FORM 10-K

Annual report pursuant to section 13 and 15(d)

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DPL INC

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SECURITIES AND EXCHANGE COMMISSION
Washington D.C. 20549
Form 10-K

(X) ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 1993
OR
( ) TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from -------- to --------

Commission File Number 1-9052

DPL INC.
(Exact name of registrant as specified in its charter)

OHIO	31-1163136
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
Courthouse Plaza Southwest, Dayton, Ohio	45402
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: 513-224-6000

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Outstanding at February 28, 1994	Name of each exchange on which registered
Common Stock $0.01 par value and Preferred Share Purchase Rights	103,509,998	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: NONE

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ( )

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES (X) NO ( )

The aggregate market value of the voting stock held by non-affiliates of the registrant as of February 28, 1994 was $2,057,261,210.25 based on the closing price of $19 7/8 on such date.

DOCUMENTS INCORPORATED BY REFERENCE

Parts I and II incorporate by reference the registrant's 1993 Annual Report to Shareholders.

Portions of the definitive Proxy Statement dated March 2, 1994, relating to the 1994 Annual Meeting of Shareholders of the registrant, are incorporated by reference into Part III.

PART I

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Item 1 - BUSINESS*

DPL INC.

DPL Inc. was organized in 1985 under the laws of the State of Ohio to engage in the acquisition and holding of securities of corporations for investment purposes. The executive offices of DPL Inc. are located at Courthouse Plaza Southwest, Dayton, Ohio 45402 - telephone (513) 224-6000.

DPL Inc.'s principal subsidiary is The Dayton Power and Light Company ("DP&L"). DP&L is a public utility incorporated under the laws of Ohio in 1911. Located in West Central Ohio, it furnishes electric service to 464,000 retail customers in a 24 county service area of approximately 6,000 square miles and furnishes natural gas service to 286,000 customers in 16 counties. In addition, DP&L provides steam heating service in downtown Dayton, Ohio. DP&L serves an estimated population of 1.2 million. Principal industries served include electrical machinery, automotive and other transportation equipment, non-electrical machinery, agriculture, paper, rubber and plastic products. DP&L's sales reflect the general economic conditions and seasonal weather patterns of the area. The solid performance of the economy of West Central Ohio and seasonal summer and winter weather in 1993 contributed to increased energy sales for the year. Electric sales to business customers were up 4% for the year while total electric and natural gas sales increased 4% and 3%, respectively, as compared to 1992. During 1993, cooling degree days were 4% above the twenty year average and 35% above 1992. Heating degree days in 1993 were 3% above the thirty year average and 6% above 1992. Sales patterns will change in future years as weather and the economy fluctuate.

Subsidiaries of DP&L include MacGregor Park Inc., an owner and developer of real estate; and DP&L Community Urban Redevelopment Corporation, the owner of a downtown Dayton office building.

Other subsidiaries of DPL Inc. include Miami Valley CTC, Inc., which provides transportation services to DP&L and another unaffiliated Dayton-based company; Miami Valley Leasing, which leases vehicles and miscellaneous communications equipment, owns real estate and has a financial investment in an unaffiliated energy development company; Miami Valley Resources, Inc. ("MVR"), a natural gas supply management company; Miami Valley Lighting, Inc., a street lighting business; Miami Valley Insurance Company, an insurance company for DPL Inc. and its subsidiaries; and Miami Valley Development Company, which is engaged in the business of technology research and development.

* Unless otherwise indicated, the information given in "Item 1 - BUSINESS" is current as of March 11, 1994. No representation is made that there have not been subsequent changes to such information.

DPL Inc. and its subsidiaries are exempt from registration with the Securities and Exchange Commission under the Public Utility Holding Company Act of 1935 because its utility business operates solely in the State of Ohio.

DPL Inc. and its subsidiaries employed 3,147 persons as of December 31, 1993, of which 2,653 are full-time employees and 494 are part-time employees.

Information relating to industry segments is contained in Note 11 of Notes to Consolidated Financial Statements on page 26 of the registrant's 1993 Annual Report to Shareholders ("1993 Annual Report"), which Note is incorporated herein by reference.

COMPETITION

DPL Inc. competes through its principal subsidiary, DP&L, with privately and municipally owned electric utilities and rural electric cooperatives, natural gas suppliers and other alternate fuel suppliers. DP&L competes on the basis of price and service.

Like other utilities, DP&L from time to time may have electric generating capacity available for sale to other utilities. DP&L competes with other utilities to sell electricity provided by such capacity. The ability of DP&L to sell this electricity will depend on how DP&L's price, terms and conditions compare to those of other utilities. In addition, from time to time, DP&L also makes power purchases from neighboring utilities.

In an increasingly competitive energy environment, cogenerated power may be used by customers to meet their own power needs. Cogeneration is the dual use of a form of energy, typically steam, for an industrial process and for the generation of electricity. The Public Utilities Regulatory Policies Act of 1978 ("PURPA") provides regulations covering when an electric utility is required to offer to purchase excess electric energy from cogeneration and small power production facilities that have obtained qualifying status under PURPA.

The National Energy Policy Act of 1992 which reformed the Public Utilities Holding Company Act of 1935 allows the federal government to mandate access by others to a utility's electric transmission system and may accelerate competition in the supply of electricity.

General deregulation of the natural gas industry has continued to prompt the influence of market competition as the driving force behind natural gas procurement. The maturation of the natural gas spot market in combination with open access

interstate transportation provided by pipelines has provided DP&L, as well as its end-use customers, with an array of procurement options. Customers with alternate fuel capability can continue to choose between natural gas and their alternate fuel based upon overall economics. Therefore, demand for natural gas purchased from DP&L or purchased elsewhere and transported to the end-use customer by DP&L could fluctuate based on the economics of each in comparison with changes in alternate fuel prices. For DP&L, price competition and reliability among both natural gas suppliers and interstate pipeline sources are major factors affecting procurement decisions.

In April 1992, FERC issued Order No. 636 ("Order 636") amending its regulations governing the service obligations, rate design and cost recovery of interstate pipelines. DP&L's interstate pipeline suppliers have received approval from FERC to implement their restructuring plans to comply with the regulations.

The Public Utilities Commission of Ohio ("PUCO") has held roundtable discussions and meetings regarding the implications of Order 636 for local distribution companies, producers and consumers. The PUCO has issued interim guidelines allowing utilities to file revised natural gas transportation tariffs to comply with the Order, and is continuing efforts to examine the impact via roundtable discussions. DP&L's natural gas tariffs and operations comply with the PUCO's interim guidelines and the requirements of Order 636.

In January 1994, DP&L, the Staff of the PUCO and the Office of the Ohio Consumers' Counsel (the "OCC") submitted to the PUCO an agreement which resolves issues relating to the recovery of Order 636 "transition costs" to be billed to DP&L by natural gas interstate pipeline companies. The agreement, which is subject to PUCO approval, provides for the full recovery of these transition costs from DP&L customers. The interstate pipelines will file with the FERC for authority to recover these transition costs, the exact magnitude of which has not been established.

MVR, established in 1986 as a subsidiary of DPL Inc., acts as a broker in arranging and managing natural gas supplies for business and industry. Deliveries of natural gas to MVR customers can be made through DP&L's transportation system, or another transportation system, on the same basis as deliveries to customers of other gas brokerage firms. Customers with alternate fuel capability can continue to choose between natural gas and their alternate fuel based upon overall economics.

DP&L provides service to 12 municipal customers which distribute electricity within their corporate limits. One municipality has signed a contract for DP&L to provide 95% of its requirements. In addition to these municipal customers, DP&L maintains an interconnection agreement with one municipality which can generate all or a portion of its energy requirements. Sales to municipalities represented 1.3% of total electricity sales in 1993. DP&L maintains discussions with these municipalities concerning potential energy agreements.

CONSTRUCTION AND FINANCING PROGRAM OF DPL INC.

1994-1998 Construction Program

The estimated construction additions for the years 1994-1998 are set forth below:

	Estimated 1994	1995	1996	1997	1998	1994-1998
	millions					
Electric generation and transmission commonly owned with neighboring utilities................	$ 22	$ 28	$ 24	$ 41	$ 23	$138
Other electric generation and transmission facilities..	43	33	34	18	13	141
Electric distribution......	24	26	31	34	37	152
General....................	3	3	2	1	1	10
Gas, steam and other facilities...............	17	16	14	15	15	77

Total construction.....	$109	$106	$105	$109	$ 89	$518

Estimated construction costs over the next five years average $104 million annually which is approximately equal to the projected depreciation expense over the same period.

The construction additions for the period include plans to construct a series of 70 MW combustion turbine generating units scheduled to be completed at varying intervals dependent upon need. The first unit is scheduled for completion in June 1995.

Construction plans are subject to continuing review and are expected to be revised in light of changes in financial and economic conditions, load forecasts, legislative and regulatory developments and changing environmental standards, among other factors. DP&L's ability to complete its capital projects and the reliability of future service will be affected by its financial condition, the availability of external funds at reasonable cost and adequate and timely rate increases.

See ENVIRONMENTAL CONSIDERATIONS for a description of environmental control projects and regulatory proceedings which may change the level of future construction additions. The potential impact of these events on DP&L's operations cannot be estimated at this time.

1994-1998 Financing Program

DP&L will require a total of $106 million during the next five years for bond maturities and preferred stock and bond sinking funds in addition to any funds needed for the construction program. DPL Inc. will require an additional $5 million for mandatory redemptions.

At year-end 1993, DPL Inc. had a cash and temporary investment balance of $82 million. Proceeds from temporary cash investments, together with internally generated cash and future outside financings, will provide for the funding of the construction program, sinking funds and general corporate requirements.

In mid-March 1994, DPL Inc. plans to file a registration statement with the Securities and Exchange Commission for the issuance and sale of approximately three-and-a-half million common shares. The net proceeds from the planned sale of shares, estimated to equal approximately $65 million, would be contributed to DP&L which would use the funds, along with temporary cash investments and/or short-term borrowings, to redeem in May 1994 all of the outstanding shares of its Preferred Stock, Series D, E, F, H and I, which have an average dividend rate of 8.1%.

During late 1992 and early 1993, DP&L took advantage of favorable market conditions to reduce its cost of debt and extend maturities through early refundings. Three new series of First Mortgage Bonds were issued in 1992 in the aggregate principal amount of $320 million at an average interest rate of

7.8% to finance the redemption of a similar principal amount of debt securities. Additionally, in early 1993, DP&L issued two new series of First Mortgage Bonds in the aggregate principal amount of $446 million at an average interest rate of 8.0% to finance the redemption of a similar principal amount of six series of First Mortgage Bonds. The amounts and timings of future financings will depend upon market and other conditions, rate increases, levels of sales and construction plans.

In November 1989, DPL Inc. entered into a revolving credit agreement ("the Credit Agreement") with a consortium of banks renewable through 1998 which allows total borrowings by DPL Inc. and its subsidiaries of $200 million. DP&L has authority from the PUCO to issue short term debt up to $200 million with a maximum debt limit of $300 million including loans from DPL Inc. under the terms of the Credit Agreement. At December 31, 1993, DPL Inc. had no outstanding borrowings under this Credit Agreement. At December 31, 1992, DPL Inc. had $90 million outstanding under the Credit Agreement which was used to fund share purchases for DPL Inc.'s Employee Stock Ownership Plan. These borrowings were repaid in January 1993 with the proceeds from the issuance of $90 million of DPL Inc.'s 7.83% Notes due 2007.

DP&L also has $97 million available in short term informal lines of credit At year-end, DP&L had $10 million outstanding from these lines of credit and $15 million in commercial paper outstanding.

Under DP&L's First and Refunding Mortgage, First Mortgage Bonds may be issued on the basis of (i) 60% of unfunded property additions, subject to net earnings, as defined, being at least two times interest on all First Mortgage Bonds outstanding and to be outstanding, and (ii) 100% of retired First Mortgage Bonds. DP&L anticipates that, during 1994-98, it will be able to issue sufficient First Mortgage Bonds to satisfy its long-term debt requirements in connection with the financing of its construction and refunding programs discussed above.

The maximum amount of First Mortgage Bonds which may be issued in the future will fluctuate depending upon interest rates, the amounts of bondable property additions, earnings and retired First Mortgage Bonds. There are no coverage tests for the issuance of preferred stock under DP&L's Amended Articles of Incorporation.

ELECTRIC OPERATIONS AND FUEL SUPPLY

DP&L's present winter generating capability is 3,053,000 KW. Of this capability, 2,843,000 KW (approximately 93%) is derived from coal-fired steam generating stations and the balance consists of combustion turbine and diesel-powered peaking units. Approximately 87% (2,472,000 KW) of the existing steam generating capability is provided by certain units owned as tenants in common with the Cincinnati Gas & Electric Company ("CG&E") or with CG&E and Columbus Southern Power Company ("CSP"). Under the agreements among the companies, each company owns a specified undivided share of each facility, is entitled to its share of capacity and energy output, and has a capital and operating cost responsibility proportionate to its ownership share.

A merger agreement between CG&E and PSI Resources is currently pending. DP&L has intervened in the merger proceeding currently pending at the FERC so that the operations of its commonly owned generating units will not be materially impacted by the merger.

The remaining steam generating capability (371,000 KW) is derived from a generating station owned solely by DP&L. DP&L's all time net peak load was 2,765,000 KW, which occurred in July 1993. The present summer generating capability is 3,017,000 KW.

GENERATING FACILITIES

Station	Ownership*	Operating Company	Location	MW Rating DP&L Portion	MW Rating Total
Coal Units					
Hutchings	W	DP&L	Miamisburg, OH	371	371
Killen	C	DP&L	Wrightsville, OH	402	600
Stuart	C	DP&L	Aberdeen, OH	820	2,340
Conesville-Unit 4	C	CSP	Conesville, OH	129	780
Beckjord-Unit 6	C	CG&E	New Richmond, OH	210	420
Miami Fort-Units 7&8	C	CG&E	North Bend, OH	360	1,000
East Bend-Unit 2	C	CG&E	Rabbit Hash, KY	186	600
Zimmer	C	CG&E	Moscow, OH	365	1,300
Combustion Turbines or Diesel					
Hutchings	W	DP&L	Miamisburg, OH	32	32
Yankee Street	W	DP&L	Centerville, OH	144	144
Monument	W	DP&L	Dayton, OH	12	12
Tait	W	DP&L	Dayton, OH	10	10
Sidney	W	DP&L	Sidney, OH	12	12

* W = Wholly Owned; C = Commonly Owned

In order to transmit energy to their respective systems from their commonly-owned generating units, the companies have constructed and own, as tenants in common, 847 circuit miles of 345,000-volt transmission lines. DP&L has several interconnections with other companies for the purchase, sale and interchange of electricity.

DP&L derived over 99% of its electric output from coal-fired units in 1993. The remainder was derived from units burning oil or natural gas which were used to meet peak demands.

DP&L estimates that approximately 65-85% of its coal requirements for the period 1994-1998 will be obtained through long term contracts, with the balance to be obtained by spot market purchases. DP&L has been informed by CG&E and CSP through the procurement plans for the commonly owned units operated by them that sufficient coal supplies will be available during the same planning horizon.

The prices to be paid by DP&L under its long term coal contracts are subject to adjustment in accordance with various indices. Each contract has features that will limit price escalations in any given year.

The total average price per million British Thermal Units ("MMBTU") of coal received in each of 1993 and 1992 was $1.46/MMBTU and $1.56/MMBTU in 1991.

The average fuel cost per kWh generated of all fuel burned for electric generation (coal, gas and oil) for the year was 1.43 cents which represents a decrease from 1.48 cents in 1992 and 1.60 cents in 1991. Through the operation of a fuel cost adjustment clause applicable to electric sales, the increases and decreases in fuel costs are reflected in customer rates on a timely basis. See RATE REGULATION AND GOVERNMENT LEGISLATION and ENVIRONMENTAL CONSIDERATIONS.

GAS OPERATIONS AND GAS SUPPLY

DP&L has long term firm pipeline transportation agreements with ANR Gas Pipeline Company ("ANR") through 1997 and Columbia Gas Transmission Corporation ("Columbia"), Columbia Gulf Transmission Corporation, Texas Gas Transmission Corporation ("Texas Gas") and Panhandle Eastern Pipe Line Company ("Panhandle") through 2004. Along with the firm transportation services DP&L has approximately 16 billion cubic feet of storage service with the various pipelines. DP&L also maintains and operates four propane-air plants with a daily rated capacity of approximately 67,500 thousand cubic feet ("MCF") of natural gas.

Coordinated with the pipeline service agreements, DP&L has 14 firm natural gas supply agreements with various natural gas producers. DP&L purchased approximately 90% of its 1993 supply under these producer agreements and the remaining supplies on the spot/short term market. DP&L purchased natural gas during 1993 at an average price of $3.65 per MCF, compared to $3.31 per MCF and $2.70 per MCF in 1992 and 1991, respectively. Through the operation of a natural gas cost adjustment clause applicable to gas sales, increases and decreases in DP&L's natural gas costs are reflected in customer rates on a timely basis. See RATE REGULATION AND GOVERNMENT LEGISLATION.

DP&L is also interconnected with CNG Transmission Corporation and Texas Eastern Transmission Corporation. Several interconnections with various interstate pipelines provide DP&L the opportunity to purchase competitively-priced natural gas supplies and pipeline services.

During 1993, DP&L implemented requirements of Order 636 with all of its natural gas interstate pipeline suppliers. As a result of FERC's mandate that pipelines no longer bundle the product of natural gas with pipeline transportation into one package, DP&L purchased the majority of its natural gas in 1993 under direct market purchases. Additionally, the implementation of Order 636 required DP&L to purchase certain volumes of natural gas from interstate pipelines to fill storage. In the future, DP&L will obtain all its natural gas from direct market purchases or pipelines based on cost and reliability. DP&L has natural gas agreements that meet 90% of its requirements. The remainder will be purchased to meet seasonal requirements under short term purchase agreements.

The PUCO continues to support open access, nondiscriminatory transportation of natural gas by the state's local distribution companies for end-use customers. The PUCO has guidelines to provide a standardized structure for end-use transportation programs which requires a tariff providing the prices, terms and conditions for such service. DP&L has filed a transportation tariff to comply with these guidelines and approval is pending. During 1993, DP&L provided transportation service to 185 end-use customers, delivering a total quantity of 13,401,229 MCF.

Columbia and Panhandle have obtained conditional approval from FERC to recover take-or-pay and contract reformation costs from DP&L through fixed demand surcharges pursuant to revised FERC rules. The validity of the revisions was reviewed and dismissed by the U.S. Court of Appeals for the District of Columbia Circuit. Pursuant to a settlement approved by the PUCO, DP&L may recover take-or-pay costs from its retail and transportation customers.

On April 30, 1990, Columbia filed an application with FERC to implement a general rate increase in order to recover, among other things, costs associated with construction of certain "Global Settlement" facilities. The rates were accepted to become effective November 1, 1990. A partial offer of settlement was accepted on April 16, 1992, and an initial decision on the remaining issues was issued on November 13, 1992. On May 31, 1991, Columbia filed a second application with FERC to implement a general rate increase which was partially accepted effective December 1, 1991. On October 1, 1991, Columbia filed a third application to implement a general rate increase which was partially accepted to become effective April 1, 1992. The second and third applications were subsequently consolidated into one rate proceeding, and rate design, cost classification and cost allocations were further consolidated into Columbia's restructuring proceeding referenced in following paragraphs. A settlement dated November 9, 1992, regarding the remaining cost of service and throughput issues was approved by FERC April 2, 1993.

On April 27, 1990, Texas Gas filed an application with FERC to implement a general rate increase which was accepted to become effective November 1, 1990. This docket was consolidated into the Texas Gas restructuring proceeding which was made effective November 1, 1993. On May 1, 1992, Panhandle filed an application with FERC to implement a general rate increase which rates were accepted effective November 1, 1992. A hearing on this matter is set for May 17, 1994. On April 29, 1993 Texas Gas filed a second application with FERC to implement a rate increase which was accepted effective November 1, 1993. A hearing on this matter is set for June 28, 1994. On November 1, 1993, ANR filed an application with FERC to implement a rate increase which was accepted effective May 2, 1994. Through the operation of a natural gas cost adjustment clause applicable to gas sales, increases and decreases in DP&L's natural gas costs are reflected in customer rates on a timely basis.

On July 31, 1991, Columbia Gas System Inc. and Columbia, one of DP&L's major pipeline suppliers, filed separate Chapter 11 petitions in U.S. Bankruptcy Court. The bankruptcy court permitted Columbia to break approximately 4,500 long term natural gas contracts with upstream suppliers on August 22, 1991, January 6, 1992, and January 8, 1992. The bankruptcy court issued an order on March 18, 1992, granting approval of an agreement between the customers and Columbia which assures the continuation of all firm service agreements (including storage) through the winter of 1993, with year-to-year continuation unless adequate notice is provided. On February 13, 1992, the bankruptcy court ruled on a motion by Columbia to flow through to its customers all appropriate refunds, including take-or-pay refunds which were received from its upstream suppliers and

excessive rate refunds except for approximately $18 million of pre-petition take-or-pay refunds. However, on July 6, 1992, the United States District Court for Delaware reversed the bankruptcy court. On July 8, 1993, the Third Circuit Court of Appeals reversed the District Court for Delaware and reinstated the U.S. Bankruptcy Court's ruling that Columbia may flow through to its customers all post petition take-or-pay refunds which were received from its upstream suppliers. The U.S. Supreme Court denied an appeal on February 18, 1994 of the Third Circuit Court of Appeals'1decision. DP&L expects full recovery of all take-or-pay refunds received by Columbia post petition. The parties to the bankruptcy are currently evaluating Columbia's proposed plan of reorganization. Based upon a July 1993 FERC Order disallowing the recovery of natural gas producer contracts rejected in the bankruptcy case, DP&L does not expect the bankruptcy proceedings to have a material adverse effect on its earnings or competitive position.

In April 1992 FERC issued Order 636 which amended its regulations governing the service obligations of interstate pipelines. Some of the major changes enacted include unbundling of pipeline sales from transportation, the creation of a "no-notice" transportation service, pre-granted abandonment for all interruptible and short term firm transportation subject to a right-of-first refusal, capacity brokering, rate design and transition costs. All interstate pipeline filings were made effective by November 1, 1993.

In response to Order 636 issued by FERC, the PUCO has initiated roundtable discussions with natural gas utilities and other interested parties to discuss the impact of the Order and the state regulation of natural gas utilities. The PUCO has issued interim guidelines allowing utilities to file revised natural gas transportation tariffs to comply with Order 636, and is continuing to examine the impact via ongoing roundtable discussions that run concurrently with the interstate pipelines' restructuring proceedings. The interim guidelines also require each natural gas utility to file plans for peak day operations. DP&L's operations comply with all interim guidelines and DP&L expects full recovery of all Order 636 transition costs.

RATE REGULATION AND GOVERNMENT LEGISLATION

DPL Inc. and its subsidiaries are exempt from registration with the Securities and Exchange Commission under the Public Utility Holding Company Act of 1935 because its utility business operates solely in the State of Ohio.

DP&L's sales of electricity, natural gas and steam to retail customers are subject to rate regulation by the PUCO and various municipalities. DP&L's wholesale electric rates to municipal corporations and other distributors of electric energy are subject to regulation by FERC under the Federal Power Act.

Ohio law establishes the process for determining rates charged by public utilities. Regulation of rates encompasses the timing of applications, the effective date of rate increases, the cost basis upon which the rates are based and other related matters. Ohio law also established the Office of the OCC, which is authorized to represent residential consumers in state and federal judicial and administrative rate proceedings.

DP&L's electric and natural gas rate schedules contain certain recovery and adjustment clauses subject to periodic audits by, and proceedings before, the PUCO. Electric fuel and gas costs are expensed as recovered through rates.

Ohio legislation extends the jurisdiction of the PUCO to the records and accounts of certain public utility holding company systems, including DPL Inc. The legislation extends the PUCO's supervisory powers to a holding company system's general condition and capitalization, among other matters, to the extent that they relate to the costs associated with the provision of public utility service. Additionally, the legislation requires PUCO approval of (i) certain transactions and transfers of assets between public utilities and entities within the same holding company system, and (ii) prohibits investments by a holding company in subsidiaries which are not public utilities in an amount in excess of 15% of the aggregate capitalization of the holding company on a consolidated basis at the time such investments are made.

In April 1991, DP&L filed an application with the PUCO to increase its electric rates to recover costs associated with the construction of the William H. Zimmer Generating Station ("Zimmer"), earn a return on DP&L's investment and recover the current costs of providing electric service to its customers. In November 1991, DP&L entered into a settlement agreement with various consumer groups resolving all issues in the case. The PUCO approved the agreement on January 22, 1992. Pursuant to that agreement, new electric rates took effect February 1, 1992, January 2, 1993 and January 3, 1994. The agreement also established a baseline return on equity of 13% (subject to upward adjustment) until DP&L's next electric rate case. In the event that DP&L's return exceeds the allowed return by between one and two percent, then one half of the excess return will be used to reduce the cost of demand-side management ("DSM") programs. Any return that exceeds the allowed return by more than two percent will be entirely credited to these programs. Amounts deferred during the phase-in period, including carrying charges, will be capitalized and recovered over seven years commencing in 1994. Deferrals were $58 million in 1992 and $28 million in 1993. The recovery expected in 1994, net of additional carrying cost deferrals, is $10 million. The phase-in plan meets the requirements of the Financial Accounting Standards Board ("FASB") Statement No. 92.

In addition, DP&L agreed to undertake cost-effective DSM programs with an average annual cost of $15 million for four years commencing in 1992. The amount recovered in rates was $4.6 million in 1992. This amount increased to $7.8 million in 1993 and will remain at that level in subsequent years. The difference between expenditures and amounts recovered through rates is deferred and is eligible for recovery in future rates in accordance with existing PUCO rulings.

In March 1991, the PUCO granted DP&L the authority to defer interest charges, net of income tax, on its 28.1% ownership investment in Zimmer from the March 30, 1991, commercial in-service date through January 31, 1992. Deferred interest charges on the investment in Zimmer have been adjusted to a before tax basis in 1993 as a result of FASB Statement No. 109. Amounts deferred are being amortized over the life of the plant.

Regulatory deferrals on the balance sheet were:

	Dec. 31 1993	Dec. 31 1992
	--millions--	
Phase-in	$ 85.8	$ 57.7
DSM	23.3	2.2
Deferred interest - Zimmer	63.7	43.9
Total	$172.8	$103.8

In 1989 the PUCO approved rules for the implementation of a comprehensive Integrated Resource Planning ("IRP") program for all investor-owned electric utilities in Ohio. Under this program, each utility is required to file an IRP as part of its Long Term Forecast Report ("LTFR"). The IRP requires each utility to evaluate available demand-side resource options in addition to supply-side options to determine the most cost-effective means for satisfying customer requirements. The rules currently allow a utility to apply for deferred recovery of DSM program expenditures and lost revenues between LTFR proceedings. Ultimate recovery of deferred expenditures is contingent on review and approval of such programs as cost-effective and consistent with the most recent IRP proceeding. The rules also allow utilities to submit alternative proposals for the recovery of DSM programs and related costs.

In 1991 the PUCO ruled that DP&L's 1991 LTFR be consolidated and reviewed in conjunction with DP&L's 1992 LTFR proceeding. DP&L filed its 1992 LTFR in June 1992. DP&L also filed its environmental compliance plan in June 1992, and asked the PUCO to consolidate the environmental compliance plan proceeding with the LTFR proceeding. The PUCO granted DP&L's request to consolidate the cases. The evidentiary hearing on DP&L's 1991/1992 LTFR and environmental compliance plan was held on February 17, 1993. The parties entered into a stipulation in settlement of all issues which continues DP&L's commitment to DSM programs. The stipulation was approved by the PUCO on

May 6, 1993.

DP&L has in place a percentage of income payment plan ("PIPP") for eligible low-income households as required by the PUCO. This plan prohibits disconnections for nonpayment of customer bills if eligible low-income households pay a specified percentage of their household income toward their utility bill. The PUCO has approved a surcharge by way of a temporary base rate tariff rider which allows companies to recover arrearages accumulated under PIPP. In 1993 DP&L reached a settlement with the PUCO staff, the Office of the OCC and the Legal Aid Society to provide new and expanded programs for PIPP eligible customers. The expanded programs include greater arrears crediting, lower monthly payments, educational programs and information reports. In exchange, DP&L may accelerate recovery of PIPP and pre-PIPP arrearages and recover program costs. The settlement also established a four year moratorium on changes to the program. The PUCO approved the settlement on December 2, 1993. Pursuant to the terms of the settlement, DP&L filed an application on January 21, 1994 to lower its PIPP rate. To date, the PUCO has not acted on DP&L's application.

In 1991 the PUCO issued a Finding and Order which encourages electric utilities to undertake the competitive bidding of new supply-side energy projects. The policy also encourages utilities to provide transmission grid access to those supply-side energy providers awarded bids by utilities. Electric utilities are permitted to bid on their own proposals. The PUCO has issued for comment proposed rules for competitive bidding but has not issued final rules at this time.

DP&L initiated a competitive bidding process in January 1993 for the construction of up to 140 MW of electric peaking capacity and energy by 1997. Through an Ohio Power Siting Board ("OPSB") investigative process, DP&L's self-built option was evaluated to be the least cost option. On March 7, 1994, the OPSB approved DP&L's applications for up to three 70 MW combustion turbines and two natural gas supply lines for the proposed site.

The OPSB issued rules on March 22, 1993 to provide electric and magnetic field information in applications for construction of major generating and transmission facilities. DP&L has addressed the topics covered by the new rules in all recent projects. One utility requested a rehearing on the rules which was denied by the OPSB on May 24, 1993. At this time DP&L cannot predict the ultimate impact associated with the siting of new transmission lines.

On March 25, 1993, the PUCO adopted guidelines for the treatment of emission allowances created by the Clean Air Act Amendments of 1990. Under the guidelines, DP&L's emission allowance trading plans, procedures, practices, activity and associated costs will be reviewed in its annual electric fuel component audit proceeding. The PUCO guidelines are being appealed by an industrial consumer group. In its Entry on emission allowances, the PUCO directed its Staff to develop proposed accounting guidelines for allowance trading programs in accordance with FERC rulemaking efforts. According to FERC Order No. 552 issued on March 23, 1993, DP&L will value allowances based on a weighted average cost methodology.

On May 26, 1993, the Senate of the State of Ohio approved the appointment of Mr. David W. Johnson as PUCO commissioner.

On January 12, 1994, the Ohio Consumers' Counsel Governing Board appointed Robert S. Tongren, a former assistant attorney general, to the position of Consumers' Counsel. Mr. Tongren replaced William A. Spratley, whose resignation from this position became effective September 30, 1993.

On February 22, 1994 a bill was introduced in the State of Ohio House of Representatives which, if approved, would give electric consumers the opportunity to obtain "retail" and "wholesale at retail" services from electric suppliers other than their current supplier at competitive rates. The ultimate disposition of the bill or its effect on DP&L cannot be determined at this time.

ENVIRONMENTAL CONSIDERATIONS

The operations of DP&L, including the commonly owned facilities operated by DP&L, CG&E and CSP, are subject to federal, state, and local regulation as to air and water quality, disposal of solid waste and other environmental matters, including the location, construction and initial operation of new electric generating facilities and most electric transmission lines. DP&L expended $6 million for environmental control facilities during 1993. The possibility exists that current environmental regulations could be revised which could change the level of estimated 1994-1998 construction expenditures. See CONSTRUCTION AND FINANCING PROGRAM OF DPL INC.

Air Quality

In July 1985, the United States Environmental Protection Agency ("U.S. EPA") adopted final stack height rules which could result in the lowering of emission limits for sulfur dioxide and particulate matter from affected units. DP&L operates one unit (Killen Station) potentially affected by these rules. The Ohio Environmental Protection Agency ("Ohio EPA") has determined that Killen Station is not impacting air quality and, therefore, no further action is needed at this time. CSP has informed DP&L that Conesville Unit 4 is not affected by the rules. CG&E has informed DP&L that Miami Fort Unit 7 is "grandfathered" from regulation and that Miami Fort Unit 8 is not affected by the rules because Miami Fort Unit 5 is picking up the necessary emission reductions. On June 17 and July 12, 1988, DP&L and others filed with the U.S. Supreme Court two petitions for a Writ of Certiorari seeking a review of the D.C. Circuit Court of Appeals decision that addressed the 1985 stack height rules. Those petitions were denied in October 1988 and, as a result, the U.S. EPA planned to begin a remand rulemaking to address issues arising from a lower Court's opinion. The U.S. EPA continues to work on a remand rulemaking.

In December 1988, the U.S. EPA notified the State of Ohio that the portion of its State Implementation Plan ("SIP") dealing with sulfur dioxide emission limitations for Hamilton County (in southwestern Ohio) was deficient and required the Ohio EPA to develop a new SIP within 18 months. The notice affects industrial and utility sources and could require significant reductions in sulfur dioxide emission limitations at CG&E's Miami Fort Units 7 and 8 which are jointly owned with DP&L. In February 1989, CG&E, together with other industrial sources affected by the notice, filed a petition for review in the U.S. Court of Appeals for the Sixth Circuit of the U.S. EPA's issuance of the notice. In July 1989, the Court of Appeals dismissed the petition for review. In April 1990, the Ohio EPA published its proposed revised SIP for comment. In June 1990, CG&E submitted its comments challenging the revisions, arguing that the proposed SIP is based on a computer model which is unsuitable and invalid for the hilly terrain of Hamilton County, and that in the last ten years, no violation of the National Ambient Air Quality Standards for SO2 has ever been monitored.

In order to support its position, CG&E is taking part in an air monitoring program designed to prove that the present SIP adequately protects the ambient air quality. In October 1991, the Ohio EPA adopted new SO2 regulations for Hamilton County. These regulations do not change the preexisting requirements for Miami Fort Units 7 and 8. The new regulations have been submitted to the U.S. EPA. On January 27, 1994, the

U.S. EPA provided notice in the Federal Register that the new regulations for the Ohio SIP for Hamilton County were conditionally approved.

Changing environmental regulations continue to increase the cost of providing service in the utility industry. The Clean Air Act Amendments of 1990 (the "Act") will limit sulfur dioxide and nitrogen oxide emissions nationwide. The Act will restrict emissions in two phases with Phase I compliance completed by 1995 and Phase II completed by 2000. Final regulations were issued by the U.S. EPA on January 11, 1993. These regulations are consistent with earlier Act restrictions and do not change the expected costs of compliance of DP&L.

DP&L's preliminary compliance plan was filed with the PUCO in June 1992 and consolidated with the 1991/1992 LTFR proceeding. DP&L anticipates meeting the requirements of Phase I by switching to lower sulfur coal at several commonly owned electric generating facilities and increasing existing scrubber removal efficiency. Cost estimates to comply with Phase I of the Act are approximately $10 million in capital expenditures. Phase I compliance is expected to have a minimal 1% to 2% price impact. Phase II requirements can be met primarily by switching to lower sulfur coal at all non-scrubbed coal-fired electric generating units. The stipulation entered into on February 17, 1993 with regards to the LTFR, including the environmental compliance plan, was approved by the PUCO on May 6, 1993. DP&L anticipates that costs to comply with the Act will be eligible for recovery in future fuel hearings and other regulatory proceedings.

On March 16, 1993, DP&L received a Finding of Violation from the U.S. EPA regarding opacity standards at Killen Station and, on March 17, 1993, a Notice of Violation from the U.S. EPA regarding opacity standards at Stuart Station. DP&L has subsequently conducted conferences with the U.S. EPA to discuss the Finding and Notice. On October 11, 1993, DP&L entered into negotiated Consent Orders with the U.S. EPA for the alleged violations at Killen and Stuart Stations. The Consent Orders do not require payment of any penalty but require DP&L to formalize emissions control measures.

Land Use
- --------

DP&L and numerous other parties have been notified by the

U.S. EPA that it considers them Potentially Responsible Parties ("PRPs") for clean-up at three superfund sites in Ohio - the Sanitary Landfill Site on Cardington Road in Montgomery County Ohio, the United Scrap Lead Site in Miami County, Ohio, and the Powell Road Landfill in Huber Heights, Montgomery County, Ohio.

DP&L received notification from the U.S. EPA in July 1987, for the Cardington Road site. DP&L has not joined the PRP group formed at that site because of the absence of any known evidence that DP&L contributed hazardous substances to this site. The Record of Decision issued by the U.S. EPA identifies the chosen clean-up alternative at a cost estimate of $8.1 million.

DP&L received notification from the U.S. EPA in September 1987, for the United Scrap Lead Site. DP&L has joined a PRP group for this site, which is actively conferring with the U.S. EPA. The Record of Decision issued by the U.S. EPA estimates clean-up costs at $27.1 million. DP&L is one of over 200 parties to this site, and its estimated contribution to the site is less than .01%. Nearly 60 PRPs are actively working to settle the case. DP&L is participating in the sponsorship of a study to evaluate alternatives to the U.S. EPA's clean-up plan. The final resolution of these investigations will not have a material effect on DP&L's financial position or earnings.

DP&L and numerous other parties received notification from the U.S. EPA on May 21, 1993 that it considers them PRPs for clean-up of hazardous substances at the Powell Road Landfill Site in Huber Heights, Ohio. DP&L has joined the PRP group for the site. On October 1, 1993, the U.S. EPA issued its Record of Decision identifying a cost estimate of $20.5 million for the chosen remedy. DP&L is one of over 200 PRPs to this site, and its estimated contribution is less than 1%. The final resolution will not have a material effect on DP&L's financial position or earnings.

<TABLE>
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THE DAYTON POWER AND LIGHT COMPANY
OPERATING STATISTICS
ELECTRIC OPERATIONS

<S>	Years Ended December 31, 1993 <C>	1992 <C>	1991 <C>
Electric Output (millions of kWh)			
Generation -			
Coal-fired units	14,729	13,639	13,952
Other units	17	3	7
Power purchases	1,107	1,514	470
Exchanged and transmitted power	(7)	14	(54)
Company use and line losses	(1,170)	(1,116)	(1,060)
Total	14,676	14,054	13,315
Electric Sales (millions of kWh)			
Residential	4,558	4,260	4,571
Commercial	3,006	2,896	2,945
Industrial	4,089	3,938	3,949
Public authorities and railroads	1,356	1,311	1,360
Private utilities and wholesale	1,667	1,649	490
Total	14,676	14,054	13,315
Electric Customers at End of Period			
Residential	416,508	413,040	409,925
Commercial	40,606	39,685	39,151
Industrial	2,387	2,415	2,432
Public authorities and railroads	5,287	5,130	5,038
Other	17	16	15
Total	464,805	460,286	456,561
Operating Revenues (thousands)			
Residential	$373,760	$326,547	$332,114
Commercial	200,124	180,890	178,883
Industrial	205,996	189,720	186,837
Public authorities and railroads	72,859	67,596	68,135
Private utilities and wholesale	38,491	35,174	15,436
Other	10,090	9,372	9,334
Total	$901,320	$809,299	$790,739
Residential Statistics (per customer-average)			
Sales - kWh	10,998	10,358	11,213
Revenue	$ 901.91	$ 794.03	$ 814.66
Rate per kWh (Month of December)	7.99 cents	7.23 cents	6.96 cents

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THE DAYTON POWER AND LIGHT COMPANY
OPERATING STATISTICS

GAS OPERATIONS

<S>	1993	1992	1991
	Years Ended December 31,		
Gas Output (thousands of MCF)			
Direct market purchases	44,284	46,229	46,057
Liquefied petroleum gas...............	58	7	11
Company use and unaccounted for.......	(1,164)	(1,717)	(1,798)
Transportation gas received...........	13,704	10,973	8,387
Total.............................	56,882	55,492	52,657
Gas Sales (thousands of MCF)			
Residential...........................	28,786	27,723	26,594
Commercial............................	8,468	8,642	8,368
Industrial............................	3,056	4,914	6,014
Public authorities....................	3,171	3,402	3,187
Transportation gas delivered..........	13,401	10,811	8,494
Total.............................	56,882	55,492	52,657
Gas Customers at End of Period			
Residential...........................	262,834	260,471	258,092
Commercial............................	20,853	20,589	20,347
Industrial............................	1,527	1,577	1,661
Public authorities....................	1,333	1,311	1,290
Total.............................	286,547	283,948	281,390
Operating Revenues (thousands)			
Residential...........................	$161,254	$127,532	$124,950
Commercial............................	44,321	36,148	34,942
Industrial............................	14,890	18,633	22,152
Public authorities....................	15,248	12,516	11,961
Other.................................	9,366	8,953	7,033
Total.............................	$245,079	$203,782	$201,038
Residential Statistics (per customer-average)			
Sales - MCF...........................	110.2	107.0	103.8
Revenue...............................	$617.33	$492.33	$487.69
Rate per MCF (Month of December)......	$ 5.66	$ 5.27	$ 4.16

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EXECUTIVE OFFICERS OF THE REGISTRANT
(As of March 1, 1994)

Name	Age	Business Experience, Last Five Years (Positions with Registrant Unless Otherwise Indicated)	Dates
Peter H. Forster	51	Chairman, President and Chief Executive Officer	4/05/88 - 3/01/94
		Chairman, DP&L	4/06/92 - 3/01/94
		Chairman and Chief Executive Officer, DP&L	8/02/88 - 4/06/92
Allen M. Hill	48	President and Chief Executive Officer, DP&L	4/06/92 - 3/01/94
		President and Chief Operating Officer, DP&L	8/02/88 - 4/06/92
Paul R. Anderson	51	Controller, DP&L	4/12/81 - 3/01/94
		Controller	4/10/86 - 4/10/89
Stephen P. Bramlage	47	Assistant Vice President, DP&L	1/01/94 - 3/01/94
		Director, Service Operations, DP&L	10/29/89 - 1/01/94
		Manager, Engineering	5/26/87 - 10/29/89
Robert E. Buerger	49	Group Vice President, DP&L	4/24/89 - 3/01/94
		Group Vice President - Service Operations, DPL Inc. and DP&L	12/04/86 - 4/24/89
Robert M. Combs	48	Treasurer, DP&L	3/17/93 - 3/01/94
		Director, J. M. Stuart Electric Generating Station	9/16/91 - 3/17/93
		United States Navy	
		Production Officer, Charleston Naval Shipyard	8/01/88 - 9/16/91
Georgene H. Dawson	44	Assistant Vice President, DP&L	1/01/94 - 3/01/94
		Director, Service Operations, DP&L	4/03/92 - 1/01/94
		Service Center Manager	6/11/89 - 4/03/92
		Manager, Environmental Management	6/14/87 - 6/11/89

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EXECUTIVE OFFICERS OF THE REGISTRANT
(As of March 1, 1994)

Business Experience,
Last Five Years

Name	Age	(Positions with Registrant Unless Otherwise Indicated)	Dates
<S>	<C>	<C>	<C>
Jeanne S. Holihan	37	Assistant Vice President, DP&L	3/17/93 - 3/01/94
		Treasurer, DP&L	11/06/90 - 3/17/93
		Director, Financial Administration and Planning	4/01/90 - 11/06/90
		Manager, Financial Administration and Planning	4/02/89 - 4/01/90
		Manager, Financial Analysis and Investor Relations	4/07/85 - 4/02/89
Thomas M. Jenkins	42	Group Vice President and Treasurer Group Vice President, DP&L	11/06/90 - 3/01/94
		Vice President and Treasurer, DPL Inc. and DP&L	11/01/88 - 11/06/90
Stephen F. Koziar, Jr.	49	Group Vice President, DPL Inc. and DP&L	12/10/87 - 3/01/94
Judy W. Lansaw	42	Group Vice President and Secretary, DPL Inc. and DP&L	12/07/93 - 03/01/94
		Vice President and Secretary DPL Inc. and DP&L	08/01/89 - 12/07/93
		Corporate Secretary, DPL Inc. and DP&L	11/01/88 - 8/01/89
Lloyd E. Lewis, Jr.	67	Assistant Vice President, DP&L	12/08/83 - 3/01/94
Bryce W. Nickel	37	Assistant Vice President, DP&L	1/01/94 - 3/01/94
		Director, Service Operations, DP&L	10/29/89 - 1/01/94
		Service Center Manager	4/19/87 - 10/29/89
H. Ted Santo	43	Group Vice President, DP&L	12/08/92 - 3/01/94
		Vice President, DP&L	2/28/88 - 12/08/92

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Item 2- PROPERTIES

Electric

Information relating to DP&L's electric properties is contained in Item 1 - BUSINESS, DPL INC. (pages I-1 and I-2), CONSTRUCTION AND FINANCING PROGRAM OF DPL INC. (pages I-4 through I-6) and ELECTRIC OPERATIONS AND FUEL SUPPLY (pages I-6 through I-8) and Item 8 - Notes 2 and 7 of Notes to Consolidated Financial Statements on pages 21 and 23, respectively, of the registrant's 1993 Annual Report, which pages are incorporated herein by reference.

Natural Gas

- -----------

Information relating to DP&L's gas properties is contained in Item 1 - - BUSINESS, DPL INC. (pages I-1 and I-2) and GAS OPERATIONS AND GAS SUPPLY (pages I-8 through I-11), which pages are incorporated herein by reference.

Steam
- -----

DP&L owns two steam generating plants and the steam distribution facility serving downtown Dayton, Ohio.

Other
- -----

DP&L owns a number of area service buildings located in various operating centers.

Substantially all property and plant of DP&L is subject to the lien of the Mortgage securing DP&L's First Mortgage Bonds.

Item 3 - LEGAL PROCEEDINGS

Information relating to legal proceedings involving DP&L is contained in Item 1 - BUSINESS, DPL INC. (pages I-1 and I-2), GAS OPERATIONS AND GAS SUPPLY (pages I-8 through I-11), RATE REGULATION AND GOVERNMENT LEGISLATION (pages I-11 through I-15) and ENVIRONMENTAL CONSIDERATIONS (pages I-15 through I-18) and Item 8 - Note 2 of Notes of Consolidated Financial Statements on page 21 of the registrant's 1993 Annual Report, which pages are incorporated herein by reference.

Item 4 - SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

At DPL Inc.'s Annual Meeting of Shareholders ("Annual Meeting") held on April 20, 1993, shareholders approved a proposal to increase the number of authorized common shares of DPL Inc. from 120 million to 250 million. The proposal was approved with 81,668,678 shares voting FOR, 5,395,660 shares AGAINST and 1,770,393 shares ABSTAINED. Three directors of DPL Inc. were elected at the Annual Meeting, each of whom will serve a three year term expiring in 1996. The nominees were elected as follows: James F. Dicke, II, 87,896,326 shares FOR, 938,405 shares WITHHELD; Peter H. Forster, 87,838,970 shares FOR, 995,761 shares WITHHELD; and Jane G. Haley, 87,860,952 shares FOR, 973,779 shares WITHHELD.

PART II
- -------

Item 5 - MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

The information required by this item of Form 10-K is set forth on pages 14, 27 and 28 of the registrant's 1993 Annual Report, which pages are incorporated herein by reference. As of December 31, 1993, there were 53,275 holders of record of DPL Inc. common equity, excluding individual participants in security position listings.

DP&L's Mortgage restricts the payment of dividends on DP&L's Common Stock under certain conditions. In addition, so long as any Preferred Stock is outstanding, DP&L's Amended Articles of Incorporation contain provisions restricting the payment of cash dividends on any of its Common Stock if, after giving effect to such dividend, the aggregate of all such dividends distributed subsequent to December 31, 1946 exceeds the net income of DP&L available for dividends on its Common Stock subsequent to December 31, 1946, plus $1,200,000. As of year end, all earnings reinvested in the business of DP&L were available for Common Stock dividends.

The Credit Agreement requires that the aggregate assets of DP&L and its subsidiaries (if any) constitute not less than 60% of the total consolidated assets of DPL Inc., and that DP&L maintain common shareholder's equity (as defined in the Credit Agreement) at least equal to $550 million.

Item 6 - SELECTED FINANCIAL DATA

The information required by this item of Form 10-K is set forth on page 14 of the registrant's 1993 Annual Report, which page is incorporated herein by reference.

Item 7 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The information required by this item of Form 10-K is set forth in Note 2 of Notes to Consolidated Financial Statements on page 21 and on pages 1, 13, 15 and 16 of the registrant's 1993 Annual Report, which pages are incorporated herein by reference.

Item 8 - FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The information required by this item of Form 10-K is set forth on page 14 and on pages 17 through 27 of the registrant's 1993 Annual Report, which pages are incorporated herein by reference.

Report of Independent Accountants
on Financial Statement Schedules

To The Board of Directors of DPL Inc.

Our audits of the consolidated financial statements referred to in our report dated January 25, 1994 appearing on page 27 of the 1993 Annual Report to Shareholders of DPL Inc. (which report and consolidated financial statements are incorporated by reference in this Annual Report on Form 10-K) also included an audit of the Financial Statement Schedules listed in Item 14(a) of this Form 10-K. In our opinion, these Financial Statement Schedules present fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements.

Price Waterhouse
Dayton, Ohio
January 25, 1994

Item 9 - CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

PART III
- --------

Item 10 - DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

Directors of the Registrant
- ---------------------------

The information required by this item of Form 10-K is set forth on pages 2 through 5 of DPL Inc.'s definitive Proxy Statement dated March 2, 1994, relating to the 1994 Annual Meeting of Shareholders ("1994 Proxy Statement"), which pages are incorporated herein by reference, and on pages I-21 and I-22 of this Form 10-K.

Item 11 - EXECUTIVE COMPENSATION

The information required by this item of Form 10-K is set forth on pages 9 through 15 of the 1994 Proxy Statement, which pages are incorporated herein by reference.

Item 12 - SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The information required by this item of Form 10-K is set forth on pages 3 through 6 and on pages 14 and 15 of the 1994 Proxy Statement, which pages are incorporated herein by reference.

Item 13 - CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

None.

PART IV

Item 14 - EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

	Pages of 1993 Form 10-K Incorporated by Reference
Report of Independent Accountants....................	II-2

(a) Documents filed as part of the Form 10-K

1. Financial Statements	Pages of 1993 Annual Report Incorporated by Reference
Consolidated Statement of Results of Operations for the three years in the period ended December 31, 1993....................................	17
Consolidated Statement of Cash Flows for the three years in the period ended December 31, 1993.....	18
Consolidated Balance Sheet as of December 31, 1993 and 1992...	19
Notes to Consolidated Financial Statements...........	20 - 26
Report of Independent Accountants....................	27

2. Financial Statement Schedules

For the three years in the period ended December 31, 1993:

		Page No.
Schedule V	- Property and plant	IV-7 - IV-9
Schedule VI	- Accumulated depreciation and amortization	IV-10 - IV-12
Schedule VII	- Obligations relating to securities of other issuers	IV-13
Schedule VIII	- Valuation and qualifying accounts	IV-14
Schedule IX	- Short-term borrowings	IV-15
Schedule X	- Supplementary income statement information	IV-16

The information required to be submitted in schedules I, II, III, IV, XI, XII and XIII is omitted as not applicable or not required under rules of Regulation S-X.

3. Exhibits

The following exhibits have been filed with the Securities and Exchange Commission and are incorporated herein by reference.

		Incorporation by Reference
2	Copy of the Agreement of Merger among DPL Inc., Holding Sub Inc. and DP&L dated January 6, 1986..................	Exhibit A to the 1986 Proxy Statement (File No. 1-2385)
3(a)	Copy of Amended Articles of Incorporation of DPL Inc. dated January 4, 1991, and amendment dated December 3, 1991.......................	Exhibit 3 to Report on Form 10-K for year ended December 31, 1991 (File No. 1-9052)
4(a)	Copy of Composite Indenture dated as of October 1, 1935, between DP&L and The Bank of New York, Trustee with all amendments through the Twenty-Ninth Supplemental Indenture.................	Exhibit 4(a) to Report on Form 10-K for year ended December 31, 1985 (File No. 1-2385)
4(b)	Copy of the Thirtieth Supplemental Indenture dated as of March 1, 1982, and The Bank of New York, Trustee......	Exhibit 4(h) to Registration Statement No. 33-53906
4(c)	Copy of the Thirty-First Supplemental Indenture dated as of November 1, 1982, between DP&L and The Bank of New York, Trustee................................	Exhibit 4(h) to Registration Statement No. 33-56162
4(d)	Copy of the Thirty-Second Supplemental Indenture dated as of November 1, 1982, between DP&L and The Bank of New York, Trustee................................	Exhibit 4(i) to Registration Statement No. 33-56162
4(e)	Copy of the Thirty-Third Supplemental Indenture dated as of December 1, 1985, between DP&L and The Bank of New York, Trustee................................	Exhibit 4(e) to Report on Form 10-K for year ended December 31, 1985 (File No. 1-2385)
4(f)	Copy of the Thirty-Fourth Supplemental Indenture dated as of April 1, 1986, between DP&L and The Bank of New York, Trustee................................	Exhibit 4 to Report on Form 10-Q for quarter ended June 30, 1986 (File No. 1-2385)
4(g)	Copy of the Thirty-Fifth Supplemental Indenture dated as of December 1, 1986, between DP&L and The Bank of New York, Trustee................................	Exhibit 4(h) to report on Form 10-K for the year ended December 31, 1986 (File No. 1-9052)

4(h)	Copy of the Thirty-Sixth Supplemental Indenture dated as of August 15, 1992, between DP&L and The Bank of New York, Trustee...............................	Exhibit 4(i) to Registration Statement No. 33-53906
4(i)	Copy of the Thirty-Seventh Supplemental Indenture dated as of November 15, 1992, between DP&L and The Bank of New York, Trustee...............................	Exhibit 4(j) to Registration Statement No. 33-56162

4(j)	Copy of the Thirty-Eighth Supplemental Indenture dated as of November 15, 1992, between DP&L and The Bank of New York, Trustee..............................	Exhibit 4(k) to Registration Statement No. 33-56162
4(k)	Copy of the Thirty-Ninth Suplemental Indenture dated as of January 15, 1993, between DP&L and The Bank of New York, Trustee...............................	Exhibit 4(k) to Registration Statement No. 33-57928
4(l)	Copy of the Fortieth Supplemental Indenture dated as of February 15, 1993, between DP&L and The Bank of New York, Trustee...............................	Exhibit 4(m) to Report on Form 10-K for the year ended December 31, 1992 (File No. 1-2385)
4(m)	Copy of the Credit Agreement dated as of November 2, 1989 between DPL Inc., the Bank of New York, as agent, and the banks named therein................	Exhibit 4(k) to DPL Inc.'s Registration Statement on Form S-3 (File No. 33-32348)
4(n)	Copy of Shareholder Rights Agreement between DPL Inc. and The First National Bank of Boston................	Exhibit 4 to Report on Form 8-K dated December 13, 1991 (File No. 1-9052)
10(a)	Description of Management Incentive Compensation Program for Certain Executive Officers.....................	Exhibit 10(c) to Report on Form 10-K for the year ended December 31, 1986 (File No. 1-9052)
10(b)	Copy of Severance Pay Agreement with Certain Executive Officers........	Exhibit 10(f) to Report on Form 10-K for the year ended December 31, 1987 (File No. 1-9052)
10(c)	Copy of Supplemental Executive Retirement Plan amended August 6, 1991..................................	Exhibit 10(e) to Report on Form 10-K for the year ended December 31, 1991 (File No. 1-9052)

18	Copy of preferability letter relating to change in accounting for unbilled revenues from Price Waterhouse.........	Exhibit 18 to Report on Form 10-K for the year ended December 31, 1987 (File No. 1-9052)

The following exhibits are filed herewith:

		Page No.
3(b)	Copy of Amendment dated April 20, 1993 to DPL Inc.'s Amended Articles of Incorporation.........................	
10(d)	Amended description of Directors' Deferred Stock Compensation Plan effective January 1, 1993.............	
10(e)	Amended description of Deferred Compensation Plan for Non-Employee Directors effective January 1, 1993....	
10(f)	Copy of Management Stock Incentive	

Plan amended January 1, 1993..........

13	Copy of DPL Inc.'s 1993 Annual Report to Shareholders......................	
21	Copy of List of Subsidiaries of DPL Inc...............................	
23	Consent of Price Waterhouse...........	

Pursuant to paragraph (b)(4)(iii)(A) of Item 601 of Regulation S-K, the Company has not filed as an exhibit to this Form 10-K certain instruments with respect to long-term debt if the total amount of securities authorized thereunder does not exceed 10% of the total assets of the Company and its subsidiaries on a consolidated basis, but hereby agrees to furnish to the SEC on request any such instruments.

(b) Reports on Form 8-K

None

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

DPL Inc.

Registrant

March 15, 1994 Peter H. Forster

Peter H. Forster
Chairman, President and Chief
Executive Officer

Pursuant to the requirements of the Securities Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

T. J. Danis (T. J. Danis)	Director	March 15, 1994

	Director	March , 1994
(J. F. Dicke, II)		
P. H. Forster	Director and Chairman (principal executive officer)	March 15, 1994
(P. H. Forster)		
Ernie Green	Director	March 15, 1994
(E. Green)		
J. G. Haley	Director	March 15, 1994
(J. G. Haley)		

A. M. Hill	Director	March 15, 1994
(A. M. Hill)		
	Director	March , 1994
(W A. Hillenbrand)		
T. M. Jenkins	Group Vice President and Treasurer (principal financial and accounting officer)	March 15, 1994
(T. M. Jenkins)		
	Director	March , 1994
(R. J. Kegerreis)		
	Director	March , 1994
(B. R. Roberts)		

<TABLE>
<CAPTION>

Schedule V - 1993

DPL INC.
PROPERTY AND PLANT (1)
For the year ended December 31, 1993

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F
Classification	Balance Beginning of Period	Additions At Cost	Retirements or Sales (2)	Other Changes - Additions (Deductions) (3)	Balance at End of Period
	Thousands				
<S>	<C>	<C>	<C>	<C>	<C>
Utility	$3,128,407	$ 86,385	$10,191	$ 89	$3,204,690
Other	39,214	10,331	620	327	49,252
Total property and plant . .	3,167,621	96,716	10,811	416	3,253,942
Construction work in progress .	42,720	(7,855)	-	959	35,824
Total	$3,210,341	$ 88,861	$10,811	$ 1,375	$3,289,766

(1) See Notes 1 and 7 of Notes to Consolidated Financial Statements of the 1993 Annual Report.

(2) Retirements are at original cost.

(3) Consists primarily of amortization of acquisition adjustments and other adjustments or transfers between plant accounts.

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Schedule V - 1992

DPL INC.
PROPERTY AND PLANT (1)
For the year ended December 31, 1992

COLUMN A Classification	COLUMN B Balance Beginning of Period	COLUMN C Additions At Cost	COLUMN D Retirements or Sales (2)	COLUMN E Other Changes - Additions (Deductions) (3)	COLUMN F Balance at End of Period
	Thousands				
<S>	<C>	<C>	<C>	<C>	<C>
Utility	$3,088,638	$ 52,737	$12,513	$ (455)	$3,128,407
Other	38,045	1,262	451	358	39,214
Total property and plant . .	3,126,683	53,999	12,964	(97)	3,167,621
Construction work in progress .	36,287	4,973	-	1,460	42,720
Total	$3,162,970	$ 58,972	$12,964	$ 1,363	$3,210,341

(1) See Notes 1 and 3 of Notes to Consolidated Financial Statements of the 1992 Annual Report.

(2) Retirements are at original cost.

(3) Consists primarily of amortization of acquisition adjustments and other adjustments or transfers between plant accounts.

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Schedule V - 1991

DPL INC.
PROPERTY AND PLANT (1)
For the year ended December 31, 1991

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F
Classification	Balance Beginning of Period	Additions At Cost	Retirements or Sales (2)	Other Changes - Additions (Deductions) (3)	Balance at End of Period
	Thousands				
<S>	<C>	<C>	<C>	<C>	<C>
Utility	$2,031,737	$1,068,662	$11,294	$ (467)	$3,088,638
Other	36,971	1,045	387	416	38,045
Total property and plant . .	2,068,708	1,069,707	11,681	(51)	3,126,683
Construction work in progress .	991,569	(952,316)	-	(2,966)	36,287
Total	$3,060,277	$ 117,391	$11,681	$(3,017)	$3,162,970

(1) See Notes 1, 2 and 11 of Notes to Consolidated Financial Statements of the 1991 Annual Report.

(2) Retirements are at original cost.

(3) Consists primarily of amortization of acquisition adjustments and other adjustments or transfers between plant accounts.

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Schedule VI - 1993

DPL INC.
ACCUMULATED DEPRECIATION AND AMORTIZATION (1)
For the year ended December 31, 1993

COLUMN A Classification	COLUMN B Balance at Beginning of Period	COLUMN C Additions Charged to Income	COLUMN D Retirements, Renewals and Replacements	COLUMN E Other Changes - Additions (Deductions)	COLUMN F Balance at End of Period
	Thousands				
<S>	<C>	<C>	<C>	<C>	<C>
Utility	$861,943	$105,460	$10,178	$(2,186)	$955,039
Other	19,870	2,462	168	(2)	22,162
Total.	$881,813	$107,922 (2)	$10,346	$(2,188) (3)	$977,201

(1) See Note 1 of Notes to Consolidated Financial Statements of the 1993 Annual Report.

<S>		<C>
(2) Additions charged to income--		
Depreciation and amortization expense (per above)		$107,922
Other		2,981
Total per Consolidated Statement of Results of Operations		$110,903
(3) Consists of--		
Depreciation and amortization charged to other accounts		268
Net removal cost/salvage--		
Removal cost	$(2,316)	
Salvage	948	
Net		(1,368)
Net increase (decrease) in Retirement work in progress.		(1,234)
Adjustments to previously recorded activity		146
Total		$ (2,188)

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Schedule VI - 1992

DPL INC.
ACCUMULATED DEPRECIATION AND AMORTIZATION (1)
For the year ended December 31, 1992

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F
Classification	Balance at Beginning of Period	Additions Charged to Income	Retirements, Renewals and Replacements	Other Changes - Additions (Deductions)	Balance at End of Period
	Thousands				
<S>	<C>	<C>	<C>	<C>	<C>
Utility	$774,127	$103,353	$12,742	$(2,795)	$861,943
Other	18,279	1,755	186	22	19,870
Total.	$792,406	$105,108 (2)	$12,928	$(2,773) (3)	$881,813

(1) See Note 1 of Notes to Consolidated Financial Statements of the 1992 Annual Report.

<S>		<C>
(2) Additions charged to income--		
Depreciation and amortization expense (per above)		$105,108
Other		488
Total per Consolidated Statement of Results of Operations		$105,596
(3) Consists of--		
Depreciation and amortization charged to other accounts		$ 214
Net removal cost/salvage--		
Removal cost	$(6,589)	
Salvage	755	
Net		(5,834)
Net increase (decrease) in Retirement work in progress.		3,043
Adjustments to previously recorded activity		(196)
Total		$ (2,773)

</TABLE>

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Schedule VI - 1991

DPL INC.
ACCUMULATED DEPRECIATION AND AMORTIZATION (1)
For the year ended December 31, 1991

COLUMN A	COLUMN B	COLUMN C		COLUMN D	COLUMN E		COLUMN F
Classification	Balance at Beginning of Period	Additions Charged to Income		Retirements, Renewals and Replacements	Other Changes - Additions (Deductions)		Balance at End of Period
	Thousands						
<S>	<C>	<C>		<C>	<C>		<C>
Utility	$698,497	$94,032		$11,294	$(7,108)		$774,127
Other	16,287	2,102		128	18		18,279
Total.	$714,784	$96,134	(2)	$11,422	$(7,090)	(3)	$792,406

(1) See Note 1 of Notes to Consolidated Financial Statements of the 1991 Annual Report.

<S>		<C>
(2) Additions charged to income--		
Depreciation and amortization expense (per above)		$96,134
Amortization of goodwill		57
Other		241
Total per Consolidated Statement of Results of Operations		$96,432
(3) Consists of--		
Depreciation and amortization charged to other accounts		$ 509
Net removal cost/salvage--		
Removal cost	$(6,219)	
Salvage	(93)	
Net		(6,312)
Net increase (decrease) in Retirement work in progress.		(1,279)
Adjustments to previously recorded activity		(8)
Total		$(7,090)

</TABLE>

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DPL INC.
OBLIGATIONS RELATING TO SECURITIES OF OTHER ISSUERS

At December 31, 1993

Name of Issuer of Securities	Title of Issue of Each Class of Securities	Amount	Nature of Obligation
<S>	<C>	<C>	<C>
County of Boone, Kentucky	Collateralized Pollution Control Revenue Refunding Bonds	$48 million (1)	Principal plus $3.1 million of interest

(1) DP&L is obligated to pay the principal of and interest on $48 million of 6.50% Collateralized Pollution Control Revenue Refunding Bonds Series A Due 2022 issued by Boone County, Kentucky. In December 1992, DP&L transferred $12.7 million of the proceeds from the sale of these bonds to The Cincinnati Gas & Electric Company (CG&E). CG&E is responsible for the payment of the principal and related interest; however, DP&L retains primary liability for the obligations. This transfer resulted from the reduction of the DP&L's ownership share in the first unit at the East Bend generating station, commonly owned with CG&E.

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Schedule VIII

DPL INC.

VALUATION AND QUALIFYING ACCOUNTS

For the years ended December 31, 1993, 1992 and 1991

COLUMN A	COLUMN B	COLUMN C		COLUMN D	COLUMN E
		Additions			
Description	Balance at Beginning of Period	Charged to Income	Other	Deductions (1)	Balance at End of Period
	------------thousands------------				
<S>	<C>	<C>	<C>	<C>	<C>
1993:					
Deducted from accounts receivable--					
Provision for uncollectible accounts...	$ 10,461	$ 1,353	$ -	$2,692	$ 9,122
1992:					
Deducted from accounts receivable--					
Provision for uncollectible accounts...	$ 11,510	$ 1,675	$ -	$2,724	$10,461
1991:					
Deducted from accounts receivable--					
Provision for uncollectible accounts...	$ 10,267	$ 5,058	$ -	$3,815	$11,510

(1) Amounts written off, net of recoveries of accounts previously written off.

</TABLE>

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Schedule IX

DPL INC.
SHORT-TERM BORROWINGS

For the years 1993, 1992 and 1991

COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E	COLUMN F

Category of Aggregate Short-Term Borrowings	Balance at End of Period	Weighted Average Interest Rate	Maximum Amount Outstanding During the Period	Average Amount Outstanding During the Period (1)	Weighted Average Interest Rate During the Period (1)
	--thousands--		---------thousands---------		
<S>	<C>	<C>	<C>	<C>	<C>
1993--					
Lines of Credit....	$10,000	3.679%	$24,000	$ 8,399	3.380%
Commercial Paper...	$15,000	3.339%	$62,000	$ 9,005	3.373%
Revolving Credit Agreement........	-	-	$90,000	$ 5,990	3.848%
1992--					
Commercial Paper...	$62,000	3.550%	$62,000	$19,060	3.650%
Lines of Credit....	-	-	$52,500	$10,026	4.309%
Revolving Credit Agreement........	$90,000	4.131%	$90,000	$15,890	3.960%
1991--					
Commercial Paper...	$23,500	5.293%	$69,500	$18,704	6.333%
Lines of Credit....	$21,000	5.214%	$29,000	$10,170	5.896%
Revolving Credit Agreement..........	$40,000	5.500%	$40,000	$ 6,630	6.707%

(1) Based on daily balances

</TABLE>

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Schedule X

DPL INC.
SUPPLEMENTARY INCOME STATEMENT INFORMATION

For the years ended December 31, 1993, 1992 and 1991

COLUMN A	COLUMN B

Classification	1993	1992	1991
	------------------thousands------------------		
General taxes--			
<S>	<C>	<C>	<C>
Property	$ 56,204	$ 54,302	$42,598
State public utility excise	47,014	45,405	44,548
Payroll and other	8,832	8,768	8,289
Total per Consolidated Statement of Results of Operation	$112,050	$108,475	$95,435

</TABLE>

EXHIBIT INDEX

Exhibit	
3(b)	Copy of Amendment dated April 20, 1993 to DPL Inc.'s Amended Articles of Incorporation.........................
10(d)	Amended description of Directors' Deferred Stock Compensation Plan effective January 1, 1993.............
10(e)	Amended description of Deferred

	Compensation Plan for Non-Employee Directors effective January 1, 1993....
10(f)	Copy of Management Stock Incentive Plan amended January 1, 1993...........
13	Copy of DPL Inc.'s 1993 Annual Report to Shareholders........................
21	Copy of List of Subsidiaries of DPL Inc................................
23	Consent of Price Waterhouse............

Exhibit 3(b)

CERTIFICATE OF AMENDMENT
TO
AMENDED ARTICLES OF INCORPORATION AS AMENDED
OF
DPL INC.

Stephen F. Koziar, Jr., Group Vice President, and Judy W. Lansaw, Vice President and Secretary, of DPL Inc., a for profit corporation organized and existing under the General Corporation Law of the State of Ohio, with its principal office located in Dayton, Montgomery County, Ohio, do hereby certify that at the Annual Meeting of the holders of the shares of said Corporation entitling them to vote on the proposal to amend the Amended Articles of Incorporation as amended, as contained in the following resolution, was duly called and held on the 20th day of April, 1993, at which meeting a quorum of each class of shareholders entitled to vote on the proposal was present in person or by proxy, and that by the affirmative vote of the holders of shares entitled under the Articles to exercise at least two-thirds of the voting power of each class of shares of the Corporation on such proposal, the following resolution amending the Amended Articles of Incorporation as amended of the Corporation was duly adopted as permitted by Section 1701.71(A)(1) of the Revised Code:

RESOLVED, that in order to increase the number of authorized Common Shares of the Corporation, the first paragraph of Article FOURTH of the Articles of Incorporation is hereby amended to read in its entirety as follows:

FOURTH: The authorized number of shares of the Corporation is 258,000,000 which shall be classified as follows:

8,000,000 Preferred Shares, without par value (hereinafter called "Preferred Shares"); and
250,000,000 Common Shares, with a par value of $.01 per Share (hereinafter called "Common Shares".)

IN WITNESS WHEREOF, said Stephen F. Koziar, Jr., Group Vice President, and Judy W. Lansaw, Vice President and Secretary, of DPL Inc., acting for and on behalf of said Corporation, have hereunto subscribed their names this 7th day of June, 1993.

DPL INC.

By Stephen F. Koziar, Jr.

Stephen F. Koziar, Jr.
Group Vice President

By Judy W. Lansaw

Judy W. Lansaw
Vice President and Secretary

Exhibit 10(d)

DPL INC.
DIRECTORS' DEFERRED STOCK COMPENSATION PLAN
DESCRIPTION OF PLAN

DPL Inc. has a deferred stock compensation plan for directors of The Dayton Power and Light Company and DPL Inc. Directors who are not employees of DPL Inc. or The Dayton Power and Light Company receive 200 common shares of DPL Inc. annually beginning with the fiscal year 1986 pursuant to the Directors' Deferred Stock Compensation Plan. This plan provides for deferral of the shares to a Master Trust established by DPL Inc. to secure its obligations under various directors and officers deferred and incentive compensation plans. Receipt of the shares or cash equal to the value thereof is deferred until the participant retires as a director or until such other time as designated by the participant. The plan was amended effective January 1, 1993 to provide that upon termination of a participant's status as a director for any reason after a change in control of DPL Inc., the participants benefits under the plan shall be payable in cash in a lump sum as valued under the plan.

Exhibit 10(e)

DPL INC.
DEFERRED COMPENSATION PLAN
DESCRIPTION OF PLAN

DPL Inc. has established a Deferred Compensation Plan for non-employee Directors in which payment of directors' fees may be deferred. This plan includes a matching deferred income program which provides that DPL Inc. will match $5,000 annually of deferred directors' fees for a maximum of ten years. Under the program, a $150,000 death benefit is provided until such director ceases to make an annual deferral contribution to the plan. Participants in the program are entitled to receive deferred payments of at least $10,000 for ten years. In December 1986, the plan was amended to provide that in the event of a change in control of DPL Inc., as defined in the plan, all benefits provided under the supplementary deferral income program become immediately vested without the need for further contributions by the participants and the discretion which, under the plan, is exercisable to the Chief Executive Officer will be exercised by the trustees of a Master Trust. Subject to the consent of the Chief Executive Officer of DPL Inc., participants may receive accelerated payouts from their standard deferral amount at anytime. If the consent of the Chief Executive Officer of DPL Inc. is obtained, individuals who have attained the age of 55 and who are no longer directors of DPL Inc. may begin receiving payments of amounts credited to them under the supplementary deferral income program of at least $10,000.00 for ten years. The Plan was amended effective January 1, 1993 to provide that directors shall receive all of their benefits under the plan in a lump sum upon the termination of the director's status as a director after a change in control of DPL Inc.

Exhibit 10(f)

THE DAYTON POWER AND LIGHT COMPANY

MANAGEMENT STOCK INCENTIVE PLAN

(Amended Effective January 1, 1993)

Section 1. Purposes.

The purposes of the Plan are (i) to attract and retain in the employment of the Company executives of experience and ability by providing incentives to those who contribute to the successful operation of the business and affairs of the Company, (ii) to increase the identity of interests of such key employees with those of the Company's shareholders, (iii) to encourage achievement of the Company's long term goals and objectives, and (iv) to prevent frustration of the goals of this Plan in the event of a Change of Control.

Section 2. Definitions.

The following terms as used herein shall have the following meanings:

(a) "Board of Directors" means the Board of Directors of DPL Inc. in place from time to time prior to a Change of Control.

(b) "Change of Control" means any change in control of DPL, or its principal subsidiary, DP&L, of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"); provided that, without limitation, such a Change of Control shall be deemed to have occurred if (i) any "person" (as such term is defined in Sections 13(d) and 14(d)(2) of the Exchange Act; hereafter, a "Person") other than DPL or DP&L or an entity then directly or indirectly controlling, controlled by or under common control with DPL or DP&L is on the date hereof, or becomes or commences a tender offer to become the beneficial owner, directly or indirectly, of securities of DPL or DP&L representing 15% or more of the combined voting power of the then outstanding securities of DPL or DP&L; (ii) DPL or DP&L enters into an agreement to merge or consolidate itself, or an agreement to consummate a "combination" or "majority share acquisition" in which it is the "acquiring corporation") as such terms are defined in Ohio Rev. Code 1701.01 as in effect on December 31, 1990) and in which shareholders of DPL or DP&L, as the case may be, immediately prior to entering into such agreement, will beneficially own, immediately after the effective time of the merger, consolidation, combination or majority share acquisition, securities of DPL or DP&L or any surviving or new corporation, as the case may be, having less than sixty-seven percent (67%) of the "voting power" of DPL or DP&L or any surviving or new corporation, as the case may be, including "voting power" exercisable on a contingent or deferred basis as well as immediately exercisable "voting power", excluding any merger of DPL into DP&L or of DP&L

into DPL; (iii) DPL or DP&L enters into an agreement to sell, lease, exchange or otherwise transfer or dispose of all or substantially all of its assets to any Person other than to a wholly-owned subsidiary or, in the case of DP&L, to DPL; but not including a mortgage or pledge of assets granted in connection with a financing; (iv) any transaction referred to in (ii) or (iii) above is consummated; or (v) those persons serving as directors of DPL or DP&L on the date of this agreement (the "Original Directors") and/or their Successors do not constitute a majority of the whole Board of Directors of DPL or DP&L, as the case may be (the term "Successors" shall mean those directors whose election or nomination for election by shareholders has been approved by the vote of at least two-thirds of the Original Directors and previously qualified Successors serving as directors of DPL or DP&L, as the case may be, at the time of such election or nomination for election).

(c) "CEO" means DP&L's Chief Executive Officer, duly installed, from time to time, prior to a Change of Control. However, "Committee" will be substituted for "CEO" in discussing the CEO's rights and benefits under the Plan.

(d) "Committee" means the Management Review and Compensation Committee of the Board of Directors of DPL Inc. or such other committee(s) as may be designated by the Board of Directors of DPL Inc. from time to time to administer the Plan.

(e) "Company" means The Dayton Power and Light Company ("DP&L"), DPL Inc. ("DPL") and any entity which, prior to a Change of Control, is controlling, controlled by or under common control with DP&L or DPL Inc.

(f) "Deferred Payment Date" means the date on which payments of deferred Stock Incentive Units shall be made or commence.

(g) "Dividend Equivalent" means the expression on the Company's books of a dividend with respect to a Stock Incentive Unit; each Dividend Equivalent being equal to the cash dividends paid from time to time on one Share.

(h) "Earned Stock Incentive Units" means Stock Incentive Units which have been awarded and have been earned in accordance with Section 6, together with all Dividend Equivalents with respect to such Earned Stock Incentive Units in accordance with Section 6 (including any Stock Incentive Units credited to the Participant's account as the result of the conversion of such Dividend Equivalents into Stock Incentive Units).

(i) "Fair Market Value" means the average of the closing sale price of a Share on the last trading day of each of the four calendar months preceding the date the value of a Share is to be determined, as reported on the New York Stock Exchange - Composite Transactions Tape.

(j) "Incentive Period" means the period established by the Committee with respect to each Stock Incentive Award, over which period the Stock Incentive Units included in such award are to be earned as provided in Section 6(d) of the Plan. The Incentive Period shall be specified by the Committee in and with respect to each Stock Incentive Award made. If the Incentive Period is not so specified then it shall be the calendar plan year to which the Stock Incentive Award relates.

(k) "Plan" means this Management Stock Incentive Plan.

(l) "Share" means a Common Share of DPL Inc.

(m) "Stock Incentive Award" means an award made under the Plan with respect to a specified Incentive Period.

(n) "Stock Incentive Unit" means the expression on the Company's books of a unit which is equivalent to one Share.

Section 3. Administration.

(a) Committee. The Plan shall be administered by the Committee. No director shall serve as a voting member of the Committee if he is then, or was at any time within one year prior to his appointment, eligible to participate in the Plan or eligible for selection as a person to whom Shares may be allocated or to whom stock options may be granted pursuant to any other plan of the Company or any of its affiliates, other than the DP&L Directors' Deferred Stock Compensation Plan and the Directors' Deferred Compensation Plan, entitling the participants therein to acquire Shares, options or stock appreciation rights of the Company or any of its affiliates.

(b) Authority and Discretion. Prior to a Change of Control, the Committee shall have the power to interpret the Plan and, subject to the provisions herein set forth, to prescribe, amend and rescind rules and regulations and make all other determinations necessary or desirable for the administration of the Plan. The decision of the Committee on any questions concerning or involved in the interpretation or administration of the Plan shall be final and conclusive, and nothing in the Plan shall be deemed to give any officer or employee, his legal representatives or assigns, any right to participate in the Plan except to such extent, if any, as the Committee may have determined or approved pursuant to the provisions of the Plan.

Section 4. Eligibility.

Employees eligible to participate in the Plan shall be those full-time salaried employees of the Company or any entity comprising the Company who, in the opinion of the Committee, serve in key executive, administrative, professional or technical capacities with the Company or any entity comprising the Company and have made a significant contribution to the successful operation of the Company or any entity comprising the Company.

Section 5. Participants.

From the employees eligible to participate in the Plan, the Committee may annually choose those who shall actually participate for that year in the Plan (the "Participants"), and shall determine the number of Stock Incentive Units to comprise each Participant's Stock Incentive Award. In choosing the Participants and in determining the number of Stock Incentive Units comprising a Stock Incentive Award, the Committee shall consider, after consulting with the CEO concerning his recommendations on these matters, the positions and responsibilities of the eligible employees, their accomplishments during recent periods, the corporate and individual objectives jointly established with the CEO, the value of such accomplishments to the Company, and such other factors as the Committee deems pertinent. The Company may determine in any year during the term of the Plan not to make any Stock Incentive Awards with respect to such year.

Section 6. Operation of the Plan.

(a) Stock Incentive Awards. Stock Incentive Awards shall be made by the Committee at such time or times as it may determine; however, Stock Incentive Awards shall generally be made in the year preceding commencement of the next plan year. At the time the Committee makes a Stock Incentive Award, it shall determine the aggregate number of Stock Incentive Units which may be earned by each Participant over the Incentive Period. Except as expressly provided in a Stock Incentive Award, the terms and conditions of the Plan shall be deemed to be incorporated in and shall control all Stock Incentive Awards. However, to the extent inconsistent with this Plan, the terms of a Stock Incentive Award (other than a Stock Incentive Award applicable to Previously Earned Units) shall control this Plan.

(b) Previously Awarded Stock Incentive Units. Previously awarded Stock Incentive Units shall be deemed to have been earned or, in the future, will be earned to the extent to which they would have been earned if Section 6(d) had been in effect at the time they previously were awarded and based on the Incentive Period applicable to the related Stock Incentive Award previously awarded.

(c) Crediting of Stock Incentive Units and Dividend Equivalents. Earned Stock Incentive Units for each year following the effective date of the Plan accrue and shall be credited to a Participant's separate account under the Plan on the first day of the month following the date on which they are earned. On each dividend payment date a Dividend Equivalent shall be credited to such account for each Earned Stock Incentive Unit (or, if and to the extent that the related Stock Incentive Award otherwise provides, for Stock Incentive Units awarded, whether or not such units are Earned Stock Incentive Units) credited to the Participant's account. On any dividend payment date when the value of accumulated Dividend Equivalents on Stock Incentive Units as provided above in a Participant's account equals the Fair Market Value of a full Share on such date, such Dividend Equivalents shall, subject to the terms of the Stock Incentive Award, the terms of which shall control this Plan to the extent inconsistent herewith, be credited to the Participant's account as an Earned Stock Incentive Unit. Such separate accounts are established only as a mechanism for measuring the potential amount of cash which may be distributed under the Plan. The Company shall retain beneficial ownership of all Stock Incentive Units and Dividend Equivalents credited to the accounts and such amounts will be subject to the claims of DP&L's creditors. No Participant or beneficiary has or will have any property interest in deferred amounts or in any specific assets of the Company.

(d) Earning of Stock Incentive Units. Awarded Stock Incentive Units shall be earned as specified in the related Stock Incentive Award. Subject to such Stock Incentive Award, the terms of which shall control this Plan to the extent inconsistent herewith, the maximum number of Stock Incentive Units which may be earned in any one year shall be equal to the product obtained by multiplying the total number of Stock Incentive Units included in a Stock Incentive Award by a fraction, the numerator of which is one and the denominator of which is the number of calendar years in the Incentive Period. For example, in the case of a Stock Incentive Award for which a one-year Incentive Period applies, all of the Stock Incentive Units may be earned in the calendar year to which the Stock Incentive Award relates, and in the case of a Stock Incentive Award for which a three year Incentive Period has been fixed by the Committee, up to one-third of the Stock Incentive Units included in the Stock Incentive Award may be earned each year. Unless the related Stock Incentive Award otherwise provides, by its terms or by implication, prior to or as soon as practicable after the end of each calendar year the Committee will review with each Participant his or her achievement of the related performance goals and will specify the number of Stock Incentive Units which have been earned for that year by the Participant.

Section 7. Payments Under The Plan.

(a) Right to Payment of Earned Stock Incentive Units. A Participant shall be entitled to receive payment for an awarded Stock Incentive Unit in a given year of the Incentive Period only if such Stock Incentive Unit shall have been earned under the provisions of Section 6(d). Except as provided under Section 10 and Section 7(d) hereof, a Stock Incentive Unit, though earned, only becomes vested (and, thus, ultimately payable) if the Participant is employed by the Company on the last day of the year of the Incentive Period in which the Participant could earn a portion of the particular Stock Incentive Units awarded. All Stock Incentive Units which do not become so vested shall be forfeited. The Committee may, however, accelerate the earning and vesting of any Stock Incentive Units awarded whether or not earned or vested, if it determines in its sole opinion that such action is warranted.

(b) Time of Payment of Earned Stock Incentive Units. Payment for Earned Stock Incentive Units which have been vested under Section 7(a) and Section 7(d) shall, unless otherwise expressly provided in the related Stock Incentive Award, be made in accordance with the provisions of Section 8 hereof.

(c) Withholdings. There shall be deducted from all payments any taxes required by an Federal, state, or local government to be withheld and paid over to the government for the account of the Participant.

(d) Special Provision for Vesting of Certain Earned Stock Incentive Units. All Earned Stock Incentive Units earned by Participants under Section 6(d) during the period from the inception of the Plan in 1984 through 1991 ("Previously Earned Units") will vest in four equal annual installments commencing in 1991 and not later than December 31 of each year thereafter. The Participant must be employed by the Company on the date of an installment in order to become vested in and be entitled to payment with respect to the Previously Earned Units vesting on that date. Notwithstanding the above sentence, in the event of (i) the death of a Participant, (ii) the Disability, as defined in paragraph 5.A.

(or successor provision) of the Participant's severance letter agreement with the Company (or, if the Participant is not then a party to a severance letter agreement, under circumstances in which payments under paragraph 5.A. [or any successor provision] of the most restrictive severance letter agreement between the Company and any employee [in terms of triggering the Company's obligation to pay benefits to the employee] would become due and payable to the Participant if he were a party thereto), of a Participant or (iii) a Change of Control, except for a Change of Control consisting only of the commencement of a tender offer, then all Previously Earned Units which have not yet vested shall immediately become fully vested and shall be paid in accordance with the provisions of

Section 8 of the Plan(or Section 10 of the Plan in the case of a Change of Control).

Section 8. Deferral Provisions.

(a) Filing of Election Form. Under the Plan, a Participant must elect to defer payment of any amounts earned under the Plan by providing the Company with a written Election Form, a copy of which is attached hereto as Exhibit A (the "Deferral Election Form"), prior to the commencement of the Incentive Period which the Committee uses as a basis for determining what portion of the particular annual installment of his Stock Incentive Award may be earned. For example, if a Participant were to elect to defer payment of Stock Incentive Units which would be deemed to be earned on December 31, 1990, the Election Form must be received by the Company prior to January 1, 1990.

(b) Payment of Amounts Deferred Under the Plan. Payment of a Participant's deferred Stock Incentive Units or of a Participant's "Cash Account" (as defined in Section 8(d) below) shall be made, or commence, on the Deferred Payment Date specified by the Participant in his Deferral Election Form, provided such date is after his termination of employment. Prior to his termination of employment, a Participant shall specify on his Deferral Election Form whether the Stock Incentive Units which are Earned Stock Incentive Units at the termination of his employment shall be credited to a deferred account as Stock Incentive Units or as part of his Cash Account.

(c) Earned Stock Incentive Units Credited as Stock Incentive Units. The following provisions shall apply to a Participant who has elected to have his Earned Stock Incentive Units at termination of employment credited to a deferred account as Stock Incentive Units:

(i) Lump Sum Payment. In the event lump sum payment has been elected, payment shall be made as soon as possible (but in no event more than 60 days) after the Deferred Payment Date specified by the Participant. Deferred payments shall be made in cash. For purposes of determining the amount of cash payments, the Fair Market Value of a Share on the Deferred Payment Date shall be used.

(ii) Installment Payments. If a Participant has elected to be paid his deferred Earned Stock Incentive Units in up to ten equal annual installments commencing on the Deferred Payment Date specified by him, the first installment shall be paid in cash, as soon as practicable (but in no event more than 10 days) after the Deferred Payment Date specified by him. The second installment shall be paid on the twentieth

day of January of the year following the year in which the first installment payment was made. Additional installments, if any, shall be paid on each January 20th thereafter until the Participant's account has been settled in full. For purposes of determining the amount of any cash payments, the Fair Market Value of a Share on the Deferred Payment Date shall be used for the first installment and for each subsequent installment, the Fair Market Value of a Share on the January 15th immediately preceding the January 20th installment payment date shall be used.

(d) Earned Stock Incentive Units Credited as Cash. Under the Plan, except as otherwise provided in this Section 8(d), a Participant may elect to have all or any portion of his Earned Stock Incentive Units converted to cash at any time and from time to time prior to termination of employment, and on the date of termination of his employment as provided in Section 8(b) hereof (collectively and individually the "Conversion Date(s)") and held in his deferred account as cash (the "Cash Account"). Once Earned Stock Incentive Units have been credited to a Participant's Cash Account, no portion of such Cash Account may thereafter be reconverted into or credited as Stock Incentive Units. The amount credited to a Participant's Cash Account on a Conversion Date shall be equal to the value of the Participant's Earned Stock Incentive Units so converted on the Conversion Date based on an amount equal to the closing sales price on the New York Stock Exchange Composite Transaction Tape, on the Conversion Date, of Common Shares of DPL Inc. The Company shall pay interest on funds credited to a Participant's Cash Account at a rate equal to the average yield of the annualized AA utility bond average as published in Moody's Bond Survey for the preceding quarter, and shall credit such interest quarterly. If a Participant has elected to have his Cash Account paid, upon termination of employment, in a lump sum payment or in equal annual installments, the date on which a lump sum payment shall be paid or the date on which installment payments shall be paid shall be the same as provided in Section 8(c)(i) and (ii) for payment of Earned Stock Incentive Units deferred as Stock Incentive Units. The foregoing to the contrary notwithstanding, if, prior to termination of employment, a Participant elects to convert Earned Stock Incentive Units to cash and, following such conversion, if the Fair Market Value of such Participant's Earned Stock Incentive Units on such Conversion Date would be less than such Participant's "Threshold Amount" (as defined below), then the number of Earned Stock Incentive Units converted to cash shall be reduced so that the Fair Market Value of such Participant's Earned Stock Incentive Units on such Conversion Date shall equal the Participant's Threshold Amount. The Participants' Threshold Amounts are as follows:

Executive	Threshold Amount
Chief Executive Officer of DPL Inc.	Four Times Annual Base Salary
Chief Executive Officer of DP&L; DP&L Executives in Charge of Service and Power Plant Functions	Three Times Annual Base Salary
All Other Executives	Two Times Annual Base Salary

"Annual Base Salary" shall be computed before deduction for any deferred compensation or other employee deferrals.

(e) Early Payment. Subject to Section 10, a Participant may in no event receive a distribution of all or a portion of amounts of cash or Earned Stock Incentive Units credited to his accounts prior to the time that the Participant elected to receive such amounts pursuant to Section 8(a). Notwithstanding the foregoing, the Committee may, upon receiving a written request from the Participant and determining that a distribution is in the best interest of the Company and the Participant taking into account the financial condition of each, distribute all or a portion of the deferred compensation credited to the Participant's account.

(f) Lack of Stock Exchange Listing. In the event that the Shares cease to be listed on the New York Stock Exchange, then all Earned Stock Incentive Units shall be converted into cash, on the date that the Shares cease to be so listed, in an amount equal to the Fair Market Value of the Participants' Earned Stock Incentive Units on such date (the "Conversion Price"). In the event the Shares cease to be so listed as a result of a Change of Control, the Conversion Price shall be the higher of (i) the Fair Market Value, or (ii) the closing sales price on the New York Stock Exchange--Composite Transaction Tape, on the date the Shares cease to be so listed. The account of each Participant shall be credited with an amount of cash equal to the Conversion Price of the Earned Stock Incentive Units credited to his account, and the Company shall pay interest on such account balance at an annual rate equal to the average yield of the annualized AA utility bond average as published in Moody's Bond Survey for the preceding quarter, and shall credit such interest quarterly. If the amount payable to a Participant under this Section 8(f) is higher than the amount payable to such Participant under Section 10(b) hereof, then the amount payable under this Section 8(f) shall be made.

Section 9. Master Trust.

A. Initial Transfers, Participant's Account. The Company has secured the performance of its obligations to Participants under this Plan by establishing and funding a master trust (hereinafter the "Master Trust") in such amounts of cash and/or Shares as the Company has determined to be equal to the value of a participant's Earned Stock Incentive Units, or other currently vested or earned benefits under the Plan ("Initial Transfer"). The Master Trust is governed by the terms of an Amended Master Trust dated January 1, 1991, pursuant to which each Participant has been assigned separate accounts as a mechanism for measuring the potential benefits which may be distributed in the future.

B. Successive Transfers. On each successive quarterly anniversary date of the date of the Initial Transfer, the Company shall transfer such amounts of cash and/or Shares as it shall determine to be equal to the value of benefits of Participants under the Plan which benefits have vested or have been earned (i.e., all Earned Stock Incentive Units) during the immediately preceding three (3) month period.

C. Title to Funds. DP&L shall retain beneficial ownership of all assets transferred to the Master Trust and such assets will be subject to the claims of DP&L's creditors. No Participant or beneficiary has or will have any property interest in the assets held in the Master Trust or in any other specific asset of the Company.

Section 10. Change of Control.

(a) Automatic Transfer of Authority. Any and all authority and discretion which is exercisable by the Committee, or the CEO, as heretofore or hereafter described in the Plan, shall automatically be transferred to the Trustees of the Master Trust in the event of a Change of Control.

(b) Acceleration Upon Change of Control. Upon the subsequent termination of the Participant's employment for any reason at any time after a Change of Control, except for a Change of Control consisting only of the commencement of a tender offer, any and all awarded Stock Incentive Units (other than to the extent related to a completed Incentive Period for which the determination of the number of Earned Stock Incentive Units has already been made; and not to exceed the number of Stock Incentive Units comprising the target award under the applicable Stock Incentive Award regardless of the potential to earn more than such target award if and as provided in such Stock Incentive Award) shall be deemed to be Earned Stock Incentive Units and, notwithstanding any other provision of this Plan, any Stock Incentive Award or any installment election by the Participant to the contrary, all Earned Stock Incentive Units (including, without limitation, Previously Earned Units), and a Participant's entire Cash Account, including all accrued interest therein, shall be immediately payable to the Participant in a lump sum in cash in an amount equal to the higher of (i) an amount based on the higher of the closing sales price on the New York Stock Exchange--Composite Transaction Tape on the date of termination or the date on which a Change of Control occurs, whichever is greater, of Common Shares of DPL Inc. , or (ii) the amount payable to a Participant under Section 8(f).

(c) (Intentionally left blank.)

(d) Funding of Master Trust. Upon a Change of Control, the Company shall immediately transfer to the Master Trust an amount of cash which, when combined with the other assets of the Master Trust contributed or accruing thereto under or by reason of Section 9 hereof, are equal to the value of benefits of Participants under the Plan (i.e., the value of all Earned Stock Incentive Units) accrued through the date of occurrence of the Change of Control event, determined after application of Section 10(b), and by assuming that all Stock Incentive Units previously awarded have become Earned Stock Incentive Units.

Section 11. Notices.

Any notice, election or any request required or permitted hereunder, which is to be mailed or requested from the Secretary or the CEO of the Company, shall be delivered or mailed, postage prepaid, as follows:

(a) Prior to a Change of Control, to the Corporate Secretary of the Company at:

The Dayton Power and Light Company
MacGregor Park
1065 Woodman Drive, P.O. Box 1247
Dayton, Ohio 45432

Attention: Corporate Secretary

(b) After a Change of Control, to the Trustees at:

Trust Department
Bank One, Dayton, NA
Kettering Tower
Dayton, Ohio 45401

The Company or Trustees may from time to time change their addresses for receipt of notices by giving notice of such change to the Participants, but no such change shall be deemed to be effective until notice thereof is actually received by the Participant to whom it is directed.

Section 12. Conditions Upon Awards and Payments.

No provision of the Plan or any Stock Incentive Award shall be binding upon the Company or enforceable against the Company to the extent that it would cause the Company not to comply with all relevant provisions of state and federal law.

Section 13. No Right to Employment.

Nothing in the Plan shall confer upon any Participant or other eligible employee the right to continue in the employment of the Company or affect any right the Company may have to terminate the employment of any Participant or other eligible employee.

Section 14. No Rights as Shareholders.

Participants who receive Stock Incentive Awards under the Plan shall have no rights as shareholders of the Company as a result thereof.

Section 15. Non-Uniform Determinations.

The Committee's determination under the Plan (including, without limitation, its selection of Participants to receive Stock Incentive Awards, the length of Incentive Periods, and the amount of timing of awards) need not be uniform, and may be made by it selectively among persons who receive, or are eligible to receive Stock Incentive Awards under the Plan, whether or not such persons are similarly situated.

Section 16. Non-Transferability.

Neither a Participant, nor his beneficiary, nor any other individual shall have any right by way of anticipation or otherwise to alienate, sell, transfer, assign, pledge, charge or otherwise dispose of any benefits which may become payable under this Plan, prior to the time that payment of any such benefit is made, and any attempted anticipation, alienation, sale, transfer, assignment, pledge, charge, or other disposition shall be null and void. Furthermore, to the extent permitted by law, none of the benefits payable under this Plan shall be subject to the claim or legal process of the creditors or the Participant, or his beneficiary.

Section 17. Adjustments Upon Changes in Capitalization.

In the event of a change in outstanding Shares by reason of a Share dividend, recapitalization, merger, consolidation, splitup, combination or exchange of share, or the like, the number of Stock Incentive Units allocated to a Participant's account shall be adjusted by the Committee (whose determination in each case shall be conclusive) to give effect as may be appropriate to any increase

or decrease in the number of issued and outstanding Shares as a result thereof.

Section 18. Interpretation and Amendment.

This Plan will be administered by the Committee. The decision of the Committee with respect to the administration or interpretation of the Plan will be final and binding. The Committee reserves the right, prior to a Change in Control, to modify or terminate the Plan; provided, however (i) no modification shall affect an election to defer payments already in effect for the current calendar year or any preceding calendar year, and (ii) following a Change of Control the Committee's discretion will be exercised by the Trustees of the Master Trust; provided further that the Trustees shall have no authority to terminate the Plan.

Section 19. Gender and Number.

Except when indicated by the context, any masculine terminology used herein shall also include the feminine, and the use of any term herein in the singular may also include the plural.

Section 20. Choice of Law.

This Plan shall be construed, rendered and governed by the laws of the State of Ohio.

EXHIBIT A

THE DAYTON POWER AND LIGHT COMPANY

MANAGEMENT STOCK INCENTIVE PLAN

DEFERRAL ELECTION FORM

Instructions:

This Election Form relates to Stock Incentive Units deferred pursuant to the Management Stock Incentive Plan (the "Plan"). Under the Plan, deferred Stock Incentive Units are credited to a Participant's Account in a Master Trust created by DP&L.

1.Crediting of Stock Incentive Units (Check one).

_____I request that my Earned Stock Incentive Units on termination of employment be credited as Stock Incentive Units.

_____I request that my Earned Stock Incentive Units on termination of employment be credited to my Cash Account.

2.Payments. Payments shall be made from the Plan as follows (check one):

a. ___lump sum payment.

b. ___annually over a period of up to ten years. (Specify number of years _______)

Upon my death (check one):

___payments to my beneficiary shall continue or commence in the same method to be paid to me as elected above.

___payments are to be made to my beneficiary in a lump sum.

DESIGNATION OF BENEFICIARY

In the event of my death all payments required to be made under the Plan shall be made to the following person:

Name of designated beneficiary: ___________________________________

Address of designated

beneficiary: ____________________________________

____

____

If the above-designated beneficiary does not survive me, payments will be made to the following successor beneficiary (or to my estate on failure to designate otherwise):

Name of designated beneficiary: ____________________________________

Address of designated beneficiary: ____________________________________

____

____

____
Signature

____
Date

This Election Form was received by the Secretary of the Company on ______________________.

____
Secretary

Exhibit 13

Setting The Direction
(see appendix for artwork description)
Our People Making It Happen
(see appendix for photo description)
Neighbors Working Together
(see appendix for artwork description)
1993 Annual Report
(see appendix for artwork description)
Performing Responsibly

[cover]

DPL Inc.

DPL Inc. was formed in 1986 as a holding company. Its principal subsidiary is The Dayton Power and Light Company ("DP&L"). DP&L sells electricity and natural gas to residential, commercial, industrial and governmental customers in a 6,000 square mile area of West Central Ohio, and employs over 3,100 people. Electricity for DP&L's 24 county service area is generated at eight power plants and is distributed to 464,000 retail customers. On a wholesale basis, electric energy is supplied to 12 municipalities. Natural gas service is provided to 286,000 customers in 16 counties. DP&L also provides steam service to 200 customers in downtown Dayton for heating and industrial processing.

The corporate offices of DPL Inc. are located at Courthouse Plaza Southwest, Dayton, Ohio 45402 (513) 224-6000

DP&L Service Area
(see appendix for description of artwork)

About This Report
The interests of shareholders, employees and the community are all interrelated. These relationships are guided by the Board of Directors and Management setting the direction and creating the strategies.

Those strategies are fulfilled by our employees making it happen and working together with the community. Performing responsibly in all these areas leads to greater value for the shareholder.

Contents

[inside cover]

<TABLE>
<CAPTION>

FINANCIAL AND OPERATING HIGHLIGHTS

<S>	<C>	<C> 1993	<C> 1992	<C> % change
Financial Performance:				
Return on shareholders' equity	%	13.7	13.0	
Earnings per share of common stock	$	1.42	1.34	6
Dividends paid per share	$	1.12	1.08	4
Return on total capital	%	11.0	11.2	
Market value per share at December 31	$	20-5/8	19-3/4	4
Book value per share at December 31	$	10.51	9.75	8
Total electric and natural gas revenues (millions).	$	1,146.4	1,013.1	13
Taxes per share	$	1.95	1.72	13
Number of common shareholders		53,275	54,023	(1)
Cash provided by operating activities (millions)	$	235.3	173.3	36
First Mortgage Bond Ratings:				
Duff & Phelps, Inc.		AA-	A+	
Moody's Investors Service		A2	A2	
Standard & Poor's Corporation		A	A	
Capital Investment Performance:				
Construction additions (millions)	$	88.9	59.0	51
Construction expenditures paid from internal funds	%	100	100	
DP&L Operating Performance:				
Electric--				
Average price per kWh-retail and wholesale customers (calendar year)	cents	6.07	5.69	7
Fuel efficiency--				
Heat rate--Btu per kWh		9,793	9,766	-
Industry average		10,340	10,322	-
Fuel savings (millions)	$	12.0	11.7	3
System peak load--MW (calendar year)		2,765	2,559	8
Reserve margin--capacity relative to peak load	%	9.1	17.9	
Gas--				
Average price per MCF--retail customers (calendar year)	$	5.42	4.36	24

</TABLE>

Setting The Direction

A new era of competition, regulatory change and business restructuring is proceeding at an accelerated rate. As elected representatives of all shareholders, your Board of Directors will continue to set the direction for the Company in this rapidly changing environment. The corporate governance process, established more than a decade ago, defines the Company's long-term business strategy that ensures a fair rate of return for our shareholders, while achieving industry-leading productivity and quality service for our customers.

DPL Inc.'s Board of Directors has the primary responsibility of ensuring the long-term success of the corporation and balancing the needs of both the shareholders and customers. This is accomplished through the well-defined structure of the committees highlighted below, as well as the high level of commitment that each board member has to help shape the right decisions and to take the necessary actions. The strong, independent composition of the Board and the diversity of its members provide the leadership that keeps DP&L's performance at the forefront of the industry.

Finance and Audit Review Committee

DPL Inc.'s actions have resulted in a solid financial foundation and industry-leading financial performance in 1993. The Finance and Audit Review Committee oversees the corporate financial plans and recommends policies and actions that ensure these achievements. This committee also establishes the corporate environment in relation to fiscal accountability and internal controls. In addition, it acts as the communications link between our independent auditors, the Board of Directors and the Company's internal auditors.

Compensation and Management Review Committee

Development of corporate goals and reviewing the performance of officers and key management employees at DPL Inc. is the primary focus of this committee. Consisting entirely of

Robert J. Kegerreis
Ernie Green
Jane G. Haley
James F. Dicke, II

outside, non-employee members of the Board of Directors, this committee establishes the overall compensation plans for officers and directors, including performance-based incentive plans.

Executive Committee

Setting the direction for the Company's long-range strategic planning and executive management development are the critical functions of the Executive Committee. This committee is also involved in developing the organizational structure to best achieve corporate objectives. Members are also on standby--ready to respond immediately in the event of an emergency that requires immediate action.

The non-employee members of this committee form the nominating committee for the Board of Directors. The committee identifies and screens candidates with the best overall qualifications and accomplishments. Selection is made without regard to race, gender or religious affiliation and on the basis of the individual's ability to make a significant contribution to the responsible and profitable conduct of DPL Inc.'s business.

Community and External Relations Committee of The Dayton Power and Light Company

Ensuring that the proper relationships between the Company and its many constituents-- shareholders, customers, governmental agencies, elected officials and the media-- remain strong is the key role of the Community and External Relations Committee. With DP&L's continuing focus on customer service, this committee plays a vital role in establishing new directions and customer programs. In 1993, two new economic development programs and a number of new scholarship programs were approved, further enhancing the customer and community efforts of the Company.

Burnell R. Roberts
Thomas J. Danis
W August Hillenbrand

Directors

Thomas J. Danis (1)
Formerly Chairman and Chief Executive Officer,
The Danis Companies, Dayton, Ohio

James F. Dicke, II (2) (3)
President, Crown Equipment Corporation,
New Bremen, Ohio

Peter H. Forster (1) (3) (4)
Chairman, President and Chief Executive Officer, DPL Inc.
Chairman, DP&L, Dayton, Ohio

Ernie Green (1) (4)
President and Chief Executive Officer,
Ernie Green Industries, Dayton, Ohio

Jane G. Haley (1) (4)
President, Gosiger Inc., Dayton, Ohio

Allen M. Hill (1) (4)
President and Chief Executive Officer,
DP&L, Dayton, Ohio

W August Hillenbrand (1) (4)
President and Chief Executive Officer,
Hillenbrand Industries, Batesville, Indiana

Robert J. Kegerreis (1) (2) (3)
President Emeritus, Wright State University,
Dayton, Ohio

Burnell R. Roberts (2) (3)
Formerly Chairman and Chief Executive Officer,
The Mead Corporation, Dayton, Ohio

All Directors of DPL Inc. are also Directors of DP&L.
1993 Committee Assignments:
DPL Inc. - Finance and Audit Review (1)
Compensation and Management Review (2)
Executive (3)
DP&L - Community and External Relations (4)

Creating
The Strategies:

DPL Inc.'s management challenge is to maintain our position as a Company which represents a low risk financial investment for our shareholders in an increasingly competitive and higher risk industry while providing superior total returns.

Peter H. Forster	Allen M. Hill
Chairman & CEO, DPL Inc.	President & CEO, DP&L
(see appendix for photo description)	(see appendix for photo description)

To Our Shareholders:

DPL Inc. stands uniquely positioned as one of the top energy companies in the nation, dedicated and prepared to meet the challenges of the future. In 1993, contributions from our employees in every area combined to build on the strong foundation to position your Company as a major competitive force in a changing energy environment.

Industry leading financial performance set new records in 1993. DPL Inc. achieved solid financial results in this year of unprecedented, industry-wide change. Earnings improved to $1.42 per share, from $1.34 per share in 1992. Return on shareholders' equity was 13.7%. Our market-to-book ratio of 196% is among the top ten in the nation for energy companies, demonstrating exceptional value. And, the price of DPL Inc. common stock reached an all-time high, with total return, including reinvested dividends, of 160% over the last five years. This compares to an industry average return of less than 70%.

In February, we demonstrated our commitment to provide the best current return for you, our shareholders, by increasing the annual dividend by 5.4%, or 6 cents per share, representing the seventh annual increase in the last eight years. Cash flow is expected to continue to improve over the next several years, with our modest capital program and improved earnings quality. Earnings and dividends are expected to increase as the economy in West Central Ohio grows and we continue to hold the line on costs.

For the second consecutive year, the credit rating of The Dayton Power and Light Company was upgraded in an industry that saw many downgrades in 1993. The senior debt is now rated "AA-" by Duff & Phelps. This is a return to a level of credit worthiness last achieved by DP&L over twenty years ago. DP&L is one of only a handful of utilities whose debt ratings are trending upward in this new, more competitive business environment.

In 1993, DP&L completed the largest financing program in its history. More than 75% of the Company's one billion dollars of outstanding long-term debt was affected. The program reduced the average cost of long-term debt to just under 8.0%, representing savings of approximately $8 million per year for many years to come. Future financial risk was also minimized by the extension of average maturities from fourteen years to nearly twenty-eight years.

DP&L received high marks in 1993 for its performance. The efficiency of our generating plants, measured by heat rate, ranked third best in the nation in 1992, our

highest ranking ever. Heat rate, which is the amount of energy it takes to produce one kilowatt of electricity, was 9,793 Btu/kWh in 1993. Our efficiency has been among the best in the industry historically, with top ten status in nine of the last ten years.

Combined high levels of efficiency and productivity keep our energy prices low and save customers millions of dollars every year. Over the last five years, our performance has saved customers a combined total of more than $145 million. In this competitive environment, operating a generating system which is consistently reliable and efficiently managed to meet customer needs at all times is vital to our future success. When we hit an all-time electric usage peak of 2,765 MW last July, we demonstrated our ability to meet the challenge and had every unit on-line to provide the necessary energy for our customers.

In our Customer Service areas, we continue to actively manage operations and are seeing the results of our aggressive customer programs. All of our vital service results and comparisons reflected a successful year for our customer service team.

Significant progress was made in 1993 to meet the energy needs of West Central Ohio in an environmentally safe and competitively priced manner. Our long-term energy and environmental plans were approved by the Public Utilities Commission of Ohio and in cooperation with many other parties involved in the proceedings. The implementation of these plans will be accomplished with lower amounts of capital provided entirely by internally generated funds. This strategy, in turn, will make our energy prices even more competitive.

Our efforts and planning over the last decade have built financial strength, operational excellence and a strong commitment to customer service. This is what differentiates DPL Inc. from the rest of an increasingly competitive energy industry. These accomplishments will ensure a fair rate of return for the shareholder while providing quality service and competitive prices to every customer as we continue to build upon our strengths.

As a final note, Dr. Robert J. Kegerreis will be retiring as a Director after the Annual Meeting of Shareholders in April. Dr. Kegerreis has served as a Director since 1975, making significant and lasting contributions during the most challenging and successful period of your Company's history. We offer our sincere appreciation to Dr. Kegerreis on behalf of all of our Shareholders, Directors, Customers and Employees and wish him well in his future endeavors. His wisdom and leadership will be greatly missed.

PETER H. FORSTER
Peter H. Forster
Chairman & CEO,
DPL Inc.

Return On Shareholders' Equity
Percent
(see appendix for graph description)

Earnings Per Share
Dollars
(see appendix for graph description)

Dividends Per Share
Dollars
(see appendix for graph description)

Total Return--Five Year
Average Annual Return
Percent (with reinvested dividends)
(see appendix for graph description)

Our People Making It Happen

Our employees are dedicated to achieve the results that are necessary for us to compete through the balance of this decade and beyond. Our primary goals are to remain a low cost energy producer, provide top level quality customer service and competitive prices, and develop and implement plans which increase shareholder value. Through these efforts we will achieve the financial success for you our shareholder and stand apart as a leader in the energy industry.

Our outstanding 1993 results demonstrated the exceptional and dedicated efforts of our employees. Rankings in the top ten nationally for the efficiency and productivity of our generating facilities distinguishes us as industry leaders once again.

We developed and implemented plans that successfully manage changing regulatory and legislative requirements. Financial achievements in 1993 included a major debt refunding program that significantly reduced the cost of debt and lessened future financial risk.

The performance of DP&L's generating facilities continues to be among the best in the utility industry. A compelling example of our outstanding record of successful operations is in power plant efficiency. Our system heat rate, a measure of the amount of energy it takes to produce one kilowatt of electricity, was 9,793 Btu/kWh, substantially better than the industry average of 10,340 Btu/kWh. This performance ranked third in the nation, the highest ranking ever achieved by the Company and the ninth time in the last decade that we have been rated in the top ten. High operational standards and planning ahead contributed to the exceptional reliability of our generating units in 1993. DP&L units achieved an equivalent forced outage rate ("EFOR") of 4.9%, compared to the industry average of 7.2%. EFOR measures the amount of time that an unplanned outage occurs at a generating unit when its capacity is needed by customers.

High levels of efficiency and productivity contribute to competitive prices. Over the last five years, performance in these areas has saved our customers more than $145 million. In July, our customers consumed more energy than in any single month in our history. Setting an all time peak for electric usage of 2,765 MW, we surpassed our previous peak of 2,730 MW, set in July 1991.

Customer service continues to exceed expectations and set new standards for success. A strong emphasis placed on superior performance in fundamental areas is the foundation of our competitive strength. Overall customer satisfaction with our service measured a strong 96% in 1993. Appointments kept was higher than 99%, phones answered topped 96%, and meters read

Heat Rate
BTU/kWh
(see appendix for graph description)

was more than 94%. These results prove that we're there when our customers need us, consistently delivering one of the best energy products to be found anywhere.

DPL Inc. achieved its financial goals in 1993, as the West Central Ohio economy continued to outperform Ohio and the nation as a whole. Earnings increased to $1.42 per share. Return on shareholders' equity was 13.7% in 1993 versus 13.0% last year. Key factors included area unemployment rates that measured consistently below 6% for the year, well below the state and the nation, and steady growth in sales to business customers. In addition, a return to more normal weather and careful management of costs also contributed to our strong and improved financial results.

We will continue to make aggressive contributions to the development of our customer base and promote the strengths of West Central Ohio. DP&L has been successful in developing and implementing effective programs, helping to create over 53,000 jobs since 1986. TargetSearch, a new program in 1993, assists area communities in matching their strengths with compatible industries from all over the country. Aimed at attracting new businesses, TargetSearch is an effective development tool to help the communities we serve grow and prosper. Economic development will continue to be a vital component of our long-term competitive strategy.

WorkSmart, another new economic development program, and the first of its kind, was also unveiled in 1993 and is designed to link energy efficiency with job growth. With this program, DP&L business and governmental customers who create new jobs receive a credit based on their monthly electric bill. By creating at least ten new jobs, customers will receive a credit of up to 20% of their electric bill. Accumulated credits can then be used to pay for projects that increase each company's energy efficiency and productivity. Credits vary based on the number of jobs created by both new and existing business and governmental customers.

Over the past year we continued to strengthen the commitment of our demand-side management ("DSM") program. This unique program is a key part of our long-term energy resource strategy and helps us reach out to thousands of customers to provide individualized energy services. By offering energy conservation

Caption to photo:
Committed to providing reliable service, DP&L employees work through potentially hazardous conditions to Make it Happen. DP&L service restoration people provide immediate action to outages and ensure quick response during storm situations.
(see appendix for photo description)

Caption to photo:
Company-sponsored programs encourage and promote a healthy lifestyle, resulting in long-term benefits for employees and enhanced job performance for our customers.
(see appendix for photo description)

programs, we're helping to inform customers about how to use energy wisely. Since inception, our initiatives have been highly successful with over twenty programs in place and more than 125,000 participants.

Our state-of-the-art Energy Resource Center is designed to further complement our extensive customer programs. The Center showcases the latest in energy saving technology. Major areas include lighting, home and business applications and a comprehensive Energy Workshop and Resource Library. In addition, this unique center is home to all of our DSM programs and provides hands-on information about the best energy values. As a result, our customers can make informed energy choices that can add to the quality and comfort of their business and personal lifestyles and save money in the long term.

Remaining competitive and meeting customer energy requirements includes planning for future energy requirements. DP&L's Integrated Resource Plan ("IRP"), approved by the Public Utilities Commission of Ohio ("PUCO") this year, outlines the future mix of supply-side and customer programs. Our plans include continuing customer energy programs, operating our generating facilities at high levels of productivity and efficiency and adding a small number of peaking units as needed by our customers. These new peaking units will be clean, dual-fired, combustion turbines that can burn natural gas and low sulfur fuel oil. Because of their small size, the units can be built relatively quickly and brought on-line economically, providing the flexibility needed to efficiently meet the increasing energy demands of our customers.

The Company's Clean Air Act Compliance Plan was also approved by the PUCO this year. DP&L's least cost strategy, which is also supported by our customer programs, includes the continued use of low sulfur coal, a practice which DP&L began over twenty years ago. The cost impact in Phase I, which will begin January 1, 1995, is expected to be relatively small. Contracts for low sulfur coal are in place and should not affect prices to customers by more than 1-2%. Capital spending will primarily be for emissions monitors and low nitrogen oxide burner technology and will be funded internally, allowing us to maintain our competitive price position.

DP&L also completed the nation's first full-scale testing of an environmental technology that reduces nitrogen oxide emissions. Working with the Department of Energy, the Ohio

Coal Development Office and eight other companies, DP&L showed that these newly developed nitrogen oxide cell burners can cost-effectively reduce emissions without any sacrifice of plant performance.

Significant steps were undertaken in 1993 to enhance the management of our natural gas supply. The implementation, in 1993, of Federal Energy Regulatory Commission Order Number 636 ("Order 636") significantly modified the structure of the nation's interstate pipeline operations and shifted additional supply responsibility to distribution companies such as DP&L. Through pipeline acquisition and extensive diversification to five pipelines and over forty natural gas supply sources, we have attained great flexibility in this new environment. This flexibility provides the foundation for meeting the requirements of Order 636. Supply choices, manageable exposure to transition costs and storage provisions reduce the purchase risk of Order 636 and ensure reliable and competitively priced natural gas for our customers.

Our new six year labor agreement further supplements the productive and cooperative work environment at DP&L. The consultative working relationships reinforced in this agreement continue to focus on productivity and team effort while providing continuity to our compensation and manpower needs.

DP&L continues to strengthen its commitment to provide the finest training possible, enabling employees to expand their knowledge and increase their skill level. Through our Skills Enhancement Program, employees can further their education and work toward a degree right at a DP&L work location. Working with a local community college to offer a wide variety of educational opportunities, this program is slated for expansion in 1994.

The people of Team DP&L demonstrate their commitment to shareholders, and to all of West Central Ohio by giving their best, resulting in the excellent accomplishments of 1993. It is this dedication that allows us to balance the needs of all those we serve and to meet the challenges ahead.

Caption to photo:
DP&L's Energy Resource Center features the latest in energy saving technologies for residential and business customers. The Commercial Technology Center displays lighting and manufacturing choices available for industrial applications. Kim Steel, Kyle King and Walt Hibner, Energy Resource Center employees.
(see appendix for photo description)

Caption to photo:
Energy efficient lighting is one of the most effective ways to improve energy value. This fluorescent bulb uses two-thirds less energy than a standard incandescent bulb, representing real savings for residential customers.
(see appendix for photo description)

Caption to photo:
The Meals-on-Wheels program is an example of how DP&L employees generously offer their time to help the citizens of West Central Ohio.
(see appendix for photo description)

Caption to photo:
WorkSmart, the first program of its kind in Ohio, forms a direct relationship between job growth and improved energy efficiency.

Beginning with a comprehensive on-site evaluation, the program includes an energy audit and recommendations. Shaffer Manufacturing Corp. is a manufacturer of commercial baking mixers and participates in the program to add jobs while earning credits towards energy efficient improvements. Pictured here are Mike Serrer, Manager of the Sidney Customer Energy Center and Mike Shaffer, President of Shaffer Manufacturing Corp.

Available to all business and governmental customers, WorkSmart is one way we're Working Together to make West Central Ohio stronger.
(see appendix for photo description)

Caption to graph:
Consistently high customer satisfaction ratings demonstrate our Company-wide commitment to customer service.

Customer Satisfaction
Percent
(see appendix for graph description)

Neighbors Working Together

Dayton Power and Light and West Central Ohio enjoy a tradition of partnership in finding unique solutions to difficult challenges. Fundamental change in the energy industry has introduced profound new challenges and opportunities. DPL Inc. will continue to work for solutions that minimize potential risks and increase the quality of life in West Central Ohio.

DP&L's long standing management philosophy to proactively develop community, governmental and regulatory relationships has been a key to our success. In the new, dynamic environment shaped by comprehensive regulatory initiatives and competitive forces in the energy industry, successful solutions will be reached together, and not in isolation.

The employees of Team DP&L continue to take a leadership role in responding to the challenges of local communities throughout West Central Ohio. Over the past year, more than 2,300 hours have been contributed to community service. Employee participation in volunteer activities such as Meals-on-Wheels, the United Way and the March of Dimes Walk-a-Thon and others benefit thousands of area citizens. In addition, dozens of employees attended over 1,000 town and village council meetings throughout our service area to make sure we are ready to help. This type of community support is an essential part of West Central Ohio's growth and development and strengthens the link between the Company and all of our customers.

One of our greatest successes has been our role in the economic development of West Central Ohio. Since 1986, DP&L has offered programs to give incentives to our business and governmental customers who create new jobs, or to new customers who locate in the area. This partnership with area commerce has helped to generate over 53,000 jobs through new businesses or expansion of existing businesses. United Retail Group, a distributor of women's clothing, is a prime example of the level of success of these programs. In 1993 they created over 150 jobs while participating in our Investment in Business Program, and have plans to expand to 1,500 jobs. We now have an economy that is widely diversified from its industrial intensive profile of the mid-1970's.

DP&L works comprehensively with large customers in the area to ensure that their current and future energy needs will be met. Their ongoing presence is crucial to the economic vitality of West Central Ohio and it is our goal to support them in their own global business challenges. DP&L Energy Managers work with each of these major customers to provide the latest in energy technology for their business environment. This ensures that they receive the best energy value to help them bring competitive products and services to the market.

Wright-Patterson Air Force Base ("WPAFB") is one of the largest Air Force bases in the world, and is an important national strategic and research site. During the recent past, the

Air Force Logistics Command and the Systems Command were merged, resulting in the formulation of the Air Force Materiel Command with Headquarters at WPAFB. As a result, Dayton is the world center for Air Force research and logistics support.

In 1993, we worked extensively with WPAFB to supply compressed natural gas for use as a vehicular fuel. This partnership will result in fuel cost savings for WPAFB as well as reduced emissions from the use of cleaner natural gas vehicles.

General Motors maintains its significant presence in the West Central Ohio area. During 1993, General Motors invested $200 million in a new clear coat paint line at a major assembly plant in the area. They have also recently developed a new air bag production facility just north of Dayton. As a result, approximately 250 employees have been added to GM's Dayton-based workforce, and GM's future participation in the Dayton economy appears solid. DP&L assisted General Motors in 1993 in identifying and implementing numerous energy savings opportunities through comprehensive audits and demand-side management programs. These efforts will result in significant and ongoing savings for General Motors.

The northern corridor of our service area continues to make strong contributions to the area economy as well. Home to Honda facilities and many component manufacturers, this area has already experienced exceptional growth and the outlook remains positive. Honda's Acura Division has announced that a new 1996 Acura model will be built in the Honda East Liberty Plant. This both strengthens Honda's commitment to our service area and provides the opportunity for an increase in local supplier business with Honda.

The opening of "The Mall at Fairfield Commons" (the "Mall"), a new upscale shopping mall, offers both a real and symbolic sign of the vitality of the West Central Ohio economy. To facilitate the opening of the Mall, DP&L teams worked side by side over the past few years with the Mall planners and businesses to provide the complex with comprehensive electric and natural gas services to meet the Mall's great energy requirements. The Mall contains over 1.2 million square feet of shopping space, representing an investment of over $100 million and the creation of more than 3,000 jobs.

Economic growth in the area has helped individual businesses to prosper and has led to an abundance of quality of life enhancements.

Caption to photograph:
The "Mall at Fairfield Commons" represents more than 3,000 new jobs and enhanced retail choices for Miami Valley residents. Pat Swanke, DP&L Research Park Energy Center Manager and Chris Lavender, Manager of Fairfield Commons, work together to ensure that the energy requirements of the new mall are met.
(see appendix for photo description)

Caption to artwork and photograph:

DP&L works closely with state commissions and agencies to develop plans that provide balanced solutions to the energy challenges of the future. (see appendix for artwork and photo description)

Caption to photographs:
Major customers in our service area include General Motors, with several important manufacturing and assembly facilities, and Wright Patterson Air Force Base, world center for Air Force research and logistics support. (see appendix for photo description)

In addition to the convenience of new retail services, the cultural scene is thriving throughout the Miami Valley. Performance centers such as the Fraze Pavilion have brought top level music and drama attractions to our community. Dayton Power and Light continues its partnership with the Arts groups in the area to promote and make possible these important cultural and educational opportunities.

An effective and productive relationship continues to exist between DP&L, state regulatory officials and our local community representatives. This was demonstrated in 1993 by successful agreements on the major issues involved in our long term resource and environmental plans. The agreements represented the combined efforts of a broad-based group of businesses, elected officials and governmental agencies. The result of this cooperation is the best, most cost-effective programs for our customers that will continue to provide a fair return to our shareholders while reducing uncertainty and risk. As we move towards future challenges and opportunities, we will work hard to continue to enhance these relationships.

DP&L has a long-standing tradition of working with local schools, colleges and universities in developing educational programs and providing opportunities for area students. This tradition was further enhanced in 1993 with several new programs. New scholarship programs were initiated at Maysville College, and Wright State and Miami Universities, providing assistance for area students for years to come. Our co-op program continues to be successful, highlighted in 1993 by one of our co-op employees being named Ohio Student of the Year. In addition, our Energy Conservation efforts assisting over 65 schools in 1993 were recognized by Ohio Governor George Voinovich.

As we look ahead to a future of rapidly increasing competitiveness, change, and complexity, working together will be the key to getting the job done. We remain committed to working with all of our neighbors to make West Central Ohio a better place to work and live.

Caption to photograph:
The Fraze Pavilion exemplifies the vitality of Dayton area cultural attractions, presenting top level entertainers and performances in a splendid outdoor setting. (see appendix for photo description)

Caption to artwork:
"Way-to-Go", the umbrella theme for our residential customer energy programs, symbolizes the wide range of programs available to our customers to help them make energy-efficient choices. (see appendix for artwork description)

Financial Review

Electric Sales	Electric Revenues	Average Price-Electric
GWH	$ in millions	Calendar Year cents/kWh
(see appendix for graph description)	(see appendix for graph description)	(see appendix for graph description)

Gas Sales
Millions of MCF
(see appendix
for graph
description)

Gas Revenues
$ in millions
(see appendix
for graph
description)

Average Price-Gas
Calendar Year
$/MCF
(see appendix
for graph
description)

Construction Costs
$ in millions
(see appendix
for graph
description)

Operating Expenses
$ in millions
(see appendix
for graph
description)

Capital Structure
$ in millions
(see appendix
for graph
description)

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DPL Inc.
FINANCIAL AND STATISTICAL SUMMARY

<S>	<C>		1993 <C>	1992 <C>	1991 <C>	1990 <C>	1989 <C>
	For the years ended December 31,						
DPL Inc.:	Return on shareholders' equity	%	13.7	13.0	11.0	14.7	15.2
	Earnings per share of common stock	$	1.42	1.34	1.15	1.49	1.45
	Dividends paid per share	$	1.12	1.08	1.08	1.04	0.99
	Dividend payout ratio	%	78.9	80.6	93.9	69.8	68.3
	Net income (millions)	$	139.0	138.8	119.2	153.0	136.4
	Utility service revenues (millions)	$	1,151.3	1,017.3	995.6	945.5	956.3
	Construction additions (millions)	$	88.9	59.0	117.4	249.2	266.4
	Market value per share at December 31 . . .	$	20-5/8	19-3/4	17-1/4	12-7/8	13-1/2
DP&L:	Electric sales (millions of kWh)--						
	Residential		4,558	4,260	4,571	4,125	4,321
	Commercial		3,006	2,896	2,945	2,738	2,717
	Industrial		4,089	3,938	3,949	3,958	3,774
	Other		3,023	2,960	1,850	1,807	1,772
	Total		14,676	14,054	13,315	12,628	12,584
	Gas sales (thousands of MCF)--						
	Residential		28,786	27,723	26,594	25,486	29,917
	Commercial		8,468	8,642	8,368	8,259	9,125
	Industrial		3,056	4,914	6,014	5,934	6,670
	Other		3,171	3,402	3,187	3,076	3,347
	Transportation gas delivered		13,401	10,811	8,494	8,093	7,252
	Total		56,882	55,492	52,657	50,848	56,311

At December 31,

DPL Inc.:	Book value per share . . . . $	10.51	9.75	10.38	10.31	9.84
	Total assets (millions) . . . . $	3,305.0	2,976.7	2,972.7	2,914.8	2,784.8
	Long-term debt and preferred stock with mandatory redemption provisions (millions) . . . . $	1,132.9	990.6	1,047.1	1,055.5	1,064.0
DP&L:	First mortgage bond ratings--					
	Duff & Phelps, Inc.	AA-	A+	BBB+	BBB+	BBB+
	Moody's Investors Service	A2	A2	A3	A3	A3
	Standard & Poor's Corporation	A	A	BBB+	BBB+	BBB+
	Number of Shareholders					
DPL Inc.:	Common	53,275	54,023	53,846	53,030	53,197
DP&L:	Preferred	1,873	1,969	2,034	2,100	2,166

</TABLE>

FINANCIAL REVIEW

The 1993 earnings are $1.42 per share, compared to earnings per share of $1.34 in 1992 and $1.15 in 1991. The return on shareholders' equity was 13.7% in 1993 compared to 13.0% in 1992 and 11.0% in 1991.

Electric revenues increased 11% in 1993 and 2% in 1992. Warm summer temperatures contributed to the 4% sales increase. Implementation of the second phase of the electric rate increase of 6.4% in January 1993 also contributed to the increase in revenues. (See Financial Statement Note 2.) An overall sales increase of 6% in 1992 reflected strong sales to other utilities despite mild temperatures throughout the year.

Gas revenues increased 20% in 1993 due to significantly higher gas cost rates. A 6.2% increase in base rates in March 1992 contributed to the increased revenues. Gas sales increased by 3%. Gas revenues increased 1% in 1992 with lower gas cost rates offsetting increased weather-related sales of 5%.

In 1993, interest and other income included $6 million of interest income associated with a federal income tax refund from the 1986-1988 audit period.

Operating and administrative expenses increased 17% in 1993 and decreased 6% in 1992. Included are redemption premiums and other refinancing costs of $23 million in 1993 and $9 million in 1992. Maintenance expense increased 17% in 1993 and decreased 16% in 1992 reflecting changes in the level of planned maintenance programs on the Company's production and distribution equipment. Operating, administrative and maintenance expenses are expected to stabilize in 1994.

Regulatory deferrals decreased in 1993 with the January implementation of the second phase of DP&L's electric price increase. With this increase, current prices reflect more cost recovery and reduce the deferral needed to recognize the full revenue requirements of the phase-in plan. The phase-in plan established a baseline return on equity of 13% (subject to upward adjustment). In the event the return exceeds the allowed return by between one to two percent, then one half of the excess return will be used to reduce the cost of demand-side management programs, and any return that exceeds the allowed return by more than two percent will be entirely credited to these programs.

Allowance for Funds Used During Construction ("AFC") relating to the William H. Zimmer Generating Station ("Zimmer") ceased upon its completion in March 1991. Prior to this essentially all AFC related to Zimmer.

Total income taxes increased in 1993 and 1992 resulting from higher pre-tax income. Additionally, in 1993, the corporate tax rate was increased to 35% as enacted by the Omnibus Budget Reconciliation Act of 1993, increasing income taxes by $3 million.

Adopting Financial Accounting Standards Board Statement No. 109 resulted in changes to the consolidated balance sheet. The increase in total assets is due to an increase in deferred interest-Zimmer (see Financial Statement Note 2) of $23 million and the recognition of income taxes recoverable through future revenues of $260 million. Offsetting these assets were additional deferred tax liabilities of $282 million.

Credit Ratings

In July 1993, the Company's bond and preferred stock ratings were raised by Duff & Phelps, a credit rating agency. First mortgage bonds are now rated "AA-" and preferred stock is rated "A+". This upgrade reflects the Company's significantly improved financial performance and favorable qualitative credit factors.

During the first quarter of 1992, the Company's bond, preferred stock and commercial paper ratings were upgraded by three credit rating agencies. Bonds were upgraded to "A2" by Moody's Investors Service, "A+" by Duff & Phelps and "A" by Standard & Poor's. These upgrades reflect the positive outcome of the Zimmer coal conversion project and rate settlement agreement. Each of these bond ratings is considered investment grade.

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Income Statement Highlights

$ in millions except per share amounts	1993	1992	1991
<S>	<C>	<C>	<C>
Electric Utility:			
Revenues	$899	$807	$788
Fuel used in production	225	219	235
	---	---	---
Net revenues	674	588	553
Gas Utility:			
Revenues	245	204	201
Gas purchased for resale	156	118	130
	---	---	---
Net revenues	89	86	71
Interest and other income	26	22	19
Operating and administrative	185	158	168
Maintenance of equipment and facilities	90	77	92
Regulatory deferrals	(26)	(59)	(43)
Income taxes	78	68	41
Net income	139	139	119
Earnings per share of common stock	1.42	1.34	1.15
Return on shareholders' equity	13.7%	13.0%	11.0%

</TABLE>

Construction Program and Financing

Construction additions were $89 million, $59 million and $117 million in 1993, 1992 and 1991, respectively. For the period 1994 through 1998, total construction additions are projected to be $518 million with a total of $109 million occurring in 1994. During this same period, a total of $111 million will be required for sinking funds and mandatory redemptions for preferred stock, bonds and notes.

During 1993, total cash provided by operating activities was $235 million. At year end, cash and temporary investments were $82 million and short-term borrowings were $25 million.

During late 1992 and early 1993, DP&L took advantage of favorable market conditions to reduce its cost of debt and extend maturities through early refundings. Overall, five new series of First Mortgage Bonds were issued, aggregating approximately $766 million with an average interest rate of 7.9%. The proceeds were used to finance the redemption of a similar principal amount of debt securities with an average interest rate of 8.7%.

Issuance of additional amounts of First Mortgage Bonds by DP&L is limited by provisions of its mortgage. At December 31, 1993, more than $500 million of additional bonds could have been issued. The amounts and timing of future financings will depend upon market and other conditions, rate increases, levels of sales and construction plans.

DPL Inc. has a revolving credit agreement, renewable through 1998, which allows total borrowings by DPL Inc. and its subsidiaries of $200 million. At year end 1993, DPL Inc. had no borrowings outstanding under this credit agreement. At December 31, 1992, DPL Inc. had $90 million outstanding under the revolving credit agreement which was used to fund share purchases for DPL Inc.'s Employee Stock Ownership Plan. These borrowings were repaid in January 1993 with the proceeds from the issuance of $90 million of DPL Inc. 7.83% Notes due 2007. (See Financial Statement Notes 5 and 8.)

DP&L also has $97 million available in short-term lines of credit. At year end, DP&L had $10 million outstanding from these lines of credit at a weighted average interest rate of 3.68% and $15 million in commercial paper outstanding at weighted average interest rate of 3.34%.

Issues and Financial Risks

As a public utility, DP&L is subject to processes which determine the rates it charges for energy services. Regulators determine which costs are eligible for recovery in the rate setting process and when the recovery will occur. They also establish the rate of return on utility investments which are valued under Ohio law based on historical costs. The utility industry is subject to inflationary pressures similar to those experienced by other capital-intensive industries. Because rates for regulated services are based on historical costs, cash flows may not cover the total future costs of providing services. Construction costs over the next five years average $104 million annually which approximates the projected depreciation over the same period.

The passage of the National Energy Policy Act allows the federal government to mandate access by others to a utility's transmission system and may accelerate competition in the supply of electricity.

In 1992, the Federal Energy Regulatory Commission ("FERC") issued Order 636 (the "Order") amending its regulations governing the service obligations, rate design and cost recovery of interstate pipelines. In response to the Order, the Public Utilities Commission of Ohio ("PUCO") has approved interim guidelines for its implementation and is continuing efforts to examine the Order's impact via round-table discussions. In 1993, DP&L implemented the requirements of Order.

In January 1994, DP&L, the Staff of the PUCO and the Office of the Ohio Consumers' Counsel submitted to the PUCO an agreement which resolves issues relating to the recovery of "transition costs" to be billed to DP&L by interstate pipeline companies. The agreement, which is subject to PUCO approval, provides for the full recovery of these transition costs from DP&L customers. The interstate pipelines will file with the FERC in 1994 for authority to recover these transition costs, the exact magnitude of which has not been established.

The Federal Environmental Protection Agency ("EPA") has estimated total costs of $56 million for its preferred clean-up plans of three hazardous waste sites in Ohio. The EPA notified numerous parties, including DP&L, that they are considered "Potentially Responsible Parties" for cleanup of these sites. The final resolution of these investigations will not have a material effect on DP&L's financial position, earnings or cash flow.

Changing environmental regulations continue to increase the cost of providing service in the utility industry. The Clean Air Act Amendments of 1990 (the "Act") limit sulfur dioxide and nitrogen oxide emissions nationwide. The Act will restrict emissions in two phases with the Phase I compliance completed by 1995 and Phase II completed by 2000.

In May 1993, the PUCO approved DP&L's Clean Air Act Compliance Plan. This plan outlines the methods by which the emission reduction requirements will be met. Overall compliance is expected to have a minimal 1% to 2% price impact. DP&L anticipates that costs to comply with the Act will be eligible for recovery in future fuel hearings and other regulatory proceedings.

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DPL Inc.
CONSOLIDATED STATEMENT OF RESULTS OF OPERATIONS

$ in millions except per share amounts	For the years ended December 31, 1993	1992	1991
<S>	<C>	<C>	<C>
Income			
Utility service revenues	$1,151.3	$1,017.3	$ 995.6
Interest and other income	26.2	22.0	19.0
Total income	1,177.5	1,039.3	1,014.6

Expenses			
Fuel used in electric and steam production	226.6	220.7	237.4
Gas purchased for resale	156.4	117.6	130.4
Operating and administrative (Note 1).	184.6	157.8	167.8
Maintenance of equipment and facilities	90.2	77.3	92.0
Depreciation and amortization	110.9	105.6	96.4
General taxes	112.0	108.5	95.4
Interest expense	97.0	94.3	93.9
Regulatory deferrals (Note 2).	(25.8)	(58.7)	(43.0)
Allowance for funds used during construction	(0.5)	(0.3)	(25.6)
Preferred dividend requirements of The Dayton Power and Light Company	8.7	9.4	9.7
Total expenses	960.1	832.2	854.4
Income Before Income Taxes	217.4	207.1	160.2
Income taxes (Notes 1 and 3)	78.4	68.3	41.0
Net Income	$ 139.0	$ 138.8	$ 119.2
Average Number of Common Shares Outstanding (millions) (Note 8)	97.7	103.5	103.5
Earnings Per Share of Common Stock	$ 1.42	$ 1.34	$ 1.15
Dividends Paid Per Share of Common Stock	$ 1.12	$ 1.08	$ 1.08
Return on Shareholders' Equity	13.7%	13.0%	11.0%

</TABLE>

See Notes to Consolidated Financial Statements.

<TABLE>
<CAPTION>

DPL Inc.
CONSOLIDATED STATEMENT OF CASH FLOWS

$ in millions	For the years ended December 31, 1993	1992	1991
<S>	<C>	<C>	<C>
Operating Activities			
Cash received from utility customers	$1,137.5	$1,003.8	$994.3
Other operating cash receipts	26.4	23.5	19.6
Cash paid for:			
Fuel and purchased power	(216.6)	(234.0)	(223.3)
Purchased gas	(146.9)	(137.5)	(124.0)
Operation and maintenance labor	(83.3)	(84.2)	(81.9)
Nonlabor operating expenditures	(232.7)	(152.7)	(172.5)
Interest (net of amounts capitalized)	(83.3)	(96.8)	(84.9)
Income taxes	(54.4)	(50.1)	(48.5)
Property, excise and payroll taxes	(111.4)	(98.7)	(92.4)
Net cash provided by operating activities	235.3	173.3	186.4
Investing Activities			
Net cash used for property expenditures and other . . .	(113.6)	(63.0)	(107.6)
Financing Activities			
Dividends paid on common stock	(109.5)	(110.8)	(111.8)
Retirement of long-term debt	(439.2)	(321.0)	(4.6)
Retirement of stock	(8.5)	(4.4)	(4.2)

Issuance of long-term debt	536.0	320.4	-
Issuance (retirement) of short-term debt	(127.0)	67.5	40.4
Receipt of funds on deposit with trustee	-	21.7	-
Common stock held by ESOP	-	(90.0)	-
Net cash used for financing activities	(148.2)	(116.6)	(80.2)
Net decrease in cash and temporary cash investments	(26.5)	(6.3)	(1.4)
Cash and temporary cash investments at beginning of year	108.1	114.4	115.8
Cash and temporary cash investments at end of year	$ 81.6	$ 108.1	$ 114.4

See Notes to Consolidated Financial Statements

</TABLE>

<TABLE>
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DPL Inc.
CONSOLIDATED BALANCE SHEET

$ in millions	At December 31, 1993	1992
<S>	<C>	<C>
ASSETS		
Utility property and plant	$3,204.7	$3,128.4
Other property and plant	49.3	39.2
Construction work in progress	35.8	42.7
	3,289.8	3,210.3
Less--		
Accumulated depreciation and amortization	(977.2)	(881.8)
Net property and plant	2,312.6	2,328.5
Current Assets		
Cash and temporary cash investments (at cost)	81.6	108.1
Accounts receivable, less provision for uncollectible accounts of $9.1 and $10.5, respectively	135.0	128.8
Inventories, at average cost	86.4	86.6
Taxes applicable to subsequent years	72.8	70.6
Gas costs recoverable	23.1	11.7
Prepayments and other	41.7	48.9
Total current assets	440.6	454.7
Other Assets		
Regulatory deferrals (Note 2)	172.8	103.8
Income taxes recoverable through future revenues (Note 3)	269.1	-
Other assets	109.9	89.7
Total other assets	551.8	193.5
Total Assets	$3,305.0	$2,976.7
CAPITALIZATION AND LIABILITIES		
Capitalization		
Common shareholders' equity (Note 8)--		
Common stock	$ 1.0	$ 1.0
Other paid-in capital	708.1	708.0
Common stock held by employee plans	(105.2)	(103.0)
Earnings reinvested in the business	423.4	394.0
Total common shareholders' equity	1,027.3	1,000.0
Preferred stock of The Dayton Power and Light Company (Note 9)--		

Without mandatory redemption provisions	82.9	82.9
With mandatory redemption provisions	30.0	38.5
Long-term debt (Note 5)	1,102.9	952.1
Total capitalization	2,243.1	2,073.5
Current Liabilities		
Accounts payable	113.1	98.2
Short-term debt (Note 6)	25.0	152.0
Current portion of first mortgage bonds and preferred stock	9.0	59.0
Accrued taxes	114.4	105.5
Accrued interest	24.3	12.5
Other	51.4	52.0
Total current liabilities	337.2	479.2
Deferred Credits and Other		
Deferred taxes (Note 3)	519.3	232.3
Unamortized investment tax credit	85.1	87.7
Other	120.3	104.0
Total deferred credits and other	724.7	424.0
Total Capitalization and Liabilities	$3,305.0	$2,976.7

See Notes to Consolidated Financial Statements.
</TABLE>

DPL Inc.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Principles of Consolidation

The accounts of DPL Inc. and its wholly-owned subsidiaries are included in the accompanying consolidated financial statements. The consolidated financial statements of DPL Inc. principally reflect the results of operations and financial condition of DPL Inc.'s public utility subsidiary, The Dayton Power and Light Company ("DP&L"). DP&L is a public utility engaged in the business of selling electric energy, natural gas and steam. The results of operations of DPL Inc.'s non-utility subsidiaries currently do not have a material financial impact on the consolidated results.

Revenues and Fuel

Revenues include amounts charged to customers through fuel and gas recovery clauses, which are adjusted periodically for changes in such costs. Related costs that are recoverable or refundable in future periods are deferred along with the related income tax effects. Also included in revenues are amounts charged to customers through a surcharge for recovery of arrearages from certain eligible low-income households.

DP&L records revenue for services provided but not yet billed to more closely match revenues with expenses. "Accounts Receivable" on the Consolidated Balance Sheet includes unbilled revenue of (in millions) $30.0 in 1993 and $27.8 in 1992.

Allowance for Funds Used During Construction ("AFC")

AFC represents the cost of capital funds (equity and debt) used to finance construction projects. This cost is included in construction work in progress along with other construction costs. Essentially all AFC ceased upon completion of the William H. Zimmer Generating Station ("Zimmer") in March 1991. The average rate for 1991 was 10.3%, compounded semi-annually, net of income taxes.

Operating and Administrative

Operating and administrative expense includes $22.8 million in 1993 and $9.1 million in 1992 of redemption premiums and other costs relating to the refinancing of various bond issues. (See Note 5.)

Property and Plant, Maintenance and Depreciation

Property and plant is shown at its original cost. When a unit of property is retired, the original cost of that property plus the cost of removal less any salvage value is charged to accumulated depreciation. Maintenance costs and replacements of minor items of property are charged to expense.

Depreciation expense is calculated using the straight-line method, which depreciates the cost of property over its estimated useful life, at an annual rate which approximates 3.4% for 1993, 1992 and 1991.

Income Taxes

In 1993, DPL Inc. implemented Financial Accounting Standards Board ("FASB") Statement No. 109, "Accounting for Income Taxes." The new statement requires a change from the deferral method to the liability method for income tax accounting. Under the liability method, deferred taxes are provided for all differences between the financial statement basis and the tax basis of assets and liabilities using the enacted tax rate. Additional deferred income taxes and offsetting regulatory assets or liabilities are recorded to recognize that the income taxes will be recoverable/refundable through future revenues. (See Note 3.)

Consolidated Statement of Cash Flows

The temporary cash investments presented on this Statement consist of liquid investments with an original maturity of three months or less.

Fair Value of Financial Instruments

The reported value of short-term financial instruments and other investments on the balance sheet approximates fair value. The long-term debt and preferred stock fair values are disclosed in Notes 5 and 9, respectively.

Reclassifications

Reclassifications have been made in certain prior years' amounts to conform to the current reporting presentation.

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2. Electric Rate Matters

Pursuant to a Public Utilities Commission of Ohio ("PUCO")-approved settlement agreement among DP&L and various consumer groups, an electric rate increase was phased in with annual increases of 6.4% effective February 1992, January 1993 and January 1994. Deferrals (including carrying charges) during the phase-in period of $28.1 million in 1993 and $57.7 million in 1992 were capitalized and will be recovered over seven years commencing in 1994. The phase-in plan meets the requirements of FASB Statement No. 92.

This settlement included an agreement by DP&L to undertake cost-effective demand-side management ("DSM") programs with an average annual cost of $15 million for four years commencing in 1992. The amount recovered in rates was $4.6 million in 1992. This amount increases to $7.8 million in 1993 and subsequent years. The difference between expenditures and amounts recovered through rates is deferred and is eligible for future recovery in accordance with existing PUCO rulings.

The agreement established a baseline return on equity of 13% (subject to upward adjustment). In the event that the return exceeds the allowed return by between one to two percent, then one half of the excess return will be used to reduce the cost of DSM programs, and any return that exceeds the allowed return by more than two percent will be entirely credited to these programs.

DP&L also deferred interest charges, net of income taxes, on its investment in Zimmer from the March 30, 1991, commercial in-service date through January 31, 1992, pursuant to PUCO approval. Deferred interest charges on the investment in Zimmer have been adjusted to a before tax basis in 1993 as a result of FASB Statement No. 109. Amounts deferred are being amortized over the life of Zimmer.

Regulatory deferrals on the balance sheet were:

	At December 31,	
$ in millions	1993	1992
Phase-in	$ 85.8	$ 57.7

DSM	23.3	2.2
Deferred interest-Zimmer	63.7	43.9
Total	$172.8	$103.8

3. Income Taxes

Adopting FASB Statement No. 109 at January 1, 1993, resulted in an increase in deferred interest-Zimmer (see Note 2) of $22.6 million and the recognition of income taxes recoverable through future revenues of $259.6 million. Offsetting these assets were additional deferred tax liabilities of $281.9 million.

$ in millions	For the years ended December 31, 1993	1992	1991
Computation of Tax Expense			
Statutory income tax rate . .	35%	34%	34%
Federal income tax (a) . . .	$79.1	$74.1	$65.3
Increases (decreases) in tax from -			
Regulatory deferrals . . .	(6.1)	(12.4)	-
Depreciation	10.2	9.3	(0.2)
Investment tax credit amortized	(3.0)	(3.0)	(3.3)
Other, net.	(1.8)	1.7	1.4
Total Tax Expense	$78.4	$69.7	$63.2
Effective Tax Rate	35%	32%	33%
Components of Tax Expense			
Taxes currently payable . . .	$61.2	$38.4	$46.8
Deferred taxes--			
Regulatory deferrals. . . .	8.1	9.2	22.2
Liberalized depreciation and amortization	17.6	18.6	13.2
Property taxes	(6.1)	(5.9)	(4.9)
Fuel and gas costs	5.8	10.5	(7.9)
Other	(5.6)	2.4	(4.6)
Deferred investment tax credit, net	(2.6)	(3.5)	(1.6)
Total Tax Expense	$78.4	$69.7	$63.2
Classification of Tax Expense			
Income taxes	$78.4	$68.3	$41.0
Regulatory deferrals	-	1.4	22.2
Total Tax Expense	$78.4	$69.7	$63.2

(a) Statutory rates applied to pretax income before preferred dividends and before tax expenses included in regulatory deferrals.

Components of Deferred Tax Assets and Liabilities

$ in millions	At December 31, 1993
Depreciation/property basis	$(429.5)
Regulatory deferrals	(57.4)
Income taxes recoverable	(93.8)
Investment tax credit	29.7
Other	31.7
Net non-current liability	$(519.3)
Net current liability	$ (13.4)

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4. Pension and Postretirement Benefits

A. Pensions

Substantially all DP&L employees participate in pension plans paid for by the Company. Employee benefits are based on their years of service, age at retirement, and for salaried employees, their compensation. The plans are funded in amounts actuarially determined to provide for these benefits.

An interest rate of 6.0% was used in 1993 and 1992 in developing the amounts in the following tables. Actual returns on plan assets for 1993 and 1992, respectively, were 6.2% and 8.8%. Increases in compensation levels approximating 5% were used for all years.

The following table presents the components of pension cost (portions of which were capitalized):

$ in millions	1993	1992	1991
Service cost-benefits earned	$ 5.4	$4.3	$ 3.5
Interest cost	12.0	12.5	11.8
Expected return on plan assets of 7.5% in each year	(16.9)	(15.2)	(14.1)
Amortization amounts, net	(2.0)	(2.6)	(2.9)
Net pension cost	$ (1.5)	$(1.0)	$(1.7)

The following table sets forth the plans' funded status at December 31:

$ in millions	1993	1992
Plan assets at fair value (a)	$255.0	$236.3
Less -		
Actuarial present value of projected benefit obligation	230.6	210.5
Plan assets in excess of projected benefit obligation	$ 24.4	$ 25.8
Vested benefit obligation	$183.9	$166.2
Accumulated benefit obligation without projected wage increases	$207.4	$187.1

(a) Invested in guaranteed investment contracts, fixed income investments and equities including $22.5 million and $21.6 million of DPL Inc. common stock in 1993 and 1992, respectively.

The following table shows the amounts recorded in Other Assets in the Consolidated Balance Sheet at December 31:

$ in millions	1993	1992
Plan assets in excess of projected benefit obligation	$24.4	$25.8
Transitional adjustments for amounts not reflected on the Consolidated Balance Sheet:		
Unamortized transition amount	(28.0)	(32.1)
Prior service cost	22.9	12.0
Changes in plan assumptions and actuarial gains and losses	25.1	23.5
Net pension assets	$44.4	$29.2

- ---

B. Postretirement Benefits

In 1993, DP&L adopted FASB Statement No. 106, "Employers' Accounting for

Postretirement Benefits Other Than Pensions." Previously, DP&L had used an accrual method to recognize these costs which approximated FASB Statement No. 106 amounts. Implementation did not create regulatory deferrals or have a material impact on expense.

Qualified employees who retired prior to 1987 and their dependents are eligible for health care and life insurance benefits. The unamortized transition obligation associated with these benefits is being amortized over the approximate average remaining life expectancy of the retired employees. Active employees are eligible for life insurance benefits, and this unamortized transition obligation is being amortized over the average remaining service period.

The following table sets forth the accumulated postretirement benefit amounts at December 31:

$ in millions	1993
Accumulated postretirement benefit obligation:	
- retirees and dependents	$63.1
- active employees	1.2
Total	64.3
Unamortized transition obligation	27.7
Accrued postretirement benefit liability	$36.6

The following table presents the components of postretirement benefit costs:

$ in millions	1993
Interest cost	$3.7
Amortization of transition obligation	3.0
Net periodic postretirement benefit cost	$6.7

The assumed health care cost trend rate used in measuring the unfunded accumulated postretirement benefit obligation is 15.0% for 1993 and decreases to 8.0% by 2004. A one percentage point increase in each future year's assumed health care trend rate would increase net periodic postretirement benefit cost by $0.4 million annually and would increase the accumulated postretirement benefit obligation by $6.4 million. The weighted average discount rate used in determining the accumulated postretirement benefit obligation was 6.0%.

5. Long-term Debt

$ in millions	At December 31, 1993	1992
First mortgage bonds maturing:		
1997 5-5/8	$ 40.0	$ 40.0
1998 7.06% and 7.22%(a)	29.0	31.7
1999-2003 8.41% and 8.51%(a)	49.0	210.0
2022-2026 8.14% and 8.67%(a)	671.0	450.0
Pollution control series maturing through 2027 - 7.97%	218.8	219.1
	1,007.8	950.8
Unamortized debt discount and premium (net)	(2.5)	(6.5)
	1,005.3	944.3
Notes due 2007 - 7.83% . . .	90.0	-
Mortgage note due in installments through 2012-10.0% .	7.6	7.8

Total	$1,102.9	$ 952.1
Fair value (including current portion)-based upon quoted market prices or debt with similar characteristics	$1,189.0	$1,066.2

(a) Weighted average interest rates for 1993 and 1992, respectively.

The amounts of maturities and mandatory redemptions for first mortgage bonds and notes are (in millions) $4.7 in 1994, 1995 and 1996, $46.8 in 1997 and $28.4 in 1998. Substantially all property and plant of DP&L is subject to the mortgage lien securing the first mortgage bonds.

New debt was issued during 1993 as follows:

Issuances	Principal Amount ($ in millions)
DP&L First Mortgage Bonds:	
8.15% Series due 2026	$226.0
7-7/8% Series due 2024	220.0
DPL Inc.:	
7.83% Notes due 2007	90.0
Total	$536.0

Proceeds of these financings were used to call several series of bonds and to repay short-term debt. There are no sinking fund provisions associated with any of these new debt issues.

6. Notes Payable and Compensating Balances

DPL Inc. and its subsidiaries have $200 million available through a revolving credit agreement. This agreement with a consortium of banks is renewable through 1998. Commitment fees are approximately $350,000 per year, depending upon the aggregate unused balance of the loan.

At December 31, 1993, DPL Inc. had no outstanding borrowings under this credit agreement.

DP&L also has $97.1 million available in short-term informal lines of credit. To support these lines of credit, DP&L is required to maintain average daily compensating balances of approximately $700,000 and also pay $189,000 per year in fee compensation.

At year-end, DP&L had $10.0 million outstanding from these lines of credit at a weighted average interest rate of 3.68% and $15.0 million in commercial paper outstanding at a weighted average interest rate of 3.34%.

7. Commonly Owned Facilities

DP&L owns certain electric generating and transmission facilities as tenants in common with other Ohio utilities. Each utility is obligated to pay its ownership share of construction and operation costs of each facility. As of December 31, 1993, DP&L had $12.3 million of commonly owned facilities under construction. DP&L's share of expenses is included in the Consolidated Statement of Results of Operations.

The following table presents DP&L's share of the commonly owned facilities:

	DP&L Share		DP&L Investment
	Ownership (%)	Prod. Capacity (MW)	Plant in Service ($ in mil.)
Production Units:			

Beckjord Unit 6	50.0	210	50
Conesville Unit 4 . . .	16.5	129	29
East Bend Station . . .	31.0	186	147
Killen Station	67.0	402	405
Miami Fort Units 7 & 8.	36.0	360	112
Stuart Station	35.0	820	226
Zimmer Generating Station	28.1	365	985
Transmission (at varying percentages) . .			66

<TABLE>
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8. Common Shareholders' Equity

$ in millions		Common Stock: Outstanding Shares	Common Stock: Amount	Other Paid-in Capital (premium, net of expense)	Common Stock Held By Employee Plans	Earnings Reinvested in the Business	Total
<S>		<C>	<C>	<C>	<C>	<C>	<C>
1991:	Beginning balance	69,010,903	$ 0.7	$707.9	-	$359.0	$1,067.6
	Net income					119.2	119.2
	Common stock dividends . .					(111.8)	(111.8)
	Other			0.2		(0.2)	-
	Ending balance	69,010,903	$ 0.7	$708.1	-	$366.2	$1,075.0
1992:	Net income					138.8	138.8
	Common stock dividends . .					(110.8)	(110.8)
	Three-for-two stock split	34,499,095	0.3	(0.3)			-
	Employee stock plans . . .				(103.0)		(103.0)
	Other			0.2		(0.2)	-
	Ending balance	103,509,998	$ 1.0	$708.0	$(103.0)	$394.0	$1,000.0
1993:	Net income					139.0	139.0
	Common stock dividends . .					(109.5)	(109.5)
	Employee stock plans . . .				(2.2)		(2.2)
	Other			0.1		(0.1)	-
	Ending balance	103,509,998	$ 1.0	$708.1	$(105.2)	$423.4	$1,027.3

</TABLE>

In 1993, shareholders of DPL Inc. approved a proposal to increase authorized shares from 120 million to 250 million.

DPL Inc. had 2,827,548 and 232,007 authorized but unissued shares reserved for the dividend reinvestment and employee stock plans, respectively, at December 31, 1993. These plans provide that either original issue shares or shares purchased on the open market may be used to satisfy plan requirements. Stock market purchases were used to satisfy the requirements of these plans from 1991 through 1993.

DPL Inc. established a leveraged Employee Stock Ownership Plan ("ESOP") in 1992 to provide benefits to eligible employees. DPL Inc. loaned the ESOP trust $90.0 million for the purchase of 4.7 million shares of common stock on the open market. Common shareholders' equity has been reduced for the cost of shares held by the trust and for 1.2 million shares related to another employee plan. Beginning in 1993, qualified employee contributions to the Company's 401(k) retirement savings plan are matched by DPL Inc. with ESOP common stock. Union employees also receive an annual Company contribution in ESOP stock. Dividends

received by the ESOP are used to repay the loan to DPL Inc. As debt service payments are made on the loan, shares are released on a pro-rata basis. Dividends on the allocated shares are charged to retained earnings, and dividends on the unallocated shares reduce accrued interest.

In 1993, the FASB approved and DPL Inc. adopted a new Statement of Position on ESOP accounting. Implementation of this accounting change reduced net income by $2.5 million and reduced the number of common shares used in the calculation of earnings per share by 4.7 million, resulting in an overall $0.04 increase in earnings per share. During 1993, 0.1 million ESOP shares were allocated to employees and are outstanding for the calculation of earnings per share. Compensation expense, which is based on the fair value of the shares allocated, amounted to $2.0 million. The market value of unallocated shares at December 31, 1993 was $95.0 million.

DPL Inc. has a Shareholder Rights Plan pursuant to which two-thirds of a Right is attached to and trades with each outstanding DPL Inc. Common Share. The Rights would separate from the Common Shares and become exercisable in the event of certain attempted business combinations.

<TABLE>
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9. Preferred Stock

DPL Inc.: No par value, 8,000,000 shares authorized, no shares outstanding.

DP&L: $25 par value, 4,000,000 shares authorized, no shares outstanding; and $100 par value, 4,000,000 shares authorized, 1,170,998 shares outstanding.

			Without Mandatory Redemption Provisions (millions) At December 31,		With Mandatory Redemption Provisions (a) (millions) At December 31,	
Series/ Rate	Current Redemption Price	Current Shares Outstanding	1993	1992	1993	1992
A 3.75%	$102.50	93,280	$ 9.3	$ 9.3		
B 3.75%	$103.00	69,398	7.0	7.0		
C 3.90%	$101.00	65,830	6.6	6.6		
D 7.48%	$103.23	150,000	15.0	15.0		
E 7.70%	$101.00	199,990	20.0	20.0		
F 7.375%	$101.00	250,000	25.0	25.0		
H 8-5/8%	$101.00	120,000			$12.0	$16.0
I 9-3/8%	$104.00 (b)	180,000			18.0	22.5
Total			$82.9	$82.9	$30.0	$38.5
Fair value (including current portion)- based upon quoted market prices					$34.6	$44.1

(a) Exclusive of sinking fund payment due within one year.
(b) Prior to May 1, 1994 and $101.00 thereafter.
</TABLE>

The shares without mandatory redemption provisions may be redeemed at the option of DP&L at the per share prices indicated, plus accrued dividends.

The shares with mandatory redemption provisions are redeemable pursuant to mandatory sinking fund requirements, but may also be redeemed at the option of DP&L at the per share prices indicated, plus accrued dividends. The annual sinking fund requirements for Series H and I are 5% of the original amount of each issue. Over the next five years, mandatory redemptions are $4.3 million (42,500 shares) per year. Shares redeemed or purchased to meet sinking fund requirements may not be reissued.

Sinking fund requirements and redemptions of outstanding shares were 85,000 shares in 1993 and 42,500 in 1992 and 1991.

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10. Reconciliation of Net Income to Net Cash Provided by Operating Activities

$ in millions	For the years ended December 31, 1993	1992	1991
Net income	$139.0	$138.8	$119.2
Adjustments for noncash items:			

Depreciation and amortization	110.9	105.6	96.4
Deferred income taxes	17.2	29.9	(5.8)
Allowance for equity funds used during construction	(0.2)	(0.2)	(18.5)
Regulatory deferrals	(25.8)	(58.7)	(43.0)
Changes in working capital:			
Accounts receivable and unbilled revenue	(2.5)	(2.9)	4.9
Accounts payable	15.0	3.0	(15.9)
Deferred gas costs	(7.9)	(28.8)	9.7
Accrued interest	11.8	(4.2)	0.1
Other	10.4	(11.2)	12.0
DSM deferred costs	(23.3)	(2.2)	-
Other operating activities	(9.3)	4.2	27.3
Net cash provided by operating activities	$235.3	$173.3	$186.4

</TABLE>

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11. Financial Information by Business Segments

$ in millions	For the years ended December 31, 1993	1992	1991
<S>	<C>	<C>	<C>
Utility service revenues			
Electric	$ 898.9	$ 806.9	$ 788.2
Gas	245.1	203.8	201.0
Other	7.3	6.6	6.4
Total utility service revenues	1,151.3	1,017.3	995.6
Interest and other income	26.2	22.0	19.0
Total income	$1,177.5	$1,039.3	$1,014.6
Operating profit before tax			
Electric	$ 282.2	$ 224.3	$ 193.5
Gas	19.9	22.1	0.7
Other	7.6	10.1	(6.9)
Total operating profit before tax	309.7	256.5	187.3
Other income, net (a)	13.4	54.3	76.5
Interest expense	97.0	94.3	93.9
Preferred dividends	8.7	9.4	9.7
Income before income taxes	$ 217.4	$ 207.1	$ 160.2
Depreciation and amortization			
Electric	$ 102.4	$ 97.9	$ 87.9
Gas	5.7	5.6	6.0
Other	2.8	2.1	2.5
Total depreciation and amortization	$ 110.9	$ 105.6	$ 96.4
Construction additions			
Electric	$ 66.3	$ 46.6	$ 103.4
Gas	11.9	11.0	12.4
Other	10.7	1.4	1.6
Total construction additions	$ 88.9	$ 59.0	$ 117.4
Assets			
Electric	$2,825.5	$2,522.8	$2,521.1
Gas	236.0	219.5	217.6
Other (b)	243.5	234.4	234.0
Total assets at year end	$3,305.0	$2,976.7	$2,972.7

</TABLE>

(a) Includes primarily interest income, AFC, regulatory deferrals and bond redemption costs.
(b) Includes primarily cash, temporary cash investments, and certain deferred items.

Report of Independent Accountants

Price Waterhouse [logo]

To the Board of Directors and Shareholders of DPL Inc.

In our opinion, the accompanying consolidated balance sheet and the related consolidated statements of results of operations and of cash flows present fairly, in all material respects, the financial position of DPL Inc. and its subsidiaries at December 31, 1993 and 1992, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 1993, in conformity with generally accepted accounting principles. These financial statements are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with generally accepted auditing standards which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for the opinion expressed above.

As discussed in Note 1 to the consolidated financial statements, the Company changed its method of accounting for income taxes in 1993.

PRICE WATERHOUSE

Dayton, Ohio
January 25, 1994

<TABLE>
<CAPTION>

SELECTED QUARTERLY INFORMATION

$ in millions except per share amounts	March 31, 1993	March 31, 1992	June 30, 1993	June 30, 1992	September 30, 1993	September 30, 1992	December 31, 1993	December 31, 1992
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
	$	$	$	$	$	$	$	$
Utility service revenues	345.8	285.9	238.0	225.4	262.0	223.4	305.5	282.6
Income before income taxes . . .	80.0	76.7	47.0	46.0	55.7	47.6	34.7	36.8
Net income	53.2	51.2	31.4	30.6	33.1	31.7	21.3	25.3
Earnings per share of common stock	0.54	0.49	0.33	0.30	0.33	0.31	0.22	0.24
Dividends paid per share	0.28	0.27	0.28	0.27	0.28	0.27	0.28	0.27
Common stock market price-High .	21-1/4	17-3/8	21	17-3/8	21-7/8	19-1/2	21-5/8	20
-Low . .	19-1/4	15-3/4	19	15-1/2	20-3/8	17	19	18-3/8

(For the Three Months Ended)

Earnings per share for the first three quarters of 1993 have been restated to reflect adoption of a new Statement of Position on ESOP accounting.

</TABLE>

Corporate Information

Transfer Agent and Register-
Common Stock and DP&L Preferred Stock

Securities Transfer & Shareholder Inquiries:
The First National Bank of Boston
Mail Stop: 45-02-09
Box 644
Boston, MA 02102-0644

Dividend Reinvestment:
The First National Bank of Boston
Mail Stop: 45-01-06
Box 1681
Boston, MA 02105-1681
Also dividend paying agent

Trustee-DP&L First Mortgage Bonds

The Bank of New York
Corporate Trust Administration
101 Barclay Street
New York, New York 10286
Also interest paying agent

Securities Listing
The New York Stock Exchange is the only national securities exchange on which DPL Inc. Common Stock and DP&L First Mortgage Bonds and Preferred Stock are listed. The trading symbol of the Common Stock is DPL.

Federal Income Tax Status of 1993 Dividend Payments
Dividends paid in 1993 on Common and Preferred Stock are fully taxable as dividend income.

Annual Meeting
The Annual Meeting of Shareholders will be held at 10:00 a.m., Tuesday, April 19, 1994, at The Victoria Theatre, Dayton, Ohio.

Communications
DPL Inc. staffs and Investor Relations Department to meet the information needs of shareholders and investors. Inquiries are welcomed by telephone, letter or postcard. Communications relating to shareholder accounts should be directed to the DPL Investor Relations Department (Telephone (513) 259-7150 or toll-free (800) 322-9244) or to The First National Bank of Boston (Telephone (617) 575-2900 or toll-free (800) 442-2001).

Form 10-K Report
DPL Inc. reports details concerning its operations and other matters annually to the Securities and Exchange Commission on Form 10-K, which will be supplied upon request. Please direct inquiries to the Investor Relations Department.

Officers-DPL Inc. and DP&L
(Age/Years of Service)
Peter H. Forster (51/20)
    Chairman, President and Chief Executive Officer--DPL Inc.
    Chairman--DP&L
Allen M. Hill (48/26)
    President and Chief Executive Officer--DP&L
Paul R. Anderson (51/15)
    Controller--DP&L
Stephen P. Bramlage (47/25)
    Assistant Vice President--DP&L
Robert E. Buerger (49/28)
    Group Vice President--DP&L
Robert M. Combs (48/3)
    Treasurer--DP&L
Georgene H. Dawson (44/19)
    Assistant Vice President--DP&L
Jeanne S. Holihan (37/13)
    Assistant Vice President--DP&L
Thomas M. Jenkins (42/16)
    Group Vice President and Treasurer--DPL Inc.
    Group Vice President--DP&L
Stephen F. Koziar, Jr. (49/26)
    Group Vice President--DPL Inc. and DP&L
Judy W. Lansaw (42/15)
    Group Vice President and Secretary--DPL Inc. and DP&L
Lloyd E. Lewis, Jr. (67/13)
    Assistant Vice President--DP&L
Bryce W. Nickel (37/13)
    Assistant Vice President--DP&L
H. Ted Santo (43/22)
    Group Vice President--DP&L

As required by Rule 304 of Regulation S-T, the following appendix lists the graphic material contained in the 1993 DPL Inc. Annual Report to Shareholders. This graphic material, which appears in the paper copy of the report, was omitted from the electronically filed copy of the report.

APPENDIX

Page Item Description

Cover:

Artwork: Bar chart, depicting increase over three periods. Chart is not set to any scale and is not titled.

Photograph: Man and woman in athletic wear, running

Artwork: logo - "Way To Go", Company's umbrella name for conservation programs

Artwork: logo - DPL Inc.

Inside Cover:

Artwork: Map of the State of Ohio, with DP&L service territory highlighted.

Page 1:

No photographs or artwork

Page 2:

Photographs: The following are pictured with their names appearing below the photo.
Robert J. Kegerreis, Ernie Green, Jane G. Haley, James F. Dicke, II.

Page 3:

Photographs: The following Directors are pictured with their names appearing below the photo.
Burnell R. Roberts, Thomas J. Danis, W August Hillenbrand.

Page 4:

Photographs: The following Directors are pictured with their names appearing below the photo.
Peter H. Forster, Chairman & CEO, DPL Inc. Allen M. Hill, President & CEO, DP&L

Page 5:

Bar Charts:

Return on Shareholders' Equity
Percent

1991 11.0%
1992 13.0%
1993 13.7%

Page Item Description

Page 5:
(cont.)

Bar Charts:

Earnings Per Share
Dollars

1991 $1.15
1992 $1.34
1993 $1.42

Dividends Per Share
Dollars

1991 $1.08
1992 $1.08
1993 $1.12

Total Return - Five Year
Average Annual Return
Percent (with reinvested dividends)

1991 17.7%
1992 22.6%
1993 21.1%

Page 6:

Bar Chart:

Heat Rate
Btu/kWh

1991	9,912
1992	9,766
1993	9,793

Page 7:

Photograph: Utility worker in a storm situation.

Photograph: Man and woman in athletic wear, running. This photograph also appears on the cover.

Page	Item	Description
Page 8:		
	Photograph:	Two men and a woman in discussion over business plans with an industrial lighting display in the background.
	Photograph:	Circular fluorescent light bulb
	Photograph:	Two women standing, holding a tray of food
Page 9:		
	Photograph:	Two men in discussion with a large commercial mixer in the background.
	Bar Chart:	Customer Satisfaction Percent

1991	96%
1992	96%
1993	96%

Page	Item	Description
Page 10:		
	Artwork:	The Great Seal of The State of Ohio
	Photograph:	Coal Barge
Page 11:		
	Photograph:	Man and woman in conversation in a shopping mall.
	Photograph:	Logo - General Motors Truck and Bus Group
	Photograph:	Logo - Air Force Materiel Command Headquarters
Page 12:		
	Photograph:	Concert performance in amphitheater facility.
	Artwork:	Logo - "Way To Go", Company's umbrella name for conservation programs. This artwork also appears on the cover.

Page	Item	Description
Page 13:		
	Bar Charts:	

Electric Sales, GWH

	Year		
	1991	1992	1993
Residential	4,571	4,260	4,558
Commercial	2,945	2,896	3,006
Industrial	3,949	3,938	4,089
Other	1,850	2,960	3,023
Total	13,315	14,054	14,676

Electric Revenues
$ in millions

	Year		
	1991	1992	1993
Residential	332	326	374
Commercial	179	181	200
Industrial	187	190	206
Other	93	112	121
Total	791	809	901

Average Price-Electric
Calendar Year
cents/kWh

1991	5.87
1992	5.69
1993	6.07

Gas Sales
Millions of MCF

	Year		
	1991	1992	1993
Residential	27	28	29
Commercial	8	8	8
Industrial	6	5	3
Other	12	14	17
Total	53	55	57

Page	Item	Description
Page 13 (cont.)	Bar Charts:	

Gas Revenues
$ in millions

	Year		
	1991	1992	1993
Residential	125	128	161
Commercial	35	36	44
Industrial	22	19	15
Other	19	21	25
Total	201	204	245

Average Price-Gas
Calendar Year
dollars/MCF

1991	4.39
1992	4.36
1993	5.42

Construction Costs
$ in millions

1991	117
1992	59
1993	89

Operating Expenses
$ in millions
Year

	1991	1992	1993
Fuel Used in Production	237	221	227
Gas Purchased for Resale	130	118	156
Operating & Administrative	168	158	185
Maintenance	92	77	90
Total	627	574	658

Page	Item	Description
Page 13: (cont.)		
	Bar Charts:	

Capital Structure
$ in millions

	1991	1992	1993
Common Shareholders' equity	49%	48%	46%
Preferred Stock	6%	6%	5%
Long-term Debt	45%	46%	49%
Total	$2,205	$2,074	$2,243

Page 27:		
	Artwork:	logo - Price Waterhouse (Independent Auditors)

Exhibit 21

SUBSIDIARIES OF DPL INC.

DPL Inc. had the following wholly owned subsidiaries on March 11, 1994:

Name	State of Incorporation
The Dayton Power and Light Company	Ohio
Miami Valley Insurance Company	Vermont
Miami Valley Leasing, Inc.	Ohio
Miami Valley Resources, Inc.	Ohio
Miami Valley Lighting, Inc.	Ohio
Miami Valley Development Company	Ohio
Miami Valley CTC, Inc.	Ohio

Exhibit 23

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in the Prospectuses constituting part of the Registration Statement on Form S-3 (Registration No. 33-34316) of DPL Inc., with respect to its Automatic Dividend Reinvestment and Stock Purchase Plan, and Post-Effective Amendment No. 3 on Form S-8, to DPL Inc.'s Registration Statement on Form S-4 (Registration No. 33-2551), with respect to The Dayton Power and Light Company's Employees' Stock Plan, of our report dated January 25, 1994, appearing on page 27 of the Annual Report to Shareholders, which is incorporated in this Annual Report on Form 10-K. We also consent to the incorporation by reference of our report on the Financial Statement Schedules, which appears on page II-2 of this Form 10-K.

Price Waterhouse
Dayton, Ohio
March 14, 1994