

BEFORE THE
PUBLIC UTILITIES COMMISSION OF OHIO

THE DAYTON POWER AND LIGHT COMPANY
D/B/A AES OHIO

CASE NO. 20-1651-EL-AIR
CASE NO. 20-1652-EL-AAM
CASE NO. 20-1653-EL-ATA

SUPPLEMENTAL DIRECT TESTIMONY
OF LAUREN WHITEHEAD

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

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ON BEHALF OF
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1 **I. INTRODUCTION**

2 **Q. Please state your name, employer and position.**

3 A. My name is Lauren Whitehead. I am employed by AES U.S. Services, LLC ("AES
4 Services"), and my position is General & Operational Accounting Manager.

5 **Q. Did you previously file testimony in these matters?**

6 A. Yes.

7 **Q. Please describe your duties as General & Operational Accounting Manager.**

8 A. I am responsible for General and Operational accounting for AES Ohio, AES Indiana,
9 and AES US Conventional Generation businesses. In that capacity, I have oversight over
10 most O&M and G&A activities which includes US cost allocations.

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

12 A. The purpose of this testimony is to support and explain the following objections of AES
13 Ohio to the July 26, 2021 Staff Report:

14 **Objection No. 33 - Customer Deposit Interest Expense Adjustment:** AES Ohio objects
15 to the recommendation by Staff to reduce the average of customer deposit interest
16 expense by \$128,774. Staff Report, p. 16. That recommendation is unreasonable and
17 unlawful because the average to be excluded should have been \$77,857 instead.

18 **Objection No. 34 - Customer Deposit Interest Expense Adjustment Regarding FERC 235**
19 **Balances:** AES Ohio objects to the recommendation by Staff adjusting FERC 235

1 balances using a thirteen-month average. Staff Report, p. 16. That recommendation is
2 unreasonable and unlawful because Staff did not carry forward the updated customer
3 deposit balance to calculate interest expense in Staff Schedule C-3.16.

4 **II. CUSTOMER DEPOSIT INTEREST**

5 **Q. Please explain AES Ohio Objection No. 33 to the Staff Report regarding Staff's**
6 **adjustment of \$128,774 on customer deposit interest expense on Staff Schedules C-**
7 **3.16.**

8 A. AES Ohio's Application showed customer deposit interest as \$412,960 based on the date
9 certain customer deposit balance of \$13,765,328 on Schedule C-3.16. The Staff Report
10 recommended a reduction to that interest expense of \$128,774 as shown on Staff C-3.16
11 and Staff Report page 16. The Company agrees with Staff that interest is not recorded on
12 deposits until the balance becomes six months old, but cannot determine from the
13 information provided in Staff WPC-3.16 how Staff's \$128,774 figure was calculated.
14 Using AES Ohio's data that was provided in response to Staff DR 41 and 116, the
15 Company calculates a four-month average of \$77,857 to be excluded instead of the

\$128,774 proposed by Staff, as follows:

	Total Customer Deposits (Source DR #41 & #116)	Deposits Held < 6 Months (Source DR #41 & #116)	3% Interest on Deposits Held < 6 months
Balance as of:			
9/30/2020	13,658,562	2,592,894	77,787
12/31/2020	12,875,475	2,487,818	74,635
1/29/2021	12,844,077	2,612,585	78,378
2/26/2021	12,905,512	2,687,643	80,629
			77,857 4-Month Average

Q. Please explain AES Ohio Objection No. 34 to the Staff Report regarding Staff's calculation of deposit interest expense on Staff Schedules C-3.16.

A. AES Ohio objects to the Staff's inconsistency between B and C schedules. In Staff WPB-6, Staff proposes an adjustment to FERC 235 balances utilizing a thirteen-month average instead of the June 30, 2020 date certain balance. The proposed adjustment includes increasing the customer deposit balance to \$14,175,337 instead of the \$13,765,328 filed by the Company. Staff did not carry forward this updated customer deposit balance to calculate the interest expense in Staff C-3.16. Carrying this balance forward would result in a customer deposit interest expense of \$425,250 before the adjustment for deposits held less than six months is applied, which is an increase of \$12,290.

Q. Does this conclude your testimony?

A. Yes.

CERTIFICATE OF SERVICE

I certify that a copy of the foregoing supplemental testimony has been served via electronic mail upon the following counsel of record, this 25th day of August, 2021:

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This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

8/25/2021 5:14:37 PM

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Summary: Testimony Supplemental Direct Testimony of Lauren Whitehead electronically filed by Mr. Jeffrey S. Sharkey on behalf of The Dayton Power and Light Company