	
12						
13		TOTAL Operating Expenses	<u>\$ 1,111,779,306</u>		<u>\$ 164,779,450</u>	
14						
15		DEPRECIATION AND AMORTIZATION EXPENSES				
16						
17		DEPRECIATION EXPENSE				
18	403	Production	\$ 65,112,168	0.00%	\$ -	NONDIST
19	403	Transmission	\$ 9,722,803	0.00%	\$ -	NONDIST
20	403	Distribution	\$ 53,926,497	93.29%	\$ 50,308,318	DIRECT
21	403	General	\$ 1,030,201	98.22%	\$ 1,011,832	DIRECT
22		TOTAL Depreciation Expense	<u>\$ 129,791,669</u>		<u>\$ 51,320,150</u>	
23						
24		AMORTIZATION OF UTILITY PLANT				
25	403	Intangible Plant	<u>\$ 8,313,401</u>	51.57%	<u>\$ 4,287,557</u>	DIRECT
26						
27	411	Accretion Expense	<u>\$ 2,735,932</u>	0.00%	<u>\$ -</u>	NONDIST
28						
29		TOTAL Depreciation and Amortization Expenses	<u>\$ 140,841,002</u>		<u>\$ 55,607,707</u>	

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Operating Revenue and Expenses by Accounts - Jurisdictional Allocation**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s).: WPC-2.1

Schedule C-2.1  
Page 5 of 5

Witness Responsible: Craig A. Forestal, Emily W. Rabb

Line No.	Acct. No.	Description	Unadjusted Total Utility (D)	Allocation % (E)	Unadjusted Jurisdictional (F) = (D) * (E)	Allocation Code/Description (G)
(A)	(B)	(C)	(D)	(E)	(F) = (D) * (E)	(G)
1		TAXES OTHER THAN INCOME TAXES				
2	408	Commercial Activity Taxes	\$ 2,907,068	19.44%	\$ 565,242	OTHTAX2
3	408	State Excise Taxes	\$ 49,707,317	100.00%	\$ 49,707,317	ALLDIST
4	408	Payroll Taxes	\$ 5,773,260	45.04%	\$ 2,600,015	OTHTAX3
5	408	Property Taxes	\$ 76,216,753	68.00%	\$ 51,827,392	OTHTAX1
6	408	Federal Use Tax	\$ 3,390	96.39%	\$ 3,268	DMAINT
7	408	Insurance Premium Taxes	\$ 18,199	30.62%	\$ 5,572	DGRSPLNT
8	408	Ohio User Fees	\$ 1,500	0.00%	\$ -	NONDIST
9		TOTAL Taxes Other Than Income Taxes	<u>\$ 134,627,487</u>		<u>\$ 104,708,806</u>	
10						
11		INCOME TAXES				
12		Income Taxes-State and Local				
13	409	Current	\$ 670,591	21.57%	\$ 144,630	DIRECT
14	410-411	Provision for Deferred Income Taxes	\$ (106,663)	11.18%	\$ (11,925)	DIRECT
15		Total State and Local Income Taxes	<u>\$ 563,928</u>		<u>\$ 132,705</u>	
16		Income Taxes-Federal				
17	409	Current	\$ 46,176,800	23.16%	\$ 10,694,521	DIRECT
18	410-411	Provision for Deferred Income Taxes	\$ (19,168,846)	12.79%	\$ (2,451,500)	DIRECT
19	411	Deferred Investment Tax Credit	\$ (2,392,824)	7.07%	\$ (169,278)	DIRECT
20		Total Federal Income Taxes	<u>\$ 24,615,130</u>		<u>\$ 8,073,743</u>	
21		TOTAL Income Taxes	<u>\$ 25,179,058</u>		<u>\$ 8,206,448</u>	
22						
23		TOTAL Operating Expense	<u>\$ 1,412,426,853</u>		<u>\$ 333,302,411</u>	
24						
25		Net Operating Income	<u>\$ 112,673,622</u>		<u>\$ 25,444,819</u>	

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Summary of Jurisdictional Adjustments to Operating Income**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s).: None

Schedule C-3  
Page 1 of 5  
Witness Responsible: Craig A. Forestal

Line No.	Element of Operating Income	Description					
		Total Schedule C-3	Federal and State Income Taxes C-3.1	Universal Service Fund Rider C-3.2	Reconciliation Rider Nonbypassable C-3.3	Storm Cost Recovery Rider C-3.4	Energy Efficiency Rider C-3.5
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	OPERATING REVENUES						
2	Distribution Revenues	\$ (134,999,320)	\$ -	\$ (27,309,700)	\$ (1,888,969)	\$ (13,182,617)	\$ (49,321,796)
3	Other Retail Revenues	\$ -					
4	Other Operating Revenues	\$ (6,347,026)					
5	Total Operating Revenues	\$ (141,346,346)	\$ -	\$ (27,309,700)	\$ (1,888,969)	\$ (13,182,617)	\$ (49,321,796)
6							
7	OPERATING EXPENSES						
8	Operation and Maintenance Expenses						
9	Production Expense	\$ -					
10	Transmission Expense	\$ -					
11	Distribution Expense	\$ (10,666,369)				\$ (10,365,747)	\$ (145,562)
12	Customer Accounts Expenses	\$ (30,173,863)		\$ (27,309,700)			
13	Customer Service and Information Expense	\$ (23,523,402)					\$ (23,658,530)
14	Administrative and General Expense	\$ 1,705,725					\$ (95,190)
15	Total Operating and Maintenance Expense	\$ (62,657,910)	\$ -	\$ (27,309,700)	\$ -	\$ (10,365,747)	\$ (23,899,282)
16	Depreciation and Amortization Expenses						
17	Depreciation	\$ (3,237,214)					
18	Amortization and Depletion Of Utility Plant	\$ (92,717)					
19	Net Amortization of Regulatory Credits/Debits	\$ -					
20	Accretion Expense	\$ -					
21	Total Depreciation and Amortization Expenses	\$ (3,329,931)	\$ -	\$ -	\$ -	\$ -	\$ -
22	Taxes Other Than Income Taxes	\$ (47,899,726)					\$ (84,507)
23	Income Taxes-State and Local						
24	Current	\$ (216,165)	\$ (216,165)				
25	Provision for Deferred Income Taxes	\$ 24,986	\$ 24,986				
26	Total State and Local Income Taxes	\$ (191,179)	\$ (191,179)	\$ -	\$ -	\$ -	\$ -
27	Income Taxes-Federal						
28	Current	\$ (15,984,158)	\$ (15,984,158)				
29	Provision for Deferred Income Taxes	\$ 2,855,924	\$ 2,855,924				
30	Deferred Investment Tax Credit	\$ -	\$ -				
31	Total Federal Income Taxes	\$ (13,128,234)	\$ (13,128,234)	\$ -	\$ -	\$ -	\$ -
32							
33	Total Operating Expenses	\$ (127,206,980)	\$ (13,319,413)	\$ (27,309,700)	\$ -	\$ (10,365,747)	\$ (23,983,789)
34							
35	Net Operating Income	\$ (14,139,366)	\$ 13,319,413	\$ -	\$ (1,888,969)	\$ (2,816,870)	\$ (25,338,007)

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Summary of Jurisdictional Adjustments to Operating Income**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule C-3  
Page 2 of 5  
Witness Responsible: Craig A. Forestal

Line No.	Element of Operating Income	Description					
		Economic Development Discounts & Rider	Alternative Energy Rider	State Excise Tax Rider	Property Taxes	Commercial Activity Tax	Annualized AES Services Labor
	Schedule Reference	C-3.6	C-3.7	C-3.8	C-3.9	C-3.10	C-3.11
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	OPERATING REVENUES						
2	Distribution Revenues	\$ 1,171,196	\$ -	\$ (49,775,497)	\$ -	\$ -	\$ -
3	Other Retail Revenues						
4	Other Operating Revenues	\$ (952,573)					
5	Total Operating Revenues	\$ 218,623	\$ -	\$ (49,775,497)	\$ -	\$ -	\$ -
6							
7	OPERATING EXPENSES						
8	Operation and Maintenance Expenses						
9	Production Expense						
10	Transmission Expense						
11	Distribution Expense						\$ 45,032
12	Customer Accounts Expenses						\$ 9,064
13	Customer Service and Information Expense						\$ -
14	Administrative and General Expense		\$ (785,426)				\$ 439,410
15	Total Operating and Maintenance Expense	\$ -	\$ (785,426)	\$ -	\$ -	\$ -	\$ 493,506
16	Depreciation and Amortization Expenses						
17	Depreciation						
18	Amortization and Depletion Of Utility Plant						
19	Net Amortization of Regulatory Credits/Debits						
20	Accretion Expense						
21	Total Depreciation and Amortization Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	Taxes Other Than Income Taxes			\$ (49,785,674)	\$ 1,469,816	\$ 200,422	\$ 50,815
23	Income Taxes-State and Local						
24	Current						
25	Provision for Deferred Income Taxes						
26	Total State and Local Income Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27	Income Taxes-Federal						
28	Current						
29	Provision for Deferred Income Taxes						
30	Deferred Investment Tax Credit						
31	Total Federal Income Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
32							
33	Total Operating Expenses	\$ -	\$ (785,426)	\$ (49,785,674)	\$ 1,469,816	\$ 200,422	\$ 544,321
34							
35	Net Operating Income	\$ 218,623	\$ 785,426	\$ 10,177	\$ (1,469,816)	\$ (200,422)	\$ (544,321)

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Summary of Jurisdictional Adjustments to Operating Income**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule C-3  
Page 3 of 5  
Witness Responsible: Craig A. Forestal

Line No.	Element of Operating Income	Description					
		Annualized DP&L Labor and Payroll Tax	Annualized Employee Benefits	Annualized Depreciation Expense	Interest on Customer Deposits	Rate Case Expense	Uncollectible Expense
	Schedule Reference	C-3.12	C-3.13	C-3.14	C-3.15	C-3.16	C-3.17
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	OPERATING REVENUES						
2	Distribution Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	Other Retail Revenues						
4	Other Operating Revenues						
5	Total Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6							
7	OPERATING EXPENSES						
8	Operation and Maintenance Expenses						
9	Production Expense						
10	Transmission Expense						
11	Distribution Expense	\$ 1,185,924					
12	Customer Accounts Expenses	\$ 658,391			\$ 112,295		\$ (3,643,913)
13	Customer Service and Information Expense	\$ 64,551					
14	Administrative and General Expense	\$ 177,232	\$ 87,753			\$ 4,917,606	
15	Total Operating and Maintenance Expense	\$ 2,086,098	\$ 87,753	\$ -	\$ 112,295	\$ 4,917,606	\$ (3,643,913)
16	Depreciation and Amortization Expenses						
17	Depreciation			\$ (3,237,214)			
18	Amortization and Depletion Of Utility Plant			\$ (92,717)			
19	Net Amortization of Regulatory Credits/Debits						
20	Accretion Expense						
21	Total Depreciation and Amortization Expenses	\$ -	\$ -	\$ (3,329,931)	\$ -	\$ -	\$ -
22	Taxes Other Than Income Taxes	\$ 152,944					
23	Income Taxes-State and Local						
24	Current						
25	Provision for Deferred Income Taxes						
26	Total State and Local Income Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27	Income Taxes-Federal						
28	Current						
29	Provision for Deferred Income Taxes						
30	Deferred Investment Tax Credit						
31	Total Federal Income Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
32							
33	Total Operating Expenses	\$ 2,239,042	\$ 87,753	\$ (3,329,931)	\$ 112,295	\$ 4,917,606	\$ (3,643,913)
34							
35	Net Operating Income	\$ (2,239,042)	\$ (87,753)	\$ 3,329,931	\$ (112,295)	\$ (4,917,606)	\$ 3,643,913



**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Summary of Jurisdictional Adjustments to Operating Income**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s).: None

Schedule C-3  
Page 4 of 5  
Witness Responsible: Craig A. Forestal

Line No.	Element of Operating Income Schedule Reference	Description					
		Non-Jurisdictional Revenue and Expense C-3.18	General Advertising C-3.19	PUCO Approved Payments by Shareholders C-3.20	Miscellaneous Expense Adjustments C-3.21	Major Storm Expense C-3.22	Unbilled Revenue and Expense C-3.23
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	OPERATING REVENUES						
2	Distribution Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,672,207
3	Other Retail Revenues						
4	Other Operating Revenues	\$ (5,394,453)					
5	Total Operating Revenues	\$ (5,394,453)	\$ -	\$ -	\$ -	\$ -	\$ 2,672,207
6							
7	OPERATING EXPENSES						
8	Operation and Maintenance Expenses						
9	Production Expense						
10	Transmission Expense						
11	Distribution Expense	\$ (963,522)			\$ (5,820)	\$ (429,973)	\$ 13,299
12	Customer Accounts Expenses						
13	Customer Service and Information Expense						\$ 70,577
14	Administrative and General Expense	\$ (62,718)	\$ (760,752)	\$ (2,030,000)	\$ (649,910)		\$ (6,890)
15	Total Operating and Maintenance Expense	\$ (1,026,240)	\$ (760,752)	\$ (2,030,000)	\$ (655,731)	\$ (429,973)	\$ 76,986
16	Depreciation and Amortization Expenses						
17	Depreciation						
18	Amortization and Depletion Of Utility Plant						
19	Net Amortization of Regulatory Credits/Debits						
20	Accretion Expense						
21	Total Depreciation and Amortization Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	Taxes Other Than Income Taxes						\$ 96,458
23	Income Taxes-State and Local						
24	Current						
25	Provision for Deferred Income Taxes						
26	Total State and Local Income Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27	Income Taxes-Federal						
28	Current						
29	Provision for Deferred Income Taxes						
30	Deferred Investment Tax Credit						
31	Total Federal Income Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
32							
33	Total Operating Expenses	\$ (1,026,240)	\$ (760,752)	\$ (2,030,000)	\$ (655,731)	\$ (429,973)	\$ 173,444
34							
35	Net Operating Income	\$ (4,368,213)	\$ 760,752	\$ 2,030,000	\$ 655,731	\$ 429,973	\$ 2,498,763

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Summary of Jurisdictional Adjustments to Operating Income**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule C-3  
Page 5 of 5  
Witness Responsible: Craig A. Forestal

		Description					
Line No.	Element of Operating Income	Company Use Credit	Test Year Revenue				
	Schedule Reference	C-3.24	C-3.25				
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	OPERATING REVENUES						
2	Distribution Revenues	\$ -	\$ 2,635,856				
3	Other Retail Revenues						
4	Other Operating Revenues						
5	Total Operating Revenues	\$ -	\$ 2,635,856				
6							
7	OPERATING EXPENSES						
8	Operation and Maintenance Expenses						
9	Production Expense						
10	Transmission Expense						
11	Distribution Expense						
12	Customer Accounts Expenses						
13	Customer Service and Information Expense						
14	Administrative and General Expense	\$ 474,610					
15	Total Operating and Maintenance Expense	\$ 474,610	\$ -				
16	Depreciation and Amortization Expenses						
17	Depreciation						
18	Amortization and Depletion Of Utility Plant						
19	Net Amortization of Regulatory Credits/Debits						
20	Accretion Expense						
21	Total Depreciation and Amortization Expenses	\$ -	\$ -				
22	Taxes Other Than Income Taxes						
23	Income Taxes-State and Local						
24	Current						
25	Provision for Deferred Income Taxes						
26	Total State and Local Income Taxes	\$ -	\$ -				
27	Income Taxes-Federal						
28	Current						
29	Provision for Deferred Income Taxes						
30	Deferred Investment Tax Credit						
31	Total Federal Income Taxes	\$ -	\$ -				
32							
33	Total Operating Expenses	\$ 474,610	\$ -				
34							
35	Net Operating Income	\$ (474,610)	\$ 2,635,856				

**The Dayton Power and Light Company  
Case No. 15-1830-EL-AIR**

**Adjust Federal and State Income Taxes  
For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): WPC-3.1

Schedule C-3.1

Page 1 of 1

Witness Responsible: Stephen A. Allamanno

Line No.	Acct. No.	Description	Total Adjustment	Allocation %	Allocation Code	Jurisdictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)
1		Purpose and Description:				
2		Calculate the income tax effect of various C-3 adjustments				
3						
4		Income Taxes				
5	409	Current State and Local Income Tax Expense	\$ (216,165)	100.00%	DIRECT	\$ (216,165)
6	410-411	Deferred State and Local Income Tax Expense	\$ 24,986	100.00%	DIRECT	\$ 24,986
7		Total State and Local Income Taxes	<u>\$ (191,179)</u>			<u>\$ (191,179)</u>
8						
9	409	Current Federal Income Tax Expense	\$ (15,984,158)	100.00%	DIRECT	\$ (15,984,158)
10	410-411	Deferred Federal Income Tax Expense	\$ 2,855,924	100.00%	DIRECT	\$ 2,855,924
11	411	Deferred Investment Tax Credit Expense	\$ -	100.00%	DIRECT	\$ -
12		Total Federal Income Taxes	<u>\$ (13,128,234)</u>			<u>\$ (13,128,234)</u>
13						
14		Total Income Tax Expense	<u>\$ (13,319,413)</u>			<u>\$ (13,319,413)</u>

**The Dayton Power and Light Company  
Case No. 15-1830-EL-AIR**

**Eliminate Universal Service Fund Rider Revenue and Expense  
For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s).: WPC-3.2

Schedule C-3.2

Page 1 of 1

Witness Responsible: Lauren R. Whitehead

Line No.	Acct. No.	Description	Total Adjustment	Allocation %	Allocation Code	Jurisdictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)
1		Purpose and Description:				
2		Eliminate Universal Service Fund Rider revenue and expense from the test year				
3						
4		Revenue				
5	440-446	Sales to Ultimate Customers	\$ (27,309,700)	100.00%	ALLDIST	\$ (27,309,700)
6						
7		Expense				
8	904	Uncollectible Accounts	\$ (27,309,700)	100.00%	ALLDIST	\$ (27,309,700)

**The Dayton Power and Light Company  
Case No. 15-1830-EL-AIR**

**Eliminate Reconciliation Rider Nonbypassable Revenue  
For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): WPC-3.3

Schedule C-3.3

Page 1 of 1

Witness Responsible: Craig A. Forestal

Line No.	Acct. No.	Description	Total Adjustment	Allocation %	Allocation Code	Jurisdictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)
1		Purpose and Description:				
2		Eliminate Reconciliation Rider Nonbypassable				
3		revenue from the test year				
4		Revenue				
5	440-446	Sales to Ultimate Customers	\$ (1,888,969)	100.00%	ALLDIST	\$ (1,888,969)

**The Dayton Power and Light Company  
Case No. 15-1830-EL-AIR**

**Eliminate Storm Cost Recovery Rider Revenue and Expense  
For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s).: WPC-3.4

Schedule C-3.4

Page 1 of 1

Witness Responsible: Craig A. Forestal

Line No.	Acct. No.	Description	Total Adjustment	Allocation %	Allocation Code	Jurisdictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)
1		Purpose and Description:				
2		Eliminate Storm Rider revenue and expense from the				
3		test year				
4		Revenue				
5	440-446	Sales to Ultimate Customers	\$ (13,182,617)	100.00%	ALLDIST	\$ (13,182,617)
6						
7		Expense				
8	593	Maintenance of Overhead Lines	\$ (10,365,747)	100.00%	ALLDIST	\$ (10,365,747)

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Eliminate Energy Efficiency Rider Revenue and Expense**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s).: WPC-3.5

Schedule C-3.5

Page 1 of 1

Witness Responsible: Craig A. Forestal

Line No.	Acct. No.	Description	Total Adjustment	Allocation %	Allocation Code	Jurisdictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)
1		Purpose and Description:				
2		Eliminate Energy Efficiency Rider revenue and expense from the test year				
3						
4		Revenue				
5	440-446	Sales to Ultimate Customers	\$ (49,321,796)	100.00%	ALLDIST	\$ (49,321,796)
6						
7		Expense				
8	580	Operation Supervision and Engineering	\$ (145,562)	100.00%	ALLDIST	\$ (145,562)
9	907	Supervision	\$ (2,699,261)	100.00%	ALLDIST	\$ (2,699,261)
10	908	Customer Assistance Expenses	\$ (6,119,880)	100.00%	ALLDIST	\$ (6,119,880)
11	909	Informational and Instructional Expenses	\$ (2,157,593)	100.00%	ALLDIST	\$ (2,157,593)
12	910	Misc. Customer Service and Informational Expenses	\$ (12,681,796)	100.00%	ALLDIST	\$ (12,681,796)
13	920	Administrative and General Salaries	\$ (4,273)	100.00%	ALLDIST	\$ (4,273)
14	962	Employee Pensions and Benefits	\$ (90,917)	100.00%	ALLDIST	\$ (90,917)
15	408	Taxes Other Than Income Taxes	\$ (84,507)	100.00%	ALLDIST	\$ (84,507)
16		Total Expense	<u>\$ (23,983,790)</u>			<u>\$ (23,983,789)</u>

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Eliminate Economic Development Discounts and Rider Revenue**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated

Type of Filing: Original

Work Paper Reference No(s): WPC-3.6

Schedule C-3.6

Page 1 of 1

Witness Responsible: Craig A. Forestal

Line No.	Acct. No.	Description	Total Adjustment	Allocation %	Allocation Code	Jurisdictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)
1		Purpose and Description:				
2		Eliminate Economic Development Rider revenue				
3						
4		Revenue				
5	440-446	Sales to Ultimate Customers	\$ 1,171,196	100.00%	ALLDIST	\$ 1,171,196
6	456	Other Electric Revenues	\$ (1,125,175)	84.66%	OTHREV4	\$ (952,573)
		Total Revenue	<u>\$ 46,021</u>			<u>\$ 218,623</u>



**The Dayton Power and Light Company  
Case No. 15-1830-EL-AIR**

**Eliminate Alternative Energy Rider Expense  
For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated

Type of Filing: Original

Work Paper Reference No(s).: WPC-3.7

Schedule C-3.7

Page 1 of 1

Witness Responsible: Craig A. Forestal

Line No.	Acct. No.	Description	Total Adjustment	Allocation %	Allocation Code	Jurisdictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)
1		Purpose and Description:				
2		Eliminate Alternative Energy Rider expense from				
3		the test year				
4		Expense				
5	920	Administrative and General Salaries	\$ 481,244	100.00%	ALLDIST	\$ 481,244
6	930.2	Miscellaneous General Expenses	\$ (1,266,670)	100.00%	ALLDIST	\$ (1,266,670)
7		Total Expense	<u>\$ (785,426)</u>			<u>\$ (785,426)</u>

**The Dayton Power and Light Company  
Case No. 15-1830-EL-AIR**

**Eliminate State Excise Tax Rider Revenue and Expense  
For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated

Type of Filing: Original

Work Paper Reference No(s): WPC-3.8

Schedule C-3.8

Page 1 of 1

Witness Responsible: Stephen A. Allamanno, Lauren R. Whitehead

Line No.	Acct. No.	Description	Total Adjustment	Allocation %	Allocation Code	Jurisdictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)
1		Purpose and Description:				
2		Eliminate State Excise Tax Rider revenue and expense from the test year				
3						
4		Revenue				
5	440-446	Sales to Ultimate Customers	\$ (49,775,497)	100.00%	ALLDIST	\$ (49,775,497)
6						
7		Expense				
8	408	Taxes Other Than Income Taxes	\$ (49,785,674)	100.00%	ALLDIST	\$ (49,785,674)

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Annualize Property Tax to Reflect Plant In Service on Date Certain**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): WPC-3.9a

Schedule C-3.9

Page 1 of 1

Witness Responsible: Stephen A. Allamanno

Line No.	Acct. No.	Description	Total Adjustment	Allocation %	Allocation Code	Jurisdictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)
1		Purpose and Description:				
2		Adjust property taxes to be calculated based on jurisdictional plant-in-service as of September 30, 2015				
3						
4		Expense				
5	408	Taxes Other Than Income Taxes	\$ 1,469,816	100.00%	ALLDIST	\$ 1,469,816

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Annualize Commercial Activity Tax**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated

Type of Filing: Original

Work Paper Reference No(s): None

Schedule C-3.10

Page 1 of 1

Witness Responsible: Stephen A. Allamanno

Line No.	Acct. No.	Description	Total Adjustment	Allocation %	Allocation Code	Jurisdictional Amount	Schedule Reference
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)	(H)
1		Purpose and Description:					
2		Adjust Commercial Activity Tax (CAT) to its jurisdictional portion					
3							
4		Expense					
5	408	Taxes Other Than Income Taxes	\$ 200,422	100.00%	ALLDIST	\$ 200,422	
6							
7		Supporting Calculations					
8							
9		Adjust revenues to include riders that were eliminated from the test year but are subject to CAT that is not recovered through those riders					
10							
11		Total Adjusted Jurisdictional Operating Revenues	\$ 217,400,884	100.00%	ALLDIST	\$ 217,400,884	Schedule C-2
12		State Excise Tax Rider	\$ 49,775,497	100.00%	ALLDIST	\$ 49,775,497	Schedule C-3.8
13		Universal Service Fund Rider	\$ 27,309,700	100.00%	ALLDIST	\$ 27,309,700	Schedule C-3.2
14		Total Jurisdictional Revenues	\$ 294,486,081	100.00%	ALLDIST	\$ 294,486,081	
15							
16		Commercial Activity Tax Rate	0.2600%			0.2600%	Schedule A-2
17							
18		Annualized Commercial Activity Tax	\$ 765,664	100.00%	ALLDIST	\$ 765,664	
19							
20		Test Year Commercial Activity Tax	\$ 565,242	100.00%	ALLDIST	\$ 565,242	Schedule C-2.1
21							
22		Net Adjustment				\$ 200,422	

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Annualize AES Services Labor, Benefits, and Payroll Tax**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): WPC-3.11

Schedule C-3.11

Page 1 of 1

Witness Responsible: Yvonna K. Steadman

Line No.	Acct No.	Description	Total Amount	Allocation %	Allocation Code	Jurisdictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)
1		Purpose and Description:				
2		Annualize AES Services labor, benefits, and payroll tax				
3						
4		Expense				
5	580	Operation Supervision and Engineering	\$ 26,400	100.28%	DIRECT	\$ 26,474
6	581	Local Dispatching	\$ -	0.00%	DIRECT	\$ -
7	582	Station Expenses	\$ -	0.00%	DIRECT	\$ -
8	583	Overhead Line Expenses	\$ -	0.00%	DIRECT	\$ -
9	584	Underground Line Expenses	\$ -	0.00%	DIRECT	\$ -
10	585	Street Lighting and Signal Expenses	\$ -	0.00%	DIRECT	\$ -
11	586	Meter Expenses	\$ -	0.00%	DIRECT	\$ -
12	587	Customer Installations Expenses	\$ -	0.00%	DIRECT	\$ -
13	588	Miscellaneous Distribution Expenses	\$ -	0.00%	DIRECT	\$ -
14	589	Rents	\$ -	0.00%	DIRECT	\$ -
15	590	Maintenance Supervision and Engineering	\$ 18,978	100.00%	DIRECT	\$ 18,978
16	591	Maintenance of Structures	\$ -	0.00%	DIRECT	\$ -
17	592	Maintenance of Station Equipment	\$ -	0.00%	DIRECT	\$ -
18	593	Maintenance of Overhead Lines	\$ (420)	100.00%	DIRECT	\$ (420)
19	594	Maintenance of Underground Lines	\$ -	0.00%	DIRECT	\$ -
20	595	Maintenance of Line Transformers	\$ -	0.00%	DIRECT	\$ -
21	596	Maintenance of Street Lighting and Signal Systems	\$ -	0.00%	DIRECT	\$ -
22	597	Maintenance of Meters	\$ -	0.00%	DIRECT	\$ -
23	598	Maintenance of Miscellaneous Distribution Plant	\$ -	0.00%	DIRECT	\$ -
24	901	Supervision	\$ -	0.00%	DIRECT	\$ -
25	902	Meter Reading Expenses	\$ 2,174	100.00%	DIRECT	\$ 2,174
26	903	Customer Records and Collection Expenses	\$ 6,890	100.00%	DIRECT	\$ 6,890
27	905	Miscellaneous Customer Accounts Expenses	\$ -	0.00%	DIRECT	\$ -
28	907	Supervision	\$ -	0.00%	DIRECT	\$ -
29	908	Customer Assistance Expenses	\$ -	0.00%	DIRECT	\$ -
30	909	Informational and Instructional Expenses	\$ -	0.00%	DIRECT	\$ -
31	910	Misc. Customer Service and Informational Expenses	\$ -	0.00%	DIRECT	\$ -
32	920	Administrative and General Salaries	\$ 1,159,768	46.21%	DIRECT	\$ 535,908
33	923	Outside Services Employed	\$ (2,137)	58.35%	DIRECT	\$ (1,247)
34	935	Maintenance of General Plant	\$ -	0.00%	DIRECT	\$ -
35		Total O&M Expense	<u>\$ 1,211,653</u>			<u>\$ 588,757</u>
36						
37	408.1	Taxes other than income taxes (FICA)	\$ 123,675	42.86%	DIRECT	\$ 53,006
38	408.1	Taxes other than income taxes (FUTA)	\$ (1,425)	45.61%	DIRECT	\$ (650)
39	408.1	Taxes other than income taxes (SUTA)	\$ (4,150)	37.13%	DIRECT	\$ (1,541)
40		Total Tax Expense	<u>\$ 118,100</u>			<u>\$ 50,815</u>
41						
42	926	Employee Pension and Benefits (Pension)	\$ 2,070	-14.49%	DIRECT	\$ (300)
43	926	Employee Pension and Benefits (401k)	\$ (406,598)	35.45%	DIRECT	\$ (144,139)
44	926	Employee Pension and Benefits (Health Benefits)	\$ 72,546	42.21%	DIRECT	\$ 30,621
45	920	Administrative and General Salaries (LTC Expense)	\$ 46,108	40.27%	DIRECT	\$ 18,567
46		Total Benefit Expense	<u>\$ (285,874)</u>			<u>\$ (95,251)</u>

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Annualize Test Year Labor and Payroll Taxes**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s).: WPC-3.12

Schedule C-3.12

Page 1 of 1

Witness Responsible: Yvonna K. Steadman

Line No.	Acct. No.	Description	Total Adjustment	Allocation %	Allocation Code	Jurisdictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)
1		Purpose and Description:				
2		Annualize labor and payroll taxes				
3						
4		Expense				
5	580	Operation Supervision and Engineering	\$ 49,850	100.00%	DIRECT	\$ 49,850
6	582	Station Expenses	\$ 17,171	100.00%	DIRECT	\$ 17,171
7	583	Overhead Line Expenses	\$ 19,398	100.00%	DIRECT	\$ 19,398
8	584	Underground Line Expenses	\$ 7,966	100.00%	DIRECT	\$ 7,966
9	586	Meter Expenses	\$ 460	100.00%	DIRECT	\$ 460
10	587	Customer Installations Expenses	\$ 18,678	100.00%	DIRECT	\$ 18,678
11	588	Miscellaneous Distribution Expenses	\$ 3,908	100.00%	DIRECT	\$ 3,908
12	590	Maintenance Supervision and Engineering	\$ 153,180	100.00%	DIRECT	\$ 153,180
13	592	Maintenance of Station Equipment	\$ 211,862	100.00%	DIRECT	\$ 211,862
14	593	Maintenance of Overhead Lines	\$ 686,116	100.00%	DIRECT	\$ 686,116
15	594	Maintenance of Underground Lines	\$ 3,399	100.00%	DIRECT	\$ 3,399
16	595	Maintenance of Line Transformers	\$ (701)	100.00%	DIRECT	\$ (701)
17	596	Maintenance of Street Lighting and Signal Systems	\$ -	0.00%	DIRECT	\$ -
18	597	Maintenance of Meters	\$ 12,857	100.00%	DIRECT	\$ 12,857
19	598	Maintenance of Miscellaneous Distribution Plant	\$ 1,780	100.00%	DIRECT	\$ 1,780
20	902	Meter Reading Expenses	\$ 234,179	100.00%	DIRECT	\$ 234,179
21	903	Customer Records and Collection Expenses	\$ 424,220	100.00%	DIRECT	\$ 424,212
22	907	Supervision	\$ 58,610	100.00%	DIRECT	\$ 58,611
23	908	Customer Assistance Expenses	\$ 544	48.71%	DIRECT	\$ 265
24	910	Misc. Customer Service and Informational Expenses	\$ 6,354	89.31%	DIRECT	\$ 5,675
25	920	Administrative and General Salaries	\$ 260,980	49.24%	DIRECT	\$ 128,519
26	925	Injuries and Damages	\$ 26,310	100.00%	DIRECT	\$ 26,309
27	926	Employee Pensions and Benefits	\$ 1,151	100.00%	DIRECT	\$ 1,151
28	935	Maintenance of General Plant	\$ 21,270	99.92%	DIRECT	\$ 21,253
29		Total O&M Expense	<u>\$ 2,219,542</u>			<u>\$ 2,086,098</u>
30						
31	408.1	Taxes other than income taxes (FICA)	\$ 355,730	43.23%	DIRECT	\$ 153,773
32	408.1	Taxes other than income taxes (FUTA)	\$ (6,611)	9.62%	DIRECT	\$ (636)
33	408.1	Taxes other than income taxes (SUTA)	\$ (1,427)	13.52%	DIRECT	\$ (193)
34		Total Payroll Taxes	<u>\$ 347,692</u>			<u>\$ 152,944</u>

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Annualize Employee Benefits Expense**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): WPC-3.13

Schedule C-3.13

Page 1 of 1

Witness Responsible: Yvonna K. Steadman, Edward J. Kunz

Line No.	Acct No.	Description	Total Amount	Allocation %	Allocation Code	Jurisdictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (F)
1		Purpose and Description:				
2		Annualize employee benefits expense				
3						
4		Expense				
5	926	Employee Pensions and Benefits (Pension)	\$ -	0.00%	DIRECT	\$ -
6	926	Employee Pensions and Benefits (OPEB)	\$ -	0.00%	DIRECT	\$ -
7	926	Employee Pensions and Benefits (401k)	\$ 101,107	44.10%	DIRECT	\$ 44,590
8	926	Employee Pensions and Benefits (Health Benefits)	\$ 778,353	4.64%	DIRECT	\$ 36,077
9	920	Administrative and General Salaries (LTC)	\$ 20,710	34.22%	DIRECT	\$ 7,086
10		Total Expense	<u>\$ 900,170</u>			<u>\$ 87,753</u>

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Annualize Depreciation Expense**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated

Schedule C-3.14

Type of Filing: Original

Page 1 of 1

Work Paper Reference No(s): WPC-2.1 and WPC-3.14

Witness Responsible: Don Rennix

Line No.	Acct. No.	Description	Total Amount	Allocation %	Allocation Code	Jurisdictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)
1		Purpose and Description:				
2		Annualize depreciation expense with proposed depreciation rates				
3						
4		Expense				
5	403	Distribution Plant Depreciation	\$ (2,826,409)	113.34%	DIRECT	\$ (3,203,424)
6	403	General Plant Depreciation	\$ (33,941)	99.56%	DIRECT	\$ (33,790)
7	403	Intangible Plant Amortization	\$ (179,775)	51.57%	DIRECT	\$ (92,717)
8		Total Expense	<u>\$ (3,040,125)</u>			<u>\$ (3,329,931)</u>
9						
10		Supporting Calculations				
11						
12		Adjust test year depreciation expense to current annual expense by applying current depreciation rates to date certain balance				
13						
14		Test Year Depreciation of Distribution Plant				
15		Current Annual Expense per WPC-3.14	\$ 53,275,339	93.29%	DIRECT	\$ 49,700,849
16		Test Year Depreciation Expense per WPC-2.1	<u>\$ 53,926,497</u>	93.29%	DIRECT	<u>\$ 50,308,318</u>
17		Increase / (Decrease) in Test Year Depreciation Expense	<u>\$ (651,158)</u>			<u>\$ (607,469)</u>
18						
19		Test Year Depreciation of General Plant				
20		Current Annual Expense per WPC-3.14	\$ 973,232	98.22%	DIRECT	\$ 955,879
21		Test Year Depreciation Expense per WPC-2.1	<u>\$ 1,030,201</u>	98.22%	DIRECT	<u>\$ 1,011,832</u>
22		Increase / (Decrease) in Test Year Depreciation Expense	<u>\$ (56,969)</u>			<u>\$ (55,953)</u>
23						
24		Test Year Amortization of Intangible Plant				
25		Current Annual Expense per WPC-3.14	\$ 8,133,626	51.57%	DIRECT	\$ 4,194,840
26		Test Year Amortization Expense per WPC-2.1	<u>\$ 8,313,401</u>	51.57%	DIRECT	<u>\$ 4,287,557</u>
27		Increase / (Decrease) in Test Year Amortization Expense	<u>\$ (179,775)</u>			<u>\$ (92,717)</u>
28						
29		Adjust current annual depreciation expense to proposed annual expense by applying proposed depreciation rates to date certain balance				
30						
31		Annual Depreciation of Distribution Plant per Work paper C-3.14				
32		Annual Expense with Proposed New Rates	\$ 51,100,088	92.18%	DIRECT	\$ 47,104,894
33		Current Annual Expense	<u>\$ 53,275,339</u>	93.29%	DIRECT	<u>\$ 49,700,849</u>
34		Increase / (Decrease) in Annual Depreciation Expense	<u>\$ (2,175,251)</u>			<u>\$ (2,595,955)</u>
35						
36		Annual Depreciation of General Plant per Work paper C-3.14				
37		Annual Expense with Proposed New Rates	\$ 996,260	98.17%	DIRECT	\$ 978,042
38		Current Annual Expense	<u>\$ 973,232</u>	98.22%	DIRECT	<u>\$ 955,879</u>
39		Increase / (Decrease) in Annual Depreciation Expense	<u>\$ 23,028</u>			<u>\$ 22,163</u>
40						
41		Annual Amortization of Intangible Plant per Work paper C-3.14				
42		Annual Expense with Proposed New Rates	\$ 8,133,626	51.57%	DIRECT	\$ 4,194,840
43		Current Annual Expense	<u>\$ 8,133,626</u>	51.57%	DIRECT	<u>\$ 4,194,840</u>
44		Increase / (Decrease) in Annual Amortization Expense	<u>\$ -</u>			<u>\$ -</u>



**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Include Interest on Customer Service Deposits**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule C-3.15  
Page 1 of 1  
Witness Responsible: Claire E. Hale

Line No.	Acct. No.	Description	Total Adjustment	Allocation %	Allocation Code	Jurisdictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)
1		Purpose and Description:				
2		Include customer deposit interest expense as the				
3		statutory rate applied to the date certain balance of				
4		customer deposits				
5	431	Expense				
6		Interest On Customer Service Deposits	\$ 112,295	100.00%	ALLDIST	\$ 112,295
7						
8		Supporting Calculations				
9		Date Certain Deposits	\$ 36,200,945	10.34%	CUSTDPST	\$ 3,743,178
10		Statutory Interest Rate				3%
11		Interest on Customer Deposits				\$ 112,295

**The Dayton Power and Light Company  
Case No. 15-1830-EL-AIR**

**Include Rate Case Expense  
For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated

Type of Filing: Original

Work Paper Reference No(s).: None

Schedule C-3.16

Page 1 of 1

Witness Responsible: Claire E. Hale

Line No.	Acct. No.	Description	Total Amount	Allocation %	Allocation Code	Jurisdictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)
1		Purpose and Description:				
2		Include the estimated cost of presenting utility cases as				
3		reflected on Schedule C-8, amortized over a two-year period				
4		Expense				
5	928	Regulatory Commission Expenses	\$ 4,917,606	100.00%	ALLDIST	\$ 4,917,606

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Eliminate Uncollectible Expense**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s).: WPC-3.17

Schedule C-3.17

Page 1 of 1

Witness Responsible: Tyler A. Teuscher

Line No.	Acct. No.	Description	Total Adjustment	Allocation %	Allocation Code	Jurisdictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)
1		Purpose and Description:				
2		Eliminate uncollectible expense from the test year				
3						
4		Expense				
5	904	Uncollectible Accounts Expense	\$ (3,643,913)	100.00%	ALLDIST	\$ (3,643,913)

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Eliminate Wright Patterson Non-Jurisdictional Revenues and Expenses**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated

Schedule C-3.18

Type of Filing: Original

Page 1 of 1

Work Paper Reference No(s): WPC-3.18

Witness Responsible: Craig A. Forestal

Line No.	Acct. No.	Description	Total Adjustment	Allocation %	Allocation Code	Jurisdictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)
1		Purpose and Description:				
2		Eliminate Wright Patterson non-jurisdictional revenues and expenses				
3						
4		Revenue				
5	456	Other Electric Revenues	\$ (5,394,453)	100.00%	ALLDIST	\$ (5,394,453)
6						
7		Expense				
8	580	Supervisory - Elect. Dist.	\$ (348,904)	100.00%	ALLDIST	\$ (348,904)
9	582	Station Expenses	\$ (225,155)	100.00%	ALLDIST	\$ (225,155)
10	583	Overhead Lines Expense	\$ (224)	100.00%	ALLDIST	\$ (224)
11	584	Underground Lines	\$ (89,419)	100.00%	ALLDIST	\$ (89,419)
12	592	Misc. Station Equipment	\$ (85,192)	100.00%	ALLDIST	\$ (85,192)
13	593	Maintenance of Overhead Lines	\$ (214,628)	100.00%	ALLDIST	\$ (214,628)
14	920	Administrative and General Salaries	\$ (18,730)	34.23%	A&G1	\$ (6,411)
15	921	Office Supplies and Expenses	\$ (27,658)	48.54%	A&G2	\$ (13,425)
16	922	Administrative Expenses Transferred - Cr.	\$ 3,469	42.81%	A&G3	\$ 1,485
17	923	Outside Services Employed	\$ (16,048)	45.51%	A&G4	\$ (7,304)
18	924	Property Insurance	\$ (396)	24.54%	A&G5	\$ (97)
19	925	Injuries and Damages	\$ (4,956)	23.05%	A&G6	\$ (1,142)
20	926	Employee Pensions & Benefits	\$ (43,926)	57.91%	A&G7	\$ (25,438)
21	928	Regulatory Commission Expenses	\$ (5,722)	100.00%	ALLDIST	\$ (5,722)
22	930.2	Miscellaneous General Expenses	\$ (6,838)	39.64%	A&G11	\$ (2,711)
23	931	Rents	\$ (35)	75.71%	A&G12	\$ (27)
24	935	Maintenance of General Plant	\$ (2,600)	74.08%	GPMAINT	\$ (1,926)
25		Total Expense <sup>1</sup>	<u>\$ (1,086,965)</u>			<u>\$ (1,026,240)</u>

<sup>1</sup> Depreciation has been removed on Schedule C-3.14

**The Dayton Power and Light Company  
Case No. 15-1830-EL-AIR**

**Eliminate General Advertising Expense  
For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated

Schedule C-3.19

Type of Filing: Original

Page 1 of 1

Work Paper Reference No(s): None

Witness Responsible: Craig A. Forestal

Line No.	Acct. No.	Description	Total Adjustment	Allocation %	Allocation Code	Jurisdictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)
1		Purpose and Description:				
2		Eliminate general advertising expense from the				
3		test year				
4		Expense				
5	930.1	General Advertising Expenses	\$ (1,504,355)	50.57%	A&G10	\$ (760,752)

**The Dayton Power and Light Company  
Case No. 15-1830-EL-AIR**

**Eliminate PUCO Approved Payments Funded by Shareholders  
For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): WPC-3.20

Schedule C-3.20

Page 1 of 1

Witness Responsible: Craig A. Forestal

Line No. (A)	Acct. No. (B)	Description (C)	Total Adjustment (D)	Allocation % (E)	Allocation Code (F)	Jurisdictional Amount (G) = (D) * (E)
1		Purpose and Description:				
2		Remove amortization of payments funded by shareholders				
3		from the test year				
4		Expense				
5	928	Regulatory Commission Expenses	\$ (2,030,000)	100.00%	ALLDIST	\$ (2,030,000)

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Miscellaneous Expense Adjustments**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s).: None

Schedule C-3.21

Page 1 of 1

Witness Responsible: Craig A. Forestal

Line No.	Acct. No.	Description	Total Adjustment	Allocation %	Allocation Code	Jurisdictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)
1		Purpose and Description:				
2		Adjust for miscellaneous run-rate and out-of-period items and eliminate certain non-jurisdictional expenses from the test year				
3						
4		Expense				
5	580	Operation Supervision and Engineering	\$ 200	100.00%	DIRECT	\$ 200
6	590	Maintenance Supervision and Engineering	\$ (5,591)	100.00%	DIRECT	\$ (5,591)
7	593	Maintenance of Overhead Lines	\$ (429)	100.00%	DIRECT	\$ (429)
8	921	Office Supplies and Expenses	\$ (84,252)	37.82%	DIRECT	\$ (31,867)
9	923	Outside Services Employed	\$ (187,016)	41.25%	DIRECT	\$ (77,139)
10	924	Property Insurance	\$ (759,955)	95.97%	DIRECT	\$ (729,329)
11	930.2	Miscellaneous General Expenses	\$ (14,379)	39.63%	DIRECT	\$ (5,698)
12	935	Maintenance of General Plant	\$ 194,122	100.00%	DIRECT	\$ 194,122
13		Total Expense	<u>\$ (857,301)</u>			<u>\$ (655,731)</u>

**The Dayton Power and Light Company  
Case No. 15-1830-EL-AIR**

**Eliminate Major Storm Expenses  
For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s).: WPC-3.22

Schedule C-3.22  
Page 1 of 1  
Witness Responsible: Claire E. Hale

Line No.	Acct. No.	Description	Total Adjustment	Allocation %	Allocation Code	Jurisdictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)
1		Purpose and Description:				
2		Eliminate major storm expenses from the test year				
3						
4		Expense				
5	593	Maintenance of Overhead Lines	\$ (429,973)	100.00%	ALLDIST	\$ (429,973)



**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Eliminate Unbilled Revenue and Expense**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s).: WPC-3.2

Schedule C-3.23

Page 1 of 1

Witness Responsible: Lauren R. Whitehead, Craig A. Forestal

Line No.	Acct. No.	Description	Total Adjustment	Allocation %	Allocation Code	Jurisdictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)
1		Purpose and Description:				
2		Eliminate unbilled revenue and expense from the				
3		test year				
4		Revenue				
5	440-446	Sales to Ultimate Customers	\$ 4,592,525	58.19%	DIRECT	\$ 2,672,207
6						
7		Expense				
8	580	Operation Supervision and Engineering	\$ 13,299	100.00%	ALLDIST	\$ 13,299
9	907	Supervision	\$ 175,103	100.00%	ALLDIST	\$ 175,103
10	908	Customer Assistance Expenses	\$ (78,033)	100.00%	ALLDIST	\$ (78,033)
11	909	Informational and Instructional Expenses	\$ (61,710)	100.00%	ALLDIST	\$ (61,710)
12	910	Misc. Customer Service and Informational Expenses	\$ 35,217	100.00%	ALLDIST	\$ 35,217
13	920	Administrative and General Salaries	\$ (15,704)	100.00%	ALLDIST	\$ (15,704)
14	926	Employee Pensions and Benefits	\$ 8,347	100.00%	ALLDIST	\$ 8,347
15	930.2	Miscellaneous General Expenses	\$ 467	100.00%	ALLDIST	\$ 467
16	408	Payroll Taxes	\$ 2,525	100.00%	ALLDIST	\$ 2,525
17	408	State Excise Taxes	\$ 93,933	100.00%	ALLDIST	\$ 93,933
		Total Expense	<u>\$ 173,444</u>			<u>\$ 173,444</u>

**The Dayton Power and Light Company  
Case No. 15-1830-EL-AIR**

**Eliminate Company Use Credit  
For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): WPC-3.24

Schedule C-3.24  
Page 1 of 1  
Witness Responsible: Claire E. Hale

Line No.	Acct. No.	Description	Total Adjustment	Allocation %	Allocation Code	Jurisdictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)
1		Purpose and Description:				
2		Eliminate company use credit from test year				
3						
4		Revenue				
5	929	Duplicate Charges	\$ 1,167,552	40.65%	A&G9	\$ 474,610

**The Dayton Power and Light Company  
Case No. 15-1830-EL-AIR**

**Adjust Test Year Revenues  
For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule C-3.25

Page 1 of 1

Witness Responsible: Robert J. Adams

Line No.	Acct. No.	Description	Total Adjustment	Allocation %	Allocation Code	Jurisdictional Amount
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)
1		Purpose and Description:				
2		Adjust test year jurisdictional revenues to equal				
3		calculated amount on Sch. E-4				
4		Revenue				
5	440-446	Sales to Ultimate Customers	\$ 2,635,856	100.00%	ALLDIST	\$ 2,635,856
6						
7		Supporting Calculations				
8						
9		Projected & Actual Revenues in Test Year				\$ 209,651,344
10		Calculated Revenues for Test Year				\$ 212,287,200
11		Adjustment to Test Year Revenue				\$ 2,635,856

**The Dayton Power and Light Company  
Case No. 15-1830-EL-AIR**

**Adjusted Jurisdictional Income Taxes  
For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): WPC-3.1, WPC-4

Schedule C-4  
Page 1 of 2  
Witness Responsible: Stephen A. Allamanno

Line No.	Description	At Current Rates			At Proposed Rates	
		Unadjusted Jurisdictional	Schedule C-3 Adjustments	Adjusted	Adjustments	Proforma
(A)	(B)	(C)	(D)	(E) = (C) + (D)	(F)	(G) = (E) + (F)
1	Operating Income Before State & Local Income Taxes	\$ 33,651,267	\$ (27,458,779)	\$ 6,192,488	\$ 65,600,719	\$ 71,793,207
2						
3	Current State & Local Income Tax Expense	\$ 144,630	\$ (216,165)	\$ (71,535)	\$ 309,045	\$ 237,510
4						
5	Operating Income Before Federal Income Taxes	\$ 33,506,637	\$ (27,242,614)	\$ 6,264,023	\$ 65,291,674	\$ 71,555,697
6						
7	Reconciling Items:					
8	Interest Charges	\$ (7,021,928)	\$ (10,266,625)	\$ (17,288,553)	\$ -	\$ (17,288,553)
9						
10	Schedule M Reconciling Items:					
11	Tax Accelerated Depreciation	\$ 31,066,838	\$ -	\$ 31,066,838	\$ -	\$ 31,066,838
12	Book Depreciation	\$ 55,607,708	\$ (3,329,931)	\$ 52,277,777	\$ -	\$ 52,277,777
13	Excess of Book Over Tax Depreciation	\$ 24,540,870	\$ (3,329,931)	\$ 21,210,939	\$ -	\$ 21,210,939
14						
15	Other Reconciling Items	\$ (20,469,804)	\$ (4,829,852)	\$ (25,299,657)	\$ -	\$ (25,299,657)
16						
17	Total Schedule M Reconciling Items	\$ 4,071,065	\$ (8,159,783)	\$ (4,088,718)	\$ -	\$ (4,088,718)
18						
19	Federal Taxable Income	\$ 30,555,774	\$ (45,669,023)	\$ (15,113,249)	\$ 65,291,674	\$ 50,178,425
20						
21	Federal, State, Local Income Taxes					
22	Federal @ 35% Statutory Rate					
23	State & Local @ Various Effective Tax Rates					

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Adjusted Jurisdictional Income Taxes**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): WPC-3.1, WPC-4

Schedule C-4  
Page 2 of 2  
Witness Responsible: Stephen A. Allamanno

Line No.	Description	At Current Rates			At Proposed Rates	
		Unadjusted Jurisdictional	Schedule C-3 Adjustments	Adjusted	Proforma Adjustments	Proforma
(A)	(B)	(C)	(D)	(E) = (C) + (D)	(F)	(G) = (E) + (F)
1	Current Federal Income Tax @ Statutory Rates	\$ 10,694,521	\$ (15,984,158)	\$ (5,289,637)	\$ 22,852,086	\$ 17,562,449
2	Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -
3						
4	Current Federal Income Tax Expense	<u>\$ 10,694,521</u>	<u>\$ (15,984,158)</u>	<u>\$ (5,289,637)</u>	<u>\$ 22,852,086</u>	<u>\$ 17,562,449</u>
5						
6	Deferred Income Tax Expense (Net):					
7	Depreciation Related	\$ (8,589,304)	\$ 1,165,476	\$ (7,423,828)	\$ -	\$ (7,423,828)
8	Excess DFIT Reversal - Depreciation	\$ (1,089,030)	\$ -	\$ (1,089,030)	\$ -	\$ (1,089,030)
9	Other Temporary Differences	\$ 7,226,834	\$ 1,690,448	\$ 8,917,282	\$ -	\$ 8,917,282
10						
11	Total Deferred Federal Income Taxes (Net)	<u>\$ (2,451,500)</u>	<u>\$ 2,855,924</u>	<u>\$ 404,424</u>	<u>\$ -</u>	<u>\$ 404,424</u>
12						
13	Amortization of Deferred Investment Tax Credits	<u>\$ (169,278)</u>	<u>\$ -</u>	<u>\$ (169,278)</u>	<u>\$ -</u>	<u>\$ (169,278)</u>
14						
15	Total Federal Income Tax Expense	<u>\$ 8,073,743</u>	<u>\$ (13,128,234)</u>	<u>\$ (5,054,491)</u>	<u>\$ 22,852,086</u>	<u>\$ 17,797,595</u>
16						
17	Current State & Local Income Tax Expense	\$ 144,630	\$ (216,165)	\$ (71,535)	\$ 309,045	\$ 237,510
18	Deferred State & Local Income Tax Expense	\$ (11,925)	\$ 24,986	\$ 13,061	\$ -	\$ 13,061
19						
20	Total State & Local Income Tax Expense	<u>\$ 132,705</u>	<u>\$ (191,179)</u>	<u>\$ (58,474)</u>	<u>\$ 309,045</u>	<u>\$ 250,571</u>
21						
22	Total Income Tax Expense	<u>\$ 8,206,448</u>	<u>\$ (13,319,413)</u>	<u>\$ (5,112,965)</u>	<u>\$ 23,161,131</u>	<u>\$ 18,048,166</u>

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Development of Jurisdictional Income Taxes**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): WPC-4.1

Schedule C-4.1

Page 1 of 2

Witness Responsible: Stephen A. Allamanno

Line No.	Description	Total Test Year	Allocation %	Unadjusted Jurisdictional
(A)	(B)	(C)	(D)	(E) = (C) * (D)
1	Operating Income Before State & Local Taxes	\$ 137,852,680	Various	\$ 33,651,267
2				
3	Current State & Local Income Tax Expense	\$ 670,591	Various	\$ 144,630
4				
5	Operating Income Before Federal Income Taxes	\$ 137,182,089		\$ 33,506,637
6				
7	Reconciling Items:			
8	Interest Charges	\$ (27,829,379)	DIRECT	\$ (7,021,928)
9				
10	Schedule M Reconciling Items:			
11	Tax Accelerated Depreciation	\$ 87,122,993	DIRECT	\$ 31,066,838
12	Book Depreciation	\$ 134,966,186	DIRECT	\$ 55,607,708
13	Excess of Book Over Tax Depreciation	\$ 47,843,193		\$ 24,540,870
14				
15	Other Reconciling Items	\$ (15,521,022)	Various	\$ (20,469,804)
16				
17	Total Schedule M Reconciling Items	\$ 32,322,170		\$ 4,071,065
18				
19	Federal Taxable Income	\$ 141,674,880		\$ 30,555,774

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Development of Jurisdictional Income Taxes**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): WPC-4.1

Schedule C-4.1

Page 2 of 2

Witness Responsible: Stephen A. Allamanno

Line No.	Description	Total Utility	Allocation %	Unadjusted Jurisdictional
(A)	(B)	(C)	(D)	(E) = (C) * (D)
1	Federal, State, Local Income Taxes:			
2	Federal @ 35% Statutory Rate			
3	State & Local @ Various Effective Tax Rates			
4				
5	Current Federal Income Tax @ Statutory Rate	\$ 49,586,208		\$ 10,694,521
6	True-up and Prior Period Adjustments	\$ (3,409,407)	NONDIST	\$ -
7				
8	Current Federal Income Tax Expense	\$ 46,176,801		\$ 10,694,521
9				
10	Deferred Income Tax Expense (Net):			
11	Depreciation Related	\$ (16,745,118)	DIRECT	\$ (8,589,304)
12	Excess DFIT Reversal - Depreciation	\$ (2,316,105)	DIRECT	\$ (1,089,030)
13	Other Temporary Differences	\$ (107,623)	Various	\$ 7,226,834
14				
15	Total Deferred Federal Income Taxes (Net)	\$ (19,168,846)		\$ (2,451,500)
16				
17	Amortization of Deferred Investment Tax Credits	\$ (2,392,824)	DIRECT	\$ (169,278)
18				
19	Total Federal Income Tax Expense	\$ 24,615,131		\$ 8,073,743
20				
21	Current State & Local Income Tax Expense	\$ 670,590	Various	\$ 144,630
22	Deferred State & Local Income Tax Expense	\$ (106,663)	Various	\$ (11,925)
23				
24	Total State & Local Income Tax Expense	\$ 563,927		\$ 132,705
25				
26	Total Income Tax Expense	\$ 25,179,058		\$ 8,206,448

**The Dayton Power and Light Company  
Case No. 15-1830-EL-AIR**

**Social and Service Club Dues  
For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated

Type of Filing: Original

Work Paper Reference No(s).: None

Schedule C-5

Page 1 of 1

Witness Responsible: Claire E. Hale

Line No.	Acct. No.	Description	Total Utility	Allocation %	Allocation Code	Jurisdictional
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)

No social or service club dues are included in the test year operating expenses.



**The Dayton Power and Light Company  
Case No. 15-1830-EL-AIR**

**Charitable Contributions  
For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated

Type of Filing: Original

Work Paper Reference No(s): None

Schedule C-6

Page 1 of 1

Witness Responsible: Claire E. Hale

Line No.	Acct. No.	Description	Total Utility	Allocation %	Allocation Code	Jurisdictional
(A)	(B)	(C)	(D)	(E)	(F)	(G) = (D) * (E)

No Charitable contributions are included in the test year operating expenses.

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Customer Service and Informational, Sales, and General Expense**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): WPC-7

Schedule C-7

Page 1 of 1

Witness Responsible: Kurt A. Tornquist, Emily W. Rabb

Line No.	Acct. No.	Description	Labor	Non-Labor	Total Unadjusted
(A)	(B)	(C)	(D)	(E)	(F) = (D) + (E)
1		<u>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES</u>			
2					
3	907	Supervision	\$ 631,034	\$ 1,834,513	\$ 2,465,547
4					
5	908	Customer Assistance	\$ 5,824	\$ 6,196,839	\$ 6,202,663
6					
7	909	Informational and Instructional Expenses	\$ -	\$ 2,270,531	\$ 2,270,531
8					
9	910	Miscellaneous Customer Service and Informational Exp.	\$ 81,534	\$ 12,573,498	\$ 12,655,032
10					
11		Total Customer Service and Informational Expenses	<u>\$ 718,392</u>	<u>\$ 22,875,381</u>	<u>\$ 23,593,774</u>
12					
13		<u>SALES EXPENSES</u>			
14					
15	911	Supervision	\$ -	\$ -	\$ -
16					
17	912	Demonstrating and Selling Expenses	\$ -	\$ -	\$ -
18					
19	913	Advertising Expenses	\$ -	\$ -	\$ -
20					
21	916	Miscellaneous Selling Expenses	\$ -	\$ -	\$ -
22					
23		Total Sales Expenses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
24					
25		<u>GENERAL EXPENSES</u>			
26					
27	930.1	General Advertising Expenses	\$ -	\$ -	\$ -
28					
29	930.2	General Miscellaneous Expenses	\$ -	\$ 4,800,603	\$ 4,800,603
30					
31		Total General Expenses	<u>\$ -</u>	<u>\$ 4,800,603</u>	<u>\$ 4,800,603</u>

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Rate Case Expense**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s).: None

Schedule C-8  
Page 1 of 1  
Witness Responsible: Claire E. Hale

Comparison of Projected Expenses Associated with the Current Case to Prior Rate Cases							
Line No.	Description	Current Case Estimate	91-414-EL-AIR Actual <sup>1</sup>	Estimate	82-517-EL-AIR Actual	Estimate	Justification of Significant Change
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
<b>Distribution Rate Case</b>							
1	Legal	\$ 4,016,202		\$ 967,125	\$ 605,944	\$ 435,000	
2	Accounting	\$ 833,094					
3	Rate of Return Studies	\$ 71,000		\$ 25,000	\$ 35,000	\$ 40,000	
4	Cost of Service Studies	\$ 125,000				\$ 20,000	
5	Other Major Rate Case Expenses						
6	CWIP	\$ -			\$ 34,174		
7	Loss Study	\$ 39,816					
8	Lead/Lag Study	\$ 241,000		\$ 6,750			
9	Load Research	\$ 130,009					
10	Depreciation Study	\$ 86,855		\$ 3,640	\$ -	\$ -	
11	Postage & Printing	\$ 13,065		\$ 30,000	\$ 5,889	\$ 5,000	
12	Zimmer Testimony			\$ 140,000			
13	Mediation			\$ 49,070			
14	Computer Time				\$ 5,903	\$ 15,000	
15	Hearing Costs			\$ 44,625	\$ 7,299	\$ 14,000	
16	Miscellaneous			\$ 2,250	\$ 2,260	\$ 2,000	
17	Total	<u>\$ 5,556,040</u>	<u>-</u>	<u>\$ 1,268,460</u>	<u>\$ 696,469</u>	<u>\$ 531,000</u>	
18							
19	<b>Electric Security Plan</b>						
			<u>12-426-EL-SSO</u>				
20	Legal	\$ 1,979,280	\$ 2,460,080				
21	Consultants	\$ 2,296,273	\$ 1,537,117				
22	Printing	\$ 3,619	\$ 8,463				
23	Total	<u>\$ 4,279,171</u>	<u>\$ 4,005,660</u>				

Schedule of Rate Case Expense Amortization						
Line No.	Description	Total Expense to be Amortized	Opinion/Order Date	Authorized Amortization Period <sup>1</sup>	Amount Amortized/ Expensed to Date <sup>1</sup>	Expenses Included In Unadjusted Test Year Expense
(A)	(B)	(C)	(D)	(E)	(F)	(G)
1	Current (Estimated)	\$ 5,556,040				\$ -
2						
3	Most Recent <sup>1</sup>	\$ -	22-Jan-92			-
4						
5	Next Most Recent	\$ 696,469	27-Apr-83			-
						<u>\$ -</u>

<sup>1</sup>DP&L does not have the Information available

Note: See Schedule C-3.16 for adjustment related to rate case expense

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Operation & Maintenance Payroll Costs of DP&L Employees**  
**For the Twelve Months Ended May 31, 2016**

Data: 4 Months Actual & 8 Months Estimated

Type of Filing: Original

Work Paper Reference No(s): WPC-9, WPC-9.1, WPC-9.1a, WPC-9.1b, WPC-3.12, WPC-3.13

Schedule C-9

Page 1 of 1

Witness Responsible: Yvonna K. Steadman, Edward J. Kunz

Operation and Maintenance Expense							
Line No.	Description	Total Company Unadjusted	Allocation %	Allocation Code	Jurisdictional Unadjusted	Adjustments	Jurisdictional Adjusted
(A)	(B)	(C)	(D)	(E)	(F) = (C) * (D)	(G)	(H) = (F) + (G)
1	Payroll Costs:						
2	Labor	<u>\$ 82,332,829</u>	32.00%	DIRECT	<u>\$ 26,349,229</u>	<u>\$ 2,086,098</u>	<u>\$ 28,435,327</u>
3							
4	Employee Benefits						
5	Pension	\$ 7,948,499	47.20%	DIRECT	\$ 3,752,064	\$ -	\$ 3,752,064
6	OPEB	\$ 100,104	-21.83%	DIRECT	\$ (21,852)	\$ -	\$ (21,852)
7	Savings Plan Contribution	\$ 1,916,600	32.18%	DIRECT	\$ 616,826	\$ 44,590	\$ 661,416
8	Health Benefits	\$ 12,346,659	34.55%	DIRECT	\$ 4,266,378	\$ 36,077	\$ 4,302,455
9	Long-Term Compensation	<u>\$ 419,441</u>	34.24%	DIRECT	<u>\$ 143,605</u>	<u>\$ 7,086</u>	<u>\$ 150,691</u>
10	Total Benefits	<u>\$ 22,731,303</u>			<u>\$ 8,757,021</u>	<u>\$ 87,753</u>	<u>\$ 8,844,774</u>
11							
12							
13	Payroll Taxes:						
14	FICA	\$ 5,863,843	26.33%	DIRECT	\$ 1,543,760	\$ 153,773	\$ 1,697,533
15	Federal Unemployment	\$ 171,173	24.08%	DIRECT	\$ 41,212	\$ (636)	\$ 40,576
16	State Unemployment	<u>\$ 27,799</u>	24.08%	DIRECT	<u>\$ 6,695</u>	<u>\$ (193)</u>	<u>\$ 6,502</u>
17	Total Payroll Taxes	<u>\$ 6,062,815</u>			<u>\$ 1,591,667</u>	<u>\$ 152,944</u>	<u>\$ 1,744,611</u>
18							
19	Total Payroll Costs	<u>\$ 111,126,947</u>			<u>\$ 36,697,917</u>	<u>\$ 2,326,795</u>	<u>\$ 39,024,712</u>

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Total Company Payroll Analysis**  
**By Employee Classifications / Payroll Distribution**  
**For the Twelve Months Ending May 31, 2016 and Calendar Years 2010 through 2014**

Data: 4 Months Actual & 8 Months Estimated

Type of Filing: Original

Work Paper Reference No(s): WPC-9.1, WPC-9.1a, WPC-9.1b, WPC-9.1c

Schedule C-9.1

Page 1 of 3

Witness Responsible: Yvonna K. Steadman, Edward J. Kunz

Line No.	Description	Most Recent Five Calendar Years					Test Year
		2010	2011	2012	2013	2014	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	<u>Manhours</u>						
2	Straight - Time Hours	3,095,089	2,970,020	2,898,880	2,802,587	2,304,913	2,557,703
3	Overtime Hours	439,059	497,215	427,668	401,399	393,896	459,950
4	Total Manhours	<u>3,534,148</u>	<u>3,467,235</u>	<u>3,326,548</u>	<u>3,203,986</u>	<u>2,698,809</u>	<u>3,017,654</u>
5	Ratio of Overtime Hours to Straight - Time Hours	14.19%	16.74%	14.75%	14.32%	17.09%	17.98%
6							
7	<u>Labor Dollars</u>						
8	Straight - Time Dollars	\$ 90,398,737	\$ 94,982,747	\$ 95,129,684	\$ 93,112,724	\$ 68,835,649	\$ 76,960,248
9	Overtime Dollars	\$ 18,515,682	\$ 22,282,026	\$ 20,495,704	\$ 19,653,170	\$ 20,215,708	\$ 22,865,394
10	Employee Incentive Costs	\$ 12,693,435	\$ 9,287,185	\$ 9,369,518	\$ 13,923,996	\$ 5,052,300	\$ 7,539,896
11	Total Labor Dollars	<u>\$ 121,607,854</u>	<u>\$ 126,551,958</u>	<u>\$ 124,994,906</u>	<u>\$ 126,689,889</u>	<u>\$ 94,103,658</u>	<u>\$ 107,365,538</u>
12	Ratio of Overtime Dollars to Straight - Time Dollars	20.48%	23.46%	21.55%	21.11%	29.37%	29.71%
13							
14	O&M Labor Dollars	<u>\$ 100,157,238</u>	<u>\$ 102,840,694</u>	<u>\$ 102,270,049</u>	<u>\$ 105,641,252</u>	<u>\$ 73,713,018</u>	<u>\$ 82,332,829</u>
15	Ratio of O&M Labor Dollars to Total Labor Dollars	82.36%	81.26%	81.82%	83.39%	78.33%	76.68%
16							
17	Employee Benefits:						
18	Pension	\$ 7,924,658	\$ 7,116,470	\$ 11,546,519	\$ 8,482,209	\$ 6,246,974	\$ 10,516,019
19	OPEB	\$ (74,878)	\$ (160,333)	\$ (118,514)	\$ 185,993	\$ 90,125	\$ 125,856
20	Savings Plan Contribution	\$ 79,278	\$ 81,883	\$ 2,982,824	\$ 2,814,170	\$ 1,956,737	\$ 2,409,529
21	Health Benefits	\$ 29,627,639	\$ 18,941,006	\$ 17,930,765	\$ 20,920,074	\$ 12,343,842	\$ 15,925,743
22	Long-Term Compensation	\$ 3,624,661	\$ 7,740,360	\$ 194,523	\$ 860,560	\$ 913,913	\$ 527,322
23	Total Employee Benefits	<u>\$ 41,181,358</u>	<u>\$ 33,719,386</u>	<u>\$ 32,536,117</u>	<u>\$ 33,263,006</u>	<u>\$ 21,551,590</u>	<u>\$ 29,504,469</u>
24	Employee Benefits Expensed	<u>\$ 34,511,220</u>	<u>\$ 25,954,808</u>	<u>\$ 28,017,631</u>	<u>\$ 28,542,273</u>	<u>\$ 15,591,294</u>	<u>\$ 22,731,303</u>
25	Ratio of Employee Benefits Expensed to Total Benefits	83.80%	76.97%	86.11%	85.81%	72.34%	77.04%
26							
27	Total FICA Taxes	\$ 8,712,773	\$ 9,251,409	\$ 8,627,364	\$ 8,722,380	\$ 7,122,525	\$ 7,320,498
28	FICA Taxes Expensed	\$ 7,308,792	\$ 7,620,777	\$ 7,036,612	\$ 7,097,951	\$ 5,723,287	\$ 5,863,843
29	Ratio of FICA Taxes Expensed to Total FICA	83.89%	82.37%	81.56%	81.38%	80.35%	80.10%
30							
31	Total Federal Unemployment Taxes	\$ 92,909	\$ 89,881	\$ 99,137	\$ 127,546	\$ 146,880	\$ 215,651
32	Federal Unemployment Taxes Expensed	\$ 77,407	\$ 73,679	\$ 81,516	\$ 104,432	\$ 122,740	\$ 171,173
33	Ratio of FUT Expensed to Total FUT	83.31%	81.97%	82.23%	81.88%	83.56%	79.38%
34							
35	Total State Unemployment Taxes	\$ 73,954	\$ 101,842	\$ 96,451	\$ 39,933	\$ 33,322	\$ 35,930
36	State Unemployment Taxes Expensed	\$ 61,206	\$ 84,159	\$ 79,067	\$ 31,336	\$ 15,160	\$ 27,799
37	Ratio of SUT Expensed to Total SUT	82.76%	82.64%	81.98%	78.47%	45.50%	77.37%
38							
39	Average Employee Levels	1,548	1,520	1,499	1,454	1,210	1,223
40	Year End Employee Levels	1,503	1,526	1,486	1,427	1,182	1,237

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Dayton Power & Light - Union**  
**By Employee Classifications / Payroll Distribution**  
**For the Twelve Months Ending May 31, 2016 and Calendar Years 2010 through 2014**

Data: 4 Months Actual & 8 Months Estimated

Schedule C-9.1

Type of Filing: Original

Page 2 of 3

Work Paper Reference No(s).: WPC-9.1, WPC-9.1a, WPC-9.1b, WPC-9.1c

Witness Responsible: Yvonna K. Steadman, Edward J. Kunz

Line No.	Description	Most Recent Five Calendar Years					Test Year
		2010	2011	2012	2013	2014	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	<u>Manhours</u>						
2	Straight - Time Hours	1,753,807	1,677,881	1,654,910	1,626,188	1,553,434	1,621,912
3	Overtime Hours	430,834	488,886	422,335	396,943	391,956	459,934
4	Total Manhours	<u>2,184,641</u>	<u>2,166,767</u>	<u>2,077,245</u>	<u>2,023,131</u>	<u>1,945,390</u>	<u>2,081,847</u>
5	Ratio of Overtime Hours to Straight - Time Hours	24.57%	29.14%	25.52%	24.41%	25.23%	28.36%
6							
7	<u>Labor Dollars</u>						
8	Straight - Time Dollars	\$ 45,692,924	\$ 44,896,009	\$ 46,837,483	\$ 47,321,007	\$ 43,796,716	\$ 46,675,361
9	Overtime Dollars	\$ 18,223,488	\$ 21,986,964	\$ 20,314,496	\$ 19,488,665	\$ 20,135,146	\$ 22,865,059
10	Employee Incentive Costs	\$ 2,714,690	\$ 4,354,690	\$ 2,793,427	\$ 2,699,717	\$ 4,234,901	\$ 3,333,517
11	Total Labor Dollars	<u>\$ 66,631,102</u>	<u>\$ 71,237,663</u>	<u>\$ 69,945,406</u>	<u>\$ 69,509,389</u>	<u>\$ 68,166,763</u>	<u>\$ 72,873,937</u>
12	Ratio of Overtime Dollars to Straight - Time Dollars	39.88%	48.97%	43.37%	41.18%	45.97%	48.99%
13							
14	O&M Labor Dollars	<u>\$ 53,081,048</u>	<u>\$ 52,989,247</u>	<u>\$ 54,821,102</u>	<u>\$ 56,190,970</u>	<u>\$ 52,006,473</u>	<u>\$ 54,262,958</u>
15	Ratio of O&M Labor Dollars to Total Labor Dollars	79.66%	74.38%	78.38%	80.84%	76.29%	74.46%
16							
17	Total Employee Benefits	N/A	N/A	N/A	N/A	N/A	N/A
18	Employee Benefits Expensed	N/A	N/A	N/A	N/A	N/A	N/A
19	Ratio of Employee Benefits Expensed to Total Benefits	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
20							
21	Total Payroll Taxes	N/A	N/A	N/A	N/A	N/A	N/A
22	Payroll Taxes Expensed	N/A	N/A	N/A	N/A	N/A	N/A
23	Ratio of Payroll Taxes Expensed to Total Payroll Taxes	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
24							
25	Average Employee Levels	837	806	787	767	734	741
26	Year End Employee Levels	798	808	778	758	719	745

**The Dayton Power and Light Company**  
Case No. 15-1830-EL-AIR

**Dayton Power & Light - Non-Union**  
**By Employee Classifications / Payroll Distribution**  
**For the Twelve Months Ending May 31, 2016 and Calendar Years 2010 through 2014**

Data: 4 Months Actual & 8 Months Estimated

Schedule C-9.1

Type of Filing: Original

Page 3 of 3

Work Paper Reference No(s): WPC-9.1, WPC-9.1a, WPC-9.1b, WPC-9.1c

Witness Responsible: Yvonna K. Steadman, Edward J. Kunz

Line No.	Description	Most Recent Five Calendar Years					Test Year
		2010	2011	2012	2013	2014	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	<u>Manhours</u>						
2	Straight - Time Hours	1,341,282	1,292,139	1,243,970	1,176,399	751,479	935,791
3	Overtime Hours	8,225	8,329	5,333	4,456	1,940	16
4	Total Manhours	<u>1,349,507</u>	<u>1,300,468</u>	<u>1,249,303</u>	<u>1,180,855</u>	<u>753,419</u>	<u>935,807</u>
5	Ratio of Overtime Hours to Straight - Time Hours	0.61%	0.64%	0.43%	0.38%	0.26%	0.00%
6							
7	<u>Labor Dollars</u>						
8	Straight - Time Dollars	\$ 44,705,813	\$ 50,086,738	\$ 48,292,201	\$ 45,791,717	\$ 25,038,933	\$ 30,284,887
9	Overtime Dollars	\$ 292,194	\$ 295,062	\$ 181,208	\$ 164,505	\$ 80,562	\$ 335
10	Employee Incentive Costs	\$ 9,978,745	\$ 4,932,495	\$ 6,576,091	\$ 11,224,279	\$ 817,399	\$ 4,206,379
11	Total Labor Dollars	<u>\$ 54,976,752</u>	<u>\$ 55,314,295</u>	<u>\$ 55,049,500</u>	<u>\$ 57,180,500</u>	<u>\$ 25,936,895</u>	<u>\$ 34,491,601</u>
12	Ratio of Overtime Dollars to Straight - Time Dollars	0.65%	0.59%	0.38%	0.36%	0.32%	0.00%
13							
14	O&M Labor Dollars	<u>\$ 47,076,191</u>	<u>\$ 49,851,447</u>	<u>\$ 47,448,947</u>	<u>\$ 49,450,281</u>	<u>\$ 21,706,546</u>	<u>\$ 28,069,871</u>
15	Ratio of O&M Labor Dollars to Total Labor Dollars	85.63%	90.12%	86.19%	86.48%	83.69%	81.38%
16							
17	Total Employee Benefits	N/A	N/A	N/A	N/A	N/A	N/A
18	Employee Benefits Expensed	N/A	N/A	N/A	N/A	N/A	N/A
19	Ratio of Employee Benefits Expensed to Total Benefits	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
20							
21	Total Payroll Taxes	N/A	N/A	N/A	N/A	N/A	N/A
22	Payroll Taxes Expensed	N/A	N/A	N/A	N/A	N/A	N/A
23	Ratio of Payroll Taxes Expensed to Total Payroll Taxes	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
24							
25	Average Employee Levels	711	714	712	687	476	482
26	Year End Employee Levels	705	718	708	669	463	492

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Comparative Balance Sheets for the Most Recent Five Calendar Years**  
**As of September 30, 2015 and December 31, 2010 through December 31, 2014**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule C-10.1  
Page 1 of 4  
Witness Responsible: Karin M. Nyhuis

Line No.	Description	Most Recent Five Calendar Years					Date Certain Sept. 30, 2015
		2010	2011	2012	2013	2014	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
<u>Balance Sheet</u>							
1	UTILITY PLANT						
2	Utility Plant (101-106.114) [incl. EPIS leased & assoc. reserve]	\$ 5,087,523,593	\$ 5,271,768,021	\$ 5,243,173,518	\$ 5,099,597,164	\$ 5,115,429,018	\$ 5,318,896,102
3	Construction Work in Progress (107)	\$ 119,573,612	\$ 150,703,437	\$ 87,829,512	\$ 60,863,925	\$ 75,370,136	\$ 69,813,430
4	Total Utility Plant	\$ 5,207,097,205	\$ 5,422,471,458	\$ 5,331,003,030	\$ 5,160,461,089	\$ 5,190,799,154	\$ 5,388,709,532
5	(Less) Accum. Prov. For Depr., Amort., and Depl. (108, 110, 111, 115)	\$ 2,559,972,667	\$ 2,680,278,087	\$ 2,627,331,036	\$ 2,562,006,062	\$ 2,614,971,863	\$ 2,788,767,149
6	Net Utility Plant, Before Nuclear Fuel	\$ 2,647,124,538	\$ 2,742,193,371	\$ 2,703,671,994	\$ 2,598,455,027	\$ 2,575,827,291	\$ 2,599,942,383
7	Nuclear Fuel (120.1-120.4, 120.6)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	(Less) Accum. Prov. For Amort. Of Nuclear Fuel Assem. (120.5)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9	Net Nuclear Fuel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	Net Utility Plant	\$ 2,647,124,538	\$ 2,742,193,371	\$ 2,703,671,994	\$ 2,598,455,027	\$ 2,575,827,291	\$ 2,599,942,383
11							
12	OTHER PROPERTY AND INVESTMENTS						
13	Nonutility Property (121)	\$ 5,094,644	\$ 5,072,058	\$ 4,716,992	\$ 4,638,907	\$ 5,324,162	\$ 5,310,819
14	(Less) Accum. Prov. For Depr. & Amort. (122)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15	Investments in Associated Companies (123)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16	Investments in Subsidiary Companies (123.1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17	Noncurrent Portion of Allowances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18	Other Investments (124)	\$ 490,000	\$ 490,000	\$ 490,000	\$ 490,000	\$ 490,000	\$ 490,000
19	Special Funds (125-129)	\$ 15,604,363	\$ 11,317,139	\$ 100,272	\$ 100,272	\$ 100,272	\$ 100,272
20	Long-Term Portion of Derivative Assets (175)	\$ 9,011,287	\$ 1,495,919	\$ 3,615,103	\$ 5,023,475	\$ 3,583,006	\$ 5,788,266
21	Long-Term Portion of Derivative Assets - Hedges (176)	\$ -	\$ -	\$ 479,472	\$ 3,010,139	\$ 343,305	\$ 8,244,963
22	Total Other Property and Investments	\$ 30,200,294	\$ 18,375,116	\$ 9,401,839	\$ 13,262,793	\$ 9,840,745	\$ 19,934,320
23							
24	CURRENT AND ACCRUED ASSETS						
25	Cash (131) & Working Funds (135) & TCI (136)	\$ 54,019,565	\$ 32,246,686	\$ 28,560,847	\$ 22,946,049	\$ 5,392,957	\$ 11,719,158
26	Special Deposits (132-134)	\$ 10,546,190	\$ 4,607,691	\$ 20,692,299	\$ 23,182,088	\$ 26,947,693	\$ 17,114,304
27	Notes Receivable (141)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28	Customer Accounts Receivable (142)	\$ 99,695,985	\$ 88,401,550	\$ 72,640,336	\$ 65,569,688	\$ 71,668,561	\$ 64,628,441
29	Other Accounts Receivable (143)	\$ 12,829,301	\$ 31,679,045	\$ 22,194,261	\$ 17,124,560	\$ 15,867,321	\$ 16,440,201
30	(Less) Accum. Prov. For Uncollectible Acct. - Credit (144)	\$ 831,998	\$ 941,172	\$ 922,714	\$ 908,700	\$ 897,384	\$ 896,811
31	Notes Receivable from Associated Companies (145)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
32	Accounts Receivable from Associated Companies (146)	\$ 2,016,732	\$ 9,833,606	\$ 18,674,599	\$ 19,178,172	\$ 17,734,169	\$ 1,803,945
33	Fuel Stock (151)	\$ 72,059,118	\$ 80,947,408	\$ 65,585,127	\$ 41,089,561	\$ 63,612,344	\$ 58,364,357
34	Fuel Stock Expense Undistributed (152)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
35	Residuals (Elec.) and Extracted Products (153)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Comparative Balance Sheets for the Most Recent Five Calendar Years**  
**As of September 30, 2015 and December 31, 2010 through December 31, 2014**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule C-10.1  
Page 2 of 4  
Witness Responsible: Karin M. Nyhuis

Line No.	Description	Most Recent Five Calendar Years					Date Certain Sept. 30, 2015
		2010	2011	2012	2013	2014	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	CURRENT AND ACCRUED ASSETS, continued						
2	Plant Material and Operating Supplies (154)	\$ 41,507,330	\$ 46,937,102	\$ 50,353,809	\$ 47,030,186	\$ 41,670,542	\$ 40,425,250
3	Merchandise (155)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	Other Materials and Supplies (156)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	Nuclear Materials Held for Sale (157)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	Allowances (158.1 and 158.2)	\$ 2,202	\$ -	\$ 53,069	\$ (7,205)	\$ 5,556	\$ 2,565
7	(Less) Noncurrent Portion of Allowances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	Stores Expense Undistributed (163)	\$ 581,077	\$ 1,740,663	\$ 1,881,095	\$ 1,839,790	\$ 1,431,448	\$ 1,967,361
9	Prepayments (165)	\$ 20,789,263	\$ 13,015,264	\$ 10,863,203	\$ 17,165,152	\$ 15,464,282	\$ 11,801,654
10	Interest and Dividends Receivable (171)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11	Rents Receivable (172)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12	Accrued Utility Revenues (173)	\$ 64,329,145	\$ 49,521,137	\$ 48,090,174	\$ 47,187,884	\$ 49,036,741	\$ 34,779,618
13	Miscellaneous Current and Accrued Assets (174)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14	Derivative Instrument Assets (175)	\$ 15,896,488	\$ 2,547,930	\$ 6,912,325	\$ 10,385,806	\$ 9,172,997	\$ 11,517,231
15	(Less) Long-Term Portion of Derivative Instrument Assets (175)	\$ 9,011,287	\$ 1,495,919	\$ 3,615,103	\$ 5,023,475	\$ 3,583,006	\$ 5,788,266
16	Derivative Instrument Assets - Hedges (176)	\$ -	\$ 605,680	\$ 959,144	\$ 3,465,525	\$ 5,929,073	\$ 19,068,987
17	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)	\$ -	\$ -	\$ 479,472	\$ 3,010,139	\$ 343,305	\$ 8,244,963
18	Total Current and Accrued Assets	\$ 384,429,111	\$ 359,646,671	\$ 342,442,999	\$ 307,214,942	\$ 319,109,989	\$ 274,703,032
19							
20	DEFERRED DEBITS						
21	Unamortized Debt Expenses (181)	\$ 7,313,472	\$ 6,814,635	\$ 6,473,631	\$ 15,199,223	\$ 11,836,770	\$ 7,076,094
22	Extraordinary Property Losses (182.1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	Unrecovered Plant and Regulatory Study Costs (182.2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
24	Other Regulatory Assets (182.3)	\$ 177,003,981	\$ 184,790,407	\$ 193,279,588	\$ 169,508,220	\$ 201,756,764	\$ 172,568,287
25	Prelim. Survey and Investigation Charges (183)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26	Prelim. Sur. & Invest. Charges (Gas) (183.1, 183.2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27	Clearing Accounts/Temp Facilities (184, 185)	\$ 909,025	\$ 1,772,010	\$ 1,101,317	\$ 1,463,819	\$ 1,825,562	\$ 2,298,579
28	Miscellaneous Deferred Debits (186)	\$ 107,250,516	\$ 88,578,044	\$ 83,139,057	\$ 82,058,132	\$ 87,716,728	\$ 31,248,458
29	Def. Losses from Disposition of Utility Plant (187)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
30	Research, Devel. And Demonstration Expend. (188)	\$ 645	\$ -	\$ -	\$ -	\$ -	\$ -
31	Unamortized Loss on Recquired Debt (189)	\$ 14,309,514	\$ 12,975,654	\$ 11,916,329	\$ 10,929,250	\$ 9,941,158	\$ 9,200,849
32	Accumulated Deferred Income Taxes (190)	\$ 81,704,339	\$ 64,136,124	\$ 50,311,926	\$ 21,423,072	\$ 13,058,972	\$ 19,066,558
33	Total Deferred Debits	\$ 388,491,492	\$ 359,066,874	\$ 346,221,848	\$ 300,581,716	\$ 326,135,954	\$ 241,458,825
34							
35	Total Assets and Other Debits	\$ 3,450,245,435	\$ 3,479,282,032	\$ 3,401,738,680	\$ 3,219,514,478	\$ 3,230,913,979	\$ 3,136,038,560

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Comparative Balance Sheets for the Most Recent Five Calendar Years**  
**As of September 30, 2015 and December 31, 2010 through December 31, 2014**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule C-10.1  
Page 3 of 4  
Witness Responsible: Karin M. Nyhuis

Line No.	Description	Most Recent Five Calendar Years					Date Certain
		2010	2011	2012	2013	2014	Sept. 30, 2015
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	PROPRIETARY CAPITAL						
2	Common Stock Issued (201)	\$ 411,722	\$ 411,722	\$ 411,722	\$ 411,722	\$ 411,722	\$ 411,722
3	Preferred Stock Issued (204) includes amount due within one year	\$ 22,850,800	\$ 22,850,800	\$ 22,850,800	\$ 22,850,800	\$ 22,850,800	\$ 22,850,800
4	Premium on Capital Stock (207)	\$ 309,401,929	\$ 303,991,820	\$ 303,991,819	\$ 303,991,819	\$ 303,991,819	\$ 303,991,819
5	Other Paid-In-Capital (208-211)	\$ 489,709,163	\$ 515,794,822	\$ 515,956,712	\$ 516,084,406	\$ 516,229,697	\$ 516,351,603
6	Installments Received on Capital Stock (212)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7	(Less) Discount on Capital Stock (213)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	(Less) Capital Stock Expense (214)	\$ 16,716,891	\$ 16,716,891	\$ 16,716,891	\$ 16,716,891	\$ 16,716,891	\$ 16,716,891
9	Retained Earnings (215, 215.1, 216)	\$ 616,934,934	\$ 589,121,233	\$ 534,216,614	\$ 426,802,298	\$ 381,795,167	\$ 406,855,053
10	Unappropriated Undistr. Subsidiary Earnings (216.1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11	(Less) Reacquired Capital Stock (217)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12	Accumulated Other Comprehensive Income (219)	\$ (20,257,785)	\$ (34,718,529)	\$ (38,698,929)	\$ (26,721,895)	\$ (42,337,856)	\$ (33,662,192)
13	Total Proprietary Capital	\$ 1,402,333,872	\$ 1,380,734,977	\$ 1,322,011,847	\$ 1,226,702,259	\$ 1,166,224,458	\$ 1,200,081,914
14							
15	LONG-TERM DEBT						
16	Bonds (221) includes amount due within one year	\$ 884,375,000	\$ 884,375,000	\$ 884,375,000	\$ 859,375,000	\$ 859,375,000	\$ 745,000,000
17	(Less) Reacquired Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18	Advances from Associated Companies (223)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19	Other Long-Term Debt (224)	\$ -	\$ 18,597,872	\$ 18,481,738	\$ 18,360,667	\$ 18,234,374	\$ 18,136,118
20	Unamortized Premium on Long Term Debt (225)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	(Less) Unamortized Discount on Long-Term Debt-Debit (226)	\$ 500,198	\$ 318,308	\$ 136,417	\$ 687,181	\$ 437,548	\$ 247,256
22	Total Long-Term Debt	\$ 883,874,802	\$ 902,654,564	\$ 902,720,321	\$ 877,048,486	\$ 877,171,826	\$ 762,888,862
23							
24	OTHER NONCURRENT LIABILITIES						
25	Obligations Under Capital Leases - Noncurrent (227)	\$ 117,033	\$ 377,766	\$ 117,602	\$ -	\$ -	\$ -
26	Accumulated Provision for Property Insurance (228.1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27	Accumulated Provision for Injuries and Damages (228.2)	\$ 5,293,850	\$ 4,721,600	\$ 3,821,600	\$ 3,501,600	\$ 3,232,400	\$ 3,128,400
28	Accumulated Provision for Pensions and Benefits (228.3)	\$ 75,113,335	\$ 58,525,739	\$ 72,412,739	\$ 63,234,599	\$ 105,115,172	\$ 100,447,313
29	Accumulated Miscellaneous Operating Provisions (228.4)	\$ 965,334	\$ -	\$ -	\$ 4,000,000	\$ -	\$ -
30	Accumulated Provision for Rate Refunds (229)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
31	Long-Term Portion of Derivative Instrument Liabilities	\$ -	\$ 1,364,416	\$ 733,875	\$ 1,304,079	\$ 1,014,645	\$ 6,518,089
32	Long-Term Portion of Derivative Instrument Liabilities - Hedges	\$ 89,991	\$ 2,518,054	\$ 1,500,438	\$ -	\$ 552,896	\$ 2,982,768
33	Asset Retirement Obligations (230)	\$ 17,468,329	\$ 18,824,765	\$ 19,210,204	\$ 19,924,786	\$ 22,881,806	\$ 62,428,524
34	Total Other Non-Current Liabilities	\$ 99,047,872	\$ 86,332,340	\$ 97,796,458	\$ 91,965,064	\$ 132,796,919	\$ 175,505,094

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Comparative Balance Sheets for the Most Recent Five Calendar Years**  
**As of September 30, 2015 and December 31, 2010 through December 31, 2014**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule C-10.1  
Page 4 of 4  
Witness Responsible: Karin M. Nyhuis

Line No.	Description	Most Recent Five Calendar Years					Date Certain
		2010	2011	2012	2013	2014	Sept. 30, 2015
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	CURRENT AND ACCRUED LIABILITIES						
2	Notes Payable (231)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000,000
3	Accounts Payable (232)	\$ 95,665,736	\$ 106,045,481	\$ 79,063,177	\$ 73,891,754	\$ 100,116,445	\$ 76,673,324
4	Notes Payable to Associated Companies (233)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	Accounts Payable to Associated Companies (234)	\$ 2,730	\$ -	\$ -	\$ -	\$ 4,712,161	\$ -
6	Customer Deposits (235)	\$ 18,670,344	\$ 15,804,632	\$ 35,193,550	\$ 33,080,176	\$ 34,470,392	\$ 36,200,945
7	Taxes Accrued (236)	\$ 149,381,256	\$ 166,690,073	\$ 158,157,727	\$ 157,566,236	\$ 161,009,477	\$ 131,865,077
8	Interest Accrued (237)	\$ 7,713,933	\$ 7,874,423	\$ 13,054,750	\$ 9,635,517	\$ 9,792,967	\$ 1,160,370
9	Dividends Declared (238)	\$ 72,232	\$ 72,232	\$ 72,232	\$ 72,232	\$ 72,232	\$ 72,232
10	Matured Long-Term Debt (239)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11	Matured Interest (240)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12	Tax Collections Payable (241)	\$ 2,238	\$ -	\$ -	\$ 289,850	\$ -	\$ -
13	Miscellaneous Current and Accrued Liabilities (242)	\$ 43,790,575	\$ 50,615,120	\$ 48,318,439	\$ 48,973,517	\$ 36,452,155	\$ 30,573,378
14	Obligations Under Capital Leases - Current (243)	\$ 68,463	\$ 297,841	\$ 285,091	\$ 117,603	\$ -	\$ -
15	Derivative Instrument Liabilities (244)	\$ 77,803	\$ 5,859,965	\$ 3,520,022	\$ 7,896,112	\$ 9,675,372	\$ 16,191,784
16	(Less) Long-Term Portion of Derivative Instrument Liabilities	\$ -	\$ 1,364,416	\$ 733,875	\$ 1,304,079	\$ 1,014,645	\$ 6,518,089
17	Derivative Instrument Liabilities - Hedges (245)	\$ 1,934,964	\$ 1,121,035	\$ 8,171,594	\$ 2,664,210	\$ 2,625,961	\$ 8,986,358
18	(Less) Long-Term Portion of Derivative Instrument Liabilities - Hedges	\$ 89,991	\$ 2,518,054	\$ 1,500,438	\$ -	\$ 552,896	\$ 2,982,768
19	Total Current and Accrued Liabilities	\$ 317,290,283	\$ 350,498,332	\$ 343,602,269	\$ 332,883,128	\$ 357,359,621	\$ 302,222,611
20							
21	DEFERRED CREDITS						
22	Customer Advances for Construction (252)	\$ 2,788,757	\$ 2,523,161	\$ 1,114,277	\$ 931,243	\$ 1,246,317	\$ 466,036
23	Other Regulatory Liabilities (254)	\$ 33,769,417	\$ 8,386,600	\$ 6,665,801	\$ 6,209,101	\$ 9,230,384	\$ 24,938,230
24	Accumulated DITC (255)	\$ 32,396,615	\$ 29,890,167	\$ 27,384,675	\$ 24,878,700	\$ 22,372,729	\$ 20,578,109
25	Deferred Gains from Disposition of Utility Plant (256)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26	Other Deferred Credits (253)	\$ 187,657	\$ 17,910,571	\$ 136,789	\$ 113,508	\$ 1,866,490	\$ 2,120,227
27	Unamortized Gain on Recquired Debt (257)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28	Accumulated DFIT (281-283)	\$ 678,556,160	\$ 700,351,320	\$ 700,306,243	\$ 658,782,989	\$ 662,645,235	\$ 647,237,477
29	Total Deferred Credits	\$ 747,698,606	\$ 759,061,819	\$ 735,607,785	\$ 690,915,541	\$ 697,361,155	\$ 695,340,079
30							
31	Total Liabilities and Other Credits	\$ 3,450,245,435	\$ 3,479,282,032	\$ 3,401,738,680	\$ 3,219,514,478	\$ 3,230,913,979	\$ 3,136,038,560

The Dayton Power and Light Company  
Case No. 15-1830-EL-AIR

Comparative Income Statements for the Most Recent Five Years  
For the Twelve Months Ending May 31, 2016 and Calendar Years 2010 through 2014

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): WPC-10.2

Schedule C-10.2  
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Witness Responsible: Karin M. Nyhuis

Line No.	Description	Most Recent Five Calendar Years					Test Year
		2010	2011	2012	2013	2014	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	UTILITY OPERATING INCOME						
2	Operating Revenues (400)	\$ 1,790,968,423	\$ 1,741,894,070	\$ 1,566,393,484	\$ 1,576,389,369	\$ 1,786,398,879	\$ 1,525,100,475
3	Operating Expenses:						
4	Operation Expenses (401)	\$ 998,313,709	\$ 1,024,193,337	\$ 927,343,008	\$ 1,000,505,843	\$ 1,164,124,878	\$ 995,265,427
5	Maintenance Expenses (402)	\$ 101,692,987	\$ 116,953,378	\$ 107,494,081	\$ 96,299,848	\$ 109,497,372	\$ 116,513,879
6	Depreciation Expense (403.0+403.1002)	\$ 128,409,549	\$ 131,344,156	\$ 215,090,595	\$ 218,267,923	\$ 135,793,604	\$ 129,791,669
7	Amort. & Depl. Of Utility Plant (404-405)	\$ 2,133,032	\$ 2,705,250	\$ 6,043,016	\$ 6,969,760	\$ 7,973,101	\$ 8,313,401
8	Amort. Of Utility Plant Acq. Adj. (406)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9	Amort. Of Property Losses (407)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	Amort. Of Conversion Expenses (407)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11	Regulatory Debits (407.3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12	(Less) Regulatory Credits (407.4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13	Taxes Other Than Incomes Taxes (408.1)	\$ 124,081,845	\$ 129,645,792	\$ 124,947,187	\$ 126,798,391	\$ 138,481,501	\$ 134,627,487
14	Income Taxes - Federal (409.1)	\$ 76,966,199	\$ 54,898,613	\$ 52,251,743	\$ 39,116,702	\$ 34,510,301	\$ 46,176,800
15	- Other (409.1)	\$ 1,160,767	\$ 927,257	\$ 1,008,725	\$ (50,627)	\$ 504,500	\$ 670,591
16	Provision of Deferred Inc. Taxes (410.1)	\$ 54,194,145	\$ 50,852,514	\$ 4,455,621	\$ (17,393,289)	\$ 7,544,953	\$ (19,275,509)
17	(Less) Provision for Deferred Income Taxes - Cr. (411.1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18	Investment Tax Credit Adj. - Net (411.4)	\$ (2,784,420)	\$ (2,506,448)	\$ (2,505,492)	\$ (2,505,975)	\$ (2,505,971)	\$ (2,392,824)
19	(Less) Gains from Disp. Of Utility Plant (411.6)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
20	Losses from Disp. Of Utility Plant (411.7)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	(Less) Gains from Disposition of Allowances (411.8)	\$ 808,827	\$ 869	\$ (510)	\$ (20)	\$ 4	\$ (67)
22	Losses from Disposition of Allowances (411.9)	\$ 36,836	\$ 53,585	\$ (1,038)	\$ (351)	\$ (454)	\$ -
23	Accretion Expense (411.10)	\$ 173,510	\$ 848,021	\$ 916,254	\$ 973,321	\$ 1,081,101	\$ 2,735,865
24	Total Utility Operating Expenses	\$ 1,483,569,332	\$ 1,509,914,586	\$ 1,437,044,210	\$ 1,468,981,566	\$ 1,597,004,882	\$ 1,412,426,853
25	Net Utility Operating Income	\$ 307,399,091	\$ 231,979,484	\$ 129,349,274	\$ 107,407,803	\$ 189,393,997	\$ 112,673,622

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Comparative Income Statements for the Most Recent Five Years**  
**For the Twelve Months Ending May 31, 2016 and Calendar Years 2010 through 2014**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s).: WPC-10.2

Schedule C-10.2  
Page 2 of 2  
Witness Responsible: Karin M. Nyhuis

Line No.	Description	Most Recent Five Calendar Years					Test Year
		2010	2011	2012	2013	2014	
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
1	OTHER INCOME and DEDUCTIONS						
2							
3	Net Derivative gain/loss	\$ (13,269,276)	\$ 19,288,130	\$ (3,430,613)	\$ (15,839,957)	\$ 44,184,736	\$ 5,285,131
4							
5	Net Interest Expense	\$ 37,205,801	\$ 38,836,082	\$ 38,984,266	\$ 36,684,001	\$ 33,556,389	\$ 27,829,379
6							
7	Net Other income/deductions	\$ 5,788,444	\$ (19,359,695)	\$ 2,673,389	\$ 2,949,404	\$ (3,368,669)	\$ (2,332,423)
8							
9	Net Income	<u>\$ 277,674,122</u>	<u>\$ 193,214,967</u>	<u>\$ 91,122,232</u>	<u>\$ 83,614,355</u>	<u>\$ 115,021,541</u>	<u>\$ 81,891,535</u>
10							
11	(LESS) PREFERRED DIVIDENDS	<u>\$ 866,781</u>	<u>\$ 866,781</u>	<u>\$ 864,958</u>	<u>\$ 866,780</u>	<u>\$ 866,780</u>	<u>\$ 865,171</u>
12							
13	Available to Common	<u>\$ 276,807,341</u>	<u>\$ 192,348,186</u>	<u>\$ 90,257,274</u>	<u>\$ 82,747,575</u>	<u>\$ 114,154,761</u>	<u>\$ 81,026,364</u>

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Revenue Statistics - Total**  
**The Twelve Months Ending May 31, 2016 and Calendar Years 2010 thru 2019**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): WPC-11.1

Schedule C-11.1

Page 1 of 1

Witness Responsible: Lauren R. Whitehead, Emily W. Rabb

Line No.	Description	Most Recent Five Calendar Years					Test Yr.	Five Projected Calendar Years				
		2010	2011	2012	2013	2014	12 Mo. Ending May 31, 2016	2016	2017	2018	2019	2020
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
1	Revenue By Customer Class (\$000)											
2	Residential	\$ 681,334	\$ 699,330	\$ 615,793	\$ 531,544	\$ 526,041	\$ 447,727	\$ 365,783	\$ 343,890	\$ 339,516	\$ 336,590	\$ 333,589
3	Commercial	\$ 310,031	\$ 223,262	\$ 187,767	\$ 162,078	\$ 194,298	\$ 164,155	\$ 140,095	\$ 117,221	\$ 118,049	\$ 120,181	\$ 122,583
4	Industrial	\$ 124,150	\$ 76,654	\$ 71,457	\$ 61,778	\$ 88,740	\$ 84,800	\$ 85,580	\$ 65,442	\$ 67,500	\$ 70,156	\$ 72,549
5	Other	\$ 65,917	\$ 58,873	\$ 60,385	\$ 53,633	\$ 57,241	\$ 65,642	\$ 64,970	\$ 59,604	\$ 60,439	\$ 66,481	\$ 67,858
6	Total Retail	<u>\$ 1,181,431</u>	<u>\$ 1,058,120</u>	<u>\$ 935,401</u>	<u>\$ 809,033</u>	<u>\$ 866,319</u>	<u>\$ 762,323</u>	<u>\$ 656,428</u>	<u>\$ 586,156</u>	<u>\$ 585,504</u>	<u>\$ 593,407</u>	<u>\$ 596,579</u>
7												
8	YEAR END Number of Customers By Class:											
9	Residential	455,572	454,697	454,605	456,095	456,522	456,282	456,282	456,282	456,282	456,282	456,282
10	Commercial	50,155	50,123	50,111	50,438	50,688	50,668	50,668	50,668	50,668	50,668	50,668
11	Industrial	1,769	1,757	1,736	1,728	1,720	1,718	1,718	1,718	1,718	1,718	1,718
12	Other	6,725	6,804	6,814	6,665	6,692	6,704	6,704	6,704	6,704	6,704	6,704
13	Total Retail	<u>514,221</u>	<u>513,381</u>	<u>513,266</u>	<u>514,926</u>	<u>515,622</u>	<u>515,372</u>	<u>515,372</u>	<u>515,372</u>	<u>515,372</u>	<u>515,372</u>	<u>515,372</u>
14												
15	AVERAGE Number of Customers By Class:											
16	Residential	455,684	454,912	454,377	455,008	455,987	456,282	456,282	456,282	456,282	456,282	456,282
17	Commercial	50,154	50,096	50,149	50,333	50,565	50,668	50,668	50,668	50,668	50,668	50,668
18	Industrial	1,770	1,760	1,745	1,737	1,729	1,718	1,718	1,718	1,718	1,718	1,718
19	Other	6,639	6,760	6,804	6,690	6,671	6,704	6,704	6,704	6,704	6,704	6,704
20	Total Retail	<u>514,247</u>	<u>513,527</u>	<u>513,074</u>	<u>513,769</u>	<u>514,953</u>	<u>515,372</u>	<u>515,372</u>	<u>515,372</u>	<u>515,372</u>	<u>515,372</u>	<u>515,372</u>
21												
22	AVERAGE Revenue per Customer:											
23	Residential	\$ 1,495	\$ 1,537	\$ 1,355	\$ 1,168	\$ 1,154	\$ 981	\$ 802	\$ 754	\$ 744	\$ 738	\$ 731
24	Commercial	\$ 6,182	\$ 4,457	\$ 3,744	\$ 3,220	\$ 3,843	\$ 3,240	\$ 2,765	\$ 2,314	\$ 2,330	\$ 2,372	\$ 2,419
25	Industrial	\$ 70,131	\$ 43,566	\$ 40,944	\$ 35,566	\$ 51,319	\$ 49,360	\$ 49,814	\$ 38,092	\$ 39,290	\$ 40,836	\$ 42,229

**Notes:**

Data contained in Schedules C-11.1 through C-11.2 contain billed data only.

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Revenue Statistics - Jurisdictional**  
**The Twelve Months Ending May 31, 2016 and Calendar Years 2010 thru 2020**

Data: 4 Months Actual & 8 Months Estimated  
 Type of Filing: Original  
 Work Paper Reference No(s): WPC-11.2

Schedule C-11.2

Page 1 of 1

Witness Responsible: Lauren R. Whitehead, Emily W. Rabb

Line No.	Description	Most Recent Five Calendar Years					Test Yr.	Five Projected Calendar Years				
		2010	2011	2012	2013	2014	12 Mo. Ending May 31, 2016	2016	2017	2018	2019	2020
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
1	Revenue By Customer Class (\$000)											
2	Residential	\$ 201,488	\$ 204,151	\$ 219,628	\$ 220,673	\$ 224,632	\$ 206,378	\$ 191,910	\$ 226,415	\$ 225,190	\$ 223,386	\$ 221,413
3	Commercial	\$ 71,088	\$ 74,606	\$ 82,236	\$ 81,297	\$ 90,513	\$ 86,276	\$ 79,047	\$ 90,586	\$ 91,077	\$ 91,213	\$ 91,538
4	Industrial	\$ 30,846	\$ 33,109	\$ 38,225	\$ 36,709	\$ 44,774	\$ 39,815	\$ 38,023	\$ 40,641	\$ 40,869	\$ 41,485	\$ 41,753
5	Other	\$ 16,891	\$ 16,065	\$ 16,635	\$ 14,728	\$ 12,783	\$ 17,490	\$ 17,721	\$ 19,773	\$ 19,902	\$ 24,560	\$ 24,693
6	Total Retail	\$ 320,314	\$ 327,931	\$ 356,724	\$ 353,408	\$ 372,702	\$ 349,959	\$ 326,702	\$ 377,415	\$ 377,038	\$ 380,643	\$ 379,397
7												
8	YEAR END Number of Customers By Class:											
9	Residential	455,572	454,697	454,605	456,095	456,522	456,282	456,282	456,282	456,282	456,282	456,282
10	Commercial	50,155	50,123	50,111	50,438	50,688	50,668	50,668	50,668	50,668	50,668	50,668
11	Industrial	1,769	1,757	1,736	1,728	1,720	1,718	1,718	1,718	1,718	1,718	1,718
12	Other	6,725	6,804	6,814	6,665	6,692	6,704	6,704	6,704	6,704	6,704	6,704
13	Total Retail	514,221	513,381	513,266	514,926	515,622	515,372	515,372	515,372	515,372	515,372	515,372
14												
15	AVERAGE Number of Customers By Class:											
16	Residential	455,684	454,912	454,377	455,008	455,987	456,282	456,282	456,282	456,282	456,282	456,282
17	Commercial	50,154	50,096	50,149	50,333	50,565	50,668	50,668	50,668	50,668	50,668	50,668
18	Industrial	1,770	1,760	1,745	1,737	1,729	1,718	1,718	1,718	1,718	1,718	1,718
19	Other	6,639	6,760	6,804	6,690	6,671	6,704	6,704	6,704	6,704	6,704	6,704
20	Total Retail	514,247	513,527	513,074	513,769	514,953	515,372	515,372	515,372	515,372	515,372	515,372
21												
22	AVERAGE Revenue per MWh											
23	Residential	\$ 442	\$ 449	\$ 483	\$ 485	\$ 493	\$ 452	\$ 421	\$ 496	\$ 494	\$ 490	\$ 485
24	Commercial	\$ 1,417	\$ 1,489	\$ 1,640	\$ 1,615	\$ 1,790	\$ 1,703	\$ 1,560	\$ 1,788	\$ 1,798	\$ 1,800	\$ 1,807
25	Industrial	\$ 17,425	\$ 18,817	\$ 21,902	\$ 21,134	\$ 25,893	\$ 23,175	\$ 22,132	\$ 23,656	\$ 23,789	\$ 24,147	\$ 24,303

**Notes:**

Data contained in Schedules C-11.1 through C-11.2 contain billed data only.

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Sales Statistics - Total**  
**The Twelve Months Ending May 31, 2016 and Calendar Years 2010 thru 2019**

Data: 4 Months Actual & 8 Months Estimated  
 Type of Filing: Original  
 Work Paper Reference No(s): WPC-11.3

Schedule C-11.3

Page 1 of 1

Witness Responsible: Lauren R. Whitehead, Emily W. Rabb

Line No.	Description	Most Recent Five Calendar Years					Test Yr.	Five Projected Calendar Years				
		2010	2011	2012	2013	2014	12 Mo. Ending May 31, 2016	2016	2017	2018	2019	2020
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
1	GWH Sales By Customer Class:											
2	Residential	5,516	5,425	5,181	5,226	5,344	5,101	5,135	5,118	5,087	5,035	4,972
3	Commercial	3,767	3,714	3,699	3,698	3,715	3,732	3,768	3,798	3,817	3,820	3,814
4	Industrial	3,573	3,560	3,651	3,552	3,652	3,688	3,740	3,771	3,790	3,844	3,839
5	Other	1,428	1,429	1,406	1,354	1,314	1,322	1,333	1,344	1,352	1,554	1,553
6	Total Retail	14,283	14,128	13,937	13,830	14,024	13,844	13,976	14,032	14,046	14,254	14,177
7												
8	YEAR END Number of Customers By Class:											
9	Residential	455,572	454,697	454,605	456,095	456,522	456,282	456,282	456,282	456,282	456,282	456,282
10	Commercial	50,155	50,123	50,111	50,438	50,688	50,668	50,668	50,668	50,668	50,668	50,668
11	Industrial	1,769	1,757	1,736	1,728	1,720	1,718	1,718	1,718	1,718	1,718	1,718
12	Other	6,725	6,804	6,814	6,665	6,692	6,704	6,704	6,704	6,704	6,704	6,704
13	Total Retail	514,221	513,381	513,266	514,926	515,622	515,372	515,372	515,372	515,372	515,372	515,372
14												
15	AVERAGE Number of Customers By Class:											
16	Residential	455,684	454,912	454,377	455,008	455,987	456,282	456,282	456,282	456,282	456,282	456,282
17	Commercial	50,154	50,096	50,149	50,333	50,565	50,668	50,668	50,668	50,668	50,668	50,668
18	Industrial	1,770	1,760	1,745	1,737	1,729	1,718	1,718	1,718	1,718	1,718	1,718
19	Other	6,639	6,760	6,804	6,690	6,671	6,704	6,704	6,704	6,704	6,704	6,704
20	Total Retail	514,247	513,527	513,074	513,769	514,953	515,372	515,372	515,372	515,372	515,372	515,372
21												
22	AVERAGE kWh Sales per Customer:											
23	Residential	12,105	11,924	11,403	11,486	11,720	11,179	11,254	11,217	11,150	11,036	10,897
24	Commercial	75,113	74,136	73,752	73,461	73,468	73,662	74,376	74,960	75,327	75,385	75,267
25	Industrial	2,018,119	2,023,535	2,091,757	2,045,151	2,111,838	2,146,949	2,177,034	2,194,869	2,206,251	2,237,655	2,234,639



**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Sales Statistics - Jurisdictional**  
**The Twelve Months Ending May 31, 2016 and Calendar Years 2010 thru 2020**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): WPC-11.4

Schedule C-11.4

Page 1 of 1

Witness Responsible: Lauren R. Whitehead, Emily W. Rabb

Line No.	Description	Most Recent Five Calendar Years					Test Yr.	Five Projected Calendar Years				
		2010	2011	2012	2013	2014	12 Mo. Ending May 31, 2016	2016	2017	2018	2019	2020
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
1	GWH Sales By Customer Class:											
2	Residential											
3	Commercial											
4	Industrial											
5	Other											
6	Total Retail											
7												
8	YEAR END Number of Customers By Class:											
9	Residential											
10	Commercial											
11	Industrial											
12	Other											
13	Total Retail											
14												
15	AVERAGE Number of Customers By Class:											
16	Residential											
17	Commercial											
18	Industrial											
19	Other											
20	Total Retail											
21												
22	AVERAGE kWh Sales per Customer:											
23	Residential											
24	Commercial											
25	Industrial											

Jurisdictional sales are the same as total sales (see Schedule C-11.3)

**The Dayton Power and Light Company**  
**Case No. 15-1830-EL-AIR**

**Analysis of Reserve for Uncollectible Accounts**  
**For the Twelve Months Ended May 31, 2016 and Calendar Years 2012 thru 2014**

Data: 4 Months Actual & 8 Months Estimated  
Type of Filing: Original  
Work Paper Reference No(s): None

Schedule C-12

Page 1 of 1

Witness Responsible: Tyler A. Teuscher

Line No.	Description	Most Recent Three Calendar Years			Test Yr. 12 Mo. Ending Date
		2012	2013	2014	
(A)	(B)	(C)	(D)	(E)	(F)
1	Reserve at Beginning of Year	\$ 941,172	\$ 922,716	\$ 908,702	\$ 897,387
2					
3	Add: Current Year's Provision <sup>1</sup>	\$ -	\$ -	\$ -	\$ -
4					
5	Add: Amount Charged Against Reserve	\$ 5,392,915	\$ 4,923,558	\$ 4,011,359	\$ 3,643,913
6					
7	Deduct: Recoveries	\$ 5,411,371	\$ 4,937,572	\$ 4,022,674	\$ 3,654,953
8					
9	Reserve at End of Year	\$ 922,716	\$ 908,702	\$ 897,387	\$ 886,347
10					
11	Net Write Off Ratio (Line 7 - Line 5) / (Line 9)	2.00%	1.54%	1.26%	1.25%
12					
13	Uncollectible Expense / Provision Ratio (Line 3 / Line 9)	0.00%	0.00%	0.00%	0.00%

<sup>1</sup> DP&L's calculation of its Reserve for Uncollectible Accounts does not include a provision.

**INTERROGATORIES**

INT-1.1. Identify the total amount of revenue DP&L collected from customers during 2015, including all distribution revenue and generation revenue.

**RESPONSE:** General Objections Nos. 1 (relevance), 5 (inspection of business records).

Subject to all general objections, DP&L states that total billed revenue for 2015 was \$831,309,229.14.

Witness Responsible: Lauren Whitehead

- INT-1.2. Identify the amount of revenue DP&L collected in 2015 for the following:
- a. Distribution revenue from all customers, including customers taking Standard Service Offer (“SSO”) service and CRES service;
  - b. Distribution revenue associated with customers taking SSO service;
  - c. Distribution revenue associated with customers taking service from a competitive retail electric service (“CRES”) provider;
  - d. Generation revenue from all customers, including customers taking SSO service and CRES provider service;
  - e. Generation revenue associated with customers taking SSO service;
  - f. Generation revenue associated with customers taking service from a CRES provider.

**RESPONSE:** General Objections Nos. 1 (relevance), 2 (unduly burdensome), 4 (proprietary), 5 (inspection of business records). Subject to all general objections, DP&L states that the billed revenue breakout is shown in IGS 1<sup>st</sup> Set INT-1 Attachment 1, DP&L-AIR 0009090.

Witness Responsible: Lauren Whitehead

INT-1.11 Identify all outside and internal professional and legal expenses/cost that DP&L is requesting authority to recover through its distribution rates or riders.

**RESPONSE:** General Objections Nos. 1 (relevance), 2 (unduly burdensome), 5 (inspection of business records), 7 (not in DP&L's possession). DP&L further objects because the phrase "outside and internal professional and legal expenses/cost" is vague and overbroad. Without further clarification, DP&L cannot respond to this unduly burdensome request. Subject to all general objections, DP&L states that for an identification of case expense that DP&L is requesting in base distribution rates, please see Schedule C-8 and the Company's response to PUCO DR 12, DP&L-AIR 0000035 through DP&L-AIR 0000145 and DP&L-AIR 00008070 through DP&L-AIR 0008326.

Witness Responsible: Claire Hale

INT-1.12      Provide an itemized break down, quantification, and explanation of each expense/cost identified in response to 1.11, including the federal, state, or administrative case number to which each expense/cost relates.

**RESPONSE:** General Objections Nos. 1 (relevance), 2 (unduly burdensome), 5 (inspection of business records), 6 (calls for narrative answer), 7 (not in DP&L's possession or available on PUCO website), 9 (vague or undefined). Subject to all general objections, DP&L states that please see the Company's response to INT-1.11.

Witness Responsible: Claire Hale

INT-1.13. Identify the FERC account(s) in which DP&L is tracking the outside and internal professional and legal expenses/costs that DP&L incurs as a result of participating in this proceeding and all Standard Service Offer proceedings.

**RESPONSE:** General Objections Nos. 1 (relevance), 2 (unduly burdensome), 5 (inspection of business records), 7 (not in DP&L's possession), 9 (vague or undefined). DP&L further objects because the phrase "outside and internal professional and legal expenses/costs" is vague and overbroad. Without further clarification, DP&L cannot respond to this unduly burdensome request. Subject to all general objections, DP&L states that DP&L is tracking its case expense in FERC account 182.

Witness Responsible: Claire Hale

INT-1.18. Identify all internal and outside professional and legal personnel that DP&L is utilizing to participate in Case No. 16-395-EL-SSO, et al.

**RESPONSE:** General Objections Nos. 1 (relevance), 2 (unduly burdensome), 3 (privileged and work product), 4 (proprietary), 9 (vague and undefined). DP&L objects because the phrase “outside and internal professional and legal expenses/costs” is vague and overbroad. DP&L further objects to the request because it seeks identification of non-testifying experts, as their work is protected by the work-product doctrine. Subject to all general objections, DP&L states that it is using the law firm Faruki Ireland & Cox P.L.L., and the following outside testifying witnesses: Carlos Grande-Moran, David Harrison, Robert J. Lee, R. Jeffrey Malinak, Eugene T. Meehan, Roger A. Morin, and Paul M. Normand.

Witness Responsible: Claire Hale



INT-1.19. Is DP&L proposing to recover the expense/costs of internal and outside professional and legal personnel required to participate in Case No. 16-395-EL-SSO, et al., through distribution rates? If so, identify the amount that DP&L proposes to recover through distribution rates.

**RESPONSE:** General Objections Nos. 1 (relevance), 2 (unduly burdensome), 5 (inspection of business records), 7 (not in DP&L's possession or available on PUCO website), 9 (vague and undefined). DP&L further objects because the phrase “outside and internal professional and legal expenses/costs” is vague and overbroad. Subject to all general objections, DP&L states please see Schedule C-8.

Witness Responsible: Claire Hale

INT-1.20. Has DP&L proposed to recover any expenses/costs identified in 1.19 through bypassable SSO rates or riders?

**RESPONSE:** General Objections Nos. 1 (relevance), 5 (inspection of business records), 7 (not in DP&L's possession or available on PUCO website), 9 (vague and undefined). Subject to all general objections, DP&L states that DP&L does not propose to recover its ESP case expense through bypassable rates or riders.

Witness Responsible: Claire Hale

INT-1.21. Does DP&L utilize any IT resources to support SSO service?

**RESPONSE:** General Objections Nos. 1 (relevance), 9 (vague or undefined). DP&L further objects to INT-1.21 because the phrase "to support SSO service" is vague and undefined. Subject to all general objections, DP&L states that DP&L utilizes IT resources to support all distribution customers regardless of whether the customer takes SSO service or CRES service. Therefore, DP&L does not separately identify IT resource costs based upon whether the distribution customer receives SSO service or CRES service.

Witness Responsible: Claire Hale

INT-1.22. If the answer to question 1.21 is yes, identify all IT resources DP&L utilizes to support SSO service and identify the cost of such resources.

**RESPONSE:** General Objections Nos. 1 (relevance), 9 (vague or undefined). Subject to all general objections, DP&L states please see the Company's response to INT-1.21.

Witness Responsible: None

INT-1.23. For each costs/expense identified in response to 1.22, identify whether DP&L proposes to recover the cost/expense through distribution rates or bypassable SSO rates and riders.

**RESPONSE:** General Objections Nos. 1 (relevance), 2 (unduly burdensome), 9 (vague or undefined). Subject to all general objections, please see the Company's response to INT 1-21 and INT-1.22. DP&L further states that DP&L's IT costs are proposed for recovery through the Company's base distribution rates.

Witness Responsible: Nathan Parke

INT-1.24. Identify all DP&L office space costs/expense that it recovers through distribution rates.

**RESPONSE:** General Objections Nos. 1 (relevance), 2 (unduly burdensome), 5 (inspection of business records). Subject to all general objections, DP&L states that DP&L's current base distribution rates were settled via a black box settlement; therefore, the amount of office space costs/expenses recovered through current base distribution rates is unknown.

Witness Responsible: Nathan Parke

INT-1.25. Are any DP&L office space costs/expenses identified in response to 1.24 recovered through the SSO rate? If so, identify the amount.

**RESPONSE:** General Objections Nos. 1 (relevance), 2 (unduly burdensome), 5 (inspection of business records). Subject to all general objections, DP&L states please see the response to INT-1.24.

Witness Responsible: Nathan Parke

Respectfully submitted,

/s/ Michael J. Schuler

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## **CERTIFICATE OF SERVICE**

I certify that a copy of the foregoing The Dayton Power and Light Company's Objections and Responses to The Interstate Gas Supply, Inc.'s First Set of Interrogatories, Requests for Production of Documents, and Requests for Admission, has been served via electronic mail upon the following counsel of record, this 11th day of April, 2016:

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Jeffrey S. Sharkey

1039166.1

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of The : Case No. 15-1830-EL-AIR  
Dayton Power and Light Company for an :  
Increase in Electric Distribution Rates. :

In the Matter of the Application of The : Case No. 15-1831-EL-AAM  
Dayton Power and Light Company for :  
Approval to Change Accounting Methods. :

In the Matter of the Application of The : Case No. 15-1832-EL-ATA  
Dayton Power and Light Company for Tariff :  
Approval. :

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**THE DAYTON POWER AND LIGHT COMPANY'S OBJECTIONS  
AND RESPONSES TO THE INTERSTATE GAS SUPPLY, INC.'S  
SECOND SET OF INTERROGATORIES AND  
REQUESTS FOR PRODUCTION OF DOCUMENTS**

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The Dayton Power and Light Company ("DP&L") objects and responds to The Interstate Gas Supply, Inc.'s Second Set of Interrogatories and Requests for Production of Documents, as follows.

**GENERAL OBJECTIONS**

1. DP&L objects to and declines to respond to each and every discovery request to the extent that it seeks information that is irrelevant and is not reasonably calculated to lead to the discovery of admissible evidence. Ohio Admin. Code § 4901-1-16(B).

2. DP&L objects to and declines to respond to each and every discovery request to the extent that it is harassing, unduly burdensome, oppressive or overbroad. Ohio Admin. Code §§ 4901-1-16(B) and 4901-1-24(A).

3. DP&L objects to each and every discovery request to the extent that it seeks information that is privileged by statute or common law, including privileged communications between attorney and client or attorney work product. Ohio Admin. Code § 4901-1-16(B). Such material or information shall not be provided, and any inadvertent disclosure of material or information protected by the attorney-client privilege, the attorney work product doctrine or any other privilege or protection from discovery is not intended and should not be construed to constitute a waiver, either generally or specifically, with respect to such information or material or the subject matter thereof.

4. DP&L objects to each and every discovery request to the extent that it seeks information that is proprietary, competitively sensitive or valuable, or constitutes trade secrets. Ohio Admin. Code § 4901-1-24(A).

5. To the extent that interrogatories seek relevant information that may be derived from the business records of DP&L or from an examination or inspection of such records and the burden of deriving the answer is the same for the party requesting the information as it is for DP&L, DP&L may specify the records from which the answer may be derived or ascertained and afford the party requesting the information the opportunity to examine or inspect such records. Ohio Admin. Code § 4901-1-19(D).

6. DP&L objects to each and every interrogatory that can be answered more efficiently by the production of documents or by the taking of depositions. Under the comparable Ohio Civil Rules, "[a]n interrogatory seeks an admission or it seeks information of major significance in the trial or in the preparation for trial. It does not contemplate an array of details or outlines of evidence, a function reserved by rules for depositions." Penn Cent. Transp.

Co. v. Armco Steel Corp., 27 Ohio Misc. 76, 77, 272 N.E.2d 877, 878 (Montgomery Cty. 1971).

As Penn further noted, interrogatories that ask one to "describe in detail," "state in detail," or "describe in particulars" are "open end invitation[s] without limit on its comprehensive nature with no guide for the court to determine if the voluminous response is what the party sought in the first place." Id., 272 N.E.2d at 878.

7. DP&L objects to each and every discovery request to the extent that it calls for information that is not in DP&L's current possession, custody, or control or could be more easily obtained through third parties or other sources. Ohio Admin. Code § 4901-1-19(C) and 4901-1-20(D). DP&L also objects to each and every discovery request that seeks information that is already on file with the Public Utilities Commission of Ohio or the Federal Energy Regulatory Commission. To the extent that each and every discovery request seeks information available in pre-filed testimony, pre-hearing data submissions and other documents that DP&L has filed with the Commission in the pending or previous proceedings, DP&L objects to it. Ohio Admin. Code § 4901-1-16(G).

8. DP&L reserves its right to redact confidential or irrelevant information from documents produced in discovery. All documents that have been redacted will be stamped as such.

9. DP&L objects to each and every discovery request to the extent that it is vague or ambiguous or contains terms or phrases that are undefined and subject to varying interpretation or meaning, and may, therefore, make responses misleading or incorrect.

10. DP&L objects to any discovery request to the extent that it calls for information not in its possession, but in the possession of DP&L's unregulated affiliates.

11. DP&L objects to each and every discovery request to the extent that it calls for a legal conclusion, and thus seeks information that cannot be sponsored by a witness.

12. DP&L objects because these discovery requests seek information that DP&L does not know at this time.

13. DP&L objects to the request to the extent that it mischaracterizes previous statements or information or is an incomplete recitation of past statements or information or takes those statements or information outside of the context in which they were made.

## **INTERROGATORIES**

INT-2.1. Schedule B-1 indicates that DP&L is proposing to collect \$5,735,724 as a Working Capital Allowance.

- a. Identify all categories of costs that support DP&L's request to collecting this amount in working capital;
- b. For each category of cost identified in (a), provide an itemized breakout (including the cost of each category).

**RESPONSE:** General Objections Nos. 1 (relevance), 2 (unduly burdensome), 4 (proprietary), 5 (inspection of business records), 9 (vague and undefined). DP&L objects because the term "category" is vague, undefined, and subject to varying interpretations. Subject to all general objections, DP&L states that:

- a. Please see Schedule B-5 for the working capital categories.
- b. Please see Schedule B-5 for an itemized breakout by category. Please also see Schedule B-5.1 and Workpapers B-5.1a-f, which support Schedule B-5.

Witness Responsible: Kurt Tornquist

INT-2.2. On Schedule B-2.1, page 2, Line No. 15, DP&L indicated that it has \$9,424,899 (remaining book value of \$4,553,049) in general plant related to S&I-None, which is recorded in Account No. 3610.

- a. DP&L seeks to earn a rate of return on this investment, as well as the investment itself through depreciation, correct?
- b. Identify the meaning of the abbreviation S&I-None.
- c. Identify all categories of plant/investment included in Account No. 3610.
- d. For each category of investment/plant identified in (c), provide an itemized breakout (including the total cost of each category of investment/plant).

**RESPONSE:** General Objections Nos. 1 (relevance), 2 (unduly burdensome), 4 (proprietary), 5 (inspection of business records), 6 (calls for narrative answer), 9 (vague and undefined), 13 (mischaracterization). Subject to all general objections, DP&L states that, Line No. 15, on page 2 of Schedule B-2.1 indicates \$9,424,899 in distribution plant, not general plant. DP&L further states:

- a. Yes, the net book value of the \$9,424,899 in assets classified to Property Account 3610, S&I-None, is included in the company's jurisdictional rate base with the associated depreciation expense included in the jurisdictional cost of service.
- b. FERC Electric Plant Account 361, Structures and Improvements, is abbreviated as "S&I" within the company's fixed asset records. Assets recorded in Property Account 3610 pertaining to specific service buildings are grouped under specific service building depreciation drivers. Assets recorded in Property Account 3610 pertaining to distribution substations are recorded under the depreciation driver of "None".



- c. DP&L objects because the term “category” is vague, undefined, and subject to varying interpretations. Subject to all general objections, DP&L states see its response to sub-part (d) of this interrogatory.
- d. A list of the assets which comprise Account 3610, S&I-None, at September 30, 2015, is provided in IGS 2nd Set INT-2.2 – Attachment 1, DP&L-AIR 00025017.

Witness Responsible: Don Rennix

INT-2.3. On Schedule B-2.1, page 5, Line No. 2, DP&L indicated that it has \$17,301,900 (remaining net book value of \$5,868,615) in general plant related to S&I-Common-OTHER, which is recorded in Account No. 3902.

- a. DP&L seeks to earn a rate of return on this investment, as well as a return of the investment itself through depreciation, correct?
- b. Identify the meaning of the abbreviation S&I-Common-OTHER.
- c. Identify all categories of plant/investment included in Account No. 3902.
- d. For each category of investment/plant identified in (c), provide an itemized breakout (including the total cost of each category of investment/plant).

**RESPONSE:** General Objections Nos. 1 (relevance), 2 (unduly burdensome), 4 (proprietary), 5 (inspection of business records), 6 (calls for narrative answer), 9 (vague and undefined). Subject to all general objections, DP&L states that:

- a. Yes, the net book value of the \$17,301,900 in assets classified to Property Account 3902, S&I-Common-Other, is included in the company's jurisdictional rate base with the associated depreciation expense included in the jurisdictional cost of service.
- b. FERC Electric Plant Account 390, Structures and Improvements, is abbreviated as "S&I" within the company's fixed asset records. All assets recorded in Property Account 3902 relate to the company's MacGregor Park Office.
- c. DP&L objects because the term "category" is vague, undefined, and subject to varying interpretations. Subject to all general objections, DP&L states see its response to sub-part (d) of this interrogatory.
- d. A list of the assets which comprise Account 3902, S&I-Common-Other, at September 30, 2015, is provided in IGS 2nd Set INT-2.3 – Attachment 1, DP&L-AIR 0000025018.

Witness Responsible: Don Rennix

INT-2.4. On Schedule B-2.1, page 6, Line Nos. 7-14, DP&L identified t8 categories of Intangible Plant (SW08, SW09, SW10, SW11, SW12, SW13, SW14, and SW15), all of which are recorded in Account No. 3030.

- a. DP&L seeks to earn a rate of return on these investments, as well as the return of these investments themselves through depreciation, correct?
- b. Identify the meaning of these abbreviations (SW08 through SW15).
- c. Identify all categories of plant included on lines 7 through 14. In other words, identify all categories of plant included in SW08, SW09, SW10, SW11, SW12, SW13, SW14, and SW15.
- d. For each category of investment/plant identified in (c), provide an itemized breakout (including the total cost each category of investment/plant).

**RESPONSE:** General Objections Nos. 1 (relevance), 2 (unduly burdensome), 4 (proprietary), 5 (inspection of business records), 6 (calls for narrative answer), 9 (vague and undefined). Subject to all general objections, DP&L states that:

- a. Yes, the jurisdictional percentage of the associated depreciation expense of each depreciation driver is included in the jurisdictional cost of service.
- b. Assets classified to FERC Electric Plant Account 303, Miscellaneous Intangible Plant, are grouped into various depreciation drivers within the company's fixed asset records. Depreciation drivers SW08 through SW15 pertain to capitalized computer software assets with vintage years of 2008 through 2015. A portion of the net book value of each computer software depreciation driver is included in the company's jurisdictions rate base based upon the use of the assets assigned to each depreciation driver.

- c. DP&L objects because the term “category” is vague, undefined, and subject to varying interpretations. Subject to all general objections, DP&L states see its response to sub-part (d) of this interrogatory.
- d. A list of the assets at September 30, 2015, which comprise Account 3030, Intangible Plant-SW08, through Account 3030, Intangible Plant-SW15, is provided in IGS 2nd Set INT-2.4 – Attachment 1 - CONFIDENTIAL, DP&L-AIR 0025019.

Witness Responsible: Don Rennix

INT-2.5. On Schedule B-2.3, page 1, Line No. 10 indicates that DP&L included \$207,210,014 of Services in Distribution Plant, which is recorded in Account No. 369.

- a. DP&L seeks to earn a rate of return on this investment, as well as the return of the investment itself through depreciation, correct?
- b. Identify all categories of plant/investment included in Account No. 369.
- c. For each category of investment/plant identified in (c), provide an itemized breakout (including the total cost each category of investment/plant).
- d. Schedule B-2.3 indicates that there is no work paper reference to support this schedule. Identify all documents relied upon to support the data contained on Schedule B-2.3, and, specifically, Line 10 related to Services.

**RESPONSE:** General Objections Nos. 1 (relevance), 2 (unduly burdensome), 4 (proprietary), 5 (inspection of business records), 9 (vague and undefined). Subject to all general objections, DP&L states that:

- a. Yes, the net book value of Property Accounts 3691 and 3692 are included in the company's jurisdictional rate base with the associated depreciation expense included in the jurisdictional cost of service.
- b. DP&L objects because the term "category" is vague and undefined. The balance in FERC Electric Plant Account 369, Services, at September 30, 2015, is a combination of \$48,245,168 in Property Account 3691, Overhead Electric Service, and \$158,964,844 in Property Account 3692, Underground Electric Service, which appear in Lines 16 and 17 of page 4 of Schedule B-2.1.
- c. DP&L objects because the term "category" is vague, undefined, and subject to varying interpretations. Subject to all general objections, DP&L states see its response to subpart (b) of this interrogatory.

- d. The information on this schedule came from the FERC Form 1 (April 1991-December 2014) and Company records (January 2015-September 2015). A list of the assets which comprise Accounts 3691 and 3692 at September 30, 2015, is provided in IGS 2nd Set INT-2.5 – Attachment 1, DP&L-AIR 00025020.

Witness Responsible: Don Rennix

INT-2.6. On Schedule B-2.3, page 1, Line No. 16, DP&L included \$70,819,167 of Distribution Plant Not Classified in Distribution Plant, which is recorded in Account No. 106.

- a. DP&L seeks to earn a rate of return on this investment, as well as the return of the investment itself through depreciation, correct?
- b. Identify all categories of plant/investment included in Account No. 106.
- c. For each category of investment/plant identified in (c), provide an itemized breakout (including the total cost each category of investment/plant).
- d. Schedule B-2.3 indicates that there is no work paper reference to support this schedule. Identify all documents relied upon to support the data contained on Schedule B-2.3, and, specifically, Line 16 related to Distribution Plant Not Classified.

**RESPONSE:** General Objections Nos. 1 (relevance), 2 (unduly burdensome), 4 (proprietary), 5 (inspection of business records), 7 (not in DP&L's possession or publicly available ), 9 (vague and undefined). Subject to all general objections, DP&L states that:

- a. A portion of the net book value of the completed construction projects classified to Account 106 is included in the company's jurisdictional rate base with the associated depreciation expense included in the jurisdictional cost of service.
- b. DP&L objects because the term "category" is vague, undefined, and subject to varying interpretations. Subject to all general objections, DP&L states see its response to sub-part (c) of this interrogatory.
- c. DP&L objects because the term "category" is vague, undefined, and subject to varying interpretations. Subject to all general objections, DP&L states the balance in FERC Account 106 Completed Construction Not Classified, which was assigned to the distribution function at September 30, 2015, is a combination of the amounts appearing in Lines 22 and 23 of page 4 of Schedule B-2.1.

- d. The information on this schedule came from the FERC Form 1 (April 1991-December 2014) and Company records (January 2015-September 2015). A list of the completed construction projects included lines 22 and 23 of page 4 of Schedule B-2.1 was included in PUCO DR 91-01 Attachment 4, DP&L-AIR 0003235. Subsequent to filing it was determined that the cost of completed construction projects with a cost of \$42,946 had been recorded twice in Account 106 as provided in PUCO DR 91-01 Attachment 7 - CONFIDENTIAL, DP&L-AIR 0003815.

Witness Responsible: Don Rennix



INT-2.7. On Schedule B-2.3, page 3, Line No. 3 indicates that DP&L included \$69,541,995 in Miscellaneous Intangible Plant, which is recorded in Account No. 303.

- a. Is DP&L seeking to recover any portion of this amount through distribution rates? If so, identify the amount.
- b. Identify all categories of plant/investment included in Account No. 303.
- c. For each category of investment/plant identified in (b), provide an itemized breakout (including the total cost each category of investment/plant).
- d. Schedule B-2.3 indicates that there is no work paper reference to support this schedule. Identify all documents relied upon to support the data contained on Schedule B-2.3, and, specifically, Line No. 3 related to Miscellaneous Intangible Plant.

**RESPONSE:** General Objections Nos. 1 (relevance), 2 (unduly burdensome), 4 (proprietary), 5 (inspection of business records), 7 (not in DP&L's possession or publicly available), 9 (vague and undefined). Subject to all general objections, DP&L states that:

- a. Yes, a portion of the net book value of the balances in depreciation drivers SW08 through SW15 are included in the company's jurisdictional rate base as discussed in response to INT-2.4.
- b. DP&L objects because the term "category" is vague, undefined, and subject to varying interpretations. Subject to all general objections, DP&L states see its response to subpart (c) of this interrogatory.
- c. DP&L objects because the term "category" is vague and undefined. Subject to all general objections, DP&L states that the balance in FERC Electric Plant Account 303, Miscellaneous Intangible Plant, at September 30, 2015, is a combination of the amounts appearing in Lines 1 through 15 of page 6 of Schedule B-2.1. The \$14,933,869 associated

with depreciation driver “None” is fully amortized. None of the balances associated with the generation plant depreciation drivers are included in the jurisdictional rate base.

- d. The information on this schedule came from the FERC Form 1 (April 1991-December 2014) and Company records (January 2015-September 2015). A list of the assets at September 30, 2015, which comprise Account 3030, is provided in IGS 2nd Set INT-2.7 – Attachment 1 - CONFIDENTIAL, DP&L-AIR 0025021.

Witness Responsible: Don Rennix

INT-2.8. On Schedule C-2.1, Page 5, Line 3 DP&L indicated that it proposes to recover \$49,707,317 in State Excise Taxes.

- a. Identify all plant, property, services, etc. that are the source of the Excise Taxes.
- b. Provide an itemized breakout of items that are the source of this tax.

**RESPONSE:** General Objections Nos. 1 (relevance), 2 (unduly burdensome), 4 (proprietary), 5 (inspection of business records), 9 (vague and undefined), 13 (mischaracterization). DP&L objects because the term “itemized” is vague and undefined and would be unduly burdensome to provide without further clarification. Subject to all general objections, DP&L states that it is not proposing to recover \$49,707,317 in State Excise Taxes through the distribution rates. Instead it is proposing to recover \$15,576 in State Excise Taxes. The \$49,707,317 amount from Schedule C-2.1, Page 5, Line 3 is included in the \$104,708,806 “Taxes Other Than Income Taxes” amount reflected in the Unadjusted Jurisdictional Total on Schedule C-2, Page 1, Line 22. The (\$47,899,726) reduction to this total indicated in the “Adjustments” column on Schedule C-2, Page 1, Line 22 includes an adjustment of (\$49,691,741) related to State Excise Tax. This adjustment removes the State Excise Tax expense amount recovered through the State Excise Tax Rider from the “Adjusted Jurisdictional” total for “Taxes Other Than Income Taxes” of \$56,809,080 that flows to the Jurisdictional Proforma Net Operating Income Statement provided as Schedule C-1. The small remaining amount of State Excise Tax expense, \$15,576, that is included in the “Taxes Other Than Income Taxes” amount indicated on Schedule C-1, Page 1, Line 6, Column (C) is related to Company Use and is not recovered elsewhere. The source of all State Excise Taxes is user consumption – the amount is determined by state-set rates applied to blocked kWh. Further detail for the (\$49,691,741) State Excise Tax adjustment amount can be found on Schedules C-3.8 and C-3.23, and their supporting workpapers.

Witness Responsible: Stephen A. Allamanno

INT-2.9. On Schedule C-2.1, Page 5, Line 4 DP&L indicated that it proposes to recover \$2,600,015 in Payroll Taxes.

- a. Identify all plant, property, services, etc. that are the source of the Payroll Taxes.
- b. Provide an itemized breakout of this tax.

**RESPONSE:** General Objections Nos. 1 (relevance), 2 (unduly burdensome), 4 (proprietary), 5 (inspection of business records), 9 (vague and undefined), 13 (mischaracterization). DP&L objects because the term “itemized” is vague and undefined and would be unduly burdensome to provide without further clarification. Subject to all general objections, DP&L states that the payroll taxes are the federal and state mandated Social Security and Unemployment taxes which are payable on the wages of DP&L employees and AES Services employees (when they perform work on behalf of DP&L). DP&L states that it is not proposing to recover \$2,600,015 in payroll taxes as a component of this distribution rate case. This amount, found on Schedule C-2.1, Page 5, Column F, Line 4, is the amount of Unadjusted Jurisdictional expense for the twelve months ended May 31, 2016. Instead, DP&L is proposing to recover \$2,721,792 in payroll taxes, which is included in the Adjusted Jurisdictional amount of \$56,809,080 Taxes Other Than Income Taxes on Schedule C-2, Page 1, Column E, Line 22. Certain adjustments to the payroll tax expense can be found on Schedule C-3.11, Column G, Line 40 (\$50,815) and on Schedule C-3.12, Column G, Line 34 (\$152,944). These adjustments correlate to the wage adjustments also presented on these Schedules. Additional adjustments to payroll tax expense can be found on Schedule C-3.5, Column G, Line 15 (-\$84,507) and on Schedule C-3.23, Column G, Line 16 (\$2,525). These adjustments related to the expenses incurred and recovered through the Energy Efficiency Rider. More detailed information is provided in the filed workpapers supporting these Schedules. Supporting information for Schedules C-3.11 and C-3.12 has also been provided in the confidential responses to PUCO DR 57-02 (Attachments 2 and 3, DP&L-AIR 0002911 and

DP&L-AIR 0002912) and PUCO DR 64-01 (Attachment 2, DP&L-AIR 0003060). Source documentation for Schedule C-3.5 has been provided in PUCO DR 48-01 Attachment 1, DP&L-AIR 0002460 – DP&L-AIR 0002488.

Witness Responsible: Yvonna K Steadman / Craig Forestal

INT-2.10. On Schedule C-2.1, Page 5, Line 5 DP&L indicated that it proposes to recover \$51,827,392 in Property Taxes.

- a. Identify all plant, property, services, etc. that are the source of the Excise Taxes.
- b. Provide an itemized breakout of items that are the source of this tax.

**RESPONSE:** General Objections Nos. 1 (relevance), 2 (unduly burdensome), 4 (proprietary), 5 (inspection of business records), 9 (vague and undefined), 13 (mischaracterization). DP&L objects because the term “itemized” is vague and undefined and would be unduly burdensome to provide without further clarification. Subject to all general objections, DP&L states that it is not proposing to recover \$51,827,392 in property taxes. Instead it is proposing to recover \$53,297,208 in property taxes. The \$53,297,208 in property taxes is calculated on WPC-3.9a, WPC-3.9b and WPC-3.9c. The \$51,827,392 amount indicated on Schedule C-2.1, Page 5, Line 5 is adjusted by \$1,469,816—see Schedule C-3, Page 2, Line 22, Column (F), as well as Schedule C-3.9—to arrive at the recoverable amount of \$53,297,208. This recoverable property tax amount is included in the “Taxes Other Than Income Taxes” amount indicated on Schedule C-1, Page 1, Line 6, Column (C) of \$56,809,080. Additional support is available in Supplemental Document (C)(8) and in the response to PUCO DR 52, DP&L-AIR 0002680 to DP&L-AIR 0002864 and DP&L-AIR 0005789 to DP&L-AIR 0005795. Schedule B-2.1 identifies the jurisdictional plant and property that is ultimately included in the calculation of total jurisdictional property taxes.

Witness Responsible: Stephen A. Allamanno

INT-2.11. Schedule C-3.7 indicates that DP&L is seeking to eliminate certain Alternative Energy Rider Expenses (\$1,266,670 recorded in Account 930.2) from the test year. The total proposed reduction on Schedule 3.7 is offset by \$481,244 related to Administrative and General Salaries recorded in Account 920.

- a. Identify how the \$481,244 relates to DP&L's Alternative Energy Rider expenses.
- b. Is the \$481,244 related to salaries of employees that procure alternative energy credits or alternative energy to serve the default service requirements?
- c. Provided an itemized breakout of the \$481,244 expenses contained on Schedule C 3.7.
- d. Provide an itemized breakout of all expenses and costs recorded in Account 920.

**RESPONSE:** General Objections Nos. 1 (relevance), 2 (unduly burdensome), 4 (proprietary), 5 (inspection of business records), 6 (calls for a narrative response), 9 (vague and undefined), 13 (mischaracterization). DP&L objects because the term "itemized" is vague and undefined and would be unduly burdensome to provide without further clarification. Subject to all general objections, DP&L states that:

- a. Of the \$481,244 shown on Schedule 3.7, \$486,302 relates to deferral amounts recorded to account 920 in the actual months of June through September 2015 that must be eliminated to remove the impact of the Alternative Energy Rider from the test year. DP&L records the recoverable expenses related to the Alternative Energy Rider directly to a regulatory asset (as a debit), rather than recording them first to an expense and then deferring to a regulatory asset. DP&L later records the net revenues (customer billings less bad debt and commercial activity tax provisions) as a credit (when the rider rate is positive) to the regulatory asset and a debit to accounts 930.2, 920 and 421. All of the \$486,302 is from net revenues deferred to account 930.2 from June through September. This

amount is offset by \$2,301 of forecasted labor for October 2015 through May 2016 and \$2,757 of forecasted external expenses related to registering DP&L's renewable energy certificates in the Generation Attribute Tracking System ("GATS"). Please see PUCO DR 49-01 Attachments 1 and 2, DP&L-AIR 0002523 and DP&L-AIR 0002554 for monthly details.

- b. The \$2,301 that relates to forecasted labor, as discussed above, is an allocation of the salaries of employees that procure alternative energy credits. Again, the portion of such salaries in the actual months of the test year were recorded directly to the regulatory asset, which is why no reduction was necessary on Schedule C-3.7 for these amounts in June through September.
- c. Please see the response to sub-part (a) above.
- d. Please see the response to sub-part (a) above and OCC 10<sup>th</sup> Set INT-533 Attachment 1, DP&L-AIR 0009218, for Unadjusted Total Utility amounts by subaccount for the actual months of the test year.

Witness Responsible: Craig Forestal



INT-2.12. Identify all uncollectible expenses included in the test year that are not related to Universal Service Fund customers, including the account(s) in which the expenses are recorded.

**RESPONSE:** General Objections Nos. 1 (relevance), 2 (unduly burdensome), 4 (proprietary), 5 (inspection of business records), 9 (vague and undefined), 12 (seeks information that DP&L does not know at this time). Subject to all general objections, DP&L states that all customers pay the Universal Service Fund (USF) Rider. The uncollectible expenses included in the test year for all customers are included on page 2, line 1 of Exhibit TAT-1, and are recorded in FERC account 904.

Witness Responsible: Tyler A. Teuscher

INT-2.13. Schedule C-2, Page 1, Line 12 indicates that DP&L has adjusted Customer Accounts Expense of \$15,413,207.

- a. Provide an itemized breakout of these expenses, including the account(s) in which they are recorded.

**RESPONSE:** General Objections Nos. 1 (relevance), 2 (unduly burdensome), 4 (proprietary), 5 (inspection of business records), 6 (calls for a narrative response), 9 (vague and undefined), 13 (mischaracterization). DP&L objects because the term “itemized” is vague and undefined and would be unduly burdensome to provide without further clarification. Subject to all general objections, DP&L states: please see column D, lines 6-10 of Page 3 of Schedule C-2.1 for the Unadjusted Total Utility amounts by FERC account included in Customer Accounts Expense. Please see OCC 10<sup>th</sup> Set INT-533 Attachment 1, DP&L-AIR 0009218, for Unadjusted Total Utility amounts by subaccount for the actual months of the test year. Total utility amounts are multiplied by the appropriate allocation factors in column E to arrive at the Unadjusted Jurisdictional amounts in column F of Schedule C-2.1. This amount is carried forward onto column C, line 12 of Schedule C-2 and then adjusted by the Pro Forma adjustments listed on line 12 of Schedule C-3 to arrive at the \$15,413,207 balance. For FERC account level detail of each pro forma adjustment, please see the specific schedules referenced in the column headings on Schedule C-3.

Witness Responsible: Craig Forestal

INT-2.14. Schedule C-2, Page 1, Line 14 indicates that DP&L has adjusted Administrative & General Expense of \$47,079,424.

- a. Provide an itemized breakout of these expenses, including the account(s) in which they are recorded.

**RESPONSE:** General Objections Nos. 1 (relevance), 2 (unduly burdensome), 4 (proprietary), 5 (inspection of business records), 6 (calls for a narrative response), 9 (vague and undefined), 13 (mischaracterization). DP&L objects because the term “itemized” is vague and undefined and would be unduly burdensome to provide without further clarification. Subject to all general objections, DP&L states: please see column D, lines 24-29 of Page 3 of Schedule C-2.1 and lines 1-11 of Page 4 of Schedule C-2.1 for the Unadjusted Total Utility amounts by FERC account included in Administrative & General Expense. Please see OCC 10<sup>th</sup> Set INT-533 Attachment 1, DP&L-AIR 0009218, for Unadjusted Total Utility amounts by subaccount for the actual months of the test year. Total utility amounts are multiplied by the appropriate allocation factors in column E of Schedule C-2.1 to arrive at the Unadjusted Jurisdictional amounts in column F of Schedule C-2.1. This amount is carried forward onto column C, line 14 of Schedule C-2 and then adjusted by the Pro Forma adjustments listed on line 14 of Schedule C-3 to arrive at the \$47,079,424 balance. For FERC account level detail of each pro forma adjustment, please see the specific schedules referenced in the column headings on Schedule C-3. Using this data, one can arrive at the Adjusted Jurisdictional Administrative & General Expense by FERC account.

Witness Responsible: Craig Forestal

## **REQUESTS FOR PRODUCTION OF DOCUMENTS**

RPD-2.1. Provide a copy of all documents relied upon to answer INT 2-1 through INT-2-14.

**RESPONSE:** General Objections Nos. 1 (relevance), 2 (unduly burdensome), 4 (proprietary).

Subject to all general objections, DP&L states that it will produce responsive unprivileged documents.

RPD-2.2. Provide a copy of all documents to support the information contained in the account numbers referenced or identified in INT 2-1 Through 2-14 or DP&L's responses to these interrogatories.

**RESPONSE:** General Objections Nos. 1 (relevance), 2 (unduly burdensome), 4 (proprietary).

DP&L further objects because this request is overly broad and unduly burdensome.

Respectfully submitted,

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## CERTIFICATE OF SERVICE

I certify that a copy of the foregoing The Dayton Power and Light Company's  
Objections and Responses to The Interstate Gas Supply, Inc.'s Second Set of Interrogatories and  
Requests for Production of Documents, has been served via electronic mail upon the following  
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**The Dayton Power and Light Company**  
**Case No. 16-0395-EL-SSO**  
**Standard Offer Rate**  
**Calculation of the Standard Offer Rate**  
**Period 1 (June 2017 - May 2018)**

Exhibit ERB-2.1  
Page 1 of 1

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
Line	Description	Residential	Residential Heat (Summer)	Residential Heat (Winter)	Secondary	Primary	Primary Substation	High Voltage	Private Outdoor Lighting	Street Lighting	Total	Source
1	Distribution Loss Factor - Energy	1.04461	1.04461	1.04461	1.04461	1.01701	1.00613	1.00613	1.04461	1.04461		DP&L's 2015 Loss Study
2												
3	Forecasted SSO Billing Determinants (kWh)	1,746,525,226	295,103,722	720,413,890	658,346,741	54,024,707	10,488,754	427,266,960	15,109,952	1,313,510	3,928,593,462	2015 SSO sales
4												
5	Auction Price	\$52.17										Exhibit ERB-1, Page 2, Line 1
6	Reconciliation Component *	\$0.00										Exhibit ERB-2.12, Line 30 * 1,000
7	Cash Working Capital Component	\$0.11										Exhibit ERB-2.11, Line 18 * 1,000
8	Standard Offer Rate per MWh	\$52.28										Line 5 + Line 6 + Line 7
9												
10	Adjustment for Commercial Activity Tax (CAT)	1.0026										
11	Standard Offer Rate per MWh, by tariff class	\$54.76	\$54.76	\$54.76	\$54.76	\$53.31	\$52.74	\$52.74	\$54.76	\$54.76		Line 1 * Line 8 * Line 10
12												
13	Standard Offer Rate	\$0.0547558	\$0.0547558	\$0.0547558	\$0.0547558	\$0.0533091	\$0.0527388	\$0.0527388	\$0.0547558	\$0.0547558		Line 11 / 1000
14												
15	Standard Offer Rate Revenue	\$95,632,386	\$16,158,640	\$39,446,839	\$36,048,302	\$2,880,009	\$553,164	\$22,533,547	\$827,358	\$71,922	\$214,152,167	Line 3 * Line 13
16												
17												
18	Standard Offer Rate - Residential Heat (Winter)	\$0.0547558										Column (E), Line 13
19	Winter Discount Factor	12.83%										
20	Discount kWh	\$0.0070										Line 18 * Line 19
21	Standard Offer Rate - Residential Heat (Winter) - after discount	\$0.0477306										Line 18 - Line 20
22												
23	Residential Heat (Winter) Standard Offer Rate Revenue - after discount	\$34,385,787										(Column (E), Line 3) * Line 21
24												
25	Residential Heating Discount Amount	\$5,061,052										(Column (E), Line 15) - Line 23
26												
27	Total SSO kWh less Residential Heat (Winter) kWh	3,208,179,572										Line 5, Column (L) - Column (E)
28												
29	% of Total SSO kWh	54.440%	9.198%		20.521%	1.684%	0.327%	13.318%	0.471%	0.041%		Line 3 / Line 27
30												
31	Heating Discount Adder	\$2,755,224	\$465,540		\$1,038,572	\$85,226	\$16,546	\$674,033	\$23,837	\$2,072		Line 25 * Line 29
32												
33	Standard Offer Rate with Heating Discount	\$0.0563333	\$0.0563333	\$0.0477306	\$0.0563333	\$0.0548866	\$0.0543163	\$0.0543163	\$0.0563333	\$0.0563333		Line 35 / Line 3
34												
35	Standard Offer Rate Revenue with Heating Discoun	\$98,387,610	\$16,624,180	\$34,385,787	\$37,086,875	\$2,965,235	\$569,711	\$23,207,580	\$851,194	\$73,994	\$214,152,167	Line 15 + Line 31
36	Residential Heat (Summer) Rate	\$0.0563333										Column (D), Line 33
37	Residential Heat (Winter) Rate	\$0.0477306										Column (E), Line 33
38	Winter Discount Percentage	15.27%										(Line 36 - Line 37) / Line 36

\* DP&L is not forecasting any over/under recovery under Reconciliation Component; illustration of component placement only

**BEFORE THE**  
**PUBLIC UTILITIES COMMISSION OF OHIO**

**THE DAYTON POWER AND LIGHT COMPANY**

**CASE NO. 15-1830-EL-AIR**  
**CASE NO. 15-1831-EL-AAM**  
**CASE NO. 15-1832-EL-ATA**

**DIRECT TESTIMONY**  
**OF JEFFREY K. MACKAY**

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

1 Finally, in Case No. 13-2420-EL-UNC,<sup>2</sup> the Commission ordered that DP&L should  
2 achieve a 50/50 capital structure by January 1, 2018.

3 **Q. What adjustments are you proposing to the actual capital structure?**

4 A. As shown in Schedule D-1a, we are proposing a capital structure that consists of 47.80%  
5 long-term debt, 50.00% common equity and 2.20% preferred equity.

6 **Q. Why are you proposing to make such adjustments?**

7 A. The proposed adjustment will normalize the capital structure to a level that is: (a) optimal  
8 for the Company, and its customers, creditors and other stakeholders, given that it  
9 appropriately balances low-cost debt capital, with higher-cost equity capital, (b) required  
10 by the Commission in accordance with Case No. 13-2420-EL-UNC and the DP&L  
11 Merger Case No. 11-3002-EL-MER,<sup>3</sup> (c) consistent with other regulated electric utilities  
12 (Exhibit RAM-8) and (d) consistent with the Company's near-term internal objectives  
13 and expectations related to its long-term capital structure. The proposed adjustment  
14 reduces the common equity component of the capital structure relative to the embedded  
15 or book level equity component; accordingly this reduces the overall cost of capital and  
16 the revenue requirement we are seeking. Later I will discuss why an adjustment is  
17 necessary to the cost of debt portion of the cost of capital, which will increase the cost of  
18 capital percentage. Both adjustments are necessary to achieve a cost of capital percentage  
19 appropriate for use in the revenue requirement in this case.

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<sup>2</sup> Case No. 13-2420- EL-UNC; September 17, 2014. In the Matter of Application of The Dayton Power & Light Company for Authority to Transfer or Sell its Generation Assets.

<sup>3</sup> Case No. 11-3002-EL-MER; November 22, 2011. In the Matter of the Application of The AES Corporation, Dolphin Sub, Inc., DPL Inc. and The Dayton Power and Light Company for Consent and Approval for a Change of Control of The Dayton Power and Light Company.

**Q. How does this adjusted capital structure compare to the required capital structure established by the Commission in the generation separation order Case No. 13-2420-EL-UNC?**

A. In accordance with the Commission Order in Case No. 13-2420-EL-UNC, the Commission found that, because (a) DP&L will have limited debt-carrying capacity immediately after generation separation, and (b) the divestiture of \$1,576,440,886 of generation assets is “a significant change in circumstances for the Company,” DP&L should be temporarily allowed to maintain total long-term debt of \$750 million or total debt equal to 75 percent of rate base, whichever is greater, through January 1, 2018. However, in this same order, the Commission requires that the Company achieve a “balanced capital structure” defined as 50% debt to total capital by January 1, 2018. The proposed capital structure on Schedule D-1a is consistent with the capital structure required by the Commission in the generation separation order in Case No. 13-2420-EL-UNC.

**Q. How does the Company expect to transition from its actual date certain capital structure, to this proposed capital structure?**

A. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

1 [REDACTED]  
2 [REDACTED]  
3 [REDACTED]  
4 [REDACTED]  
5 [REDACTED]  
6 [REDACTED]  
7 [REDACTED]  
8 [REDACTED]  
9 [REDACTED]

10 **Q. Is it appropriate to base the WACC calculation on a capital structure that will not**  
11 **be in place until after new rates are in effect?**

12 A. Yes. As explained in Company Witness Morin's testimony, "...it is the expectations of  
13 future events that influence security values and ROE, including financial risks, i.e. capital  
14 structure." Therefore, as Company Witness Morin explains, it is appropriate that return  
15 on equity ("ROE") and cost of debt used for deriving a WACC should be matched with  
16 the capital structure that is expected to prevail in the future, or in the case of the  
17 Company, the adjusted capital structure described above (even if that capital structure  
18 will not be in place on the exact date new rates go into effect).

19 **IV. COST OF CAPITAL**

20 **Q. What is DP&L's proposed cost of capital?**

21 A. As shown in Schedule D-1a, DP&L's proposed WACC is 7.86%.

22 **Q. What are the components of the DP&L's proposed cost of capital?**

1 A. Schedule D-1a shows how this calculation is derived. This schedule computes the total  
2 cost of capital for DP&L, by utilizing as inputs (a) the Cost of Equity (“CoE”), (b) the  
3 Cost of Preferred Equity (“CoPE”) and (c) Cost of Long Term Debt (“CoD”). DP&L’s  
4 WACC is then calculated by taking the cost of each capital component multiplied by its  
5 proportional weight (as above III. CAPITAL STRUCTURE) and then summing those  
6 percentages. As explained in more detail below, each of the CoE, CoPE and CoD is  
7 defined separately.

8 **Q. What is the basis for the return on equity rate of 10.5% as shown on Schedule D-1a?**

9 A. Company Witness Morin is supporting and explains the derivation of the 10.5% cost of  
10 common equity in his direct testimony.

11 **Q. What is the embedded (actual) cost of preferred equity of the Company as of the**  
12 **date certain?**

13 A. As shown on Schedules D-1, D-1a and D-4, the cost of DP&L’s preferred equity is  
14 3.91%.

15 **Q. What is the basis for the cost of preferred equity as shown on Schedules D-1, D-1a**  
16 **and D-4?**

17 A. The cost of preferred equity is the actual embedded cost of the different series of  
18 preferred equity. As shown on Schedule D-4, this cost is derived by taking the product of  
19 amounts currently outstanding and the fixed rate of return associated with each of these  
20 series, all divided by the “Net Proceeds” - or the principal amount adjusted for gains or  
21 losses on reacquired stock.

**Q. You mentioned gains or losses on reacquired stock; Schedule D-4 includes certain losses on reacquired stock that is no longer outstanding. Why is this appropriate?**

A. Gains or losses on reacquired preferred stock were originally incurred when the Company redeemed units within a given series of preferred stock at a price that was below or above the face value of the preferred stock. These gains and/or losses are amortized over 30 years or 360 months. As indicated in Column G of Schedule D-4, as of the date certain, the Company continues to carry net unamortized balances associated with certain series of reacquired stock that have been redeemed in full.

**Q. Are you proposing to adjust the cost of preferred equity?**

A. No. As noted, the cost of preferred equity calculated in Schedule D-4, is used in Schedules D-1 and D-1a and represents the actual embedded CoPE. No adjustment is being proposed.

**Q. What is the embedded (actual) cost of debt of the Company during the test year?**

A. As shown on Schedule D-1 (and supported by Schedule D-3), DP&L's actual embedded CoD is 2.72%, which is calculated by taking (1) the Company's annual interest charges on each series of fixed or floating rate debt (adjusted for annual amortization of issue expenses, discounts and/or premiums and gains and losses on reacquired debt), divided by (2) the carrying value of the Company's debt (adjusted for unamortized discounts and/or premiums, debt/issue expenses and gains and/or losses on reacquired debt).

**Q. Were there any amounts of DP&L long term debt that you excluded from the calculation of the embedded cost of debt presented on Schedule D-1 (and supported by Schedule D-3)? If so, please explain why.**



1 A. Yes. As shown on Schedule D-3, DP&L has a \$18.1 million loan supporting its purchase  
2 of the WPAFB distribution equipment. As described by Company Witness Forestal and  
3 Rennix, this equipment is not included in DP&L's rate base for this proceeding because  
4 the use of the equipment is paid for by WPAFB separate from its rate for basic electric  
5 service. Accordingly, such equipment, the related revenues and the debt to purchase the  
6 equipment are treated as non-jurisdictional for the purpose of this proceeding. No other  
7 long term debt of DP&L was excluded from Schedule D-1 (or Schedule D-3) for the  
8 purposes of calculating the embedded cost of debt.

9 **Q. Is DP&L's existing CoD reasonable for the purposes of setting rates?**

10 A. No. This CoD is distorted due to the de-regulation of the Ohio energy markets and  
11 specifically, the Commission's order for DP&L to transfer or sell its generation assets on  
12 or before to January 1, 2017. As a result of this Commission order and the pending  
13 restructuring of DP&L, in September 2013, the Company, among other things, had to  
14 refinance a 10-year, \$470 million first mortgage bond, primarily using the net proceeds of  
15 a new 3-year \$445M first mortgage bond that is set to mature on September 15, 2016.  
16 The Company was forced to assume refinancing risk and raise debt in the short-term  
17 bond market in order to maintain the flexibility that will be required to amend its First &  
18 Refunding Mortgage, release the lien on its generation assets and ultimately effectuate  
19 generation separation on or before January 1, 2017. This 3-year \$445 million first  
20 mortgage bond (which priced at 99.830% and carries a coupon of 1.875%) has the effect  
21 of reducing DP&L's actual embedded cost of debt to the now current level of 2.72%.  
22 The market rate for a DP&L 30-year first mortgage bond on September 12, 2013 (the  
23 same date the \$445 million refinancing was priced) would have been approximately

6.35%.<sup>4</sup> If DP&L had not been required to prepare for generation separation, we most likely would have sold long term bonds. Using long term debt as a source of permanent financing is consistent with common utility practice.

**Q. What adjustments are you proposing to the embedded cost of debt for this rate proceeding?**

A. As displayed in Schedule D-1a, I am proposing to adjust the embedded (actual) CoD to account for a known and measurable event (the refinancing of the 3-year \$445 million First Mortgage Bonds that mature in September 2016) with a new and more conventional 30-year issue. On or before the September 15, 2016 maturity date of the currently outstanding \$445 million of First Mortgage Bonds, DP&L will seek to release the first mortgage lien (the "Release") on the generation assets. To enable this Release, DP&L will amend the First Mortgage (the "Amendment"), and specifically the provisions in the First Mortgage which govern property releases. Once DP&L has obtained the requisite votes to effectuate this Amendment, DP&L will be permitted (at any time) to transfer its generation assets, leaving only the regulated transmission and distribution assets, or those assets that will remain a part of DP&L post-separation. With an amended mortgage and the resulting ability to release the generation assets, DP&L will be positioned to, and will seek to, recapitalize its business with a traditional fixed-rate, long-term debt issuance. As discussed below, I believe the coupon associated with this issue will be approximately 6.60% and the total cost for this issue will be approximately 7.16%. This planned issuance will have the effect of normalizing DP&L's total CoD at approximately

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<sup>4</sup> 30 year US Treasury yield on September 12, 2013 as shown by Bloomberg (3.85%) + 250 bps credit spread (quoted credit spread of DP&L by underwriters)

1 5.29%. This 5.29% is shown on Schedule D-3a with supporting data and the underlying  
2 calculation found on Workpaper D-3.4a.

3 **Q. How did you project this adjusted CoD of 5.29%?**

4 A. The adjusted CoD is derived by taking DP&L's total annual interest charges divided by  
5 DP&L's total carrying value of the debt. Where both the interest charges and carrying  
6 value are reflective of the actual, or embedded figures, as of the date certain with one  
7 adjustment; replacing the 3-year, 1.875% first mortgage bonds and relevant costs with a  
8 new 6.60% 30-year first mortgage bond and related costs, as described above.

9 **Q. How did you project the 6.60% coupon and related costs of the new 30-year first**  
10 **mortgage bonds?**

11 A. (1) The coupon of this new bond was estimated based upon the following assumptions:  
12       ○ the refinancing date: the existing \$445 million first mortgage bonds are  
13       refinanced with a new 30-year first mortgage bond on, or about, June 1, 2016;  
14       ○ the implied 30-year US Treasury forward curve that corresponds to the  
15       refinancing date: as referenced in Table 2 of the direct testimony of Company  
16       Witness Morin, the average 30 year US treasury yield forecast for 2016 as  
17       measured by Global Insight and Value Line is 4.00%;  
18       ○ the expected secured bond rating of DP&L: given the balanced long-term  
19       capital structure proposed herein, the assumption is that DP&L will maintain a  
20       secured bond rating of BBB/Baa2; and  
21       ○ the corresponding credit spread for a similarly rated 30-year First Mortgage  
22       Bond: a regularly replenished population of public utility bonds as rated by

1 Moody's derives a 260 bps spread above the 30 year US Treasury for Baa  
2 public utility issuers as of September 30, 2015.

3 As mentioned above, these assumptions resulted in a projected coupon for the new 30  
4 year first mortgage bond of 6.60%.

5 (2) The projected costs associated with the new issuance were based on the following  
6 assumptions:

- 7 ○ financing costs: Based upon our previous experience \$6,062,906 of estimated  
8 underwriting, legal, audit and rating agency fees, and other miscellaneous  
9 expenses that are customary for this sort of transaction; and,
- 10 ○ redemption fees: \$2,086,334 of contractually obligated fees associated with  
11 retiring the current first mortgage bonds on June 1 2016, or 106 days prior to  
12 their September 15, 2016 maturity date.

13 **Q. After incorporating the projected coupon and these projected costs, what is the cost**  
14 **of debt associated with the new 30 year first mortgage bonds?**

15 A. As outlined in Workpaper D-3.4a, after incorporating these adjustments, the projected  
16 annual interest charges and net carrying value of the new 2016 first mortgage bonds are  
17 \$30,628,720 and \$427,649,911, respectively. This results in a total cost of debt, for this  
18 issue, of 7.16%.

19 **Q. What effect does this adjustment have on DP&L's embedded cost of long term**  
20 **debt?**

21 A. As shown in Schedule D-1a, the effect of the known and measurable event, associated  
22 with refinancing the 3-year \$445 million First Mortgage Bonds with a longer-term 30-

1 year issue, will result in an adjusted total CoD equal to 5.29 %, versus the current and  
2 embedded cost of 2.72%.

3 **Q. Why would you replace low-cost short-term with higher-cost long-term debt?**

4 A. It is appropriate to attempt to match as closely as possible the maturity of the long-term  
5 debt with the expected useful lives of the distribution and transmission property it is  
6 financing. This approach mitigates the interest rate risk and refinancing risk associated  
7 with short-term debt issuances. For these reasons, long-term financing is widely viewed  
8 as the common, and best, practice in public utility financing.

9 **Q. After this adjustment, will all of DP&L's debt capital be long-term debt?**

10 A. Yes. As of September 15, 2016 and immediately thereafter, in addition to the new 30-  
11 year first mortgage bond discussed above, DP&L will also maintain (a) a 4.80% secured  
12 \$100 million pollution control bond maturing in 2036, and (b) Series A and Series B  
13 secured pollution control bonds that have floating interest rates in an aggregate principal  
14 amount of \$200 million with maturity dates of 2040 and 2034, respectively. However,  
15 while these floating-rate bonds have long-dated maturities, they also include a mandatory  
16 put option for investors on the five year anniversary of their closing date, which means  
17 for all practical purposes, these \$200 million bonds have a 5-year maturity.

18 **Q. Why will DP&L maintain these \$200M in bonds that do not have a maturity date**  
19 **that match the expected useful lives of the distribution and transmission property**  
20 **that they are financing?**

21 A. First, due to the imminent generation separation and the related need to continue to  
22 recapitalize the business, it is imperative that DP&L maintains a portion of its debt

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Summary: Stipulation Testimony Exhibits of Matthew White electronically filed by Mr. Joseph E. Olier on behalf of IGS Energy and Retail Energy Supply Association