BOEHM, KURTZ & LOWRY
ATTORNEYS AT LAW
36 EAST SEVENTH STREET
SUITE 1510
CINCINNATI, OHIO 45202
TELEPHONE (513) 421-2255

TELECOPIER (513) 421-2764

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,

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,

Michael L. Kurtz

Michael L. Kurtz, Esq.
Kurt J. Boehm, Esq.
Jody Kyler Cohn, Esq.
BOEHM, KURTZ & LOWRY
36 East Seventh Street, Suite 1510
Cincinnati, Ohio 45202
Ph: 513.421.2255 Fax: 513.421.2764
E-Mail: mkurtz@BKLlawfirm.com
kboehm@BKLlawfirm.com
jkylercohn@BKLlawfirm.com

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:

Michael L. Kurtz, Esq.
Kurt J. Boehm, Esq.
Jody Kyler Cohn, Esq.

michael.schuler@aes.com
jsharkey@ficlaw.com
djireland@ficlaw.com
chollon@ficlaw.com
thomas.mcnamee@ohioattomeygeneral.gov
natalia.messenger@ohioattomeygeneral.gov
christopher.healey@occ.ohio.gov
teny.etter@occ.ohio.gov
fdan@mwncmh.com
mpritchard@mwncmh.com
sechler@carpenterlipps.com
paul@carpenterlipps.com
bojko@catpenterlipps.com
dressel@catpenterlipps.com
mfleisher@elpc.org
kfield@elpc.org
thawrot@spilmanlaw.com
rkelter@elpc.org
jvickers@elpc.org
slesser@calfee.com
jlang@calfee.com
talexander@calfee.com
ktreadway@oneenergyllc.com
stephanie.chmiel@thompsonhine.com
dwilliamson@spilmanlaw.com
chanis@spilmanlaw.com
stephen.chriss@walmart.com
greg.tillman@walmart.com
mwamock@bricker.com
dborchers@bricker.com
joliker@igsenergy.com
mnugent@igsenergy.com
John.Degnan@us.af.mil
Thomas.Jemigan.3@us.af.mil
Ebony.Payton.ctr@us.af.mil
ejacobs@ablelaw.org
jdoll@djflawfnm.com
mcrawford@djflawfnm.com
mjsettineri@vorys.com
glpetmcci@vorys.com
whitt@whitt-stmtevanat.com
campbell@whitt-stmtevanat.com
glover@whitt-stmtevanat.com
tdoughetty@theoec.org
mleppla@theoec.org
jfinnigan@edf.com
rdove@attomeydove.com
swilliams@nrdc.org
cmooney@ohiopartners.org