

BEFORE THE

PUBLIC UTILITIES COMMISSION OF OHIO

THE DAYTON POWER AND LIGHT COMPANY

CASE NO. 16-920-EL-UNC

TESTIMONY OF
DONA R. SEGER-LAWSON
IN SUPPORT OF THE STIPULATION
AND RECOMMENDATION

- ☐ **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
DONA R. SEGER-LAWSON
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 Dona R. Seger-Lawson. My business address is 1065 Woodman Drive,
4 Dayton, 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 "Dayton" or the
7 "Company") as Manager, Regulatory Operations.

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

9 A. I received a Bachelor of Science degree in Business Administration with majors in
10 Finance and Management from Wright State University in Dayton, Ohio in 1992. I
11 earned a Master's in Business Administration with a Finance Administration
12 concentration also from Wright State University in August of 1997. I have been
13 employed by DP&L in the Regulatory Operations division since 1992.

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

15 A. In my current position, I am responsible for assisting in the development, analysis,
16 revision, and administration of the Company's tariff schedules, rate designs, and policies.
17 I am responsible for evaluating regulatory and legislative initiatives, and commission
18 orders that impact the Company's retail and wholesale rates and overall regulatory
19 operations. I report to the Director, Regulatory Affairs.

20

21

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

24 A. Yes. I have sponsored testimony in Case No. 99-220-GA-GCR; Case No. 00-220-GA-
25 GCR; DP&L's Electric Transition Plan Case, No. 99-1687-EL-ETP; DP&L's Extension of
26 the Market Development Period Case, No. 02-2779-EL-ATA; in Opposition to the
27 Complaints in Case Nos. 03-2405-EL-CSS, and 04-85-EL-CSS; in the Company's Rate
28 Stabilization Period Case, No. 05-276-EL-AIR, in the Company's Electric Security Plan
29 filings in Case No. 08-1094-EL-SSO and Case No. 12-426-EL-SSO.

30 **II. PURPOSE OF TESTIMONY**

31 **Q. What is the purpose of this testimony?**

32 A. The purpose of my testimony is to discuss and support the reasonableness of the
33 Stipulation and Recommendation ("Stipulation") entered into by DP&L and the PUCO
34 Staff ("Staff") (collectively the "Signatory Parties"). The Commission should approve the
35 Stipulation filed in this matter on August 2, 2016 and issue its Opinion and Order in
36 accordance with the recommendations made in the Stipulation because the Stipulation is
37 the product of serious negotiations among knowledgeable parties, it benefits customers
38 and the public interest, and it does not violate any important regulatory principle.

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

40 A. Yes. The Stipulation provides that the Company has calculated its earned return on equity
41 for 2015, as adjusted by specific items contemplated by the Commission in Case No.
42 09-786-EL-UNC, to be 8.5 percent. The Signatory Parties stipulate, 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 2015.

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 the Company's Application and accompanying materials filed May 13, 2016, concerning DP&L's determination that significantly excessive earnings in 2015 did not occur.

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,

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

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

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

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

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

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

85 A. Yes, it does.

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Summary: Testimony of Dona Seger-Lawson in Support of the Stipulation electronically filed by Mrs. Dona R Seger-Lawson on behalf of The Dayton Power and Light Company