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Via E-File

April 11, 2018

Public Utilities Commission of Ohio
PUCO Docketing
180 E. Broad Street, 10th Floor
Columbus, Ohio 43215

In re: Case Nos. 15-1830-EL-AIR, 15-1831-EL-AAM and 15-1832-EL-ATA

Dear Sir/Madam:

Please find attached the OBJECTIONS TO STAFF REPORT OF THE OHIO ENERGY GROUP for filing in the above-referenced matter.

Copies have been served on all parties on the attached certificate of service. Please place this document of file.

Respectfully yours,

A handwritten signature in blue ink, appearing to read "Mike Kurtz", with a small flourish at the end.

Michael L. Kurtz, Esq.
Kurt J. Boehm, Esq.
Jody Kyler Cohn, Esq.
BOEHM, KURTZ & LOWRY

MLKkew

Encl.

Cc: Certificate of Service

**BEFORE THE
PUBLIC UTILITIES COMMISSION OF OHIO**

In The Matter Of The Application Of Dayton Power And Light Company For An Increase In Its Electric Distribution Rates.	:	Case No. 15-1830-EL-AIR
	:	
	:	
In The Matter Of The Application Of The Dayton Power And Light Company For Accounting Authority.	:	Case No. 15-1831-EL-AAM
	:	
	:	
In The Matter Of The Application Of Dayton Power And Light Company For Approval Of Revised Tariffs.	:	Case No. 15-1832-EL-ATA
	:	

**OBJECTIONS TO STAFF REPORT
OF THE OHIO ENERGY GROUP**

Pursuant to R.C. 4909.19 and Ohio Admin. Code 4901-1-28, the Ohio Energy Group (“OEG”) submits its Objection to the Staff Report filed on March 12, 2018 in the above-captioned proceedings. OEG’s Objection is as follows: The Staff Report should have recommended adjusting Dayton Power and Light Company’s (“DP&L” or “Company”) proposed base rates to reflect the impacts of the Tax Cuts and Jobs Act (“TCJA”) signed into law on December 22, 2017.

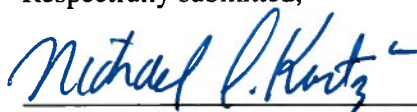
The TCJA reduced the federal corporate income tax rate from 35% to 21% effective January 1, 2018. That reduction impacts regulated electric utility rates in two ways: 1) lowering the tax expense (reduction in the gross-up of the equity return on capital investment) that customers must pay; and 2) necessitating a refund of excess accumulated deferred income taxes (“ADIT”) (taxes already collected by the utilities at the 35% rate, but which will not be paid over to the federal government).

The Staff Report does not recommend that either of these impacts be reflected in DP&L’s proposed revenue requirement in these proceedings, instead referring to the Commission’s pending generic proceeding in Case No. 18-47-AU-COI. But the Commission should not postpone the rate relief to customers afforded by the TCJA (and invite additional legal complexity) when DP&L’s base rates can easily be adjusted to reflect the TCJA impacts in these proceedings.

At minimum, the Commission should require DP&L to make the first adjustment - reducing the federal income tax expense incorporated into its proposed base rates - in these proceedings. This is a simple and straightforward calculation that can and should be made in the context of this case. Otherwise, the benefits of that reduction to DP&L's customers may be significantly delayed as a result of what is likely to be substantial litigation in Case No. 18-47-AU-COI.

Because the mechanics behind the second adjustment - refunding excess ADIT to DP&L's customers - may be somewhat more complicated, that adjustment could be made in the generic proceeding. But the Commission would be unnecessarily delaying TCJA savings to customers when those savings could be passed on sooner through these proceedings.

Respectfully submitted,



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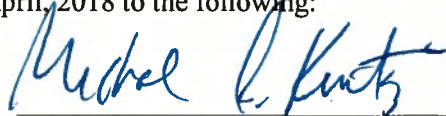
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COUNSEL FOR THE OHIO ENERGY GROUP

April 11, 2018

CERTIFICATE OF SERVICE

I hereby certify that true copy of the foregoing was served by electronic mail (when available) or ordinary mail, unless otherwise noted, this 11th day of April, 2018 to the following:



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in

Case No(s). 15-1830-EL-AIR, 15-1831-EL-AAM, 15-1832-EL-ATA

Summary: Objection Ohio Energy Group's (OEG) Objections to Staff Report electronically filed by Mr. Michael L. Kurtz on behalf of Ohio Energy Group