



July 24, 2017

PUCO Docketing
The Public Utilities Commission of Ohio
11th Floor
180 East Broad Street
Columbus, Ohio 43215

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

In compliance with paragraph 42 of the Finding and Order issued on September 17, 2014, in this Case, DP&L hereby provides notice at least 30 days prior to the closing of an anticipated sale by The Dayton Power and Light Company (the “Company” or “DP&L”) of its ownership interests in the Miami Fort Generation Station Units 7 and 8 (“MF”) and the Zimmer Generation Station (“Zimmer”). The purchasers will be two subsidiaries of Dynegy, Inc.: Dynegy Miami Fort, LLC, and Dynegy Zimmer, LLC. The fair market value of DP&L’s MF and Zimmer ownership interests is \$50 million plus or minus adjustments for certain working capital and other items that will be initially set just prior to the close of the sale and then trued-up to actual amounts within 90 days after closing.

In brief background, in late 2016 carrying over into early 2017, DP&L and Dynegy engaged in arms-length negotiations, resulting in an Asset Purchase Agreement pursuant to which Dynegy will purchase these ownership interests for \$50 million plus or minus the adjustments noted above. Dynegy will also be assuming all future environmental liabilities and

risks of operations. DP&L submits that Dynegy, as the existing operator of the MF and Zimmer generation stations, places a higher value on these assets than any other potential buyer. Unlike Dynegy, any other potential buyer would be purchasing a minority share in assets that the buyer would not operate. The arms-length negotiations with Dynegy resulted in the purchase price noted above. A purchase price negotiated between a willing and unaffiliated buyer and seller in an arms-length negotiation is the very definition of fair market value.

The Asset Purchase Agreement that has been negotiated and is in final form in all material respects is attached to the application made by DP&L and Dynegy in a filing before the Federal Energy Regulatory Commission in FERC Docket No. EC17-117-000. It is available through the FERC web-site or can be provided by DP&L upon request.

There is a strong potential that the FERC will issue through its Staff within the next few weeks an order approving the proposed transaction. The sale could then be consummated shortly thereafter. To avoid any delays in order to comply with the 30 days' notice requirement of this Commission, DP&L is filing this notice today.

If there are any questions with respect to this letter or the FERC proceeding, please contact the undersigned.

Respectfully submitted,

ss/: *Randall V. Griffin*

Randall V. Griffin
Chief Regulatory Counsel
The Dayton Power and Light Company
937-259-7221
Ohio Bar No. 0080499

cc: Service List

CERTIFICATE OF SERVICE

I hereby certify that I have this day, July 24, 2017, served via e-mail or by first-class mail, a copy of the foregoing on each party on the official service list in this proceeding.

On behalf of

The Dayton Power and Light Company

Randall V. Griffin

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

Summary: Notice of DP&L 30 days prior to transaction involving Miami Fort and Zimmer generation units electronically filed by Mr. Randall V Griffin on behalf of The Dayton Power and Light Company