

July 31, 2012

Betty McCauley
Chief of Docketing
The Public Utilities Commission of Ohio
180 East Broad Street
Columbus, OH 43215

SUBJECT: Case Nos. 12-493-EL-RDR
89-6001-EL-TRF

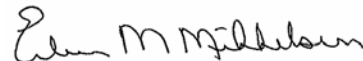
Dear Ms. McCauley:

In accordance with the Commission Order in The Cleveland Electric Illuminating Company's Case 10-388-EL-SSO Electric Security Plan proceeding, please file the attached schedules, bill impacts, and tariff page on behalf of The Cleveland Electric Illuminating Company. The attached schedules demonstrate that the revenue requirement is below the permitted cap for 2012 and provide detailed calculations related to plant in service, accumulated depreciation reserve, income taxes, commercial activity taxes, and property taxes, rate base, depreciation expense, and the resulting revenue requirement all as contemplated by the Combined Stipulation and Order in The Cleveland Electric Illuminating Company's most recent Electric Security Plan proceeding.

Further, as set forth in the Combined Stipulation, there have been no net job losses at the Company, or at FirstEnergy Service Company specifically as to employees of the FirstEnergy Service Company who are located in Ohio and provide support for distribution services provided by the Company as a result of involuntary attrition as a result of the merger between FirstEnergy Corp. and Allegheny Energy, Inc. Also included with the filing are estimated bill impacts for multiple usage levels for the different rate schedules reflecting the impact of the Delivery Capital Recovery Rider charges effective on July 1, 2012 and the Delivery Capital Recovery Rider (DCR) charges commencing on October 1, 2012.

Finally, attached is a tariff page that reflects the quarterly pricing update of Rider DCR. Please file one copy of the tariffs in each of the above mentioned Case Nos. 12-493-EL-RDR and 89- 6001-EL-TRF, and distribute two copies to the Staff. Thank you.

Sincerely,



Eileen M. Mikkelsen
Director, Rates & Regulatory Affairs

Enclosures

The Cleveland Electric Illuminating Company
Delivery Capital Recovery Rider (DCR)
Quarterly Filing
July 31, 2012

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**Rider DCR
Q4 2012
Revenue Requirement Summary**
(\$ millions)

Calculation of Annual Revenue Requirement Based on Estimated 9/30/2012 Rate Base

Line No.	Description	Source	CEI	OE	TE	TOTAL
1	Annual Revenue Requirement Based on Actual 6/30/2012 Rate Base	7/30/2012 Compliance Filing; Page 2; Column (f) Lines 36-39	\$61.1	\$58.8	\$13.4	\$133.4
2	Incremental Revenue Requirement Based on Estimated 9/30/2012 Rate Base	Calculation: 7/30/2012 Compliance Filing (Page 27, Column (f) Lines 36-39) minus Line 1	\$1.8	\$2.0	\$0.3	\$4.1
3	Annual Revenue Requirement Based on 9/30/2012 Rate Base	Calculation: SUM [Line 1 through Line 2]	\$63.0	\$60.8	\$13.8	\$137.5

Rider DCR
Actual Distribution Rate Base Additions as of 6/30/12
Revenue Requirement Calculation

(\$ millions)

* 5/31/2007 balances refer to the jurisdictional balances approved in Case 07-551-EL-AIR. Source: PUCO Staff workpapers supporting the PUCO Opinion & Order

	(A)	(B)	(C) = (B) - (A)	(D)		
(1)	Gross Plant	5/31/2007*	6/30/2012	Incremental	Source of Column (B)	
(2)	CEI	1,927.1	2,533.8	606.7	Sch B2.1 Line 45	
(3)	OE	2,074.0	2,770.4	696.4	Sch B2.1 Line 47	
(4)	TE	771.5	1,018.9	247.4	Sch B2.1 Line 44	
	Total	4,772.5	6,323.1	1,550.6	Sum: [(1) through (3)]	
	Accumulated Reserve					
(5)	CEI	(773.0)	(1,061.2)	(288.2)	-Sch B3 Line 45	
(6)	OE	(803.0)	(1,105.2)	(302.1)	-Sch B3 Line 47	
(7)	TE	(376.8)	(510.6)	(133.8)	-Sch B3 Line 44	
(8)	Total	(1,952.8)	(2,676.9)	(724.1)	Sum: [(5) through (7)]	
	Net Plant In Service					
(9)	CEI	1,154.0	1,472.6	318.6	(1) + (5)	
(10)	OE	1,271.0	1,665.3	394.3	(2) + (6)	
(11)	TE	394.7	508.3	113.6	(3) + (7)	
(12)	Total	2,819.7	3,646.2	826.5	Sum: [(9) through (11)]	
	ADIT					
(13)	CEI	(246.4)	(393.5)	(147.2)	- DIT Balances Line 3	
(14)	OE	(197.1)	(442.9)	(245.8)	- DIT Balances Line 3	
(15)	TE	(10.3)	(124.5)	(114.2)	- DIT Balances Line 3	
(16)	Total	(453.8)	(960.9)	(507.1)	Sum: [(13) through (15)]	
	Rate Base					
(17)	CEI	907.7	1,079.1	171.4	(9) + (13)	
(18)	OE	1,073.9	1,222.4	148.5	(10) + (14)	
(19)	TE	384.4	383.9	(0.5)	(11) + (15)	
(20)	Total	2,366.0	2,685.3	319.4	Sum: [(17) through (19)]	
	Depreciation Exp					
(21)	CEI	60.0	80.5	20.5	Sch B-3.2 Line 45	
(22)	OE	62.0	81.3	19.3	Sch B-3.2 Line 47	
(23)	TE	24.5	32.6	8.1	Sch B-3.2 Line 44	
(24)	Total	146.5	194.4	47.9	Sum: [(21) through (23)]	
	Property Tax Exp					
(25)	CEI	65.0	85.9	21.0	Sch C-3.10a Line 4	
(26)	OE	57.4	79.9	22.5	Sch C-3.10a Line 4	
(27)	TE	20.1	25.5	5.4	Sch C-3.10a Line 4	
(28)	Total	142.4	191.3	48.8	Sum: [(25) through (27)]	
	Revenue Requirement	Rate Base	Return 8.48%	Deprec	Prop Tax	Rev. Req.
(29)	CEI	171.4	14.5	20.5	21.0	56.0
(30)	OE	148.5	12.6	19.3	22.5	54.4
(31)	TE	(0.5)	(0.0)	8.1	5.4	13.4
(32)	Total	319.4	27.1	47.9	48.8	123.8

Capital Structure & Returns			
	% mix	rate	wtd rate
(33) Debt	51%	6.54%	3.3%
(34) Equity	49%	10.50%	5.1%
(35)			8.48%

	(a)	(b)	(c)	(d)	(e)	(f)
Revenue Requirement with Tax	Equity Return	Tax Rate	Income Tax	CAT 0.26%	Taxes	Rev. Req. + Tax
(36) CEI	8.8	36.14%	5.0	0.2	5.1	61.1
(37) OE	7.6	35.88%	4.3	0.2	4.4	58.8
(38) TE	(0.0)	35.74%	(0.0)	0.0	0.0	13.4
(39) Total	16.4		9.3	0.3	9.6	133.4

(a) = Weighted Cost of Equity x Rate Base
(b) = Current composite income tax rates

(c) = (a) x (1 / (1-(b))) - 1
(d) = (Rev. Req. + (c)) x (1/(1-.26%) - 1)

(e) = (c) + (d)
(f) = (e) + Rev. Req. from Lines 29-31

The Cleveland Electric Illuminating Company
6/30/2012 Actual Plant in Service by Accounts and Subaccounts

Schedule B-2.1
Page 1 of 4

NOTE: Column A contains actual plant in service balances as of 6/30/2012, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting. Column B shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column D are provided on the "Exclusions" workpaper.

Line No.	Account No.	Account Title	Total Company (A)	Allocation % (B)	Allocated Total (C) = (A) * (B)	Adjustments (D)	Adjusted Jurisdiction (E) = (C) + (D)
<u>TRANSMISSION PLANT</u>							
1	350	Land & Land Rights	64,787,651	100%	64,787,651	(\$57,221,643)	7,566,008
2	352	Structures & Improvements	17,875,406	100%	17,875,406		17,875,406
3	353	Station Equipment	153,009,415	100%	153,009,415		153,009,415
4	354	Towers & Fixtures	326,171	100%	326,171		326,171
5	355	Poles & Fixtures	41,702,930	100%	41,702,930		41,702,930
6	356	Overhead Conductors & Devices	49,682,444	100%	49,682,444		49,682,444
7	357	Underground Conduit	31,471,004	100%	31,471,004		31,471,004
8	358	Underground Conductors & Devices	94,247,562	100%	94,247,562		94,247,562
9	359	Roads & Trails	319,646	100%	319,646		319,646
10		Total Transmission Plant	\$453,422,231	100%	\$453,422,231	(\$57,221,643)	\$396,200,588

The Cleveland Electric Illuminating Company
6/30/2012 Actual Plant in Service by Accounts and Subaccounts

Schedule B-2.1
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NOTE: Column A contains actual plant in service balances as of 6/30/2012, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting. Column B shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column D are provided on the "Exclusions" workpaper.

Line No.	Account No.	Account Title	Total Company (A)	Allocation % (B)	Allocated Total (C) = (A) * (B)	Adjustments (D)	Adjusted Jurisdiction (E) = (C) + (D)
<u>DISTRIBUTION PLANT</u>							
11	360	Land & Land Rights	\$6,757,249	100%	\$6,757,249		\$6,757,249
12	361	Structures & Improvements	22,401,499	100%	22,401,499		22,401,499
13	362	Station Equipment	225,778,304	100%	225,778,304	(168,079)	225,610,225
14	364	Poles, Towers & Fixtures	288,998,546	100%	288,998,546	(184,009)	288,814,537
15	365	Overhead Conductors & Devices	370,969,548	100%	370,969,548	(1,799,683)	369,169,865
16	366	Underground Conduit	68,365,706	100%	68,365,706		68,365,706
17	367	Underground Conductors & Devices	320,655,161	100%	320,655,161		320,655,161
18	368	Line Transformers	338,064,705	100%	338,064,705	(8,624)	338,056,081
19	369	Services	73,737,356	100%	73,737,356		73,737,356
20	370	Meters	104,742,961	100%	104,742,961	(237,762)	104,505,199
21	371	Installation on Customer Premises	23,839,493	100%	23,839,493		23,839,493
22	373	Street Lighting & Signal Systems	68,406,378	100%	68,406,378		68,406,378
23	374	Asset Retirement Costs for Distribution Plant	60,078	100%	60,078		60,078
24		Total Distribution Plant	\$1,912,776,983	100%	\$1,912,776,983	(\$2,398,156)	\$1,910,378,826

The Cleveland Electric Illuminating Company
6/30/2012 Actual Plant in Service by Accounts and Subaccounts

Schedule B-2.1
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NOTE: Column A contains actual plant in service balances as of 6/30/2012, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting. Column B shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column D are provided on the "Exclusions" workpaper.

Line No.	Account No.	Account Title	Total Company (A)	Allocation % (B)	Allocated Total (C) = (A) * (B)	Adjustments (D)	Adjusted Jurisdiction (E) = (C) + (D)
<u>GENERAL PLANT</u>							
25	389	Land & Land Rights	\$1,557,505	100%	\$1,557,505		\$1,557,505
26	390	Structures & Improvements	45,936,998	100%	45,936,998		45,936,998
27	390.3	Leasehold Improvements	436,850	100%	436,850		436,850
28	391.1	Office Furniture & Equipment	4,681,101	100%	4,681,101		4,681,101
29	391.2	Data Processing Equipment	15,794,385	100%	15,794,385		15,794,385
30	392	Transportation Equipment	4,385,802	100%	4,385,802		4,385,802
31	393	Stores Equipment	695,381	100%	695,381		695,381
32	394	Tools, Shop & Garage Equipment	11,907,226	100%	11,907,226		11,907,226
33	395	Laboratory Equipment	4,965,556	100%	4,965,556		4,965,556
34	396	Power Operated Equipment	5,233,952	100%	5,233,952		5,233,952
35	397	Communication Equipment	16,603,179	100%	16,603,179		16,603,179
36	398	Miscellaneous Equipment	102,336	100%	102,336		102,336
37	399.1	Asset Retirement Costs for General Plant	203,777	100%	203,777		203,777
38		Total General Plant	\$112,504,049	100%	\$112,504,049	\$0	\$112,504,049

The Cleveland Electric Illuminating Company
6/30/2012 Actual Plant in Service by Accounts and Subaccounts

Schedule B-2.1
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NOTE: Column A contains actual plant in service balances as of 6/30/2012, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting. Column B shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column D are provided on the "Exclusions" workpaper.

Line No.	Account No.	Account Title	Total Company (A)	Allocation % (B)	Allocated Total (C) = (A) * (B)	Adjustments (D)	Adjusted Jurisdiction (E) = (C) + (D)
<u>OTHER PLANT</u>							
39	303	Intangible Software	47,339,910.36	100%	\$47,339,910		\$47,339,910
40	303	Intangible FAS 109 Transmission	\$1,176,339	100%	\$1,176,339		\$1,176,339
41	303	Intangible FAS 109 Distribution	\$2,001,380	100%	\$2,001,380		\$2,001,380
42		Total Other Plant	\$50,517,630		\$50,517,630	\$0	\$50,517,630
43		Company Total Plant	\$2,529,220,892	100%	\$2,529,220,892	(\$59,619,799)	\$2,469,601,093
44		Service Company Plant Allocated*					\$64,189,877
45		Grand Total Plant (43 + 44)					\$2,533,790,970

* Source: Line 2 of the Service Company Allocations workpaper.

The Cleveland Electric Illuminating Company
6/30/2012 Actual Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3
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NOTE: Column B contains actual reserve for accumulated depreciation balances as of 6/30/2012, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting. Column C shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column E are provided on the Exclusions workpaper.

Line No.	Account No.	Account Title	Total Company	Reserve Balances				
			Plant Investment	Total	Allocation	Allocated	Adjustments	Adjusted
			Sch B2.1 Column E	Company	%	Total		Jurisdiction
			(A)	(B)	(C)	(D) = (B) * (C)	(E)	(F) = (D) + (E)
<u>TRANSMISSION PLANT</u>								
1	350	Land & Land Rights	\$7,566,008	\$0	100%	\$0		\$0
2	352	Structures & Improvements	\$17,875,406	13,257,022	100%	13,257,022		13,257,022
3	353	Station Equipment	\$153,009,415	64,264,123	100%	64,264,123		64,264,123
4	354	Towers & Fixtures	\$326,171	1,577,440	100%	1,577,440		1,577,440
5	355	Poles & Fixtures	\$41,702,930	32,012,496	100%	32,012,496		32,012,496
6	356	Overhead Conductors & Devices	\$49,682,444	25,544,041	100%	25,544,041		25,544,041
7	357	Underground Conduit	\$31,471,004	26,511,412	100%	26,511,412		26,511,412
8	358	Underground Conductors & Devices	\$94,247,562	32,053,774	100%	32,053,774		32,053,774
9	359	Roads & Trails	\$319,646	16,260	100%	16,260		16,260
10		Total Transmission Plant	\$396,200,588	\$195,236,568	100%	\$195,236,568	\$0	\$195,236,568

The Cleveland Electric Illuminating Company
6/30/2012 Actual Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3
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NOTE: Column B contains actual reserve for accumulated depreciation balances as of 6/30/2012, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting. Column C shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column E are provided on the Exclusions workpaper.

Line No.	Account No.	Account Title	Total Company	Reserve Balances				
			Plant Investment	Total	Allocation	Allocated	Adjustments	Adjusted
			Sch B2.1 Column E	Company	%	Total		Jurisdiction
			(A)	(B)	(C)	(D) = (B) * (C)	(E)	(F) = (D) + (E)
<u>DISTRIBUTION PLANT</u>								
11	360	Land & Land Rights	\$6,757,249	\$0	100%	\$0		\$0
12	361	Structures & Improvements	\$22,401,499	16,803,733	100%	16,803,733		16,803,733
13	362	Station Equipment	\$225,610,225	68,177,361	100%	68,177,361	(15,823)	68,161,538
14	364	Poles, Towers & Fixtures	\$288,814,537	191,361,007	100%	191,361,007	(16,719)	191,344,288
15	365	Overhead Conductors & Devices	\$369,169,865	148,879,807	100%	148,879,807	(110,472)	148,769,335
16	366	Underground Conduit	\$68,365,706	38,110,406	100%	38,110,406		38,110,406
17	367	Underground Conductors & Devices	\$320,655,161	89,519,118	100%	89,519,118		89,519,118
18	368	Line Transformers	\$338,056,081	110,602,327	100%	110,602,327	(619)	110,601,708
19	369	Services	\$73,737,356	10,255,544	100%	10,255,544		10,255,544
20	370	Meters	\$104,505,199	39,225,426	100%	39,225,426	(26,936)	39,198,490
21	371	Installation on Customer Premises	\$23,839,493	8,526,379	100%	8,526,379		8,526,379
22	373	Street Lighting & Signal Systems	\$68,406,378	35,392,813	100%	35,392,813		35,392,813
23	374	Asset Retirement Costs for Distribution Plant	\$60,078	41,580	100%	41,580		41,580
24		Total Distribution Plant	\$1,910,378,826	\$756,895,500	100%	\$756,895,500	(\$170,567)	\$756,724,933

The Cleveland Electric Illuminating Company
6/30/2012 Actual Reserve for Accumulated Depreciation by Accounts and Subaccounts

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NOTE: Column B contains actual reserve for accumulated depreciation balances as of 6/30/2012, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting. Column C shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column E are provided on the Exclusions workpaper.

Line No.	Account No.	Account Title	Total Company	Reserve Balances				
			Plant Investment	Total	Allocation	Allocated	Adjustments	Adjusted
			Sch B2.1 Column E	Company	%	Total		Jurisdiction
			(A)	(B)	(C)	(D) = (B) * (C)	(E)	(F) = (D) + (E)
<u>GENERAL PLANT</u>								
25	389	Land & Land Rights	\$1,557,505	\$0	100%	\$0		\$0
26	390	Structures & Improvements	\$45,936,998	16,920,863	100%	\$16,920,863		\$16,920,863
27	390.3	Leasehold Improvements	\$436,850	421,300	100%	\$421,300		\$421,300
28	391.1	Office Furniture & Equipment	\$4,681,101	3,915,009	100%	\$3,915,009		\$3,915,009
29	391.2	Data Processing Equipment	\$15,794,385	6,037,493	100%	\$6,037,493		\$6,037,493
30	392	Transportation Equipment	\$4,385,802	3,173,670	100%	\$3,173,670		\$3,173,670
31	393	Stores Equipment	\$695,381	108,826	100%	\$108,826		\$108,826
32	394	Tools, Shop & Garage Equipment	\$11,907,226	2,718,969	100%	\$2,718,969		\$2,718,969
33	395	Laboratory Equipment	\$4,965,556	1,716,948	100%	\$1,716,948		\$1,716,948
34	396	Power Operated Equipment	\$5,233,952	3,322,740	100%	\$3,322,740		\$3,322,740
35	397	Communication Equipment	\$16,603,179	15,270,518	100%	\$15,270,518		\$15,270,518
36	398	Miscellaneous Equipment	\$102,336	92,196	100%	\$92,196		\$92,196
37	399.1	Asset Retirement Costs for General Plant	\$203,777	98,419	100%	\$98,419		\$98,419
38		Total General Plant	\$112,504,049	\$53,796,951	100%	\$53,796,951	\$0	\$53,796,951

The Cleveland Electric Illuminating Company
6/30/2012 Actual Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3
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NOTE: Column B contains actual reserve for accumulated depreciation balances as of 6/30/2012, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting. Column C shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column E are provided on the Exclusions workpaper.

Line No.	Account No.	Account Title	Total Company Plant Investment Sch B2.1 Column E (A)	Reserve Balances				
				Total Company (B)	Allocation % (C)	Allocated Total (D) = (B) * (C)	Adjustments (E)	Adjusted Jurisdiction (F) = (D) + (E)
OTHER PLANT								
39	303	Intangible Software	\$47,339,910	\$31,851,987	100%	\$31,851,987		\$31,851,987
40	303	Intangible FAS 109 Transmission	\$1,176,339	\$969,591	100%	\$969,591		\$969,591
41	303	Intangible FAS 109 Distribution	\$2,001,380	\$1,949,166	100%	\$1,949,166		\$1,949,166
42		Total Other Plant	\$50,517,630	\$34,770,745		\$34,770,745	0	\$34,770,745
43		Company Total Plant (Reserve)	\$2,469,601,093	\$1,040,699,764	100%	\$1,040,699,764	(\$170,567)	\$1,040,529,196
44		Service Company Reserve Allocated*						\$20,656,978
45		Grand Total Plant (Reserve) (43 + 44)						\$1,061,186,175

* Source: Line 3 of the Service Company Allocations workpaper.

FirstEnergy Companies
ADIT Balances (281 & 282 Property Accounts)

	<u>CEI</u>	<u>OE</u>	<u>TE</u>	<u>SC</u>
(1) Ending Bal. 6/30/12*	383,276,123	430,445,556	118,992,385	72,262,765
(2) Service Company Allocated ADIT**	\$10,268,539	\$12,443,648	\$5,477,518	
(3) Grand Total ADIT Balance***	<u>\$393,544,662</u>	<u>\$442,889,204</u>	<u>\$124,469,903</u>	

*Source: Actual 6/30/12 balances.

** Line 4 on Service Company Allocations workpaper

*** Calculation : Line 1 + Line 2

The Cleveland Electric Illuminating Company
Depreciation Accrual Rates and 6/30/2012 Actual Jurisdictional Reserve Balances by Accounts and Subaccounts

Schedule B-3.2
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NOTE: Column F is from Case No. 07-551-EL-AIR.

Line No.	Account No.	Account Title	Adjusted Jurisdiction		Current Accrual Rate	Calculated Depr. Expense (G=DxF)
			Plant Investment Sch. B-2.1 (D)	Reserve Balance Sch. B-3 (E)		
(A)	(B)	(C)			(F)	
<u>TRANSMISSION PLANT</u>						
1	350	Land & Land Rights	\$7,566,008	\$0	0.00%	\$0
2	352	Structures & Improvements	\$17,875,406	\$13,257,022	2.50%	446,885
3	353	Station Equipment	\$153,009,415	\$64,264,123	1.80%	2,754,169
4	354	Towers & Fixtures	\$326,171	\$1,577,440	1.77%	5,773
5	355	Poles & Fixtures	\$41,702,930	\$32,012,496	3.00%	1,251,088
6	356	Overhead Conductors & Devices	\$49,682,444	\$25,544,041	2.78%	1,381,172
7	357	Underground Conduit	\$31,471,004	\$26,511,412	2.00%	629,420
8	358	Underground Conductors & Devices	\$94,247,562	\$32,053,774	2.00%	1,884,951
9	359	Roads & Trails*	\$319,646	\$16,260	1.33%	4,251
10		Total Transmission	\$396,200,588	\$195,236,568		\$8,357,709

*NOTE: There weren't any balances in this account in Case No. 07-551-EL-AIR, so this accrual rate has been added since the case

The Cleveland Electric Illuminating Company
Depreciation Accrual Rates and 6/30/2012 Actual Jurisdictional Reserve Balances by Accounts and Subaccounts

Schedule B-3.2
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NOTE: Column F is from Case No. 07-551-EL-AIR.

Line No.	Account No.	Account Title	Adjusted Jurisdiction		Current Accrual Rate	Calculated Depr. Expense (G=DxF)
			Plant Investment Sch. B-2.1 (D)	Reserve Balance Sch. B-3 (E)		
(A)	(B)	(C)			(F)	
<u>DISTRIBUTION PLANT</u>						
11	360	Land & Land Rights	\$6,757,249	\$0	0.00%	\$0
12	361	Structures & Improvements	\$22,401,499	\$16,803,733	2.50%	560,037
13	362	Station Equipment	\$225,610,225	\$68,161,538	1.80%	4,060,984
14	364	Poles, Towers & Fixtures	\$288,814,537	\$191,344,288	4.65%	13,429,876
15	365	Overhead Conductors & Devices	\$369,169,865	\$148,769,335	3.89%	14,360,708
16	366	Underground Conduit	\$68,365,706	\$38,110,406	2.17%	1,483,536
17	367	Underground Conductors & Devices	\$320,655,161	\$89,519,118	2.44%	7,823,986
18	368	Line Transformers	\$338,056,081	\$110,601,708	2.91%	9,837,432
19	369	Services	\$73,737,356	\$10,255,544	4.33%	3,192,828
20	370	Meters	\$104,505,199	\$39,198,490	3.16%	3,302,364
21	371	Installation on Customer Premises	\$23,839,493	\$8,526,379	3.45%	822,463
22	373	Street Lighting & Signal Systems	\$68,406,378	\$35,392,813	3.70%	2,531,036
23	374	Asset Retirement Costs for Distribution Plant	\$60,078	\$41,580	0.00%	0
24		Total Distribution	\$1,910,378,826	\$756,724,933		\$61,405,250

The Cleveland Electric Illuminating Company
Depreciation Accrual Rates and 6/30/2012 Actual Jurisdictional Reserve Balances by Accounts and Subaccounts

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NOTE: Column F is from Case No. 07-551-EL-AIR.

Line No.	Account No.	Account Title	Adjusted Jurisdiction		Current Accrual Rate	Calculated Depr. Expense (G=DxF)
			Plant Investment Sch. B-2.1 (D)	Reserve Balance Sch. B-3 (E)		
(A)	(B)	(C)			(F)	
<u>GENERAL PLANT</u>						
25	389	Land & Land Rights	\$1,557,505	\$0	0.00%	\$0
26	390	Structures & Improvements	\$45,936,998	\$16,920,863	2.20%	\$1,010,614
27	390.3	Leasehold Improvements	\$436,850	\$421,300	22.34%	\$97,592
28	391.1	Office Furniture & Equipment	\$4,681,101	\$3,915,009	7.60%	\$355,764
29	391.2	Data Processing Equipment	\$15,794,385	\$6,037,493	10.56%	\$1,667,887
30	392	Transportation Equipment	\$4,385,802	\$3,173,670	6.07%	\$266,218
31	393	Stores Equipment	\$695,381	\$108,826	6.67%	\$46,382
32	394	Tools, Shop & Garage Equipment	\$11,907,226	\$2,718,969	4.62%	\$550,114
33	395	Laboratory Equipment	\$4,965,556	\$1,716,948	2.31%	\$114,704
34	396	Power Operated Equipment	\$5,233,952	\$3,322,740	4.47%	\$233,958
35	397	Communication Equipment	\$16,603,179	\$15,270,518	7.50%	\$1,245,238
36	398	Miscellaneous Equipment	\$102,336	\$92,196	6.67%	\$6,826
37	399.1	Asset Retirement Costs for General Plant	\$203,777	\$98,419	0.00%	\$0
38		Total General	\$112,504,049	\$53,796,951		\$5,595,297

The Cleveland Electric Illuminating Company
Depreciation Accrual Rates and 6/30/2012 Actual Jurisdictional Reserve Balances by Accounts and Subaccounts

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NOTE: Column F is from Case No. 07-551-EL-AIR.

Line No.	Account No.	Account Title	Adjusted Jurisdiction		Current Accrual Rate	Calculated Depr. Expense (G=DxF)
			Plant Investment Sch. B-2.1 (D)	Reserve Balance Sch. B-3 (E)		
(A)	(B)	(C)			(F)	
<u>OTHER PLANT</u>						
39	303	Intangible Software	\$47,339,910	\$31,851,987	14.29%	**
40	303	Intangible FAS 109 Transmission	\$1,176,339	\$969,591	2.15%	**
41	303	Intangible FAS 109 Distribution	\$2,001,380	\$1,949,166	3.18%	**
42		Total Other	<u>\$50,517,630</u>	<u>\$34,770,745</u>		<u>\$3,759,009</u>
43		Company Total Depreciation	\$2,469,601,093	\$1,040,529,196		\$79,117,265
44		Incremental Depreciation Associated with Allocated Service Company Plant ***	\$64,189,877	\$20,656,978		\$1,376,090
45		GRAND TOTAL	<u><u>\$2,533,790,970</u></u>	<u><u>\$1,061,186,175</u></u>		<u><u>\$80,493,355</u></u>

** Please see workpaper "Intangible Depreciation Expense" for more details behind the calculation of depreciation expense associated with Intangible Plant.

*** Source: Line 6 of workpaper "Service Company"

The Cleveland Electric Illuminating Company

Annual Property Tax Expense on Actual Plant Balances as of June 30, 2012

Schedule C-3.10a

Page 1 of 1

Line No.	Description	Jurisdictional Amount
1	Personal Property Taxes (See Schedule C-3.10a1)	83,889,035
2	Real Property Taxes (See Schedule C-3.10a2)	1,958,017
3	Incremental Property Tax Associated with Allocated Service Company Plant *	<u>86,782</u>
4	Total Property Taxes (1 + 2 + 3)	<u><u>\$85,933,834</u></u>

* Source: Line 7 of workpaper "Service Company Allocation Summary".

The Cleveland Electric Illuminating Company

Annual Personal Property Tax Expense on Actual Plant Balances as of June 30, 2012

Schedule C-3.10a1

Page 1 of 1

Line No.	Description	Jurisdictional Amount		
		Transmission Plant	Distribution Plant	General Plant
1	Jurisdictional Plant in Service (a)	\$396,200,588	\$1,910,378,826	\$112,504,049
2	Jurisdictional Real Property (b)	25,441,414	29,158,747	47,931,353
3	Jurisdictional Personal Property (1 - 2)	370,759,173	1,881,220,079	64,572,696
4	Purchase Accounting Adjustment (f)	(257,265,458)	(932,919,746)	0
5	Adjusted Jurisdictional Personal Property (3 + 4)	113,493,715	948,300,333	64,572,696
<u>Exclusions and Exemptions</u>				
6	Capitalized Asset Retirement Costs (a)	0	60,078	203,777
7	Exempt Facilities (c)	0	0	0
8	Licensed Motor Vehicles (c)	0	0	6,527,799
9	Capitalized Interest (g)	4,800,784	7,870,893	0
10	Total Exclusions and Exemptions (6 thru 9)	4,800,784	7,930,971	6,731,576
11	Net Cost of Taxable Personal Property (5 - 10)	\$108,692,931	\$940,369,362	\$57,841,120
12	True Value Percentage (c)	80.8151%	79.1120%	31.6214%
13	True Value of Taxable Personal Property (11 x 12)	\$87,840,301	\$743,945,010	\$18,290,172
14	Assessment Percentage (d)	85.00%	85.00%	24.00%
15	Assessment Value (13 x 14)	\$74,664,256	\$632,353,259	\$4,389,641
16	Personal Property Tax Rate (e)	10.3719000%	10.3719000%	10.3719000%
17	Personal Property Tax (15 x 16)	\$7,744,102	\$65,587,048	455,289
18	Purchase Accounting Adjustment (f)	1,996,091	\$8,106,505	0
19	Total Personal Property Tax (17 + 18)			\$83,889,035

(a) Schedule B-2.1

(b) Schedule B-2.1, Accounts 350, 352, 360, 361, 389, 390 and 390.3

(c) Source: CEI's 2012 Ohio annual property tax filing.

(d) Statutory Assessment for Personal Property

(e) Estimated tax rate for Personal Property based on 2012 Ohio Annual Property Tax return filing

(f) Adjustment made as a result of the merger between Ohio Edison and Centenor

(g) Calculation: Line 5 x Percentage from 2012 annual property tax filing

The Cleveland Electric Illuminating Company

Annual Real Property Tax Expense on Actual Plant Balances as of June 30, 2012

Schedule C-3.10a2

Page 1 of 1

Line No.	Description	Jurisdictional Amount		
		Transmission Plant	Distribution Plant	General Plant
1	Jurisdictional Real Property (a)	\$25,441,414	\$29,158,747	\$47,931,353
2	True Value Percentage (b)	71.87%	71.87%	71.87%
3	True Value of Taxable Real Property (1 x 2)	\$18,284,439	\$20,956,042	\$34,447,688
4	Assessment Percentage (c)	35.00%	35.00%	35.00%
5	Assessment Value (3 x 4)	\$6,399,554	\$7,334,615	\$12,056,691
6	Real Property Tax Rate (d)	7.5919%	7.5919%	7.5919%
7	Real Property Tax (5 x 6)	\$485,848	\$556,837	\$915,332
8	Total Real Property Tax (Sum of 7)			<u>\$1,958,017</u>

(a) Schedule C-3.10a1

(b) Calculated as follows:

(1) Real Property Assessed Value	\$39,938,271	Source: CEI's 2012 Annual Property Tax return filing
(2) Assessment Percentage	35.00%	Statutory Assessment for Real Property
(3) Real Property True Value	\$114,109,346	Calculation: (1) / (2)
(4) Real Property Capitalized Cost	\$158,774,501	Book cost of real property used to compare to assessed value of real property to derive a true value percentage
(5) Real Property True Value Percentage	71.87%	Calculation: (3) / (4)

(c) Statutory Assessment for Real Property

(d) Estimated tax rate for Real Estate based on 2012 Annual Property Tax return filing.

**Summary of Exclusions per Case No. 10-388-EL-SSO
Actual 6/30/2012 Plant in Service Balances**

General Adjustments

ATSI Land Lease Certain amounts (summarized below) in account 350 are associated with land leased to ATSI, FirstEnergy's transmission subsidiary. Consistent with Case No. 07-551-EL-AIR, these amounts are not jurisdictional to distribution related plant in service, and have been excluded accordingly for each operating company. CEI's balance has decreased from the amounts listed in Case No. 07-551-EL-AIR due to some retirements (sale) of the land. There is no accumulated depreciation reserve associated with land.

FERC Account 350	CEI	OE	TE
Gross Plant	\$57,221,643	\$85,290,624	\$15,628,800
Reserve	\$0	\$0	\$0

ESP2 Adjustments

In the ESP2 Stipulation (Case No. 10-388-EL-SSO, page 14), it says "capital additions recovered through Riders LEX, EDR, and AMI will be identified and excluded from Rider DCR and the annual cap allowance."

AMI Only CEI has an AMI project so this exclusion does not impact OE or TE.
Source: 6/30/2012 Actual Plant Balances
Exclusions related to Rider AMI are determined by specific depreciation groups in PowerPlant and WBS CE-004000

FERC Account	CEI	
	Gross	Reserve
362	\$168,079	\$15,823
364	\$184,009	\$16,719
365	\$1,799,683	\$110,472
368	\$8,624	\$619
370	\$237,762	\$26,936
Grand Total	\$2,398,156	\$170,567

LEX As implemented by the Companies, Rider LEX will recover deferred expenses associated with lost up-front line extension payments from 2009-2011. These deferred expenses are recorded as a regulatory asset, not as plant in service, on the Companies' books. Therefore, there is no adjustment to plant in service associated with Rider LEX.

EDR As of 6/30/2012, there is no plant in service associated with Rider EDR (provision g).

Service Company Allocations to the Ohio Operating Companies

	Service Company	CEI	OE	TE	TOTAL
(1) Allocation Factors from Case 07-551		14.21%	17.22%	7.58%	
(2) Gross Plant	\$451,723,271	\$64,189,877	\$77,786,747	\$34,240,624	\$176,217,248
(3) Reserve	\$145,369,305	\$20,656,978	\$25,032,594	\$11,018,993	\$56,708,566
(4) ADIT	\$72,262,765	\$10,268,539	\$12,443,648	\$5,477,518	\$28,189,704
(5) Rate Base		\$33,264,360	\$40,310,505	\$17,744,113	\$91,318,977
(6) Depreciation Expense (Incremental)		\$1,376,090	\$1,667,577	\$734,044	\$3,777,710
(7) Property Tax Expense (Incremental)		\$86,782	\$105,165	\$46,292	\$238,240
(8) Total Expenses		\$1,462,872	\$1,772,742	\$780,336	\$4,015,950

- (2) Gross Plant = Actual Service Company General and Intangible plant in-service as of 6/30/12
- (3) Reserve = Actual Service Company General and Intangible Plant depreciation reserve as of 6/30/12.
- (4) ADIT: Actual ADIT Balances as of 6/30/12.
- (5) Rate Base = Gross Plant - Reserve - ADIT
- (6) Estimated incremental depreciation expense. Additional details provided on "Incremental Depreciation and Property Tax Associated with Service Company Plant"
- (7) Estimated incremental property tax expense. Additional details provided on "Incremental Depreciation and Property Tax Associated with Service Company Plant"
- (8) Total Expenses = Depreciation Expense + Property Tax Expense

All Service Company Allocations for Gross Plant and Reserve can be found on Sch B2.1 and Sch B3, respectively, in order to determine the Grand Totals shown on the Revenue Requirement Calculation sheet.

Depreciation Rate for Service Company Plant

I. Estimated Depreciation Accrual Rate for Service Company Plant as of May 31, 2007

Line No.	(A) Account	(B) Account Description	(D) 5/31/2007			(G) Accrual Rates				(J) Depreciation Expense
			(C) Gross	(D) Reserve	(E) Net	(F) CEI	(G) OE	(H) TE	(I) Average	
1	Allocation Factors					14.21%	17.22%	7.58%	39.01%	
2	Weighted Allocation Factors					36.43%	44.14%	19.43%	100.00%	
GENERAL PLANT										
3	389	Fee Land & Easements	\$556,979	\$0	\$556,979	0.00%	0.00%	0.00%	0.00%	\$0
4	390	Structures, Improvements *	\$21,328,601	\$7,909,208	\$13,419,393	2.20%	2.50%	2.20%	2.33%	\$497,474
5	390.3	Struct Imprv, Leasehold Imp **	\$6,938,688	\$1,006,139	\$5,932,549	22.34%	20.78%	0.00%	21.49%	\$1,490,798
6	391.1	Office Furn., Mech. Equip.	\$31,040,407	\$24,400,266	\$6,640,141	7.60%	3.80%	3.80%	5.18%	\$1,609,200
7	391.2	Data Processing Equipment	\$117,351,991	\$26,121,795	\$91,230,196	10.56%	17.00%	9.50%	13.20%	\$15,486,721
8	392	Transportation Equipment	\$11,855	\$1,309	\$10,546	6.07%	7.31%	6.92%	6.78%	\$804
9	393	Stores Equipment	\$16,787	\$1,447	\$15,340	6.67%	2.56%	3.13%	4.17%	\$700
10	394	Tools, Shop, Garage Equip.	\$11,282	\$506	\$10,776	4.62%	3.17%	3.33%	3.73%	\$421
11	395	Laboratory Equipment	\$127,988	\$11,126	\$116,862	2.31%	3.80%	2.86%	3.07%	\$3,935
12	396	Power Operated Equipment	\$160,209	\$20,142	\$140,067	4.47%	3.48%	5.28%	4.19%	\$6,713
13	397	Communication Equipment ***	\$56,845,501	\$32,304,579	\$24,540,922	7.50%	5.00%	5.88%	6.08%	\$3,457,148
14	398	Misc. Equipment	\$465,158	\$27,982	\$437,176	6.67%	4.00%	3.33%	4.84%	\$22,525
15	399.1	ARC General Plant	\$40,721	\$16,948	\$23,773	0.00%	0.00%	0.00%	0.00%	\$0
16			\$234,896,167	\$91,821,447	\$143,074,720					\$22,576,438
INTANGIBLE PLANT										
17	301	Organization	\$49,344	\$49,344	\$0	0.00%	0.00%	0.00%	0.00%	\$0
18	303	Misc. Intangible Plant	\$75,721,715	\$46,532,553	\$29,189,162	14.29%	14.29%	14.29%	14.29%	\$10,820,633
19	303	Katz Software	\$1,268,271	\$1,027,642	\$240,630	14.29%	14.29%	14.29%	14.29%	\$181,236
20	303	Software 1999	\$10,658	\$4,881	\$5,777	14.29%	14.29%	14.29%	14.29%	\$1,523
21	303	Software GPU SC00	\$2,343,368	\$2,343,368	\$0	14.29%	14.29%	14.29%	14.29%	\$0
22	303	Impairment June 2000	\$77	\$77	(\$0)	14.29%	14.29%	14.29%	14.29%	\$0
23	303	3 year depreciable life	\$55,645	\$14,684	\$40,961	14.29%	14.29%	14.29%	14.29%	\$7,952
24	303	Debt Gross-up (FAS109): General	\$117,298	\$117,298	\$0	3.87%	3.87%	3.87%	3.87%	\$0
25	303	Debt Gross-up (FAS109): G/P Land	\$1,135	\$1,137	(\$2)	3.87%	3.87%	3.87%	3.87%	\$0
26			\$79,567,511	\$50,090,984	\$29,476,527					\$11,011,344
27	TOTAL - GENERAL & INTANGIBLE		\$314,463,678	\$141,912,431	\$172,551,247				10.68%	\$33,587,782

NOTES

(C) - (E) Service Company plant balances as of May 31, 2007.

(F) - (H) Source: Case No. 07-551-EL-AIR. Staff workpapers, Schedule B3.2.

In Case No. 07-551-EL-AIR, CEI and TE did not have an accrual rate for Account 303 (FAS 109 - General). Assumed to be the same as OE.

(I) Weighted average of columns F through H based on Service Company allocation factors on Line 2.

Assumes that the accrual rate, by account, for Service Company plant is equal to the weighted average of the three operating companies.

(J) Estimated depreciation expense associated with Service Company plant as of 5/31/07. Calculation: Column C x Column I.

* Includes accounts 390.1 and 390.2.

** Weighted average accrual rate is taken over CEI and OE only. (TE had no balance in Case No. 07-551-EL-AIR).

*** Includes accounts 397 and 397.1

Depreciation Rate for Service Company Plant

II. Estimated Depreciation Accrual Rate for Actual Service Company Plant as of June 30, 2012

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
Line No.	Account	Account Description	6/30/12 Actual Balances			Accrual Rates				Depreciation Expense
			Gross	Reserve	Net	CEI	OE	TE	Average	
28	Allocation Factors					14.21%	17.22%	7.58%	39.01%	
29	Weighted Allocation Factors					36.43%	44.14%	19.43%	100.00%	
GENERAL PLANT										
30	389	Fee Land & Easements	\$230,947	\$0	\$230,947	0.00%	0.00%	0.00%	0.00%	\$0
31	390	Structures, Improvements *	\$57,333,329	\$12,404,806	\$44,928,523	2.20%	2.50%	2.20%	2.33%	\$1,337,258
32	390.3	Struct Imprv, Leasehold Imp **	\$14,068,908	\$3,596,142	\$10,472,765	22.34%	20.78%	0.00%	21.49%	\$3,022,747
33	391.1	Office Furn., Mech. Equip.	\$17,245,398	\$9,220,973	\$8,024,425	7.60%	3.80%	3.80%	5.18%	\$894,037
34	391.2	Data Processing Equipment	\$111,399,277	\$29,635,189	\$81,764,088	10.56%	17.00%	9.50%	13.20%	\$14,701,152
35	392	Transportation Equipment	\$27,535	\$19,587	\$7,948	6.07%	7.31%	6.92%	6.78%	\$1,868
36	393	Stores Equipment	\$16,773	\$4,288	\$12,485	6.67%	2.56%	3.13%	4.17%	\$699
37	394	Tools, Shop, Garage Equip.	\$227,515	\$12,267	\$215,248	4.62%	3.17%	3.33%	3.73%	\$8,485
38	395	Laboratory Equipment	\$118,259	\$21,370	\$96,889	2.31%	3.80%	2.86%	3.07%	\$3,636
39	396	Power Operated Equipment	\$41,518	\$19,124	\$22,394	4.47%	3.48%	5.28%	4.19%	\$1,740
40	397	Communication Equipment ***	\$80,183,434	\$13,074,489	\$67,108,945	7.50%	5.00%	5.88%	6.08%	\$4,876,481
41	398	Misc. Equipment	\$3,217,158	\$417,677	\$2,799,481	6.67%	4.00%	3.33%	4.84%	\$155,788
42	399.1	ARC General Plant	\$40,721	\$21,664	\$19,058	0.00%	0.00%	0.00%	0.00%	\$0
43			\$284,150,773	\$68,447,576	\$215,703,197					\$25,003,891
INTANGIBLE PLANT										
44	303	FECO 101/6 303 Intangibles	\$21,462,782	\$1,970,853	\$19,491,928	14.29%	14.29%	14.29%	14.29%	\$3,067,031
45	301	FECO 101/6-301 Organization Fst	\$49,344	\$49,344	\$0	0.00%	0.00%	0.00%	0.00%	\$0
46	303	FECO 101/6-303 2003 Software	\$24,400,196	\$24,400,196	\$0	14.29%	14.29%	14.29%	14.29%	\$0
47	303	FECO 101/6-303 2004 Software	\$12,676,215	\$12,676,215	\$0	14.29%	14.29%	14.29%	14.29%	\$0
48	303	FECO 101/6-303 2005 Software	\$1,086,776	\$1,086,776	\$0	14.29%	14.29%	14.29%	14.29%	\$0
49	303	FECO 101/6-303 2006 Software	\$5,455,638	\$4,680,845	\$774,793	14.29%	14.29%	14.29%	14.29%	\$774,793
50	303	FECO 101/6-303 2007 Software	\$7,245,250	\$6,422,781	\$822,469	14.29%	14.29%	14.29%	14.29%	\$822,469
51	303	FECO 101/6-303 2008 Software	\$7,404,178	\$5,680,846	\$1,723,332	14.29%	14.29%	14.29%	14.29%	\$1,058,057
52	303	FECO 101/6-303 2009 Software	\$15,968,197	\$6,751,953	\$9,216,244	14.29%	14.29%	14.29%	14.29%	\$2,281,855
53	303	FECO 101/6-303 2010 Software	\$20,146,268	\$6,407,255	\$13,739,013	14.29%	14.29%	14.29%	14.29%	\$2,878,902
54	303	FECO 101/6-303 2011 Software	\$51,677,655	\$6,794,665	\$44,882,990	14.29%	14.29%	14.29%	14.29%	\$7,384,737
55			\$167,572,498	\$76,921,729	\$90,650,769					\$18,267,844
56	TOTAL - GENERAL & INTANGIBLE		\$451,723,271	\$145,369,305	\$306,353,965				9.58%	\$43,271,735

NOTES

(C) - (E) Service Company plant balances as of June 30, 2012.

(F) - (H) Source: Schedule B3.2.

(I) Weighted average of columns F through H based on Service Company allocation factors on Line 29.

Assumes that the accrual rate, by account, for Service Company plant is equal to the weighted average of the three operating companies.

(J) Estimated depreciation expense associated with Service Company plant as of 6/30/12. Calculation: Column C x Column I.

* Includes accounts 390.1 and 390.2.

** Weighted average accrual rate is taken over CEI and OE only. (TE had no balance in Case No. 07-551-EL-AIR).

*** Includes accounts 397 and 397.1

Property Tax Rate for Service Company Plant

I. Average Real Property Tax Rates on General Plant as of May 31, 2007 *

No.	(A) Category	(B) CEI	(C) OE	(D) TE	(E) Average **	(F) Source / Calculation
1	Allocation Factors	14.21%	17.22%	7.58%	39.01%	Service Company workpaper
2	Weighted Allocation Factors	36.43%	44.14%	19.43%	100.00%	Weighted Line 1
<u>Real Property Tax</u>						
3	True Value Percentage	72.69%	62.14%	49.14%	63.45%	Case No. 07-551-EL-AIR.
4	Assessment Percentage	35.00%	35.00%	35.00%	35.00%	Case No. 07-551-EL-AIR.
5	Real Property Tax Rate	7.23%	6.04%	7.23%	6.70%	Case No. 07-551-EL-AIR.
6	Average Rate	1.84%	1.31%	1.24%	1.49%	Line 3 x Line 4 x Line 5
<p>* Note: Effective with an Ohio tax law change in 2005, non-utilities do not pay Personal Property Tax. Accordingly, for purposes of determining the average Property Tax rate applicable to Service Company plant, only Real Property Tax is considered.</p> <p>** Weighted average based on Service Company allocation factors.</p> <p>Assumes that the tax rate for Service Company plant is equal to the weighted average of the three operating companies.</p>						

II. Estimated Property Tax Rate for Service Company General Plant as of May 31, 2007

No.	(A) Account	(B) Account Description	(C) Tax Category	(D) Avg. Tax Rate	(E) Gross Plant	(F) Property Tax
7	389	Fee Land & Easements	Real	1.49%	\$556,979	\$8,294
8	390	Structures, Improvements	Real	1.49%	\$21,328,601	\$317,594
9	390.3	Struct Imprv, Leasehold Imp	Real	1.49%	\$6,938,688	\$103,321
10	391.1	Office Furn., Mech. Equip.	Personal		\$31,040,407	\$0
11	391.2	Data Processing Equipment	Personal		\$117,351,991	\$0
12	392	Transportation Equipment	Personal		\$11,855	\$0
13	393	Stores Equipment	Personal		\$16,787	\$0
14	394	Tools, Shop, Garage Equip.	Personal		\$11,282	\$0
15	395	Laboratory Equipment	Personal		\$127,988	\$0
16	396	Power Operated Equipment	Personal		\$160,209	\$0
17	397	Communication Equipment	Personal		\$56,845,501	\$0
18	398	Misc. Equipment	Personal		\$465,158	\$0
19	399.1	ARC General Plant	Personal		\$40,721	\$0
20	TOTAL - GENERAL PLANT				\$234,896,167	\$429,208
21	TOTAL - INTANGIBLE PLANT				\$79,567,511	\$0
22	TOTAL - GENERAL & INTANGIBLE PLANT				\$314,463,678	\$429,208
23	Average Effective Real Property Tax Rate					0.14%

NOTES

- (C) Source: Case No. 07-551-EL-AIR, Schedule C3.10. Classification of General Plant account as Real or Personal Property
- (D) Average property tax rate across CEI, OE, and TE. See Section I above.
Note: Effective with an Ohio tax law change in 2005, non-utilities do not pay Personal Property Tax.
- (E) Service Company General plant as of May 31, 2007.
- (F) Calculation: Column D x Column E

Property Tax Rate for Service Company Plant

III. Average Real Property Tax Rates on Actual General Plant as of June 30, 2012 *

No.	(A) Category	(B) CEI	(C) OE	(D) TE	(E) Average **	(F) Source / Calculation
24	Allocation Factors	14.21%	17.22%	7.58%	39.01%	Service Company workpaper
25	Weighted Allocation Factors	36.43%	44.14%	19.43%	100.00%	Weighted Line 24
<u>Real Property Tax</u>						
26	True Value Percentage	71.87%	47.93%	50.02%	57.06%	Schedule C3.10a2
27	Assessment Percentage	35.00%	35.00%	35.00%	35.00%	Schedule C3.10a2
28	Real Property Tax Rate	7.59%	6.78%	7.78%	7.27%	Schedule C3.10a2
29	Average Rate	1.91%	1.14%	1.36%	1.45%	Line 26 x Line 27 x Line 28
<p>* Note: Effective with an Ohio tax law change in 2005, non-utilities do not pay Personal Property Tax. Accordingly, for purposes of determining the average Property Tax rate applicable to Service Company plant, only Real Property Tax is considered.</p> <p>** Weighted average based on Service Company allocation factors.</p> <p>Assumes that the tax rate for Service Company plant is equal to the weighted average of the three operating companies.</p>						

IV. Estimated Property Tax Rate for Service Company Actual General Plant as of June 30, 2012

No.	(A) Account	(B) Account Description	(C) Tax Category	(D) Avg. Tax Rate	(E) Gross Plant	(F) Property Tax
30	389	Fee Land & Easements	Real	1.45%	\$230,947	\$3,353
31	390	Structures, Improvements	Real	1.45%	\$57,333,329	\$832,327
32	390.3	Struct Imprv, Leasehold Imp	Real	1.45%	\$14,068,908	\$204,243
33	391.1	Office Furn., Mech. Equip.	Personal		\$17,245,398	\$0
34	391.2	Data Processing Equipment	Personal		\$111,399,277	\$0
35	392	Transportation Equipment	Personal		\$27,535	\$0
36	393	Stores Equipment	Personal		\$16,773	\$0
37	394	Tools, Shop, Garage Equip.	Personal		\$227,515	\$0
38	395	Laboratory Equipment	Personal		\$118,259	\$0
39	396	Power Operated Equipment	Personal		\$41,518	\$0
40	397	Communication Equipment	Personal		\$80,183,434	\$0
41	398	Misc. Equipment	Personal		\$3,217,158	\$0
42	399.1	ARC General Plant	Personal		\$40,721	\$0
43	TOTAL - GENERAL PLANT				\$284,150,773	\$1,039,922
44	TOTAL - INTANGIBLE PLANT				\$167,572,498	\$0
45	TOTAL - GENERAL & INTANGIBLE PLANT				\$451,723,271	\$1,039,922
46	Average Effective Real Property Tax Rate					0.23%

NOTES

- (C) Source: Schedule C3.10. Classification of General Plant account as Real or Personal Property
- (D) Weighted average property tax rate across CEI, OE, and TE. See Section I above.
Note: Effective with an Ohio tax law change in 2005, non-utilities do not pay Personal Property Tax.
- (E) Service Company General gross plant balances as of 6/30/12.
- (F) Calculation: Column D x Column E

Incremental Depreciation and Property Tax Associated with Service Company Plant
Case No. 07-551-EL-AIR vs. Actual 6/30/12 Balances

I. Allocated Service Company Plant and Related Expenses as of June 30, 2012							
Line	Category	Service Co.	CEI	OE	TE	TOTAL	Source / Notes
1	Allocation Factor		14.21%	17.22%	7.58%	39.01%	Case No. 07-551-EL-AIR
	<u>Total Plant</u>						
2	Gross Plant	\$451,723,271	\$64,189,877	\$77,786,747	\$34,240,624	\$176,217,248	Service Co. Depreciation Rate, Line 56 x Line 1
3	Accum. Reserve	(\$145,369,305)	(\$20,656,978)	(\$25,032,594)	(\$11,018,993)	(\$56,708,566)	Service Co. Depreciation Rate, Line 56 x Line 1
4	Net Plant	\$306,353,965	\$43,532,898	\$52,754,153	\$23,221,631	\$119,508,682	Line 2 + Line 3
5	Depreciation *	9.58%	\$6,148,914	\$7,451,393	\$3,279,998	\$16,880,304	Average Rate x Line 2
6	Property Tax *	0.23%	\$147,773	\$179,075	\$78,826	\$405,674	Average Rate x Line 2
7	Total Expenses		\$6,296,687	\$7,630,467	\$3,358,824	\$17,285,978	
* Effective Depreciation and Property Tax rates based on weighted averages across companies over General and Intangible plant, as of 6/30/12. See line 56 on workpaper "Service Co. Depreciation Rate" and line 46 on workpaper "Service Co. Property Tax Rate" for more details.							

II. Allocated Service Company Plant and Related Expenses as of May 31, 2007							
Line	Rate Base	Service Co.	CEI	OE	TE	TOTAL	Source / Notes
8	Allocation Factor		14.21%	17.22%	7.58%	39.01%	Case No. 07-551-EL-AIR
	<u>Total Plant</u>						
9	Gross Plant	\$314,463,678	\$44,685,289	\$54,150,645	\$23,836,347	\$122,672,281	Service Co. Depreciation Rate, Line 27 x Line 8
10	Accum. Reserve	(\$141,912,431)	(\$20,165,756)	(\$24,437,321)	(\$10,756,962)	(\$55,360,039)	Service Co. Depreciation Rate, Line 27 x Line 8
11	Net Plant	\$172,551,247	\$24,519,532	\$29,713,325	\$13,079,385	\$67,312,242	Line 9 + Line 10
12	Depreciation *	10.68%	\$4,772,824	\$5,783,816	\$2,545,954	\$13,102,594	Average Rate x Line 9
13	Property Tax *	0.14%	\$60,990	\$73,910	\$32,534	\$167,434	Average Rate x Line 9
14	Total Expenses		\$4,833,814	\$5,857,726	\$2,578,488	\$13,270,028	Line 12 + Line 13
* Effective Depreciation and Property Tax rates based on weighted averages across companies over General and Intangible plant as of 5/31/07. See line 27 on workpaper "Service Co. Depreciation Rate" and line 23 on workpaper "Service Co. Property Tax Rate" for more details.							

III. Incremental Expenses Associated with Allocated Service Company Plant *							
Line	Rate Base	Service Co.	CEI	OE	TE	TOTAL	Source / Notes
15	Depreciation	-1.10%	\$1,376,090	\$1,667,577	\$734,044	\$3,777,710	Line 5 - Line 12
16	Property Tax	0.09%	\$86,782	\$105,165	\$46,292	\$238,240	Line 6 - Line 13
17	Total Expenses		\$1,462,872	\$1,772,742	\$780,336	\$4,015,950	Line 15 + Line 16
* In Case No. 07-551-EL-AIR, test year operating expenses included allocated depreciation and property tax associated with Service Company plant. This section calculates the difference between the estimated level of these expenses included in base rates and the estimated expenses incurred based on actual Service Company plant balances as of June 30, 2012. The incremental expenses calculated on Line 17 above are added to the Rider DCR revenue requirements.							

Intangible Depreciation Expense Calculation
Actual 6/30/2012 Balances

NOTE

The software accounts are amortized over a 7 year period (leading to an accrual rate of 14.29%), and many of these accounts have already been fully amortized. Therefore, applying the 14.29% accrual rate to the Gross Plant (the methodology employed for all other accounts) overstates the "depreciation expense" associated with intangible plant. This workpaper looks at each sub account within intangible plant and calculates the expense by applying the 14.29% to only those software related sub-accounts that are not fully amortized yet. All other accounts are calculated by applying the approved accrual rate to the Gross Plant balances.

Company (A)	Utility Account (B)	Function (C)	Gross Plant Jun-12 (D)	Reserve Jun-12 (E)	Net Plant Jun-12 (F)	Accrual Rates (G)	Depreciation Expense (H)	
			Source: Actual Balances as of 6/30/2012			Case # 07-551-EL-AIR	Accrual rate only applies to the gross plant of those accounts that are not fully amortized and those accounts that have reserve balances	
CECO	The Illuminating Co.	CECO 101/6-303 2002 Software	Intangible Plant	2,966,784.11	2,966,784.11	0.00	14.29%	\$0.00
CECO	The Illuminating Co.	CECO 101/6-303 2003 Software	Intangible Plant	1,307,066.95	1,307,066.95	0.00	14.29%	\$0.00
CECO	The Illuminating Co.	CECO 101/6-303 2004 Software	Intangible Plant	3,596,344.42	3,596,344.42	0.00	14.29%	\$0.00
CECO	The Illuminating Co.	CECO 101/6-303 2005 Software	Intangible Plant	1,219,861.54	1,219,861.54	0.00	14.29%	\$0.00
CECO	The Illuminating Co.	CECO 101/6-303 2006 Software	Intangible Plant	1,808,777.88	1,554,969.79	253,808.09	14.29%	\$253,808.09
CECO	The Illuminating Co.	CECO 101/6-303 2007 Software	Intangible Plant	5,870,455.85	4,128,385.51	1,742,070.34	14.29%	\$838,888.14
CECO	The Illuminating Co.	CECO 101/6-303 2008 Software	Intangible Plant	2,852,517.24	1,673,794.85	1,178,722.39	14.29%	\$407,624.71
CECO	The Illuminating Co.	CECO 101/6-303 2009 Software	Intangible Plant	3,238,317.74	1,161,881.12	2,076,436.62	14.29%	\$462,755.61
CECO	The Illuminating Co.	CECO 101/6-303 2010 Software	Intangible Plant	2,716,031.14	838,101.89	1,877,929.25	14.29%	\$388,120.85
CECO	The Illuminating Co.	CECO 101/6-303 2011 Software	Intangible Plant	7,662,997.14	736,314.46	6,926,682.68	14.29%	\$1,095,042.29
CECO	The Illuminating Co.	CECO 101/6-303 FAS109 Distribution	Intangible Plant	2,001,380.25	1,949,166.04	52,214.21	3.18%	\$52,214.21
CECO	The Illuminating Co.	CECO 101/6-303 FAS109 Transmission	Intangible Plant	1,176,339.38	969,591.32	206,748.06	2.15%	\$25,291.30
CECO	The Illuminating Co.	CECO 101/6-303 Software	Intangible Plant	1,646,353.17	214,079.56	1,432,273.61	14.29%	\$235,263.87
CECO	The Illuminating Co.	CECO 101/6-303 Software Evolution	Intangible Plant	12,454,403.18	12,454,403.18	0.00	14.29%	\$0.00
Total			50,517,629.99	34,770,744.74	15,746,885.25			\$3,759,009.07
OECO	Ohio Edison Co.	OECO 101/6-301 Organization	Intangible Plant	89,746.46	0.00	89,746.46	0.00%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 2002 Software	Intangible Plant	3,690,066.71	3,690,066.71	0.00	14.29%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 2003 Software	Intangible Plant	17,568,726.13	17,568,726.13	0.00	14.29%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 2004 Software	Intangible Plant	4,524,342.87	4,524,342.87	0.00	14.29%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 2005 Software	Intangible Plant	1,469,370.24	1,469,370.24	0.00	14.29%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 2006 Software	Intangible Plant	2,754,123.71	2,757,501.23	(3,377.52)	14.29%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 2007 Software	Intangible Plant	7,208,211.44	6,625,450.61	582,760.83	14.29%	\$582,760.83
OECO	Ohio Edison Co.	OECO 101/6-303 2008 Software	Intangible Plant	3,495,653.48	3,133,247.43	362,406.05	14.29%	\$362,406.05
OECO	Ohio Edison Co.	OECO 101/6-303 2009 Software	Intangible Plant	4,771,510.65	1,877,651.97	2,893,858.68	14.29%	\$681,848.87
OECO	Ohio Edison Co.	OECO 101/6-303 2010 Software	Intangible Plant	3,645,397.53	1,147,595.65	2,497,801.88	14.29%	\$520,927.31
OECO	Ohio Edison Co.	OECO 101/6-303 2011 Software	Intangible Plant	7,632,058.23	733,541.00	6,898,517.23	14.29%	\$1,090,621.12
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 Dist Land	Intangible Plant	37,082.00	0.00	37,082.00	2.89%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 Distribution	Intangible Plant	1,556,299.00	1,556,299.00	0.00	2.89%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 G/P Land	Intangible Plant	7,778.00	0.00	7,778.00	3.87%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 General Plant	Intangible Plant	191,313.37	160,535.80	30,777.57	3.87%	\$7,403.83
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 Transm Land	Intangible Plant	1,326,229.00	0.00	1,326,229.00	2.33%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 Transmission	Intangible Plant	697,049.00	697,049.00	0.00	2.33%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 Software	Intangible Plant	3,132,955.45	230,462.27	2,902,493.18	14.29%	\$447,699.33
Total			63,797,913.27	46,171,839.91	17,626,073.36			\$3,693,667.34
TECO	Toledo Edison Co.	TECO 101/6-303 2002 Software	Intangible Plant	1,705,113.91	1,705,113.91	0.00	14.29%	\$0.00
TECO	Toledo Edison Co.	TECO 101/6-303 2003 Software	Intangible Plant	7,446,711.94	7,446,711.94	0.00	14.29%	\$0.00
TECO	Toledo Edison Co.	TECO 101/6-303 2004 Software	Intangible Plant	854,820.65	854,820.65	0.00	14.29%	\$0.00
TECO	Toledo Edison Co.	TECO 101/6-303 2005 Software	Intangible Plant	670,679.46	670,679.46	0.00	14.29%	\$0.00
TECO	Toledo Edison Co.	TECO 101/6-303 2006 Software	Intangible Plant	834,729.01	715,980.31	118,748.70	14.29%	\$118,748.70
TECO	Toledo Edison Co.	TECO 101/6-303 2007 Software	Intangible Plant	3,095,001.76	2,169,372.47	925,629.29	14.29%	\$442,275.75
TECO	Toledo Edison Co.	TECO 101/6-303 2008 Software	Intangible Plant	1,445,575.18	917,344.05	528,231.13	14.29%	\$206,572.69
TECO	Toledo Edison Co.	TECO 101/6-303 2009 Software	Intangible Plant	2,063,024.71	768,147.33	1,294,877.38	14.29%	\$294,806.23
TECO	Toledo Edison Co.	TECO 101/6-303 2010 Software	Intangible Plant	1,589,514.04	497,581.90	1,091,932.14	14.29%	\$227,141.56
TECO	Toledo Edison Co.	TECO 101/6-303 2011 Software	Intangible Plant	3,191,925.46	303,805.71	2,888,119.75	14.29%	\$456,126.15
TECO	Toledo Edison Co.	TECO 101/6-303 FAS109 Distribution	Intangible Plant	240,093.46	216,745.28	23,348.18	3.10%	\$7,442.90
TECO	Toledo Edison Co.	TECO 101/6-303 FAS109 Transmission	Intangible Plant	54,210.29	45,071.90	9,138.39	2.37%	\$1,284.78
TECO	Toledo Edison Co.	TECO 101/6-303 Software	Intangible Plant	593,103.45	66,183.27	526,920.18	14.29%	\$84,754.48
Total			23,784,503.32	16,377,558.18	7,406,945.14			\$1,839,153.24

Rider DCR
Estimated Distribution Rate Base Additions as of 9/30/2012
Revenue Requirement Calculation

(\$ millions)

* 5/31/2007 balances refer to the jurisdictional balances approved in Case 07-551-EL-AIR. Source: PUCO Staff workpapers supporting the PUCO Opinion & Order

	(A)	(B)	(C) = (B) - (A)	(D)			
(1)	Gross Plant		5/31/2007*	9/30/2012	Incremental	Source of Column (B)	
(2)	CEI	1,927.1	2,554.9	627.9	Sch B2.1 Line 45		
(3)	OE	2,074.0	2,800.7	726.7	Sch B2.1 Line 47		
(4)	TE	771.5	1,026.2	254.7	Sch B2.1 Line 44		
	Total	4,772.5	6,381.8	1,609.3	Sum: [(1) through (3)]		
	Accumulated Reserve						
(5)	CEI	(773.0)	(1,080.6)	(307.6)	-Sch B3 Line 45		
(6)	OE	(803.0)	(1,123.4)	(320.3)	-Sch B3 Line 47		
(7)	TE	(376.8)	(518.4)	(141.6)	-Sch B3 Line 44		
(8)	Total	(1,952.8)	(2,722.4)	(769.6)	Sum: [(5) through (7)]		
	Net Plant In Service						
(9)	CEI	1,154.0	1,474.3	320.3	(1) + (5)		
(10)	OE	1,271.0	1,677.4	406.4	(2) + (6)		
(11)	TE	394.7	507.7	113.0	(3) + (7)		
(12)	Total	2,819.7	3,659.4	839.7	Sum: [(9) through (11)]		
	ADIT						
(13)	CEI	(246.4)	(398.8)	(152.4)	- DIT Balances Line 3		
(14)	OE	(197.1)	(454.1)	(257.0)	- DIT Balances Line 3		
(15)	TE	(10.3)	(127.0)	(116.7)	- DIT Balances Line 3		
(16)	Total	(453.8)	(979.9)	(526.1)	Sum: [(13) through (15)]		
	Rate Base						
(17)	CEI	907.7	1,075.6	167.9	(9) + (13)		
(18)	OE	1,073.9	1,223.3	149.4	(10) + (14)		
(19)	TE	384.4	380.7	(3.7)	(11) + (15)		
(20)	Total	2,366.0	2,679.6	313.6	Sum: [(17) through (19)]		
	Depreciation Exp						
(21)	CEI	60.0	81.3	21.3	Sch B-3.2 Line 45		
(22)	OE	62.0	82.3	20.3	Sch B-3.2 Line 47		
(23)	TE	24.5	32.9	8.4	Sch B-3.2 Line 45		
(24)	Total	146.5	196.6	50.0	Sum: [(21) through (23)]		
	Property Tax Exp						
(25)	CEI	65.0	87.3	22.3	Sch C-3.10a Line 4		
(26)	OE	57.4	80.8	23.4	Sch C-3.10a Line 4		
(27)	TE	20.1	25.8	5.7	Sch C-3.10a Line 4		
(28)	Total	142.4	193.9	51.5	Sum: [(25) through (27)]		
(29)	Revenue Requirement		Rate Base	Return 8.48%	Deprec	Prop Tax	Rev. Req.
(30)	CEI	167.9	14.2	21.3	22.3	57.9	
(31)	OE	149.4	12.7	20.3	23.4	56.4	
(32)	TE	(3.7)	(0.3)	8.4	5.7	13.8	
	Total	313.6	26.6	50.0	51.5	128.1	

Capital Structure & Returns				
	% mix	rate	wtd rate	
(33) Debt	51%	6.54%	3.3%	
(34) Equity	49%	10.50%	5.1%	
(35)			8.48%	

	(a)	(b)	(c)	(d)	(e)	(f)
Revenue Requirement with Tax	Equity Return	Tax Rate	Income Tax	CAT 0.26%	Taxes	Rev. Req. + Tax
(36) CEI	8.6	36.14%	4.9	0.2	5.1	63.0
(37) OE	7.7	35.88%	4.3	0.2	4.5	60.8
(38) TE	(0.2)	35.74%	(0.1)	0.0	(0.1)	13.8
(39) Total	16.1		9.1	0.4	9.4	137.5

(a) = Weighted Cost of Equity x Rate Base
(b) = Current composite income tax rates

(c) = (a) x (1 / (1-(b))) - 1
(d) = (Rev. Req. + (c)) x (1/(1-.26%) - 1)

(e) = (c) + (d)
(f) = (e) + Rev. Req. from Lines 29-31

The Cleveland Electric Illuminating Company
9/30/2012 Estimated Plant in Service by Accounts and Subaccounts

Schedule B-2.1

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NOTE: Column A contains estimated 9/30/12 gross plant in service balances based on estimated additions from the 2012 Forecast Version 6, adjusted to remove the cumulative pre-2007 impact of the change in pension accounting.

Line No.	Account No.	Account Title	Total Company (A)	Allocation % (B)	Allocated Total (C) = (A) * (B)	Adjustments (D)	Adjusted Jurisdiction (E) = (C) + (D)
<u>TRANSMISSION PLANT</u>							
1	350	Land & Land Rights	64,787,651	100%	64,787,651	(\$57,221,643)	7,566,008
2	352	Structures & Improvements	17,892,994	100%	17,892,994		17,892,994
3	353	Station Equipment	152,991,828	100%	152,991,828		152,991,828
4	354	Towers & Fixtures	326,171	100%	326,171		326,171
5	355	Poles & Fixtures	41,702,930	100%	41,702,930		41,702,930
6	356	Overhead Conductors & Devices	49,682,444	100%	49,682,444		49,682,444
7	357	Underground Conduit	31,471,004	100%	31,471,004		31,471,004
8	358	Underground Conductors & Devices	94,247,562	100%	94,247,562		94,247,562
9	359	Roads & Trails	<u>319,646</u>	100%	<u>319,646</u>		<u>319,646</u>
10		Total Transmission Plant	\$453,422,231	100%	\$453,422,231	(\$57,221,643)	\$396,200,588

The Cleveland Electric Illuminating Company
9/30/2012 Estimated Plant in Service by Accounts and Subaccounts

Schedule B-2.1

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NOTE: Column A contains estimated 9/30/12 gross plant in service balances based on estimated additions from the 2012 Forecast Version 6, adjusted to remove the cumulative pre-2007 impact of the change in pension accounting.

Line No.	Account No.	Account Title	Total Company (A)	Allocation % (B)	Allocated Total (C) = (A) * (B)	Adjustments (D)	Adjusted Jurisdiction (E) = (C) + (D)
<u>DISTRIBUTION PLANT</u>							
11	360	Land & Land Rights	\$6,757,249	100%	\$6,757,249		\$6,757,249
12	361	Structures & Improvements	22,562,664	100%	22,562,664		22,562,664
13	362	Station Equipment	230,078,349	100%	230,078,349	(2,825,014)	227,253,335
14	364	Poles, Towers & Fixtures	292,258,824	100%	292,258,824	(257,114)	292,001,710
15	365	Overhead Conductors & Devices	375,072,553	100%	375,072,553	(1,799,683)	373,272,870
16	366	Underground Conduit	69,122,552	100%	69,122,552		69,122,552
17	367	Underground Conductors & Devices	324,231,378	100%	324,231,378		324,231,378
18	368	Line Transformers	341,830,932	100%	341,830,932	(8,624)	341,822,308
19	369	Services	74,563,588	100%	74,563,588		74,563,588
20	370	Meters	105,905,422	100%	105,905,422	(237,762)	105,667,660
21	371	Installation on Customer Premises	24,104,891	100%	24,104,891		24,104,891
22	373	Street Lighting & Signal Systems	69,164,434	100%	69,164,434		69,164,434
23	374	Asset Retirement Costs for Distribution Plant	60,078	100%	60,078		60,078
24		Total Distribution Plant	\$1,935,712,916	100%	\$1,935,712,916	(\$5,128,197)	\$1,930,584,720

The Cleveland Electric Illuminating Company
9/30/2012 Estimated Plant in Service by Accounts and Subaccounts

Schedule B-2.1

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NOTE: Column A contains estimated 9/30/12 gross plant in service balances based on estimated additions from the 2012 Forecast Version 6, adjusted to remove the cumulative pre-2007 impact of the change in pension accounting.

Line No.	Account No.	Account Title	Total Company (A)	Allocation % (B)	Allocated Total (C) = (A) * (B)	Adjustments (D)	Adjusted Jurisdiction (E) = (C) + (D)
<u>GENERAL PLANT</u>							
25	389	Land & Land Rights	\$1,557,505	100%	\$1,557,505		\$1,557,505
26	390	Structures & Improvements	45,623,445	100%	45,623,445		45,623,445
27	390.3	Leasehold Improvements	870,719	100%	870,719		870,719
28	391.1	Office Furniture & Equipment	4,571,672	100%	4,571,672		4,571,672
29	391.2	Data Processing Equipment	15,425,165	100%	15,425,165		15,425,165
30	392	Transportation Equipment	4,283,276	100%	4,283,276		4,283,276
31	393	Stores Equipment	679,126	100%	679,126		679,126
32	394	Tools, Shop & Garage Equipment	11,628,874	100%	11,628,874		11,628,874
33	395	Laboratory Equipment	4,849,478	100%	4,849,478		4,849,478
34	396	Power Operated Equipment	5,111,600	100%	5,111,600		5,111,600
35	397	Communication Equipment	16,215,052	100%	16,215,052		16,215,052
36	398	Miscellaneous Equipment	99,944	100%	99,944		99,944
37	399.1	Asset Retirement Costs for General Plant	203,777	100%	203,777		203,777
38		Total General Plant	\$111,119,632	100%	\$111,119,632	\$0	\$111,119,632

The Cleveland Electric Illuminating Company
9/30/2012 Estimated Plant in Service by Accounts and Subaccounts

Schedule B-2.1

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NOTE: Column A contains estimated 9/30/12 gross plant in service balances based on estimated additions from the 2012 Forecast Version 6, adjusted to remove the cumulative pre-2007 impact of the change in pension accounting.

Line No.	Account No.	Account Title	Total Company (A)	Allocation % (B)	Allocated Total (C) = (A) * (B)	Adjustments (D)	Adjusted Jurisdiction (E) = (C) + (D)
<u>OTHER PLANT</u>							
39	303	Intangible Software	\$47,339,910	100%	\$47,339,910		\$47,339,910
40	303	Intangible FAS 109 Transmission	\$1,176,339	100%	\$1,176,339		\$1,176,339
41	303	Intangible FAS 109 Distribution	<u>\$2,001,380</u>	100%	<u>\$2,001,380</u>		<u>\$2,001,380</u>
42		Total Other Plant	<u>\$50,517,630</u>		<u>\$50,517,630</u>	<u>\$0</u>	<u>\$50,517,630</u>
43		Company Total Plant	\$2,550,772,408	100%	\$2,550,772,408	(\$62,349,840)	\$2,488,422,569
44		Service Company Plant Allocated*					\$66,521,858
45		Grand Total Plant (43 + 44)					<u><u>\$2,554,944,427</u></u>

* Source: Line 2 of the Service Company Allocations workpaper.

The Cleveland Electric Illuminating Company
9/30/12 Estimated Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3
Page 1 of 4

NOTE: Column B contains estimated 9/30/12 reserve for accumulated depreciation balances based on estimated Q3 activity from the 2012 Forecast Version 6, adjusted to remove the pre-2007 impact of the change in pension accounting.

Line No.	Account No.	Account Title	Total Company	Reserve Balances				
			Plant Investment	Total	Allocation	Allocated	Adjustments	Adjusted
			Sch B2.1 Column E	Company	%	Total		Jurisdiction
			(A)	(B)	(C)	(D) = (B) * (C)	(E)	(F) = (D) + (E)
<u>TRANSMISSION PLANT</u>								
1	350	Land & Land Rights	\$7,566,008	\$0	100%	\$0		\$0
2	352	Structures & Improvements	\$17,892,994	13,409,050	100%	13,409,050		13,409,050
3	353	Station Equipment	\$152,991,828	64,892,943	100%	64,892,943		64,892,943
4	354	Towers & Fixtures	\$326,171	1,594,864	100%	1,594,864		1,594,864
5	355	Poles & Fixtures	\$41,702,930	32,366,640	100%	32,366,640		32,366,640
6	356	Overhead Conductors & Devices	\$49,682,444	25,827,567	100%	25,827,567		25,827,567
7	357	Underground Conduit	\$31,471,004	26,804,544	100%	26,804,544		26,804,544
8	358	Underground Conductors & Devices	\$94,247,562	32,411,266	100%	32,411,266		32,411,266
9	359	Roads & Trails	\$319,646	16,455	100%	16,455		16,455
10		Total Transmission Plant	\$396,200,588	\$197,323,329	100%	\$197,323,329	\$0	\$197,323,329

The Cleveland Electric Illuminating Company
9/30/12 Estimated Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3
Page 2 of 4

NOTE: Column B contains estimated 9/30/12 reserve for accumulated depreciation balances based on estimated Q3 activity from the 2012 Forecast Version 6, adjusted to remove the pre-2007 impact of the change in pension accounting.

Line No.	Account No.	Account Title	Total Company	Reserve Balances				
			Plant Investment	Total	Allocation	Allocated	Adjustments	Adjusted
			Sch B2.1 Column E (A)	Company (B)	% (C)	Total (D) = (B) * (C) (D)	(E)	Jurisdiction (F) = (D) + (E)
<u>DISTRIBUTION PLANT</u>								
11	360	Land & Land Rights	\$6,757,249	\$0	100%	\$0		\$0
12	361	Structures & Improvements	\$22,562,664	16,996,549	100%	16,996,549		16,996,549
13	362	Station Equipment	\$227,253,335	68,731,467	100%	68,731,467	219,837	68,951,305
14	364	Poles, Towers & Fixtures	\$292,001,710	194,888,315	100%	194,888,315	(14,016)	194,874,299
15	365	Overhead Conductors & Devices	\$373,272,870	151,682,402	100%	151,682,402	(155,464)	151,526,939
16	366	Underground Conduit	\$69,122,552	38,814,529	100%	38,814,529		38,814,529
17	367	Underground Conductors & Devices	\$324,231,378	91,187,440	100%	91,187,440		91,187,440
18	368	Line Transformers	\$341,822,308	112,658,766	100%	112,658,766	(834)	112,657,932
19	369	Services	\$74,563,588	10,450,229	100%	10,450,229		10,450,229
20	370	Meters	\$105,667,660	39,958,636	100%	39,958,636	(32,880)	39,925,756
21	371	Installation on Customer Premises	\$24,104,891	8,684,700	100%	8,684,700		8,684,700
22	373	Street Lighting & Signal Systems	\$69,164,434	36,047,153	100%	36,047,153		36,047,153
23	374	Asset Retirement Costs for Distribution Plant	\$60,078	42,066	100%	42,066		42,066
24		Total Distribution Plant	\$1,930,584,720	\$770,142,252	100%	\$770,142,252	\$16,644	\$770,158,896

The Cleveland Electric Illuminating Company
9/30/12 Estimated Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3
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NOTE: Column B contains estimated 9/30/12 reserve for accumulated depreciation balances based on estimated Q3 activity from the 2012 Forecast Version 6, adjusted to remove the pre-2007 impact of the change in pension accounting.

Line No.	Account No.	Account Title	Total Company	Reserve Balances				
			Plant Investment	Total	Allocation	Allocated	Adjustments	Adjusted
			Sch B2.1 Column E	Company	%	Total		Jurisdiction
			(A)	(B)	(C)	(D) = (B) * (C)	(E)	(F) = (D) + (E)
<u>GENERAL PLANT</u>								
25	389	Land & Land Rights	\$1,557,505	\$0	100%	\$0		\$0
26	390	Structures & Improvements	\$45,623,445	16,743,580	100%	\$16,743,580		\$16,743,580
27	390.3	Leasehold Improvements	\$870,719	838,186	100%	\$838,186		\$838,186
28	391.1	Office Furniture & Equipment	\$4,571,672	4,052,985	100%	\$4,052,985		\$4,052,985
29	391.2	Data Processing Equipment	\$15,425,165	6,250,272	100%	\$6,250,272		\$6,250,272
30	392	Transportation Equipment	\$4,283,276	3,285,519	100%	\$3,285,519		\$3,285,519
31	393	Stores Equipment	\$679,126	112,662	100%	\$112,662		\$112,662
32	394	Tools, Shop & Garage Equipment	\$11,628,874	2,814,794	100%	\$2,814,794		\$2,814,794
33	395	Laboratory Equipment	\$4,849,478	1,777,458	100%	\$1,777,458		\$1,777,458
34	396	Power Operated Equipment	\$5,111,600	3,439,844	100%	\$3,439,844		\$3,439,844
35	397	Communication Equipment	\$16,215,052	15,808,696	100%	\$15,808,696		\$15,808,696
36	398	Miscellaneous Equipment	\$99,944	95,446	100%	\$95,446		\$95,446
37	399.1	Asset Retirement Costs for General Plant	\$203,777	99,450	100%	\$99,450		\$99,450
38		Total General Plant	\$111,119,632	\$55,318,892	100%	\$55,318,892	\$0	\$55,318,892

The Cleveland Electric Illuminating Company
9/30/12 Estimated Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3
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NOTE: Column B contains estimated 9/30/12 reserve for accumulated depreciation balances based on estimated Q3 activity from the 2012 Forecast Version 6, adjusted to remove the pre-2007 impact of the change in pension accounting.

Line No.	Account No.	Account Title	Total Company	Reserve Balances				
			Plant Investment	Total	Allocation	Allocated	Adjustments	Adjusted
			Sch B2.1 Column E	Company	%	Total		Jurisdiction
			(A)	(B)	(C)	(D) = (B) * (C)	(E)	(F) = (D) + (E)
<u>OTHER PLANT</u>								
39	303	Intangible Software	\$47,339,910	\$32,819,884	100%	\$32,819,884		\$32,819,884
40	303	Intangible FAS 109 Transmission	\$1,176,339	\$976,591	100%	\$976,591		\$976,591
41	303	Intangible FAS 109 Distribution	\$2,001,380	\$1,966,378	100%	\$1,966,378		\$1,966,378
42		Total Other Plant	\$50,517,630	\$35,762,852		\$35,762,852	0	\$35,762,852
43		Company Total Plant (Reserve)	\$2,488,422,569	\$1,058,547,325	100%	\$1,058,547,325	\$16,644	\$1,058,563,969
44		Service Company Reserve Allocated*						\$22,049,379
45		Grand Total Plant (Reserve) (43 + 44)						\$1,080,613,349

* Source: Line 3 of the Service Company Allocations workpaper.

FirstEnergy Companies
ADIT Balances (281 & 282 Property Accounts)

	<u>CEI</u>	<u>OE</u>	<u>TE</u>	<u>SC</u>
(1) Ending Bal. 9/30/12*	388,162,872	441,206,059	121,371,991	74,674,387
(2) Service Company Allocated ADIT**	\$10,611,230	\$12,858,929	\$5,660,319	
(3) Grand Total ADIT Balance***	<u>\$398,774,102</u>	<u>\$454,064,989</u>	<u>\$127,032,309</u>	

*Source: Estimated 9/30/12 balances from the 2012 Forecast Version 6

** Line 4 on Service Company Allocations workpaper

*** Calculation : Line 1 + Line 2

The Cleveland Electric Illuminating Company
Depreciation Accrual Rates and 9/30/2012 Estimated Jurisdictional Reserve Balances by Accounts and Subaccounts

Schedule B-3.2
Page 1 of 4

NOTE: Column F is from Case No. 07-551-EL-AIR.

Line No.	Account No.	Account Title	Adjusted Jurisdiction		Current Accrual Rate (F)	Calculated Depr. Expense (G=DxF)
			Plant Investment Sch. B-2.1 (D)	Reserve Balance Sch. B-3 (E)		
(A)	(B)	(C)				
<u>TRANSMISSION PLANT</u>						
1	350	Land & Land Rights	\$7,566,008	\$0	0.00%	\$0
2	352	Structures & Improvements	\$17,892,994	13,409,050	2.50%	447,325
3	353	Station Equipment	\$152,991,828	64,892,943	1.80%	2,753,853
4	354	Towers & Fixtures	\$326,171	1,594,864	1.77%	5,773
5	355	Poles & Fixtures	\$41,702,930	32,366,640	3.00%	1,251,088
6	356	Overhead Conductors & Devices	\$49,682,444	25,827,567	2.78%	1,381,172
7	357	Underground Conduit	\$31,471,004	26,804,544	2.00%	629,420
8	358	Underground Conductors & Devices	\$94,247,562	32,411,266	2.00%	1,884,951
9	359	Roads & Trails*	\$319,646	16,455	1.33%	4,251
10		Total Transmission	\$396,200,588	\$197,323,329		\$8,357,833

*NOTE: There weren't any balances in this account in Case No. 07-551-EL-AIR, so this accrual rate has been added since the case

The Cleveland Electric Illuminating Company
Depreciation Accrual Rates and 9/30/2012 Estimated Jurisdictional Reserve Balances by Accounts and Subaccounts

Schedule B-3.2
Page 2 of 4

NOTE: Column F is from Case No. 07-551-EL-AIR.

Line No.	Account No.	Account Title	Adjusted Jurisdiction		Current Accrual Rate	Calculated Depr. Expense
			Plant Investment	Reserve Balance		
(A)	(B)	(C)	Sch. B-2.1	Sch. B-3	(F)	(G=DxF)
			(D)	(E)		
<u>DISTRIBUTION PLANT</u>						
11	360	Land & Land Rights	\$6,757,249	\$0	0.00%	\$0
12	361	Structures & Improvements	\$22,562,664	16,996,549	2.50%	564,067
13	362	Station Equipment	\$227,253,335	68,951,305	1.80%	4,090,560
14	364	Poles, Towers & Fixtures	\$292,001,710	194,874,299	4.65%	13,578,080
15	365	Overhead Conductors & Devices	\$373,272,870	151,526,939	3.89%	14,520,315
16	366	Underground Conduit	\$69,122,552	38,814,529	2.17%	1,499,959
17	367	Underground Conductors & Devices	\$324,231,378	91,187,440	2.44%	7,911,246
18	368	Line Transformers	\$341,822,308	112,657,932	2.91%	9,947,029
19	369	Services	\$74,563,588	10,450,229	4.33%	3,228,603
20	370	Meters	\$105,667,660	39,925,756	3.16%	3,339,098
21	371	Installation on Customer Premises	\$24,104,891	8,684,700	3.45%	831,619
22	373	Street Lighting & Signal Systems	\$69,164,434	36,047,153	3.70%	2,559,084
23	374	Asset Retirement Costs for Distribution Plant	\$60,078	\$42,066	0.00%	0
24		Total Distribution	\$1,930,584,720	\$770,158,896		\$62,069,660

The Cleveland Electric Illuminating Company
Depreciation Accrual Rates and 9/30/2012 Estimated Jurisdictional Reserve Balances by Accounts and Subaccounts

Schedule B-3.2
Page 3 of 4

NOTE: Column F is from Case No. 07-551-EL-AIR.

Line No.	Account No.	Account Title	Adjusted Jurisdiction		Current Accrual Rate	Calculated Depr. Expense
			Plant Investment	Reserve Balance		
(A)	(B)	(C)	Sch. B-2.1	Sch. B-3	(F)	(G=DxF)
			(D)	(E)		
<u>GENERAL PLANT</u>						
25	389	Land & Land Rights	\$1,557,505	\$0	0.00%	\$0
26	390	Structures & Improvements	\$45,623,445	\$16,743,580	2.20%	\$1,003,716
27	390.3	Leasehold Improvements	\$870,719	\$838,186	22.34%	\$194,519
28	391.1	Office Furniture & Equipment	\$4,571,672	\$4,052,985	7.60%	\$347,447
29	391.2	Data Processing Equipment	\$15,425,165	\$6,250,272	10.56%	\$1,628,897
30	392	Transportation Equipment	\$4,283,276	\$3,285,519	6.07%	\$259,995
31	393	Stores Equipment	\$679,126	\$112,662	6.67%	\$45,298
32	394	Tools, Shop & Garage Equipment	\$11,628,874	\$2,814,794	4.62%	\$537,254
33	395	Laboratory Equipment	\$4,849,478	\$1,777,458	2.31%	\$112,023
34	396	Power Operated Equipment	\$5,111,600	\$3,439,844	4.47%	\$228,489
35	397	Communication Equipment	\$16,215,052	\$15,808,696	7.50%	\$1,216,129
36	398	Miscellaneous Equipment	\$99,944	\$95,446	6.67%	\$6,666
37	399.1	Asset Retirement Costs for General Plant	\$203,777	\$99,450	0.00%	\$0
38		Total General	\$111,119,632	\$55,318,892		\$5,580,433

The Cleveland Electric Illuminating Company
Depreciation Accrual Rates and 9/30/2012 Estimated Jurisdictional Reserve Balances by Accounts and Subaccounts

Schedule B-3.2
Page 4 of 4

NOTE: Column F is from Case No. 07-551-EL-AIR.

Line No.	Account No.	Account Title	Adjusted Jurisdiction		Current Accrual Rate (F)	Calculated Depr. Expense (G=DxF)
			Plant Investment Sch. B-2.1 (D)	Reserve Balance Sch. B-3 (E)		
(A)	(B)	(C)			(F)	(G=DxF)
<u>OTHER PLANT</u>						
39	303	Intangible Software	\$47,339,910	\$32,819,884	14.29%	**
40	303	Intangible FAS 109 Transmission	\$1,176,339	\$976,591	2.15%	**
41	303	Intangible FAS 109 Distribution	<u>\$2,001,380</u>	<u>\$1,966,378</u>	3.18%	<u>**</u>
42		Total Other	\$50,517,630	\$35,762,852		\$3,678,345
43		Total Company Depreciation	\$2,488,422,569	\$1,058,563,969		\$79,686,271
44		Incremental Depreciation Associated with Allocated Service Company Plant ***	\$66,521,858	\$22,049,379		\$1,633,432
45		GRAND TOTAL	<u>\$2,554,944,427</u>	<u>\$1,080,613,349</u>		<u>\$81,319,703</u>

** Please see workpaper "Intangible Depreciation Expense" for more details behind the calculation of depreciation expense associated with Intangible Plant.

*** Source: Line 6 of workpaper "Service Company"

The Cleveland Electric Illuminating Company

Annual Property Tax Expense on Forecasted Plant Balances as of September 30, 2012

Schedule C-3.10a

Page 1 of 1

Line No.	Description	Jurisdictional Amount
1	Personal Property Taxes	85,262,427
2	Real Property Taxes	1,963,728
3	Incremental Property Tax Associated with Allocated Service Company Plant *	<u>87,130</u>
4	Total Property Taxes (1 + 2 + 3)	<u><u>\$87,313,285</u></u>

* Source: Line 7 of workpaper "Service Company Allocation Summary".

The Cleveland Electric Illuminating Company

Annual Personal Property Tax Expense on Forecasted Plant Balances as of September 30, 2012

Schedule C-3.10a1

Page 1 of 1

Line No.	Description	Jurisdictional Amount		
		Transmission Plant	Distribution Plant	General Plant
1	Jurisdictional Plant in Service (a)	\$396,200,588	\$1,930,584,720	\$111,119,632
2	Jurisdictional Real Property (b)	25,459,002	29,319,913	48,051,669
3	Jurisdictional Personal Property (1 - 2)	370,741,586	1,901,264,806	63,067,963
4	Purchase Accounting Adjustment (f)	(257,265,458)	(932,919,746)	0
5	Adjusted Jurisdictional Personal Property (3 + 4)	113,476,128	968,345,060	63,067,963
<u>Exclusions and Exemptions</u>				
6	Capitalized Asset Retirement Costs (a)	0	60,078	203,777
7	Exempt Facilities (c)	0	0	0
8	Licensed Motor Vehicles (c)	0	0	6,527,799
9	Capitalized Interest (g)	4,800,040	8,037,264	0
10	Total Exclusions and Exemptions (6 thru 9)	4,800,040	8,097,342	6,731,576
11	Net Cost of Taxable Personal Property (5 - 10)	\$108,676,088	\$960,247,718	\$56,336,387
12	True Value Percentage (c)	80.8151%	79.1120%	31.6214%
13	True Value of Taxable Personal Property (11 x 12)	\$87,826,689	\$759,671,175	\$17,814,354
14	Assessment Percentage (d)	85.00%	85.00%	24.00%
15	Assessment Value (13 x 14)	\$74,652,686	\$645,720,499	\$4,275,445
16	Personal Property Tax Rate (e)	10.3719000%	10.3719000%	10.3719000%
17	Personal Property Tax (15 x 16)	\$7,742,902	\$66,973,484	443,445
18	Purchase Accounting Adjustment (f)	1,996,091	\$8,106,505	0
19	Total Personal Property Tax (17 + 18)			\$85,262,427

(a) Schedule B-2.1

(b) Schedule B-2.1, Accounts 350, 352, 360, 361, 389, 390 and 390.3

(c) Source: CEI's 2012 Ohio annual property tax filing.

(d) Statutory Assessment for Personal Property

(e) Estimated tax rate for Personal Property based on 2012 Ohio Annual Property Tax return filing

(f) Adjustment made as a result of the merger between Ohio Edison and Centenor

(g) Calculation: Line 5 x Percentage from 2012 annual property tax filing

The Cleveland Electric Illuminating Company

Annual Real Property Tax Expense on Forecasted Plant Balances as of September 30, 2012

Schedule C-3.10a2

Page 1 of 1

Line No.	Description	Jurisdictional Amount		
		Transmission Plant	Distribution Plant	General Plant
1	Jurisdictional Real Property (a)	\$25,459,002	\$29,319,913	\$48,051,669
2	True Value Percentage (b)	71.87%	71.87%	71.87%
3	True Value of Taxable Real Property (1 x 2)	\$18,297,079	\$21,071,870	\$34,534,158
4	Assessment Percentage (c)	35.00%	35.00%	35.00%
5	Assessment Value (3 x 4)	\$6,403,978	\$7,375,155	\$12,086,955
6	Real Property Tax Rate (d)	7.5919%	7.5919%	7.5919%
7	Real Property Tax (5 x 6)	\$486,184	\$559,914	\$917,630
8	Total Real Property Tax (Sum of 7)			<u>\$1,963,728</u>

(a) Schedule C-3.10a1

(b) Calculated as follows:

(1) Real Property Assessed Value	\$39,938,271	Source: CEI's 2012 Annual Property Tax return filing
(2) Assessment Percentage	35.00%	Statutory Assessment for Real Property
(3) Real Property True Value	\$114,109,346	Calculation: (1) / (2)
(4) Real Property Capitalized Cost	\$158,774,501	Book cost of real property used to compare to assessed value of real property to derive a true value percentage
(5) Real Property True Value Percentage	71.87%	Calculation: (3) / (4)

(c) Statutory Assessment for Real Property

(d) Estimated tax rate for Real Estate based on 2012 Annual Property Tax return filing.

**Summary of Exclusions per Case No. 10-388-EL-SSO
Estimated 9/30/2012 Plant in Service Balances**

General Adjustments

ATSI Land Lease Certain amounts (summarized below) in account 350 are associated with land leased to ATSI, FirstEnergy's transmission subsidiary. Consistent with Case No. 07-551-EL-AIR, these amounts are not jurisdictional to distribution related plant in service, and have been excluded accordingly for each operating company. CEI's balance has decreased from the amounts listed in Case No. 07-551-EL-AIR due to some retirements (sale) of the land. There is no accumulated depreciation reserve associated with land.

FERC Account 350	CEI	OE	TE
Gross Plant	\$57,221,643	\$85,290,624	\$15,628,800
Reserve	\$0	\$0	\$0

ESP2 Adjustments

In the ESP2 Stipulation (Case No. 10-388-EL-SSO, page 14), it says "capital additions recovered through Riders LEX, EDR, and AMI will be identified and excluded from Rider DCR and the annual cap allowance."

AMI Only CEI has an AMI project so this exclusion does not impact OE or TE. Sourced from the 2012 Forecast Version 6. Exclusions related to Rider AMI are determined by specific depreciation groups in PowerPlant and WBS CE-004000

FERC Account	CEI	
	Gross	Reserve
362	\$2,825,014	(\$219,837)
364	\$257,114	\$14,016
365	\$1,799,683	\$155,464
368	\$8,624	\$834
370	\$237,762	\$32,880
Grand Total	\$5,128,197	(\$16,644)

LEX As implemented by the Companies, Rider LEX will recover deferred expenses associated with lost up-front line extension payments from 2009-2011. These deferred expenses are recorded as a regulatory asset, not as plant in service, on the Companies' books. Therefore, there is no adjustment to plant in service associated with Rider LEX.

EDR There is no plant in service estimated for 9/30/2012 associated with Rider EDR (provision g)

Service Company Allocations to the Ohio Operating Companies

	Service Company	CEI	OE	TE	TOTAL
(1) Allocation Factors from Case 07-551		14.21%	17.22%	7.58%	
(2) Gross Plant	\$468,134,119	\$66,521,858	\$80,612,695	\$35,484,566	\$182,619,120
(3) Reserve	\$155,168,044	\$22,049,379	\$26,719,937	\$11,761,738	\$60,531,054
(4) ADIT	\$74,674,387	\$10,611,230	\$12,858,929	\$5,660,319	\$29,130,478
(5) Rate Base		\$33,861,249	\$41,033,829	\$18,062,510	\$92,957,587
(6) Depreciation Expense (Incremental)		\$1,633,432	\$1,979,430	\$871,317	\$4,484,179
(7) Property Tax Expense (Incremental)		\$87,130	\$105,586	\$46,477	\$239,193
(8) Total Expenses		\$1,720,562	\$2,085,016	\$917,794	\$4,723,372

- (2) Estimated Gross Plant = 9/30/2012 General and Intangible Plant Balances in the 2012 Forecast Version 6
- (3) Estimated Reserve = 9/30/2012 General and Intangible Reserve Balances in the 2012 Forecast Version 6
- (4) Estimated ADIT: See ADIT Balances
- (5) Rate Base = Gross Plant - Reserve - ADIT
- (6) Estimated incremental depreciation expense. Additional details provided on "Incremental Depreciation and Property Tax Associated with Service Company Plant"
- (7) Estimated incremental property tax expense. Additional details provided on "Incremental Depreciation and Property Tax Associated with Service Company Plant"
- (8) Total Expenses = Depreciation Expense + Property Tax Expense

All Service Company Allocations for Gross Plant and Reserve can be found on Sch B2.1 and Sch B3, respectively, in order to determine the Grand Totals shown on the Revenue Requirement Calculation sheet.

Depreciation Rate for Service Company Plant

I. Estimated Depreciation Accrual Rate for Service Company Plant as of May 31, 2007

Line No.	(A) Account	(B) Account Description	(C) 5/31/2007			(F) Accrual Rates				(J) Depreciation Expense
			Gross	Reserve	Net	CEI	OE	TE	Average	
1	Allocation Factors					14.21%	17.22%	7.58%	39.01%	
2	Weighted Allocation Factors					36.43%	44.14%	19.43%	100.00%	
GENERAL PLANT										
3	389	Fee Land & Easements	\$556,979	\$0	\$556,979	0.00%	0.00%	0.00%	0.00%	\$0
4	390	Structures, Improvements *	\$21,328,601	\$7,909,208	\$13,419,393	2.20%	2.50%	2.20%	2.33%	\$497,474
5	390.3	Struct Imprv, Leasehold Imp **	\$6,938,688	\$1,006,139	\$5,932,549	22.34%	20.78%	0.00%	21.49%	\$1,490,798
6	391.1	Office Furn., Mech. Equip.	\$31,040,407	\$24,400,266	\$6,640,141	7.60%	3.80%	3.80%	5.18%	\$1,609,200
7	391.2	Data Processing Equipment	\$117,351,991	\$26,121,795	\$91,230,196	10.56%	17.00%	9.50%	13.20%	\$15,486,721
8	392	Transportation Equipment	\$11,855	\$1,309	\$10,546	6.07%	7.31%	6.92%	6.78%	\$804
9	393	Stores Equipment	\$16,787	\$1,447	\$15,340	6.67%	2.56%	3.13%	4.17%	\$700
10	394	Tools, Shop, Garage Equip.	\$11,282	\$506	\$10,776	4.62%	3.17%	3.33%	3.73%	\$421
11	395	Laboratory Equipment	\$127,988	\$11,126	\$116,862	2.31%	3.80%	2.86%	3.07%	\$3,935
12	396	Power Operated Equipment	\$160,209	\$20,142	\$140,067	4.47%	3.48%	5.28%	4.19%	\$6,713
13	397	Communication Equipment ***	\$56,845,501	\$32,304,579	\$24,540,922	7.50%	5.00%	5.88%	6.08%	\$3,457,148
14	398	Misc. Equipment	\$465,158	\$27,982	\$437,176	6.67%	4.00%	3.33%	4.84%	\$22,525
15	399.1	ARC General Plant	\$40,721	\$16,948	\$23,773	0.00%	0.00%	0.00%	0.00%	\$0
16			\$234,896,167	\$91,821,447	\$143,074,720					\$22,576,438
INTANGIBLE PLANT										
17	301	Organization	\$49,344	\$49,344	\$0	0.00%	0.00%	0.00%	0.00%	\$0
18	303	Misc. Intangible Plant	\$75,721,715	\$46,532,553	\$29,189,162	14.29%	14.29%	14.29%	14.29%	\$10,820,633
19	303	Katz Software	\$1,268,271	\$1,027,642	\$240,630	14.29%	14.29%	14.29%	14.29%	\$181,236
20	303	Software 1999	\$10,658	\$4,881	\$5,777	14.29%	14.29%	14.29%	14.29%	\$1,523
21	303	Software GPU SC00	\$2,343,368	\$2,343,368	\$0	14.29%	14.29%	14.29%	14.29%	\$0
22	303	Impairment June 2000	\$77	\$77	(\$0)	14.29%	14.29%	14.29%	14.29%	\$0
23	303	3 year depreciable life	\$55,645	\$14,684	\$40,961	14.29%	14.29%	14.29%	14.29%	\$7,952
24	303	Debt Gross-up (FAS109): General	\$117,298	\$117,298	\$0	3.87%	3.87%	3.87%	3.87%	\$0
25	303	Debt Gross-up (FAS109): G/P Land	\$1,135	\$1,137	(\$2)	3.87%	3.87%	3.87%	3.87%	\$0
26			\$79,567,511	\$50,090,984	\$29,476,527					\$11,011,344
27	TOTAL - GENERAL & INTANGIBLE		\$314,463,678	\$141,912,431	\$172,551,247				10.68%	\$33,587,782

NOTES

(C) - (E) Service Company plant balances as of May 31, 2007.

(F) - (H) Source: Case No. 07-551-EL-AIR. Staff workpapers, Schedule B3.2.

In Case No. 07-551-EL-AIR, CEI and TE did not have an accrual rate for Account 303 (FAS 109 - General). Assumed to be the same as OE.

(I) Weighted average of columns F through H based on Service Company allocation factors on Line 2.

Assumes that the accrual rate, by account, for Service Company plant is equal to the weighted average of the three operating companies.

(J) Estimated depreciation expense associated with Service Company plant as of 5/31/07. Calculation: Column C x Column I.

* Includes accounts 390.1 and 390.2.

** Weighted average accrual rate is taken over CEI and OE only. (TE had no balance in Case No. 07-551-EL-AIR).

*** Includes accounts 397 and 397.1

Depreciation Rate for Service Company Plant

II. Estimated Depreciation Accrual Rate for Service Company Plant as of September 30, 2012

Line No.	(A) Account	(B) Account Description	(C) Estimated 9/30/12 Balances			(F) Accrual Rates				(J) Depreciation Expense
			Gross	Reserve	Net	CEI	OE	TE	Average	
28	Allocation Factors					14.21%	17.22%	7.58%	39.01%	
29	Weighted Allocation Factors					36.43%	44.14%	19.43%	100.00%	
GENERAL PLANT										
30	389	Fee Land & Easements	\$230,947	\$0	\$230,947	0.00%	0.00%	0.00%	0.00%	\$0
31	390	Structures, Improvements *	\$57,468,547	\$13,082,770	\$44,385,777	2.20%	2.50%	2.20%	2.33%	\$1,340,412
32	390.3	Struct Imprv, Leasehold Imp **	\$14,102,089	\$3,792,684	\$10,309,405	22.34%	20.78%	0.00%	21.49%	\$3,029,876
33	391.1	Office Furn., Mech. Equip.	\$17,323,296	\$9,990,833	\$7,332,463	7.60%	3.80%	3.80%	5.18%	\$898,076
34	391.2	Data Processing Equipment	\$124,797,618	\$32,109,435	\$92,688,182	10.56%	17.00%	9.50%	13.20%	\$16,469,306
35	392	Transportation Equipment	\$27,659	\$21,222	\$6,437	6.07%	7.31%	6.92%	6.78%	\$1,876
36	393	Stores Equipment	\$16,849	\$4,646	\$12,203	6.67%	2.56%	3.13%	4.17%	\$702
37	394	Tools, Shop, Garage Equip.	\$228,543	\$13,291	\$215,252	4.62%	3.17%	3.33%	3.73%	\$8,523
38	395	Laboratory Equipment	\$118,793	\$23,154	\$95,639	2.31%	3.80%	2.86%	3.07%	\$3,652
39	396	Power Operated Equipment	\$41,706	\$20,721	\$20,985	4.47%	3.48%	5.28%	4.19%	\$1,748
40	397	Communication Equipment ***	\$81,020,249	\$14,547,810	\$66,472,439	7.50%	5.00%	5.88%	6.08%	\$4,927,373
41	398	Misc. Equipment	\$3,231,691	\$452,549	\$2,779,141	6.67%	4.00%	3.33%	4.84%	\$156,491
42	399.1	ARC General Plant	\$40,721	\$21,896	\$18,826	0.00%	0.00%	0.00%	0.00%	\$0
43			\$298,648,708	\$74,081,012	\$224,567,696					\$26,838,036
INTANGIBLE PLANT										
44	303	FECO 101/6 303 Intangibles	\$23,375,694	\$2,562,948	\$20,812,746	14.29%	14.29%	14.29%	14.29%	\$3,340,387
45	301	FECO 101/6-301 Organization Fst	\$49,344	\$49,344	\$0	0.00%	0.00%	0.00%	0.00%	\$0
46	303	FECO 101/6-303 2003 Software	\$24,400,196	\$24,400,196	\$0	14.29%	14.29%	14.29%	14.29%	\$0
47	303	FECO 101/6-303 2004 Software	\$12,676,215	\$12,676,215	\$0	14.29%	14.29%	14.29%	14.29%	\$0
48	303	FECO 101/6-303 2005 Software	\$1,086,776	\$1,086,776	\$0	14.29%	14.29%	14.29%	14.29%	\$0
49	303	FECO 101/6-303 2006 Software	\$5,455,638	\$4,874,543	\$581,094	14.29%	14.29%	14.29%	14.29%	\$581,094
50	303	FECO 101/6-303 2007 Software	\$7,245,250	\$6,525,589	\$719,661	14.29%	14.29%	14.29%	14.29%	\$719,661
51	303	FECO 101/6-303 2008 Software	\$7,404,178	\$5,824,457	\$1,579,721	14.29%	14.29%	14.29%	14.29%	\$1,058,057
52	303	FECO 101/6-303 2009 Software	\$15,968,197	\$7,327,968	\$8,640,229	14.29%	14.29%	14.29%	14.29%	\$2,281,855
	303	FECO 101/6-303 2010 Software	\$20,146,268	\$7,094,206	\$13,052,062	14.29%	14.29%	14.29%	14.29%	\$2,878,902
53	303	FECO 101/6-303 2011 Software	\$51,677,655	\$8,664,790	\$43,012,865	14.29%	14.29%	14.29%	14.29%	\$7,384,737
54			\$169,485,411	\$81,087,032	\$88,398,378					\$18,244,693
55	TOTAL - GENERAL & INTANGIBLE		\$468,134,119	\$155,168,044	\$312,966,075				9.63%	\$45,082,728

NOTES

(C) - (E) Estimated 9/30/12 balances. Source: 2012 Forecast Version 6.

Note: Accounts 391.1 - 398 are aggregated together in the 2012 budget and were allocated based on June 2012 actual balances.

(F) - (H) Source: Schedule B3.2.

(I) Weighted average of columns F through H based on Service Company allocation factors on Line 29.

Assumes that the accrual rate, by account, for Service Company plant is equal to the weighted average of the three operating companies.

(J) Estimated depreciation expense associated with Service Company plant as of 9/30/12. Calculation: Column C x Column I.

* Includes accounts 390.1 and 390.2.

** Weighted average accrual rate is taken over CEI and OE only. (TE had no balance in Case No. 07-551-EL-AIR).

*** Includes accounts 397 and 397.1

Property Tax Rate for Service Company Plant

I. Average Real Property Tax Rates on General Plant as of May 31, 2007 *

(A)		(B)	(C)	(D)	(E)	(F)
No.	Category	CEI	OE	TE	Average **	Source / Calculation
1	Allocation Factors	14.21%	17.22%	7.58%	39.01%	Service Company workpaper
2	Weighted Allocation Factors	36.43%	44.14%	19.43%	100.00%	Weighted Line 1
<u>Real Property Tax</u>						
3	True Value Percentage	72.69%	62.14%	49.14%	63.45%	Case No. 07-551-EL-AIR.
4	Assessment Percentage	35.00%	35.00%	35.00%	35.00%	Case No. 07-551-EL-AIR.
5	Real Property Tax Rate	7.23%	6.04%	7.23%	6.70%	Case No. 07-551-EL-AIR.
6	Average Rate	1.84%	1.31%	1.24%	1.49%	Line 3 x Line 4 x Line 5
<p>* Note: Effective with an Ohio tax law change in 2005, non-utilities do not pay Personal Property Tax. Accordingly, for purposes of determining the average Property Tax rate applicable to Service Company plant, only Real Property Tax is considered.</p> <p>** Weighted average based on Service Company allocation factors.</p> <p>Assumes that the tax rate for Service Company plant is equal to the weighted average of the three operating companies</p>						

II. Estimated Property Tax Rate for Service Company General Plant as of May 31, 2007

(A)		(B)	(C)	(D)	(E)	(F)
No.	Account	Account Description	Tax Category	Avg. Tax Rate	Gross Plant	Property Tax
7	389	Fee Land & Easements	Real	1.49%	\$556,979	\$8,294
8	390	Structures, Improvements	Real	1.49%	\$21,328,601	\$317,594
9	390.3	Struct Imprv, Leasehold Imp	Real	1.49%	\$6,938,688	\$103,321
10	391.1	Office Furn., Mech. Equip.	Personal		\$31,040,407	\$0
11	391.2	Data Processing Equipment	Personal		\$117,351,991	\$0
12	392	Transportation Equipment	Personal		\$11,855	\$0
13	393	Stores Equipment	Personal		\$16,787	\$0
14	394	Tools, Shop, Garage Equip.	Personal		\$11,282	\$0
15	395	Laboratory Equipment	Personal		\$127,988	\$0
16	396	Power Operated Equipment	Personal		\$160,209	\$0
17	397	Communication Equipment	Personal		\$56,845,501	\$0
18	398	Misc. Equipment	Personal		\$465,158	\$0
19	399.1	ARC General Plant	Personal		\$40,721	\$0
20	TOTAL - GENERAL PLANT				\$234,896,167	\$429,208
21	TOTAL - INTANGIBLE PLANT				\$79,567,511	\$0
22	TOTAL - GENERAL & INTANGIBLE PLANT				\$314,463,678	\$429,208
23	Average Effective Real Property Tax Rate					0.14%

NOTES

- (C) Source: Case No. 07-551-EL-AIR, Schedule C3.10. Classification of General Plant account as Real or Personal Property
- (D) Average property tax rate across CEI, OE, and TE. See Section I above.
Note: Effective with an Ohio tax law change in 2005, non-utilities do not pay Personal Property Tax.
- (E) Service Company General plant as of May 31, 2007.
- (F) Calculation: Column D x Column E

Property Tax Rate for Service Company Plant

III. Estimated Average Real Property Tax Rates on General Plant as of September 30, 2012 *

No.	(A) Category	(B) CEI	(C) OE	(D) TE	(E) Average **	(F) Source / Calculation
24	Allocation Factors	14.21%	17.22%	7.58%	39.01%	Service Company workpaper
25	Weighted Allocation Factors	36.43%	44.14%	19.43%	100.00%	Weighted Line 24
Real Property Tax						
26	True Value Percentage	71.87%	47.93%	50.02%	57.06%	Schedule C3.10a2
27	Assessment Percentage	35.00%	35.00%	35.00%	35.00%	Schedule C3.10a2
28	Real Property Tax Rate	7.59%	6.78%	7.78%	7.27%	Schedule C3.10a2
29	Average Rate	1.91%	1.14%	1.36%	1.45%	Line 26 x Line 27 x Line 28
<p>* Note: Effective with an Ohio tax law change in 2005, non-utilities do not pay Personal Property Tax. Accordingly, for purposes of determining the average Property Tax rate applicable to Service Company plant, only Real Property Tax is considered.</p> <p>** Weighted average based on Service Company allocation factors.</p> <p>Assumes that the tax rate for Service Company plant is equal to the weighted average of the three operating companies</p>						

IV. Estimated Property Tax Rate for Service Company General Plant as of September 30, 2012

No.	(A) Account	(B) Account Description	(C) Tax Category	(D) Avg. Tax Rate	(E) Gross Plant	(F) Property Tax
30	389	Fee Land & Easements	Real	1.45%	\$230,947	\$3,353
31	390	Structures, Improvements	Real	1.45%	\$57,468,547	\$834,290
32	390.3	Struct Imprv, Leasehold Imp	Real	1.45%	\$14,102,089	\$204,725
33	391.1	Office Furn., Mech. Equip.	Personal		\$17,323,296	\$0
34	391.2	Data Processing Equipment	Personal		\$124,797,618	\$0
35	392	Transportation Equipment	Personal		\$27,659	\$0
36	393	Stores Equipment	Personal		\$16,849	\$0
37	394	Tools, Shop, Garage Equip.	Personal		\$228,543	\$0
38	395	Laboratory Equipment	Personal		\$118,793	\$0
39	396	Power Operated Equipment	Personal		\$41,706	\$0
40	397	Communication Equipment	Personal		\$81,020,249	\$0
41	398	Misc. Equipment	Personal		\$3,231,691	\$0
42	399.1	ARC General Plant	Personal		\$40,721	\$0
43	TOTAL - GENERAL PLANT				\$298,648,708	\$1,042,367
44	TOTAL - INTANGIBLE PLANT				\$169,485,411	\$0
45	TOTAL - GENERAL & INTANGIBLE PLANT				\$468,134,119	\$1,042,367
46	Average Effective Real Property Tax Rate					0.22%

NOTES

- (C) Source: Schedule C3.10. Classification of General Plant account as Real or Personal Property
- (D) Weighted average property tax rate across CEI, OE, and TE. See Section I above.
Note: Effective with an Ohio tax law change in 2005, non-utilities do not pay Personal Property Tax.
- (E) Estimated Service Company General gross plant balances as of 9/30/12. Source: 2012 Forecast Version 6.
- (F) Calculation: Column D x Column E

Incremental Depreciation and Property Tax Associated with Service Company Plant
Case No. 07-551-EL-AIR vs. Estimated 9/30/12 Balances

I. Estimated Allocated Service Company Plant and Related Expenses as of September 30, 2012							
Line	Category	Service Co.	CEI	OE	TE	TOTAL	Source / Notes
1	Allocation Factor		14.21%	17.22%	7.58%	39.01%	Case No. 07-551-EL-AIR
	<u>Total Plant</u>						
2	Gross Plant	\$468,134,119	\$66,521,858	\$80,612,695	\$35,484,566	\$182,619,120	Service Co. Depreciation Rate, Line 55 x Line 1
3	Accum. Reserve	(\$155,168,044)	(\$22,049,379)	(\$26,719,937)	(\$11,761,738)	(\$60,531,054)	Service Co. Depreciation Rate, Line 55 x Line 1
4	Net Plant	\$312,966,075	\$44,472,479	\$53,892,758	\$23,722,828	\$122,088,066	Line 2 + Line 3
5	Depreciation *	9.63%	\$6,406,256	\$7,763,246	\$3,417,271	\$17,586,772	Average Rate x Line 2
6	Property Tax *	0.22%	\$148,120	\$179,496	\$79,011	\$406,627	Average Rate x Line 2
7	Total Expenses		\$6,554,376	\$7,942,741	\$3,496,282	\$17,993,400	
* Effective Depreciation and Property Tax rates based on weighted averages across companies over General and Intangible plant, as of 9/30/12. See line 55 on workpaper "Service Co. Depreciation Rate" and line 46 on workpaper "Service Co. Property Tax Rate" for more details.							

II. Estimated Allocated Service Company Plant and Related Expenses as of May 31, 2007							
Line	Rate Base	Service Co.	CEI	OE	TE	TOTAL	Source / Notes
8	Allocation Factor		14.21%	17.22%	7.58%	39.01%	Case No. 07-551-EL-AIR
	<u>Total Plant</u>						
9	Gross Plant	\$314,463,678	\$44,685,289	\$54,150,645	\$23,836,347	\$122,672,281	Service Co. Depreciation Rate, Line 27 x Line 8
10	Accum. Reserve	(\$141,912,431)	(\$20,165,756)	(\$24,437,321)	(\$10,756,962)	(\$55,360,039)	Service Co. Depreciation Rate, Line 27 x Line 8
11	Net Plant	\$172,551,247	\$24,519,532	\$29,713,325	\$13,079,385	\$67,312,242	Line 9 + Line 10
12	Depreciation *	10.68%	\$4,772,824	\$5,783,816	\$2,545,954	\$13,102,594	Average Rate x Line 9
13	Property Tax *	0.14%	\$60,990	\$73,910	\$32,534	\$167,434	Average Rate x Line 9
14	Total Expenses		\$4,833,814	\$5,857,726	\$2,578,488	\$13,270,028	Line 12 + Line 13
* Effective Depreciation and Property Tax rates based on weighted averages across companies over General and Intangible plant as of 5/31/07. See line 27 on workpaper "Service Co. Depreciation Rate" and line 23 on workpaper "Service Co. Property Tax Rate" for more details.							

III. Estimated Incremental Expenses Associated with Allocated Service Company Plant *							
Line	Rate Base	Service Co.	CEI	OE	TE	TOTAL	Source / Notes
15	Depreciation	-1.05%	\$1,633,432	\$1,979,430	\$871,317	\$4,484,179	Line 5 - Line 12
16	Property Tax	0.09%	\$87,130	\$105,586	\$46,477	\$239,193	Line 6 - Line 13
17	Total Expenses		\$1,720,562	\$2,085,016	\$917,794	\$4,723,372	Line 15 + Line 16
* In Case No. 07-551-EL-AIR, test year operating expenses included allocated depreciation and property tax associated with Service Company plant. This section calculates the difference between the estimated level of these expenses included in base rates and the expected expenses to be incurred based on Service Company plant balances as of September 30, 2012. The incremental expenses calculated on Line 17 above are added to the Rider DCR revenue requirements.							

Intangible Depreciation Expense Calculation
Estimated 9/30/2012 Balances

NOTE

The software accounts are amortized over a 7 year period (leading to an accrual rate of 14.29%), and many of these accounts have already been fully amortized. Therefore, applying the 14.29% accrual rate to the Gross Plant (the methodology employed for all other accounts) overstates the "depreciation expense" associated with intangible plant. This workpaper looks at each sub account within intangible plant and calculates the expense by applying the 14.29% to only those sub-accounts that are not fully amortized yet.

Company (A)	Utility Account (B)	Function (C)	Gross Plant Sep-12 (D)	Reserve Sep-12 (E)	Net Plant Sep-12 (F)	Accrual Rates (G)		Depreciation Expense (H)
			Source: 2012 Forecast Version 6			Case # 07-551-EL-AIR	Accrual rate only applies to the gross plant of those accounts that are not fully amortized and those accounts that have reserve balances	
CECO	The Illuminating Co.	CECO 101/6-303 2002 Software	Intangible Plant	2,966,784.11	2,966,784.11	0.00	14.29%	\$0.00
CECO	The Illuminating Co.	CECO 101/6-303 2003 Software	Intangible Plant	1,307,066.95	1,307,066.95	0.00	14.29%	\$0.00
CECO	The Illuminating Co.	CECO 101/6-303 2004 Software	Intangible Plant	3,596,344.42	3,596,344.42	0.00	14.29%	\$0.00
CECO	The Illuminating Co.	CECO 101/6-303 2005 Software	Intangible Plant	1,219,861.54	1,219,861.54	0.00	14.29%	\$0.00
CECO	The Illuminating Co.	CECO 101/6-303 2006 Software	Intangible Plant	1,808,777.88	1,618,421.81	190,356.07	14.29%	\$190,356.07
CECO	The Illuminating Co.	CECO 101/6-303 2007 Software	Intangible Plant	5,870,455.85	4,346,144.29	1,524,311.56	14.29%	\$838,888.14
CECO	The Illuminating Co.	CECO 101/6-303 2008 Software	Intangible Plant	2,852,517.24	1,772,021.73	1,080,495.51	14.29%	\$407,624.71
CECO	The Illuminating Co.	CECO 101/6-303 2009 Software	Intangible Plant	3,238,317.74	1,291,658.41	1,946,659.33	14.29%	\$462,755.61
CECO	The Illuminating Co.	CECO 101/6-303 2010 Software	Intangible Plant	2,716,031.14	931,998.35	1,784,032.79	14.29%	\$388,120.85
CECO	The Illuminating Co.	CECO 101/6-303 2011 Software	Intangible Plant	7,662,997.14	1,024,926.26	6,638,070.88	14.29%	\$1,095,042.29
CECO	The Illuminating Co.	CECO 101/6-303 FAS109 Dist- Forecast	Intangible Plant	2,001,380.25	1,966,377.92	35,002.33	3.18%	\$35,002.33
CECO	The Illuminating Co.	CECO 101/6-303 FAS109 Transm-FCT	Intangible Plant	1,176,339.38	976,590.53	199,748.85	2.15%	\$25,291.30
CECO	The Illuminating Co.	CECO 101/6-303 Software	Intangible Plant	1,646,353.17	290,252.53	1,356,100.64	14.29%	\$235,263.87
CECO	The Illuminating Co.	CECO 101/6-303 Software Evolution	Intangible Plant	12,454,403.18	12,454,403.18	0.00	14.29%	\$0.00
Total			50,517,629.99	35,762,852.03	14,754,777.96			\$3,678,345.17
OECO	Ohio Edison Co.	OECO 101/6-301 Organization	Intangible Plant	89,746.46	0.00	89,746.46	0.00%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 2002 Software	Intangible Plant	3,690,066.71	3,690,066.71	0.00	14.29%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 2003 Software	Intangible Plant	17,568,726.13	17,568,726.13	0.00	14.29%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 2004 Software	Intangible Plant	4,524,342.87	4,524,342.87	0.00	14.29%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 2005 Software	Intangible Plant	1,469,370.24	1,469,370.24	0.00	14.29%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 2006 Software	Intangible Plant	2,754,123.71	2,756,656.85	(2,533.14)	14.29%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 2007 Software	Intangible Plant	7,208,211.44	6,698,295.75	509,915.69	14.29%	\$509,915.69
OECO	Ohio Edison Co.	OECO 101/6-303 2008 Software	Intangible Plant	3,495,653.48	3,163,447.93	332,205.55	14.29%	\$332,205.55
OECO	Ohio Edison Co.	OECO 101/6-303 2009 Software	Intangible Plant	4,771,510.65	2,058,518.14	2,712,992.51	14.29%	\$681,848.87
OECO	Ohio Edison Co.	OECO 101/6-303 2010 Software	Intangible Plant	3,645,397.53	1,272,485.73	2,372,911.80	14.29%	\$520,927.31
OECO	Ohio Edison Co.	OECO 101/6-303 2011 Software	Intangible Plant	7,632,058.23	1,020,979.21	6,611,079.02	14.29%	\$1,090,621.12
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 Dist Land	Intangible Plant	37,082.00	0.00	37,082.00	2.89%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 Distribution	Intangible Plant	1,556,299.00	1,556,299.00	0.00	2.89%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 General Lan	Intangible Plant	7,778.00	0.00	7,778.00	3.87%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 General Plt	Intangible Plant	191,313.37	161,865.43	29,447.94	3.87%	\$7,403.83
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 Trans Land	Intangible Plant	1,326,229.00	0.00	1,326,229.00	2.33%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 Transmissio	Intangible Plant	697,049.00	697,049.00	0.00	2.33%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 Intangibles	Intangible Plant	3,132,955.45	340,310.65	2,792,644.80	14.29%	\$447,699.33
Total			63,797,913.27	46,978,413.64	16,819,499.63			\$3,590,621.70
TECO	Toledo Edison Co.	TECO 101/6-303 2002 Software	Intangible Plant	1,705,113.91	1,705,113.91	0.00	14.29%	\$0.00
TECO	Toledo Edison Co.	TECO 101/6-303 2003 Software	Intangible Plant	7,446,711.94	7,446,711.94	0.00	14.29%	\$0.00
TECO	Toledo Edison Co.	TECO 101/6-303 2004 Software	Intangible Plant	854,820.65	854,820.65	0.00	14.29%	\$0.00
TECO	Toledo Edison Co.	TECO 101/6-303 2005 Software	Intangible Plant	670,679.46	670,679.46	0.00	14.29%	\$0.00
TECO	Toledo Edison Co.	TECO 101/6-303 2006 Software	Intangible Plant	834,729.01	745,667.49	89,061.52	14.29%	\$89,061.52
TECO	Toledo Edison Co.	TECO 101/6-303 2007 Software	Intangible Plant	3,095,001.76	2,285,076.12	809,925.64	14.29%	\$442,275.75
TECO	Toledo Edison Co.	TECO 101/6-303 2008 Software	Intangible Plant	1,445,575.18	961,363.32	484,211.86	14.29%	\$206,572.69
TECO	Toledo Edison Co.	TECO 101/6-303 2009 Software	Intangible Plant	2,063,024.71	849,077.16	1,213,947.55	14.29%	\$294,806.23
TECO	Toledo Edison Co.	TECO 101/6-303 2010 Software	Intangible Plant	1,589,514.04	552,178.52	1,037,335.52	14.29%	\$227,141.56
TECO	Toledo Edison Co.	TECO 101/6-303 2011 Software	Intangible Plant	3,191,925.46	424,144.03	2,767,781.43	14.29%	\$456,126.15
TECO	Toledo Edison Co.	TECO 101/6-303 FAS109 Distribution	Intangible Plant	240,093.46	218,858.09	21,235.37	3.10%	\$7,442.90
TECO	Toledo Edison Co.	TECO 101/6-303 FAS109 Transmission	Intangible Plant	54,210.29	45,384.95	8,825.34	2.37%	\$1,284.78
TECO	Toledo Edison Co.	TECO 101/6-303 Software	Intangible Plant	593,103.45	94,116.54	498,986.91	14.29%	\$84,754.48
Total			23,784,503.32	16,853,192.18	6,931,311.14			\$1,809,466.06

Rider Charge Calculation - Rider DCR

I. Annual Revenue Requirement For Q4 2012 Rider DCR Rates

	(A)	(B)
	Company	Rev Req 9/30/2012
(1)	CEI	\$62,958,493
(2)	OE	\$60,838,054
(3)	TE	\$13,750,686
(4)	TOTAL	\$137,547,234

NOTES

(B) Annual Revenue Requirement Based on Estimated 9/30/2012 Rate Base

II. Quarterly Revenue Requirement Additions

	(A)	(B)	(C)	(D)
	Description	CEI	OE	TE
(1)	DCR Audit Expense Recovery Q3 2012	\$0	\$0	\$0
(2)	Reconciliation Amount Adjusted for Q4	\$59,032	\$877,029	(\$125,146)
(3)	Total Quarterly Reconciliation	\$59,032	\$877,029	(\$125,146)

SOURCES

- Line 1: Source: DCR deferral balance as of June 30, 2012
 Line 2: Q3 2012 under-collection or over-collection. Calculation: difference between rates based on estimated and actual 6/30/12 rate base balances, applied to forecasted Q3 2012 billing determinants.
 Line 3: Calculation: Line 1 + Line 2

Rider Charge Calculation - Rider DCR

III. Allocation of Total DCR Revenue Requirement to RS and Non-RS (Based on Sales)

	(A)	(B)	(C)	(D)	(E)	(F)
	Company	Rate Schedule	Annual KWH Sales		DCR Annual Rev Req Allocations	Quarterly Reconciliation
			Total	% Total		
(1)	CEI	RS	5,293,254,518	31.62%	\$19,908,849	\$18,667
(2)		GS, GP, GSU	11,445,801,308	68.38%	\$43,049,645	\$40,365
(3)			16,739,055,826	100.00%	\$62,958,493	\$59,032
(4)	OE	RS	8,978,772,352	45.82%	\$27,877,371	\$401,875
(5)		GS, GP, GSU	10,616,011,132	54.18%	\$32,960,684	\$475,155
(6)			19,594,783,484	100.00%	\$60,838,054	\$877,029
(7)	TE	RS	2,491,486,253	42.44%	\$5,836,238	(\$53,116)
(8)		GS, GP, GSU	3,378,672,796	57.56%	\$7,914,448	(\$72,030)
(9)			5,870,159,049	100.00%	\$13,750,686	(\$125,146)
(10)	OH	RS	16,763,513,123	39.72%	\$53,622,457	\$367,426
(11)	TOTAL	GS, GP, GSU	25,440,485,236	60.28%	\$83,924,777	\$443,490
(12)			42,203,998,359	100.00%	\$137,547,234	\$810,916

NOTES

- (C) Source: Forecast for October 2012 through September 2013 (All forecasted numbers associated with 2012 Forecast Version 6)
(D) Calculation: Individual Rate Schedule Total / Total for RS, GS, GP, GSU
(E) Calculation: Annual DCR Revenue from Section I, Column B x Column D
(F) Calculation: Quarterly Reconciliation from Section II, Line 3 x Column D

Rider Charge Calculation - Rider DCR

IV. Allocation of DCR Revenue Amongst Non-RS Schedules

	(A) Company	(B) Rate Schedule	(C) Stipulation Allocation			(F) DCR Revenue Allocations	(G) Quarterly Reconciliation
			% of Total	% of Non-RS	DCR Jurisd.		
(1)	CEI	RS	47.55%	0.00%	0.00%	\$0	\$0
(2)		GS	42.23%	80.52%	90.02%	\$38,752,601	\$36,336
(3)		GP	0.63%	1.19%	1.33%	\$574,259	\$538
(4)		GSU	4.06%	7.74%	8.65%	\$3,722,784	\$3,491
(5)		GT	0.18%	0.35%	0.00%	\$0	\$0
(6)		STL	3.53%	6.73%	0.00%	\$0	\$0
(7)		POL	1.79%	3.41%	0.00%	\$0	\$0
(8)		TRF	0.03%	0.06%	0.00%	\$0	\$0
(9)			100.00%	100.00%	100.00%	\$43,049,645	\$40,365
(10)		Subtotal (GT, STL, POL, TRF)		10.55%			
(11)	OE	RS	62.45%	0.00%	0.00%	\$0	\$0
(12)		GS	27.10%	72.17%	81.75%	\$26,946,336	\$388,453
(13)		GP	5.20%	13.85%	15.69%	\$5,171,311	\$74,549
(14)		GSU	0.85%	2.26%	2.56%	\$843,037	\$12,153
(15)		GT	2.19%	5.84%	0.00%	\$0	\$0
(16)		STL	1.39%	3.70%	0.00%	\$0	\$0
(17)		POL	0.76%	2.02%	0.00%	\$0	\$0
(18)		TRF	0.06%	0.16%	0.00%	\$0	\$0
(19)			100.00%	100.00%	100.00%	\$32,960,684	\$475,155
(20)		Subtotal (GT, STL, POL, TRF)		11.72%			
(21)	TE	RS	57.93%	0.00%	0.00%	\$0	\$0
(22)		GS	32.13%	76.36%	86.74%	\$6,864,973	(\$62,478)
(23)		GP	4.80%	11.42%	12.97%	\$1,026,750	(\$9,345)
(24)		GSU	0.11%	0.25%	0.29%	\$22,725	(\$207)
(25)		GT	1.38%	3.29%	0.00%	\$0	\$0
(26)		STL	2.91%	6.92%	0.00%	\$0	\$0
(27)		POL	0.69%	1.64%	0.00%	\$0	\$0
(28)		TRF	0.05%	0.12%	0.00%	\$0	\$0
(29)			100.00%	100.00%	100.00%	\$7,914,448	(\$72,030)
(30)		Subtotal (GT, STL, POL, TRF)		11.96%			

NOTES

(C) Source: Stipulation in Case No. 07-551-EL-AIR.

(D) Calculation: Individual Non-RS Rate Schedule Total from Column C / (1 - RS Total from Column C).

(E) Besides customers taking service under Rate Schedule RS, Rider DCR is only applicable to customers taking service under Rate Schedule GS, GP, and GSU. Thus, the portion of the distribution rate increase allocated to Rate Schedules GT, STL, POL, and TRF per the Stipulation in Case No. 07-551-EL-AIR needs to be re-allocated across Rate Schedules GS, GP and GSU

Calculation: ((Column D) / Sum of GS, GP, GSU from Column D)

(F) Calculation: Total DCR Revenue Allocated to Non-RS customers from Section III x Column E.

(G) Calculation: Quarterly Reconciliation Allocated to Non-RS customers from Section III x Column E.

Rider Charge Calculation - Rider DCR

V. Rider DCR Charge Calculation - Rate RS

	(A)	(B)	(C)	(D)	(E)
	Company	Rate Schedule	Annual DCR Revenue	Annual KWH Sales	Annual Rev Req Charge (\$ / KWH)
(1)	CEI	RS	\$19,908,849	5,293,254,518	\$0.003761
(2)	OE	RS	\$27,877,371	8,978,772,352	\$0.003105
(3)	TE	RS	\$5,836,238	2,491,486,253	\$0.002342
(4)			\$53,622,457	16,763,513,123	

NOTES

(C) Source: Section III, Column E.

(D) Source: Forecast for October 2012 through September 2013 (All forecasted numbers associated with 2012 Forecast Version 6)

(E) Calculation: Column C / Column D.

VI. Rider DCR Charge Calculation - Rate GS, Rate GP, Rate GSU

	(A)	(B)	(C)	(D)	(E)
	Company	Rate Schedule	Annual DCR Revenue	Billing Units (kW / kVa)	Annual DCR Charge (\$ / kW or \$ / kVa)
(1)	CEI	GS	\$38,752,601	23,756,821	\$1.6312 per kW
(2)		GP	\$574,259	780,555	\$0.7357 per kW
(3)		GSU	\$3,722,784	7,789,956	\$0.4779 per kW
(4)			\$43,049,645		
(5)	OE	GS	\$26,946,336	24,668,942	\$1.0923 per kW
(6)		GP	\$5,171,311	6,962,439	\$0.7427 per kW
(7)		GSU	\$843,037	2,758,686	\$0.3056 per kVa
(8)			\$32,960,684		
(9)	TE	GS	\$6,864,973	8,022,138	\$0.8558 per kW
(10)		GP	\$1,026,750	2,936,597	\$0.3496 per kW
(11)		GSU	\$22,725	233,176	\$0.0975 per kVa
(12)			\$7,914,448		

NOTES

(C) Source: Section IV, Column F.

(D) Source: Forecast for October 2012 through September 2013 (All forecasted numbers associated with 2012 Forecast Version 6)

(E) Calculation: Column C / Column D.

Rider Charge Calculation - Rider DCR

VII. Rider DCR Charge Calculation - Rate RS

	(A)	(B)	(C)	(D)	(E)
	Company	Rate Schedule	Quarterly DCR Revenue	Quarterly KWH Sales	Quarterly Reconciliation (\$ / KWH)
(1)	CEI	RS	\$18,667	1,318,003,701	\$0.000014
(2)	OE	RS	\$401,875	2,230,100,780	\$0.000180
(3)	TE	RS	(\$53,116)	597,865,435	(\$0.000089)
(4)			\$367,426	4,145,969,915	

NOTES

(C) Source: Section III, Column F.

(D) Source: Forecast for October 2012 through December 2012 (All forecasted numbers associated with 2012 Forecast Version 6)

(E) Calculation: Column C / Column D.

VIII. Rider DCR Charge Calculation - Rate GS, Rate GP, Rate GSU

	(A)	(B)	(C)	(D)	(E)
	Company	Rate Schedule	Quarterly DCR Revenue	Billing Units (kW / kVa)	Quarterly Reconciliation (\$ / kW or \$ / kVa)
(1)	CEI	GS	\$36,336	5,898,985	\$0.0062 per kW
(2)		GP	\$538	179,130	\$0.0030 per kW
(3)		GSU	\$3,491	1,738,215	\$0.0020 per kW
(4)			\$40,365		
(5)	OE	GS	\$388,453	6,000,745	\$0.0647 per kW
(6)		GP	\$74,549	1,645,563	\$0.0453 per kW
(7)		GSU	\$12,153	682,230	\$0.0178 per kVa
(8)			\$475,155		
(9)	TE	GS	(\$62,478)	2,053,894	(\$0.0304) per kW
(10)		GP	(\$9,345)	693,952	(\$0.0135) per kW
(11)		GSU	(\$207)	54,300	(\$0.0038) per kVa
(12)			(\$72,030)		

NOTES

(C) Source: Section IV, Column G.

(D) Source: Forecast for October 2012 through December 2012 (All forecasted numbers associated with 2012 Forecast Version 6)

(E) Calculation: Column C / Column D.

The Cleveland Electric Illuminating Company
 Ohio Edison Company
 The Toledo Edison Company

Proposed Rider Charge Calculation - Rider DCR

IX. Rider DCR Charge Calculation

	(A)	(B)	(C)		(D)		(E)	
	Company	Rate Schedule	Annual DCR Charge (\$ / kW or \$ / kVa)		Quarterly Reconciliation (\$ / kW or \$ / kVa)		Proposed DCR Charge For Q4 2012	
(1)	CEI	RS	\$0.003761	per kWh	\$0.000014	per kWh	\$0.003775	per kWh
(2)		GS	\$1.6312	per kW	\$0.0062	per kW	\$1.6374	per kW
(3)		GP	\$0.7357	per kW	\$0.0030	per kW	\$0.7387	per kW
(4)		GSU	\$0.4779	per kW	\$0.0020	per kW	\$0.4799	per kW
(5)								
(6)	OE	RS	\$0.003105	per kWh	\$0.000180	per kWh	\$0.003285	per kWh
(7)		GS	\$1.0923	per kW	\$0.0647	per kW	\$1.1571	per kW
(8)		GP	\$0.7427	per kW	\$0.0453	per kW	\$0.7880	per kVa
(9)		GSU	\$0.3056	per kW	\$0.0178	per kW	\$0.3234	per kVa
(10)								
(11)	TE	RS	\$0.002342	per kWh	(\$0.000089)	per kWh	\$0.002254	per kWh
(12)		GS	\$0.8558	per kW	(\$0.0304)	per kW	\$0.8253	per kW
(13)		GP	\$0.3496	per kW	(\$0.0135)	per kW	\$0.3362	per kVa
(14)		GSU	\$0.0975	per kW	(\$0.0038)	per kW	\$0.0936	per kVa
(15)								

NOTES

- (C) Source: Sections V and VI, Column E
 (D) Source: Sections VII and VIII, Column E
 (E) Calculation: Column C + Column D

Rider DCR Revenue To-Date

X. Rider DCR Revenue Through June 30, 2012

(A)	(B)
Company	Revenue Through 6/30/2012
CEI	\$32,243,780
OE	\$29,128,458
TE	\$7,333,277

Energy and Demand Forecast

Source: All forecasted numbers associated with 2012 Forecast Version 6

Annual Energy (October 2012 - September 2013) :

Source: 2012 Forecast Version 6

		<u>CEI</u>	<u>OE</u>	<u>TE</u>	<u>Total</u>
RS	kWh	5,293,254,518	8,978,772,352	2,491,486,253	16,763,513,123
GS	kWh	7,028,790,099	6,654,338,239	2,134,993,384	15,818,121,722
GP	kWh	430,656,636	2,887,483,346	1,128,366,990	4,446,506,972
GSU	kWh	3,986,354,573	1,074,189,548	115,312,421	5,175,856,542
Total		16,739,055,826	19,594,783,484	5,870,159,049	42,203,998,359

Annual Demand (October 2012 - September 2013) :

Source: 2012 Forecast Version 6

		<u>CEI</u>	<u>OE</u>	<u>TE</u>
GS	kW	23,756,821	24,668,942	8,022,138
GP	kW	780,555	6,962,439	2,936,597
GSU	kW/kVA	7,789,956	2,758,686	233,176

Q4 2012 Energy (Oct 2012 - Dec 2012) :

Source: 2012 Forecast Version 6

		<u>CEI</u>	<u>OE</u>	<u>TE</u>	<u>Total</u>
RS	kWh	1,318,003,701	2,230,100,780	597,865,435	4,145,969,915
GS	kWh	1,736,430,675	1,608,766,642	537,887,626	3,883,084,943
GP	kWh	98,842,036	673,487,601	262,414,306	1,034,743,943
GSU	kWh	914,170,382	258,190,588	26,919,153	1,199,280,123
Total		4,067,446,794	4,770,545,611	1,425,086,520	10,263,078,925

Q4 2012 Demand (Oct 2012 - Dec 2012) :

Source: 2012 Forecast Version 6

		<u>CEI</u>	<u>OE</u>	<u>TE</u>
GS	kW	5,898,985	6,000,745	2,053,894
GP	kW	179,130	1,645,563	693,952
GSU	kW/kVA	1,738,215	682,230	54,300

The Cleveland Electric Illuminating Company
Case No. 12-493-EL-RDR
Typical Bills - Comparison (DCR Q3 vs. DCR Q4)

Bill Data						
Line No.	Level of Demand (kW) (A)	Level of Usage (kWH) (B)	Current Summer Bill (\$) (C)	Proposed Summer Bill (\$) (D)	Dollar Increase (D)-(C) (E)	Percent Increase (E)/(C) (F)
Residential Service - Standard (Rate RS)						
1	0	250	\$ 35.67	\$ 35.83	\$ 0.16	0.5%
2	0	500	\$ 67.23	\$ 67.56	\$ 0.33	0.5%
3	0	750	\$ 98.78	\$ 99.27	\$ 0.49	0.5%
4	0	1,000	\$ 130.35	\$ 131.01	\$ 0.66	0.5%
5	0	1,250	\$ 161.88	\$ 162.70	\$ 0.82	0.5%
6	0	1,500	\$ 193.46	\$ 194.45	\$ 0.99	0.5%
7	0	2,000	\$ 256.54	\$ 257.85	\$ 1.31	0.5%
8	0	2,500	\$ 319.47	\$ 321.11	\$ 1.64	0.5%
9	0	3,000	\$ 382.32	\$ 384.29	\$ 1.97	0.5%
10	0	3,500	\$ 445.19	\$ 447.49	\$ 2.30	0.5%
11	0	4,000	\$ 508.06	\$ 510.69	\$ 2.63	0.5%
12	0	4,500	\$ 570.94	\$ 573.90	\$ 2.96	0.5%
13	0	5,000	\$ 633.86	\$ 637.15	\$ 3.29	0.5%
14	0	5,500	\$ 696.72	\$ 700.34	\$ 3.62	0.5%
15	0	6,000	\$ 759.58	\$ 763.52	\$ 3.94	0.5%
16	0	6,500	\$ 822.47	\$ 826.74	\$ 4.27	0.5%
17	0	7,000	\$ 885.34	\$ 889.94	\$ 4.60	0.5%
18	0	7,500	\$ 948.24	\$ 953.17	\$ 4.93	0.5%
19	0	8,000	\$ 1,011.09	\$ 1,016.35	\$ 5.26	0.5%
20	0	8,500	\$ 1,073.98	\$ 1,079.57	\$ 5.59	0.5%
21	0	9,000	\$ 1,136.84	\$ 1,142.76	\$ 5.92	0.5%
22	0	9,500	\$ 1,199.75	\$ 1,205.99	\$ 6.24	0.5%
23	0	10,000	\$ 1,262.60	\$ 1,269.17	\$ 6.57	0.5%
24	0	10,500	\$ 1,325.49	\$ 1,332.39	\$ 6.90	0.5%
25	0	11,000	\$ 1,388.38	\$ 1,395.61	\$ 7.23	0.5%

The Cleveland Electric Illuminating Company
Case No. 12-493-EL-RDR
Typical Bills - Comparison (DCR Q3 vs. DCR Q4)

Bill Data						
Line No.	Level of Demand (kW) (A)	Level of Usage (kWH) (B)	Current Summer Bill (\$) (C)	Proposed Summer Bill (\$) (D)	Dollar Increase (D)-(C) (E)	Percent Increase (E)/(C) (F)
Residential Service - All-Electric (Rate RS)						
1	0	250	\$ 35.67	\$ 35.83	\$ 0.16	0.5%
2	0	500	\$ 67.23	\$ 67.56	\$ 0.33	0.5%
3	0	750	\$ 98.78	\$ 99.27	\$ 0.49	0.5%
4	0	1,000	\$ 130.35	\$ 131.01	\$ 0.66	0.5%
5	0	1,250	\$ 161.88	\$ 162.70	\$ 0.82	0.5%
6	0	1,500	\$ 193.46	\$ 194.45	\$ 0.99	0.5%
7	0	2,000	\$ 256.54	\$ 257.85	\$ 1.31	0.5%
8	0	2,500	\$ 319.47	\$ 321.11	\$ 1.64	0.5%
9	0	3,000	\$ 382.32	\$ 384.29	\$ 1.97	0.5%
10	0	3,500	\$ 445.19	\$ 447.49	\$ 2.30	0.5%
11	0	4,000	\$ 508.06	\$ 510.69	\$ 2.63	0.5%
12	0	4,500	\$ 570.94	\$ 573.90	\$ 2.96	0.5%
13	0	5,000	\$ 633.86	\$ 637.15	\$ 3.29	0.5%
14	0	5,500	\$ 696.72	\$ 700.34	\$ 3.62	0.5%
15	0	6,000	\$ 759.58	\$ 763.52	\$ 3.94	0.5%
16	0	6,500	\$ 822.47	\$ 826.74	\$ 4.27	0.5%
17	0	7,000	\$ 885.34	\$ 889.94	\$ 4.60	0.5%
18	0	7,500	\$ 948.24	\$ 953.17	\$ 4.93	0.5%
19	0	8,000	\$ 1,011.09	\$ 1,016.35	\$ 5.26	0.5%
20	0	8,500	\$ 1,073.98	\$ 1,079.57	\$ 5.59	0.5%
21	0	9,000	\$ 1,136.84	\$ 1,142.76	\$ 5.92	0.5%
22	0	9,500	\$ 1,199.75	\$ 1,205.99	\$ 6.24	0.5%
23	0	10,000	\$ 1,262.60	\$ 1,269.17	\$ 6.57	0.5%
24	0	10,500	\$ 1,325.49	\$ 1,332.39	\$ 6.90	0.5%
25	0	11,000	\$ 1,388.38	\$ 1,395.61	\$ 7.23	0.5%

The Cleveland Electric Illuminating Company
Case No. 12-493-EL-RDR
Typical Bills - Comparison (DCR Q3 vs. DCR Q4)

Bill Data						
Line No.	Level of Demand (kW) (A)	Level of Usage (kWH) (B)	Current Summer Bill (\$) (C)	Proposed Summer Bill (\$) (D)	Dollar Increase (D)-(C) (E)	Percent Increase (E)/(C) (F)
Residential Service - Water Heating (Rate RS)						
1	0	250	\$ 35.67	\$ 35.83	\$ 0.16	0.5%
2	0	500	\$ 67.23	\$ 67.56	\$ 0.33	0.5%
3	0	750	\$ 98.78	\$ 99.27	\$ 0.49	0.5%
4	0	1,000	\$ 130.35	\$ 131.01	\$ 0.66	0.5%
5	0	1,250	\$ 161.88	\$ 162.70	\$ 0.82	0.5%
6	0	1,500	\$ 193.46	\$ 194.45	\$ 0.99	0.5%
7	0	2,000	\$ 256.54	\$ 257.85	\$ 1.31	0.5%
8	0	2,500	\$ 319.47	\$ 321.11	\$ 1.64	0.5%
9	0	3,000	\$ 382.32	\$ 384.29	\$ 1.97	0.5%
10	0	3,500	\$ 445.19	\$ 447.49	\$ 2.30	0.5%
11	0	4,000	\$ 508.06	\$ 510.69	\$ 2.63	0.5%
12	0	4,500	\$ 570.94	\$ 573.90	\$ 2.96	0.5%
13	0	5,000	\$ 633.86	\$ 637.15	\$ 3.29	0.5%
14	0	5,500	\$ 696.72	\$ 700.34	\$ 3.62	0.5%
15	0	6,000	\$ 759.58	\$ 763.52	\$ 3.94	0.5%
16	0	6,500	\$ 822.47	\$ 826.74	\$ 4.27	0.5%
17	0	7,000	\$ 885.34	\$ 889.94	\$ 4.60	0.5%
18	0	7,500	\$ 948.24	\$ 953.17	\$ 4.93	0.5%
19	0	8,000	\$ 1,011.09	\$ 1,016.35	\$ 5.26	0.5%
20	0	8,500	\$ 1,073.98	\$ 1,079.57	\$ 5.59	0.5%
21	0	9,000	\$ 1,136.84	\$ 1,142.76	\$ 5.92	0.5%
22	0	9,500	\$ 1,199.75	\$ 1,205.99	\$ 6.24	0.5%
23	0	10,000	\$ 1,262.60	\$ 1,269.17	\$ 6.57	0.5%
24	0	10,500	\$ 1,325.49	\$ 1,332.39	\$ 6.90	0.5%
25	0	11,000	\$ 1,388.38	\$ 1,395.61	\$ 7.23	0.5%

The Cleveland Electric Illuminating Company
Case No. 12-493-EL-RDR
Typical Bills - Comparison (DCR Q3 vs. DCR Q4)

Bill Data						
Line No.	Level of Demand (kW) (A)	Level of Usage (kWH) (B)	Current Summer Bill (\$) (C)	Proposed Summer Bill (\$) (D)	Dollar Increase (D)-(C) (E)	Percent Increase (E)/(C) (F)
General Service Secondary (Rate GS)						
1	10	1,000	\$ 167.21	\$ 170.32	\$ 3.11	1.9%
2	10	2,000	\$ 254.62	\$ 257.73	\$ 3.11	1.2%
3	10	3,000	\$ 341.64	\$ 344.75	\$ 3.11	0.9%
4	10	4,000	\$ 428.59	\$ 431.70	\$ 3.11	0.7%
5	10	5,000	\$ 515.60	\$ 518.71	\$ 3.11	0.6%
6	10	6,000	\$ 602.54	\$ 605.65	\$ 3.11	0.5%
7	1,000	100,000	\$ 18,227.42	\$ 18,538.00	\$ 310.58	1.7%
8	1,000	200,000	\$ 26,868.87	\$ 27,179.45	\$ 310.58	1.2%
9	1,000	300,000	\$ 35,510.31	\$ 35,820.89	\$ 310.58	0.9%
10	1,000	400,000	\$ 44,151.76	\$ 44,462.34	\$ 310.58	0.7%
11	1,000	500,000	\$ 52,793.21	\$ 53,103.79	\$ 310.58	0.6%
12	1,000	600,000	\$ 61,434.65	\$ 61,745.23	\$ 310.58	0.5%

The Cleveland Electric Illuminating Company
Case No. 12-493-EL-RDR
Typical Bills - Comparison (DCR Q3 vs. DCR Q4)

Bill Data						
Line No.	Level of Demand (kW) (A)	Level of Usage (kWH) (B)	Current Summer Bill (\$) (C)	Proposed Summer Bill (\$) (D)	Dollar Increase (D)-(C) (E)	Percent Increase (E)/(C) (F)
General Service Primary (Rate GP)						
1	500	50,000	\$ 6,457.91	\$ 6,517.32	\$ 59.41	0.9%
2	500	100,000	\$ 10,715.43	\$ 10,774.84	\$ 59.41	0.6%
3	500	150,000	\$ 14,972.95	\$ 15,032.36	\$ 59.41	0.4%
4	500	200,000	\$ 19,230.48	\$ 19,289.89	\$ 59.41	0.3%
5	500	250,000	\$ 23,488.00	\$ 23,547.41	\$ 59.41	0.3%
6	500	300,000	\$ 27,745.52	\$ 27,804.93	\$ 59.41	0.2%
7	5,000	500,000	\$ 63,073.07	\$ 63,667.13	\$ 594.06	0.9%
8	5,000	1,000,000	\$ 105,179.37	\$ 105,773.43	\$ 594.06	0.6%
9	5,000	1,500,000	\$ 146,350.60	\$ 146,944.66	\$ 594.06	0.4%
10	5,000	2,000,000	\$ 187,521.83	\$ 188,115.89	\$ 594.06	0.3%
11	5,000	2,500,000	\$ 228,693.06	\$ 229,287.12	\$ 594.06	0.3%
12	5,000	3,000,000	\$ 269,864.29	\$ 270,458.35	\$ 594.06	0.2%

The Cleveland Electric Illuminating Company
Case No. 12-493-EL-RDR
Typical Bills - Comparison (DCR Q3 vs. DCR Q4)

Bill Data						
Line No.	Level of Demand (kW) (A)	Level of Usage (kWH) (B)	Current Summer Bill (\$) (C)	Proposed Summer Bill (\$) (D)	Dollar Increase (D)-(C) (E)	Percent Increase (E)/(C) (F)
General Service Subtransmission (Rate GSU)						
1	1,000	100,000	\$ 10,568.72	\$ 10,647.12	\$ 78.40	0.7%
2	1,000	200,000	\$ 18,512.87	\$ 18,591.27	\$ 78.40	0.4%
3	1,000	300,000	\$ 26,457.01	\$ 26,535.41	\$ 78.40	0.3%
4	1,000	400,000	\$ 34,401.16	\$ 34,479.56	\$ 78.40	0.2%
5	1,000	500,000	\$ 42,345.31	\$ 42,423.71	\$ 78.40	0.2%
6	1,000	600,000	\$ 50,289.45	\$ 50,367.85	\$ 78.40	0.2%
7	10,000	1,000,000	\$ 103,440.11	\$ 104,224.15	\$ 784.04	0.8%
8	10,000	2,000,000	\$ 180,073.57	\$ 180,857.61	\$ 784.04	0.4%
9	10,000	3,000,000	\$ 256,707.03	\$ 257,491.07	\$ 784.04	0.3%
10	10,000	4,000,000	\$ 333,340.49	\$ 334,124.53	\$ 784.04	0.2%
11	10,000	5,000,000	\$ 409,973.96	\$ 410,758.00	\$ 784.04	0.2%
12	10,000	6,000,000	\$ 486,607.42	\$ 487,391.46	\$ 784.04	0.2%

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The following rates, rules and regulations for electric service are applicable throughout the Company's service territory except as noted.

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RIDER DCR
Delivery Capital Recovery Rider

APPLICABILITY:

Applicable to any customer who receives electric service under the Company's rate schedules set forth below. The Delivery Capital Recovery Rider (DCR) charges will apply, by rate schedule, effective for bills rendered beginning October 1, 2012. This Rider is not avoidable for customers who take electric generation service from a certified supplier.

RATE:

RS (all kWhs, per kWh)	0.3775¢
GS (per kW of Billing Demand)	\$1.6374
GP (per kW of Billing Demand)	\$0.7387
GSU (per kW of Billing Demand)	\$0.4799

PROVISIONS:

The charges set forth in this Rider recover costs associated with delivery plant investments made since the date certain in Case No. 07-551-EL-AIR, exclusive of any delivery plant investments being recovered elsewhere.

RIDER UPDATES:

The charges contained in this Rider shall be updated on a quarterly basis. No later than October 31st, January 31st, April 30th and July 30th of each year, the Company will file with the PUCO a request for approval of the Rider charges which, unless otherwise ordered by the PUCO, shall become effective on a bills rendered basis on January 1st, April 1st, July 1st and October 1st of each year.

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

7/31/2012 4:13:47 PM

in

Case No(s). 12-0493-EL-RDR, 89-6001-EL-TRF

Summary: Tariff Quarterly pricing update of Rider DCR for The Cleveland Electric Illuminating Company electronically filed by Ms. Tamera J Singleton on behalf of FirstEnergy Corp and Mikkelsen, Eileen M