

OCC EXHIBIT NO. _____

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of The)
Dayton Power and Light Company for an)
Increase in its Electric Distribution Rates.)

Case No. 20-1651-EL-AIR

In the Matter of the Application of The)
Dayton Power and Light Company for)
Accounting Authority.)

Case No. 20-1652-EL-AAM

In the Matter of the Application of The)
Dayton Power and Light Company for)
Approval of Revised Tariffs.)

Case No. 20-1653-EL-ATA

**REBUTTAL TESTIMONY
OF
WM. ROSS WILLIS**

On Behalf of
Office of the Ohio Consumers' Counsel
65 East State Street, Suite 700
Columbus, Ohio 43215

February 2, 2022

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ATTACHMENTS:

WRW Attachment 1 (DP&L)
WRW Attachment 2 (Staff)

*Rebuttal Testimony of Wm. Ross Willis
On Behalf of the Office of the Ohio Consumers' Counsel
PUCO Case No. 20-1651-EL-AIR, et al.*

1 **I. INTRODUCTION**

2

3 ***Q1. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.***

4 ***A1.*** My name is Wm. Ross Willis. My business address is 65 East State Street,
5 Columbus, Ohio 43215.

6

7 ***Q2. BY WHOM ARE YOU EMPLOYED?***

8 ***A2.*** I am employed by the Office of the Ohio Consumers' Counsel ("OCC").

9

10 ***Q3. DID YOU PRESENT DIRECT TESTIMONY IN THIS PROCEEDING?***

11 ***A3.*** Yes.

12

13 **II. PURPOSE OF TESTIMONY**

14

15 ***Q4. WHAT IS THE PURPOSE OF YOUR TESTIMONY?***

16 ***A4.*** The purpose of my testimony is to rebut the testimony of PUCO Staff witness
17 Matthew Snider related to the adjustment to reduce test year Storm Cost Rider
18 Revenue by \$1,471,664 and to decrease Storm Cost Expense by \$1,290,486. Mr.
19 Snider's adjustment unreasonably increases the base distribution revenue
20 requirement that DP&L will collect from Dayton-area consumers by \$2,762,150.

1 **III. REVENUE**

2
3 ***Q5. WHAT WAS THE PUCO STAFF TESTIMONY WITH RESPECT TO TEST***
4 ***YEARSTORM COST RIDER REVENUE AND EXPENSE?***

5 ***A5.*** Upon cross-examination by OCC, Mr. Snider indicated he thought the Storm Cost
6 Rider Revenue was updated to twelve-months actual.¹ However, he then stated he
7 was unsure of the time period used.² He also testified that he did not make the
8 adjustment himself but was sponsoring the adjustment for someone else who left
9 the department.

10
11 ***Q6. WHAT EXACTLY DID THE PUCO STAFF DO WITH THE STORM COST***
12 ***RIDER REVENUE AND EXPENSE?***

13 ***A6.*** The PUCO Staff adjusted the test year revenue and expense to reflect an amount
14 based on seven-months of actual data and five-months of budget estimates.³ For
15 the remaining Riders in the test year, the PUCO Staff left the three-months of
16 actual data and nine-months of budget estimates unchanged, as filed by DP&L in
17 its application.

¹ Dayton Power and Light Volume-V transcript January 28, 2022, page 221 line 1-16.

² *Id.* page 223 line 10 – 16.

³ WRW Attachment 2 (Staff).

1 ***Q7. WHAT IS THE PURPOSE OF REMOVING RIDERS FROM THE TEST***
2 ***YEAR IN A BASE DISTRIBUTION RATE CASE?***

3 ***A7.*** Riders are removed from the test year so the base distribution revenue
4 requirement can be determined on a stand-alone basis. Most electric riders result
5 from electric security plans and are not generally authorized in rate cases such as
6 this case.

7
8 ***Q8. WOULD YOU PLEASE EXPLAIN WHY IT WAS NOT APPROPRIATE FOR***
9 ***THE PUCO STAFF TO ADJUST THE STORM COST RIDER?***

10 ***A8.*** Yes. The test year should be representative of conditions reasonably anticipated to
11 exist during the time frame that the utility's rates to be charged to consumers are
12 in effect. Adjustments to the test year are supposed to be limited to those
13 necessary to reflect normal ongoing utility operations. The purpose of adjustments
14 to the test year are to smooth out abnormalities that tend to make test year data
15 unrepresentative of the time when rates are in effect. The utility has an advantage
16 in ratemaking as it chooses the test year, subject to PUCO approval.

17
18 The PUCO Staff adjusted the test year operating revenue and expense without
19 justifying why the adjustment is necessary and without showing that the
20 adjustment is needed other than to enable DP&L to annually charge consumers
21 \$2.7 million more in rates.

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1 ***Q9. WOULD YOU PLEASE EXPLAIN YOUR ATTACHMENTS TO YOUR***
2 ***TESTIMONY?***

3 ***A9.*** Yes. WRW Attachment 1 (DP&L) is from DP&L's Application and Workpapers
4 and includes Schedule C-3.4 and Workpaper C-3.4. WRW Attachment 2 (Staff)
5 includes Staff Schedule C-3.4 and Staff Workpaper 3.4.

6
7 ***Q10. WOULD YOU PLEASE EXPLAIN THE IMPROPER ADJUSTMENT THE***
8 ***PUCO STAFF MADE TO THE STORM COST RIDER?***

9 ***A10.*** Yes. Comparing the Schedule C-3.4 and Workpaper C-3.4 from DP&L to Staff's
10 Schedule C-3.4 and Workpaper C-3.4, one can easily see that the PUCO Staff
11 adjusted the test year revenue and expense to reflect seven-months of actual data
12 and five months of budgeted information. By adjusting the test year, the PUCO
13 Staff increased the amount of revenue that DP&L can collect from consumers.
14 Part of the PUCO Staff's adjustment assumed zero Rider revenue for two months.
15 Rather than eliminating an abnormality in ratemaking, the PUCO Staff created
16 one. That is improper for ratemaking that results in improper charges to
17 consumers.

18
19 ***Q11. WHAT IS THE IMPACT OF THE PUCO STAFF ADJUSTMENT TO THE***
20 ***STORM COST RIDER?***

21 ***A11.*** The impact of this adjustment can be seen on WRW Attachment 2 (Staff)
22 Schedule C-3.4 line five and thirteen compared to WRW Attachment 1 (DP&L)

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1 Schedule C-3.4 line five and thirteen. Because DP&L's overall distribution
2 revenue is being adjusted (reduced) to the amount included in E-4, the PUCO
3 Staff has caused the Storm Cost Rider to increase the Base Distribution Revenue
4 Requirement by \$2,762,150.⁴ That figure is the annual amount of additional
5 money that the PUCO Staff's adjustment will enable DP&L to charge consumers.
6 The PUCO Staff's adjustment is improper ratemaking, to the detriment of
7 Dayton-area consumers.

8

9 **IV. CONCLUSION**

10

11 ***Q12. PLEASE SUMMARIZE YOUR RECOMMENDATIONS.***

12 ***A12.*** I recommend the PUCO reject the PUCO Staff Report adjustment to the Storm
13 Cost Rider shown on PUCO Staff Schedule C-3.4 that carries forward to Staff
14 Schedule C-3.24. Rejecting this PUCO Staff adjustment will protect Dayton-area
15 consumers from unjustified higher charges.

16

17 ***Q13. DOES THIS CONCLUDE YOUR TESTIMONY?***

18 ***A13.*** Yes. However, I reserve the right to incorporate new information that may
19 subsequently become available. I also reserve the right to supplement my
20 testimony if DP&L, the PUCO Staff, or other parties submit new or corrected
21 information in connection with this proceeding.

⁴ PUCO Staff Report Schedule C-3.4 line 5 minus DP&L Application Schedule C-3.4 line 5 and PUCO Staff Report Schedule C-3.4 line 13.

CERTIFICATE OF SERVICE

I hereby certify that a copy of this *Rebuttal Testimony of Wm. Ross Willis* was served on the persons stated below *via* electronic transmission, this 2nd day of February 2022.

/s/ John Finnigan

John Finnigan

Assistant Consumers' Counsel

The PUCO's e-filing system will electronically serve notice of the filing of this document on the following parties:

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The Dayton Power and Light Company
Case No.: 20-1651-EL-AIR

Eliminate Storm Cost Recovery Rider Revenue and Expense
For the Twelve Months Ending May 31, 2021

Data: 3 Months Actual & 9 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, Claire E. Hale

Line No.	Account 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 test year				
3						
4		Revenue				
5	440-446	Sales to Ultimate Customers	\$ (6,871,844)	100.00%	ALLDIST	\$ (6,871,844)
6						
7		Expense				
8	408.1	Taxes Other than Income Taxes	\$ (12,397)	100.00%	ALLDIST	\$ (12,397)
9	593	Maintenance of Overhead Lines	\$ (6,822,221)	100.00%	ALLDIST	\$ (6,822,221)
10	923	Contract Labor	\$ -	100.00%	ALLDIST	\$ -
11	925	Injuries & Damages	\$ 38	100.00%	ALLDIST	\$ 38
12	926	Employee Pensions and Benefits	\$ (19,430)	100.00%	ALLDIST	\$ (19,430)
13		Total Expense	<u>\$ (6,854,009)</u>			<u>\$ (6,854,009)</u>

The Dayton Power and Light Company
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Eliminate Storm Cost Recovery Rider Revenue and Expense
For the Twelve Months Ending May 31, 2021

Data: 3 Months Actual & 9 Months Estimated
Type of Filing: Original
Work Paper Reference No(s): None

Workpaper C-3.4
Page 1 of 1
Witness Responsible: Craig A. Forestal, Claire E. Hale

Line No.	Account No.	Description	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Total Adjustment
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)
1		Revenue													
2	440	Residential w/ Heat	(358,296)	(358,580)	(357,674)	(514,448)	(515,196)	(195,772)	(195,725)	(196,056)	(196,250)	(196,736)	(196,470)	(196,714)	\$ (3,477,917)
3	440	Residential w/ Heat	(118,850)	(119,231)	(118,589)	(166,619)	(166,750)	(63,360)	(63,379)	(63,546)	(63,625)	(63,829)	(63,816)	(64,000)	\$ (1,135,596)
4	442	Commercial	(180,837)	(180,588)	(179,336)	(297,335)	(298,214)	(113,599)	(113,529)	(113,749)	(113,932)	(114,141)	(114,000)	(114,106)	\$ (1,933,367)
5	442	Industrial	(6,092)	(6,060)	(6,094)	(10,427)	(10,467)	(3,964)	(3,985)	(3,980)	(3,972)	(3,994)	(3,989)	(4,014)	\$ (67,038)
6	445	Public Authorities	(16,941)	(16,829)	(16,823)	(30,069)	(29,935)	(11,379)	(11,420)	(11,418)	(11,444)	(11,437)	(11,413)	(11,389)	\$ (190,496)
7	444	Street Lighting	(6,212)	(6,208)	(6,209)	(10,450)	(10,437)	(3,979)	(3,974)	(3,994)	(3,977)	(3,984)	(3,983)	(3,983)	\$ (67,390)
8	446	Railroads / Railways	(3)	(3)	(3)	(6)	(6)	(2)	(2)	(3)	(2)	(2)	(2)	(2)	\$ (40)
9		Total Revenue	\$ (687,232)	\$ (687,501)	\$ (684,727)	\$ (1,029,354)	\$ (1,031,006)	\$ (392,057)	\$ (392,015)	\$ (392,746)	\$ (393,203)	\$ (394,123)	\$ (393,672)	\$ (394,208)	\$ (6,871,844)
10															
11		Expense													
12	408.1	Taxes Other Than Income Taxes	(211)	(11,794)	(392)	-	-	-	-	-	-	-	-	-	\$ (12,397)
13	593	Maintenance of Overhead Lines	(17,687)	39,461	(35,994)	(1,026,685)	(1,028,332)	(391,040)	(390,999)	(391,727)	(392,183)	(393,101)	(392,651)	(393,186)	\$ (4,814,124)
14	923	Contract Employee	-												\$ -
15	925	Injuries & Damages	38												\$ 38
16	926	Employee Pensions and Benefits	(621)	(16,915)	(1,893)										\$ (19,430)
17		Subtotal	\$ (18,482)	\$ 10,752	\$ (38,279)	\$ (1,026,685)	\$ (1,028,332)	\$ (391,040)	\$ (390,999)	\$ (391,727)	\$ (392,183)	\$ (393,101)	\$ (392,651)	\$ (393,186)	\$ (4,845,913)
18															
19	593	Expense Deferral	(666,964)	(696,465)	(644,668)										\$ (2,008,097)
20															
21		Total Expense	\$ (685,445)	\$ (685,713)	\$ (682,947)	\$ (1,026,685)	\$ (1,028,332)	\$ (391,040)	\$ (390,999)	\$ (391,727)	\$ (392,183)	\$ (393,101)	\$ (392,651)	\$ (393,186)	\$ (6,854,009)

The Dayton Power and Light Company
Case No. 20-1651-EL-AIR

Eliminate Storm Cost Recovery Rider Revenue and Expense
For the Twelve Months Ending May 31, 2021

Work Paper Reference No(s):

Staff WPC-3.4

Schedule C-3.4

Page 1 of 1

Line No.	Account 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	\$ (5,400,180)	100.00%	ALLDIST	\$ (5,400,180)
6						
7		Expense				
8	408.1	Taxes Other than Income Taxes	\$ (32,886)	100.00%	ALLDIST	\$ (32,886)
9	593	Maintenance of Overhead Lines	\$ (5,463,494)	100.00%	ALLDIST	\$ (5,463,494)
10	923	Contract Labor	\$ -	100.00%	ALLDIST	\$ -
11	925	Injuries & Damages	\$ 38	100.00%	ALLDIST	\$ 38
12	926	Employee Pensions and Benefits	\$ (67,181)	100.00%	ALLDIST	\$ (67,181)
13		Total Expense	<u>\$ (5,563,523)</u>			<u>\$ (5,563,523)</u>

The Dayton Power and Light Company
Case No.: 20-1651-EL-AIR

Eliminate Storm Rider Revenue and Expense
For the Twelve Months Ending May 31, 2021

Data: 6 Months Actual & 6 Months Estimated

Workpaper C-3.4
Page 1 of 1

Line No.	Account No.	Description	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Total Adjustment
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)
			Actual	Actual	Actual	Actual	Actual	Actual	Actual						
1		Revenue													
2	440	Residential w/ Heat	(358,296)	(358,580)	(357,674)	(358,064)	(357,997)	(699)	266	(196,056)	(196,250)	(196,736)	(196,470)	(196,714)	\$ (2,773,269)
3	440	Residential w/ Heat	(118,850)	(119,231)	(118,589)	(118,908)	(118,998)	(96)	86	(63,546)	(63,625)	(63,829)	(63,816)	(64,000)	\$ (913,404)
4	442	Commercial	(180,837)	(180,588)	(179,336)	(180,897)	(180,424)	456	700	(113,749)	(113,932)	(114,141)	(114,000)	(114,106)	\$ (1,470,854)
5	442	Industrial	(6,092)	(6,060)	(6,094)	(6,124)	(6,084)	27	98	(3,980)	(3,972)	(3,994)	(3,989)	(4,014)	\$ (50,277)
6	445	Public Authorities	(16,941)	(16,829)	(16,823)	(16,917)	(16,820)	37	30	(11,418)	(11,444)	(11,437)	(11,413)	(11,389)	\$ (141,363)
7	444	Street Lighting	(6,212)	(6,208)	(6,209)	(6,222)	(6,208)	(18)	14	(3,994)	(3,977)	(3,984)	(3,983)	(3,983)	\$ (50,983)
8	446	Railroads / Railways	(3)	(3)	(3)	(3)	(3)	-	-	(3)	(2)	(2)	(2)	(2)	\$ (30)
9		Total Revenue	\$ (687,232)	\$ (687,501)	\$ (684,727)	\$ (687,135)	\$ (686,534)	\$ (293)	\$ 1,194	\$ (392,746)	\$ (393,203)	\$ (394,123)	\$ (393,672)	\$ (394,208)	\$ (5,400,180)
10															
11		Expense													
12	408.1	Taxes Other Than Income Taxes	(211)	(11,794)	(392)	(329)	(296)	(162)	(19,702)	-	-	-	-	-	\$ (32,886)
13	593	Maintenance of Overhead Lines	(17,687)	39,461	(35,994)	135,283	(2,501)	(1,142,145)	(636,802)	(391,727)	(392,183)	(393,101)	(392,651)	(393,186)	\$ (3,623,234)
14	923	Contract Employee	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
15	925	Injuries & Damages	38	-	-	-	-	-	-	-	-	-	-	-	\$ 38
16	926	Employee Pensions and Benefits	(621)	(16,915)	(1,893)	(2,105)	(2,053)	(1,319)	(42,275)	-	-	-	-	-	\$ (67,181)
17		Subtotal	\$ (18,482)	\$ 10,752	\$ (38,279)	\$ 132,849	\$ (4,850)	\$ (1,143,626)	\$ (698,779)	\$ (391,727)	\$ (392,183)	\$ (393,101)	\$ (392,651)	\$ (393,186)	\$ (3,723,263)
18															
19	593	Expense Deferral	(666,964)	(696,465)	(644,668)	(818,197)	(679,899)	1,143,334	522,599						\$ (1,840,260)
20															
21		Total Expense	\$ (685,445)	\$ (685,713)	\$ (682,947)	\$ (685,348)	\$ (684,749)	\$ (293)	\$ (176,179)	\$ (391,727)	\$ (392,183)	\$ (393,101)	\$ (392,651)	\$ (393,186)	\$ (5,563,523)

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in

Case No(s). 20-1651-EL-AIR, 20-1652-EL-AAM, 20-1653-EL-ATA

Summary: Testimony Rebuttal Testimony of Wm. Ross Willis On Behalf of Office of the Ohio Consumers' Counsel electronically filed by Mrs. Tracy J. Greene on behalf of Finnigan, John