

**BEFORE THE**  
**PUBLIC UTILITIES COMMISSION OF OHIO**

**THE DAYTON POWER AND LIGHT COMPANY**

**CASE NO. 16-0395-EL-SSO**  
**CASE NO. 16-0397-EL-AAM**  
**CASE NO. 16-0396-EL-ATA**

**DIRECT TESTIMONY**  
**OF THOMAS A. RAGA**

**OCTOBER 11, 2016**

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



**BEFORE THE**  
**PUBLIC UTILITIES COMMISSION OF OHIO**  
**DIRECT TESTIMONY OF**  
**THOMAS A. RAGA**  
**ON BEHALF OF**  
**THE DAYTON POWER AND LIGHT COMPANY**

**TABLE OF CONTENTS**

<b>I.</b>	<b>INTRODUCTION .....</b>	<b>1</b>
<b>II.</b>	<b>SUMMARY OF PROPOSAL AND UNDERLYING REASONS FOR THE FILING .....</b>	<b>3</b>
<b>III.</b>	<b>OTHER SUPPORTING WITNESSES.....</b>	<b>4</b>
<b>IV.</b>	<b>CONCLUSION .....</b>	<b>5</b>



**I. INTRODUCTION**

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

A. My name is Thomas A. Raga. My business address is 1065 Woodman Drive, Dayton, Ohio 45432.

**Q. In what capacity are you employed?**

A. I am President and Chief Executive Officer of The Dayton Power and Light Company ("DP&L").

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

A. I assumed my present position in February, 2015. I have been employed by DP&L since 2010, initially as its Director of Government Relations. In 2012, I was appointed Executive Director of the DP&L Foundation and added DP&L's community relations function to the expanded job of Director of Government Relations & Community Relations. Later, I was named Vice President of External Relations adding DP&L's environmental, health and safety, corporate communications and resource planning teams to my group. Prior to my current position, I served as Vice President of Public Relations for DP&L.

**Q. What are your responsibilities in your current position?**

A. I am part of the team responsible for ensuring that our customers receive safe and reliable electric services and that those services are provided in accordance with applicable federal and state laws and regulations. I am a member of the leadership team responsible for developing and implementing the long-term strategy for the business. I am also involved in external efforts relating to governmental and regulatory affairs, customers,



1 interacting with state and community leaders and regulators on matters relevant to  
2 DP&L's business in Ohio. I am responsible for the Company's community relations,  
3 economic development efforts, energy efficiency, resource planning and corporate  
4 communications as well as DP&L's charitable contributions.

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

6 A. I received a Bachelor of Science degree in Agricultural Economics and Business  
7 Management from Cornell University. I was employed for twelve years working in  
8 management, marketing and sales for Copart, Inc. During that time, I was elected to local  
9 office as a township trustee in Warren County, Ohio. In 2000, I was elected to the Ohio  
10 House of Representatives. After completing six years of service in the legislature, I  
11 joined Sinclair Community College in Dayton, Ohio, as its Sr. Director of Regional  
12 Strategy and Development. Later, at Sinclair, I worked as Vice President of  
13 Advancement.

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

16 A. Yes. I have sponsored testimony before the Commission in Case No. 15-1830-EL-AIR,  
17 DP&L's pending distribution rate case.

18 **Q. What are the purposes of this testimony?**

19 A. The purposes of this testimony are to: (1) provide an overview and high-level summary  
20 of DP&L's proposal and the underlying reasons for this filing; and (2) introduce the  
21 witnesses who will be addressing these issues and others in greater detail.



1    **II.    SUMMARY OF PROPOSAL AND UNDERLYING REASONS FOR THE FILING**

2    **Q.    What is DP&L proposing in this proceeding?**

3    A.    DP&L is proposing an Electric Security Plan (“ESP”) for a term of January 1, 2017  
4        through December 31, 2023. The ESP among other things, will (a) retain customers’  
5        option to shop for a competitive electric supplier, (b) maintain the 100% competitive  
6        bidding structure for non-shopping customers (c) introduce a distribution investment rider  
7        to support continued investment in distribution system reliability (d) introduce a clean  
8        energy rider that will facilitate future investment in renewable and advanced  
9        technologies, and (e) maintain DP&L’s financial integrity and its ability to provide  
10       reliable, safe and stable customer service. The ESP proposal also addresses items such as:  
11       simplifying the tariff sheets applicable to the price-to-compare, requesting recovery of  
12       approximately \$10M of regulatory assets, and establishing new riders, initially set at  
13       zero, such as a distribution decoupling rider, related to energy reductions from DP&L’s  
14       energy efficiency programs.

15   **Q.    Can you provide an overview of DP&L’s proposal for a Distribution Modernization**  
16   **Rider (“DMR”)?**

17   A.    Yes. As discussed in detail in the testimony of DP&L witness Jackson, the Commission  
18        should approve a DMR for DP&L so that it can maintain its financial integrity and  
19        continue to provide safe and stable service.

20   **Q.    Can you explain why it is important that DP&L maintain its financial integrity?**

21   A.    Yes. As explained in more detail in Company witness Jackson’s testimony, without a  
22        DMR, DP&L would (a) not have sufficient cash flows to meet its normal course



obligations, including but not limited to its operating expenses and planned capital expenditures; (b) face a downgrade by credit rating agencies to below investment grade; (c) be unable to pay down debt to appropriately capitalize the business; and (d) be unable to provide a reasonable return to equityholders.

**Q. Will customers benefit from the DMR?**

A. Yes, customers rely upon DP&L to provide stable and safe transmission and distribution service, and they would be adversely affected if DP&L could not do so. In addition, by maintaining DP&L's investment grade rating, it will have access to less expensive debt, which will benefit customers.

**III. OTHER SUPPORTING WITNESSES**

**Q. Please identify the witnesses who are filing supportive testimony and the areas that each will cover.**

A. The following witnesses are submitting testimony in the following areas in support of the Company's ESP:



<b><u>Witness</u></b>	<b><u>Topic</u></b>
Robert J. Adams	Distribution Investment Rider rate design; typical bill impacts
Eric R. Brown	Competitive bidding process; renewable energy in competitive bidding process; competitive bidding prices; Standard Offer Rate design
David J. Crusey	Projected market prices
Claire E. Hale	DMR rate design; Clean Energy Rider;
Kevin L. Hall	Distribution Investment Rider
Craig L. Jackson	DP&L's financial statements; DP&L's request for a DMR; cost of long-term debt; significantly excessive earnings test
Robert J. Lee	Competitive Bidding Plan
R. Jeffrey Malinak	Financial need of DPL Inc.; ESP v. MRO test
Nathan C. Parke	Overall rate plan; tariff changes; Reconciliation Rider; Distribution Decoupling Rider
Thomas A. Raga	Overview of case filing

1    **IV.    CONCLUSION**

2    **Q.    Does this conclude your direct testimony?**

3    **A.    Yes.**

4    1105688.1



## CERTIFICATE OF SERVICE

I certify that a copy of the foregoing testimony has been served via electronic mail

upon the following counsel of record, this 11th day of October, 2016:

Thomas McNamee  
Natalia Messenger  
Public Utilities Commission of Ohio  
180 East Broad Street, 12th Floor  
Columbus, OH 43215  
Email: Thomas.McNamee@ohioattorneygeneral.gov  
Natalia.Messenger@ohioattorneygeneral.gov

Attorneys for PUCO Staff

Kimberly W. Bojko  
Danielle M. Ghiloni  
Carpenter Lipps & Leland LLP  
280 North High Street, Suite 1300  
Columbus, OH 43215  
Email: Bojko@carpenterlipps.com  
Ghiloni@carpenterlipps.com

Attorneys for The Ohio Manufacturers' Association  
Energy Group

Kevin R. Schmidt  
88 East Broad Street, Suite 1770  
Columbus, OH 43215  
Email: Schmidt@sppgrp.com

Attorney for The Energy Professionals of Ohio

Jeffrey W. Mayes  
Monitoring Analytics, LLC  
2621 Van Buren Avenue, Suite 160  
Valley Forge Corporate Center  
Eagleville, PA 19403  
Email: Jeffrey.mayes@monitoringanalytics.com

Frank P. Darr (Counsel of Record)  
Matthew R. Pritchard  
McNees Wallace & Nurick  
21 East State Street, 17th Floor  
Columbus, OH 43215  
Email: fdarr@mwncmh.com  
mpritchard@mwncmh.com

Attorneys for Industrial Energy Users –  
Ohio

David F. Boehm  
Michael L. Kurtz  
Kurt J. Boehm  
Jody Kyler Cohn  
Boehm, Kurtz & Lowry  
36 East Seventh Street, Suite 1510  
Cincinnati, OH 45202  
Email: dboehm@BKLawfirm.com  
mkurtz@BKLawfirm.com  
kboehm@BKLawfirm.com  
jkylercohn@BKLawfirm.com

Attorneys for The Ohio Energy Group

Joseph Olikier  
IGS Energy  
6100 Emerald Parkway  
Dublin, OH 43016  
Email: joliker@igsenergy.com

Attorney for IGS Energy

Joel E. Sechler  
Carpenter Lipps & Leland  
280 N. High St., Suite 1300  
Columbus, OH 43215  
Email: Sechler@carpenterlipps.com



Evelyn R. Robinson  
PJM Interconnection, LLC  
2750 Monroe Blvd  
Audubon, PA 19403  
Email: evelyn.robinson@pjm.com

Attorney for Monitoring Analytics, LLC as  
The Independent Market Monitor for PJM

Trent Dougherty  
Ohio Environmental Council  
1145 Chesapeake Ave., Suite 1  
Columbus, OH 43212-3449  
Email: tdougherty@the OEC.org

Attorney for the Ohio Environmental  
Council and Environmental Defense Fund

William J. Michael  
Kevin F. Moore  
Office of the Ohio Consumers' Counsel  
10 West Broad Street, Suite 1800  
Columbus, OH 43215-3485  
Email: William.Michael@occ.ohio.gov  
Kevin.Moore@occ.ohio.gov

Attorneys for Ohio Consumers' Counsel

Michael D. Dortch  
Richard R. Parsons  
Kravitz, Brown & Dortch, LLC  
65 East State Street, Suite 200  
Columbus, OH 43215  
Email: mdortch@kravitzllc.com  
rparsons@kravitzllc.com

Attorneys for Noble Americas  
Energy Solutions LLC

Richard C. Sahli  
Richard C. Sahli Law Office, LLC  
981 Pinewood Lane  
Columbus, OH 43230-3662  
Email: rsahli@columbus.rr.com

Christopher M. Bzdok (pro hac vice)  
Olson Bzdok & Howard, P.C.  
420 East Front Street  
Traverse City, MI 49686  
chris@envlaw.com

Gregory J. Poulos  
EnerNOC, Inc.  
P.O. Box 29492  
Columbus, OH 43229  
Email: gpoulos@enernoc.com

Attorneys for EnerNOC, Inc.

Angela Paul Whitfield  
Carpenter Lipps & Leland LLP  
280 Plaza, Suite 1300  
280 North High Street  
Columbus, OH 43215  
Email: paul@carpenterlipps.com

Attorney for The Kroger Company

Colleen Mooney  
Ohio Partners for Affordable Energy  
231 West Lima Street  
P.O. Box 1793  
Findlay, OH 45839-1793  
Email: cmooney@ohiopartners.org  
Attorney for Ohio Partners for Affordable  
Energy

Madeline Fleisher  
Environmental Law & Policy Center  
21 West Broad Street, Suite 500  
Columbus, OH 43215  
Email: mfleisher@elpc.org  
Attorneys for The Environmental Law &  
Policy Center

Steven D. Lesser  
James F. Lang  
N. Trevor Alexander  
Calfee, Halter & Griswold LLP  
41 South High Street  
1200 Huntington Center  
Columbus, OH 43215  
Email: slesser@calfee.com  
jlang@calfee.com  
tallexander@calfee.com

Attorneys for The City of Dayton and  
Honda of America Mfg., Inc.



Tony G. Mendoza, Staff Attorney (pro hac vice)  
Sierra Club Environmental Law Program  
2101 Webster Street, 13<sup>th</sup> Floor  
Oakland, CA 94612  
Email: tony.mendoza@sierraclub.org

Attorneys for Sierra Club

Michael J. Settineri  
Stephen M. Howard  
Gretchen L. Petrucci  
Ilya Batikov  
William A. Sieck  
Vorys, Sater, Seymour and Pease LLP  
52 E. Gay Street  
Columbus, OH 43215  
Email: mjsettineri@vorys.com  
smhoward@vorys.com  
glpetrucci@vorys.com  
ibatikov@vorys.com  
wasieck@vorys.com

Attorneys for Dynegy Inc.,  
PJM Power Providers Group, and  
Retail Energy Supply Association

Michelle Grant  
Dynegy Inc.  
601 Travis Street, Suite 1400  
Houston, TX 77002  
Email: michelle.d.grant@dynegy.com

Attorneys for Dynegy Inc.

Glen Thomas  
1060 First Avenue, Suite 400  
King of Prussia, PA 19406  
Email: gthomas@gtpowergroup.com

Sharon Theodore  
Electric Power Supply Association  
1401 New York Ave. NW 11th Floor  
Washington, DC  
Email: stheodore@epsa.org

Lisa M. Hawrot  
Spilman Thomas & Battle, PLLC  
Century Centre Building  
1233 Main Street, Suite 4000  
Wheeling, WV 26003  
Email: lhawrot@spilmanlaw.com

Derrick Price Williamson  
Spilman Thomas & Battle, PLLC  
1100 Bent Creek Blvd., Suite 101  
Mechanicsburg, PA 17050  
Email: dwilliamson@spilmanlaw.com

Carrie M. Harris  
Spilman Thomas & Battle, PLLC  
310 First Street, Suite 1100  
P.O. Box 90  
Roanoke, VA 24002-0090  
Email: charris@spilmanlaw.com

Steve W. Chriss  
Senior Manager, Energy Regulatory  
Analysis  
Greg Tillman  
Senior Manager, Energy Regulatory  
Analysis  
Wal-Mart Stores, Inc.  
2001 SE 10th Street  
Bentonville, AR 72716-0550  
Email: Stephen.Chriss@walmart.com  
Greg.Tillman@walmart.com

Attorneys for Wal-Mart Stores East, LP  
and Sam's East, Inc.

Evelyn R. Robinson  
2750 Monroe Boulevard  
Audubon, PA 19403  
Email: evelyn.robinson@pjm.com

Attorney for PJM Interconnection, L.L.C.

Richard L. Sites  
Ohio Hospital Association  
155 East Broad Street, 3rd Floor  
Columbus, OH 43215-3620  
Email: rick.sites@ohiohospitals.org



Laura Chappelle  
201 North Washington Square, Suite 910  
Lansing, MI 48933  
Email: laurac@chappelleconsulting.net

Attorneys for PJM Power Providers Group

Ellis Jacobs  
Advocates for Basic Legal Equality, Inc.  
130 West Second Street, Suite 700 East  
Dayton, OH 45402  
Email: ejacobs@ablelaw.org

Attorney for Edgemont Neighborhood Coalition

Amy B. Spiller  
Jeanne W. Kingery  
Elizabeth H. Watts  
Duke-Energy Ohio, Inc.  
139 East Fourth Street  
1303-Main  
Cincinnati, OH 45202  
Email: amy.spiller@duke-energy.com  
jeanne.kingery@duke-energy.com  
elizabeth.watts@duke-energy.com

Attorneys for Duke-Energy Ohio, Inc.

Devin D. Parram  
Taft Stettinius & Hollister LLP  
65 East State Street, Suite 1000  
Columbus, OH 43215  
Email: dparram@taftlaw.com

Attorney for People Working  
Cooperatively, Inc.

Matthew W. Warnock  
Dylan F. Borchers  
Bricker & Eckler LLP  
100 South Third Street  
Columbus, OH 43215-4291  
Email: mwarnock@bricker.com  
dborchers@bricker.com

Attorneys for The Ohio Hospital Association

Terrence N. O'Donnell  
Raymond D. Seiler  
Dickinson Wright PLLC  
150 East Gay Street, Suite 2400  
Columbus, OH 43215  
Email: todollell@dickinsonwright.com  
rseiler@dickinsonwright.com

Attorneys for Mid-Atlantic Renewable  
Energy Coalition

John R. Doll  
Matthew T. Crawford  
Doll, Jansen & Ford  
111 West First Street, Suite 1100  
Dayton, OH 45402-1156  
Email: jdoll@djflawfirm.com  
mcrawford@djflawfirm.com

Attorneys for Utility Workers of  
America Local 175

/s/ Jeffrey S. Sharkey  
Jeffrey S. Sharkey



**This foregoing document was electronically filed with the Public Utilities**

**Commission of Ohio Docketing Information System on**

**10/11/2016 4:08:32 PM**

**in**

**Case No(s). 16-0395-EL-SSO, 16-0396-EL-ATA, 16-0397-EL-AAM**

Summary: Testimony Direct Testimony of Thomas A. Raga - October 11, 2016 electronically filed by Mr. Charles J. Faruki on behalf of The Dayton Power and Light Company