

**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

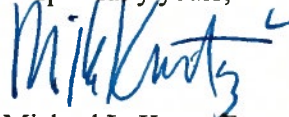
**In re: Case Nos. 15-1830-EL-AIR, 15-1831-EL-AAM and 15-1832-EL-ATA**

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.

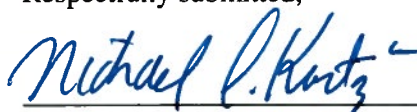
The TCJA reduced the federal corporate income tax rate from 35% to 21% effective January 1, 2018. That reduction impacts regulated electric utility rates in two ways: 1) lowering the tax expense (reduction in the gross-up of the equity return on capital investment) that customers must pay; and 2) necessitating 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, 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@BKLawfirm.com](mailto:mkurtz@BKLawfirm.com)

[kboehm@BKLawfirm.com](mailto:kboehm@BKLawfirm.com)

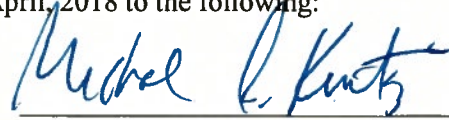
[jkylercohn@BKLawfirm.com](mailto:jkylercohn@BKLawfirm.com)

**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 11<sup>th</sup> 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  
talxander@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@attorneydove.com  
swilliams@nrdc.org  
cmooney@ohiopartners.org

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

**Commission of Ohio Docketing Information System on**

**4/11/2018 4:32:10 PM**

**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