

EMENS, KEGLER, BROWN, HILL & RITTER

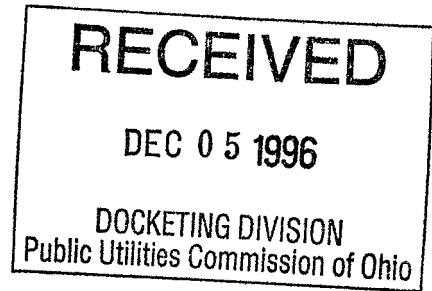
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December 5, 1996

Daisy Crockron, Chief
Docketing Division
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, OH 43266-0573



RE: **Dayton Power & Light Company;**
PUCO Case Nos. 91-414-EL-AIR/91-415-GA-AIR

Dear Ms. Crockron:

On November 25, 1996, the Office of the Ohio Consumers' Counsel ("OCC") filed a "compliance notice" and a transmittal letter advising the Public Utilities Commission of Ohio ("Commission") that all parties to the Stipulation and Recommendation in Case No. 91-414-EL-AIR were sent certain information on or about November 8, 1996. The transmittal letter further indicated that such other parties were previously informed that OCC and The Dayton Power and Light Company ("DP&L") had reached an agreement, invited to ask questions and invited to join in the agreement reached by OCC and DP&L. The November 25, 1996 transmittal letter reported that such parties did not ask questions, did not join in the agreement and did not make any objection to the agreement between OCC and DP&L.

The compliance notice attached to the November 25, 1996 letter indicates (at page 2) that DP&L and OCC seek to "...facilitate and standardize the calculation of the return on equity pursuant to the 1991 Stipulation to be used for the remaining term of the Stipulation." The purpose of this letter is to advise the Commission, OCC and DP&L that the industrial customers that participated in the 1991 Stipulation and Recommendation reserve any and all rights to test DP&L's compliance with the Stipulation and Recommendation based upon the interpretation of the Stipulation and Recommendation that is in the interest of ultimate customers. These industrial customers do not object to an understanding that may exist between DP&L and OCC, but it is not appropriate for OCC and DP&L to attempt to bind other parties by an

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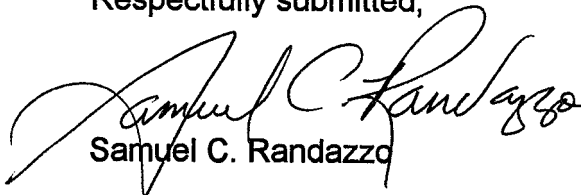
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affirmative assertion that the failure of the parties to take affirmative action to protest the DP&L/OCC understanding should be construed as an indication that the other parties do not object. In case there was any question before OCC's November 25, 1996 transmittal letter and the so-called compliance filing, silence is not consent.

While it is difficult to take issue with parties that set out to standardize and facilitate the calculation of the return on equity, neither OCC nor DP&L invited industrial customers to participate in their effort. Additionally, the Stipulation has been in existence since late 1991 without standardization. Whatever the motives for or value of the compliance filing, agreement by OCC and DP&L cannot impose some consequence on other parties without the express agreement of the other parties. As noted above, silence is not acceptance. The industrial customers that participated in the Stipulation and Recommendation submit this letter reserving all rights to make sure the Stipulation is applied to maximize its value for DP&L's customers.

Respectfully submitted,



Samuel C. Randazzo

SCR:dr

cc: Parties of Record