

In the Matter of The Dayton Power and)
Light Company to Modify its Competitive) Case No. 14-563-EL-RDR
Bid True-up Rider)

Ohio Administrative Code Rule 4901-1-30 provides that any two or more parties to a proceeding may enter into a written stipulation covering the issues presented in that proceeding. This Stipulation and Recommendation ("Stipulation") sets forth the understanding of the parties that have signed below (the "Signatory Parties"). The Signatory Parties recommend that the Public Utilities Commission of Ohio ("Commission") approve and adopt, as part of its Opinion and Order, this Stipulation, which will resolve all of the issues raised by Parties in this case relative to modifying The Dayton Power and Light Company ("DP&L") Competitive Bid True-up Rider for costs incurred through December 31, 2014.

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consideration by the Commission, where, as here, it is sponsored by parties representing a wide range of interests.

For the purpose of resolving all issues in this proceeding, the Signatory Parties stipulate, agree and recommend as follows:

I. PARTIES

This Stipulation is entered into by and among DP&L, its successors and assigns, and the other Signatory Party. The Signatory Parties fully support this Stipulation and urge the Commission to accept and approve it.

II. COMPETITIVE BID TRUE-UP RIDER

The Signatory Parties agree to the following terms and conditions:

1. Nothing precludes DP&L from seeking to recover incremental administrative costs relating to the development of the competitive bid and ongoing administration of auctions in future Competitive Bid True-up (CBT) Rider filings. These costs may include labor and travel related expenses to conduct auctions. Travel expenses will not be measured against a per diem policy but instead shall be deemed prudent if they reflect the Company's expense reimbursement policy.

2. DP&L will remove administrative and general overheads relating to the payments to the auction manager or PUCO consultants on a going forward basis, and will not seek recovery of these costs through the CBT Rider. This does not preclude the Company from seeking recovery of these amounts through a base distribution rate case.

3. DP&L will credit \$75,000 to the CBT Rider for full and final resolution of all issues raised in the Commission Staff's Annual Review filed February 24, 2015.

4. The following documents will be admitted into the record and cross-examination will be waived:

- In the matter of the revised, PUCO Tariff No. 17, updated schedules to reflect proposed CBT Rider rates effective June 1, 2014 electronically filed by Eric R Brown on behalf of The Dayton Power and Light Company, filed May 1, 2014;
- Notice of a Reconciliation Summary for the calendar year 2014 for the CBT Rider electronically filed by Eric R Brown on behalf of The Dayton Power and Light Company, filed February 18, 2015; and
- Staff's Annual Review regarding the Competitive Bid True-Up Rider of The Dayton Power and Light Company filed by T. Turkenton and D. Lipthratt, filed February 24, 2015.

III. OTHER CONDITIONS

In arms-length bargaining, the parties have negotiated terms and conditions that are embodied in this Stipulation. This agreement resolves a variety of difficult, complicated issues that would otherwise be resolved only through expensive, complex, and protracted litigation. This Stipulation contains the entire agreement among the Signatory Parties, and embodies a complete settlement of all claims, defenses, issues, and objections in this proceeding. Any objections to DP&L's application or motions filed by the Signatory Parties that are

inconsistent with this Stipulation shall be deemed withdrawn upon approval by the Commission of this Stipulation. The Signatory Parties agree that this Stipulation and Recommendation is in the best interests of the public and of all parties, and urge the Commission to adopt it.

This Stipulation is submitted for purposes of this case and should not be understood to reflect the positions which the Signatory Parties would have taken if all of the issues in the proceeding had been litigated. As with most stipulations reviewed by the Commission, the willingness of the Signatory Parties to sponsor this document jointly is predicated on the reasonableness of the Stipulation taken as a whole.

This Stipulation is not to be relied upon in any other proceedings, except as necessary to enforce the terms of this Stipulation. The parties agree that if the Commission rejects all or any part of this Stipulation, or otherwise materially modifies its terms, any adversely affected party shall have the right within thirty (30) business days of the Commission's Order, either to file an application for rehearing or to terminate and withdraw from the Stipulation by filing a notice with the Commission. The Signatory Parties agree to, and intend to support the reasonableness of, this Stipulation before the Commission and in any appeal from the Commission's adoption or enforcement of this Stipulation. If not fully adopted by the Commission or if rejected by the Supreme Court of Ohio, the Stipulation shall not prejudice any of the positions taken by any party on any issue before the Commission in any other proceeding and shall not be admissible evidence in this or any other proceeding.

IN WITNESS WHEREOF, the undersigned parties agree to this Stipulation and Recommendation as of this 28th day of May, 2015. The undersigned parties respectfully request the Commission to issue its Opinion and Order approving and adopting this Stipulation.

THE DAYTON POWER AND LIGHT
COMPANY

By: /s/ Judi L. Sobecki
Judi L. Sobecki

STAFF OF THE PUBLIC UTILITIES
COMMISSION OF OHIO

By: /s/ Steven Beeler
Steven Beeler

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Commission of Ohio Docketing Information System on

5/28/2015 4:49:18 PM

in

Case No(s). 14-0563-EL-RDR

Summary: Stipulation and Recommendation electronically filed by Eric R Brown on behalf of
The Dayton Power and Light Company