

BEFORE THE

PUBLIC UTILITIES COMMISSION OF OHIO

THE DAYTON POWER AND LIGHT COMPANY

CASE NO. 13-1495-EL-UNC

TESTIMONY OF
EMILY W. RABB
IN SUPPORT OF THE STIPULATION
AND RECOMMENDATION

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

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PUBLIC UTILITIES COMMISSION OF OHIO
DIRECT TESTIMONY OF
EMILY W. RABB
ON BEHALF OF
THE DAYTON POWER AND LIGHT COMPANY

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1 **I. INTRODUCTION**

2 **Q. Please state your name and business address.**

3 A. My name is Emily W. Rabb. My business address is 1065 Woodman Drive, Dayton,
4 Ohio 45432.

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

6 A. I am employed by The Dayton Power and Light Company ("DP&L" or "Company") as
7 Supervisor of Regulatory Operations.

8 **Q. How long have you been in your present position?**

9 A. I assumed my present position in December 2010. Prior to this position, I was an
10 Accountant II in the Accounting Policy and External Reporting department for DP&L,
11 beginning in May 2008. From December 2009 to December 2010, I was responsible for
12 Regulatory accounting for DP&L.

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

14 A. Yes. I received a Bachelor of Science degree in Business Administration with a major in
15 Accounting from the Ohio State University in 2004, and am a Certified Public
16 Accountant. From 2005 to 2008, I was employed as a Senior Accountant for Deloitte &
17 Touche.

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

19 A. In my current position, I am responsible for various assignments relating to the
20 development of retail electric rates, evaluating regulatory and legislative initiatives and

regulatory commission orders that impact the Company's rates, and overall regulatory operations. I report to the Director of Regulatory Operations.

Q. Have you previously provided testimony before the Public Utilities Commission of Ohio ("PUCO" or the "Commission")?

A. Yes. I have sponsored testimony before the PUCO in the Company's second Energy Efficiency Portfolio Cases No. 13-833-EL-POR and 09-1986-EL-POR. I also sponsored testimony before the PUCO in DP&L's Standard Service Offer Case, Case No. 12-426-EL-SSO, which was subsequently adopted by Company Witness Dona Seger-Lawson.

II. PURPOSE OF TESTIMONY

Q. What is the purpose of this testimony?

A. The purpose of my testimony is to discuss and support the reasonableness of the Stipulation and Recommendation ("Stipulation") entered into by DP&L and the PUCO Staff ("Staff") (collectively the "Signatory Parties"). The Commission should approve the Stipulation filed in this matter on November 11, 2013 and issue its Opinion and Order in accordance with the recommendations made in the Stipulation because the Stipulation is the product of serious negotiations among knowledgeable parties, it benefits customers and the public interest, and it does not violate any important regulatory principle.

Q. Can you please describe the principle terms of the Stipulation?

A. Yes. The Stipulation provides that the Company has calculated its earned return on equity for 2012, as adjusted by specific items contemplated by the Commission in Case No. 09-786-EL-UNC, to be 10.2 percent. The Signatory Parties stipulate, agree, and recommend

that the Commission find that such returns do not constitute significantly excessive earnings for DP&L with respect to DP&L's ESP in 2012.

Q. Why should the Commission approve this Stipulation?

A. As demonstrated below, the Commission should approve the Stipulation because it represents a fair and reasonable resolution to the issues raised in this case concerning DP&L's 2012 determination of the existence of significantly excessive earnings filed on July 31, 2013.

III. COMMISSION'S CRITERIA FOR EVALUATING STIPULATIONS

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

A. The Commission has applied in the past, and should use in considering this Stipulation, the following three regulatory criteria to evaluate and approve a stipulation: First, is the Stipulation a product of serious bargaining among capable, knowledgeable parties? Second, taken as a package, does the Stipulation benefit ratepayers and the public interest? Third, does the Stipulation violate any important regulatory principle?

Q. Does this Stipulation meet those criteria used by the Commission to evaluate and approve a Stipulation and Recommendation?

A. Yes, this Stipulation does meet the criteria applied by the Commission in past proceedings.

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

A. Yes. No party has moved to intervene in this proceeding. In negotiations leading to the Stipulation, DP&L and Staff were represented by experienced, knowledgeable counsel,

65 who have appeared before the Commission in numerous other proceedings, and are
66 experienced negotiators and are knowledgeable about the subject matter at issue. The
67 Signatory Parties have participated in numerous proceedings before the Commission, are
68 knowledgeable in regulatory matters and represent a broad range of interests. Therefore,
69 the Stipulation represents a product of serious bargaining among capable, knowledgeable
70 parties.

71 **Q. Turning to the second criterion, does this Stipulation benefit the customers and**
72 **public interest?**

73 A. Yes. The Stipulation benefits DP&L customers and the public interest. This Stipulation
74 provides benefits to the public by allowing for a speedy and fair resolution of the case,
75 and avoids an unnecessary hearing when it is undisputed that DP&L's earnings are not
76 excessive.

77 **Q. With respect to the third criterion, does the Stipulation violate any important**
78 **regulatory principle?**

79 A. No. The Stipulation complies with all relevant and important regulatory practices and
80 principles. The Stipulation is consistent with Commission rules and is designed to
81 comply in all material respects with the requirements of Ohio Rev. Code § 4928.143(F).
82 Therefore, the Stipulation does not violate any important regulatory principle.

83 **Q. Does this conclude your testimony?**

84 A. Yes, it does.

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Summary: Testimony of Emily W. Rabb in Support of the Stipulation and Recommendation electronically filed by Mrs. Claire E Hale on behalf of The Dayton Power & Light Company