BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

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

AMENDED SUPPLEMENTAL APPLICATION OF THE DAYTON POWER AND LIGHT COMPANY TO TRANSFER OR SELL ITS GENERATION ASSETS

I. INTRODUCTION

1. This Amended Application responds to the Staff's comments seeking further details of the plans of The Dayton Power and Light Company ("DP&L") for transfer or possible sale of its generation assets. It describes the two distinct tracks (transfer to an affiliate; or possible sale to a third party) in as much detail as DP&L can currently provide.

2. Pursuant to Ohio Rev. Code § 4928.17(E) and Ohio Admin. Code § 4901:1-37-09, DP&L seeks the Commission's authorization to transfer, on or before May 31, 2017, its generation assets to an affiliate at fair market value. DP&L's plans for the transfer are described below.

3. Pursuant to Ohio Admin. Code § 4901:1-37-09(D), DP&L seeks a waiver of any requirement that the Commission conduct a hearing in this matter.

II. TRANSFER OF GENERATION ASSETS

4. In DP&L's most recent Electric Security Plan proceeding (Case No. 12-426-EL-SSO, et al.), the Commission ordered DP&L to transfer its generation assets by May 31,

2017. September 6, 2013 Entry Nunc Pro Tunc, p. 2.[1] DP&L has filed this Application because it was ordered to do so in that proceeding.

5. DP&L plans either (1) to transfer its generation assets to an affiliate ("Track 1"); or (2) if an acceptable offer is forthcoming, then to transfer its generation assets to an affiliate, which would then sell those assets to the third party ("Track 2"). DP&L's specific plans for Track 1 and Track 2 are described in the following two subsections of this Application. Some of DP&L's plans as to the asset transfer are the same under Track 1 and Track 2; those common plans are described in the third subsection of this Application.

A. TRACK 1 -- TRANSFER OF DP&L'S GENERATION ASSETS TO AN AFFILIATE

6. DP&L seeks Commission authority to transfer its generation assets to an affiliated GenCo at fair market value ("FMV") on or before May 31, 2017.[2]

7. DP&L will transfer its generation assets at a FMV that will be determined approximately 90 days before the transfer date. DP&L will comply with the requirement in Ohio Admin. Code § 4901:1-37-09(C)(4) that it state the fair market value of the generation assets to be transferred no later than 75 days before the transfer date. Determining FMV proximally to the time of separation will allow for the most accurate valuation of the assets.

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1 On rehearing, the Commission accelerated this separation date to January 1, 2016 and accelerated the auction schedule. The Commission recently granted rehearing a second time, and a decision is pending. In light of the pending rehearing, the dates set forth in this filing reflect those imposed by the original order.

2 DP&L sought rehearing on the Commission's Second Order on Rehearing asking the Commission to reinstate the May 31, 2017 date by which the utility must divest its generation assets. DP&L Application for Rehearing dated April 18, 2014 pg. 7.

8. Prior to the separation deadline, DP&L will transfer its generation assets at FMV to an unregulated affiliate of DP&L via a distribution and contribution of those assets. The assets will then be distributed from GenCo subsidiary to DPL Inc.

9. DP&L currently has $879 million of long-term debt, of which $859 million are bonds secured by the Company's First & Refunding Mortgage (together the "First Mortgage Bonds"). The First Mortgage constitutes a direct first mortgage lien on substantially all of the property of DP&L including all transmission, distribution and generation assets. The First Mortgage Bonds include a $445M series of taxable First Mortgage Bonds (the "Taxable Series") and six different series of tax exempt pollution control bonds (the "PCBs") that were issued by either the State of Ohio or the County of Boone, Kentucky. The proceeds from each of the PCBs were subsequently loaned to DP&L pursuant to a Loan Agreement and DP&L's obligations under such Loan Agreements were secured by a series of First Mortgage Bonds in the principle amount equal to each series of PCBs. It should be noted that the Taxable Series can be redeemed, in whole or in part, at any time prior to their September 15, 2016 maturity date at a redemption price equal to a "Make-Whole Amount." Each series of PCBs has unique redemption provisions but generally they fall into three categories: (1) $214 million of the PCBs are subject to redemption at the direction of DP&L in whole, or in part, at any time on or after July 1, 2015 at a redemption price equal to 100% of the principle amount to be redeemed (a "Par Call Option"); (2) $100 million of the PCBs are subject to a Par Call Option at any time on or after September 1, 2016; and (3) $100 million are subject to a Par Call Option at the end of each week. A summary chart depicting the First Mortgage Bonds is shown below.

Issue	Issue Date	Maturity	Call Date	Interest Rate	Outstanding @ 12/31/2012
DP&L First Mortgage Bonds	09/19/13	09/15/16	Anytime	1.875%	$445,000,000
Pollution Control Bonds					
Boone County KY	08/11/05	01/01/28	07/01/15	4.700%	$35,275,000
Ohio Air Quality Devt.	08/11/05	01/01/34	07/01/15	4.800%	$137,800,000
Ohio Water Quality Devt.	08/11/05	01/01/34	07/01/15	4.8000%	$41,300,000
Ohio Air Quality Devt.	09/01/06	09/01/36	09/01/16	4.8000%	$100,000,000
Ohio Air Quality Devt.	12/01/08	11/01/40	Weekly	Variable	$50,000,000
Ohio Air Quality Devt.	12/01/08	11/01/40	Weekly	Variable	$50,000,000 $859,375,000

10. Given the merchant nature of the unregulated affiliates' future cash flow stream, an unregulated generation Company affiliated with DPL Inc. would likely have little or no debt-carrying capacity. As a result, DP&L cannot plan to transfer any debt into or issue debt from that affiliate. Instead, the Company plans to reduce the debt currently held in the utility prior to the time of transfer.

11. In the case that DP&L continues to own and operate the generation portfolio until a transfer to an unregulated affiliate on or before May of 2017, the Company would use available operating cash flow, net of (i) required capital expenditures, (ii) funds necessary to sustain normal operation of the business, and (iii) contractually-obligated debt service requirements at both DPL Inc. and DP&L, to pay down debt in advance of the transfer. The Company currently projects that it will have sufficient cash flow to reduce its debt to $750 million by the end of 2016. This debt reduction would be accomplished by: (a) exercising any one of the Par Call Options described above to redeem in whole or in part, any series or combination of series of the PCBs; and/or (b) redeeming a portion of the taxable Series, on or about their September 15, 2016 maturity date. The exact series of First Mortgage Bonds to be redeemed would be based on: (i) the month and year the Company has

accumulated cash required to make a debt repayment; and (ii) the most cost-effective options that exist to the Company during that time.

12. While the Company cannot accurately forecast the precise level, if any, of excess cash flow available for debt repayments, beyond 2016 it targets to pay down an additional $150-$175 million of First Mortgage Bonds by the end of 2018. Its ability to do so is conditioned upon factors such as a significant and sustained market recovery. During the years 2017-2018 the Company expects to have flexibility to pay down either a portion of the Taxable Series a portion of the PCBs. Assuming cash flows are sufficient, and the Company is able to pay down the incremental debts from 2017-2018, this would leave DP&L, at year end 2018, after separation, with approximately $575-$600 million of debt, which would equate to approximately 50-55% of projected 2018 Transmission and Distribution ratebase.

13. DP&L would also need to obtain a release of the first mortgage lien (the "Release") on the generation assets in order to transfer the generation assets outside of DP&L to an unregulated affiliate. In the case that DP&L continues to own and operate the generation portfolio until a transfer to an unregulated affiliate on or before May of 2017, the Company would seek to achieve this Release through amending the First Mortgage (the "Amendment").

14. The Amendment would allow the Company to release the generation property from the First & Refunding Mortgage. The Company would then proceed to transfer its generation assets at FMV to an unregulated affiliate of DP&L via a distribution

and contribution of those assets. The assets will then be distributed from GenCo subsidiary to DPL Inc.

B. TRACK 2 -- SALE OF DP&L'S GENERATION ASSETS TO A THIRD PARTY

15. At the time of the hearing in DP&L's pending ESP case (Case No. 12-0426-EL-SSO), DP&L's plan was to transfer its generation assets to an unregulated affiliate. DP&L's testimony in that hearing accurately described the fact that DP&L could not transfer those assets to an affiliate before 2017 due to structural limitations in its bonds and expected financial limitations on DP&L's ability to refinance those bonds. It remains true that DP&L cannot transfer its generation assets to an affiliate before 2017 as outlined above.

16. However, since that hearing, there have been substantial changes in the market (lower cleared PJM capacity prices) that adversely affect the value of those assets. DP&L is thus exploring the possibility of selling some or all of its generation assets to a third party.

17. The reason that DP&L cannot transfer its generation assets to an unregulated affiliate before 2017, but the assets may be sold as soon as this year, is that DP&L would receive cash in exchange for its assets under a third-party sale. That cash can be used to assist DP&L and DPL Inc. to pay down debt and offset other bond-related costs.

18. In the event of a separation involving a sale to an unaffiliated third party, the FMV shall be the sale price of the assets. DP&L will comply with the requirement in Ohio Admin. Code § 4901:1-37-09(C)(4) that it state the FMV of the generation assets to be transferred by no later than 75 days before the transfer date.

19. In the event that the Company executes a sale of the generation portfolio (the "Sale") as early as 2014/2015 then; (1) immediately prior to the closing of the Sale, DP&L will transfer specified generation assets and liabilities of DP&L's electric generation business (the "Asset Transfer") to a newly-formed Delaware limited liability company, GenCo subsidiary, pursuant to an Asset Contribution Agreement and, (2) immediately following the Asset Transfer, DP&L will distribute all of its interests in GenCo subsidiary to DPL Inc. The contract for the sale of the assets would be between DPL Inc., and a prospective buyer. The Company currently projects that it could reduce its debt outstanding to $750 million prior to the Asset Transfer discussed above as by using short-term revolving credit facilities available at DPL Inc. This debt reduction would be accomplished through either: (a) a formal tender, whereby DP&L requests that PCB holders tender, or sell, their bonds at a price to be established immediately prior to such request; and/or (b) executing a tender or partial call (at a Make Whole Amount) of the Taxable Series. Both of these alternatives would likely require DP&L to incur incremental redemption costs associated with redeeming the Bonds before their maturity and/or Par Call dates.

20. DP&L would then also need to release the first mortgage lien on the generation assets in order to transfer the generation assets to an unregulated GenCo subsidiary. In the case that a sale takes place as early as the 2014/2015 timeframe, the Company would seek to achieve this Release through amending the First Mortgage (the "Amendment"). DP&L would seek to obtain the votes needed to effectuate the Amendment through a request for consent from the voting parties associated with each of DP&L's First Mortgage Bonds. The process required to obtain the Release would likely require that DP&L incur incremental costs that are significantly higher than costs associated with the Release in

Track 1. After, or concurrent, with the Release, the Company would then proceed with the Asset Transfer described above and would subsequently distribute all of its interests in GenCo subsidiary to DPL Inc. The ultimate entity will be an unregulated GenCo subsidiary of DPL, Inc. on the separation date.

21. Immediately following the transfer of the GenCo subsidiary to DPL Inc., DPL Inc. will then sell all of the issued and outstanding interests in GenCo subsidiary to an unaffiliated third party pursuant to a Purchase and Sale Agreement. While the Company cannot accurately forecast the amount of proceeds that will be collected in the event of a Sale, the parent. DPL Inc., would use proceeds to: (i) make a $150-$175 million capital contribution in DP&L; and (ii) pay down DPL Inc. debt (including short-term revolving credit that was used to pay down DP&L debt prior to the Asset Transfer).

22. DP&L would use the $150-$175 million in cash received via the DPL Inc. capital contribution to pay down incremental debt at DP&L (as well as the incremental costs associated with the early redemption of the First Mortgage Bonds and the Release). In the event the sale were to occur in the 2014/2015 timeframe, this incremental debt reduction would be accomplished through either: (a) a formal tender for the PCBs; and/or (b) executing a tender or partial call (at a Make Whole Amount) of the Taxable Series. Therefore, assuming a sale was consummated in 2014/2015, by year end 2015, the Company would target to pay down a total of $275-$300 million of debt. This would leave the DP&L Company with approximately $575-$600 million of debt, which would equate to approximately 55-60% of projected 2015 Transmission and Distribution ratebase.

23. In addition, to the extent that DP&L transfers some or all of its generation assets, and the equity balance being carried on the books is reduced, DP&L may realize an artificial increase in its ROE that may put it above the 12% Significantly Excessive Earnings Test ("SEET") threshold imposed by the Commission in its ESP Order. This improvement to DP&L's ROE is not a function of an actual increase in net income, but rather is a mathematical function of the reduction to the equity balance. The sale is a one-time, non-recurring and extraordinary event which causes this SEET exceedence.

24. Specifically, the accounting treatment of any asset sale on the regulated books of DP&L could include a one-time gain or loss, followed by annual smaller effects. Each of these sale related effects should be excluded when considering the SEET threshold of 12% imposed by the Commission in its Order. The upfront impact on earnings would likely be in the opposite direction of future related affects. To incorporate one without incorporating the other offsetting effects solely because they occur in two different reporting periods would be asymmetric and inappropriate. Therefore, any financial statement impacts from the sale of generation assets to a third party should not be counted as part of the SEET.

25. Finally, any financial impact from the sale of DP&L's generation assets should be excluded from the SEET calculation for a third, independent reason. Section 4928.143(F) of the Ohio Revised Code, requires the Commission to determine whether "any such adjustments [to DP&L's ESP] resulted in excessive earnings." Any financial impact that results from or arises out of the sale of DP&L's generation assets would not result from an adjustment to its ESP, but would instead result from the sale of the assets. Financial impacts from the sale should thus be excluded from the SEET for this additional reason.

C. <u>DP&L'S PLANS THAT ARE COMMON TO TRACK 1 AND TRACK 2</u>

26. Some of DP&L's plans for asset transfer will be the same, regardless of whether DP&L ultimately selects Track 1 or Track 2. Those plans are discussed below.

27. DP&L seeks the Commission's approval of the following requests in association with the transfer:

(a) <u>Service Stability Rider ("SSR")</u>: Regardless of the specific timing or mechanics of divestiture, the underlying legal basis supporting the Commission's Order in DP&L's ESP case (Case No. 12-426-EL-SSO) outlining the need for DP&L's Service Stability Rider during the entire term of the ESP remains unchanged. Indeed, given current poor market conditions, DP&L's need for the SSR continues. As the Commission stated in its ESP decision, "DP&L is not a structurally separated utility; thus, the financial losses in the generation, transmission, or distribution businesses of DP&L are financial losses for the entire utility. Therefore if one business suffers financial losses, it may impact the entire utility, adversely affecting the ability to provide stable, reliable, or safe retail electric service." September 4, 2013 Opinion and Order, p. 22. The Commission has ordered the divestiture of the generation assets without regard for market conditions. Given current poor market conditions, DP&L could sustain a serious, continuing financial loss that strongly supports the ongoing need to recover the SSR throughout the term of the ESP. For these reasons, DP&L asks the Commission to find in this matter that collection of the SSR as authorized in the September 4, 2013 Opinion and Order and September 6, 2013 Entry *Nunc Pro Tunc* shall continue regardless of the actual divestiture path taken or the timing involved.

(b) Environmental Liabilities: DP&L asks the Commission to authorize DP&L to retain responsibility for future environmental liabilities associated with DP&L's historic ownership of its generation facilities. The Commission should grant DP&L's request because DP&L's incurrence of these liabilities is directly related to the rendering of service to standard service offer customers.

Moreover, DP&L proposes retaining responsibility for these environmental liabilities in order to allow it to seek recovery for prudently incurred environmental clean-up costs for real property that had been used and useful for the production of electricity for the benefit of the customers of DP&L, in compliance with federal and state rules and regulations. To the extent that DP&L finds itself under a legal mandate to perform environmental investigation and remediation activities as to these generation facilities or sites, DP&L should be authorized to recover all prudently incurred costs associated with such environmental investigation and remediation activities.

The remediation process typically takes years to complete and involves significant expenditures, for which DP&L will seek cost recovery, since such environmental liabilities are imposed by law, and constitute prudently-incurred costs of providing utility service.

For this reason, DP&L requests that, pursuant to Ohio Rev. Code § 4905.13, the Commission grant accounting authority to permit DP&L to defer the costs associated with environmental clean-up or remediation incurred by DP&L because of its ownership or operation of the electric generating assets, and imposed in the future pursuant to federal or state law, rules or regulations.

DP&L proposes to defer these expenses for future recovery from all customers, beginning at a date determined in another Commission proceeding. Until fully recovered, DP&L will apply a carrying cost based on its most recently approved regulated cost of debt. The carrying cost will be applied to the unrecovered deferral balance and such carrying costs will be deferred for future recovery.

At this time, DP&L is not seeking to commence recovery of these future expenses. DP&L seeks only the authority to defer these costs as they are incurred, along with the resultant carrying costs as described above.

(c) Cost of Sale: DP&L asks that it be permitted to recover all financing costs, redemption costs, amendment fees, investment banking fees, advisor costs, taxes, and related costs that it incurs to comply with the Commission's Order that DP&L separate its generation assets. The Commission should grant DP&L's request because DP&L will incur those costs to comply with that Order. These costs are estimated to be up to $10 million in the case of Track 1 and up to $45 million in the case of Track 2. Costs related to separation incurred exclusively by the GenCo will be borne by the newly formed GenCo entity.

(d) Ohio Valley Electric Corporation ("OVEC"): DP&L owns 4.9% of OVEC. There are lengthy and complex contractual provisions (filed with FERC) associated with OVEC. Each of the owners (called "Sponsoring Companies") is entitled to its specified share of all net power and energy produced by OVEC's two generating stations, and must pay their respective share of OVEC's costs resulting from ownership, operation and maintenance of its generation and transmission facilities (except those costs that were paid by DOE). The Sponsoring Companies currently purchase power from OVEC pursuant to terms of an Amended and Restated Inter-Company Power Agreement dated September 10, 2010 and as part of that amendment and restatement, the term of the Inter-Company Power Agreement was extended from March 13, 2026 to June 30, 2040.

Given recent experience of other OVEC Sponsoring Companies being unable to obtain the necessary consents from other OVEC members to allow a member to transfer its ownership interest in OVEC to a stand-alone GenCo, DP&L has no expectation that it will be successful in obtaining these required consents. For this reason, DP&L asks that it be permitted to retain its interest in OVEC, since DP&L cannot transfer its interest in OVEC without the consent of the remaining members of

OVEC. DP&L therefore asks the Commission to allow DP&L to retain the OVEC contractual entitlements, leaving DP&L retaining the rights and obligations under the Restated Inter-Company Power Agreement.

DP&L does not propose that any of the retail rate issues relating to OVEC be resolved in this proceeding, but rather will seek resolution of rate matters in a separate proceeding. DP&L does, however ask that the Commission grant accounting authority pursuant to Ohio Rev. Code § 4905.13, to permit DP&L to defer the costs associated with OVEC which are not currently being recovered through DP&L's fuel rider.

DP&L proposes to defer these expenses for future recovery from all customers, beginning at a date determined in another Commission proceeding. Until fully recovered, DP&L will apply a carrying cost based on its most recently approved cost of debt. The carrying cost will be applied to the unrecovered deferral balance and such carrying costs will be deferred for future recovery.

(e) Capital Ratio: DP&L asks that after the initial transfer of its generation assets, it be permitted to temporarily maintain total long-term debt of $750 million or total debt equal to 75% of rate base – whichever is greater. In its Finding and Order dated November 22, 2011 in Case No. 11-3002-EL-MER, 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, the Commission approved several Stipulations entered into by the various parties. In a Stipulation dated October 26, 2011 among DP&L, Ohio Manufacturers Association Energy Group and the Commission Staff, the signatories agreed to, among other points, the following requirement: "DP&L shall maintain a capital structure that includes an equity ratio of at least 50 percent."

In the years following the merger, DP&L has adhered to this commitment. However, circumstances have changed since this Commission's approval of the merger, because the Commission subsequently ordered DP&L to separate its generation assets. Given that the Commission has ordered DP&L to separate its generating assets by May 31, 2017, DP&L now seeks temporary relief from this commitment. In order to effectuate full legal separation of its generating assets, DP&L's equity ratio will fall below the 50% level in the course of the debt restructuring necessary to achieve separation. For this reason, DP&L asks that the Commission authorize the Company to maintain the greater of, (i) total debt of up to $750 million; or (ii) total debt equal to 75% of ratebase at the time of separation. DP&L asks that the Commission allow the Company to maintain these debt levels for a limited period of time in order to allow DP&L to effectuate the full legal separation of its generation assets, regardless of whether that transfer is made to an affiliate or a sale to a third party. In the case of Track 1, DP&L asks that it be permitted to maintain this debt level and implied capital structure through 2018, where additional debt reductions will be conditioned on market recovery and an ability to reallocate debt to its non-regulated affiliate. In the case of Track 2, DP&L asks that it be permitted to maintain this debt level until the unaffiliated third party sale process is completed.

28. So that DP&L is in a position to transfer all of its generation assets no later than May 31, 2017, DP&L makes the following commitments:

(a) DP&L shall not take on any new debt with terms that would preclude DP&L from transferring or selling its generation assets.

(b) DP&L will use cash flows in excess of those necessary for the ordinary operation of the business to pay down the debt described above between today and the Separation Date.

(c) DP&L shall ensure that all new generation-related contracts that it signs have a successor-in-interest clause that permits DP&L to transfer all of DP&L's responsibilities and obligations under such contracts and relieves DP&L from any performance or liability under the contracts upon the transfer of DP&L's generation assets.

29. The expectation is that transmission and distribution assets that are currently owned by DP&L will not be transferred through this proceeding.

III. OTHER MATTERS

A. EFFECT OF TRANSFER ON SSO SERVICE (PURSUANT TO OHIO ADMIN. CODE § 4901:1-37-09(C)(2))

30. In DP&L's ESP case, the Commission ordered DP&L to provide SSO service to customers at prices set through a blend of DP&L's then-existing rates and the rates established through a competitive bidding process. Opinion and Order, p. 15. Under that Order, 100% of DP&L's SSO rates will be established through competitive bidding starting June 1, 2017. .

B. THE PUBLIC INTEREST (PURSUANT TO OHIO ADMIN. CODE § 4901:1-37-09(C)(3))

31. The Commission found in DP&L's ESP case that DP&L separating its generation assets was a benefit of DP&L's ESP and was in the public interest. September 4, 2013 Opinion and Order, p. 51.

C. BOOK VALUE AND FAIR MARKET VALUE (PURSUANT TO OHIO ADMIN. CODE § 4901:1-37-09(C)(4))

32. The net book value of DP&L generating assets as of November 30, 2013 is approximately $1,576,440,886.

33. DP&L will comply with the requirement in Ohio Admin. Code § 4901:1-37-09(C)(4) that it state the FMV of the generation assets to be transferred when the time of the actual transfer is known, and in any event, no later than 75 days prior to May 31, 2017.

D. NO HEARING IS REQUIRED (PURSUANT TO OHIO ADMIN. CODE § 4901:1-37-09(D))

34. DP&L asks the Commission to waive a hearing under Ohio Admin. Code § 4901:1-37-09(D). The Commission should grant DP&L's waiver request, because the Commission has already conducted an extensive evidentiary hearing in DP&L's recent ESP case regarding whether DP&L should be ordered to transfer its generation assets, and issued an Order in that proceeding that required DP&L to transfer its generation assets. In that proceeding, the issue of the separation of DP&L's generation assets was addressed by numerous witnesses, and the Commission conducted a hearing that lasted almost three weeks at which a substantial amount of testimony on the subject was introduced. There is therefore no need to conduct another hearing on that issue.

35. DP&L's request that the Commission waive a hearing in this matter is consistent with the Commission's Orders in AEP's and Duke's generation asset transfer cases, in which no hearing was required. In the Matter of the Application of Ohio Power Company for Approval of an Amendment to Its Corporate Separation Plan, Case No. 12-1126-EL-UNC, Opinion and Order, p. 11 (October 17, 2012) ("The Commission finds good cause exist to waive any requirement to hold a hearing on the corporate separation application. Given the fact that we have already approved the divestiture of OP's generation assets as a component of the modified ESP 2 cases, subject to approval of the amended corporate separation plan, and that such decision was reached following an extensive hearing, which included testimony in support of divestiture of the generation assets, we find that the requirement of Rule 4901:1-37-09(D), O.A.C., do not apply to this proceeding."); In the Matter of the Application of Duke Energy Ohio, Inc. for Authority to Establish a Standard Service Offer Pursuant to Section 4928.143, Revised Code, in the Form of an Electric

Security Plan, Accounting Modifications, and Tariffs for Generation Service, Case No. 11-3549-EL-SSO, et al., Opinion and Order, p. 46 (Nov. 22, 2011).

WHEREFORE, DP&L asks the Commission to:

1. Approve DP&L's plan to transfer its generation assets, as described in this Application;

2. Grant DP&L a waiver of any requirement that a hearing be conducted in this matter;

3. Grant to DP&L the accounting authority that it needs to transfer its generation assets, including the deferrals described in this Amended Supplemental Application;

4. Grant such other and future relief as is necessary and appropriate.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I certify that a copy of the foregoing Amended Supplemental Application of The Dayton Power and Light Company to Transfer or Sell Its Generation Assets has been served via electronic mail upon the following counsel of record, this 23rd day of May, 2014:

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