

PUCO EXHIBIT FILING

Date of Hearing: 12-2-2013Case No. 13-1296-EL-USF

PUCO Case Caption: In the Matter of the Application of the
Ohio Development Services Agency for an Order Approving
Adjustments to the Universal Service Fund Rides of
Jurisdictional Ohio Electric Distribution Utilities

List of exhibits being filed:

ODSA 1 - ApplicationODSA 2 - Testimony of Randall HuntODSA 3 - Testimony of Susan M. MoserODSA 3A - Revised Exhibits to Testimony of Susan M. MoserJoint Ex. 1 - Joint Stipulation and Recommendation

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BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

- - -

In the matter of the :
Application of the Ohio:
Development Services :
Agency for an Order :
Approving Adjustments :Case No. 13-1296-EL-USF
to the Universal :
Service Fund Riders of :
Jurisdictional Ohio :
Electric Distribution :
Utilities. :

- - -

PROCEEDINGS

Before Ms. Greta See, Hearing Examiner, at the
Public Utilities Commission of Ohio, 180 East
Broad Street, Columbus, Ohio, Hearing Room 11D,
on Monday, December 2, 2013, at 11:00 a.m.

- - -

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- - -

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of the Ohio
Development Services Agency for an Order
Approving Adjustments to the Universal
Service Fund Riders of Jurisdictional Ohio
Electric Distribution Utilities.

Case No. 13-1296-EL-USF

APPLICATION

The Ohio Development Services Agency ("ODSA"), by its Director, David Goodman, hereby petitions the Commission, pursuant to Section 4928.52(B), Revised Code, for an order approving adjustments to the Universal Service Fund ("USF") riders of all jurisdictional Ohio electric distribution utilities ("EDUs"). In support of its application, ODSA states as follows:

1. Under the legislative scheme embodied in SB 3, the 1999 legislation that restructured Ohio's electric utility industry and transferred administration of the electric percentage of income payment plan ("PIPP") program to the Ohio Department of Development ("ODOD"), now known as ODSA,¹ the USF riders replaced the EDUs' existing PIPP riders. The USF riders were to be calculated so as to generate the same level of revenue as the PIPP riders they replaced,² plus an amount equal to the level of funding for low-income customer energy efficiency programs reflected in the electric rates in effect on the effective date of the statute,³ plus the amount necessary to pay the administrative costs associated with the low-income

¹Pursuant to SB 314, the Ohio Department of Development's name was changed to the Ohio Development Services Agency, effective September 28, 2012. To avoid confusion in this proceeding, ODSA will be referred to throughout this application even though it was actually known as ODOD during relevant periods of time.

² See Section 4928.52(A)(1), Revised Code.

³ See Section 4928.52(A)(2), Revised Code.

customer assistance programs and the consumer education program created by Section 4928.56, Revised Code.⁴

2. Pursuant to Section 4928.51(A), Revised Code, all USF rider revenues collected by the EDUs are remitted to ODSA for deposit in the state treasury's USF. ODSA then makes disbursements from the USF to fund the low-income customer assistance programs (including PIPP and the low-income customer energy efficiency programs) and the consumer education program, and to pay their related administrative costs.

3. Section 4928.52(B), Revised Code, provides that, if ODSA, after consultation with the Public Benefits Advisory Board ("PBAB"), determines that the revenues in the USF, together with revenues from federal and other sources of funding,⁵ will be insufficient to cover the cost of the low-income customer assistance and consumer education programs and their related administrative costs, ODSA shall file a petition with the Commission for an increase in the USF rider rates. The statute further provides that, after providing reasonable notice and opportunity for hearing, the Commission may adjust the USF rider by the minimum amount necessary to generate the additional revenues required; provided, however, that the Commission may not decrease a USF rider without the approval of the ODSA Director, after consultation by the Director with the PBAB.

4. Unlike traditional ratemaking, where the objective is to establish rates that will provide the applicant utility with a reasonable earnings opportunity, the USF riders must actually

⁴ See Section 4928.52(A)(3), Revised Code.

⁵ Section 4928.52(B), Revised Code specifically identifies the Ohio Energy Credit Program as a funding source. However, this program was discontinued as of July 1, 2003.

generate sufficient revenues during the collection period to enable ODSA to meet its USF-related statutory and contractual obligations on an ongoing basis. In recognition of this fact, the stipulations adopted by the Commission in all prior USF rider rate adjustment proceedings have required that ODSA file a Section 4928.52(B), Revised Code, application with the Commission each year, proposing such adjustments to the USF rider rates as may be necessary to assure, to the extent possible, that each EDU's rider will generate its associated revenue requirement — but not more than its associated revenue requirement — during the annual collection period following Commission approval of such adjustments. This is the thirteenth annual USF rider adjustment application filed pursuant to this statute since the establishment of the initial USF riders in the electric transition plan proceedings initiated by applications filed by the EDUs pursuant to SB 3.

5. By its opinion and order of December 12, 2012 in Case No. 12-1719-EL-USF, this Commission granted ODOD's 2012 application for approval of adjustments to the USF riders of all Ohio EDUs based on its acceptance of a stipulation and recommendation submitted jointly by a majority of the parties to that proceeding. The new USF riders replaced the USF riders approved by the Commission in Case No. 11-3223-EL-USF, and became effective on a bills-rendered basis with the January 2013 EDU billing cycles.

6. The Commission's opinion and order of December 12, 2012 in Case No. 12-1719-EL-USF provided for the continuation of the notice of intent ("NOI") process first approved by the Commission in Case No. 04-1616-EL-UNC. Under this process, ODOD was required to make a preliminary filing by May 31 setting out the methodology it would employ in developing the USF rider revenue requirements and rate design for its subsequent annual USF rider adjustment application. The purpose of this procedure is to permit the Commission to resolve

any issues relating to methodology prior to the preparation and filing of the application itself, so as to limit the number of potential issues in the second phase of the case and thereby permit the Commission to act on the application in time for the new USF rider rates to take effect on January 1 of the following year. ODAS filed its NOI in this case on May 31, 2013. The Commission, consistent with the terms of a stipulation jointly submitted by a majority of the parties to the proceeding, approved the methodology proposed by ODOD in the NOI by its opinion and order of October 2, 2013 (the "*NOI Order*").

7. Based on its analysis of the annual pro forma revenue generated by applying the current USF rider rates to test-period sales volumes, and utilizing the USF rider revenue requirement methodology approved in the *NOI Order* as described below, ODSA has determined that, on an aggregated basis, the total pro forma annual revenue generated by the current USF riders will exceed, by some \$10,686,670, the annual revenue required to fulfill the objectives identified in Section 4928.52(A), Revised Code, during the 2013 collection period. On an EDU-specific basis, ODSA's analysis shows that the pro forma revenue that would be generated by the current USF riders of The Cleveland Electric Illuminating Company ("CEI"), Columbus Southern Power Company ("CSP"),⁶ the Dayton Power and Light Company ("DPL"), Ohio Edison Company ("OE"), and Toledo Edison Company ("TE") would exceed their indicated revenue targets, while the pro forma revenue that would be generated by the current Duke Energy Ohio ("Duke") and Ohio Power Company ("OP") USF riders would fall short of their indicated revenue targets. Accordingly, ODSA, having consulted with the PBAB, proposes

⁶ The AEP Ohio operating companies, Columbus Southern Power Company ("CSP") and Ohio Power Company ("OP") merged, effective December 31, 2011, with OP as the surviving entity. However, the former CSP customers continue to be subject to separate rate schedules, including a separate USF rider, as are the customers that were served by OP prior to the merger. For ease of reference, ODSA refers herein to CSP as if it were an EDU, but it is understood that these references actually relate to the CSP Rate Zone and that references to OP actually relate to the OP Rate Zone.

that the CEI, CSP, DPL, OE and TE USF rider rates be reduced so as to generate the required annual revenue indicated in the following table and that the Duke and OP riders rates be increased so as to generate their respective indicated revenue targets.

Company	Test-Period USF Rider Revenue	Required Annual USF Rider Revenue	USF Rider Surplus/Deficiency
CSP	\$75,828,274	\$71,115,784	\$4,712,490
OP	\$93,319,724	\$118,309,398	(\$24,989,674)
DUKE	\$14,485,548	\$19,216,586	(\$4,731,038)
DPL	\$55,488,188	\$45,729,952	\$9,758,236
CEI	\$23,855,255	\$22,643,677	\$1,211,578
OE	\$53,723,351	\$34,467,220	\$19,256,131
TE	\$13,008,409	\$7,539,462	\$5,468,947
Totals	\$329,708,748	\$319,022,079	\$10,686,670

8. As described in further detail in the written testimony of ODSA witness Susan M. Moser filed with this application, the revenue requirement that the proposed USF riders are designed to generate consists of the elements identified below.

a. Cost of PIPP. The cost of PIPP component of the USF rider revenue requirement is intended to reflect the total cost of electricity consumed by the EDU's PIPP customers for the 12-month period January 2013 through December 2013 (the "test period"), plus pre-PIPP balances, less the monthly installment payments billed to PIPP customers, less payments made by or on behalf of PIPP customers, including agency payments, to the extent that these payments are applied to outstanding PIPP arrearages over the same period. Because actual data for October through December 2013 was not available at the time the application was prepared, information from the corresponding

months of 2012 was combined with actual data from January through September of 2013 to determine the test-period cost of PIPP for each EDU as displayed in Exhibit A hereto. As explained in ODSA witness Moser's written testimony, and consistent with the *NOI Order*, ODSA adjusted the test-period cost of PIPP to recognize the impact of Commission-approved EDU rate changes that took effect during the 2013 test period and to annualize the impact of Commission-approved EDU rate changes that will take effect in 2014. The calculations of these adjustments are shown in attached Exhibits A.1.a through A.1.d. The net impact of these adjustments is shown in Exhibit A.1. As explained in Ms. Moser's testimony, and consistent with the *NOI Order*, the totals shown in Exhibit A.1 were then adjusted to reflect the projected increase in PIPP enrollments during the 2014 collection period. The projections are shown in attached Exhibit A.2. The cumulative effect of the foregoing adjustments is shown in the Total Adjusted Test-Period Cost of PIPP column (Column F) in Exhibit A.2.

b. Electric Partnership Program and Consumer Education Program Costs.

This element of the USF rider revenue requirement reflects the cost of the low-income customer energy efficiency programs and the consumer education program, referred to collectively by ODSA as the "Electric Partnership Program" ("EPP"), and their associated administrative costs, which are recovered through the USF riders pursuant to Section 4928.52(A)(2) and (3), Revised Code. ODSA's proposed \$14,946,196 allowance for these items is identical to the allowance accepted by the Commission in all previous USF riders rate adjustment proceedings and is supported by the analysis submitted by ODOD as Exhibit A to the NOI. Consistent with the *NOI Order*, which again approved this allowance, this component of the USF rider revenue requirement is allocated to the

EDUs based on the ratio of their respective costs of PIPP to the total cost of PIPP. The results of the allocation are shown in attached Exhibit B.

c. Administrative Costs. This USF rider revenue requirement element represents an allowance for the costs ODSA incurs in connection with its administration of the PIPP program and is included as a revenue requirement component pursuant to Section 4928.52(A)(3), Revised Code. As explained in the testimony of ODSA witness Randall Hunt filed with the application, the proposed allowance for administrative costs of \$4,426,794 has been determined in accordance with the standard approved by the Commission in the *NOI Order*. The requested allowance for administrative costs has been allocated to the EDUs based on the number of PIPP customer accounts as of April 2013, the test-period month exhibiting the highest PIPP customer account totals. The results of the allocation are shown in attached Exhibit C.

d. December 31, 2012 USF PIPP Account Balances. Because the USF rider rate is based on historical sales and historical PIPP enrollment patterns, the cost of PIPP component of an EDU's USF rider rate will, in actual practice, either over-recover or under-recover its associated annual revenue requirement over the collection period. Over-recovery creates a positive USF PIPP account balance for the company in question, thereby reducing the amount needed on a forward-going basis to satisfy the USF rider revenue requirement. Conversely, where under-recovery has created a negative USF PIPP account balance as of the effective date of the new riders, there will be a shortfall in the cash available to ODSA, which will impair its ability to make the PIPP reimbursement payments due the EDUs on a timely basis. Thus, the amount of any

existing positive USF PIPP account balance must be deducted in determining the target revenue level the adjusted USF rider is to generate, while the deficit represented by a negative USF PIPP account balance must be added to the associated revenue requirement. In this case, ODOD is requesting that its proposed USF riders be implemented on a bills-rendered basis effective January 1, 2014. Accordingly, the USF rider revenue requirement of each EDU has been adjusted by the amount of the EDU's projected December 31, 2013 USF PIPP account balance so as to synchronize the new riders with the EDU's USF PIPP account balance as of their effective date. This conforms to the methodology approved by the Commission in the *NOI Order*. The adjusted projected December 31, 2012 USF PIPP account balance for each EDU is shown in the final column of Exhibit D.

e. Reserve. PIPP-related cash flows can fluctuate significantly throughout the year, due, in large measure, to the weather-sensitive nature of electricity sales and PIPP enrollment patterns. As shown on the test-period graph attached hereto as Exhibit E, these fluctuations will, from time-to-time, result in negative USF PIPP account balances, which means that, in those months, ODSA will have insufficient cash to satisfy its reimbursement obligations to the EDUs on a timely basis. To address this problem, ODOD has included an allowance to create a cash reserve as an element of the USF rider revenue requirement, with the amount of the allowance determined based on the EDU's highest monthly deficit during the test period. The Commission approved this methodology in its *NOI Order* in this case. The proposed reserve component for each EDU is set forth in attached Exhibit F.

f. Allowance for Undercollection. This component of the USF rider revenue requirement is an adjustment to recognize that, due to the difference between amounts billed through the USF rider and the amounts actually collected from EDU customers, the rider will not generate the target revenues. In accordance with the methodology approved by the Commission in the *NOI Order*, the allowance for undercollection for each company is based on the collection experience of that company. The allowance for undercollection for each EDU is shown in attached Exhibit G.

g. PIPP-Plus Program Audit Costs. In the NOI, ODSA reserved the right to request an allowance for audit costs in this application if it determined that additional audits of PIPP-related accounting and reporting should be conducted in 2014. ODSA believes that an audit related to the effectiveness of the PIPP Plus Program is timely, considering that it has been in effect for three years. The audit will focus on the 2010 changes to the PIPP rules and if the changes are meeting the objective of the PIPP Plus Program. The evaluation will include a review of whether the data the EDUs report to ODSA is consistent with the data reported to the Commission, customer payments, payment incentives, effectiveness of customer education, affordability of payments, and the effect the rule changes have on the Universal Service Fund. The allocation of costs for the \$60,000 one-time allowance is provided in Exhibit H to this Application.

9. A summary schedule showing the USF rider component costs by EDU is attached as Exhibit I. ODSA proposes to recover the annual USF rider revenue requirement for each EDU through a USF rider that incorporates the same two-step declining block rate design approved by the Commission in all prior USF rider rate adjustment cases and the *NOI Order* in this proceeding. The first block of the rate applies to all monthly consumption up to and

including 833,000 Kwh. The second rate block applies to all consumption above 833,000 Kwh per month. For each EDU, the rate per Kwh for the second block is set at the lower of the PIPP charge in effect in October 1999 or the per Kwh rate that would apply if the EDU's annual USF rider revenue requirement were to be recovered through a single block per Kwh rate. The rate for the first block rate is set at the level necessary to produce the remainder of the EDU's annual USF rider revenue requirement. Thus, if the EDU's October 1999 PIPP charge exceeds the per Kwh rate that would apply if the EDU's annual USF rider revenue requirement were to be recovered through a single block per Kwh rate, a calculation shown in Exhibit J, the rate for both consumption blocks would be the same. As discussed in the testimony of ODSA witness Moser, in this case, the October 1999 PIPP charge cap has been triggered for each of the EDUs, so all the new USF rider rates proposed herein have the declining block feature. The following table compares the resulting proposed USF riders for each EDU with the EDU's current USF rider.

Company	Declining Block Riders			
	Current USF Rider		Proposed USF Rider	
	First 833,000 Kwh	Above 833,000 Kwh	First 833,000 Kwh	Above 833,000 Kwh
CSP	\$0.0046813	\$0.0001830	\$0.0043882	\$0.0001830
OP	\$0.0056727	\$0.0001681	\$0.0072152	\$0.0001681
Duke	\$0.0007860	\$0.0004690	\$0.0010791	\$0.0004690
DPL	\$0.0048579	\$0.0005700	\$0.0039788	\$0.0005700
CEI	\$0.0016007	\$0.0005680	\$0.0015068	\$0.0005680
OE	\$0.0026872	\$0.0010461	\$0.0015843	\$0.0010461
TE	\$0.0022377	\$0.0005610	\$0.0009692	\$0.0005610

10. Consistent with Section 4928.52(B), Revised Code, the proposed USF rider rates set forth above for Duke and OP reflect the minimum increases necessary to produce the

additional revenues required to satisfy the respective USF rider revenue responsibility of those companies. The proposed USF rider rates for CEI, CSP, DPL, OE, and TE, which are lower than their current rider rates, also represent the minimum rates necessary to satisfy their respective USF rider revenue responsibilities. If its application is granted, ODSA will consent to the USF rider decreases for CEI, CSP, DPL, OE, and TE as required by Section 4928.52(B), Revised Code.


11. In calculating the USF rider revenue requirement, ODSA has relied on certain information reported by the EDUs. Although ODSA believes this information to be reliable, ODSA has not performed an audit to verify the accuracy of this information. If any party questions or wishes to challenge the accuracy of this information, ODSA requests that the Commission require such party to direct its inquiries to the EDU in question, either informally or through formal discovery.

12. The adjustments to the USF riders proposed in this application are based on the most recent information available to ODSA at the time the application was prepared and includes actual data for the calendar 2013 test period through the month of September 2013. In previous ODSA USF rider rate adjustment applications, ODSA has reserved the right to amend its application by updating its test-period calculations to incorporate additional actual data as it became available. However, in those cases, the initial application was based on actual data through August of the test period. In this case, the inclusion of actual data for September 2013 means that the USF rider rate revenue requirement analysis is based on the same nine months actual, three months projected test period that has heretofore been presented in amended applications submitted after the initial application was filed. Thus, although

ODSA again reserves the right to amend its application, ODSA does not anticipate filing an amended application in this case.

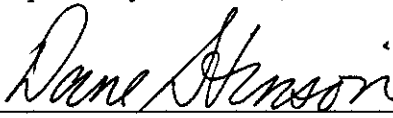
13. ODSA requests that, as a part of its order in this proceeding, the Commission require that ODSA file its 2013 USF rider rate adjustment application no later than November 7, 2014 and provide that the NOI procedure again be used in connection with the 2013 application.

WHEREFORE, ODSA respectfully requests that the Commission, after providing such notice as it deems reasonable, affording interested parties the opportunity to be heard, and conducting a hearing, if a hearing is deemed to be required, issue an order (1) finding that USF rider rate adjustments proposed in the application represent the minimum adjustments necessary to provide the revenues necessary to satisfy the respective USF rider revenue requirements; (2) granting the application; and (3) directing the EDU's to incorporate the new USF rider rates approved herein in their filed tariffs, to be effective January 1, 2014 on a bills-rendered basis.


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*per e-mail
notification*

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Exhibit A

Test-Period Cost of PIPP

	PIPP Customer Cost		PIPP Installments		Payments to		Cost of	
	Electrical Service	Pre-PIPP	Billed		PIPP Arrears		PIPP	
	A	B	C		D		(A+B)-C-D	
American Electric Power - Columbus Southern Power	\$99,105,122	\$8,701,252	\$43,571,725		\$8,231,032		\$56,003,618	
American Electric Power - Ohio Power	\$124,448,470	\$8,824,169	\$52,739,901		\$9,936,657		\$70,596,081	
Cleveland Electric Illuminating Company	\$58,117,987	\$5,955,288	\$31,762,549		\$2,003,702		\$30,307,024	
Dayton Power and Light Company	\$65,688,008	\$4,318,947	\$27,473,692		\$3,656,566		\$38,876,697	
Duke Energy	\$43,704,627	\$3,292,713	\$20,580,300		\$6,480,441		\$19,936,599	
Ohio Edison	\$96,916,760	\$7,243,430	\$49,895,531		\$3,813,955		\$50,450,705	
Toledo Edison/First Energy	\$32,243,380	\$2,802,518	\$16,470,405		\$1,251,481		\$17,324,012	
	\$520,224,356	\$41,138,317	\$242,494,103		\$35,373,834		\$283,494,736	

Exhibit A.1

Adjusted Test-Period Cost of PIPP

	Test Period Cost of PIPP	2012 EDU Rate Increases	2013 EDU Rate Increases	Adjusted Test-Period Cost of PIPP
American Electric Power - Columbus Southern Power	\$56,003,618	\$422,557	\$4,111,454	\$60,537,629
American Electric Power - Ohio Power	\$70,596,081	\$550,426	\$5,131,852	\$76,278,359
Cleveland Electric Illuminating Company	\$30,307,024	\$2,101,848	\$0	\$32,408,872
Dayton Power and Light Company	\$38,876,697	\$51,137	\$0	\$38,927,834
Duke Energy	\$19,936,599	\$413,691	\$149,676	\$20,499,966
Ohio Edison	\$50,450,705	\$8,304,086	\$0	\$58,754,791
Toledo Edison/First Energy	\$17,324,012	\$4,007,738	\$0	\$21,331,750
	\$283,494,736	\$15,851,483	\$9,392,982	\$308,739,201

Duke Energy

Billing Cycle End Date	Cost of Electricity	Rate of Adjustment	Adjustment
Oct-12	\$ 2,526,351	0.0102	\$ 25,768.78
Nov-12	\$ 2,759,952	0.0102	\$ 28,151.51
Dec-12	\$ 3,202,354	0.0102	\$ 32,664.01
Jan-13	\$ 3,841,130	0.0102	\$ 39,179.52
Feb-13	\$ 3,697,047	0.0102	\$ 37,709.88
Mar-13	\$ 3,594,375	0.0102	\$ 36,662.63
Apr-13	\$ 3,233,421	0.0102	\$ 32,980.90
May-13	\$ 2,584,608	0.0102	\$ 26,363.01
Jun-13	\$ 3,307,400	0.0102	\$ 33,735.48
Jul-13	\$ 4,053,578	0.0102	\$ 41,346.50
Aug-13	\$ 3,833,557	0.0102	\$ 39,102.29
Sep-13	\$ 3,924,149	0.0102	\$ 40,026.32
	\$ 40,557,925		\$ 413,690.83

Billing Cycle End Date	Cost of Electricity	Rate of Adjustment	Adjustment
Oct-13	\$ 2,526,351	0.0437	\$110,401.53
Nov-13	\$ 2,759,952	0.0437	\$120,609.91
Dec-13	\$ 3,202,354	0.0437	\$139,942.87
Jan-14	\$ 3,841,130	-0.0069	\$ (26,503.80)
Feb-14	\$ 3,697,047	-0.0069	\$ (25,509.63)
Mar-14	\$ 3,594,375	-0.0069	\$ (24,801.19)
Apr-14	\$ 3,233,421	-0.0069	\$ (22,310.61)
May-14	\$ 2,584,608	-0.0069	\$ (17,833.80)
Jun-14	\$ 3,307,400	-0.0069	\$ (22,821.06)
Jul-14	\$ 4,053,578	-0.0069	\$ (27,969.69)
Aug-14	\$ 3,833,557	-0.0069	\$ (26,451.55)
Sep-14	\$ 3,924,149	-0.0069	\$ (27,076.63)
	\$ 40,557,925		\$ 149,676.36

Exhibit A.1.b**AEP Ohio Estimated Rate Increases for USF Rider****Columbus Southern Power**

	Current	2013 Increase 2%	2014 Increase 4%	Total
Oct-12	6,066,789	121,336	247,525	6,435,650
Nov-12	6,807,081	136,142	277,729	7,220,951
Dec-12	8,253,992	165,080	336,763	8,755,834
Jan-13	9,838,296		393,532	10,231,827
Feb-13	9,393,696		375,748	9,769,444
Mar-13	9,178,207		367,128	9,545,335
Apr-13	8,568,872		342,755	8,911,626
May-13	6,926,131		277,045	7,203,176
Jun-13	8,508,166		340,327	8,848,493
Jul-13	9,918,233		396,729	10,314,963
Aug-13	9,426,129		377,045	9,803,174
Sep-13	9,478,212		379,128	9,857,341
		422,557	4,111,454	

Ohio Power

	Current	2013 Increase 2%	2014 Increase 4%	Total
Oct-12	7,152,453	143,049	291,820	7,587,322
Nov-12	8,845,629	176,913	360,902	9,383,443
Dec-12	11,523,209	230,464	470,147	12,223,820
Jan-13	14,347,417		573,897	14,921,314
Feb-13	13,953,921		558,157	14,512,078
Mar-13	13,282,187		531,287	13,813,475
Apr-13	12,125,173		485,007	12,610,180
May-13	8,549,773		341,991	8,891,764
Jun-13	9,013,107		360,524	9,373,631
Jul-13	10,237,285		409,491	10,646,777
Aug-13	9,270,681		370,827	9,641,508
Sep-13	9,445,046		377,802	9,822,848
		550,426	5,131,852	

Exhibit A.1.c.**CEI**

Billing Cycle End Date	Cost of Electricity
Oct-12	\$6,054,216.36
Nov-12	\$5,823,260.63
Dec-12	\$5,470,979.81
Jan-13	\$5,343,340.72
Feb-13	\$4,677,231.79
Mar-13	\$4,951,285.76
Apr-13	\$6,057,565.80
May-13	\$5,703,045.10
Jun-13	\$5,358,734.84
Jul-13	\$4,537,401.18
Aug-13	\$4,559,366.03
Sep-13	\$5,050,476.98
Total:	\$63,692,356.35

Rate Adjustment: 3.30%
Total Adjustment: \$2,101,847.76

Ohio Edison

Billing Cycle End Date	Cost of Electricity
Oct-12	\$7,326,530.01
Nov-12	\$7,513,232.85
Dec-12	\$8,464,043.76
Jan-13	\$10,148,777.82
Feb-13	\$9,454,466.92
Mar-13	\$9,052,987.46
Apr-13	\$8,741,627.48
May-13	\$7,779,616.23
Jun-13	\$8,228,224.67
Jul-13	\$10,060,155.24
Aug-13	\$9,717,316.61
Sep-13	\$9,040,359.05
Total:	\$106,462,635.37

Rate Adjustment: 7.80%
Total Adjustment: \$8,304,085.56

Toledo Edison/First Energy

Billing Cycle End Date	Cost of Electricity
Oct-12	\$2,363,796.14
Nov-12	\$2,501,770.32
Dec-12	\$2,767,742.18
Jan-13	\$3,327,615.44
Feb-13	\$3,251,328.71
Mar-13	\$3,041,705.53
Apr-13	\$2,935,775.43
May-13	\$2,605,673.17
Jun-13	\$2,676,140.24
Jul-13	\$3,228,163.67
Aug-13	\$3,067,207.06
Sep-13	\$2,943,466.92
Total:	\$36,433,982.57

Rate Adjustment: 11.00%
Total Adjustment: \$4,007,738.08

Dayton Power and Light
2013 Rate Change Adjustment

Cost of Electricity

Date Cost of Electricity	
Oct-12	\$ 4,144,254
Nov-12	\$ 5,222,193
Dec-12	\$ 5,208,611
Jan-13	\$ 6,810,821
Feb-13	\$ 6,774,306
Mar-13	\$ 6,053,583
Apr-13	\$ 5,615,084
May-13	\$ 4,530,365
Jun-13	\$ 4,587,165
Jul-13	\$ 5,804,211
Aug-13	\$ 5,625,104
Sep-13	\$ 5,305,755
Total:	\$ 65,681,451
Rate Adjustment:	0.08%
Total Adjustment:	\$51,137

Exhibit A.2

Cost of PIPP Adjustment for Projected Enrollment Increase

	Average Test Period Enrollment	Adjusted Test Period Cost of PIPP	Average Test Period Cost of PIPP (B/A)	Projected Annual Enrollment	Projected Additional Cost of PIPP (D-A)*C	Total Adjusted Cost of PIPP (B+E)
	A	B	C	D	E	F
American Electric Power - Columbus Southern Power	63,742	\$60,537,629	\$950	71,762	\$7,616,637	\$68,154,266
American Electric Power - Ohio Power	70,363	\$76,278,359	\$1,084	80,538	\$11,030,837	\$87,309,196
Cleveland Electric Illuminating Company	57,918	\$32,408,872	\$560	62,129	\$2,356,103	\$34,764,976
Dayton Power and Light Company	37,881	\$38,927,834	\$1,028	42,870	\$5,126,973	\$44,054,807
Duke Energy	30,871	\$20,499,966	\$664	34,237	\$2,235,068	\$22,735,033
Ohio Edison	81,287	\$58,754,791	\$723	87,366	\$4,394,159	\$63,148,950
Toledo Edison/First Energy	27,323	\$21,331,750	\$781	30,086	\$2,156,753	\$23,488,503
	369,385	\$308,739,201		408,988	\$34,916,531	\$343,655,731

Projected Average Annual PIPP Enrollment

	American Electric Power Columbus Southern Power	American Electric Power Ohio Power	Duke Energy	Dayton Power and Light Company	Cleveland Electric Illuminating Company	Ohio Edison	Toledo Edison First Energy
2009	37,845	38,347	21,711	26,560	46,392	68,352	21,289
2010	42,188	42,912	23,046	31,125	52,008	74,927	23,883
2011	52,578	56,120	26,966	35,738	56,743	83,110	27,057
2012	59,220	65,308	30,272	38,310	56,408	81,098	27,440
2013	63,742	70,363	30,871	37,881	57,918	81,287	27,323
2014	71,762	80,538	34,237	42,870	62,129	87,366	30,086

Allocation of Electric Partnership Program & Consumer Education Costs

	Cost of PIPP	Percent Cost of PIPP	Allocated EPP/CE
American Electric Power - Columbus Southern Power	\$68,154,266	0.1983	\$2,964,150
American Electric Power - Ohio Power	\$87,309,196	0.2541	\$3,797,231
Cleveland Electric Illuminating Company	\$34,764,976	0.1012	\$1,511,990
Dayton Power and Light Company	\$44,054,807	0.1282	\$1,916,022
Duke Energy	\$22,735,033	0.0662	\$988,787
Ohio Edison	\$63,148,950	0.1838	\$2,746,460
Toledo Edison/First Energy	\$23,488,503	0.0683	\$1,021,557
	\$343,655,731		\$14,946,196

Allocation of Administrative Costs

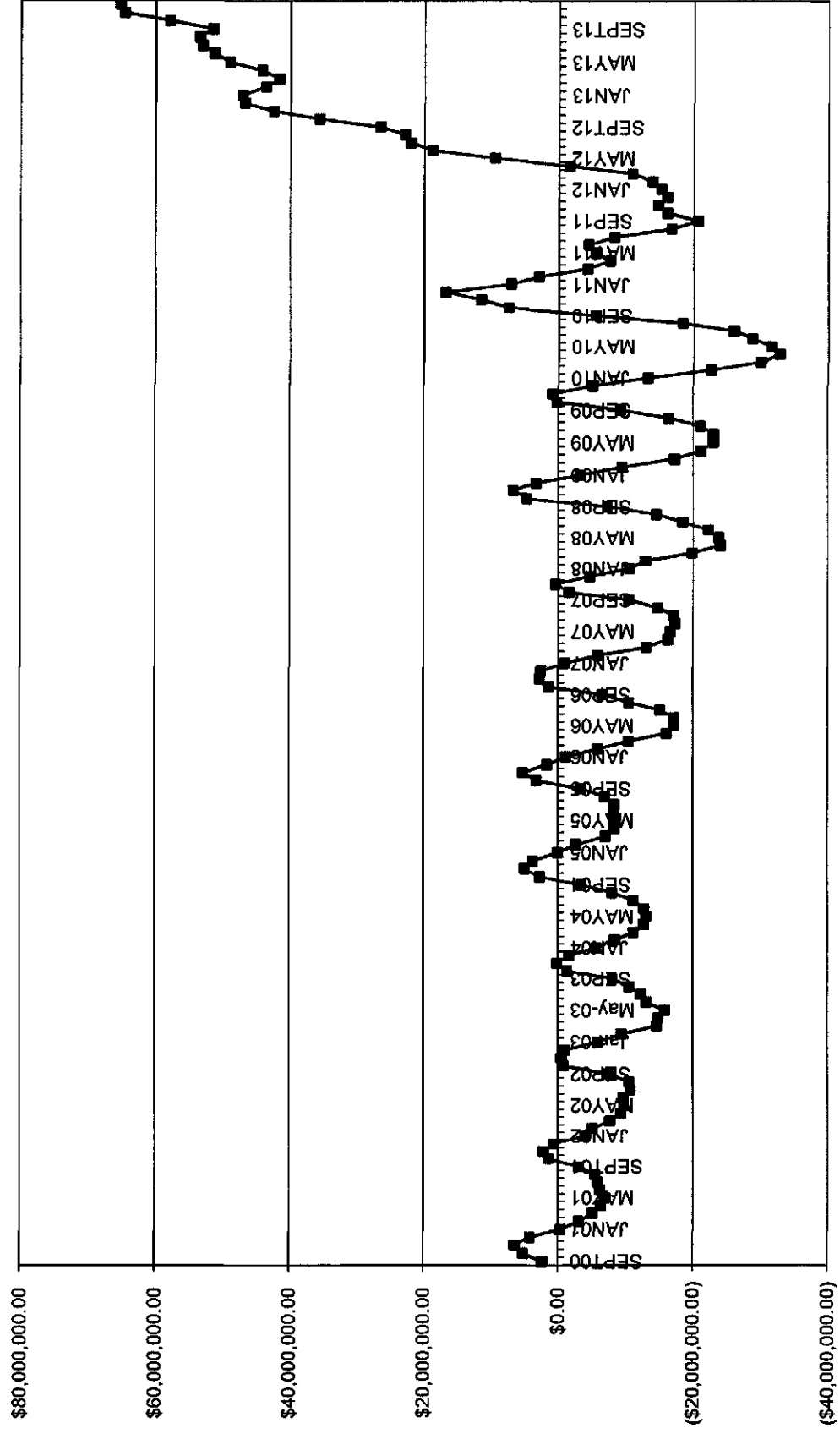
	Customers March/2013	Adm Costs per Customer	Administrative Costs
American Electric Power - Columbus Southern Power	64,822	\$11.79	\$764,482
American Electric Power - Ohio Power	71,794	\$11.79	\$846,707
Cleveland Electric Illuminating Company	58,852	\$11.79	\$694,074
Dayton Power and Light Company	37,967	\$11.79	\$447,766
Duke Energy	31,261	\$11.79	\$368,678
Ohio Edison	82,837	\$11.79	\$976,943
Toledo Edison/First Energy	27,824	\$11.79	\$328,144
	375,357		\$4,426,794

Exhibit D**Projected USF account Balances
December 31, 2013**

Company	Balance 12/31/13
CSP	\$ 4,609,312
OP	\$ (7,910,557)
Duke	\$ 5,072,047
DPL	\$ 2,515,615
CEI	\$ 14,559,870
OE	\$ 32,760,830
TE	\$ 17,378,238

Total: \$ 68,985,355

Projection of Consolidated USF Account Balance



Calculation of Annual Reserve Component

Company	Largest Monthly Cash Deficit	
	Month	Deficit
CSP	Jan13	(\$3,119,141)
OP	March13	(\$17,247,369)
DUKE	N/A	\$0
DPL	N/A	\$0
CEI	N/A	\$0
OE	N/A	\$0
TE	N/A	\$0
Totals:		(\$20,366,510)

The Reserve was set at the largest deficit during the test year.

Allowance for Undercollection

Company	Estimated Undercollection
CSP	\$711,158
OP	\$1,183,094
Duke	\$192,166
DPL	\$1,834,806
CEI	\$226,437
OE	\$344,672
TE	\$75,395
Total:	\$4,567,728

Exhibit H

	Projected USF Account Balances 31-Dec-13	Percent Cost of PIPP¹	Total Audit Costs	Allocated Audit Costs
CSP	\$68,154,266	19.83%	\$60,000	\$11,899
OP	\$87,309,196	25.41%	\$60,000	\$15,244
Duke	\$22,735,033	6.62%	\$60,000	\$3,969
DPL	\$44,054,807	12.82%	\$60,000	\$7,692
CEI	\$34,764,976	10.12%	\$60,000	\$6,070
OE	\$63,148,950	18.38%	\$60,000	\$11,025
TE	\$23,488,503	6.83%	\$60,000	\$4,101
	\$343,655,731			\$60,000

Exhibit I

USF Component Costs

	CEI	Duke	CSP	DPL
Cost of PIPP Plus	\$34,764,976	\$22,735,033	\$68,154,266	\$44,054,807
EPP/CE	\$1,511,990	\$988,787	\$2,964,150	\$1,916,022
Administration	\$694,074	\$368,678	\$764,482	\$447,766
Audit	\$6,070	\$3,969	\$11,899	\$7,692
Account Balance 12/31	(\$14,559,870)	(\$5,072,047)	(\$4,609,312)	(\$2,515,615)
Reserve	\$0	\$0	\$3,119,141	\$0
Adjustment for Undercollection	\$226,437	\$192,166	\$711,158	\$1,819,280
	\$22,643,677	\$19,216,586	\$71,115,784	\$45,729,952

	OE	OP	TE
Cost of PIPP Plus	\$63,148,950	\$87,309,196	\$23,488,503
EPP/CE	\$2,746,460	\$3,797,231	\$1,021,557
Administration	\$976,943	\$846,707	\$328,144
Audit	\$11,025	\$15,244	\$4,101
Account Balance 12/31	(\$32,760,830)	\$7,910,557	(\$17,378,238)
Reserve	\$0	\$17,247,369	\$0
Adjustment for Undercollection	\$344,672	\$1,183,094	\$75,395
	\$34,467,220	\$118,309,398	\$7,539,462

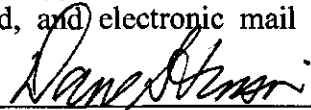
Calculation of USF Costs/Kwh

Company	KWH Sales ¹	Required Revenue	Indicated Costs/KWH
CSP	20,495,688,556	\$71,115,784	\$0.0034698
OP	24,533,447,351	\$118,309,398	\$0.0048224
Duke	19,977,337,687	\$19,216,586	\$0.0009619
DPL	13,729,963,010	\$45,729,952	\$0.0033307
CEI	18,540,307,651	\$22,643,677	\$0.0012213
OE	23,965,901,688	\$34,467,220	\$0.0014382
TE	10,301,776,158	\$7,539,462	\$0.0007319
Total:	131,544,422,101	\$319,022,079	

1- KWH Sales were sales reported for the last twelve months (Oct12-Sep13).

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing *Application* has been served upon the following parties by first class mail, postage prepaid, and electronic mail this 8th day of November 2013.


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BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of the	:	
Ohio Development Services Agency for	:	
an Order Approving Adjustments to the	:	Case No. 13-1296-EL-USF
Universal Service Fund Riders of	:	
Jurisdictional Ohio Electric Distribution	:	
Utilities.	:	

TESTIMONY

OF

RANDALL HUNT

ON BEHALF OF

THE OHIO DEVELOPMENT SERVICES AGENCY

November 8, 2013

TESTIMONY OF RANDALL HUNT
On Behalf of The Ohio Development Services Agency

1 **Q. Please state your name and business address.**

2 A. My name is Randall Hunt. My business address is Ohio Development Services Agency
3 ("ODSA"), 77 South High Street, 25th Floor, Columbus, Ohio 43216-1001.

4 **Q. By whom are you employed and in what capacity?**

5 A. I am employed by ODSA as Deputy Chief of the Office of Community Assistance
6 ("OCA"), an office within ODSA's Division of Community Services.

7 **Q. Please briefly describe your professional experience and educational background.**

8 A. Although I have only been with OSDA as OCA's Deputy Chief since September of 2012,
9 I have over 24 years of experience in administering local, state, and federal community
10 development and anti-poverty programs. I began my professional career in 1989 as a
11 regional planner for the Ohio Valley Regional Development Commission. From 1994 to
12 1999 I served as Assistant Director, then as Director, of Ohio Department of
13 Development's Governor's Office of Appalachia. In that position I was responsible for
14 the administration of the Federal Appalachian Regional Commission programs designed
15 to address the economic and social development needs in 13 federally-designated
16 Appalachian states, including the Appalachian counties in Ohio. I then served for two
17 years as the Executive Director of the Ohio Rural Development Partnership at the Ohio
18 Department of Agriculture before being appointed to the position of State Director of the
19 United States Department of Agriculture's Rural Development Agency. In that position, I

1 was responsible for the administration of federal loans, grants, and loan guarantees for
2 low income housing, water and sewer utilities, community facilities, and business loans
3 in eligible rural areas in Ohio. From 2009 to September 2012, I served as the State
4 Director of the Rural Community Assistance Program at Wood, Sandusky, Ottawa and
5 Seneca Community Action Commission. I hold a Bachelor of Science degree from The
6 Ohio State University College of Engineering.

7 **Q. What are your duties and responsibilities as OCA's Deputy Chief?**

8 A. OCA administers a number of energy assistance programs for low-income utility
9 customers, including the federally-funded Low-Income Home Energy Assistance Program
10 ("LIHEAP"), Home Weatherization Assistance Program ("HWAP"), Community Service
11 Block Grant program, and the electric Percentage of Income Payment Plan ("PIPP")
12 program, which is funded from the state treasury's Universal Service Fund ("USF"). As
13 Deputy Chief, I have overall responsibility for administering the funds that support these
14 programs. I also have management responsibility for the day-to-day operations of OCA,
15 which now has 86 full-time employees.

16 **Q. Have you previously testified before this Commission?**

17 A. Yes. I presented testimony on behalf of ODSA in the last USF rider rate adjustment
18 proceeding, Case No. 12-1719-EL-USF.

19 **Q. What is the purpose of your testimony in this case?**

20 A. The purpose of my testimony is to support the \$4,426,794 allowance for costs associated
21 with ODSA's administration of the PIPP program that has been included in the USF rider

1 revenue requirement proposed by ODSA in its application in this case.

2 **Q. What standard did you employ in determining the proposed allowance for**
3 **administrative costs associated with the PIPP program?**

4 A. The Office of the Ohio Consumer's Counsel ("OCC") entered into a settlement
5 agreement in the Notice of Intent ("NOI") phase of Case No. 05-717-EL-UNC with the
6 Ohio Department of Development ("ODOD"), now known as ODSA. (To avoid
7 confusion in this proceeding, I will refer to ODSA throughout my testimony even though
8 it was actually known as ODOD during relevant periods of time.) The settlement
9 agreement provided, among other things, that in future USF rider rate adjustment
10 applications, the proposed allowance for administrative costs would be based on the costs
11 actually incurred during the test period, subject to adjustment(s), plus or minus, for
12 reasonably anticipated post-test period cost changes, so as to assure, to the extent
13 possible, that the administrative cost component of the USF rider revenue requirement
14 will recover the administrative costs incurred during the collection year. This standard
15 for determining the allowance for administrative costs was approved by the Commission
16 in the 2005 case, and was employed by ODSA in all subsequent USF rider rate
17 adjustment proceedings. This standard was again approved by the Commission in its
18 October 2, 2013, opinion and order in the NOI phase of this case. Accordingly, I
19 determined the proposed allowance for administrative costs using this standard.

1 **Q. How did you identify the costs actually incurred by ODSA during the test period in**
2 **connection with its administration of the PIPP program?**

3 A. It is my understanding that the approved test period in this case is calendar year 2013.
4 However, ODSA's accounting is based on the state fiscal year ("FY"), which is the
5 twelve months ending June 30, not the calendar year. Thus, I relied on OCA's FY 2013
6 (the twelve months ending June 30, 2013) accounting records to identify the costs
7 actually incurred by ODSA in connection with the administration of the PIPP program
8 during FY 2013. Because the actual costs for calendar 2013 are not yet known, consistent
9 with the practice in prior cases, I utilized the actual costs incurred in the most recent fiscal
10 year as a surrogate for the test-period PIPP administration costs.

11 **Q. You indicated that OCA has responsibilities other than the administration of the**
12 **PIPP program. For accounting purposes, how does OCA distinguish between the**
13 **costs incurred in connection with its administration of the PIPP program and the**
14 **costs associated with these other activities?**

15 A. The method used depends on the nature of the costs involved. As shown in Exhibit RH-1
16 to my testimony, OCA breaks its costs down into five categories for accounting and
17 budget purposes: (1) Payroll, (2) Temp Staff / Consultants / Mail Services, (3) Indirect
18 Costs, (4) Maintenance, and (5) Equipment. In some instances, costs are directly
19 assigned to PIPP administration, while, in others, costs are allocated to PIPP
20 administration based on OCA's estimates of the portion of the total costs in the category
21 that relate to this function. The costs identified in the column headed FY 2013 Actual

1 Expenses are the costs in each internal category that were coded by OCA as PIPP
2 administrative costs when they were entered into the state accounting system during FY
3 2013. I would point out that PIPP administrative costs make up a relatively small
4 percentage of OCA's total costs and budget.

5 **Q. What costs are included in the Payroll category?**

6 A. The Payroll category includes the salaries and employee benefits for the members of the
7 OCA staff.

8 **Q. Do OCA staff members report their time in a manner that permits OCA to track the**
9 **employee hours that are chargeable to PIPP administration as opposed to other**
10 **OCA activities?**

11 A. OCA staff members in the Administrative and Support Unit, the Fiscal Unit, Grantee
12 Services Unit, and the Field Unit record their time, by activity, in a daily log. The logs
13 enable OCA to directly assign the payroll dollars associated with hours recorded as PIPP-
14 related activity to PIPP administration in entering the costs into the state accounting
15 system. However, OCA employees in other units within the office do not report their
16 time by activity, so, in those instances, the OCA Fiscal Unit must estimate the percentage
17 of the time to be coded to PIPP administration based on an exercise of informed judgment
18 as to the hours the employees devote to PIPP-related matters as opposed to other
19 activities. The \$989,158 that was coded to PIPP administration in FY 2013 represents
20 approximately 25 percent of the total OCA payroll costs for that period.

1 **Q. What costs are included in the Temp Staff / Consultant / Mail Services category?**

2 A. "Temp Staff" refers to the temporary employees OCA hires to augment its full-time staff
3 during periods of high volume PIPP enrollment activity. These temporary workers
4 answer the OCA telephone hotlines to provide information regarding the PIPP and
5 LIHEAP assistance programs. The Temp Staff costs associated with the operation of the
6 hotline are coded to PIPP administration based on the percentage of PIPP-related calls to
7 total calls to the hotline. The "Consultants" component includes costs incurred by OCA
8 in FY 2013 for outside professional services, including legal services, in connection with
9 its administration of the PIPP program. Consultant costs that can be directly assigned to
10 PIPP administration are so coded when they are entered into the state accounting system.
11 However, where professional consulting services benefit more than one program, the
12 costs are allocated between or among the programs based on an exercise of judgment,
13 taking into account the funds available to the respective programs. "Mail Services" costs
14 are the costs associated with mail opening, document imaging, and keying in information
15 in connection with processing applications. OCA contracts these services out to third-
16 party vendors. For accounting purposes, these costs are allocated to PIPP administration
17 based on the number of PIPP applications received versus the total number of
18 applications received.

19 **Q. A line item in Exhibit RH-1 is titled Indirect Costs. What are Indirect Costs?**

20 A. The Department of Energy ("DOE") periodically specifies the percentage of total payroll
21 that OCA pays to ODSA as a contribution to ODSA's general operating costs. This

percentage of payroll is referred to as Indirect Costs. The specified payroll percentage for FY 2013 was 52.71 percent. However, applying this percentage to the PIPP-related payroll cost for FY 2013 will not produce the PIPP-related Indirect Costs actually incurred during FY 2013 because these payments are not made to ODSA until the quarter following the quarter in which the payroll costs are incurred. Accordingly, the \$525,877 figure shown in Exhibit RH-1 represents the total payments for PIPP-related Indirect Costs actually made to ODSA during FY 2013, and is not the product of applying the specified percentage to the OCA PIPP-related payroll costs incurred during that period.

Q. What costs are included in the Maintenance category?

A. The Maintenance category includes the cost of supplies, communications services, and the like necessary for OCA's day-to-day operations. The \$33,965 shown in Exhibit RH-1 for this line item is the portion of OCA's total maintenance costs coded to PIPP administration during FY 2013.

Q. What costs are included in the Equipment category?

This category includes the cost of equipment purchased to enable OCA to administer the PIPP program, such as the cost of computers and related equipment, software upgrades, and associated vendor support services. As indicated in RH-1, no Equipment costs were coded to PIPP administration in FY 2013.

Q. What was the total cost actually incurred during FY 2013 in the OCA internal cost categories in connection with its administration of the PIPP program?

A. As shown in Exhibit RH-1 to my testimony, the total actual cost coded to PIPP

1 administration in these internal OCA categories during FY 2013 was \$2,746,415.

2 **Q. Exhibit RH-1 also includes a line item entitled Local LIHEAP Providers Costs.**

3 **What do these costs represent?**

4 A. As ODSA explained in testimony in Case No. 10-725-EL-USF, OCA has grant
5 agreements in place with 53 Local LIHEAP Providers, the vast majority of which are
6 Community Action Agencies. These agreements represent a total cost of some \$19.7
7 million. These agreements provide that the agencies will assume responsibility for
8 essentially all customer intake, enrollment, reverification, and education activities relating
9 to the PIPP and LIHEAP programs. Prior to FY 2011, OCA was able to utilize other
10 sources of funding to meet its total contractual obligations to these agencies. However,
11 subsequent reductions in the funding available through these other sources, particularly
12 LIHEAP, forced OCA to rely almost exclusively on USF rider revenues to pay the portion
13 of the total obligation that relates specifically to the enrollment, reverification, and
14 educational activities associated with these programs. Thus, in Case No. 10-725-EL-
15 USF, ODSA developed an alternative basis for determining an appropriate allowance for
16 these electric PIPP-specific costs. OCA charged the state's natural gas utilities an \$8 fee
17 per application for re-verification of a customer's eligibility for the gas PIPP program,
18 which was consistent with the fee charged by the third-party vendor that manages the
19 low-income customer assistance programs offered by certain Ohio electric distribution
20 utilities. Because electric PIPP customers also have to re-verify annually, ODSA
21 multiplied the then-current number of electric PIPP households by \$8 to produce the

allowance for this item proposed in Case No. 10-725-EL-USF. ODSA used this same methodology in its 2011 and 2012 USF rider rate adjustment proceedings to identify the PIPP-related portion of the total agency obligation.

Q. Have you used this methodology again in this case?

A. I used this methodology to calculate the portion of the total agency contract obligation relating to the electric PIPP and LIHEAP activities described above. Multiplying the average monthly number of electric PIPP households in FY 2013 – 369,033 – by \$8 produces an indicated FY 2013 cost of \$2,952,264 for these activities. However, in FY 2013, sufficient LIHEAP funding was available to support one-half of this amount. Thus, the \$1,476,132 shown in Exhibit RH-1 to my testimony as the FY 2013 actual expense for Local LIHEAP Providers Costs line item reflects a 50-50 allocation of the indicated cost of these activities between electric PIPP and LIHEAP.

Q. You indicated that, under the approved methodology, the proposed allowance for administrative costs is to be based on costs actually incurred during the test period, subject to such adjustment(s), plus or minus, for reasonably anticipated post-test period cost changes as may be necessary to assure, to the extent possible, that the administrative cost component of the USF rider revenue requirement will reflect the administrative costs incurred during the collection year. Are you proposing any such adjustments in this case?

A. As I indicated, the costs shown in the FY 2013 Actual Expenses column in Exhibit RH-1 are the costs actually incurred by OCA in connection with PIPP administration during FY

1 2013, which is the twelve-month period ending June 30, 2013. However, if the
2 administrative cost components of the USF rider rates established in this case are to
3 reflect the costs that will be incurred during the period the new USF rider rates will be in
4 effect, reasonably anticipated post-June 30, 2013 cost changes must be recognized. To
5 accomplish this, I have relied on the OCA budget for PIPP-related costs for the state's
6 2014 fiscal year as the starting point for determining the proposed allowance for
7 administrative costs in this case.

8 **Q. Why is it appropriate to utilize the FY 2014 budget amount for PIPP administration**
9 **as the starting point for the proposed allowance for OCA administrative costs for**
10 **purposes of this case?**

11 A. The goal in preparing the budget is to project, as accurately as possible, the cost OCA will
12 incur for PIPP administration over the next year. This is the same goal we are trying to
13 achieve in developing the allowance for administrative costs to be included in the USF
14 rider revenue requirements in this case. The FY 2014 budget amount for PIPP
15 administrative costs represents our best estimate of those costs, and, thus, is the
16 appropriate starting point for establishing the administrative cost component of the USF
17 rider revenue requirement. Although the FY 2014 budget amount for OCA's internal
18 PIPP administration is very close to the actual FY 2013 total cost of its internal PIPP
19 administration (an increase of only approximately 1.7%), there are some minor
20 differences in certain of the underlying cost categories.

1 **Q. How did OCA develop the FY 2014 budget for Payroll and Indirect Costs?**

2 A. OCA has used the \$989,158 for PIPP-related Payroll cost in FY 2013 as the basis for its
3 FY 2014 budget for PIPP-related payroll. The FY 2013 actual Payroll cost is
4 representative for the FY 2014 budget because we do not anticipate adding staff in FY
5 2014. Further, as I previously explained, the Indirect Costs are tied to the Payroll cost, so
6 the \$521,385 FY 2014 budget amount for Indirect Cost is simply the result of applying
7 the FY 2013 DOE 52.71 percent contribution factor to the \$989,158 budgeted for PIPP-
8 related payroll. I used the FY 2013 percent contribution factor because the FY 2014
9 factor is not yet known.

10 **Q. In FY 2012 actual costs for Temp/Staff/Consultants was \$1,364,355. The actual**
11 **costs for this cost category decreased to \$1,197,415 in FY 2013. Can you explain the**
12 **reason for this decrease?**

13 A. The most significant cost in this cost category is attributable to the need for consultants to
14 provide enhancements to the Ohio Community and Energy Assistance Network
15 ("OCEAN"), the web-based application system designed to facilitate PIPP enrollment and
16 verification, and the need for enhancements to OCEAN continue. However, the costs in
17 this category decreased generally because of reductions in Temporary Staff Services and
18 Mail Services.

19 **Q. Why does ODSA believe the FY 2013 actual expenses of \$1,197,415 are also**
20 **representative for the FY 2014 budgeted expenses?**

21 A. While continued enhancements to OCEAN are ongoing, we do not expect increases in

1 Temporary Staff Services and Mail Services in 2014.

2 **Q. The FY 2014 budget amount of \$34,000 for the Maintenance line item shown in**
3 **Exhibit RH-1 also appears to be based on the \$33,965 in expenses actually incurred**
4 **in this category in FY 2013. Is that the case?**

5 A. Yes. The slight difference between the two is simply attributable to the rounding
6 convention typically used in preparing budgets.

7 **Q. How does the FY 2013 Maintenance actual expense compare to the amount**
8 **budgeted for FY 2013?**

9 A. ODSA budgeted \$83,000 for Maintenance expenses for FY 2013. \$50,000 of that
10 amount was budgeted to upgrade ODSA's computers. The upgrade did not occur and, as
11 indicated above, the actual expenses for Maintenance in 2013 were \$33,965. ODSA has
12 included expenses for the computer upgrade in its FY 2014 budget under the Equipment
13 category.

14 **Q. What is the total amount of the OCA's FY 2014 budget for its internal PIPP-related**
15 **administrative cost categories?**

16 A. As shown in Exhibit RH-1, the total FY 2014 budget for these costs is \$2,791,958, which
17 is slightly more than the \$2,746,415 actually incurred in these categories in FY 2013. It
18 should be noted that the FY 2013 actual expenses and FY 2014 budgeted expenses
19 remain LESS than the FY 2012 actual expenses of \$2,827,052.

1 **Q. Exhibit RH-1 indicates that OCA expects an increase in Local LIHEAP Providers**
2 **Costs – \$1,634,836 budgeted for FY 2014, versus \$1,476,132 actually incurred in FY**
3 **2013. Please explain the reason for this increase.**

4 A. As I previously explained, the Local LIHEAP Providers Costs listed in the FY 2013
5 actual expense column is the result of multiplying the average monthly number of active
6 PIPP households during FY 2013 by a cost of \$8 per reverification and dividing the result
7 by two to allocate one-half of the cost to LIHEAP. OCA used the EXEL trend function to
8 project the average monthly number of active PIPP households in FY 2014 and multiplied
9 the resulting 408,709 households by \$8, which produced an indicated FY 2014 agency
10 obligation for the cost of customer intake, enrollment, reverification, and education
11 activities relating to the PIPP and LIHEAP programs of \$3,269,672. That figure was then
12 divided by two to reflect a 50-50 allocation of the costs between electric PIPP and
13 LIHEAP, resulting in the FY 2014 budget estimate of \$1,634,836 shown on Exhibit
14 RH-1.

15 **Q. How was the total allowance for PIPP-related administrative costs proposed in**
16 **ODSA's application in this case determined?**

17 A. As shown in Exhibit RH-1, the total proposed allowance of \$4,426,794 is the sum of the
18 FY 2014 budgeted amounts for the internal OCA cost categories and the estimate of the
19 FY 2014 Local LIHEAP Providers contract costs attributable to electric PIPP-specific
20 activities.
21

1 **Q. Is the total allowance proposed in this case for OCA PIPP-related administrative**
2 **costs the minimum amount necessary to support these administrative functions?**

3 A. Yes. Exhibit RH-1 breaks down costs into two broad components: (1) OCA Internal
4 Costs and (2) Local LIHEAP Provider Costs. The OCA's budgeted internal cost for FY
5 2014 is \$2,791,958. This amount is LESS than OCA's actual internal costs of \$2,827,052
6 for FY 2012. In addition, the increase in Local LIHEAP Provider costs is a function
7 solely of increased projected PIPP enrollment over which OCA lacks control. However,
8 as in FYs 2012 and 2013, OCA will be able to reduce these costs by allocating one-half
9 of the HEAP Local Providers costs to LIHEAP. In my view, the fact that OCA has been
10 able to hold the line on its total PIPP-related administrative costs in this fashion despite
11 the significant year-over-year increases in PIPP enrollment is a clear indication that OCA
12 takes its responsibility to contain costs very seriously.

13 **Q. Does this conclude your testimony?**

14 A. Yes. However, I reserve the right to supplement my testimony if, contrary to my
15 expectation, ODSA submits and amended application in this case.

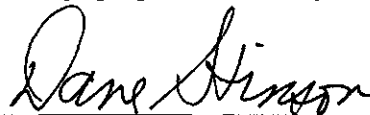
**Ohio Development Services Agency
Division of Community Development
Office of Community Assistance**

PIPP-Related Administrative Costs

OCA Internal Cost Category	FY 2013 Actual Expenses	FY 2014 Admin Budget
Payroll	\$ 989,158	\$ 989,158
Temp Staff / Consultants / Mail Services	\$ 1,197,415	\$ 1,197,415
Indirect Costs	\$ 525,877	\$521,385
Maintenance	\$ 33,965	\$ 34,000
Equipment	-0-	\$50,000
Subtotal	\$ 2,746,415	\$ 2,791,958
Local LIHEAP Provider Costs (Enrollment, Reverification, Education)	\$ 1,476,132	\$ 1,634,836
Total FY 2012 Actual Expenses	\$ 4,222,547	
Total Proposed Admin Allowance		\$ 4,426,794

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing *Testimony of Randall Hunt* has been served upon the following parties by first class mail, postage prepaid, and/or by electronic mail this 8th day of November 2013.



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BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of the :
Ohio Development Services Agency for :
an Order Approving Adjustments to the :
Universal Service Fund Riders of :
Jurisdictional Ohio Electric Distribution :
Utilities. :

Case No. 13-1296-EL-USF

TESTIMONY

OF

SUSAN M. MOSER

ON BEHALF OF
THE OHIO DEVELOPMENT SERVICES AGENCY

November 8, 2013

TESTIMONY OF SUSAN MOSER
On Behalf of The Ohio Development Services Agency

I. INTRODUCTION

1 **Q. Please state your name and business address.**

2 A. My name is Susan M. Moser. My business address is Ohio Development Services
3 Agency ("ODSA"), 77 South High Street, 26th Floor, Columbus, Ohio 43216-1001.

4 **Q. By whom are you employed and in what capacity?**

5 A. I am employed by ODSA in its Office of Community Assistance ("OCA") as Section
6 Supervisor of the EPP/PIPP Plus section.

7 **Q. Please briefly describe your educational background and employment experience.**

8 A. I have a Bachelor of Science degree from Indiana University of Pennsylvania and a
9 Masters of Education in Counselor Education from the University of Pittsburgh. I
10 worked for six years at the Pennsylvania Public Utility Commission as a Utility
11 Compliant Investigator and for eleven years for Duquesne Light Company ("Duquesne"),
12 an electric utility headquartered in Pittsburgh. I held several different positions while
13 with Duquesne, with responsibilities that included designing, implementing, and
14 managing the Customer Assistance Program, a low-income customer assistance program
15 similar to the percentage of income payment plan ("PIPP") program administered by
16 ODSA. I also managed Duquesne's Smart Comfort Program, which was similar to
17 OSDA's Electric Partnership Program ("EPP"). I have worked for the Ohio Department
18 of Development ("ODOD"), now known as ODSA for approximately ten years. (To
19 avoid confusion in this proceeding, I will refer to ODSA throughout my testimony even

1 though it was actually known as ODOD during relevant periods of time.) In that time, I
2 held the positions of Consumer Education Specialist and Outreach Manager prior to
3 being appointed EPP/PIPP Plus Section Supervisor. All of these positions required that I
4 analyze large data bases to ensure the efficiency and effectiveness of the programs for
5 which I was responsible.

6 **Q. What are your duties and responsibilities as Section Supervisor of OCA's EPP/PIPP**
7 **Plus section?**

8 A. As EPP/PIPP Plus Section Supervisor, I am responsible for the management of the
9 electric PIPP program, now known as PIPP Plus, and the EPP.

10 **Q. What is your role with respect to the electric PIPP Plus program?**

11 A. My role is to ensure that the program is efficient and effective and that our clients receive
12 the benefits to which they are qualified. I provide clarity and guidance on the PIPP Plus
13 rules to staff, provider agencies and electric distribution utilities ("EDUs"). I work with
14 our Information Technology office to eliminate errors in the system and to improve the
15 data system that is used to manage the program. I led the team to redesign aspects of the
16 program to eliminate steps that do not add value to the process in order to reduce
17 processing time for client re-verifications and to make the processes easier for the clients
18 to navigate and understand. I supervise a team that resolves client complaints and helps
19 clients receive benefits. I am the point person in ODSA to test the timeliness and
20 accuracy of the EDU's PIPP Plus-related accounting and reporting, including drafting the
21 request for proposal to find an accounting firm to test the EDU's performance in certain
22 PIPP-related areas through the application of agreed-upon procedures (commonly

1 referred to as an “audit”), selecting the winning bidder and managing the audit contract.

2 I am also the lead on the current endeavor to revise the electric PIPP Plus rules. I ensure
3 that agencies and clients receive information on the program and changes to the program
4 in order for them to be successful. This role also includes managing the Electric
5 Partnership Program, which was developed to help reduce the cost of the PIPP program.
6 In addition, I led the team that developed and implemented the 2009 PIPP Plus rule
7 revisions.

8 **Q. Have you previously testified before this Commission?**

9 A. Yes, I testified in the prior USF rider adjustment proceeding, Case No. 12-1719-EL-USF.
10 My direct testimony in support of ODSA’s application was filed in that docket on
11 November 7, 2012.

12 **Q. What is the purpose of your testimony in this proceeding?**

13 A. The purpose of my testimony is to explain how the USF rider rates proposed in ODSA’s
14 application were developed.

15 **Q. Why is it necessary for ODSA to seek adjustments to the USF riders at this time?**

16 A. The stipulation that resolved Case No. 12-1719-EL-USF required ODSA to file an
17 application for approval of such adjustments to the riders as are necessary to assure, to
18 the extent possible, that each EDU’s rider will generate its associated revenue
19 requirement – but not more than its associated revenue requirement – during 2014
20 collection period. As indicated in the application filed contemporaneously with this
21 testimony, ODSA has determined that, on an aggregated basis, the total pro forma annual
22 revenue that the current USF riders would generate will over collect funding for the low-

1 income customer assistance and consumer education programs and their associated
2 administrative costs during the 2014 collection period. Although ODSA has determined
3 that the pro forma revenues that would be generated by the current USF riders of Ohio
4 Power Company (“OP”), and Duke Energy Ohio (“Duke”) would fall short of their
5 respective 2014 USF rider revenue targets, ODSA’s analysis indicates that the current
6 USF riders of The Cleveland Electric Illuminating Company (“CEI”) , The Columbus
7 Southern Power Company (“CSP”), The Dayton Power and Light Company (“DPL”),
8 Ohio Edison Company (“OE”), and Toledo Edison Company (“TE”) and would over-
9 recover their respective indicated revenue responsibility during the collection year. By
10 its application, ODSA seeks an order from the Commission directing each EDU to adjust
11 its USF rider rate accordingly.

12 **Q. In your previous answer, you characterize CSP as an EDU, notwithstanding that**
13 **there has been a merger of CSP and OP that left OP as the surviving entity. Why**
14 **do you continue to identify CSP as an EDU?**

15 A. Although the two AEP Ohio operating subsidiaries have merged, OP continues to
16 maintain a separate set of rate schedules – including a separate USF rider – for the former
17 CSP customers, which means that ODSA must still perform the same analysis to establish
18 the USF rider rate for the CSP Rate Zone that was required when CSP existed as an EDU.
19 Thus, references to CSP in the application, my testimony, and the various schedules I
20 sponsor should be construed as references to the AEP Ohio CSP Rate Zone, just as
21 references to OP should be construed as references to the AEP Ohio OP Rate Zone.

1 **Q. What factors contribute to the need to adjust the USF riders?**

2 A. Generally speaking, the need to adjust the riders is primarily attributable to two separate
3 factors. First, because the current riders are based on historical Kwh sales, they will not,
4 in actual practice, generate the level of revenue they were designed to produce on a pro
5 forma basis. Although one would never expect test-period sales to be identical to sales in
6 the collection period, updating the sales volumes to reflect the more recent experience of
7 each company should, all else being equal, produce a more representative result. Second,
8 the USF rider revenue requirement for each company has also changed from the revenue
9 requirements the Commission found to be reasonable in Case No. 12-1719-EL-USF.
10 These changes are due to a number of factors, including, among other things, increases in
11 the cost of PIPP resulting from increases in PIPP enrollment, Commission-approved
12 changes in the EDUs' underlying tariff rates, and changes in the EDUs' collection
13 experience. Thus, the current USF rider rates must be adjusted if they are to recover their
14 related revenue requirements, but not more than their related revenue requirements, over
15 the 2014 collection period.

16 **II. USF RIDER REVENUE REQUIREMENT ANALYSIS**

17 **A. Methodology**

18
19 **Q. How was the USF rider revenue requirement target for each EDU determined?**

20 A. As described in the application, the annual revenue requirement the proposed USF rider
21 rates are designed to generate is comprised of six elements: (1) the cost of PIPP Plus, (2)
22 the cost of targeted energy efficiency programs and the consumer education programs,

1 referred to, collectively, as EPP, (3) an allowance for ODSA's PIPP-related
2 administrative costs, (4) an allowance to account for projected EDU December 31, 2013
3 USF PIPP account balance deficits or surpluses, (5) an allowance to fund a reserve, and
4 (6) an allowance for undercollection. In this proceeding, ODSA also is requesting a one-
5 time allowance to fund an evaluation, or "audit," related to the effectiveness of the PIPP
6 Plus Program, adopted November 1, 2010. As indicated in the application, ODSA has
7 used a calendar 2013 test period for purposes of its USF rider revenue requirements
8 analysis.

9 **Q. If ODSA has used a calendar 2013 test period for purposes of its analysis, what is**
10 **the source of the data for the final months of the test period for which actual data is**
11 **not yet available?**

12 A. ODSA projects the results for those months of the test period for which actual
13 information was not available at the time the application was prepared by substituting the
14 data from the corresponding months of the previous year. Although this is simply
15 another way of saying that ODSA has utilized the most recent twelve months of actual
16 data available at the time the application was prepared for purposes of the test-period
17 analysis, it is conceptually appropriate to consider calendar 2013 as the test period for
18 reasons discussed below.

19 **Q. For which months of 2013 did ODSA have actual data available when it prepared its**
20 **application?**

21 In all USF rider rate adjustment applications prior to the 2012 application, ODSA utilized
22 actual data through August of the test period, and used the data from September through

1 December of the previous year as a surrogate for the results for the remaining months of
2 the test period. Once the September data became available, ODSA filed an amended
3 application to substitute the actual data for September for the projected data for
4 September that had been utilized in preparing the initial application. However, in 2012,
5 and again in this 2013 proceeding, ODSA was able to include actual September data in its
6 original analysis. Thus, although ODSA reserves the right to file an amended
7 application, at this time, ODSA does not anticipate that it will do so in view of the fact
8 that we now have the same nine months of actual data in this application that has been
9 reflected in the amended applications in prior cases.

10 **Q. Is ODSA's methodology for determining the USF rider revenue requirement**
11 **proposed in the application in this case generally consistent with the methodology**
12 **previously approved by the Commission in prior USF rider adjustment cases?**

13 **A.** Yes. The revenue requirement methodology used in preparing this application is
14 generally consistent with that approved in prior USF rider rate adjustment proceedings.
15 Moreover, it is identical to the methodology approved by the Commission in its
16 October 2, 2013 opinion and order in the NOI phase of this proceeding (the "*NOI*
17 *Order*"), with the exception that ODSA is seeking a one-time allowance in this
18 proceeding for an audit related to the effectiveness of the PIPP Plus Program.
19

B. Cost of PIPP

Q. How was the cost of PIPP component of the USF rider revenue requirement calculated for purposes of this case?

A. The cost of PIPP under the PIPP Plus rules adopted November 1, 2010, represents the total cost of electricity consumed by each EDU's PIPP customers during the test period, plus their pre-PIPP balances, less the monthly installment payments billed to PIPP customers, less payments made by or on behalf of PIPP customers, including agency payments, to the extent that these payments exceed the amount of the installment payments billed over the same period. This same formula was used in Case Nos. 11-3223-EL-USF and 12-1719-EL-USF.

Q. What is the source of the information ODSA used in the cost of PIPP calculation?

A. The information necessary to perform this calculation comes from the USF Monthly Report and Remittance forms (USF-301) and the USF Monthly Reimbursement Request forms (USF-302), the documents the EDUs use to report the USF rider collections remitted to ODSA for deposit in the USF and to request reimbursement from the USF for the cost of electricity delivered to PIPP customers. As in prior cases, ODSA used the unadjusted actual data for the most recent twelve months for which information was available at the time the application was prepared to calculate the test-period cost of PIPP. The workpapers showing the calculation for each EDU are attached as Exhibits SMM-1 through SMM-7 to my testimony. The resulting test-period cost of PIPP components for each EDU are shown in Exhibit A to the application. However, the use

1 of the unadjusted test-period cost of PIPP numbers will not produce the appropriate
2 allowance for this component of the USF rider revenue requirement.

3 **Q. Please explain.**

4 A. Pursuant to various orders of this Commission, certain elements of the tariffed rates for
5 electric service to residential customers of each of the EDUs changed during 2013.
6 Because we are using the data from October through December of 2012 as a surrogate for
7 the corresponding months of the 2013 test period to determine the cost of electricity
8 delivered to PIPP customers, this data must be restated to capture the net impact of these
9 rate changes as must the data for the months of 2013 that predated the rate changes. In
10 addition, certain elements of each of CSP's, OP's and Duke's tariffed rates applicable to
11 the service provided to PIPP customers will cause a net increase in rates during 2014.
12 These 2014 rate adjustments will change the cost of electricity delivered to PIPP
13 customers during the 2014 collection period, but there will be no change in the monthly
14 installment payments billed to PIPP customers because those payments are based on
15 fixed, specified percentages of customer income and are not tied to the rates charged.
16 Thus, a net increase in an EDU rate element will increase the cost of PIPP by widening
17 the gap between the cost of electricity delivered to PIPP customers and the installment
18 payment amounts billed to PIPP customers. Accordingly, it is necessary to adjust the
19 test-period cost of PIPP to recognize these post-test period rate changes so that the new
20 USF rider rates will reflect the impact of these changes on the cost of PIPP during the
21 collection period.

1 **Q. What adjustments to the test-period cost of PIPP has ODSA proposed to recognize**
2 **the impact of these underlying EDU rate changes?**

3 A. The respective adjustments for each of the EDUs are shown in Exhibits A.1.a through
4 A.1.d to the application. The normalization adjustments for the 2013 rate changes were
5 calculated by applying the net percentage of the rate change to the cost of electricity
6 delivered by the EDU to PIPP customers during the months that predated the rate change,
7 including October-December 2012, which are used as surrogates for October-December
8 2013. The adjustments to annualize the impact of the CSP, OP and Duke 2014 net rate
9 changes were calculated by applying the net percentage of the rate increase to the
10 normalized test-period cost of electricity delivered to PIPP customers. The adjustments
11 shown in Exhibits A.1.a through A.1.d are carried forward and summarized on Exhibit
12 A.1 to the application, which shows the overall impact of the Commission-approved rate
13 changes on the test-period cost of PIPP for the EDUs in question.

14 **Q. Has the Commission approved adjustments of this type in past USF rider rate**
15 **adjustment proceedings?**

16 A. Yes. The Commission has consistently approved such adjustments to recognize known
17 changes in EDU rates for residential service.

18 **Q. Does ODSA have a proposal to address any increases in EDU residential rates that**
19 **may take effect during the 2014 collection period?**

20 A. ODSA proposes that the Commission allow this docket to remain open to permit the
21 filing of a supplemental application after the information necessary to annualize the
22 impact of any such rate increases on the cost of PIPP becomes available. This is the same

1 procedure that was utilized in Case No. 05-717-EL-UNC to address anticipated EDU rate
2 increases during the collection period in that case where the amount of the increases were
3 unknown at the time of the hearing in the USF rider rate adjustment case. I should add
4 that ODSA will not necessarily file a supplemental application as result of an EDU 2014
5 rate change. This is a decision that will be made based on the status of the EDU's USF
6 PIPP account balance at the time.

7 **Q. Has ODSA proposed any other adjustments to the test-period cost of PIPP?**

8 A. Yes. In Case Nos. 09-463-EL-UNC, 10-725-EL-USF, 11-3223-EL-USF, and 12-1719-
9 EL-USF, the Commission approved adjustments to capture the impact of the anticipated
10 increase in PIPP enrollment on the cost of PIPP during the collection period. As ODSA
11 noted in testimony submitted in those cases, PIPP enrollment has increased dramatically
12 over the period since ODSA assumed responsibility for the administration of the electric
13 PIPP program. In 2001, there were 131,330 PIPP customers in the month of the highest
14 PIPP enrollment. In 2011 and 2012 there were 360,099 and 367,873 PIPP customers,
15 respectively, in the month with the highest PIPP customer count. These year-over-year
16 increases in PIPP enrollment have continued to accelerate, as evidenced by the fact that
17 in April of 2013², the test-period month with the highest PIPP customer count, there were
18 375,083 customers enrolled in PIPP. In view of current economic conditions, it is
19 reasonable to assume that PIPP enrollments will continue to increase in 2014. This
20 expected post-test period increase in enrollments will mean that, in the absence of an
21 adjustment, the USF will continue to experience revenue shortfalls because the test-
22 period cost of PIPP built into the USF rider rates will not reflect the actual number of

1 PIPP customers during the collection period. Accordingly, in the NOI in this case,
2 ODSA again proposed to recognize the impact of the ever-increasing PIPP enrollment by
3 adjusting the test-period cost of PIPP based on a forecast of the number of PIPP
4 customers during the 2014 collection period. ODSA proposed to utilize the same forecast
5 methodology used in the 2009, 2010, 2011, and 2012 cases, with the projected 2014 PIPP
6 enrollment to be based on an analysis of the year-over-year increases in PIPP enrollment
7 over an appropriate historical period. The Commission again approved this
8 methodology in the *NOI Order* in this case.

9 **Q. How did you calculate this adjustment to the cost of PIPP for each EDU?**

10 A. Using data from the period 2009 through year-to-date 2013, I determined the average
11 annual PIPP enrollment for each EDU for each of those years. These average annual
12 enrollment figures are shown on the second schedule in Exhibit A.2 to the application. I
13 then used the EXCEL trend function to project the next number in the series, and utilized
14 that number as my forecast of the average PIPP enrollment for each EDU during 2014.
15 As shown in the first schedule in Exhibit A.2, I then identified the average test-period
16 cost of PIPP for each PIPP customer and multiplied that average cost per customer by the
17 projected increase in the number of PIPP customers in 2014 to produce the adjustment to
18 the test-period cost of PIPP for each EDU.

19 **Q. In your opinion, does this methodology produce a reasonable result?**

20 A. Yes. Although there may be more sophisticated methods available to forecast 2014 PIPP
21 enrollment, I believe this straightforward methodology produces an estimate that is
22 reasonable for the purpose at hand. One should also bear in mind that, to the extent the

1 forecast misses the mark, the year-end USF PIPP account balance element of the USF
2 rider revenue requirement in the 2014 case will serve to true-up the difference.

3 **Q. After performing the adjustments for underlying EDU rate changes and the**
4 **projected 2014 PIPP enrollment, what allowance for the cost of PIPP do you**
5 **recommend for inclusion in the USF rider revenue requirement of each of the**
6 **EDUs?**

7 A. The proposed cost of PIPP components of the respective EDU revenue requirements are
8 shown in the Total Adjusted Test-Period Cost of PIPP column (Column F) on Exhibit
9 A.2 to the application.

10
11 **C. EPP Costs**

12 **Q. How was the proposed allowance for the cost of the Electric Partnership Program**
13 **determined?**

14 A. This USF rider revenue requirement component is intended to recognize the cost of the
15 low-income customer energy efficiency and consumer education programs that are
16 funded through the USF. In all previous USF rider adjustment cases, the Commission
17 has accepted the \$14,946,196 EPP allowance first proposed by ODSA when the initial
18 USF riders were established in the ETP proceedings. However, as a part of a settlement
19 agreement entered into with the Office of the Ohio Consumers' Counsel ("OCC") in the
20 NOI phase of Case No. 05-717-EL-UNC, ODSA agreed that, in future USF rider rate
21 adjustment proceedings, ODSA would base its proposed allowance for EPP costs on its

1 projection of payments to EPP providers and the administrative costs associated with
2 ODSA's oversight of the EPP program during the collection period.

3 **Q. What has ODSA projected these costs to be for the 2014 collection period during**
4 **which the USF rider rates set in this case will be in effect?**

5 A. As shown in Exhibit A to the NOI submitted in this proceeding, the analysis for 2014
6 supported the use of the same \$14,946,196 annual allowance for these costs that the
7 Commission has accepted in all prior USF rider rate adjustment proceedings.

8 **Q. Did the Commission approve the proposed \$14,946,196 allowance for EPP costs in**
9 **the NOI phase of this case?**

10 A. Yes. However, the stipulation adopted by the Commission in the *NOI Order* provided
11 that, as indicated in the NOI, ODSA would adjust the proposed allowance for EPP costs
12 if updated projections suggested that \$14,946,196 allowance was no longer appropriate.

13 **Q. Has ODSA's projection of EPP costs during the 2014 collection period changed**
14 **since it proposed the \$14,946,196 allowance in the NOI phase of this case?**

15 A. No. ODSA continues to believe this allowance to be appropriate.

16 **Q. How has ODSA allocated the EPP costs among the EDUs?**

17 A. As in all prior USF rider rate adjustment applications, ODSA allocated this component of
18 the revenue requirement among the EDUs based on the ratio of their respective adjusted
19 costs of PIPP to the total adjusted cost of PIPP. The development of the allocation
20 factors and the results of the allocation are shown in Exhibit B to the application.

D. Administrative Costs

Q. What allowance for PIPP-related administrative costs has ODSA proposed for inclusion in the USF rider revenue requirement in this case?

A. ODSA has proposed an allowance for PIPP-related administrative costs of \$4,426,794. The basis for the proposed allowance is explained in the testimony of ODSA witness Randall Hunt.

Q. How has ODSA allocated the administrative cost component of USF rider revenue requirement among the EDUs?

A. As in all previous USF rider rate adjustment applications, ODSA allocated responsibility for the administrative costs to the EDUs based on the relative number of PIPP customers. Specifically, as shown in Exhibit C to the application, this revenue requirement component is allocated among the EDUs based on the number of PIPP accounts in April 2013, the test-period month exhibiting the highest PIPP customer account total.

E. Projected Year-End USF PIPP Account Balances

Q. You have identified the projected December 31, 2013 USF PIPP account balance as an element of the EDU's USF rider revenue requirement. Why is this component included?

A. The USF rider rate is calculated with reference to historical annual Kwh sales. Because actual sales will vary from sales during the test period, and because other factors bearing on the cost of PIPP also change, the EDU's rider rate will, in actual practice, either over-recover or under-recover its associated revenue requirement during the collection period. All else being equal, over-recovery will result in a positive year-end USF account balance

1 for the EDU in question, while under-recovery will create a negative balance. A positive
2 USF account balance reduces the amount needed to satisfy the USF rider revenue
3 requirement on a going-forward basis, while a negative balance means that there will be
4 insufficient cash available for ODSA to make the monthly PIPP reimbursement payments
5 due the EDU in question if the revenue requirement does not recognize the existing
6 deficit. To synchronize the new USF rider with each EDU's existing USF PIPP account
7 cash position, the revenue target must be adjusted by the amount of the USF account
8 balance as of the rider's effective date. Thus, a positive balance must be deducted from
9 the revenue requirement, while a negative balance must be added to the revenue target
10 the rider is designed to generate. Because ODSA is requesting that the proposed USF
11 riders be made effective January 1, 2014 on a bills-rendered basis, I have adjusted each
12 EDU's rider revenue target by the amount of the EDU's projected December 31, 2013
13 USF PIPP account balance. The projected balance amounts are displayed in Exhibit D of
14 the application. The workpapers showing the calculation of the projected December 31,
15 2013 balances are attached to my testimony as Exhibits SMM-8 through SMM-14.

16 **Q. Has the Commission previously approved the inclusion of this element in**
17 **determining the target revenues the proposed USF rider rates must be designed to**
18 **generate?**

19 **A.** Yes. The Commission has approved this synchronizing adjustment in establishing the
20 USF riders in all previous USF rider adjustment cases, and has again accepted this
21 methodology in its *NOI Order* in this case.

1 **Q. If this component of the USF rider rate remains in effect for longer than one year,**
2 **would not an EDU with a projected December 31, 2013 USF PIPP account balance**
3 **deficit begin to over-recover its USF rider revenue requirement?**

4 A. Because a December 31, 2013 balance deficit will be recovered on an annual basis, the
5 recovery will, in theory, be complete after the new USF rider has been in place for one
6 year. On the other hand, an EDU with a positive projected December 31, 2013 balance
7 will, in theory, have exhausted this surplus by the end of the collection year. This means
8 that, all else being equal, this component of the revenue requirement element should
9 come out of their USF riders at that time.

10 **Q. Is ODSA proposing that the USF riders be automatically adjusted on January 1,**
11 **2015 to recognize that the amortization of the December 31, 2013 balance surplus or**
12 **deficit will have been completed at that time?**

13 A. No. Although ODSA will be monitoring the monthly EDU USF balances very closely,
14 ODSA will also continue to examine all the other elements of the USF rider revenue
15 requirement, and will keep a watchful eye on whether, in practice, riders are generating
16 the necessary level of revenue. Rather than proposing an automatic adjustment for one
17 component of the USF riders on the anniversary date, ODSA believes the better approach
18 is to revisit all elements of the rider before January 1, 2015, so that, if it reasonably
19 appears that additional adjustments are required, all proposed adjustments can be
20 incorporated in a single filing with the Commission. Thus, while ODSA agrees that the
21 component reflecting the December 31, 2013 USF PIPP account balance, whether
22 negative or positive, should be eliminated once the balance has been fully amortized, that

1 adjustment should be made in the context of this broader evaluation. Indeed, the parties
2 to the stipulations in all previous USF rider adjustment cases have recognized that this
3 annual review process is necessary by requiring that ODSA file a new application on or
4 before October 31 of each year. ODSA continues to support this approach.

5 **Q. In your testimony in Case No. 12-1719-EL-USF you indicated that an issue**
6 **regarding the refund of OCC's assessment reduction had not been resolved. Does**
7 **that issue remain outstanding in this proceeding?**

8 A. No. By entry of December 12, 2012, the Commission approved ODSA's Motion for
9 Approval of an Alternative Refund Methodology in Case No. 11-5384-AU-UNC. The
10 alternative methodology enabled ODSA to effectuate the refund by adding the allocated
11 OCC assessment reduction amount to the respective EDU projected December 31, 2012
12 account balances in Case No. 12-1719-EL-USF. This eliminated the need for any
13 additional adjustment in this proceeding.

14
15 **F. Reserve Allowance**

16 **Q. What is the purpose of including an allowance to create a reserve as a USF rider**
17 **revenue requirement component?**

18 A. As explained in the application, PIPP-related cash flows fluctuate significantly
19 throughout the year, due in large measure to the weather-sensitive nature of electricity
20 sales and PIPP enrollment behavior. The graph attached to the application as Exhibit E
21 plots the historical consolidated net USF PIPP account balance. As the graph shows, the
22 month-to-month cash flow fluctuations will, from time-to-time, result in negative USF

PIPP account balances, which means that, in those months, ODSA will have insufficient cash to satisfy its reimbursement obligations to the EDUs on a timely basis. To address this problem, ODSA has included an allowance to create a cash reserve as an element of the USF rider revenue requirement.

Q. Does this reserve component of the USF rider revenue target serve a different purpose than the component that recognizes projected EDU December 31, 2013 USF PIPP account balances?

A. Yes. A deficit EDU December 31, 2013 account balance represents an existing shortfall that must be remedied if the USF fund is to have the cash necessary to satisfy the new revenue requirement on a going-forward basis, while a positive EDU December 31, 2013 account balance represents an amount that must be credited to ratepayers. Thus, the December 31, 2013 USF PIPP account balance element is, in essence, a true-up mechanism. The reserve, on the other hand, is intended to assure that ODSA will have cash on hand to meet its ongoing obligation to reimburse EDUs on a timely basis for the cost of electricity furnished to PIPP customers. Thus, revenues that have been generated and retained for the purpose of establishing the reserve are not deducted as a part of the synchronizing adjustment for those EDUs with a positive projected December 31, 2013 USF account balance.

Q. Was an allowance to create a cash reserve included in developing the revenue target for the USF riders approved in previous USF rider rate adjustment cases?

A. Yes. However, as ODSA explained in testimony in previous cases, the methodology used to fund the reserve has changed over time, as the more conservative methods for

1 calculating the allowance previously employed proved to be ineffective to fund the
2 reserve. In Case No. 06-751-EL-UNC, ODSA calculated the reserve component based
3 on the highest monthly deficit for each EDU during the test period. The Commission
4 approved this approach in that proceeding and in all subsequent USF rider rate
5 adjustment cases. As shown in Exhibit F to the application, CSP and OP each had
6 deficits during the calendar 2013 test period.

7 **Q. Has ODSA utilized this same method for funding the reserve in this case?**

8 A. Yes. In the NOI, ODSA again proposed basing the allowance for this element of the USF
9 rider revenue requirement on the highest projected monthly deficit for the EDU in
10 question during the test period. The Commission approved this methodology in the *NOI*
11 *Order* in this case.

12 **Q. Does the adjustment to the cost of PIPP to recognize the projected increase in PIPP**
13 **enrollment during the collection period affect the need for the reserve?**

14 A. No. Although the adjustment for the projected increase in PIPP enrollment is intended to
15 reduce the pressure on the USF during the collection period, the allowance for the reserve
16 is still a necessary element of the USF rider revenue requirement. The reserve
17 component addresses the cash-flow problem created by the fact that the recovery of the
18 annual revenue requirement is not fully completed until the end of the collection period.
19 As shown by the graph presented in Exhibit E to the application, even with this
20 adjustment to the cost of PIPP, there are still months where the USF runs in the red.
21 Thus, a reserve based on the highest monthly deficit of each EDU is still a necessary
22 element of the USF rider revenue requirement.

G. Allowance for Undercollection

Q. Another USF rider revenue requirement element you have identified is an allowance for undercollection. What is the purpose of this component?

A. An allowance for undercollection is necessary to recognize that there is a difference between the amount billed through the USF rider and the amount actually collected from ratepayers. If this element is not included in determining the USF rider revenue requirement, the riders will not generate the target revenue.

Q. Was an allowance for undercollection built into the current USF riders?

A. Yes. The Commission has authorized this allowance in all prior USF rider adjustment cases and again approved the inclusion of this element in its *NOI Order* in this case. This allowance is identical in concept to the allowance for uncollectibles routinely recognized in utility ratemaking. Because the EDU is merely a conduit for USF rider revenues, the allowance must be incorporated in the USF rider itself if the USF rider rates are to produce the required revenues.

Q. How was the proposed allowance for undercollection calculated?

A. As in all prior cases, the allowance was calculated on a company-specific basis so as to reflect the test-period undercollection experience of each EDU. For each reported month, an undercollection percentage was determined by dividing the amount of USF rider revenues actually collected by the EDU by the pro forma revenues as determined by multiplying the Kwh sales for that month by USF rider rate. The resulting average rate of collection was then applied to the pro forma annual rider revenue. The difference between that result and the pro forma annual rider revenue represents the amount the

1 allowance for undercollection is intended to recover on an annual basis. The proposed
2 allowance for undercollection for each EDU is shown in Exhibit G of the application.
3 The workpapers supporting this analysis are attached to my testimony as Exhibits SMM-
4 15 through SMM-21.

5
6 **J. PIPP Plus Program Audit Costs**

7 **Q. You stated that ODSA is requesting an allowance to perform an evaluation, or**
8 **audit, of the PIPP Plus Program since its adoption in 2010. Did ODSA request this**
9 **allowance in the NOI?**

10 **A.** Not specifically. In the NOI, ODSA stated that it did not intend at that time to request an
11 allowance for audit costs in its application, but reserved the right to do so if it
12 subsequently determined that an additional audit of PIPP-related accounting and
13 reporting should be conducted in 2014. ODSA believes that an audit related to the
14 effectiveness of the PIPP Plus Program is timely, considering that it has been in effect for
15 three years.

16 **Q. What is the focus of the audit?**

17 **A.** The audit will focus on the 2010 changes to the PIPP rules and if the changes are meeting
18 the objective of the PIPP Plus Program. The evaluation will include a review of whether
19 the data the EDUs report to ODSA is consistent with the data reported to the
20 Commission, customer payments, payment incentives, effectiveness of customer
21 education, affordability of payments, and the rule changes effect on the Universal Service
22 fund.

1 **Q. How will the audit be conducted?**

2 A. As with past audits, for example Case No. 07-661-EL-UNC, ODSA will issue a request
3 for proposals to qualified independent third parties to bid on the project, select a winning
4 bidder, and monitor the audit contract.

5 **Q. What is the amount requested for the audit and how will it be allocated among the**
6 **EDUs?**

7 A. ODSA is seeking an allowance of \$60,000 to fund the audit related to all EDUs. The cost
8 of the audit will be allocated to each EDU based on its cost of PIPP Plus as detailed in
9 Exhibit H to the Application. Any difference between the allowance and the actual costs
10 of the audit will be trued up in next year's application by virtue of the projected year-end
11 balance component of the revenue requirement.

12
13 **K. Revenue Requirements Summary**

14 **Q. What are the results of your USF rider revenue requirements analysis?**

15 A. The USF rider revenue requirement analysis for each EDU is summarized in Exhibit I to
16 the application.

17 **Q. How does the total USF rider revenue requirement proposed in this case compare to**
18 **total USF rider revenue requirement approved in Case No. 12-1719-EL-USF?**

19 A. The aggregated revenue requirement of \$319,022,079 proposed in this proceeding is
20 below the \$336,718,920 total revenue requirement approved in last year's case. On an
21 individual EDU basis, the USF rider revenue requirements of the EDU are well below the

1 revenue requirements approved in Case No. 12-1719-EL-USF. However, the revenue
2 requirements of OP and Duke have increased substantially.

3 **Q. What accounts for this increase in the OP and Duke USF rider revenue**
4 **requirements?**

5 A. Obviously, the level of the USF rider revenue requirement of a particular EDU is simply
6 a function of the sum of all the revenue requirement components and the manner in
7 which certain components are allocated among the EDUs. OP's increased rider revenue
8 requirements are the result of increases in enrollment, rates, electric usage, the adjustment
9 for under collection in addition to a larger reserve requirement. These costs have
10 increased significantly over 2013. The major factor in Duke's rider revenue increase was
11 the reduction in its account balance from (\$8,810,780) in the 2012 USF rider rate
12 adjustment case to (\$5,072,047) in the current case.

14 **III. USF RIDER RATE DESIGN**

15 **Q. How does ODSA propose to recover the annual USF rider revenue requirement for**
16 **each EDU?**

17 A. ODSA proposes to recover the annual USF rider revenue requirement for each company
18 through a USF rider that incorporates the same two-step declining block rate design
19 approved by the Commission in all prior USF rider adjustment proceedings. The
20 Commission again approved this rate design methodology in *NOI Order* in this case.

21 **Q. How did you calculate the proposed rider for each EDU?**

1 As shown in Exhibit J to the application, I began by dividing the respective revenue
2 requirements by the EDU's test-period Kwh sales to determine the per Kwh rate which
3 would apply if the EDU's annual USF rider revenue requirement were to be recovered
4 through a uniform per Kwh rate. The sales information came from each EDU and is
5 attached to my testimony as Exhibits SMM-22 through SMM-28. Under the
6 Commission-approved USF rider rate design methodology, the first block of the rate
7 applies to all monthly consumption up to and including 833,000 Kwh (*i.e.*, one-twelfth of
8 an annual consumption of 10,000,000 Kwh). The second block applies to all
9 consumption above 833,000 Kwh per month. The rate per Kwh for the second block is
10 set at the lower of the PIPP rider rate in effect in October 1999 or the per-Kwh rate that
11 would apply if the EDU's annual USF rider revenue requirement were to be recovered
12 through a single block per-Kwh rate, with the first block rate set at the level necessary to
13 produce the remainder of the EDU's annual USF rider revenue requirement. In this case,
14 this cap is in play for all the EDUs, so all the proposed rider rates have this declining
15 block feature as shown in the table on page 10 of the application. The workpapers
16 supporting the rate calculations are attached to my testimony as Exhibits SMM-29
17 through SMM-35.

18 **Q. What do the final three line items (lines 19, 20, and 21) on each of these workpapers**
19 **represent?**

20 **A.** Line 19 shows the dollar difference per-Kwh between the first block rate under the
21 approved two-tier rate design and a uniform per-Kwh rate. Line 20 expresses this
22 difference as a percentage. Line 21 shows the annual cost impact on the average

1 residential customer of the EDU in question resulting from the use of the declining block
2 rate structure as opposed to a uniform rate per Kwh. As in prior cases, this analysis is
3 being presented purely for informational purposes.

4 **Q. How do the proposed USF riders compare to the current USF riders?**

5 A. The table on page 10 of the application compares the current and proposed rider rates.
6 As indicated in the table on pages 4-5 of the application, the revenues produced by the
7 current USF riders of OP and Duke fall short of their respective indicated revenue targets,
8 while the revenues produced the current CEI, CSP, DPL, OE, and TE riders exceed their
9 indicated revenue targets. Thus, the OP and Duke USF rider rates will increase, and the
10 CSP, CEI, DPL, OE and TE USF rider rates will decrease.

11 **Q. Does this conclude your testimony?**

12 A. Yes. However, I reserve the right to supplement my testimony if, contrary to my
13 expectation, ODSA submits an amended application in this case.

Universal Service Fund
Current Rider Mechanism
Cost of PIPP

	1/2013	2/2013	3/2013	4/2013	5/2013	6/2013	7/2013	8/2013	9/2013	10/2012	11/2012	12/2012	Total
American Electric Power - A													
Columbus Southern													
Power													
1. USF Rider Collected on All Customers	\$7,202,170.93	\$6,749,723.96	\$6,385,479.67	\$6,022,514.02	\$5,346,016.03	\$6,007,641.25	\$6,895,957.49	\$6,749,775.43	\$6,681,192.63	\$3,277,547.96	\$3,230,860.28	\$3,942,873.03	\$68,492,761.80
2. Non-USF Rider Funds													
a. Customer Payments	\$3,093,447.99	\$3,535,411.72	\$3,292,294.76	\$3,385,953.14	\$3,348,323.82	\$3,125,614.59	\$3,393,027.79	\$3,332,565.12	\$3,259,438.74	\$3,333,674.74	\$2,848,496.82	\$2,813,574.40	\$38,765,823.43
b. Other Customer Payments	\$293,178.93	\$331,873.68	\$327,036.36	\$379,985.74	\$339,340.54	\$281,768.69	\$279,654.32	\$279,836.79	\$282,048.93	\$422,585.41	\$322,622.38	\$274,247.03	\$3,614,128.81
c. Agency Payments	\$859,868.88	\$539,717.15	\$436,028.38	\$677,157.72	\$196,579.93	\$355,467.00	\$292,296.11	\$400,472.46	\$195,905.48	\$314,992.25	\$604,827.34	\$1,109,435.01	\$8,051,707.69
3. Total Payments	\$4,246,485.78	\$4,406,992.56	\$4,055,359.50	\$4,447,096.60	\$3,883,244.29	\$3,762,850.28	\$4,034,938.22	\$4,012,874.37	\$3,737,393.15	\$4,071,252.40	\$3,775,946.34	\$4,197,256.44	\$48,631,659.93
4. Payments Applied to Arrearages	\$1,310,750.80	\$733,563.86	\$493,666.50	\$762,257.84	\$440,366.10	\$374,582.78	\$256,283.19	\$257,631.86	\$285,572.88	\$385,454.44	\$1,336,495.70	\$1,614,458.04	\$9,231,031.79
5. Total Amount of Remittance	\$8,512,936.53	\$7,483,307.82	\$6,879,046.17	\$6,785,771.86	\$5,766,402.13	\$6,362,224.13	\$7,152,240.68	\$7,007,407.29	\$6,946,765.51	\$3,663,002.42	\$4,567,355.98	\$5,557,331.07	\$76,723,793.59
B. OCS Admin	\$67,214.52	\$62,991.96	\$59,692.64	\$56,214.59	\$49,891.82	\$56,066.46	\$64,356.69	\$62,992.44	\$62,352.39	\$48,566.05	\$47,874.24	\$58,424.70	\$696,538.51
C. EPP/TEE Program	\$280,419.18	\$262,802.66	\$246,620.69	\$234,527.45	\$208,148.84	\$233,909.44	\$268,496.31	\$262,804.67	\$260,134.37	\$157,213.49	\$154,974.03	\$189,127.00	\$2,761,178.14
D. Available Balance (A4-B-C)	\$6,165,304.83	\$7,157,513.20	\$6,570,832.83	\$6,495,029.82	\$5,528,361.45	\$6,092,248.23	\$6,819,387.68	\$6,681,610.18	\$6,624,278.75	\$3,457,222.88	\$4,364,507.71	\$5,309,779.36	\$73,266,076.95
E. Total Costs	\$10,596,200.35	\$10,220,813.64	\$9,910,854.80	\$9,161,876.16	\$7,074,871.06	\$8,670,557.25	\$10,161,814.87	\$9,729,664.34	\$9,810,449.12	\$6,232,341.69	\$7,218,423.94	\$9,016,467.68	\$107,806,374.90
F. Active PIPP and Grad PIPP Bill	\$3,733,869.24	\$3,679,815.38	\$3,682,796.67	\$3,678,389.16	\$3,624,796.30	\$3,641,738.18	\$3,694,088.40	\$3,677,655.62	\$3,669,038.68	\$3,368,969.04	\$3,479,516.76	\$3,621,051.34	\$43,571,724.86
G. Reimbursement Due	\$6,862,331.11	\$6,540,998.26	\$6,228,058.13	\$5,483,487.00	\$3,450,074.67	\$5,028,819.07	\$6,487,726.47	\$6,062,028.72	\$6,141,410.44	\$2,843,372.65	\$3,738,907.16	\$5,397,436.34	\$64,234,650.02
H. Surplus/Deficit (D-G)	\$1,302,975.72	\$616,514.94	\$342,774.70	\$1,011,542.82	\$3,078,286.79	\$1,063,429.16	\$351,681.21	\$629,581.46	\$462,868.31	\$613,950.23	\$625,600.55	\$697,656.98	\$9,031,426.93
I. Cost to USF	\$5,551,572.51	\$5,807,414.40	\$5,734,491.63	\$4,721,229.16	\$3,009,688.57	\$4,654,236.29	\$6,211,443.28	\$5,794,396.96	\$5,875,637.56	\$2,457,918.21	\$2,402,411.46	\$3,782,978.30	\$56,003,618.23

Cost to PIPP: \$ 56,003,618
Adjustment Test-Period Cost of PIPP: \$ 4,534,011
Enrollment Adjustment Test-Period Cost of PIPP: \$ 7,616,637

Total Adjusted Cost of PIPP: \$ 68,154,265

SSM - 1

Universal Service Fund
Current Rider Mechanism
Cost of PIPP

	1/2013	2/2013	3/2013	4/2013	5/2013	6/2013	7/2013	8/2013	9/2013	10/2013	11/2013	12/2013	Total
American Electric Power - Ohio Power													
1. USF Rider Collected on All Customers													
a. Customer Payments	\$9,010,042.66	\$9,636,082.72	\$9,136,950.49	\$9,837,550.05	\$9,660,247.85	\$7,270,155.39	\$9,287,810.51	\$7,642,440.01	\$7,728,813.44	\$2,925,252.87	\$2,862,085.13	\$3,844,767.07	\$80,648,224.19
b. Other Customer Payments	\$3,886,218.07	\$4,362,440.21	\$3,886,559.62	\$4,175,888.10	\$4,137,924.28	\$3,834,121.02	\$4,068,895.38	\$4,064,760.68	\$3,963,799.97	\$4,016,892.85	\$3,395,413.52	\$3,347,022.02	\$48,968,568.82
c. Agency Payments	\$341,641.52	\$417,553.24	\$376,293.59	\$459,002.56	\$421,103.25	\$335,329.63	\$309,739.43	\$310,055.97	\$295,348.13	\$447,142.36	\$345,996.76	\$323,574.02	\$4,382,751.28
	\$1,150,570.00	\$882,147.32	\$431,139.37	\$71,004.10	\$144,723.10	\$242,521.00	\$232,272.03	\$305,955.40	\$177,622.46	\$162,077.77	\$88,221.45	\$1,309,333.45	\$6,416,221.51
2. Total Payments	\$5,178,435.65	\$5,462,140.77	\$4,693,961.58	\$5,306,584.76	\$4,703,750.63	\$4,411,972.45	\$4,638,906.84	\$4,700,732.25	\$4,436,770.56	\$4,046,111.96	\$4,627,631.75	\$4,960,530.39	\$67,767,529.61
3. Payments Applied to Arrangements													
a. Payments Applied to Arrangements	\$1,636,784.77	\$892,308.79	\$572,297.93	\$936,568.09	\$501,958.96	\$416,772.77	\$253,782.35	\$269,674.36	\$260,871.53	\$367,552.06	\$1,788,044.40	\$1,940,040.19	\$9,936,657.22
4. Total Amount of Remittance	\$10,846,827.43	\$9,628,392.51	\$8,708,259.42	\$9,774,116.14	\$7,162,206.81	\$7,692,928.16	\$8,541,592.86	\$7,912,122.37	\$7,989,884.97	\$3,292,804.95	\$4,650,109.53	\$5,594,857.26	\$90,564,881.41
B. OCS Admin	\$75,457.34	\$72,325.50	\$88,145.43	\$65,837.85	\$55,778.27	\$60,938.36	\$69,406.79	\$84,004.00	\$64,727.30	\$51,813.25	\$50,694.04	\$64,558.10	\$763,486.35
C. EPP/TEE Program	\$309,085.78	\$286,257.24	\$270,134.99	\$268,863.91	\$228,477.05	\$249,605.50	\$264,409.81	\$262,171.02	\$265,133.75	\$152,078.06	\$148,793.04	\$169,465.71	\$2,933,396.84
D. Available Balance (A+B-C)	\$10,262,264.31	\$9,259,809.77	\$8,361,976.00	\$9,439,618.28	\$6,877,951.46	\$7,382,366.29	\$8,167,874.16	\$7,585,947.35	\$7,659,823.93	\$3,089,913.85	\$4,450,822.45	\$5,330,793.45	\$86,887,959.12
E. Total Costs	\$15,184,214.72	\$14,921,660.34	\$14,292,651.27	\$12,568,992.27	\$9,613,536.04	\$9,165,075.68	\$10,424,358.21	\$9,565,226.54	\$9,741,368.72	\$7,225,924.81	\$8,209,971.37	\$12,341,659.46	\$133,272,639.63
F. Active PIPP and Grad PIPP Bill	\$4,571,401.23	\$4,514,316.68	\$4,447,187.06	\$4,503,528.60	\$4,414,724.23	\$4,387,200.12	\$4,419,868.40	\$4,417,151.31	\$4,403,237.30	\$4,054,319.60	\$4,213,691.72	\$4,393,174.11	\$62,739,901.35
G. Reimbursement Due	\$10,612,813.49	\$10,407,343.66	\$9,845,464.21	\$9,065,462.87	\$4,198,811.81	\$4,775,675.56	\$6,004,389.81	\$5,168,075.23	\$5,338,131.42	\$3,171,605.21	\$4,996,279.85	\$7,948,485.35	\$80,632,738.27
H. Surplus/Deficit (D-G)	(\$350,529.18)	(\$1,147,533.89)	(\$1,483,488.21)	\$374,153.61	\$2,676,139.68	\$2,606,510.73	\$2,163,484.35	\$2,417,872.12	\$2,321,602.51	(\$82,691.56)	(\$545,857.40)	(\$2,617,891.90)	\$6,365,260.85
I. Cost to USF	\$8,976,028.72	\$9,415,033.87	\$9,273,166.28	\$7,128,894.58	\$3,696,852.85	\$4,359,102.76	\$5,750,607.46	\$4,868,400.87	\$5,077,259.89	\$2,804,053.13	\$3,208,235.45	\$5,008,445.16	\$70,596,061.05

Cost to PIPP: \$ 70,596,081
Adjustment Test-Period Cost of PIPP: \$ 5,682,278
Enrollment Adjustment Test-Period Cost of PIPP: \$ 11,030,637

Total Adjusted Cost of PIPP: \$ 87,308,196.05

SSM - 2

Duke Energy	1/2013	2/2013	3/2013	4/2013	5/2013	6/2013	7/2013	8/2013	9/2013	10/2012	11/2012	12/2012	Total
A.													
1. USF Rider Collected on All	\$1,339,512.91	\$1,279,693.84	\$1,225,555.81	\$1,178,601.06	\$1,095,800.43	\$1,218,556.09	\$2,210,587.61	\$1,342,930.88	\$1,342,185.18	\$1,494,143.15	\$1,590,042.85	\$1,730,862.79	\$17,048,472.60
2. Non-USF Rider Funds													
a. Customer Payments	\$1,406,328.76	\$2,253,586.71	\$1,470,008.36	\$1,614,499.02	\$1,519,543.05	\$1,390,244.33	\$1,672,597.20	\$1,535,971.77	\$1,502,472.50	\$1,605,018.52	\$1,344,252.84	\$1,272,830.76	\$18,587,345.82
b. Other Customer Payments	\$141,775.74	\$509,303.46	\$159,435.49	\$195,401.63	\$182,868.52	\$153,704.29	\$162,235.27	\$164,181.24	\$171,392.22	\$175,743.98	\$180,524.70	\$180,255.72	\$2,316,852.26
c. Agency Payments	\$578,488.96	\$233,333.73	\$220,004.26	\$112,557.52	\$79,944.99	\$77,862.87	\$41,950.12	\$42,572.66	\$14,057.76	\$7,704.96	\$877,345.21	\$421,502.28	\$2,767,328.77
3. Total Payments	\$2,126,603.46	\$2,996,223.90	\$1,849,448.11	\$1,922,448.17	\$1,762,486.56	\$1,621,801.49	\$1,876,782.59	\$1,742,725.69	\$1,667,922.48	\$1,788,467.46	\$2,362,122.75	\$1,854,588.77	\$23,611,621.45
4. Payments Applied to Arrearages	\$643,285.80	\$1,389,775.73	\$425,105.23	\$449,759.90	\$402,894.45	\$513,023.30	\$462,054.17	\$312,087.26	\$256,148.70	\$181,629.06	\$938,231.28	\$506,236.31	\$6,480,441.19
5. Total Amount of Remittance	\$1,982,798.71	\$2,569,469.57	\$1,650,661.04	\$1,628,360.96	\$1,496,694.88	\$1,731,579.39	\$2,672,841.78	\$1,655,028.14	\$1,598,333.88	\$1,675,972.21	\$2,528,274.13	\$2,237,069.10	\$23,628,915.79
B. OCS Admin	\$34,575.10	\$33,031.07	\$31,693.67	\$30,421.69	\$28,294.47	\$31,453.00	\$57,059.01	\$34,663.32	\$34,644.07	\$24,221.41	\$25,776.03	\$28,058.64	\$393,821.67
C. EPP/TEE Program	\$96,669.46	\$92,352.46	\$88,445.45	\$85,056.83	\$79,081.31	\$87,940.29	\$169,532.85	\$96,916.13	\$98,862.31	\$101,163.95	\$107,657.03	\$117,191.53	\$1,208,985.60
D. Available Balance (A4-B-C)	\$1,851,554.15	\$2,544,086.04	\$1,530,561.92	\$1,512,882.44	\$1,391,329.10	\$1,612,186.10	\$2,456,049.92	\$1,523,448.69	\$1,466,827.50	\$1,550,596.95	\$2,354,841.07	\$2,091,848.73	\$21,926,222.62
E. Total Costs	\$4,070,849.89	\$5,140,780.06	\$3,830,104.13	\$3,438,217.11	\$3,215,302.52	\$5,726,137.00	\$4,279,397.44	\$4,008,501.91	\$4,303,922.89	\$2,698,013.14	\$2,866,119.17	\$3,419,984.48	\$46,997,338.76
F. Active PIPP and Grad PIPP Bill	\$1,740,569.90	\$1,653,570.54	\$1,776,873.00	\$1,761,794.68	\$1,742,671.72	\$1,723,252.96	\$1,683,871.88	\$1,661,156.35	\$1,641,852.43	\$1,742,195.84	\$1,736,692.91	\$1,715,797.96	\$20,580,390.07
G. Reimbursement Due	\$2,330,280.09	\$3,487,219.54	\$2,053,231.13	\$1,676,422.43	\$1,472,630.80	\$4,002,884.04	\$2,595,525.56	\$2,347,345.56	\$2,662,070.46	\$955,817.30	\$1,129,426.26	\$1,704,166.52	\$26,417,035.69
H. Surplus/Deficit (D-G)	(\$478,725.94)	(\$943,133.50)	(\$522,649.21)	(\$163,539.99)	(\$81,301.70)	(\$2,390,697.94)	(\$139,475.64)	(\$823,898.87)	(\$1,195,242.96)	\$594,769.55	\$1,265,414.81	\$387,662.21	(\$4,490,817.17)
I. Cost to USF	\$1,686,984.28	\$2,097,443.81	\$1,628,125.90	\$1,228,662.53	\$1,069,736.35	\$3,489,660.74	\$2,133,471.39	\$2,035,248.30	\$2,405,921.76	\$773,988.24	\$191,194.98	\$1,197,950.21	\$19,936,596.50

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Total Adjusted Cost of PIPP: \$ 22,735,033.50

Universal Service Fund
Current Rider Mechanism
Cost of PIPP

	1/2013	2/2013	3/2013	4/2013	5/2013	6/2013	7/2013	8/2013	9/2013	10/2013	11/2013	12/2013	Total
A. Dayton Power and Light Company													
1. USF Rider Collected on All	\$5,089,030.91	\$5,010,884.32	\$4,450,417.72	\$4,341,498.28	\$3,903,303.81	\$4,131,510.73	\$4,887,660.60	\$4,806,614.24	\$4,647,962.04	\$3,935,927.89	\$4,284,629.85	\$4,336,048.68	\$53,826,089.07
2. Non-USF Rider Funds													
a. Customer Payments	\$2,244,063.28	\$2,328,875.65	\$2,169,955.55	\$2,248,761.41	\$2,182,297.16	\$2,076,112.16	\$2,272,888.02	\$2,140,551.39	\$2,219,961.80	\$2,370,101.10	\$1,928,353.42	\$1,821,672.75	\$26,003,423.69
b. Other Customer Payments	\$306,459.90	\$374,306.69	\$271,050.49	\$245,646.10	\$256,005.32	\$200,617.96	\$188,942.33	\$167,257.25	\$174,881.70	\$376,096.20	\$280,384.72	\$219,355.77	\$3,070,083.43
c. Agency Payments	\$590,562.60	\$398,176.13	\$235,538.14	\$224,496.40	\$266,884.02	\$92,905.16	\$129,270.83	\$96,575.99	\$42,255.68	\$43,921.33	\$151,241.38	\$917,264.19	\$3,189,091.86
3. Total Payments	\$3,140,105.78	\$3,101,358.47	\$2,676,544.18	\$2,718,903.91	\$2,705,186.50	\$2,369,635.28	\$2,600,901.18	\$2,404,394.63	\$2,437,069.19	\$2,790,117.63	\$2,359,979.52	\$2,958,282.71	\$32,262,518.98
4. Payments Applied to Arrearages	\$753,055.20	\$334,850.95	\$255,355.69	\$508,726.83	\$536,250.33	\$195,115.93	\$228,980.78	\$192,043.66	\$131,719.00	\$192,848.02	\$151,232.52	\$176,387.22	\$3,656,666.11
5. Total Amount of Remittance	\$5,852,086.11	\$5,345,735.27	\$4,705,773.41	\$4,850,225.11	\$4,439,554.14	\$4,326,626.66	\$5,086,041.38	\$4,998,657.90	\$4,779,681.04	\$4,128,775.91	\$4,446,062.37	\$4,512,435.90	\$57,481,655.18
B. OCS Admin	\$41,682.69	\$40,962.12	\$36,380.51	\$35,490.14	\$31,908.06	\$33,773.57	\$39,788.41	\$39,292.29	\$37,996.37	\$30,378.28	\$33,148.36	\$33,466.49	\$434,264.28
C. EPP/TEE Program	\$197,481.38	\$194,067.54	\$172,361.11	\$168,142.75	\$151,171.83	\$160,010.10	\$188,497.36	\$186,156.32	\$180,011.85	\$149,162.38	\$162,753.01	\$164,315.00	\$2,074,120.63
D. Available Balance (A4-B-C)	\$5,612,922.04	\$5,110,705.61	\$4,497,031.78	\$4,646,562.22	\$4,258,474.26	\$4,132,842.99	\$4,867,757.59	\$4,773,209.29	\$4,561,673.83	\$3,949,245.25	\$4,260,161.01	\$4,314,654.41	\$54,973,270.28
E. Total Costs	\$7,131,356.89	\$7,211,574.41	\$6,552,316.92	\$6,121,394.43	\$5,001,367.64	\$4,533,281.59	\$6,097,494.37	\$5,903,546.43	\$5,596,040.26	\$4,397,393.44	\$5,587,271.89	\$5,473,907.24	\$70,006,958.51
F. Active PIPP and Grad PIPP Bill	\$2,233,481.29	\$2,266,673.17	\$2,299,729.08	\$2,329,865.99	\$2,344,007.08	\$2,328,003.54	\$2,333,470.58	\$2,333,191.23	\$2,324,477.62	\$2,244,875.79	\$2,226,824.87	\$2,209,061.95	\$27,473,892.19
G. Reimbursement Due	\$4,897,875.60	\$4,944,901.24	\$4,252,587.84	\$3,791,498.44	\$2,657,360.56	\$2,505,288.05	\$3,764,023.79	\$3,570,355.20	\$3,271,562.64	\$2,152,517.65	\$3,460,447.02	\$3,264,846.29	\$42,533,263.32
H. Surplus/Deficit (D-G)	\$715,046.44	\$165,804.37	\$244,443.94	\$855,093.78	\$1,596,113.69	\$1,627,564.94	\$1,103,733.80	\$1,202,854.09	\$1,290,111.19	\$1,796,727.60	\$789,713.99	\$1,049,809.12	\$12,440,006.96
I. Cost to USF	\$4,144,820.40	\$4,610,050.29	\$3,997,232.15	\$3,282,771.61	\$2,121,110.23	\$2,310,172.12	\$3,535,043.03	\$3,378,311.54	\$3,139,849.64	\$1,959,669.63	\$3,309,214.50	\$3,088,458.07	\$38,876,687.21

Cost to PIPP: \$ 38,876,687
Adjustment Test-Period Cost of PIPP: \$ 51,137
Enrollment Adjustment Test-Period Cost of PIPP: \$ 5,126,973
Total Adjusted Cost of PIPP: \$ 44,054,807.21

Universal Service Fund
Current Rider Mechanism
Cost of PIPP

	1/2013	2/2013	3/2013	4/2013	5/2013	6/2013	7/2013	8/2013	9/2013	10/2012	11/2012	12/2012	Total
A													
Cleveland Electric Illuminating Company													
1. USF Rider Collected on All	\$2,574,267.18	\$2,257,218.10	\$2,156,280.64	\$2,039,469.25	\$1,937,205.18	\$2,077,756.05	\$2,329,013.43	\$2,264,482.29	\$2,181,928.87	\$4,093,952.23	\$3,845,414.01	\$4,105,808.61	\$31,862,775.74
2. Non-USF Rider Funds													
a. Customer Payments	\$2,085,613.18	\$2,514,968.12	\$2,439,192.77	\$2,422,463.81	\$2,395,634.18	\$2,279,717.74	\$2,456,605.87	\$2,344,137.88	\$2,333,652.57	\$2,319,166.09	\$2,038,584.77	\$1,979,904.37	\$27,609,621.35
b. Other Customer Payments	\$538,710.17	\$688,099.12	\$699,006.61	\$686,501.00	\$680,204.41	\$618,922.80	\$739,121.10	\$723,740.32	\$665,272.29	\$667,264.27	\$498,729.07	\$508,037.43	\$7,693,508.39
c. Agency Payments	\$975,288.48	\$293,662.13	\$409,565.61	\$88,386.75	\$44,098.51	\$29,308.76	\$137,865.08	\$154,181.83	\$58,342.04	\$3,916.36	\$214,108.59	\$207,154.14	\$2,615,878.28
3. Total Payments	\$3,599,611.83	\$3,476,719.37	\$3,547,764.99	\$3,197,351.56	\$3,119,837.10	\$2,927,849.10	\$3,333,592.05	\$3,222,060.03	\$3,057,266.90	\$2,990,336.72	\$2,751,422.43	\$2,695,095.94	\$37,919,008.02
4. Payments Applied to Amortages	\$508,613.72	\$210,400.95	\$183,100.50	\$167,214.90	\$157,386.30	\$141,393.91	\$143,294.37	\$136,971.37	\$125,448.00	\$43,063.96	\$30,549.02	\$86,254.65	\$2,003,701.68
5. Total Amount of Remittance	\$3,082,898.90	\$2,487,619.05	\$2,349,361.04	\$2,206,884.15	\$2,094,571.48	\$2,219,149.96	\$2,472,307.80	\$2,401,453.66	\$2,307,376.87	\$4,137,046.22	\$3,935,963.03	\$4,192,063.26	\$33,866,477.42
B. OCS Admin	\$67,073.41	\$58,812.59	\$56,182.11	\$53,139.07	\$50,474.54	\$54,138.64	\$60,683.24	\$59,001.86	\$56,850.90	\$54,820.46	\$51,482.40	\$54,979.24	\$677,846.49
C. EPP/ITEE Program	\$166,469.87	\$145,967.29	\$139,438.68	\$131,886.15	\$125,273.05	\$134,362.03	\$150,610.07	\$146,437.04	\$141,098.57	\$155,898.93	\$146,434.52	\$156,350.42	\$1,740,226.61
D. Available Balance (A4-B-C)	\$2,849,337.62	\$2,262,839.17	\$2,153,740.26	\$2,021,858.84	\$1,918,823.89	\$2,030,651.28	\$2,261,014.49	\$2,196,014.76	\$2,109,427.40	\$3,926,326.81	\$3,738,036.11	\$3,980,733.60	\$31,448,604.33
E. Total Costs	\$8,254,916.82	\$5,968,176.71	\$5,961,583.80	\$5,314,851.16	\$4,631,081.36	\$4,754,366.75	\$5,882,749.98	\$5,723,496.55	\$5,496,233.83	\$4,324,541.70	\$4,689,182.26	\$5,072,094.34	\$64,073,275.06
F. Active PIPP and Grad PIPP Bill	\$2,649,354.79	\$2,668,043.12	\$2,658,800.24	\$2,684,341.88	\$2,702,080.64	\$2,654,969.68	\$2,639,418.82	\$2,814,123.95	\$2,813,565.15	\$2,851,838.93	\$2,588,496.72	\$2,627,520.20	\$31,762,548.90
G. Reimbursement Due	\$3,605,562.03	\$3,300,133.58	\$3,302,783.56	\$2,620,509.48	\$1,929,000.72	\$2,069,398.09	\$3,243,333.16	\$3,109,372.60	\$2,882,668.48	\$1,672,704.77	\$2,100,665.54	\$2,444,574.14	\$32,310,726.16
H. Surplus/Deficit (D-G)	(\$756,224.41)	(\$1,037,294.42)	(\$1,149,043.30)	(\$598,850.54)	(\$10,766.83)	(\$68,746.81)	(\$982,316.67)	(\$913,357.84)	(\$773,241.08)	\$2,253,822.04	\$1,637,350.57	\$1,536,159.46	(\$882,121.83)
I. Cost to USF	\$3,066,948.31	\$3,089,732.64	\$3,109,663.06	\$2,453,294.58	\$1,771,834.42	\$1,958,004.16	\$3,100,038.79	\$2,972,401.23	\$2,757,220.48	\$1,629,610.78	\$2,010,136.52	\$2,358,319.49	\$30,307,024.48

Cost to PIPP: \$ 30,307,024
Adjustment Test-Period Cost of PIPP: \$ 2,101,848
Enrollment Adjustment Test-Period Cost of PIPP: \$ 2,358,103
Total Adjusted Cost of PIPP: \$ 34,764,975.48

Universal Service Fund

Current Rider Mechanism

Cost of PIPP

		1/2013	2/2013	3/2013	4/2013	5/2013	6/2013	7/2013	8/2013	9/2013	10/2013	11/2013	12/2013	Total
Ohio Edison	1. USF Rider Collected on All	\$5,592,727.15	\$5,029,384.75	\$4,834,688.78	\$4,701,130.92	\$4,266,107.39	\$4,597,019.85	\$5,083,235.41	\$5,012,749.70	\$4,920,011.67	\$6,633,421.27	\$6,422,222.74	\$7,072,057.84	\$64,164,727.47
	2. Non-USF Rider Funds													
	a. Customer Payments	\$3,536,258.85	\$4,199,941.57	\$3,908,882.49	\$4,000,384.30	\$3,959,608.83	\$3,710,891.59	\$4,024,640.47	\$3,888,263.04	\$3,812,165.40	\$4,088,586.69	\$3,418,521.49	\$3,287,845.58	\$46,635,990.30
	b. Other Customer Payments	\$1,023,317.38	\$1,264,171.53	\$1,278,411.99	\$1,279,438.04	\$1,267,337.70	\$1,152,440.25	\$1,340,118.20	\$1,319,304.91	\$1,236,594.29	\$1,232,473.48	\$912,759.08	\$863,940.29	\$14,280,307.14
	c. Agency Payments	\$1,820,498.78	\$514,232.74	\$618,732.83	\$198,427.22	\$61,599.41	\$31,880.61	\$171,817.08	\$185,163.37	\$36,263.27	\$4,271.44	\$347,053.44	\$368,252.10	\$4,360,193.39
	3. Total Payments	\$6,380,076.01	\$5,978,345.84	\$5,806,027.41	\$5,479,249.56	\$5,288,546.94	\$4,895,212.45	\$5,536,575.75	\$5,392,731.32	\$5,085,022.96	\$5,325,331.51	\$4,678,334.01	\$4,611,037.97	\$64,466,490.83
	4. Payments Applied to Arrearages	\$1,129,827.42	\$417,440.02	\$300,398.92	\$337,148.28	\$289,835.83	\$234,877.97	\$255,628.23	\$238,980.22	\$198,761.72	\$107,717.10	\$163,960.25	\$163,382.69	\$3,813,964.65
	5. Total Amount of Remittance	\$6,722,554.57	\$5,446,824.77	\$5,135,057.70	\$5,038,279.20	\$4,535,943.22	\$4,831,897.82	\$5,338,863.64	\$5,249,729.92	\$5,116,779.39	\$6,741,138.37	\$6,586,172.99	\$7,235,440.53	\$67,978,682.12
	B. OCS Admin	\$97,041.70	\$87,266.92	\$83,888.15	\$81,571.25	\$74,022.98	\$79,764.78	\$88,201.30	\$86,978.28	\$86,369.14	\$81,167.87	\$78,583.60	\$86,535.11	\$1,010,391.07
	C. EPP/TEE Program	\$287,255.73	\$258,321.13	\$248,319.54	\$241,461.24	\$219,117.39	\$236,113.84	\$281,087.03	\$257,466.71	\$252,703.47	\$263,100.06	\$254,723.34	\$280,487.62	\$3,080,187.10
	D. Available Balance (A-L-B-C)	\$6,338,257.14	\$5,101,236.72	\$4,802,850.01	\$4,715,246.71	\$4,242,802.65	\$4,516,019.20	\$4,989,575.31	\$4,905,284.93	\$4,778,706.78	\$6,396,870.44	\$6,252,866.05	\$6,868,407.80	\$63,908,123.94
	E. Total Costs	\$10,204,077.00	\$9,715,073.18	\$9,352,842.60	\$9,817,939.52	\$7,323,584.84	\$7,650,214.43	\$9,552,874.93	\$9,423,199.00	\$8,886,154.67	\$7,104,077.59	\$7,532,175.63	\$8,597,976.98	\$104,180,190.37
	F. Active PIPP and Grad PIPP Bill	\$4,150,142.53	\$4,172,739.80	\$4,187,045.65	\$4,236,167.26	\$4,254,927.26	\$4,191,910.25	\$4,143,201.04	\$4,102,366.51	\$4,084,464.68	\$4,177,355.07	\$4,092,504.22	\$4,102,706.86	\$49,895,531.13
	G. Reimbursement Due	\$6,053,934.47	\$5,542,333.38	\$5,185,796.95	\$4,581,772.26	\$3,068,657.58	\$3,458,304.18	\$5,409,673.89	\$5,320,832.49	\$4,801,669.99	\$2,926,722.52	\$3,439,671.41	\$4,495,270.12	\$54,264,659.24
	H. Surplus/Deficit (D-G)	\$284,322.67	\$344,096.66	\$362,946.94	\$133,474.45	\$117,145.27	\$1,057,715.02	\$420,098.56	\$415,547.56	\$22,983.21	\$3,470,147.92	\$2,813,194.64	\$2,379,137.68	\$9,643,464.70
	I. Cost to USF	\$4,924,107.05	\$5,124,883.36	\$4,865,398.03	\$4,244,623.98	\$2,798,821.75	\$3,223,426.21	\$5,154,045.66	\$5,083,852.27	\$4,604,922.27	\$2,819,005.42	\$3,275,721.16	\$4,331,887.43	\$50,450,704.59

Cost to PIPP: \$ 50,450,705

Adjustment Test-Period Cost of PIPP: \$ 8,304,086

Enrollment Adjustment Test-Period Cost of PIPP: \$ 4,394,159

Total Adjusted Cost of PIPP: \$ 63,148,949.59

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Universal Service Fund
Current Rider Mechanism
Cost of PIPP

	1/2013	2/2013	3/2013	4/2013	5/2013	6/2013	7/2013	8/2013	9/2013	10/2012	11/2012	12/2012	Total
A.													
1. USF Rider Collected on All													
a. Customer Payments	\$1,715,502.89	\$1,348,719.65	\$1,288,933.45	\$1,255,078.46	\$1,186,728.86	\$1,257,582.54	\$1,389,454.57	\$1,393,924.07	\$1,386,721.84	\$2,880,684.03	\$2,810,343.27	\$3,045,838.46	\$20,978,513.09
2. Non-USF Rider Funds													
a. Customer Payments	\$1,079,803.68	\$1,291,422.82	\$1,232,930.42	\$1,261,511.59	\$1,268,268.56	\$1,189,754.99	\$1,266,403.49	\$1,243,817.00	\$1,229,532.34	\$1,284,277.86	\$1,078,687.97	\$1,012,609.59	\$14,435,000.31
b. Other Customer Payments	\$276,005.96	\$355,921.43	\$361,825.73	\$363,852.45	\$337,363.88	\$347,225.68	\$357,478.49	\$369,083.96	\$339,636.23	\$312,905.42	\$236,447.05	\$252,208.51	\$3,909,954.70
c. Agency Payments	\$727,810.63	\$206,640.09	\$227,203.46	\$70,722.78	\$26,051.54	\$15,653.38	\$61,654.10	\$66,779.99	\$11,787.53	\$933.92	\$124,515.27	\$131,107.21	\$1,670,669.90
3. Total Payments	\$2,083,620.27	\$1,853,984.34	\$1,821,959.61	\$1,696,086.82	\$1,631,683.98	\$1,552,634.06	\$1,685,536.08	\$1,679,680.95	\$1,580,956.10	\$1,598,117.20	\$1,438,630.29	\$1,395,925.31	\$20,018,814.81
4. Payments Applied to Arrearages	\$424,199.89	\$147,815.59	\$112,687.37	\$105,280.76	\$75,713.55	\$78,525.73	\$82,001.36	\$84,326.33	\$66,423.25	\$30,317.76	\$44,228.49	\$47,981.35	\$1,261,481.46
5. Total Amount of Remittance	\$2,139,702.78	\$1,497,535.24	\$1,401,820.82	\$1,360,339.22	\$1,262,442.41	\$1,336,108.27	\$1,461,455.95	\$1,458,250.40	\$1,445,145.09	\$2,920,001.79	\$2,854,571.76	\$3,093,820.81	\$22,230,994.54
B.													
OCS Admin	\$39,279.71	\$30,865.07	\$29,475.02	\$28,700.84	\$27,137.83	\$28,758.10	\$32,002.40	\$31,875.93	\$31,711.23	\$27,502.86	\$28,747.72	\$28,988.08	\$362,995.78
C.													
EPPTTEE Program	\$119,523.59	\$94,008.51	\$89,803.38	\$87,444.61	\$82,882.51	\$87,619.08	\$97,503.67	\$97,118.35	\$96,616.55	\$111,569.83	\$108,506.51	\$117,566.95	\$1,190,026.53
D.													
Available Balance (A4-B-C)	\$1,980,949.48	\$1,372,631.66	\$1,282,342.42	\$1,244,193.77	\$1,152,622.06	\$1,219,731.10	\$1,331,949.88	\$1,329,256.13	\$1,316,817.31	\$2,780,929.10	\$2,718,317.53	\$2,947,232.78	\$20,677,973.22
E.													
Total Costs	\$3,449,896.35	\$3,352,801.82	\$3,276,113.93	\$3,003,356.23	\$2,573,979.09	\$2,533,497.92	\$3,117,810.38	\$3,107,548.02	\$2,981,237.15	\$2,266,655.93	\$2,544,835.90	\$2,968,175.04	\$38,048,897.76
F.													
Active PIPP and Grad PIPP Bill	\$1,357,622.98	\$1,365,995.99	\$1,376,324.82	\$1,398,921.71	\$1,398,034.00	\$1,387,616.53	\$1,367,667.90	\$1,355,904.55	\$1,348,773.99	\$1,391,515.40	\$1,364,259.11	\$1,357,787.67	\$18,470,404.65
G.													
Reimbursement Due	\$2,092,263.37	\$1,986,805.83	\$1,899,789.11	\$1,604,434.52	\$1,175,945.09	\$1,145,881.39	\$1,750,142.48	\$1,751,643.47	\$1,602,463.16	\$875,140.53	\$1,180,576.79	\$1,510,407.37	\$18,678,493.11
H.													
Surplus/Deficit (D-G)	(\$111,313.89)	(\$814,174.17)	(\$617,446.69)	(\$380,240.75)	(\$25,323.03)	\$73,849.71	(\$418,192.60)	(\$422,387.34)	(\$285,645.85)	\$1,905,788.57	\$1,538,740.74	\$1,438,825.41	\$2,102,486.11
I.													
Cost to USF	\$1,668,063.48	\$1,838,980.24	\$1,787,101.74	\$1,488,173.76	\$1,100,231.54	\$1,067,355.66	\$1,698,141.10	\$1,687,317.14	\$1,544,039.91	\$844,822.77	\$1,136,348.30	\$1,482,426.02	\$17,324,011.66

Cost to PIPP: \$ 17,324,012
Adjustment Test-Period Cost of PIPP: \$ 4,007,738
Enrollment Adjustment Test-Period Cost of PIPP: \$ 2,156,753
Total Adjusted Cost of PIPP: \$ 23,488,502.86

**Universal Service Fund
Projection of December 31, 2013 Balance
Jan 2013 - Dec 2013**

	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Total
A. For Monthly Billing Cycle Ending:													
B. Remittance (Form USF-301-00)													
1. USF Rider Collected on All Customers	\$7,202,179.93	\$5,749,723.96	\$6,385,479.87	\$6,023,514.02	\$5,346,016.03	\$6,007,641.35	\$6,895,957.49	\$6,749,775.43	\$6,681,192.63	\$3,277,547.98	\$3,220,860.28	\$3,942,873.03	\$257,534,999.20
2. Non-USF Rider Funds													
a. Customer Payments	\$3,083,447.99	\$3,636,411.72	\$3,202,204.76	\$3,389,083.14	\$3,348,323.82	\$3,125,614.59	\$3,303,027.70	\$3,332,965.12	\$3,259,438.74	\$3,333,674.74	\$2,848,408.62	\$2,813,574.40	\$250,210,322.42
b. Other Customer Payments	\$253,178.93	\$331,873.69	\$327,038.36	\$370,085.74	\$339,340.54	\$293,768.99	\$279,938.79	\$302,043.93	\$302,043.93	\$422,595.11	\$320,622.39	\$274,347.03	\$53,437,377.31
c. Agency Payments	\$659,068.06	\$539,717.19	\$458,026.35	\$677,157.72	\$185,578.93	\$355,407.00	\$492,266.11	\$400,472.48	\$185,006.48	\$314,992.25	\$604,827.34	\$1,109,405.01	\$47,250,340.85
3. Total Payments	\$4,246,495.78	\$4,405,952.56	\$4,065,355.55	\$4,447,066.55	\$3,863,244.29	\$3,762,850.28	\$4,034,938.22	\$4,012,874.37	\$3,737,383.15	\$4,071,262.40	\$3,775,946.34	\$4,197,286.44	\$360,967,809.59
4. Payments Applied to Arrangements													
5. Total Amount of Remittance	\$1,310,758.60	\$728,583.86	\$493,666.50	\$762,257.84	\$440,386.10	\$374,562.78	\$255,283.19	\$257,831.86	\$265,572.86	\$395,454.44	\$1,336,495.70	\$1,614,458.04	\$18,267,862.08
OCS Admin	\$512,638.53	\$748,307.82	\$6,878,048.17	\$6,705,771.86	\$5,786,402.13	\$5,382,224.13	\$7,102,240.88	\$7,007,407.28	\$5,948,765.51	\$3,883,002.02	\$4,567,355.98	\$5,557,331.07	\$549,571,546.25
EPP Program	\$67,214.52	\$62,991.96	\$59,592.64	\$58,214.59	\$49,891.82	\$58,086.46	\$64,358.69	\$62,892.44	\$62,350.39	\$48,586.05	\$47,874.24	\$59,424.70	\$4,377,899.06
Available Balance (A4-B-C)	\$8,165,304.83	\$7,157,513.20	\$6,570,832.83	\$6,495,029.82	\$5,528,361.46	\$5,092,248.23	\$6,819,387.69	\$6,681,810.18	\$6,624,278.75	\$3,457,222.88	\$4,364,507.71	\$5,308,779.36	\$516,242,519.36
Total Costs	\$10,696,200.35	\$10,220,813.64	\$9,910,854.80	\$9,161,876.16	\$7,074,871.09	\$8,670,557.25	\$10,161,814.87	\$9,720,884.34	\$9,810,449.12	\$6,332,341.69	\$7,218,423.94	\$9,018,487.68	\$605,681,048.48
Active PMP and Grad PMP Bill	\$3,723,869.24	\$3,678,815.36	\$3,882,798.67	\$3,678,389.18	\$3,624,796.38	\$3,641,738.18	\$3,094,088.40	\$3,677,655.62	\$3,698,038.68	\$3,888,960.04	\$3,479,516.78	\$3,621,651.34	\$95,016,114.55
Reimbursement Due:	\$4,862,331.11	\$4,540,998.28	\$8,228,058.13	\$5,485,487.00	\$3,459,074.87	\$5,028,819.87	\$6,487,728.47	\$6,052,028.72	\$6,141,410.44	\$2,443,372.65	\$3,738,907.16	\$5,397,436.34	\$199,996,361.82
Surplus/Deficit (D-E)	\$1,302,873.72	\$516,614.94	\$342,774.70	\$1,011,542.82	\$2,078,286.79	\$1,063,429.16	\$351,601.21	\$529,581.46	\$482,868.31	\$613,850.23	\$625,600.55	\$37,636.99	(\$4,422,114.57)
Cumulative Deficit	(\$3,119,140.85)	(\$2,592,625.91)	(\$2,169,851.21)	(\$1,148,308.38)	\$929,578.41	\$1,993,487.57	\$2,346,068.78	\$2,874,650.24	\$3,457,518.55	\$4,071,366.78	\$4,696,969.33	\$4,809,312.36	

Universal Service Fund
Projection of December 31, 2013 Balance
Jan 2013 - Dec 2013

	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Total
A. For Monthly Billing Cycle Ending:													
Remittance (Form USF-301-00)													
1. USF Rider Collected on All Customers	\$9,010,042.86	\$9,636,082.72	\$9,195,656.49	\$7,837,550.05	\$5,650,247.85	\$7,276,155.36	\$8,287,810.51	\$7,642,448.01	\$7,728,813.44	\$2,625,252.87	\$2,862,066.13	\$3,644,797.07	\$239,861,928.45
2. Non-USF Rider Funds													
a. Customer Payments	\$3,685,218.07	\$4,362,440.21	\$3,986,559.67	\$4,175,888.10	\$4,137,854.26	\$3,634,121.82	\$4,084,780.88	\$4,084,780.88	\$3,983,789.87	\$4,016,862.86	\$3,365,413.52	\$3,347,622.02	\$270,689,685.13
b. Other Customer Payments	\$341,641.52	\$417,553.24	\$376,203.59	\$459,002.59	\$427,103.25	\$335,329.59	\$309,759.43	\$310,055.97	\$295,348.13	\$447,142.39	\$345,999.78	\$323,574.92	\$72,326,778.36
c. Agency Payments	\$1,150,576.06	\$882,147.82	\$431,138.37	\$671,894.10	\$144,723.10	\$242,321.00	\$252,272.09	\$305,656.40	\$177,622.46	\$182,076.77	\$986,227.45	\$1,306,333.45	\$52,171,780.47
3. Total Payments	\$5,176,435.65	\$5,462,140.77	\$4,693,897.56	\$5,300,594.79	\$4,703,750.83	\$4,411,872.45	\$4,638,862.84	\$4,700,732.25	\$4,438,770.59	\$4,646,111.99	\$4,627,631.75	\$4,680,330.39	\$484,397,943.88
4. Payments Applied to Arrearages													
5. Total Amount of Remittance	\$1,638,784.77	\$882,309.78	\$572,287.80	\$836,589.09	\$507,958.95	\$416,772.71	\$253,782.36	\$289,674.36	\$280,871.53	\$367,552.08	\$1,788,044.40	\$1,940,040.19	\$22,435,453.00
B. OCS Admin 2.69%	\$10,646,827.43	\$9,628,382.51	\$9,709,256.42	\$8,774,118.14	\$7,182,208.81	\$7,692,208.16	\$6,541,562.86	\$7,974,722.37	\$7,989,684.97	\$3,252,804.96	\$4,650,109.53	\$5,594,837.28	\$992,670,475.17
C. EPP Program 23.14%	\$75,457.34	\$72,325.90	\$68,145.43	\$85,837.85	\$55,718.27	\$80,838.38	\$89,409.79	\$94,004.00	\$84,727.30	\$51,813.25	\$50,684.04	\$64,856.10	\$4,287,409.59
D. Available Balance (A+B-C)	\$10,262,284.31	\$9,259,809.77	\$8,351,976.00	\$8,439,516.28	\$6,877,851.46	\$7,382,396.29	\$8,187,874.16	\$7,585,947.35	\$7,656,823.83	\$3,088,813.65	\$4,450,622.45	\$5,330,793.45	\$532,570,302.48
E. Total Costs	\$15,184,214.72	\$14,921,659.86	\$14,292,651.27	\$12,599,992.27	\$9,613,536.04	\$9,163,075.68	\$10,424,398.21	\$9,585,226.54	\$9,741,368.72	\$7,225,824.61	\$9,209,871.57	\$12,341,659.46	\$648,187,554.87
F. Active PIPP and Grad PIPP Bill	\$4,971,401.23	\$4,914,316.88	\$4,447,187.06	\$4,503,029.80	\$4,414,724.23	\$4,397,200.12	\$4,418,969.40	\$4,417,151.31	\$4,403,237.30	\$4,084,319.60	\$4,213,691.72	\$4,393,174.11	\$108,712,068.70
G. Reimbursement Due	\$10,612,813.49	\$10,407,343.90	\$9,845,464.21	\$8,095,462.67	\$4,198,811.81	\$4,775,875.56	\$6,004,398.61	\$5,168,075.23	\$5,338,131.42	\$3,171,685.31	\$4,985,778.85	\$7,948,485.35	\$117,924,241.34
H. Surplus/Shortfall (D-E)	(3350,929.16)	(\$1,147,833.23)	(\$1,483,488.27)	\$774,153.61	\$2,679,136.66	\$2,006,510.73	\$2,163,464.35	\$2,417,872.12	\$2,321,692.51	(\$82,881.56)	(\$545,857.40)	(\$2,817,881.00)	(\$14,365,818.19)
I. Cumulative Monthly Deficit	(\$14,618,247.37)	(\$15,763,880.60)	(\$17,247,368.82)	(\$16,873,215.20)	(\$14,194,075.52)	(\$11,387,594.79)	(\$9,464,080.44)	(\$6,985,208.32)	(\$4,884,515.81)	(\$4,747,207.37)	(\$2,292,884.77)	(\$7,910,559.88)	

Universal Service Fund
Projection of December 31, 2013 Balance
Jan 2013 - Dec 2013

For Monthly Billing Cycle Ending:

A. Remittance (Form USF-301-00)

1. USF Rider Collected on All Customers

2. Non-USF Rider Funds

a. Customer Payments

b. Other Customer Payments

c. Agency Payments

3. Total Payments

4. Payments Applied to Arrangages

5. Total Amount of Remittance

B. OCS Admin

C. EPP Program

D. Available Balance (A+B-C)

E. Total Costs

F. Active PIPP and Grad PIPP Bill

G. Reimbursement Due:

H. Surplus/Deficit (D-E)

I. Monthly Cumulative Deficit

	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Total
1. USF Rider Collected on All Customers	\$1,339,512.91	\$1,279,893.84	\$1,225,555.81	\$1,176,601.06	\$1,095,800.43	\$1,216,556.09	\$2,210,587.61	\$1,342,930.88	\$1,342,185.18	\$1,484,143.15	\$1,590,042.85	\$1,730,862.79	\$196,218,350.46
2. Non-USF Rider Funds													
a. Customer Payments	\$1,406,328.76	\$2,253,586.71	\$1,470,008.36	\$1,614,439.02	\$1,519,543.05	\$1,300,244.33	\$1,672,597.20	\$1,535,971.77	\$1,502,472.50	\$1,603,018.52	\$1,344,252.84	\$1,272,830.76	\$113,458,625.18
b. Other Customer Payments	\$141,775.74	\$509,303.46	\$159,435.48	\$195,401.63	\$182,968.52	\$153,704.29	\$162,235.27	\$164,181.24	\$171,392.22	\$175,743.96	\$160,504.70	\$160,255.72	\$25,184,959.59
c. Agency Payments	\$576,498.98	\$233,333.73	\$220,004.26	\$112,557.52	\$79,944.89	\$77,852.87	\$41,950.12	\$42,572.68	\$14,051.76	\$7,704.86	\$877,345.21	\$421,502.29	\$30,798,735.82
3. Total Payments	\$2,126,603.48	\$2,996,223.90	\$1,849,448.11	\$1,922,448.17	\$1,762,496.56	\$1,621,801.49	\$1,876,782.99	\$1,742,726.99	\$1,687,922.48	\$1,786,467.46	\$2,382,122.75	\$1,854,588.77	\$169,441,630.49
4. Payments Applied to Arrangages	\$643,285.80	\$1,388,775.73	\$425,105.23	\$449,759.90	\$402,894.45	\$513,023.30	\$462,084.17	\$312,097.26	\$256,148.70	\$181,829.06	\$938,231.28	\$506,236.31	\$10,703,953.92
5. Total Amount of Remittance	\$1,982,798.71	\$2,689,469.57	\$1,850,661.04	\$1,828,360.96	\$1,498,694.38	\$1,731,570.39	\$2,672,641.78	\$1,655,028.14	\$1,598,333.88	\$1,675,972.21	\$2,528,274.13	\$2,237,099.10	\$330,278,506.04
B. OCS Admin	\$34,575.10	\$33,031.07	\$31,633.67	\$30,421.08	\$28,284.47	\$31,453.00	\$57,059.01	\$34,683.32	\$34,844.07	\$24,221.41	\$25,776.03	\$28,055.84	\$2,505,325.78
C. EPP Program	\$96,889.46	\$92,352.46	\$88,445.45	\$85,086.83	\$79,081.31	\$87,940.29	\$159,532.85	\$86,916.13	\$95,662.31	\$101,163.95	\$107,857.03	\$117,191.53	\$22,395,905.81
D. Available Balance (A+B-C)	\$1,851,654.15	\$2,544,086.04	\$1,530,561.92	\$1,512,882.44	\$1,397,329.10	\$1,612,188.10	\$2,456,049.92	\$1,523,448.69	\$1,466,827.50	\$1,550,586.85	\$2,394,841.07	\$2,087,848.73	\$305,240,324.75
E. Total Costs	\$4,070,849.89	\$5,140,790.08	\$3,450,104.13	\$3,138,217.11	\$3,215,302.52	\$5,726,137.00	\$4,275,397.44	\$4,008,501.91	\$4,303,922.89	\$2,688,013.14	\$2,866,119.17	\$3,419,984.48	\$341,087,376.30
F. Active PIPP and Grad PIPP Bill	\$1,740,589.80	\$1,653,570.54	\$1,776,873.00	\$1,751,794.88	\$1,742,671.72	\$1,723,252.86	\$1,683,871.88	\$1,661,156.35	\$1,641,852.43	\$1,742,195.84	\$1,736,692.91	\$1,715,797.96	\$45,320,794.30
G. Reimbursement Due:	\$2,330,280.09	\$3,487,219.54	\$2,053,231.13	\$1,676,422.43	\$1,472,630.80	\$4,002,884.04	\$2,595,525.56	\$2,347,345.56	\$2,662,070.46	\$955,817.30	\$1,129,426.26	\$1,704,186.52	\$56,765,197.50
H. Surplus/Deficit (D-E)	(\$478,725.94)	(\$943,133.50)	(\$522,649.21)	(\$163,539.99)	(\$891,301.70)	(\$2,390,697.94)	(\$139,475.64)	(\$822,896.87)	(\$1,955,242.96)	\$594,769.55	\$1,265,414.81	\$387,652.21	\$9,562,845.66
I. Monthly Cumulative Deficit	\$9,084,137.83	\$8,141,004.33	\$7,618,365.13	\$7,454,815.13	\$7,373,513.44	\$4,882,815.49	\$4,843,339.85	\$4,019,442.99	\$2,824,200.02	\$3,418,969.58	\$4,684,384.39	\$5,072,046.60	

Universal Service Fund
Projection of December 31, 2013 Balance
Jan 2013 - Dec 2013

For Monthly Billing Cycle Ending:												
Remittance (Form USF-301-00)												
	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
A.												
1. USF Rider Collected on All Customers	\$2,099,030.91	\$5,010,884.32	\$4,450,417.72	\$4,341,498.28	\$3,903,303.81	\$4,131,510.73	\$4,587,060.60	\$4,806,614.24	\$4,947,962.04	\$3,935,627.69	\$4,294,629.65	\$4,338,048.69
2. Non-USF Rider Funds												
a. Customer Payments	\$2,244,083.28	\$2,328,873.65	\$2,109,955.65	\$2,248,761.41	\$2,182,267.16	\$2,076,112.19	\$2,272,686.02	\$2,140,561.39	\$2,219,561.60	\$2,370,101.10	\$1,928,353.42	\$1,821,872.75
b. Other Customer Payments	\$305,689.00	\$374,365.89	\$271,050.49	\$245,848.10	\$298,005.35	\$200,617.86	\$198,042.39	\$167,267.29	\$174,881.70	\$376,069.20	\$280,384.72	\$219,355.77
c. Agency Payments	\$590,582.60	\$388,176.13	\$235,536.14	\$224,466.40	\$268,884.02	\$32,905.16	\$129,270.83	\$98,575.95	\$42,265.89	\$43,921.33	\$151,241.36	\$917,264.19
3. Total Payments	\$3,140,105.78	\$3,101,358.47	\$2,676,544.18	\$2,718,903.91	\$2,705,188.50	\$2,369,635.20	\$2,600,901.18	\$2,404,394.63	\$2,437,089.19	\$2,790,117.69	\$2,358,976.52	\$2,958,292.71
4. Payments Applied to Arrangements	\$153,055.20	\$334,859.95	\$255,355.88	\$508,726.83	\$539,250.33	\$195,115.83	\$239,880.76	\$192,048.88	\$131,719.00	\$192,848.02	\$151,232.52	\$175,387.22
5. Total Amount of Remittance	\$3,692,061.11	\$3,436,218.42	\$2,931,900.06	\$3,227,630.74	\$3,244,438.83	\$2,564,751.03	\$2,840,781.94	\$2,596,443.51	\$2,568,808.19	\$2,982,965.71	\$2,510,209.04	\$3,133,680.93
OCS Admin 2.88%	\$11,862.69	\$40,962.12	\$38,360.51	\$35,490.14	\$31,908.06	\$33,773.57	\$59,786.41	\$39,262.29	\$37,995.37	\$30,378.26	\$33,148.36	\$33,668.49
TEE Program 1.71%												
TEE Program 18.13%	\$197,481.38	\$194,067.54	\$172,361.11	\$188,142.75	\$151,171.83	\$160,010.10	\$188,497.36	\$188,158.32	\$180,011.85	\$149,152.38	\$162,753.01	\$164,315.00
Available Balance (A4-B-C)	\$5,612,922.04	\$5,110,705.61	\$4,497,031.78	\$4,646,592.22	\$4,256,474.25	\$4,132,842.99	\$4,867,757.59	\$4,773,209.29	\$4,561,673.83	\$3,949,245.25	\$4,250,161.01	\$4,314,654.41
Total Costs	\$7,131,359.69	\$7,211,574.41	\$6,552,318.92	\$6,121,394.43	\$5,007,367.64	\$4,833,281.59	\$6,057,494.37	\$5,903,546.43	\$5,998,040.26	\$4,397,393.44	\$5,697,271.88	\$5,473,607.24
Active PIPP and Grad PIPP Bill	\$2,233,481.29	\$2,266,673.17	\$2,286,779.08	\$2,326,885.99	\$2,344,007.06	\$2,329,003.54	\$2,333,470.59	\$2,333,191.28	\$2,324,477.82	\$2,244,875.79	\$2,226,624.87	\$2,209,061.95
Reimbursement Due	\$4,397,875.60	\$4,844,901.24	\$4,252,857.84	\$3,791,498.44	\$3,657,360.56	\$2,505,288.05	\$3,764,023.79	\$3,570,355.20	\$3,271,562.64	\$2,152,517.65	\$3,460,447.02	\$3,264,845.29
Surplus/Deficit (D-E)	\$15,046.44	\$165,804.37	\$244,443.94	\$855,093.73	\$1,599,113.69	\$1,827,554.94	\$1,103,733.80	\$1,202,654.09	\$1,290,111.10	\$1,796,727.60	\$789,713.99	\$1,449,809.12
	\$3,691,251.11	\$4,110,215.94	\$3,915,172.74	\$3,402,490.52	\$2,268,181.14	\$2,463,658.31	\$3,498,589.19	\$3,499,151.80	\$3,373,791.73	\$1,607,275.81	\$3,327,292.37	\$2,515,614.59

Universal Service Fund
Projected December 31, 2013 Balance
Jan 2013-Dec 2013

Company: Cleveland Illuminating C

For Monthly Billing Cycle Ending:													Total
Remittance (Form USF-301-00)													
A.													
1. USF Rider Collected on All Customer	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	
	\$2,574,267.18	\$2,257,218.10	\$2,156,260.54	\$2,039,469.26	\$1,957,205.19	\$2,077,756.05	\$2,379,013.43	\$2,284,482.29	\$2,181,928.87	\$4,093,952.23	\$3,845,414.01	\$4,105,808.61	\$236,111,130.90
2. Non-USF Rider Funds													
a. Customer Payments	\$2,685,613.18	\$2,514,958.12	\$2,439,182.77	\$2,422,403.81	\$2,395,634.18	\$2,270,717.74	\$2,456,605.87	\$2,344,157.88	\$2,333,652.57	\$2,319,158.09	\$2,038,554.77	\$1,970,904.37	\$246,344,208.53
b. Other Customer Payments	\$539,710.17	\$665,060.12	\$690,006.61	\$695,591.00	\$690,204.41	\$618,822.60	\$739,121.10	\$722,740.32	\$665,272.29	\$667,264.27	\$496,729.07	\$505,037.43	\$25,305,532.78
c. Agency Payments	\$975,268.48	\$293,662.13	\$409,565.61	\$36,398.75	\$44,048.51	\$25,308.76	\$127,965.08	\$154,181.83	\$58,342.04	\$3,916.38	\$274,108.58	\$207,154.14	\$20,437,427.65
3. Total Payments	\$3,899,611.83	\$3,478,719.37	\$3,547,754.99	\$3,197,397.56	\$3,119,537.10	\$2,927,848.10	\$3,333,592.05	\$3,222,060.03	\$3,057,266.90	\$2,990,336.72	\$2,751,422.43	\$2,695,095.94	\$292,087,168.93
4. Payments Applied to Arrearages	\$508,613.72	\$210,400.86	\$183,100.50	\$167,214.80	\$157,365.30	\$147,393.91	\$143,284.37	\$136,971.37	\$125,448.00	\$43,093.99	\$90,549.02	\$86,254.65	\$4,485,067.03
6. Total Amount of Remittance	\$3,082,880.90	\$2,467,519.05	\$2,345,351.04	\$2,206,884.15	\$2,094,571.48	\$2,219,148.98	\$2,472,307.80	\$2,401,453.68	\$2,307,376.87	\$4,137,046.22	\$3,935,963.03	\$4,192,063.26	\$452,897,004.08
B. OCS Admin 2.99% #REF!	\$87,073.41	\$58,812.59	\$55,182.11	\$53,139.07	\$50,474.54	\$54,138.64	\$50,883.24	\$50,001.86	\$58,850.80	\$54,820.48	\$51,482.40	\$54,979.24	\$4,914,000.52
C. TEE Program 23.14% #REF!	\$186,469.87	\$145,987.29	\$139,438.68	\$131,888.15	\$125,273.09	\$134,362.03	\$150,510.07	\$148,437.04	\$141,098.57	\$155,868.83	\$146,534.52	\$156,350.42	\$24,021,273.66
D. Available Balance (A5-B-C)	\$2,849,337.62	\$2,262,839.17	\$2,153,740.26	\$2,021,858.94	\$1,918,823.89	\$2,030,851.28	\$2,261,014.49	\$2,196,014.76	\$2,109,427.40	\$3,926,326.81	\$3,738,036.11	\$3,980,733.60	\$424,049,970.65
E. Total Cost:	\$9,254,916.82	\$5,968,176.71	\$5,561,563.80	\$5,314,851.16	\$4,631,081.39	\$4,754,366.75	\$5,862,749.66	\$5,723,468.55	\$5,486,233.63	\$4,324,541.70	\$4,889,182.26	\$5,072,084.34	\$476,549,532.28
F. Active PIPP and Grad PIPP Bill	\$2,449,354.79	\$2,668,043.12	\$2,658,800.24	\$2,694,341.86	\$2,702,090.64	\$2,894,968.06	\$2,639,418.82	\$2,614,123.95	\$2,613,565.15	\$2,651,836.03	\$2,504,498.72	\$2,627,500.20	\$67,021,553.86
G. Reimbursement Due	\$3,605,562.02	\$3,309,133.59	\$3,302,783.56	\$2,620,569.48	\$1,929,000.72	\$2,099,398.09	\$3,243,333.16	\$3,109,372.80	\$2,892,668.48	\$1,872,704.77	\$2,100,685.54	\$2,444,574.14	\$73,981,718.73
H. Surplus/Shortfall (D-E)	(\$756,224.41)	(\$1,037,294.42)	(\$1,149,043.30)	(\$598,650.54)	(\$10,176.83)	(\$68,746.81)	(\$382,318.67)	(\$913,397.84)	(\$773,241.08)	\$2,253,622.04	\$1,637,350.57	\$1,536,199.46	\$15,421,992.23
I. Cumulative Monthly Deficit	\$14,665,767.82	\$13,628,473.40	\$12,479,430.10	\$11,880,579.56	\$11,870,402.73	\$11,801,655.92	\$10,819,337.25	\$9,905,975.41	\$9,132,738.33	\$11,386,350.37	\$13,023,710.94	\$14,559,870.39	

Universal Service Fund
Projection of December 31, 2013 Balance
Jan 2013 - Dec 2013

For Monthly Billing Cycle Ending:	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Total
A. Remittances (Form USF-301-00)													
1. USF Rider Collected on All Customers	\$5,592,727.15	\$5,029,394.75	\$4,854,658.78	\$4,701,130.92	\$4,268,107.39	\$4,597,019.85	\$5,083,235.41	\$5,042,749.70	\$4,920,011.67	\$5,633,421.27	\$6,422,222.74	\$7,072,057.84	\$426,193,975.96
2. Non-USF Rider Funds													
a. Customer Payments	\$3,536,258.85	\$4,199,941.67	\$3,908,882.49	\$4,000,384.30	\$3,959,608.83	\$3,710,891.59	\$4,024,640.47	\$3,880,263.04	\$3,812,165.40	\$4,088,596.69	\$3,418,521.49	\$3,297,845.58	\$428,344,538.62
b. Other Customer Payments	\$1,023,317.38	\$1,284,171.53	\$1,278,411.69	\$1,278,438.04	\$1,267,337.70	\$1,52,440.25	\$1,340,118.20	\$1,319,304.91	\$1,238,584.28	\$1,232,473.48	\$912,759.08	\$953,940.29	\$48,800,288.57
c. Agency Payments	\$1,820,489.78	\$514,232.74	\$518,732.93	\$199,427.22	\$51,599.47	\$31,880.01	\$171,817.06	\$1,85,163.37	\$36,263.27	\$4,271.44	\$347,053.44	\$369,252.10	\$43,979,946.64
3. Total Payments	\$6,380,076.01	\$5,978,345.84	\$5,606,027.41	\$5,479,249.56	\$5,288,545.94	\$4,895,212.45	\$5,536,675.75	\$5,302,731.32	\$5,085,022.96	\$5,325,331.61	\$4,578,334.01	\$4,611,107.97	\$521,120,771.83
4. Payments Applied to Arrearages	\$1,128,897.42	\$417,440.02	\$300,386.92	\$337,148.28	\$298,835.83	\$234,877.97	\$258,828.23	\$238,880.22	\$198,467.72	\$107,717.10	\$163,980.25	\$193,382.69	\$8,872,498.73
5. Total Amount of Remittance	\$6,722,554.57	\$6,446,824.77	\$6,136,057.70	\$6,038,279.20	\$5,535,943.22	\$4,831,697.82	\$5,339,863.64	\$5,249,729.92	\$5,116,778.39	\$5,741,138.37	\$6,506,172.99	\$7,235,440.53	\$621,233,442.24
B. OCS Admin	\$97,041.70	\$37,266.92	\$83,884.15	\$81,571.25	\$74,022.98	\$69,764.78	\$69,201.30	\$66,978.28	\$65,399.14	\$81,167.87	\$76,583.60	\$66,535.11	\$7,445,853.64
C. EPP Program	\$287,255.73	\$258,321.13	\$248,319.54	\$241,461.24	\$219,117.39	\$236,113.84	\$281,087.03	\$257,468.71	\$252,703.47	\$283,100.06	\$254,723.34	\$290,497.82	\$47,686,733.68
D. Available Balance (A-B-C)	\$6,339,257.14	\$5,191,236.72	\$4,902,850.01	\$4,715,245.71	\$4,242,802.85	\$4,516,919.20	\$4,989,575.31	\$4,905,284.93	\$4,718,708.78	\$6,395,870.44	\$6,252,865.05	\$6,868,407.80	\$761,908,848.01
E. Active PIPP and Grad PIPP Bill	\$4,160,142.63	\$4,172,739.80	\$4,107,045.95	\$4,238,167.26	\$4,254,927.26	\$4,161,910.25	\$4,143,201.04	\$4,102,366.51	\$4,084,464.68	\$4,177,355.07	\$4,092,504.22	\$4,102,706.86	\$108,723,428.04
F. Reimbursement Due	\$6,053,934.47	\$5,542,333.38	\$5,165,796.95	\$4,381,772.26	\$3,098,857.59	\$3,458,304.16	\$5,409,673.89	\$5,320,832.49	\$4,801,688.99	\$3,926,722.52	\$3,436,671.41	\$4,495,270.12	\$116,639,793.87
G. Costs (Form USF-302-00, Line VI +line VII)	\$10,304,077.00	\$9,715,073.18	\$9,352,842.00	\$8,817,939.52	\$7,323,584.84	\$7,650,214.43	\$8,552,874.83	\$8,423,186.00	\$8,886,154.87	\$7,104,077.59	\$7,532,175.63	\$6,597,976.98	\$851,765,889.24
H. Surplus/Shortfall (D-E)	\$284,322.67	(\$441,096.68)	(\$362,946.94)	\$133,474.45	\$1,174,145.27	\$1,057,715.02	(\$420,098.58)	(\$415,547.50)	(\$22,963.21)	\$3,470,147.92	\$2,813,194.64	\$2,373,137.68	\$23,117,366.71
I. Cumulative Monthly Deficit	\$23,401,688.38	\$22,960,591.72	\$22,897,644.78	\$22,731,119.24	\$23,905,264.50	\$24,962,979.52	\$24,542,880.94	\$24,127,333.38	\$24,104,350.18	\$27,574,499.08	\$30,387,692.74	\$32,780,830.42	

**Universal Service Fund
Projection of December 31, 2013 Balance
Jan 2013 - Dec 2013**

	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Total
A. For Monthly Billing Cycle Ending:													
1. Remittance (Form USF-301-00)													
1. USF Rider Collected on All Customers	\$1,715,602.89	\$1,349,719.85	\$1,288,933.45	\$1,285,078.49	\$1,186,728.86	\$1,267,582.64	\$1,389,454.57	\$1,393,924.07	\$1,396,721.84	\$2,889,094.03	\$2,810,343.27	\$3,046,839.46	\$148,677,463.23
2. Non-USF Rider Funds													
a. Customer Payments	\$1,079,603.68	\$1,232,930.42	\$1,261,511.59	\$1,268,268.59	\$1,189,754.99	\$1,266,403.49	\$1,243,617.00	\$1,229,532.34	\$1,284,277.98	\$1,284,277.98	\$1,078,967.97	\$1,012,609.59	\$110,668,335.73
b. Other Customer Payments	\$276,005.96	\$355,921.43	\$381,825.73	\$363,652.45	\$337,363.88	\$347,225.69	\$365,083.96	\$339,639.23	\$312,805.42	\$236,447.05	\$236,447.05	\$252,208.51	\$11,970,486.61
c. Agency Payments	\$727,810.63	\$208,640.09	\$227,203.46	\$70,722.76	\$26,051.54	\$15,653.36	\$61,654.10	\$68,719.99	\$11,787.53	\$833.92	\$124,515.27	\$131,407.21	\$14,484,634.49
3. Total Payments	\$2,083,620.27	\$1,853,894.34	\$1,871,959.61	\$1,699,088.82	\$1,631,083.98	\$1,562,684.08	\$1,685,530.08	\$1,679,680.85	\$1,590,955.10	\$1,598,177.20	\$1,439,630.29	\$1,395,625.31	\$146,123,455.83
4. Payments Applied to Arrearages	\$424,199.08	\$147,815.59	\$112,687.37	\$105,260.76	\$75,713.55	\$76,525.73	\$62,001.38	\$64,326.33	\$58,423.25	\$30,317.79	\$44,228.49	\$47,961.36	\$2,713,056.86
4. Total Amount of Remittance	\$2,130,702.76	\$1,497,532.24	\$1,407,520.82	\$1,360,339.22	\$1,282,442.41	\$1,339,108.27	\$1,481,455.95	\$1,456,250.40	\$1,445,145.09	\$2,920,001.79	\$2,854,571.76	\$3,083,820.81	\$256,219,278.59
B. OCS Admin 2.99%	\$39,229.71	\$30,865.07	\$29,475.02	\$28,700.84	\$27,137.83	\$28,758.10	\$32,002.40	\$31,675.93	\$31,711.23	\$56,080.61	\$64,265.26	\$69,651.53	\$2,159,801.89
C. EPP Program 23.14% 18.87%	\$119,523.59	\$84,035.51	\$89,803.38	\$87,444.61	\$82,682.51	\$87,619.08	\$97,503.67	\$97,118.35	\$96,616.55	\$201,331.87	\$195,603.99	\$212,211.83	\$14,699,898.63
D. Available Balance (AS-B-C)	\$1,980,949.48	\$1,372,631.66	\$1,282,342.42	\$1,244,193.77	\$1,192,822.06	\$1,219,731.10	\$1,331,949.88	\$1,329,296.13	\$1,316,817.31	\$2,652,989.31	\$2,594,501.51	\$2,811,967.85	\$239,359,578.08
E. Active PIPP and Grad PIPP Bill	\$1,357,622.08	\$1,365,995.99	\$1,316,324.82	\$1,398,921.71	\$1,398,034.00	\$1,387,616.53	\$1,387,667.90	\$1,355,904.55	\$1,348,773.99	\$1,381,515.40	\$1,364,269.11	\$1,357,767.67	\$35,140,916.70
F. Reimbursement Due	\$2,092,283.37	\$1,989,805.83	\$1,999,789.11	\$1,864,434.52	\$1,715,945.09	\$1,145,881.39	\$1,750,142.48	\$1,751,643.47	\$1,602,463.16	\$875,140.53	\$1,180,576.79	\$1,510,407.37	\$42,303,208.78
G. Total Costs	\$3,449,896.35	\$3,352,801.82	\$3,276,113.93	\$3,003,356.23	\$2,573,979.09	\$2,633,497.92	\$3,117,610.38	\$3,107,548.02	\$2,951,237.15	\$2,268,655.93	\$2,544,835.90	\$2,869,175.04	\$259,160,029.22
H. Surplus/Shortfall (D-E)	(\$111,313.09)	(\$514,174.17)	(\$517,446.69)	(\$360,240.75)	(\$23,323.03)	(\$73,849.71)	(\$419,192.60)	(\$422,387.34)	(\$285,645.85)	\$1,777,448.78	\$1,415,924.72	\$1,301,560.28	\$16,340,465.56
I. Cumulative Monthly Deficit	\$14,822,652.68	\$14,495,934.35	\$14,106,396.28	\$14,050,485.49	\$14,215,945.27	\$14,483,923.13	\$13,997,308.09	\$13,609,153.25	\$13,335,737.85	\$15,168,936.07	\$16,394,642.97	\$17,378,238.46	

CSP

Calculation of Allowance for Undercollection

	KWh	KWh sales X USF rider= Expected Revenue	Rider Collection	Expected Revenue/ Rider Collection	Average Collection
Jan-13	1,850,558,759	\$4,373,186.64	\$4,339,566.02	0.99	0.99
Feb-13	1,775,544,832	\$3,993,546.90	\$3,978,106.05	1.00	0.99
Mar-13	1,739,965,743	\$3,645,030.97	\$3,637,793.55	1.00	
Apr-13	1,584,913,619	\$3,392,618.77	\$3,363,351.00	0.99	
May-13	1,677,374,896	\$3,411,106.31	\$3,411,471.00	1.00	
Jun-13	1,658,783,443	\$3,960,618.07	\$3,942,309.00	1.00	
Jul-13	2,226,971,542	\$4,591,303.60	\$4,572,014.91	1.00	
Aug-13	2,073,778,455	\$4,720,515.30	\$4,702,448.22	1.00	
Sep-13	1,870,461,072	\$4,209,139.18	\$4,191,942.75	1.00	
Oct-12	1,481,098,748	\$3,290,910.37	\$3,277,547.98	1.00	
Nov-12	1,346,522,650	\$3,243,106.01	\$3,230,860.28	1.00	
Dec-12	1,993,613,613	\$4,306,275.74	\$3,942,873.03	0.92	
	21,279,587,372	\$ 47,137,357.87	\$ 46,590,283.79		

Target Revenue: \$70,404,625.49
 Total Cost:(Target Revenue / 99%) \$71,115,783.32
 Allowance:(Total Cost - Total Revenue) \$711,157.83

OP

Calculation of Allowance for Undercollection

	KWH	KWh sales X current rider = Expected Revenue	Rider Collection	Expected Revenue/ Rider Collection	Average Collection
Jan. 2013	2,258,293,703	\$3,975,994.59	\$3,970,194.08	1.00	1.00
Feb. 2013	2,349,178,153	\$3,713,911.77	\$3,634,808.25	0.98	0.99
Mar. 2013	2,163,034,518	\$3,348,243.24	\$3,344,262.86	1.00	
Apr. 2013	2,201,211,325	\$3,084,237.78	\$3,077,183.45	1.00	
May. 2013	2,052,002,487	\$2,994,394.14	\$2,985,332.63	1.00	
Jun. 2013	1,972,229,715	\$3,283,390.76	\$3,282,125.48	1.00	
Jul. 2013	2,532,611,248	\$3,714,595.18	\$3,704,550.07	1.00	
Aug. 2013	2,177,125,575	\$3,904,944.59	\$3,870,030.09	0.99	
Sep. 2013	2,022,483,214	\$3,430,104.97	\$3,420,601.48	1.00	
Oct. 2012	1,962,272,457	\$2,926,204.89	\$2,925,252.87	1.00	
Nov. 2012	1,580,695,771	\$2,868,099.72	\$2,862,065.13	1.00	
Dec. 2012	2,377,501,545	\$3,659,796.48	\$3,644,797.07	1.00	
	25,648,639,711	\$ 40,903,918.09	\$ 40,721,203.46		

Target Revenue:	\$117,126,303.68
Total Cost:(Target Revenue / .99)	\$118,309,397.66
Allowance:(Total Cost - Total Revenue)	\$1,183,093.98

Duke

Calculation of Allowance for Undercollection

	KWH	KWh sales X USF rider= Expected Revenue	Rider Collection	Expected Revenue/ Rider Collection	Average Collection
Jan. 2013	1,737,414,884	\$1,925,943.23	\$2,184,796.07	1.13	1.01
Feb. 2013	1,609,663,760	\$1,750,914.39	\$1,740,093.29	0.99	0.99
Mar. 2013	1,536,663,906	\$1,645,673.44	\$1,633,526.98	0.99	
Apr. 2013	1,459,075,133	\$1,535,083.04	\$1,521,998.52	0.99	
May. 2013	1,458,421,452	\$1,552,965.35	\$1,536,985.89	0.99	
Jun. 2013	1,720,164,149	\$1,845,195.20	\$1,829,230.49	0.99	
Jul. 2013	2,059,797,307	\$2,238,605.60	\$2,220,195.81	0.99	
Aug. 2013	1,967,250,661	\$2,121,816.73	\$2,103,455.36	0.99	
Sep. 2013	1,767,057,714	\$1,917,719.45	\$1,908,577.55	1.00	
Oct. 2012	1,424,157,310	\$1,506,878.22	\$1,494,143.15	0.99	
Nov. 2012	1,461,985,556	\$1,563,854.21	\$1,590,042.85	1.02	
Dec. 2012	1,610,588,497	\$1,744,840.23	\$1,730,862.79	0.99	
	19,812,240,329	\$ 21,349,489.07	\$ 21,493,908.75		

Target Revenue: \$19,024,420.40
 Total Cost:(Target Revenue / Average Collection) \$19,216,586.26
 Allowance:(Total Cost - Total Revenue) \$192,165.86

DPL

Calculation of Allowance for Undercollection

	KWH	KWh sales X current rider = Expected Revenue	Rider Collection	Expected Revenue/ Rider Collection	Average Collection
Jan-13	1,255,279,989	\$5,462,255.55	\$5,245,205.92	0.96	0.96
Feb-13	1,217,061,396	\$5,203,011.05	\$4,997,149.53	0.96	
Mar-13	1,132,450,936	\$4,777,807.04	\$4,588,321.34	0.96	
Apr-13	1,026,027,447	\$4,182,629.88	\$4,016,902.95	0.96	
May-13	1,034,356,366	\$4,233,180.70	\$4,065,167.62	0.96	
Jun-13	1,186,667,288	\$4,913,705.32	\$4,718,247.32	0.96	
Jul-13	1,355,406,007	\$5,845,132.02	\$5,585,983.00	0.96	
Aug-13	1,372,902,724	\$5,812,971.77	\$5,582,312.04	0.96	
Sep-13	1,209,232,016	\$5,074,850.34	\$4,872,711.72	0.96	
Oct-12	1,007,926,092	\$4,099,037.06	\$3,935,927.89	0.96	
Nov-12	1,075,689,170	\$4,472,862.29	\$4,294,829.85	0.96	
Dec-12	1,063,671,650	\$4,515,823.55	\$4,336,048.68	0.96	
	13,936,671,081	\$ 58,593,266.56	\$ 56,238,807.86		

Target Revenue:	\$43,910,672.47
Total Cost:(Target Revenue / Average Collection)	\$45,745,463.37
Allowance:(Total Cost - Total Revenue)	\$1,834,790.90

CEI

Calculation of Allowance for Undercollection

	KWH	KWh sales X USF rider= Expected Revenue	Rider Collection	Expected Revenue/ Rider Collection	Average Collection
Jan. 2013	1,574,132,463	\$4,385,091.66	\$4,094,243.22	0.93	1.02
Feb. 2013	1,665,707,132	\$4,698,273.00	\$4,662,790.49	0.99	0.99
Mar. 2013	1,533,851,965	\$4,187,997.22	\$4,332,208.03	1.03	
Apr. 2013	1,502,103,252	\$4,092,595.06	\$4,112,274.11	1.00	
May. 2013	1,424,685,151	\$3,940,886.50	\$3,914,261.72	0.99	
Jun. 2013	1,582,622,386	\$4,275,208.96	\$4,358,500.00	1.02	
Jul. 2013	1,776,970,151	\$4,945,886.33	\$5,001,271.64	1.01	
Aug. 2013	1,860,500,073	\$5,136,211.99	\$5,282,775.70	1.03	
Sep. 2013	1,678,868,386	\$4,595,253.48	\$4,652,626.00	1.01	
Oct. 2012	1,481,016,296	\$3,806,843.68	\$4,093,952.23	1.08	
Nov. 2012	1,398,354,086	\$3,574,569.41	\$3,845,414.01	1.08	
Dec. 2012	1,467,617,085	\$3,817,651.51	\$4,105,808.61	1.08	
	18,946,428,426	\$ 51,456,468.80	\$ 52,456,125.76		

Target Revenue:	\$22,417,239.61
Total Cost:(Target Revenue / Average Collection)	\$22,643,676.37
Allowance:(Total Cost - Target Revenue)	\$226,436.76

OE

Calculation of Allowance for Undercollection

	KWH	KWh sales X USF rider = Expected Revenue	Rider Collection	Expected Revenue/ Rider Collection	Average Collection
Jan. 2013	2,099,415,379	\$7,180,468.48	\$6,530,261.57	0.91	0.99
Feb. 2013	2,228,630,224	\$7,584,848.82	\$8,008,572.72	1.06	
Mar. 2013	2,070,248,977	\$6,887,381.40	\$7,410,275.17	1.08	
Apr. 2013	1,944,915,725	\$6,307,740.20	\$6,816,043.78	1.08	
May. 2013	1,849,461,573	\$6,204,795.70	\$6,488,970.81	1.05	
Jun. 2013	2,063,860,683	\$6,942,104.98	\$7,286,290.67	1.05	
Jul. 2013	2,286,838,569	\$8,079,033.50	\$8,304,641.23	1.03	
Aug. 2013	2,359,797,311	\$8,233,561.85	\$8,639,020.40	1.05	
Sep. 2013	2,158,748,432	\$7,487,391.01	\$7,777,147.27	1.04	
Oct. 2012	1,853,378,884	\$6,184,023.50	\$6,633,421.27	1.07	
Nov. 2012	1,798,881,968	\$6,096,716.36	\$6,422,222.74	1.05	
Dec. 2012	1,945,579,550	\$6,815,068.46	\$7,072,057.84	1.04	
	24,659,757,275	\$ 84,003,134.26	\$ 87,388,925.47		

Target Revenue: \$34,122,547.58
 Total Cost:(Target Revenue / .99) 34,467,219.78
 Allowance:(Total Cost - Total Revenue) 344,672.20

TE

Calculation of Allowance for Undercollection

	KWH	KWh sales X USF rider= Expected Revenue	Rider Collection	Expected Revenue/ Rider Collection	Average Collection
Jan-13	882,524,159	\$2,781,710.86	\$2,788,714.62	1.00	1.14
Feb-13	902,387,069	\$3,078,423.83	\$3,339,782.69	1.08	0.99
Mar-13	858,116,021	\$2,756,418.00	\$3,236,944.03	1.17	
Apr-13	812,170,198	\$2,517,866.24	\$2,926,935.32	1.16	
May-13	774,168,371	\$2,208,221.63	\$2,751,944.98	1.25	
Jun-13	891,559,761	\$3,282,367.75	\$3,215,164.46	0.98	
Jul-13	959,226,387	\$3,126,757.41	\$3,730,428.34	1.19	
Aug-13	1,006,239,255	\$3,318,656.56	\$3,915,501.13	1.18	
Sep-13	932,639,025	\$3,187,396.25	\$3,434,186.09	1.08	
Oct-12	801,669,675	\$2,379,647.39	\$2,889,684.03	1.21	
Nov-12	791,663,556	\$2,468,374.72	\$2,810,343.27	1.14	
Dec-12	812,320,620	\$2,561,869.09	\$3,045,839.46	1.19	
	10,424,684,097	\$33,667,709.74	\$38,085,468.42		

Target Revenue: \$7,464,066.54
 Total Cost:(Target Revenue / Average Collection) \$7,539,461.15
 Allowance:(Total Cost - Total Revenue) \$75,394.61

CSP
KWH Sales

	KWh
Jan	1,927,914,610
Feb	1,790,819,181
Mar	1,711,494,008
Apr	1,631,400,276
May	1,490,156,346
June	1,712,777,231
July	1,874,655,934
Aug	1,812,655,207
Sept	1,722,580,752
Oct	1,481,098,748
Nov	1,346,522,650
Dec	1,993,613,613
	20,495,688,556

OP
KWH Sales

	Past 12 months KWh
Jan	2,331,926,506
Feb	2,140,793,467
Mar	2,163,411,193
Apr	2,154,027,050
May	1,686,417,292
June	1,997,141,253
July	2,303,141,030
Aug	1,865,422,351
Sept	1,970,697,436
Oct	1,962,272,457
Nov	1,580,695,771
Dec	2,377,501,545
	24,533,447,351

Duke**KWH**

Jan	1,843,688,782
Feb	1,704,643,512
Mar	1,634,640,434
Apr	1,584,966,035
May	1,422,155,545
June	1,637,523,057
July	2,058,478,291
Aug	1,765,872,840
Sept	1,828,637,828
Oct	1,424,157,310
Nov	1,461,985,556
Dec	1,610,588,497
19,977,337,687	

DPL
KWH Sales

KWH

Jan	1,260,464,169
Feb	1,261,881,465
Mar	1,115,152,843
Apr	1,116,435,341
May	1,027,723,235
June	1,089,835,912
July	1,251,322,869
Aug	1,250,568,199
Sept	1,209,292,065
Oct	1,007,926,092
Nov	1,075,689,170
Dec	1,063,671,650

13,729,963,010

CEI
KWH Sales

KWH

Jan	1,677,152,333
Feb	1,627,220,062
Mar	1,553,418,005
Apr	1,493,419,570
May	1,419,374,558
June	1,517,076,994
July	1,685,510,149
Aug	1,640,735,856
Sept	1,579,412,657
Oct	1,481,016,296
Nov	1,398,354,086
Dec	1,467,617,085
18,540,307,651	

OE
KWH Sales

KWH

Jan	2,185,581,460
Feb	2,091,678,659
Mar	2,014,788,073
Apr	1,982,724,682
May	1,806,468,958
June	1,949,941,423
July	2,131,974,196
Aug	2,114,609,195
Sept	2,090,294,640
Oct	1,853,378,884
Nov	1,798,881,968
Dec	1,945,579,550
23,965,901,688	

TE
KWH Sales

KWH

Jan	899,847,078
Feb	890,882,452
Mar	835,958,191
Apr	853,883,985
May	792,180,095
June	853,081,206
July	917,015,267
Aug	923,653,023
Sept	929,621,010
Oct	801,669,675
Nov	791,663,556
Dec	812,320,620

10,301,776,158

Two-Tiered Rider CSP

Proposal

First Block 833,000 kWh (10,000,000 per Year) (18)	\$	0.0043568
Over 833,000 kWh [Lower of 10/99 Rate (1) or Uniform per Kwh rate (4)]	\$	0.0001830

Calculation

1	10/99 USF Rider	\$	0.0001830
2	USF Rider Revenue Requirement	\$	71,115,783.33
3	Total kWh Used in Calculation		21,279,587,372
4	Uniform per Kwh rate	\$	0.0033420
5	Accounts with Annual kWh Greater than 10,000,000 kWh		121
6	Total Kwh of Accounts Over 10,000,000 kWh Annually		6,384,114,976
7	First Block Annual kWh (833,334 Monthly)		10,000,000
8	Total kWh in First Block (5) x (7)		1,210,000,000
9	Revenue First Block Rate x (8)	\$	5,271,772.94
10	Total Second Block kWh (6) - (8)		5,174,114,976
11	Lower of 10/99 Rate (1) or Uniform per Kwh rate	\$	0.0001830
12	Second Block Revenue (11) x (10)	\$	946,863.04
13	Total First and Second Block Revenue (9) + (12)	\$	6,218,635.98
14	Revenue @ ODOD Proposed Rate (6) x (4)	\$	21,335,532.94
15	Revenue shortfall (13) - (14)	\$	(15,116,896.96)

Adjustment to Calculation

16	Adjusted Cost (2) - (9) - (12)	\$	64,897,147.35
17	Adjusted kWh (3) - (6)		14,895,472,396
18	Adjusted First Block Rate (16)/(17)		\$0.0043568
19	Change (18) - (4)	\$	0.0010149
20	% Change		30.4%
21	<u>Annual</u> Cost to Consumer Using 975 kWh per Month (19) x 975 x 12	\$	11.87

Two-Tiered Rider Ohio Power

Proposal

First Block 833,000 kWh (10,000,000 per Year) (18)	\$	0.0071739
Over 833,000 kWh [Lower of 10/99 Rate (1) or Uniform per Kwh rate (4)]	\$	0.0001681

Calculation

1	10/99 USF Rider	\$ 0.0001681
2	USF Rider Revenue Requirement	\$ 118,309,397.65
3	Total kWh Used in Calculation	25,648,639,711
4	Uniform per Kwh rate	\$ 0.0046127
5	Accounts with Annual kWh Greater than 10,000,000 kWh	169
6	Total Kwh of Accounts Over 10,000,000 kWh Annually	11,066,680,552
7	First Block Annual kWh (833,334 Monthly)	10,000,000
8	Total kWh in First Block (5) x (7)	1,690,000,000
9	Revenue First Block Rate x (8)	\$ 12,123,867.10
10	Total Second Block kWh (6) - (8)	9,376,680,552
11	Lower of 10/99 Rate (1) or Uniform per Kwh rate	\$ 0.0001681
12	Second Block Revenue (11) x (10)	\$ 1,576,220.00
13	Total First and Second Block Revenue (9) + (12)	\$ 13,700,087.10
14	Revenue @ ODOD Proposed Rate (6) x (4)	\$ 51,047,241.68
15	Revenue shortfall (13) - (14)	\$ (37,347,154.58)

Adjustment to Calculation

16	Adjusted Cost (2) - (9) - (12)	\$ 104,609,310.56
17	Adjusted kWh (3) - (6)	14,581,959,159
18	Adjusted First Block Rate (16)/(17)	\$ 0.0071739
19	Change (18) - (4)	\$ 0.0025612
20	% Change	55.5%
21	<u>Annual Cost to Consumer Using 1042 kWh per Month (19) x 1042 x 12</u>	\$ 32.03

Two-Tiered Rider Duke

Proposal

First Block 833,000 kWh (10,000,000 per Year) (18)	\$ 0.0010897
Over 833,000 kWh [Lower of 10/99 Rate (1) or Uniform per Kwh Rate	\$ 0.0004690

Calculation

1	10/99 USF Rider	\$ 0.0004690
2	USF Rider Revenue Requirement	\$ 19,216,586.26
3	Total kWh Used in Calculation	19,812,240,329
4	Uniform per Kwh Rate (2) / (3)	\$ 0.0009699
5	Accounts with Annual kWh Greater than 10,000,000 kWh	124
6	Total Kwh of Accounts Over 10,000,000 kWh Annually	5,062,917,475
7	First Block Annual kWh (833,000 Monthly)	10,000,000
8	Total kWh in First Block (5) x (6)	1,240,000,000
9	Revenue First Block Rate x (8)	\$ 1,351,233.65
10	Total Second Block kWh (6) - (8)	3,822,917,475
11	Lower of 10/99 Rate (1) or Uniform Per Kwh Rate (4)	\$ 0.0004690
12	Second Block Revenue (11) x (10)	\$ 1,792,948.30
13	Total First and Second Block Revenue (9) + (12)	\$ 3,144,181.95
14	Revenue @ Uniform per Kwh Rate (6) x (4)	\$ 4,910,701.10
15	Reduction in Total Revenue (13) - (14)	\$ (1,766,519.16)

Adjustment to Calculation

16	Adjusted Cost (2) - (9) - (12)	\$ 16,072,404.32
17	Adjusted kWh (3) - (6)	14,749,322,854
18	Adjusted USF (16)/(17)	\$ 0.0010897
19	Change (18) - (4)	\$ 0.0001198
20	% Change	12.3%
21	<u>Annual</u> Cost to Consumer Using 1046 kWh per Month (19) x 1046 x 12	\$ 1.50

**Two-Tiered Rider
DPL**

Proposal

First Block 833,000 kWh (10,000,000 per Year) (18)	\$	0.0039341
Over 833,000 kWh [Lower of 10/99 Rate (1) or Uniform per Kwh Rate	\$	0.0005700

Calculation

1	10/99 USF Rider	\$ 0.0005700
2	USF Rider Revenue Requirement	\$45,745,463.36
3	Total kWh Used in Calculation	13,936,671,081
4	Uniform per Kwh Rate (2) / (3)	\$ 0.0032824
5	Accounts with Annual kWh Greater than 10,000,000 kWh	96
6	Total Kwh of Accounts Over 10,000,000 kWh Annually	3,659,984,660
7	First Block Annual kWh (833,000 Monthly)	10,000,000
8	Total kWh in First Block (5) x (6)	960,000,000
9	Revenue First Block Rate x (8)	\$ 3,776,755.14
10	Total Second Block kWh (6) - (8)	2,699,984,660
11	Lower of 10/99 Rate (1) or Uniform Per Kwh Rate (4)	\$ 0.0005700
12	Second Block Revenue (11) x (10)	\$ 1,538,991.26
13	Total First and Second Block Revenue (9) + (12)	\$ 5,315,746.40
14	Revenue @ Uniform per Kwh Rate (6) x (4)	\$ 12,013,463.85
15	Reduction in Total Revenue (13) - (14)	\$ (6,697,717.45)

Adjustment to Calculation

16	Adjusted Cost (2) - (9) - (12)	\$ 40,429,716.97
17	Adjusted kWh (3) - (6)	10,276,686,421
18	Adjusted USF (16)/(17)	\$ 0.0039341
19	Change (18) - (4)	\$ 0.0006517
20	% Change	19.9%
21	<u>Annual Cost to Consumer Using 1010 kWh per Month (19) x 1010 x 12</u>	\$ 7.90

**Two-Tiered Rider
CEI**

SSM-33

Proposal

First Block 833,000 kWh (10,000,000 per Year) (18)	\$ 0.0013879
Over 833,000 kWh [Lower of 10/99 Rate (1) or Uniform per Kwh Rate (4)]	\$ 0.0005680

Calculation

1	10/99 USF Rider	\$ 0.0005680
2	USF Rider Revenue Requirement	\$ 22,643,676.37
3	Total kWh Used in Calculation	18,946,428,426
4	Uniform per Kwh Rate (2) / (3)	\$ 0.0011951
5	Accounts with Annual kWh Greater than 10,000,000 kWh	154
6	Total Kwh of Accounts Over 10,000,000 kWh Annually	5,993,943,575
7	First Block Annual kWh (833,000 Monthly)	10,000,000
8	Total kWh in First Block (5) x (6)	1,540,000,000
9	Revenue First Block Rate x (8)	\$ 2,137,335.90
10	Total Second Block kWh (6) - (8)	4,453,943,575
11	Lower of 10/99 Rate (1) or Uniform Per Kwh Rate (4)	\$ 0.0005680
12	Second Block Revenue (11) x (10)	\$ 2,529,839.95
13	Total First and Second Block Revenue (9) + (12)	\$ 4,667,175.85
14	Revenue @ Uniform per Kwh Rate (6) x (4)	\$ 7,163,614.98
15	Reduction in Total Revenue (13) - (14)	(\$2,496,439.13)

Adjustment to Calculation

16	Adjusted Cost (2) - (9) - (12)	\$ 17,976,500.52
17	Adjusted kWh (3) - (6)	12,952,484,851
18	Adjusted USF (16)/(17)	\$ 0.0013879
19	Change (18) - (4)	\$0.0001927
20	% Change	16.1%
21	<u>Annual</u> Cost to Consumer Using 716 kWh per Month (19) x 716 x 12	\$ 1.66

Two-Tiered Rider Ohio Edison

Proposal

First Block 833,000 kWh (10,000,000 per Year) (18)	\$	0.0015129
Over 833,000 kWh [Lower of 10/99 Rate (1) or Uniform per Kwh Rate (4)]	\$	0.0010461

Calculation

1	10/99 USF Rider	\$ 0.0010461
2	USF Rider Revenue Requirement	\$ 34,467,219.78
3	Total kWh Used in Calculation	24,659,757,275
4	Uniform per Kwh Rate (2) / (3)	\$ 0.0013977
5	Accounts with Annual kWh Greater than 10,000,000 kWh	201
6	Total Kwh of Accounts Over 10,000,000 kWh Annually	8,095,961,090
7	First Block Annual kWh (833,000 Monthly)	10,000,000
8	Total kWh in First Block (5) x (6)	2,010,000,000
9	Revenue First Block Rate x (8)	\$ 3,040,972.25
10	Total Second Block kWh (6) - (8)	6,085,961,090
11	Lower of 10/99 Rate (1) or Uniform Per Kwh Rate (4)	\$ 0.0010461
12	Second Block Revenue (11) x (10)	\$ 6,366,523.90
13	Total First and Second Block Revenue (9) + (12)	\$ 9,407,496.14
14	Revenue @ Uniform per Kwh Rate (6) x (4)	\$ 11,315,815.77
15	Reduction in Total Revenue (13) - (14)	\$ (1,908,319.63)

Adjustment to Calculation

16	Adjusted Cost (2) - (9) - (12)	\$ 25,059,723.64
17	Adjusted kWh (3) - (6)	16,563,796,185
18	Adjusted USF (16)/(17)	\$ 0.0015129
19	Change (18) - (4)	\$ 0.0001152
20	% Change	8.2%
21	Annual Cost to Consumer Using 857 kWh per Month (19) x 857 x 12	\$ 1.18

Two-Tiered Rider Toledo Edison

Proposal

First Block 833,000 kWh (10,000,000 per Year) (18)	\$ 0.0008926
Over 833,000 kWh [Lower of 10/99 Rate (1) or Uniform per Kwh rate	\$ 0.0005610

Calculation

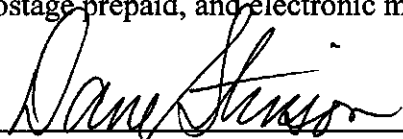
1	10/99 USF Rider	\$ 0.0005610
2	USF Rider Revenue Requirement	\$ 7,539,461.15
3	Total kWh Used in Calculation	10,424,684,097
4	Uniform per Kwh rate	\$ 0.0007232
5	Accounts with Annual kWh Greater than 10,000,000 kWh	73
6	Total Kwh of Accounts Over 10,000,000 kWh Annually	6,054,406,901
7	First Block Annual kWh (833,334 Monthly)	10,000,000
8	Total kWh in First Block (5) x (6)	730,000,000
9	Revenue First Block Rate x (8)	\$ 651,592.48
10	Total Second Block kWh (6) - (8)	5,324,406,901
11	Lower of 10/99 Rate (1) or Uniform per Kwh rate	\$ 0.0005610
12	Second Block Revenue (11) x (10)	\$ 2,986,992.27
13	Total First and Second Block Revenue (9) + (12)	\$ 3,638,584.75
14	Revenue @ ODOD Proposed Rate (6) x (4)	\$ 4,378,738.50
15	Revenue shortfall (13) - (14)	\$ (740,153.75)

Adjustment to Calculation

16	Adjusted Cost (2) - (9) - (12)	\$ 3,900,876.40
17	Adjusted kWh (3) - (6)	4,370,277,196
18	Adjusted First Block Rate (16)/(17)	\$ 0.0008926
19	Change (18) - (4)	\$ 0.0001694
20	% Change	23.4%
21	<u>Annual</u> Cost to Consumer Using 792 kWh per Month (19) x 792 x 12	\$ 1.61

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing *Testimony of Susan M. Moser* has been served upon the following parties by first class mail, postage prepaid, and electronic mail this 8th day of November 2013.


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Universal Service Fund
Current Rider Mechanism
Cost of PIPP

	1/2013	2/2013	3/2013	4/2013	5/2013	6/2013	7/2013	8/2013	9/2013	10/2013	11/2013	12/2013	Total
American Electric Power - A.													
1. USF Rider Collected on All Customers	\$7,202,179.93	\$6,749,723.96	\$6,385,179.67	\$6,023,514.02	\$5,346,016.03	\$6,007,641.35	\$6,895,957.49	\$6,749,775.43	\$6,681,192.63	\$3,277,547.98	\$3,230,860.28	\$3,942,873.03	\$68,492,761.80
2. Non-USF Rider Funds													
a. Customer Payments	\$3,093,447.99	\$3,535,411.72	\$3,292,294.76	\$3,389,963.14	\$3,348,323.82	\$3,125,614.59	\$3,393,027.79	\$3,332,565.12	\$3,259,438.74	\$3,333,674.74	\$2,848,496.62	\$2,813,574.40	\$38,765,823.43
b. Other Customer Payments	\$293,178.93	\$331,823.69	\$327,036.36	\$379,985.74	\$339,340.54	\$281,768.69	\$279,654.32	\$279,836.79	\$282,048.93	\$422,585.41	\$22,622.38	\$274,247.03	\$3,814,128.81
c. Agency Payments	\$659,668.86	\$539,717.15	\$436,028.38	\$577,157.72	\$195,579.93	\$355,467.00	\$362,296.11	\$400,472.48	\$195,905.48	\$314,992.25	\$604,827.34	\$1,109,435.01	\$6,051,707.89
3. Total Payments	\$4,246,495.78	\$4,406,952.56	\$4,055,359.50	\$4,447,096.60	\$3,883,244.29	\$3,762,850.28	\$4,034,938.22	\$4,012,874.37	\$3,737,393.15	\$4,071,252.40	\$3,775,946.34	\$4,197,266.44	\$48,631,659.93
4. Payments Applied to Arrearages													
5. Total Amount of Remittance	\$1,310,758.60	\$733,583.86	\$493,566.50	\$782,267.84	\$440,386.10	\$374,562.78	\$256,283.19	\$257,631.86	\$265,572.88	\$385,454.44	\$1,336,495.70	\$1,614,488.04	\$5,231,031.79
5. Total Amount of Remittance													
B. OCS Admin	\$67,214.52	\$62,991.96	\$59,592.64	\$56,214.59	\$49,891.82	\$56,068.46	\$64,356.69	\$62,992.44	\$62,352.39	\$46,568.05	\$47,874.24	\$58,424.70	\$686,538.51
C. EPP/TEE Program	\$280,419.18	\$262,802.56	\$248,620.69	\$234,527.45	\$208,148.84	\$233,909.44	\$268,456.31	\$262,804.67	\$260,134.37	\$157,213.49	\$154,974.03	\$189,127.00	\$2,761,178.14
D. Available Balance (A-B-C)	\$8,165,304.83	\$7,157,513.20	\$6,570,522.83	\$6,495,029.82	\$5,528,361.46	\$6,002,248.23	\$5,819,307.68	\$6,681,610.18	\$6,624,278.75	\$3,457,222.88	\$4,364,507.71	\$5,309,779.36	\$73,286,076.95
E. Total Costs	\$10,596,200.35	\$10,220,813.64	\$9,910,554.80	\$9,161,876.16	\$7,074,871.06	\$8,670,557.25	\$10,161,814.87	\$9,729,684.34	\$9,810,449.12	\$6,232,341.69	\$7,218,423.94	\$9,018,487.68	\$107,806,374.90
F. Active PIPP and Grad PIPP Bill	\$3,733,869.24	\$3,679,815.38	\$3,682,796.67	\$3,678,389.16	\$3,624,796.39	\$3,641,738.18	\$3,694,088.40	\$3,677,665.62	\$3,669,038.68	\$3,388,969.04	\$3,479,516.78	\$3,621,051.34	\$43,571,724.86
G. Reimbursement Due	\$6,862,331.11	\$6,540,998.26	\$6,228,058.13	\$5,483,487.00	\$3,450,074.87	\$5,028,819.07	\$6,467,726.47	\$6,052,028.72	\$6,141,410.44	\$2,843,372.65	\$3,738,907.16	\$5,397,436.34	\$64,234,650.02
H. Surplus/Deficit (D-G)	\$1,302,973.72	\$616,514.94	\$342,774.70	\$1,011,542.82	\$2,078,266.79	\$1,063,429.16	\$351,661.21	\$629,581.46	\$482,869.31	\$613,950.23	\$625,600.55	\$87,656.98	\$9,031,428.93
I. Cost to USF	\$5,551,572.51	\$5,807,414.40	\$5,734,491.63	\$4,721,229.16	\$3,009,698.57	\$4,654,236.29	\$6,211,443.28	\$5,794,396.86	\$5,876,837.56	\$2,457,916.21	\$2,402,411.46	\$3,782,978.30	\$56,003,618.23

Cost to PIPP: \$ 56,003,618
Adjustment Test-Period Cost of PIPP: \$ 4,534,011
Enrollment Adjustment Test-Period Cost of PIPP: \$ 7,516,637

Total Adjusted Cost of PIPP: \$ 68,154,266

Revised-SSM-1

ODSA Ex 3A

Universal Service Fund

Current Rider Mechanism

Cost of PIP

American Electric Power: Ohio Power		Universal Service Fund												Total
		12/2013	7/2013	3/2013	4/2013	5/2013	6/2013	7/2013	8/2013	9/2013	10/2013	11/2013	12/2013	
A.	1. USF Rider Collected on All Customers	\$9,010,042.68	\$6,636,082.72	\$6,198,958.49	\$7,837,550.05	\$6,860,247.85	\$7,276,155.39	\$8,287,810.51	\$7,642,448.01	\$7,726,813.44	\$2,925,252.87	\$2,962,065.13	\$3,644,797.07	\$80,648,224.19
	2. Non-USF Rider Funds													
B.	a. Customer Payments	\$3,696,218.07	\$4,362,440.21	\$3,866,559.63	\$4,175,868.10	\$4,137,924.28	\$3,834,121.92	\$4,096,695.38	\$4,084,760.88	\$3,963,799.97	\$4,016,892.85	\$3,395,413.52	\$3,347,622.02	\$46,988,568.32
	b. Other Customer Payments	\$341,641.52	\$417,553.24	\$376,263.59	\$459,002.56	\$421,103.25	\$335,329.53	\$399,739.43	\$310,055.97	\$295,348.13	\$447,142.36	\$345,986.76	\$323,574.92	\$4,332,751.28
	c. Agency Payments	\$1,190,576.08	\$682,147.32	\$431,138.37	\$671,694.10	\$144,723.10	\$242,521.00	\$232,272.03	\$305,865.40	\$177,622.46	\$162,076.77	\$985,221.45	\$1,300,333.45	\$8,416,221.51
C.	3. Total Payments	\$5,178,435.65	\$5,462,140.77	\$4,693,961.58	\$5,306,564.76	\$4,703,750.63	\$4,411,872.45	\$4,638,906.84	\$4,700,732.25	\$4,436,770.56	\$4,646,111.96	\$4,827,631.76	\$4,960,530.39	\$57,787,529.61
	4. Payments Applied to Amortages	\$1,636,764.77	\$992,309.78	\$572,267.63	\$936,568.09	\$601,958.96	\$416,772.77	\$253,762.35	\$269,674.36	\$260,871.53	\$367,552.08	\$1,785,044.40	\$1,340,040.19	\$9,936,867.22
D.	5. Total Amount of Remittance	\$10,646,827.43	\$9,828,392.51	\$8,709,256.42	\$8,774,118.14	\$7,162,206.81	\$7,692,928.16	\$8,541,592.86	\$7,912,122.37	\$7,989,684.97	\$2,282,804.95	\$4,850,109.53	\$5,584,837.26	\$90,584,661.41
	B. OCS Admin	\$75,457.34	\$72,326.50	\$68,145.43	\$65,837.95	\$55,778.27	\$80,536.38	\$69,406.79	\$64,004.00	\$64,727.30	\$51,813.25	\$50,694.04	\$64,558.10	\$763,468.35
E.	C. EPP/TEE Program	\$399,085.78	\$296,257.24	\$278,134.98	\$268,863.91	\$226,477.05	\$249,605.50	\$284,309.91	\$262,171.02	\$265,133.75	\$152,078.05	\$148,703.04	\$189,485.71	\$2,833,395.94
	D. Available Balance (A-B-C)	\$10,262,284.31	\$9,239,809.77	\$8,361,976.00	\$8,439,516.28	\$6,877,951.49	\$7,362,386.29	\$8,187,874.18	\$7,585,947.35	\$7,659,823.93	\$3,068,913.85	\$4,450,822.45	\$5,330,783.45	\$86,887,999.12
F.	E. Total Costs	\$15,184,214.72	\$14,921,660.34	\$14,292,651.27	\$12,566,982.27	\$8,813,536.04	\$9,163,075.68	\$10,424,356.21	\$9,585,228.54	\$9,741,368.72	\$7,225,924.81	\$9,208,971.57	\$12,341,659.46	\$133,272,639.63
	F. Active PIP and Grad PIP Bill	\$4,571,401.23	\$4,514,316.68	\$4,447,187.08	\$4,503,529.60	\$4,414,724.23	\$4,387,200.12	\$4,419,968.40	\$4,417,151.31	\$4,403,237.30	\$4,054,319.60	\$4,213,691.72	\$4,380,174.11	\$52,739,891.36
G.	G. Reimbursement Due	\$10,912,813.49	\$10,407,343.68	\$9,845,464.21	\$8,065,462.87	\$4,190,811.81	\$4,775,875.56	\$6,004,389.81	\$5,168,075.23	\$5,338,131.42	\$3,171,605.21	\$4,996,279.85	\$7,945,485.35	\$80,532,738.27
	H. Surplus/Deficit (D-G)	(\$950,528.16)	(\$1,147,533.89)	(\$1,483,486.21)	\$374,153.61	\$2,679,139.68	\$2,606,510.73	\$2,183,484.35	\$2,417,872.12	\$2,321,692.51	(\$62,691.56)	(\$545,657.40)	(\$2,617,691.90)	\$6,355,260.85
I.	I. Cost to USF	\$8,978,028.72	\$9,415,033.87	\$8,273,166.28	\$7,128,894.58	\$3,698,852.85	\$4,359,102.79	\$5,750,807.46	\$4,898,400.87	\$5,077,259.89	\$2,804,053.13	\$3,208,235.45	\$8,008,445.16	\$70,596,061.05

Cost to PIPP: \$ 70,596,081
Adjustment Test-Period Cost of PIPP: \$ 5,682,278
Enrollment Adjustment Test-Period Cost of PIPP: \$ 11,030,837
Total Adjusted Cost of PIPP: \$ 87,309,186.05

Revised-SSM-2

Universal Service Fund
Current Rider Mechanism
Cost of PIPP

Duke Energy A	1/2013	2/2013	3/2013	4/2013	5/2013	6/2013	7/2013	8/2013	9/2013	10/2012	11/2012	12/2012	Total
1. USF Rider Collected on All	\$1,339,512.91	\$1,279,693.84	\$1,225,555.81	\$1,178,601.06	\$1,095,800.43	\$1,218,556.09	\$2,210,587.81	\$1,342,830.88	\$1,342,185.18	\$1,494,143.15	\$1,590,042.85	\$1,730,862.79	\$17,048,472.60
2. Non-USF Rider Funds													
a. Customer Payments	\$1,408,328.76	\$2,253,586.71	\$1,470,008.36	\$1,614,489.02	\$1,519,543.06	\$1,390,244.33	\$1,872,597.20	\$1,535,971.77	\$1,502,472.50	\$1,605,018.52	\$1,344,252.84	\$1,272,830.76	\$18,587,343.82
b. Other Customer Payments	\$141,775.74	\$509,303.46	\$159,435.49	\$195,401.63	\$162,988.52	\$153,704.29	\$162,235.27	\$164,181.24	\$171,382.22	\$175,743.98	\$160,524.70	\$160,255.72	\$2,316,952.26
c. Agency Payments	\$578,488.98	\$233,333.73	\$220,004.26	\$112,557.52	\$79,944.89	\$77,852.87	\$41,850.12	\$42,572.88	\$14,057.76	\$7,704.96	\$877,345.21	\$421,502.29	\$2,707,325.37
3. Total Payments	\$2,126,603.48	\$2,996,223.90	\$1,849,448.11	\$1,922,448.17	\$1,762,486.56	\$1,821,801.49	\$1,876,782.59	\$1,742,726.69	\$1,687,922.48	\$1,788,467.46	\$2,382,122.75	\$1,864,588.77	\$23,811,521.45
4. Payments Applied to Arrangements	\$843,285.80	\$1,388,775.73	\$425,105.23	\$449,759.90	\$402,894.45	\$513,023.30	\$462,054.17	\$312,087.26	\$256,148.70	\$181,829.06	\$938,231.26	\$506,236.31	\$6,480,441.19
5. Total Amount of Remittance	\$1,982,798.71	\$2,669,469.57	\$1,650,661.04	\$1,628,360.96	\$1,498,694.88	\$1,731,579.39	\$2,672,641.78	\$1,655,028.14	\$1,598,333.88	\$1,675,972.21	\$2,528,274.13	\$2,237,099.10	\$23,528,913.79
B. OCS Admin	\$34,575.10	\$33,031.07	\$31,633.67	\$30,421.69	\$28,284.47	\$31,453.00	\$57,059.01	\$34,663.32	\$34,644.07	\$24,221.41	\$25,776.03	\$28,058.84	\$393,821.67
C. EPPTEE Program	\$98,689.46	\$92,362.46	\$88,445.45	\$85,056.03	\$79,081.31	\$87,940.29	\$159,532.85	\$96,916.13	\$98,862.31	\$101,163.98	\$107,887.03	\$117,191.53	\$1,208,869.80
D. Available Balance (A4-B-C)	\$1,851,554.15	\$2,544,086.04	\$1,530,581.92	\$1,512,882.44	\$1,391,329.10	\$1,612,186.10	\$2,456,049.92	\$1,523,448.69	\$1,466,827.50	\$1,550,566.85	\$2,394,841.07	\$2,091,848.73	\$21,926,222.52
E. Total Costs	\$4,070,849.89	\$5,140,790.08	\$3,830,104.13	\$3,438,217.11	\$3,215,302.52	\$5,726,137.00	\$4,279,387.44	\$4,008,501.91	\$4,303,922.89	\$2,698,013.14	\$2,886,119.17	\$3,419,984.48	\$48,987,339.76
F. Active PIPP and Grad PIPP Bill	\$1,740,569.80	\$1,653,570.54	\$1,716,873.00	\$1,761,794.68	\$1,742,671.72	\$1,723,252.96	\$1,683,871.88	\$1,661,156.35	\$1,641,852.43	\$1,742,195.84	\$1,736,682.91	\$1,715,797.96	\$20,580,300.07
G. Reimbursement Due	\$2,330,280.09	\$3,487,219.54	\$2,053,231.13	\$1,676,422.43	\$1,472,630.80	\$4,002,884.04	\$2,595,525.36	\$2,347,345.56	\$2,662,070.46	\$955,817.30	\$1,129,426.26	\$1,704,186.52	\$26,417,039.89
H. Surplus/Deficit (D-G)	(\$478,725.94)	(\$943,133.50)	(\$522,649.21)	(\$163,538.99)	(\$81,307.70)	(\$2,380,697.94)	(\$139,475.64)	(\$823,896.87)	(\$1,195,242.96)	\$594,769.95	\$1,265,414.81	\$387,662.21	(\$4,490,817.17)
I. Cost to USF	\$1,686,994.29	\$2,097,443.81	\$1,628,125.90	\$1,226,662.53	\$1,068,736.35	\$3,489,860.74	\$2,133,471.39	\$2,035,248.30	\$2,405,921.76	\$773,588.24	\$181,104.98	\$1,197,950.21	\$19,938,598.50

Cost to PIPP: \$ 19,938,599
Adjustment Test-Period Cost of PIPP: \$ 563,367
Enrollment Adjustment Test-Period Cost of PIPP: \$ 2,235,068
Total Adjusted Cost of PIPP: \$ 22,735,033.50

Revised-SSM-3

Universal Service Fund
Current Rider Mechanism
Cost of PIPP

Dayton Power and Light Company		1/2013	2/2013	3/2013	4/2013	5/2013	6/2013	7/2013	8/2013	9/2013	10/2012	11/2012	12/2012	Total
A.	1. USF Rider Collected on All	\$5,099,030.91	\$5,010,884.32	\$4,450,417.72	\$4,341,498.28	\$3,903,303.81	\$4,131,510.73	\$4,867,060.60	\$4,806,614.24	\$4,647,962.04	\$3,935,927.69	\$4,264,829.65	\$4,336,048.68	\$53,825,089.07
	2. Non-USF Rider Funds													
	a. Customer Payments	\$2,244,083.28	\$2,328,875.65	\$2,169,955.55	\$2,248,761.41	\$2,182,297.16	\$2,076,112.16	\$2,272,688.02	\$2,140,561.39	\$2,219,961.60	\$2,370,101.10	\$1,928,353.42	\$1,821,672.75	\$26,003,423.89
	b. Other Customer Payments	\$305,459.80	\$374,306.69	\$271,060.49	\$245,646.10	\$256,005.32	\$200,617.86	\$188,942.33	\$167,257.25	\$174,881.70	\$376,095.20	\$280,364.72	\$219,355.77	\$3,070,063.43
B.	c. Agency Payments	\$590,562.60	\$388,176.13	\$235,538.14	\$224,496.40	\$266,884.02	\$92,905.16	\$129,270.83	\$96,575.99	\$42,255.69	\$43,821.33	\$151,241.38	\$917,264.19	\$3,189,091.86
	3. Total Payments	\$3,140,105.78	\$3,101,358.47	\$2,676,544.18	\$2,718,903.91	\$2,705,186.50	\$2,369,635.28	\$2,600,901.18	\$2,404,384.63	\$2,437,089.19	\$2,790,117.63	\$2,359,879.62	\$2,958,282.71	\$32,282,518.96
	4. Payments Applied to Arrearages	\$753,055.20	\$334,850.95	\$255,355.69	\$508,726.83	\$536,250.33	\$195,115.93	\$228,980.76	\$192,043.66	\$131,719.00	\$192,846.02	\$151,232.52	\$176,387.22	\$3,656,566.11
	5. Total Amount of Remittance	\$5,852,088.11	\$5,345,735.27	\$4,705,773.41	\$4,850,225.11	\$4,439,554.14	\$4,326,626.66	\$5,096,041.36	\$4,998,657.90	\$4,779,681.04	\$4,128,775.91	\$4,446,062.37	\$4,512,435.90	\$57,481,655.18
C.	OCS Admin	\$41,882.69	\$40,962.12	\$36,380.51	\$35,480.14	\$31,908.06	\$33,773.57	\$39,786.41	\$39,282.28	\$37,995.37	\$30,378.28	\$33,148.38	\$33,468.49	\$434,264.28
	IEPP/TEE Program	\$197,481.38	\$194,067.54	\$172,361.11	\$168,142.75	\$151,171.83	\$160,010.10	\$188,497.36	\$186,156.32	\$180,011.85	\$149,152.38	\$162,753.01	\$164,315.00	\$2,874,120.63
	Available Balance (A+B-C)	\$5,612,922.04	\$5,110,705.61	\$4,497,031.78	\$4,646,592.22	\$4,256,474.25	\$4,132,842.99	\$4,867,757.59	\$4,773,209.29	\$4,561,673.83	\$3,949,245.25	\$4,250,161.01	\$4,314,654.41	\$54,973,278.28
	Total Costs	\$7,131,356.89	\$7,211,574.41	\$6,552,316.92	\$6,121,394.43	\$5,001,367.64	\$4,833,291.59	\$6,057,494.37	\$5,903,546.43	\$5,598,040.26	\$4,397,393.44	\$5,687,271.69	\$5,473,907.24	\$70,006,965.51
D.	Active PIPP and Grad PIPP Bill	\$2,233,481.28	\$2,266,673.17	\$2,299,728.08	\$2,328,895.99	\$2,344,007.08	\$2,328,003.54	\$2,333,191.23	\$2,324,477.62	\$2,244,875.79	\$2,226,824.87	\$2,209,061.95	\$2,209,061.95	\$27,473,692.19
	Reimbursement Due	\$4,897,875.60	\$4,944,901.24	\$4,252,587.84	\$3,791,488.44	\$2,857,380.56	\$2,505,288.05	\$3,764,023.79	\$3,570,355.20	\$3,271,562.64	\$2,152,517.65	\$3,460,447.02	\$3,264,845.29	\$42,533,263.32
	Surplus/Deficit (D-G)	\$715,046.44	\$165,804.37	\$244,443.94	\$855,083.78	\$1,598,113.69	\$1,627,554.94	\$1,103,733.80	\$1,202,854.09	\$1,290,111.19	\$1,796,727.60	\$788,713.59	\$1,049,809.12	\$12,440,806.96
	Cost to USF	\$4,144,820.40	\$4,610,050.28	\$3,997,232.15	\$3,282,771.61	\$2,121,110.23	\$2,310,172.12	\$3,535,043.03	\$3,378,311.54	\$3,139,843.64	\$1,859,669.63	\$3,309,214.50	\$3,088,458.07	\$38,876,687.21

Cost to PIPP: \$ 38,876,687
Adjustment Test-Period Cost of PIPP: \$ 51,137
Enrollment Adjustment Test-Period Cost of PIPP: \$ 5,126,973
Total Adjusted Cost of PIPP: \$ 44,054,807.21

Revised-SSM-4

Universal Service Fund
Current Rider Mechanism
Cost of PIPP

	1/2013	2/2013	3/2013	4/2013	5/2013	6/2013	7/2013	8/2013	9/2013	10/2013	11/2013	12/2013	Total
A. Cleveland Electric Illuminating Company													
1. USF Rider Collected on All	\$2,574,287.18	\$2,257,218.10	\$2,156,260.54	\$2,039,469.25	\$1,937,205.18	\$2,077,756.05	\$2,329,013.43	\$2,264,482.29	\$2,181,928.87	\$4,093,952.23	\$3,845,414.01	\$4,105,808.51	\$31,862,775.74
2. Non-USF Rider Funds													
a. Customer Payments	\$2,035,613.16	\$2,514,958.12	\$2,439,192.77	\$2,422,463.81	\$2,395,634.18	\$2,279,717.74	\$2,456,605.87	\$2,344,137.88	\$2,333,852.57	\$2,319,156.09	\$2,038,584.77	\$1,979,904.37	\$27,609,621.35
b. Other Customer Payments	\$58,710.17	\$688,099.12	\$699,006.81	\$686,501.00	\$680,204.41	\$618,822.60	\$739,121.10	\$723,740.32	\$685,272.29	\$687,272.29	\$498,729.07	\$508,037.43	\$7,493,588.39
c. Agency Payments	\$975,288.48	\$293,662.13	\$409,565.61	\$88,386.75	\$44,098.51	\$29,308.76	\$137,865.08	\$154,181.83	\$58,342.04	\$3,916.36	\$214,108.59	\$207,154.14	\$2,615,878.28
3. Total Payments	\$3,569,511.83	\$3,476,719.37	\$3,547,764.99	\$3,197,351.56	\$3,119,937.10	\$2,927,849.10	\$3,333,592.05	\$3,222,060.03	\$3,057,266.90	\$2,990,336.72	\$2,751,422.43	\$2,695,095.94	\$37,919,008.02
4. Payments Applied to Arrearages	\$508,613.72	\$210,400.95	\$193,100.50	\$167,214.90	\$157,366.30	\$141,393.91	\$143,294.37	\$136,971.37	\$125,448.00	\$43,093.99	\$90,549.02	\$98,254.65	\$2,003,701.68
5. Total Amount of Remittance	\$3,062,880.90	\$2,487,619.05	\$2,349,361.04	\$2,206,684.15	\$2,094,571.48	\$2,219,149.96	\$2,472,307.80	\$2,401,453.66	\$2,307,376.87	\$4,137,046.22	\$3,935,963.03	\$4,192,063.26	\$33,866,477.42
B. OCS Admin	\$67,073.41	\$58,812.59	\$56,182.11	\$53,139.07	\$50,474.54	\$54,136.64	\$60,683.24	\$59,001.86	\$66,860.90	\$54,820.48	\$51,482.40	\$54,979.24	\$677,846.49
C. EPP/TEE Program	\$186,469.87	\$145,967.29	\$139,438.68	\$131,886.15	\$125,273.05	\$134,362.03	\$150,610.07	\$146,437.04	\$141,098.57	\$156,898.93	\$146,434.52	\$156,350.42	\$1,740,226.61
D. Available Balance (A4-B-C)	\$2,849,337.62	\$2,262,839.17	\$2,163,740.26	\$2,021,658.94	\$1,918,823.89	\$2,030,651.28	\$2,261,014.49	\$2,186,014.76	\$2,109,427.40	\$3,926,326.81	\$3,738,036.11	\$3,980,733.60	\$31,448,804.33
E. Total Costs	\$6,254,916.82	\$5,968,176.71	\$5,961,583.90	\$5,314,851.16	\$4,631,081.36	\$4,754,366.75	\$5,882,749.98	\$5,723,496.55	\$5,496,233.63	\$4,324,541.70	\$4,688,182.26	\$5,072,094.34	\$64,073,275.06
F. Active PIPP and Grad PIPP Bill	\$2,649,354.79	\$2,668,043.12	\$2,658,800.24	\$2,694,341.68	\$2,702,080.64	\$2,854,968.66	\$2,639,418.82	\$2,614,123.95	\$2,613,505.15	\$2,651,836.93	\$2,588,496.72	\$2,627,520.20	\$31,762,548.90
G. Reimbursement Due	\$3,605,562.03	\$3,300,133.59	\$3,302,783.56	\$2,620,509.48	\$1,929,000.72	\$2,099,398.09	\$3,243,333.16	\$3,109,372.60	\$2,882,668.48	\$1,672,704.77	\$2,100,685.54	\$2,444,574.14	\$32,310,726.16
H. Surplus/Deficit (D-G)	(\$766,224.41)	(\$1,037,294.42)	(\$1,149,043.30)	(\$698,850.54)	(\$10,176.83)	(\$88,746.81)	(\$862,318.67)	(\$913,357.84)	(\$773,241.08)	\$2,263,622.04	\$1,637,350.57	\$1,536,159.46	(\$852,121.83)
I. Cost to USF	\$3,096,948.31	\$3,089,732.64	\$3,109,683.06	\$2,453,294.58	\$1,771,634.42	\$1,958,004.18	\$3,100,038.79	\$2,972,401.23	\$2,757,220.48	\$1,629,610.76	\$2,010,136.52	\$2,358,319.49	\$30,307,024.48

Cost to PIPP: \$ 30,307,024
Adjustment Test-Period Cost of PIPP: \$ 2,101,848
Enrollment Adjustment Test-Period Cost of PIPP: \$ 2,366,103
Total Adjusted Cost of PIPP: \$ 34,764,975.48

Revised-SSM-5

Universal Service Fund

Current Rider Mechanism
Cost of PIPP

Ohio Edison		1/2013	2/2013	3/2013	4/2013	5/2013	6/2013	7/2013	8/2013	9/2013	10/2012	11/2012	12/2012	Total
A.	1. USF Rider Collected on All	\$5,592,727.15	\$5,029,384.76	\$4,834,658.76	\$4,701,130.92	\$4,266,107.39	\$4,587,019.85	\$5,083,235.41	\$5,012,748.70	\$4,920,011.67	\$6,633,421.27	\$6,422,222.74	\$7,072,057.84	\$64,164,727.47
	2. Non-USF Rider Funds													
	a. Customer Payments	\$3,536,258.85	\$4,199,941.57	\$3,908,882.49	\$4,000,384.30	\$3,959,608.83	\$3,710,891.59	\$4,024,640.47	\$3,888,283.04	\$3,812,185.40	\$4,088,586.69	\$3,418,521.49	\$3,287,846.58	\$45,835,990.30
	b. Other Customer Payments	\$1,023,317.38	\$1,264,171.53	\$1,278,411.99	\$1,278,438.04	\$1,267,337.70	\$1,162,440.25	\$1,340,118.20	\$1,319,304.91	\$1,236,594.29	\$1,232,473.48	\$812,759.08	\$953,940.29	\$14,260,307.14
	c. Agency Payments	\$1,820,499.78	\$514,232.74	\$818,732.93	\$199,427.22	\$61,589.41	\$31,880.61	\$171,817.06	\$185,163.37	\$36,263.27	\$4,271.44	\$347,063.44	\$369,252.10	\$4,360,193.39
	3. Total Payments	\$6,380,076.01	\$5,978,345.84	\$5,806,027.41	\$5,478,249.56	\$5,288,545.94	\$4,895,212.45	\$5,536,575.75	\$5,392,731.32	\$5,085,022.96	\$5,325,331.61	\$4,678,334.01	\$4,611,037.97	\$64,456,490.83
	4. Payments Applied to Arrangements	\$1,129,827.42	\$417,440.02	\$300,398.92	\$337,148.28	\$269,835.83	\$234,877.87	\$255,628.23	\$238,980.22	\$198,767.72	\$107,717.10	\$163,960.25	\$163,382.69	\$3,813,954.85
	5. Total Amount of Remittance	\$6,722,654.57	\$5,446,824.77	\$5,135,057.70	\$5,038,279.20	\$4,536,943.22	\$4,831,897.82	\$5,338,863.64	\$5,249,728.92	\$5,116,779.39	\$5,741,138.37	\$6,586,172.98	\$7,235,440.53	\$67,978,682.12
B.	OCS Admin	\$97,041.70	\$87,266.92	\$83,888.15	\$81,571.25	\$74,022.98	\$79,764.78	\$88,201.30	\$86,978.28	\$85,369.14	\$81,167.87	\$78,583.60	\$86,535.11	\$1,010,391.07
C.	EPP/TEE Program	\$287,255.73	\$258,321.13	\$248,319.54	\$241,461.24	\$219,117.39	\$236,113.84	\$261,087.03	\$257,466.71	\$252,703.47	\$263,100.06	\$254,723.34	\$280,487.62	\$3,060,167.10
D.	Available Balance (A-LB-C)	\$6,338,257.14	\$5,101,236.72	\$4,802,850.01	\$4,715,246.71	\$4,242,802.85	\$4,516,019.20	\$4,989,575.31	\$4,905,284.93	\$4,778,706.78	\$6,396,870.44	\$6,252,866.05	\$6,868,407.80	\$63,908,123.94
E.	Total Costs	\$10,204,077.00	\$9,715,073.18	\$9,352,842.60	\$9,817,939.52	\$7,323,684.84	\$7,650,214.43	\$9,552,874.93	\$9,423,198.00	\$8,886,154.87	\$7,104,077.59	\$7,532,176.63	\$8,597,976.98	\$104,160,190.37
F.	Active PIPP and Grad PIPP Bill	\$4,150,142.53	\$4,172,739.80	\$4,187,045.66	\$4,236,167.26	\$4,254,927.26	\$4,191,910.25	\$4,143,201.04	\$4,102,366.51	\$4,084,464.68	\$4,177,355.07	\$4,092,504.22	\$4,102,705.86	\$49,895,531.13
G.	Reimbursement Due	\$6,053,934.47	\$5,542,333.38	\$5,165,796.95	\$4,881,772.26	\$3,068,657.58	\$3,458,304.18	\$5,408,673.86	\$5,320,832.49	\$4,801,689.99	\$2,926,722.52	\$3,439,671.41	\$4,495,270.12	\$54,284,859.24
H.	Surplus/Deficit (D-G)	\$284,322.67	(\$441,096.86)	(\$362,946.94)	(\$133,474.45)	\$1,174,145.27	\$1,067,715.02	(\$420,098.58)	(\$415,547.56)	(\$22,983.21)	\$3,470,147.92	\$2,813,194.64	\$2,373,137.68	\$9,643,464.70
I.	Cost to USF	\$4,924,107.05	\$5,124,893.36	\$4,865,398.03	\$4,244,623.98	\$2,798,821.75	\$3,223,426.21	\$5,154,045.66	\$5,083,852.27	\$4,604,922.27	\$2,819,005.42	\$3,275,721.16	\$4,331,887.43	\$50,450,704.59

Cost to PIPP: \$ 50,450,705
Adjustment Test-Period Cost of PIPP: \$ 8,304,086
Enrollment Adjustment Test-Period Cost of PIPP: \$ 4,394,159
Total Adjusted Cost of PIPP: \$ 63,148,949.59

Revised-SSM-6

Universal Service Fund
Current Rider Mechanism
Cost of PIPP

	1/2013	2/2013	3/2013	4/2013	5/2013	6/2013	7/2013	8/2013	9/2013	10/2012	11/2012	12/2012	Total
Toledo Edison/First Energy													
A.													
1. USF Rider Collected on All	\$1,715,502.89	\$1,349,719.65	\$1,288,833.45	\$1,255,078.46	\$1,186,728.96	\$1,257,562.54	\$1,398,454.57	\$1,393,924.07	\$1,386,721.84	\$2,889,684.03	\$2,810,343.27	\$3,045,839.46	\$20,879,513.09
2. Non-USF Rider Funds													
a. Customer Payments	\$1,078,803.68	\$1,291,422.82	\$1,232,930.42	\$1,261,511.59	\$1,268,268.56	\$1,189,754.99	\$1,266,403.49	\$1,243,817.00	\$1,229,532.34	\$1,284,277.86	\$1,078,667.87	\$1,012,609.59	\$14,430,000.31
b. Other Customer Payments	\$276,005.96	\$355,921.43	\$361,826.73	\$363,852.45	\$337,363.88	\$347,225.69	\$357,478.49	\$369,083.86	\$339,836.23	\$312,505.42	\$238,447.05	\$252,208.51	\$3,999,954.70
c. Agency Payments	\$727,810.63	\$208,640.09	\$227,203.46	\$70,722.78	\$26,051.54	\$15,653.38	\$61,654.10	\$86,779.89	\$11,787.53	\$933.92	\$124,515.27	\$131,107.21	\$1,670,659.90
3. Total Payments	\$2,083,620.27	\$1,853,984.34	\$1,821,969.61	\$1,696,086.82	\$1,631,883.98	\$1,552,634.06	\$1,685,536.08	\$1,679,680.85	\$1,580,956.10	\$1,598,117.20	\$1,439,630.29	\$1,396,925.31	\$20,019,814.91
4. Payments Applied to Arrearages	\$424,199.89	\$147,815.59	\$112,687.37	\$105,280.76	\$75,713.55	\$78,525.73	\$62,001.38	\$64,328.33	\$58,423.25	\$30,317.76	\$44,228.49	\$47,981.35	\$1,251,481.45
5. Total Amount of Remittance	\$2,139,702.76	\$1,497,535.24	\$1,401,620.82	\$1,350,339.22	\$1,262,442.41	\$1,336,108.27	\$1,461,455.95	\$1,458,250.40	\$1,445,145.09	\$2,920,001.79	\$2,854,571.76	\$3,093,820.81	\$22,230,994.54
B. OCS Admin	\$39,229.71	\$30,865.07	\$29,475.02	\$28,700.84	\$27,137.83	\$28,758.10	\$32,002.40	\$31,875.93	\$31,711.23	\$27,502.86	\$26,747.72	\$28,989.08	\$362,995.79
C. EPP/TEE Program	\$19,523.59	\$94,038.51	\$89,803.38	\$87,444.61	\$82,682.51	\$87,619.08	\$97,503.67	\$97,118.35	\$86,616.55	\$111,969.83	\$108,506.51	\$117,598.95	\$1,790,025.53
D. Available Balance (A4-B-C)	\$1,980,949.46	\$1,372,631.66	\$1,282,342.42	\$1,244,193.77	\$1,152,822.06	\$1,219,731.10	\$1,331,949.89	\$1,329,258.13	\$1,316,817.31	\$2,780,929.10	\$2,719,317.53	\$2,947,232.78	\$20,677,973.22
E. Total Costs	\$3,449,886.35	\$3,352,801.82	\$3,276,113.93	\$3,003,350.23	\$2,573,879.08	\$2,533,497.92	\$3,117,810.38	\$3,107,548.02	\$2,951,237.15	\$2,266,655.93	\$2,544,835.90	\$2,868,175.04	\$35,045,897.76
F. Active PIPP and Grad PIPP Bill	\$1,357,622.98	\$1,365,995.99	\$1,376,324.82	\$1,398,921.71	\$1,398,034.00	\$1,387,616.53	\$1,367,667.90	\$1,355,904.55	\$1,348,773.99	\$1,391,515.40	\$1,364,259.11	\$1,357,767.67	\$16,470,404.65
G. Reimbursement Due	\$2,092,263.37	\$1,986,805.83	\$1,899,789.11	\$1,604,434.52	\$1,175,945.09	\$1,145,881.39	\$1,750,142.48	\$1,751,643.47	\$1,602,463.16	\$375,140.53	\$1,180,576.79	\$1,510,407.37	\$18,575,493.11
H. Surplus/Deficit (D-G)	(\$111,313.89)	(\$614,174.17)	(\$617,446.89)	(\$360,240.75)	(\$23,323.03)	\$73,849.71	(\$418,192.60)	(\$422,387.34)	(\$285,645.85)	\$1,905,788.57	\$1,538,740.74	\$1,436,825.41	\$2,102,480.11
I. Cost to USF	\$1,668,063.46	\$1,638,890.24	\$1,787,101.74	\$1,499,173.76	\$1,100,231.54	\$1,067,355.66	\$1,688,141.10	\$1,687,317.14	\$1,544,039.91	\$844,822.77	\$1,136,348.30	\$1,462,426.02	\$17,324,011.66

Cost to PIPP: \$ 17,324,012
Adjustment Test-Period Cost of PIPP: \$ 4,007,738
Enrollment Adjustment Test-Period Cost of PIPP: \$ 2,156,753
Total Adjusted Cost of PIPP: \$ 23,488,502.66

Revised-SSM-7

Universal Service Fund
Projection of December 31, 2013 Balance
Jan 2013 - Dec 2013
AEP- Columbus Southern Power

For Monthly Billing Cycle Ending:													
Remittance (Form USF-301-00)													
	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Total
A.													
1. USF Rider Collected on All Customers													
	\$7,202,179.93	\$6,749,723.86	\$8,385,478.67	\$6,023,514.02	\$5,348,016.03	\$6,007,841.35	\$6,895,857.49	\$6,748,778.43	\$8,681,182.83	\$3,277,547.08	\$3,230,860.28	\$3,942,873.03	\$257,534,999.20
2. Non-USF Rider Funds													
a. Customer Payments	\$3,043,447.99	\$3,545,411.72	\$3,292,284.76	\$3,389,953.14	\$3,345,323.82	\$3,125,614.59	\$3,393,027.79	\$3,332,565.12	\$3,299,438.74	\$3,333,874.74	\$2,848,486.62	\$2,813,574.40	\$260,210,322.42
b. Other Customer Payments	\$283,178.93	\$331,823.69	\$327,036.36	\$378,965.74	\$339,340.94	\$281,766.66	\$278,654.32	\$278,836.79	\$282,048.33	\$422,585.41	\$322,622.38	\$274,247.03	\$83,437,127.31
c. Agency Payments	\$859,889.85	\$539,717.19	\$436,028.38	\$677,157.72	\$195,579.93	\$355,467.00	\$382,246.11	\$400,472.48	\$195,906.48	\$314,982.25	\$604,827.34	\$1,109,435.01	\$47,320,380.86
3. Total Payments													
	\$4,246,495.78	\$4,406,952.60	\$4,055,359.50	\$4,447,098.69	\$3,883,244.29	\$3,762,850.26	\$4,034,934.22	\$4,012,874.37	\$3,737,383.15	\$4,071,282.40	\$3,755,946.34	\$4,197,256.44	\$360,967,809.59
4. Payments Applied to Arrangements													
	\$1,310,758.60	\$733,583.86	\$493,656.50	\$752,257.84	\$440,388.18	\$374,582.76	\$255,283.19	\$257,631.86	\$285,572.88	\$385,454.44	\$1,338,495.70	\$1,614,438.04	\$18,267,662.08
5. Total Amount of Remittance													
	\$4,512,838.53	\$7,483,307.82	\$6,879,046.17	\$6,785,771.86	\$5,786,402.13	\$6,382,224.13	\$7,152,240.88	\$7,007,407.29	\$8,946,765.51	\$3,683,002.42	\$4,567,355.88	\$5,557,331.07	\$549,821,546.25
B.													
OCS Admin	\$87,214.52	\$82,991.96	\$59,382.84	\$56,214.39	\$49,891.32	\$58,068.46	\$84,566.89	\$82,982.44	\$82,392.39	\$48,586.05	\$47,874.24	\$88,424.70	\$4,377,689.08
C.													
EPP Program	\$280,419.18	\$292,807.66	\$248,620.68	\$234,927.45	\$208,148.84	\$233,909.44	\$288,496.31	\$262,804.67	\$260,134.37	\$157,213.49	\$154,974.03	\$189,127.00	\$28,901,227.83
D.													
Available Balance (A4-B-C)	\$8,165,304.83	\$7,157,513.20	\$8,570,832.83	\$6,485,028.82	\$5,628,381.46	\$6,092,248.23	\$6,819,387.69	\$6,681,610.18	\$8,024,278.75	\$3,467,222.88	\$4,364,507.71	\$5,309,779.36	\$516,242,619.36
E.													
Total Costs (Form USF-302-00, Line VI +line VII)	\$10,598,200.35	\$10,220,813.64	\$9,810,854.80	\$9,161,878.16	\$7,074,871.06	\$6,670,557.29	\$10,161,814.87	\$9,779,884.34	\$9,810,449.12	\$6,232,341.09	\$7,218,423.94	\$9,018,487.66	\$805,681,048.48
F.													
Active PIPP and Grad PIPP Bill	\$3,733,869.24	\$3,679,815.38	\$3,682,796.67	\$3,676,389.16	\$3,624,796.39	\$3,641,738.16	\$3,684,088.40	\$3,377,055.62	\$3,659,038.65	\$3,385,969.04	\$3,479,516.78	\$3,621,051.34	\$85,016,314.55
G.													
Reimbursement Due:	\$5,862,331.11	\$5,540,998.26	\$5,228,058.13	\$5,483,487.00	\$3,450,974.67	\$5,028,819.07	\$6,467,728.47	\$6,052,028.72	\$6,141,410.44	\$2,843,372.65	\$3,738,907.18	\$5,397,438.34	\$109,996,361.62
H.													
Surplus/Deficit (D-E)	\$1,302,873.72	\$616,514.84	\$342,774.70	\$1,011,542.82	\$2,078,286.79	\$1,063,429.16	\$351,581.21	\$629,581.46	\$482,869.31	\$613,850.23	\$625,600.55	\$87,656.98	\$4,422,114.57
I.													
Cumulative Deficit	\$3,119,140.85	\$2,502,625.91	\$2,159,851.21	\$1,149,308.39	\$929,976.41	\$1,983,407.57	\$2,345,088.78	\$2,874,850.24	\$3,457,518.55	\$4,071,360.78	\$4,696,969.33	\$4,609,312.36	

Universal Service Fund
Projection of December 31, 2013 Balance
Jan 2013 - Dec 2013
AEP - Ohio Power

For Monthly Billing Cycle Ending:

A. Remittance (Form USF-301-00)

1. USF Rider Collected on All Customers

2. Non-USF Rider Funds

a. Customer Payments

b. Other Customer Payments

c. Agency Payments

3. Total Payments

4. Payments Applied to Arrearages

5. Total Amount of Remittance

B. OCS Admin 2.89%

C. EPP Program 23.14%

D. Available Balance (A4-B-C)

E. Total Costs

F. Active PIPP and Grand PIPP Bill

G. Reimbursement Due

H. Surplus/Shortfall (D-E)

I. Cumulative Monthly Deficit

	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Total
1. USF Rider Collected on All Customers	\$9,010,042.66	\$8,630,082.72	\$8,136,968.49	\$7,837,550.05	\$6,860,247.85	\$7,276,152.39	\$8,287,810.51	\$7,642,448.01	\$7,728,815.44	\$2,925,252.87	\$2,862,065.13	\$3,644,787.07	\$239,861,928.45
2. Non-USF Rider Funds													
a. Customer Payments	\$3,686,210.07	\$4,362,440.21	\$3,886,559.62	\$4,175,888.10	\$4,137,924.28	\$3,834,121.92	\$4,096,896.38	\$4,084,780.88	\$3,963,795.97	\$4,016,882.05	\$3,385,415.52	\$3,347,822.07	\$279,889,885.13
b. Other Customer Payments	\$341,841.52	\$417,553.24	\$376,263.59	\$459,002.56	\$421,103.25	\$336,329.53	\$306,738.43	\$310,055.87	\$295,348.13	\$417,142.36	\$345,860.78	\$323,574.92	\$72,326,278.39
c. Agency Payments	\$1,150,576.06	\$692,147.32	\$437,138.37	\$571,694.10	\$144,723.10	\$242,521.00	\$232,272.03	\$305,895.40	\$177,622.48	\$182,076.71	\$886,221.45	\$1,308,333.45	\$52,171,780.47
3. Total Payments	\$5,178,435.65	\$5,462,140.77	\$4,693,961.59	\$5,206,584.76	\$4,703,750.63	\$4,411,972.45	\$4,638,908.94	\$4,700,732.25	\$4,436,770.56	\$4,616,111.96	\$4,627,837.75	\$4,980,330.39	\$404,387,943.98
4. Payments Applied to Arrearages	\$1,636,784.77	\$862,309.79	\$572,237.93	\$536,568.09	\$507,958.96	\$416,772.77	\$253,782.35	\$269,874.36	\$260,871.53	\$367,552.08	\$1,788,044.40	\$1,940,040.19	\$22,456,493.80
5. Total Amount of Remittance	\$10,846,827.43	\$9,620,392.51	\$8,709,258.42	\$8,774,118.14	\$7,162,206.51	\$7,692,826.16	\$8,541,992.86	\$7,912,122.37	\$7,969,884.97	\$3,292,804.95	\$4,650,106.53	\$5,554,837.26	\$562,876,475.17
B. OCS Admin 2.89%	\$75,457.34	\$72,325.50	\$68,145.43	\$65,637.96	\$55,778.27	\$50,930.38	\$68,408.79	\$84,004.00	\$64,727.30	\$51,813.25	\$50,684.04	\$64,538.10	\$4,397,489.59
C. EPP Program 23.14%	\$309,085.78	\$265,357.24	\$279,134.99	\$268,863.91	\$228,477.05	\$249,605.50	\$284,309.91	\$282,171.02	\$265,133.75	\$162,078.05	\$148,783.04	\$189,488.71	\$25,002,763.12
D. Available Balance (A4-B-C)	\$10,262,284.31	\$9,289,809.77	\$8,361,978.00	\$8,438,616.28	\$6,877,951.49	\$7,382,388.29	\$8,187,874.16	\$7,685,947.33	\$7,659,823.93	\$3,068,913.85	\$4,460,622.46	\$5,330,793.45	\$532,870,302.46
E. Total Costs	\$15,184,214.72	\$14,921,659.68	\$14,292,651.27	\$12,568,982.27	\$8,613,536.04	\$9,163,076.68	\$10,424,358.21	\$9,585,226.54	\$9,741,368.72	\$7,225,924.81	\$9,209,971.57	\$12,341,659.46	\$648,197,564.87
F. Active PIPP and Grand PIPP Bill	\$4,871,401.23	\$4,514,316.68	\$4,417,187.06	\$4,503,520.60	\$4,411,724.23	\$4,387,200.12	\$4,419,889.40	\$4,417,151.31	\$4,403,237.30	\$4,084,319.80	\$4,213,881.72	\$4,383,174.11	\$106,712,068.70
G. Reimbursement Due	\$10,612,813.49	\$10,407,343.00	\$9,845,464.21	\$8,065,462.87	\$4,198,811.81	\$4,775,876.56	\$6,004,389.81	\$5,168,075.23	\$5,338,131.42	\$3,171,605.21	\$4,986,279.85	\$7,948,485.35	\$17,924,241.34
H. Surplus/Shortfall (D-E)	(\$350,929.18)	(\$1,475,532.23)	(\$1,463,488.27)	\$374,103.61	\$2,679,139.88	\$2,606,510.73	\$2,183,484.35	\$2,417,872.12	\$2,321,692.51	(\$1,545,657.40)	(\$545,657.40)	(\$2,617,861.00)	(\$14,665,818.19)
I. Cumulative Monthly Deficit	(\$14,616,347.37)	(\$15,783,880.60)	(\$17,247,368.82)	(\$16,873,218.20)	(\$14,194,075.52)	(\$11,587,564.79)	(\$9,404,080.44)	(\$6,986,208.33)	(\$4,864,515.81)	(\$4,747,207.37)	(\$5,232,864.77)	(\$7,910,556.88)	

Universal Service Fund
Projection of December 31, 2013 Balance
Jan 2013 - Dec 2013

For Monthly Billing Cycle Ending:	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Total
A. Remittance (Form USF-301-80)													
1. USF Rider Collected on All Customers													
2. Non-USF Rider Funds													
a. Customer Payments	\$1,338,512.91	\$1,279,693.84	\$1,225,555.81	\$1,178,801.08	\$1,095,800.43	\$1,218,556.09	\$2,210,587.81	\$1,342,930.88	\$1,342,185.18	\$1,484,143.15	\$1,590,042.85	\$1,730,862.79	\$196,218,350.46
b. Other Customer Payments	\$1,406,328.76	\$2,253,586.71	\$1,470,006.36	\$1,814,489.02	\$1,519,543.05	\$1,380,244.33	\$1,672,597.20	\$1,535,971.77	\$1,502,472.50	\$1,605,018.52	\$1,344,252.84	\$1,272,830.76	\$113,458,625.18
c. Agency Payments	\$141,775.74	\$508,303.48	\$159,435.49	\$195,401.83	\$162,598.52	\$153,704.29	\$162,235.27	\$164,181.24	\$171,392.22	\$175,743.98	\$160,524.70	\$160,255.72	\$25,184,365.59
	\$578,498.98	\$233,333.73	\$220,004.28	\$112,557.52	\$79,944.88	\$77,852.87	\$41,950.12	\$42,572.88	\$14,057.76	\$7,704.98	\$877,345.21	\$421,502.29	\$30,798,735.82
3. Total Payments	\$2,126,603.48	\$2,996,223.80	\$1,849,448.11	\$1,922,448.17	\$1,762,486.56	\$1,621,801.49	\$1,876,782.99	\$1,742,725.69	\$1,687,922.48	\$1,768,467.46	\$2,382,122.75	\$1,854,588.77	\$169,441,538.49
4. Payments Applied to Arrearages	\$643,285.80	\$1,389,775.73	\$425,105.23	\$449,759.90	\$402,884.45	\$513,023.30	\$482,054.17	\$312,097.28	\$298,148.70	\$181,829.06	\$938,231.28	\$606,238.31	\$10,703,953.92
5. Total Amount of Remittance	\$1,982,798.71	\$2,688,469.57	\$1,690,861.04	\$1,628,380.96	\$1,438,694.88	\$1,731,579.39	\$2,672,641.78	\$1,655,028.14	\$1,598,333.88	\$1,675,972.21	\$2,328,274.13	\$2,237,068.10	\$330,278,506.04
B. OCS Admin	\$34,575.10	\$33,031.07	\$31,633.67	\$30,421.89	\$28,284.47	\$31,453.00	\$57,059.01	\$34,663.32	\$34,844.07	\$24,221.41	\$25,778.03	\$28,058.84	\$2,505,325.78
C. EPP Program	\$98,869.48	\$82,352.46	\$88,445.45	\$85,056.83	\$79,081.31	\$87,940.29	\$159,532.85	\$98,916.13	\$96,862.31	\$101,163.95	\$107,657.03	\$117,191.53	\$22,335,385.81
D. Available Balance (A4-B-C)	\$1,851,554.15	\$2,644,086.04	\$1,530,581.92	\$1,512,882.44	\$1,391,329.10	\$1,612,185.10	\$2,456,049.92	\$1,523,448.69	\$1,466,827.50	\$1,550,586.85	\$2,394,841.87	\$2,091,848.73	\$305,240,324.75
E. Total Costs	\$4,070,649.89	\$5,140,790.08	\$3,830,104.13	\$3,438,217.11	\$3,215,302.52	\$5,726,137.00	\$4,270,397.44	\$4,008,501.81	\$4,303,822.89	\$2,696,013.14	\$2,866,119.17	\$3,419,884.48	\$341,087,376.30
F. Active PIPP and Grad PIPP Bill	\$1,740,569.80	\$1,653,570.54	\$1,778,873.00	\$1,761,794.88	\$1,742,671.72	\$1,723,252.96	\$1,883,871.88	\$1,681,158.95	\$1,641,852.43	\$1,742,105.84	\$1,736,692.81	\$1,715,797.98	\$45,320,794.30
G. Reimbursement Due:	\$2,330,280.09	\$3,487,219.54	\$2,053,231.13	\$1,576,422.43	\$1,473,630.80	\$4,002,884.04	\$2,595,625.56	\$2,347,345.58	\$2,662,070.46	\$955,817.30	\$1,129,426.26	\$1,704,186.52	\$66,755,197.50
H. Surplus/Deficit (D-E)	\$478,725.94	\$943,133.50	\$522,649.21	\$513,539.99	\$81,301.70	\$3,390,697.96	\$139,475.64	\$823,896.87	\$1,952,242.96	\$594,789.55	\$1,285,414.81	\$387,662.21	\$9,562,849.66
I. Monthly Cumulative Deficit	\$9,084,137.83	\$8,141,004.33	\$7,618,355.13	\$7,454,815.13	\$7,373,513.44	\$4,982,815.49	\$4,843,339.85	\$4,019,442.86	\$2,824,200.02	\$3,418,989.58	\$4,684,384.39	\$5,072,046.60	

Universal Service Fund
Projection of December 31, 2013 Balance
Jan 2013 - Dec 2013
Dayton Power Light

For Monthly Billing Cycle Ending:													
Remittance (Form USF-301-00)													
	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Total
A.													
1. USF Rider Collected on All Customers													
	\$5,099,030.81	\$5,010,884.32	\$4,450,417.72	\$4,341,488.28	\$3,903,303.81	\$4,131,510.73	\$4,687,060.80	\$4,605,614.24	\$4,847,962.04	\$3,935,927.88	\$4,294,829.85	\$4,336,048.68	\$206,299,193.85
2. Non-USF Rider Funds													
a. Customer Payments													
	\$2,244,083.28	\$2,328,875.65	\$2,169,865.55	\$2,246,761.41	\$2,182,397.16	\$2,076,112.15	\$2,272,688.02	\$2,140,561.39	\$2,210,961.80	\$2,370,101.10	\$1,928,353.42	\$1,821,672.75	\$165,863,451.30
b. Other Customer Payments													
	\$305,459.80	\$374,309.69	\$271,060.49	\$245,646.10	\$256,005.32	\$200,617.86	\$188,942.33	\$187,297.26	\$174,881.70	\$376,095.20	\$280,384.72	\$219,355.77	\$31,723,740.55
c. Agency Payments													
	\$890,567.60	\$398,176.13	\$235,538.14	\$224,498.40	\$266,894.02	\$92,805.15	\$129,270.63	\$68,575.99	\$42,255.68	\$49,821.33	\$151,241.35	\$817,264.18	\$26,609,214.53
3. Total Payments													
	\$3,140,105.78	\$3,101,358.47	\$2,676,544.18	\$2,718,903.91	\$2,705,186.50	\$2,359,535.28	\$2,690,901.18	\$2,404,384.63	\$2,437,099.18	\$2,790,117.63	\$2,358,975.52	\$2,958,292.71	\$224,196,406.78
4. Payments Applied to Arrearages													
	\$753,055.20	\$334,850.95	\$255,355.68	\$508,726.83	\$556,250.33	\$195,115.93	\$228,980.78	\$182,043.66	\$131,719.00	\$192,848.02	\$151,232.52	\$176,387.22	\$9,891,324.91
5. Total Amount of Remittance													
	\$3,893,060.11	\$3,435,732.27	\$4,705,773.41	\$4,850,225.11	\$4,439,554.14	\$4,328,626.66	\$5,098,041.38	\$4,998,657.99	\$4,779,881.04	\$4,128,775.91	\$4,448,082.37	\$4,312,435.90	\$371,728,842.85
B.													
OCS Admin 2.90%													
	\$41,882.69	\$40,882.12	\$38,380.51	\$35,480.14	\$31,908.06	\$33,773.57	\$39,786.41	\$39,292.29	\$37,695.37	\$30,378.28	\$33,143.36	\$33,468.49	\$2,631,100.99
C.													
TEE Program 23.14%													
	\$197,481.38	\$184,067.54	\$172,361.11	\$168,142.75	\$151,171.83	\$160,010.10	\$188,497.35	\$186,158.32	\$180,011.85	\$148,162.38	\$182,753.01	\$164,315.00	\$19,954,335.39
D.													
Available Balance (A-B-C)													
	\$5,612,922.04	\$5,110,705.61	\$4,497,031.78	\$4,646,592.22	\$4,256,474.25	\$4,132,842.99	\$4,867,757.89	\$4,773,209.28	\$4,561,873.83	\$3,949,245.25	\$4,250,161.01	\$4,314,854.41	\$349,141,406.28
E.													
Total Costs													
	\$7,131,355.89	\$7,211,574.41	\$6,552,316.82	\$6,121,394.43	\$5,001,367.84	\$4,833,281.59	\$5,097,494.37	\$5,903,546.43	\$5,596,040.28	\$4,397,383.44	\$5,687,271.89	\$5,473,907.24	\$389,384,879.77
F.													
Active PIPP and Grad PIPP Bill													
	\$2,233,481.29	\$2,286,673.17	\$2,296,729.08	\$2,329,885.99	\$2,344,007.00	\$2,328,003.54	\$2,333,470.58	\$2,333,181.23	\$2,324,477.02	\$2,244,875.79	\$2,226,824.87	\$2,209,081.05	\$55,611,944.98
G.													
Reimbursement Due													
	\$4,397,875.60	\$4,844,901.24	\$4,262,587.84	\$3,791,498.44	\$2,657,360.56	\$2,505,288.05	\$3,764,023.79	\$3,570,355.20	\$3,271,562.84	\$2,152,517.65	\$3,460,447.02	\$3,284,845.29	\$92,212,844.82
H.													
Surplus/Deficit (D-E)													
	\$715,046.44	\$165,804.37	\$244,443.84	\$855,093.78	\$1,599,113.89	\$1,627,554.84	\$1,403,733.90	\$1,202,854.09	\$1,290,111.19	\$1,796,727.69	\$789,713.99	\$1,048,808.12	\$5,358,671.50
	\$3,991,251.11	\$4,110,215.94	\$3,075,772.74	\$3,402,480.52	\$2,298,881.14	\$2,463,565.31	\$3,486,493.18	\$3,695,151.80	\$3,371,791.73	\$1,807,275.81	\$3,327,292.37	\$2,515,614.53	

Universal Service Fund
Projected December 31, 2013 Balance
Jan 2013-Dec 2013
Cleveland Illuminating

Company: Cleveland Illuminating C

For Monthly Billing Cycle Ending:													Total	
Remittance (Form USF-307-00)														
	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13		Total
A.														
1. USF Rider Collected on All Customers	\$2,574,287.18	\$2,257,218.10	\$2,156,280.54	\$2,039,468.25	\$1,937,205.18	\$2,077,756.05	\$2,328,073.43	\$2,264,482.29	\$2,181,928.87	\$4,063,952.23	\$3,845,414.01	\$4,105,608.61	\$236,111,130.90	
2. Non-USF Rider Funds														
a. Customer Payments	\$2,085,613.16	\$2,514,958.12	\$2,439,192.77	\$2,422,463.81	\$2,385,634.18	\$2,279,717.74	\$2,456,605.87	\$2,344,137.88	\$2,333,652.67	\$2,318,156.09	\$2,038,584.77	\$1,975,904.37	\$246,344,208.53	
b. Other Customer Payments	\$538,710.17	\$668,098.12	\$693,006.61	\$696,501.00	\$690,204.41	\$618,822.60	\$739,121.10	\$723,740.32	\$687,264.27	\$688,728.07	\$488,728.07	\$508,037.43	\$25,305,532.75	
c. Agency Payments	\$975,288.48	\$293,862.13	\$403,565.61	\$38,305.75	\$44,098.51	\$29,308.76	\$137,865.08	\$154,181.83	\$58,342.04	\$3,916.36	\$214,108.59	\$207,154.14	\$20,437,427.65	
3. Total Payments	\$3,599,611.83	\$3,476,719.37	\$3,547,764.99	\$3,197,351.56	\$3,119,837.10	\$2,927,849.10	\$3,333,592.05	\$3,222,060.03	\$3,057,266.90	\$2,990,336.72	\$2,751,422.43	\$2,695,085.94	\$292,067,168.93	
4. Payments Applied to Arrearages	\$508,613.72	\$210,400.95	\$193,100.50	\$167,214.30	\$157,365.30	\$141,383.91	\$143,294.37	\$136,971.37	\$125,448.00	\$43,083.89	\$80,548.02	\$82,254.65	\$4,495,867.03	
5. Total Amount of Remittance	\$3,090,998.90	\$2,467,619.05	\$2,349,361.04	\$2,206,684.15	\$2,094,571.48	\$2,219,149.95	\$2,472,307.80	\$2,401,453.66	\$2,307,376.87	\$4,137,045.22	\$3,935,963.03	\$4,192,063.26	\$452,892,004.08	
B.														
OCS Admin	\$67,073.41	\$59,812.59	\$56,182.11	\$53,139.07	\$50,474.54	\$54,138.64	\$60,683.24	\$59,001.86	\$56,850.90	\$54,820.48	\$51,492.40	\$54,979.24	\$4,914,000.52	
C.														
TEE Program	\$189,469.87	\$145,987.29	\$139,438.88	\$131,085.15	\$125,273.05	\$134,382.03	\$150,610.07	\$148,437.04	\$141,088.57	\$155,888.93	\$146,434.52	\$156,390.42	\$24,021,273.66	
D.														
Available Balance (A-B-C)	\$2,849,337.62	\$2,262,839.17	\$2,153,740.28	\$2,021,656.94	\$1,918,233.89	\$2,030,651.28	\$2,281,014.49	\$2,196,074.78	\$2,109,427.40	\$3,926,336.81	\$3,738,036.11	\$3,980,733.60	\$424,049,970.65	
E.														
Total Cost:	\$6,254,916.82	\$5,968,176.71	\$5,987,583.80	\$5,314,851.18	\$4,831,081.36	\$4,754,366.75	\$5,682,749.98	\$5,723,498.55	\$6,486,233.83	\$4,324,541.70	\$4,689,162.26	\$5,072,094.34	\$476,549,532.28	
F.														
Active PIPP and Grad PIPP Bill	\$2,849,354.79	\$2,698,043.12	\$2,658,800.24	\$2,694,341.60	\$2,702,000.64	\$2,654,988.86	\$2,639,418.82	\$2,614,123.96	\$2,613,568.15	\$2,651,836.93	\$2,588,486.72	\$2,627,520.20	\$27,921,553.86	
G.														
Reimbursement Due	\$3,605,562.03	\$3,300,133.59	\$3,302,783.56	\$2,620,509.48	\$1,928,000.72	\$2,009,398.09	\$3,243,333.16	\$3,109,372.60	\$2,882,668.48	\$1,872,704.77	\$2,100,885.54	\$2,444,574.14	\$73,981,716.73	
H.														
Surplus/Shortfall (D-E)	(\$755,224.41)	(\$1,037,294.42)	(\$1,149,043.30)	(\$598,850.54)	(\$10,176.83)	(\$68,746.81)	(\$382,318.67)	(\$913,367.84)	(\$773,241.08)	\$2,253,922.04	\$1,637,350.57	\$1,838,159.46	\$15,421,992.23	
I.														
Cumulative Monthly Deficit	\$14,665,767.82	\$13,628,473.40	\$12,479,430.10	\$11,880,578.56	\$11,870,402.73	\$11,801,655.92	\$10,819,337.25	\$9,905,979.41	\$9,132,788.33	\$11,386,360.37	\$13,023,710.94	\$14,559,870.39	\$145,866,616.66	

Universal Service Fund
Projection of December 31, 2013 Balance
Jan 2013 - Dec 2013
Ohio Edison

For Monthly Billing Cycle Ending:

A. Remittance (Form USF-301-00)

1. USF Rider Collected on All Customers

2. Non-USF Rider Funds

a. Customer Payments

b. Other Customer Payments

c. Agency Payments

3. Total Payments

4. Payments Applied to Arrearages

5. Total Amount of Remittance

B. OCS Admin 2.99%

#REF!

C. EPP Program 23.14%

#REF!

D. Available Balance (A5-B-C)

E. Active PIPP and Grad PIPP Bill

F. Reimbursement Due

G. Costs
(Form USF-302-00, Line VI -line VII)

H. Surplus/Shortfall (D-E)

I. Cumulative Monthly Deficit

	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Total
1. USF Rider Collected on All Customers	\$5,962,727.15	\$5,020,384.75	\$4,834,836.76	\$4,701,130.92	\$4,266,107.39	\$4,597,019.85	\$5,083,236.41	\$5,012,748.70	\$4,820,011.07	\$6,633,421.27	\$6,422,222.74	\$7,072,057.84	\$428,193,875.58
2. Non-USF Rider Funds													
a. Customer Payments	\$3,536,358.85	\$4,198,941.57	\$3,903,882.49	\$4,000,384.30	\$3,935,608.83	\$3,710,891.59	\$4,024,840.47	\$3,839,263.04	\$3,812,165.40	\$4,068,586.89	\$3,418,521.48	\$3,287,845.59	\$428,344,538.62
b. Other Customer Payments	\$1,023,317.38	\$1,284,171.53	\$1,278,411.89	\$1,279,435.04	\$1,267,337.70	\$1,152,440.25	\$1,340,118.20	\$1,319,304.91	\$1,232,604.29	\$1,232,473.48	\$812,769.08	\$953,940.29	\$48,800,268.57
c. Agency Payments	\$1,820,959.78	\$514,232.74	\$516,132.93	\$198,427.22	\$81,599.41	\$1,880.81	\$171,817.06	\$185,163.37	\$38,263.27	\$4,271.44	\$347,053.44	\$389,262.10	\$43,975,946.84
3. Total Payments	\$5,380,676.01	\$5,978,345.84	\$5,806,027.41	\$5,479,249.56	\$5,286,546.94	\$4,866,212.45	\$5,536,576.75	\$5,382,731.32	\$5,083,022.86	\$5,325,331.81	\$4,878,334.01	\$4,611,037.97	\$521,120,771.83
4. Payments Applied to Arrearages	\$1,129,827.42	\$417,440.02	\$300,396.92	\$337,146.28	\$269,635.83	\$234,877.97	\$255,628.23	\$236,980.22	\$196,767.72	\$107,717.10	\$163,960.25	\$163,382.88	\$8,872,436.73
5. Total Amount of Remittance	\$6,722,554.57	\$6,446,824.77	\$6,135,057.70	\$5,036,279.20	\$4,535,843.22	\$4,831,897.82	\$5,338,863.84	\$5,249,729.92	\$5,116,779.39	\$5,741,138.37	\$6,586,172.96	\$7,235,440.53	\$621,232,442.24
OCS Admin 2.99%	\$97,041.70	\$87,268.92	\$83,888.16	\$81,571.25	\$74,022.86	\$79,784.78	\$88,201.30	\$88,978.26	\$85,368.14	\$81,187.87	\$78,563.80	\$86,635.11	\$7,445,853.84
EPP Program 23.14%	\$287,256.78	\$258,321.13	\$246,319.54	\$241,461.24	\$219,117.39	\$238,113.84	\$261,087.03	\$257,468.71	\$252,703.47	\$263,100.06	\$254,723.34	\$280,487.82	\$47,888,753.88
Available Balance (A5-B-C)	\$6,338,257.14	\$5,101,236.72	\$4,802,850.01	\$4,715,246.71	\$4,242,802.85	\$4,516,019.20	\$4,949,575.31	\$4,905,284.93	\$4,778,708.78	\$5,396,870.44	\$6,252,868.05	\$6,888,407.80	\$761,906,848.01
Active PIPP and Grad PIPP Bill	\$4,130,142.53	\$4,172,739.30	\$4,187,045.65	\$4,236,167.26	\$4,254,927.20	\$4,181,910.25	\$4,143,201.04	\$4,102,388.51	\$4,084,464.88	\$4,177,356.07	\$4,082,504.22	\$4,102,706.86	\$106,723,420.04
Reimbursement Due	\$6,053,894.47	\$5,442,333.38	\$5,185,798.95	\$4,581,772.26	\$3,068,697.58	\$3,458,304.18	\$5,409,673.89	\$5,320,832.49	\$4,301,688.88	\$2,928,722.52	\$3,439,671.41	\$4,484,270.12	\$116,638,793.87
Costs	\$10,204,077.00	\$9,715,073.18	\$8,352,842.80	\$8,817,838.52	\$7,323,584.84	\$7,650,214.43	\$9,552,874.93	\$8,423,189.00	\$8,886,164.07	\$7,104,077.59	\$7,332,175.63	\$8,597,976.96	\$851,705,889.24
Surplus/Shortfall (D-E)	\$284,322.67	\$441,096.66	\$382,946.84	\$133,474.45	\$1,174,145.27	\$1,057,716.02	\$420,096.58	\$415,547.56	\$22,983.21	\$3,470,147.92	\$2,813,104.84	\$2,373,137.88	\$23,117,365.71
Cumulative Monthly Deficit	\$23,401,688.38	\$22,960,591.72	\$22,597,644.78	\$22,731,119.24	\$23,905,264.50	\$24,952,979.52	\$24,542,880.84	\$24,127,333.38	\$24,104,350.18	\$27,574,498.09	\$30,387,692.74	\$32,760,830.42	

Universal Service Fund
Projection of December 31, 2013 Balance
Jan 2013 - Dec 2013
Toledo Edison

For Monthly Billing Cycle Ending:

A. Remittance (Form USF-301-00)

1. USF Rider Collected on All Customers

2. Non-USF Rider Funds

a. Customer Payments

b. Other Customer Payments

c. Agency Payments

3. Total Payments

4. Payments Applied to Arrearages

4. Total Amount of Remittance

B. OCS Admin 2.99%

C. EPP Program 2.55%

23.44%

18.67%

D. Available Balance (AS-B-C)

E. Active PIPP and Grad PIPP Bill

F. Reimbursement Due

G. Total Costs

H. Surplus/Shortfall (D-E)

I. Cumulative Monthly Deficit

	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Total
1. USF Rider Collected on All Customers	\$1,715,902.89	\$1,340,719.65	\$1,288,933.45	\$1,255,078.46	\$1,186,728.86	\$1,257,562.54	\$1,399,454.57	\$1,393,924.07	\$1,386,721.84	\$2,859,684.03	\$2,510,343.27	\$3,045,639.46	\$148,677,463.23
2. Non-USF Rider Funds													
a. Customer Payments	\$1,079,633.68	\$1,391,422.92	\$1,222,930.42	\$1,351,511.59	\$1,269,268.56	\$1,189,754.99	\$1,264,403.49	\$1,213,817.00	\$1,228,532.34	\$1,284,277.86	\$1,076,667.97	\$1,012,609.89	\$119,669,335.73
b. Other Customer Payments	\$276,005.96	\$555,927.43	\$581,625.73	\$583,652.45	\$337,363.88	\$347,225.69	\$357,473.48	\$359,053.86	\$359,636.23	\$572,905.42	\$236,447.09	\$232,208.51	\$11,970,485.61
c. Agency Payments	\$727,810.53	\$206,640.09	\$227,203.46	\$70,722.78	\$26,051.54	\$15,653.38	\$61,654.10	\$96,779.99	\$11,787.53	\$933.92	\$72,575.27	\$131,107.21	\$14,484,634.48
3. Total Payments	\$2,083,920.27	\$1,852,944.24	\$1,821,849.61	\$1,696,086.82	\$1,633,683.98	\$1,552,634.06	\$1,686,536.08	\$1,679,680.85	\$1,580,896.10	\$1,598,117.20	\$1,439,630.28	\$1,386,925.31	\$146,123,455.83
4. Payments Applied to Arrearages	\$424,198.89	\$147,815.59	\$112,687.37	\$105,260.76	\$75,713.55	\$78,525.73	\$62,001.38	\$64,328.33	\$58,423.25	\$30,317.76	\$44,228.48	\$47,981.35	\$2,713,056.95
4. Total Amount of Remittance	\$2,139,702.76	\$1,497,535.24	\$1,401,520.82	\$1,380,339.22	\$1,262,442.41	\$1,336,108.27	\$1,461,455.95	\$1,458,250.40	\$1,445,145.08	\$2,820,001.78	\$2,854,571.76	\$3,063,620.81	\$256,219,278.59
B. OCS Admin 2.99%	\$39,220.71	\$30,565.07	\$29,415.02	\$28,700.84	\$27,137.83	\$28,758.10	\$32,002.40	\$31,975.93	\$31,711.23	\$66,000.61	\$64,266.26	\$68,651.53	\$2,159,801.89
C. EPP Program 23.44%	\$119,623.99	\$94,038.51	\$89,803.38	\$87,444.61	\$82,692.51	\$87,619.08	\$97,503.67	\$97,118.35	\$96,616.55	\$201,337.87	\$196,963.99	\$212,211.63	\$14,890,898.63
D. Available Balance (AS-B-C)	\$1,660,949.45	\$1,372,631.66	\$1,282,342.42	\$1,244,193.77	\$1,162,622.06	\$1,219,751.10	\$1,337,948.88	\$1,328,256.13	\$1,316,817.31	\$2,692,689.31	\$2,594,501.51	\$2,811,967.66	\$239,359,578.06
E. Active PIPP and Grad PIPP Bill	\$1,357,622.96	\$1,365,945.09	\$1,376,324.82	\$1,388,921.71	\$1,396,034.00	\$1,387,616.53	\$1,367,667.90	\$1,355,904.55	\$1,348,773.99	\$1,391,915.40	\$1,364,259.11	\$1,357,707.67	\$35,140,916.70
F. Reimbursement Due	\$2,062,263.37	\$1,986,805.93	\$1,689,788.11	\$1,694,434.52	\$1,175,945.09	\$1,145,881.39	\$1,750,142.48	\$1,751,643.47	\$1,602,463.16	\$975,140.53	\$1,180,576.79	\$1,510,407.37	\$42,303,206.78
G. Total Costs	\$3,449,886.35	\$3,352,801.82	\$3,276,113.93	\$3,003,366.23	\$2,573,979.09	\$2,533,497.92	\$3,117,910.38	\$3,107,548.02	\$2,991,237.15	\$2,266,655.93	\$2,544,835.90	\$2,868,175.04	\$289,160,029.22
H. Surplus/Shortfall (D-E)	(\$111,313.89)	(\$66,174.17)	(\$617,446.89)	(\$360,240.75)	(\$23,323.03)	\$73,848.71	(\$418,192.60)	(\$422,387.34)	(\$285,845.85)	\$1,777,448.78	\$1,473,824.72	\$1,301,550.28	\$15,340,465.56
I. Cumulative Monthly Deficit	\$14,822,652.69	\$14,456,934.35	\$14,106,396.28	\$14,050,485.45	\$14,215,945.27	\$14,483,923.13	\$13,997,308.09	\$13,609,153.25	\$13,335,737.85	\$15,168,936.07	\$16,394,642.97	\$17,378,238.46	

CSP

Calculation of Allowance for Undercollection

	KWh	KWh sales X USF rider= Expected Revenue	Rider Collection	Expected Revenue/ Rider Collection	Average Collection
Jan-13	1,927,914,610	\$7,229,128.74	\$7,202,179.93	1.00	0.99
Feb-13	1,790,819,181	\$6,767,972.51	\$6,749,723.96	1.00	0.99
Mar-13	1,711,494,008	\$6,401,818.78	\$6,385,479.67	1.00	
Apr-13	1,631,400,276	\$6,032,693.84	\$6,023,514.02	1.00	
May-13	1,490,156,346	\$5,358,951.67	\$5,346,016.03	1.00	
Jun-13	1,712,777,231	\$6,030,023.04	\$6,007,641.35	1.00	
Jul-13	1,874,655,934	\$6,924,320.88	\$6,895,957.49	1.00	
Aug-13	1,812,655,207	\$6,792,842.37	\$6,749,775.43	0.99	
Sep-13	1,722,580,752	\$6,708,057.30	\$6,681,192.63	1.00	
Oct-12	1,481,098,748	\$3,290,910.37	\$3,277,547.98	1.00	
Nov-12	1,346,522,650	\$3,243,106.01	\$3,230,860.28	1.00	
Dec-12	1,993,613,613	\$4,306,275.74	\$3,942,873.03	0.92	
	20,495,688,556	\$ 69,086,101.26	\$ 68,492,761.80		

Target Revenue: \$70,404,625.49
 Total Cost:(Target Revenue / 99%) \$71,115,783.32
 Allowance:(Total Cost - Total Revenue) \$711,157.83

OP

Calculation of Allowance for Undercollection

	KWH	KWh sales X current rider = Expected Revenue	Rider Collection	Expected Revenue/ Rider Collection	Average Collection
Jan. 2013	2,331,926,506	\$9,227,629.29	\$9,010,042.66	0.98	1.00
Feb. 2013	2,140,793,467	\$8,647,473.61	\$8,636,082.72	1.00	0.99
Mar. 2013	2,163,411,193	\$8,170,966.88	\$8,136,958.49	1.00	
Apr. 2013	2,154,027,050	\$7,856,464.34	\$7,837,550.05	1.00	
May. 2013	1,686,417,292	\$6,645,692.53	\$6,660,247.85	1.00	
Jun. 2013	1,997,141,253	\$7,298,999.73	\$7,276,155.39	1.00	
Jul. 2013	2,303,141,030	\$8,318,156.03	\$8,287,810.51	1.00	
Aug. 2013	1,865,422,351	\$7,684,049.18	\$7,642,448.01	0.99	
Sep. 2013	1,970,697,436	\$7,765,151.20	\$7,728,813.44	1.00	
Oct. 2012	1,962,272,457	\$2,926,204.89	\$2,925,252.87	1.00	
Nov. 2012	1,580,695,771	\$2,868,099.72	\$2,862,065.13	1.00	
Dec. 2012	2,377,501,545	\$3,659,796.48	\$3,644,797.07	1.00	
	24,533,447,351	\$ 81,068,683.88	\$ 80,648,224.19		

Target Revenue: \$117,126,303.68
 Total Cost:(Target Revenue / .99) \$118,309,397.66
 Allowance:(Total Cost - Total Revenue) \$1,183,093.98

Duke

Calculation of Allowance for Undercollection

	KWH	KWh sales X USF rider= Expected Revenue	Rider Collection	Expected Revenue/ Rider Collection	Average Collection
Jan. 2013	1,843,688,782	\$1,343,555.43	\$1,339,512.91	1.00	1.06
Feb. 2013	1,704,643,512	\$1,240,746.47	\$1,279,693.84	1.03	0.99
Mar. 2013	1,634,640,434	\$1,189,565.68	\$1,225,555.81	1.03	
Apr. 2013	1,584,966,035	\$1,142,422.53	\$1,178,601.06	1.03	
May. 2013	1,422,155,545	\$1,033,078.40	\$1,095,800.43	1.06	
Jun. 2013	1,637,523,057	\$1,184,722.76	\$1,218,556.09	1.03	
Jul. 2013	2,058,478,291	\$1,500,866.96	\$2,210,587.61	1.47	
Aug. 2013	1,765,872,840	\$1,278,239.72	\$1,342,930.88	1.05	
Sep. 2013	1,828,637,828	\$1,325,611.11	\$1,342,185.18	1.01	
Oct. 2012	1,424,157,310	\$1,506,878.22	\$1,494,143.15	0.99	
Nov. 2012	1,461,985,556	\$1,563,854.21	\$1,590,042.85	1.02	
Dec. 2012	1,610,588,497	\$1,744,840.23	\$1,730,862.79	0.99	
	19,977,337,687	\$ 16,054,381.73	\$ 17,048,472.60		

Target Revenue: \$19,024,420.40
 Total Cost:(Target Revenue / Average Collection) \$19,216,586.26
 Allowance:(Total Cost - Total Revenue) \$192,165.86

DPL

Calculation of Allowance for Undercollection

	KWH	KWh sales X current rider = Expected Revenue	Rider Collection	Expected Revenue/ Rider Collection	Average Collection
Jan-13	1,260,464,169	\$5,310,070.08	\$5,099,030.91	0.96	0.96
Feb-13	1,261,881,465	\$5,219,549.39	\$5,010,884.32	0.96	
Mar-13	1,115,152,843	\$4,635,298.98	\$4,450,417.72	0.96	
Apr-13	1,116,435,341	\$4,518,855.98	\$4,341,498.28	0.96	
May-13	1,027,723,235	\$4,067,109.33	\$3,903,303.81	0.96	
Jun-13	1,089,835,912	\$4,302,639.24	\$4,131,510.73	0.96	
Jul-13	1,251,322,869	\$5,068,914.28	\$4,867,060.60	0.96	
Aug-13	1,250,568,199	\$5,005,705.00	\$4,806,614.24	0.96	
Sep-13	1,209,292,065	\$4,839,080.07	\$4,647,962.04	0.96	
Oct-12	1,007,926,092	\$4,099,037.06	\$3,935,927.89	0.96	
Nov-12	1,075,689,170	\$4,472,862.29	\$4,294,829.85	0.96	
Dec-12	1,063,671,650	\$4,515,823.55	\$4,336,048.68	0.96	
	13,729,963,010	\$ 56,054,945.24	\$ 53,825,089.07		

Target Revenue:	\$43,910,672.47
Total Cost:(Target Revenue / Average Collection)	\$45,729,952.73
Allowance:(Total Cost - Total Revenue)	\$1,819,280.26

CEI

Calculation of Allowance for Undercollection

	KWH	KWh sales X USF rider= Expected Revenue	Rider Collection	Expected Revenue/ Rider Collection	Average Collection
Jan. 2013	1,677,152,333	\$2,263,678.12	\$2,574,267.18	1.14	1.09
Feb. 2013	1,627,220,062	\$2,219,144.39	\$2,257,218.10	1.02	0.99
Mar. 2013	1,553,418,005	\$2,049,241.65	\$2,156,260.54	1.05	
Apr. 2013	1,493,419,570	\$1,930,400.33	\$2,039,469.25	1.06	
May. 2013	1,419,374,558	\$1,855,464.92	\$1,937,205.18	1.04	
Jun. 2013	1,517,076,994	\$1,990,121.07	\$2,077,756.05	1.04	
Jul. 2013	1,685,510,149	\$1,608,690.20	\$2,329,013.43	1.45	
Aug. 2013	1,640,735,856	\$2,173,646.46	\$2,264,482.29	1.04	
Sep. 2013	1,579,412,657	\$2,085,150.22	\$2,181,928.87	1.05	
Oct. 2012	1,481,016,296	\$3,806,843.68	\$4,093,952.23	1.08	
Nov. 2012	1,398,354,086	\$3,574,569.41	\$3,845,414.01	1.08	
Dec. 2012	1,467,617,085	\$3,817,651.51	\$4,105,808.61	1.08	
	18,540,307,651	\$ 29,374,601.97	\$ 31,862,775.74		

Target Revenue:	\$22,417,239.61
Total Cost:(Target Revenue / Average Collection)	\$22,643,676.37
Allowance:(Total Cost - Target Revenue)	\$226,436.76

OE

Calculation of Allowance for Undercollection

	KWH	KWh sales X USF rider = Expected Revenue	Rider Collection	Expected Revenue/ Rider Collection	Average Collection
Jan. 2013	2,185,581,460	\$5,177,030.43	\$5,592,727.15	1.08	0.99
Feb. 2013	2,091,678,659	\$4,915,098.16	\$5,029,384.75	1.02	
Mar. 2013	2,014,788,073	\$4,614,005.35	\$4,834,658.78	1.05	
Apr. 2013	1,982,724,682	\$4,579,635.83	\$4,701,130.92	1.03	
May. 2013	1,806,468,958	\$4,007,597.26	\$4,266,107.39	1.06	
Jun. 2013	1,949,941,423	\$4,382,375.01	\$4,597,019.85	1.05	
Jul. 2013	2,131,974,196	\$3,730,438.98	\$5,083,235.41	1.36	
Aug. 2013	2,114,609,195	\$4,783,188.18	\$5,012,749.70	1.05	
Sep. 2013	2,090,294,640	\$4,744,641.16	\$4,920,011.67	1.04	
Oct. 2012	1,853,378,884	\$6,184,023.50	\$6,633,421.27	1.07	
Nov. 2012	1,798,881,968	\$6,096,716.36	\$6,422,222.74	1.05	
Dec. 2012	1,945,579,550	\$6,815,068.76	\$7,072,057.84	1.04	
	23,965,901,688	\$ 60,029,818.97	\$ 64,164,727.47		

Target Revenue:	\$34,122,547.58
Total Cost:(Target Revenue / .99)	34,467,219.78
Allowance:(Total Cost - Total Revenue)	344,672.20

TE

Calculation of Allowance for Undercollection

	KWH	KWh sales X USF rider= Expected Revenue	Rider Collection	Expected Revenue/ Rider Collection	Average Collection
Jan-13	899,847,078	\$1,286,734.26	\$1,715,502.89	1.33	1.41
Feb-13	890,882,452	\$1,334,633.49	\$1,349,719.65	1.01	0.99
Mar-13	835,958,191	\$1,097,976.09	\$1,288,933.45	1.17	
Apr-13	853,883,985	\$1,157,967.64	\$1,255,078.46	1.08	
May-13	792,180,095	\$979,970.28	\$1,186,728.86	1.21	
Jun-13	853,081,206	\$1,117,626.42	\$1,257,582.54	1.13	
Jul-13	917,015,267	\$330,138.11	\$1,399,454.57	4.24	
Aug-13	923,653,023	\$1,212,823.45	\$1,393,924.07	1.15	
Sep-13	929,621,010	\$1,278,039.93	\$1,386,721.84	1.09	
Oct-12	801,669,675	\$2,379,647.39	\$2,889,684.03	1.21	
Nov-12	791,663,556	\$2,468,374.72	\$2,810,343.27	1.14	
Dec-12	812,320,620	\$2,561,869.09	\$3,045,839.46	1.19	
	10,301,776,158	\$17,205,800.88	\$20,979,513.09		

Target Revenue:	\$7,464,066.54
Total Cost:(Target Revenue / Average Collection)	\$7,539,461.15
Allowance:(Total Cost - Total Revenue)	\$75,394.61

CSP
KWH Sales

	KWh
Jan	1,927,914,610
Feb	1,790,819,181
Mar	1,711,494,008
Apr	1,631,400,276
May	1,490,156,346
June	1,712,777,231
July	1,874,655,934
Aug	1,812,655,207
Sept	1,722,580,752
Oct	1,481,098,748
Nov	1,346,522,650
Dec	1,993,613,613
	20,495,688,556

OP
KWH Sales

	Past 12 months KWh
Jan	2,331,926,506
Feb	2,140,793,467
Mar	2,163,411,193
Apr	2,154,027,050
May	1,686,417,292
June	1,997,141,253
July	2,303,141,030
Aug	1,865,422,351
Sept	1,970,697,436
Oct	1,962,272,457
Nov	1,580,695,771
Dec	2,377,501,545
	24,533,447,351

Duke

KWH

Jan	1,843,688,782
Feb	1,704,643,512
Mar	1,634,640,434
Apr	1,584,966,035
May	1,422,155,545
June	1,637,523,057
July	2,058,478,291
Aug	1,765,872,840
Sept	1,828,637,828
Oct	1,424,157,310
Nov	1,461,985,556
Dec	1,610,588,497
	19,977,337,687

DPL
KWH Sales

KWH

Jan	1,260,464,169
Feb	1,261,881,465
Mar	1,115,152,843
Apr	1,116,435,341
May	1,027,723,235
June	1,089,835,912
July	1,251,322,869
Aug	1,250,568,199
Sept	1,209,292,065
Oct	1,007,926,092
Nov	1,075,689,170
Dec	1,063,671,650
13,729,963,010	

**CEI
KWH Sales**

KWH

Jan	1,677,152,333
Feb	1,627,220,062
Mar	1,553,418,005
Apr	1,493,419,570
May	1,419,374,558
June	1,517,076,994
July	1,685,510,149
Aug	1,640,735,856
Sept	1,579,412,657
Oct	1,481,016,296
Nov	1,398,354,086
Dec	1,467,617,085

18,540,307,651

OE
KWH Sales

KWH	
Jan	2,185,581,460
Feb	2,091,678,659
Mar	2,014,788,073
Apr	1,982,724,682
May	1,806,468,958
June	1,949,941,423
July	2,131,974,196
Aug	2,114,609,195
Sept	2,090,294,640
Oct	1,853,378,884
Nov	1,798,881,968
Dec	1,945,579,550
23,965,901,688	

**TE
KWH Sales**

KWH

Jan	899,847,078
Feb	890,882,452
Mar	835,958,191
Apr	853,883,985
May	792,180,095
June	853,081,206
July	917,015,267
Aug	923,653,023
Sept	929,621,010
Oct	801,669,675
Nov	791,663,556
Dec	812,320,620

10,301,776,158

Two-Tiered Rider CSP

Proposal

First Block 833,000 kWh (10,000,000 per Year) (18)	\$	0.0043882
Over 833,000 kWh [Lower of 10/99 Rate (1) or Uniform per Kwh rate (4)]	\$	0.0001830

Calculation

1	10/99 USF Rider	\$	0.0001830
2	USF Rider Revenue Requirement	\$	71,115,783.33
3	Total kWh Used in Calculation		20,495,688,556
4	Uniform per Kwh rate	\$	0.0034698
5	Accounts with Annual kWh Greater than 10,000,000 kWh		121
6	Total Kwh of Accounts Over 10,000,000 kWh Annually		5,686,197,864
7	First Block Annual kWh (833,334 Monthly)		10,000,000
8	Total kWh in First Block (5) x (7)		1,210,000,000
9	Revenue First Block Rate x (8)	\$	5,309,715.21
10	Total Second Block kWh (6) - (8)		4,476,197,864
11	Lower of 10/99 Rate (1) or Uniform per Kwh rate	\$	0.0001830
12	Second Block Revenue (11) x (10)	\$	819,144.21
13	Total First and Second Block Revenue (9) + (12)	\$	6,128,859.42
14	Revenue @ ODOT Proposed Rate (6) x (4)	\$	19,729,925.84
15	Revenue shortfall (13) - (14)	\$	(13,601,066.42)

Adjustment to Calculation

16	Adjusted Cost (2) - (9) - (12)	\$	64,986,923.91
17	Adjusted kWh (3) - (6)		14,809,490,692
18	Adjusted First Block Rate (16)/(17)		\$0.0043882
19	Change (18) - (4)	\$	0.0009184
20	% Change		26.5%
21	<u>Annual</u> Cost to Consumer Using 975 kWh per Month (19) x 975 x 12	\$	10.75

Two-Tiered Rider Ohio Power

Proposal

First Block 833,000 kWh (10,000,000 per Year) (18)	\$	0.0072152
Over 833,000 kWh [Lower of 10/99 Rate (1) or Uniform per Kwh rate (4)]	\$	0.0001681

Calculation

1	10/99 USF Rider	\$ 0.0001681
2	USF Rider Revenue Requirement	\$ 118,309,397.65
3	Total kWh Used in Calculation	24,533,447,351
4	Uniform per Kwh rate	\$ 0.0048224
5	Accounts with Annual kWh Greater than 10,000,000 kWh	169
6	Total Kwh of Accounts Over 10,000,000 kWh Annually	10,020,396,087
7	First Block Annual kWh (833,334 Monthly)	10,000,000
8	Total kWh in First Block (5) x (7)	1,690,000,000
9	Revenue First Block Rate x (8)	\$ 12,193,771.71
10	Total Second Block kWh (6) - (8)	8,330,396,087
11	Lower of 10/99 Rate (1) or Uniform per Kwh rate	\$ 0.0001681
12	Second Block Revenue (11) x (10)	\$ 1,400,339.58
13	Total First and Second Block Revenue (9) + (12)	\$ 13,594,111.29
14	Revenue @ ODOD Proposed Rate (6) x (4)	\$ 48,322,072.65
15	Revenue shortfall (13) - (14)	\$ (34,727,961.36)

Adjustment to Calculation

16	Adjusted Cost (2) - (9) - (12)	\$ 104,715,286.36
17	Adjusted kWh (3) - (6)	14,513,051,264
18	Adjusted First Block Rate (16)/(17)	\$ 0.0072152
19	Change (18) - (4)	\$ 0.0023929
20	% Change	49.6%
21	<u>Annual Cost to Consumer Using 1042 kWh per Month (19) x 1042 x 12 \$</u>	29.92

Two-Tiered Rider Duke

Proposal

First Block 833,000 kWh (10,000,000 per Year) (18)	\$ 0.0010791
Over 833,000 kWh [Lower of 10/99 Rate (1) or Uniform per Kwh Rate	\$ 0.0004690

Calculation

1	10/99 USF Rider	\$ 0.0004690
2	USF Rider Revenue Requirement	\$ 19,216,586.26
3	Total kWh Used in Calculation	19,977,337,687
4	Uniform per Kwh Rate (2) / (3)	\$ 0.0009619
5	Accounts with Annual kWh Greater than 10,000,000 kWh	124
6	Total Kwh of Accounts Over 10,000,000 kWh Annually	5,077,978,467
7	First Block Annual kWh (833,000 Monthly)	10,000,000
8	Total kWh in First Block (5) x (6)	1,240,000,000
9	Revenue First Block Rate x (8)	\$ 1,338,129.47
10	Total Second Block kWh (6) - (8)	3,837,978,467
11	Lower of 10/99 Rate (1) or Uniform Per Kwh Rate (4)	\$ 0.0004690
12	Second Block Revenue (11) x (10)	\$ 1,800,011.90
13	Total First and Second Block Revenue (9) + (12)	\$ 3,138,141.37
14	Revenue @ Uniform per Kwh Rate (6) x (4)	\$ 4,884,605.39
15	Reduction in Total Revenue (13) - (14)	\$ (1,746,464.01)

Adjustment to Calculation

16	Adjusted Cost (2) - (9) - (12)	\$ 16,078,444.89
17	Adjusted kWh (3) - (6)	14,899,359,220
18	Adjusted USF (16)/(17)	\$ 0.0010791
19	Change (18) - (4)	\$ 0.0001172
20	% Change	12.2%
21	<u>Annual</u> Cost to Consumer Using 1046 kWh per Month (19) x 1046 x 12	\$ 1.47

Two-Tiered Rider
DPL

Proposal

First Block 833,000 kWh (10,000,000 per Year) (18)	\$	0.0039788
Over 833,000 kWh [Lower of 10/99 Rate (1) or Uniform per Kwh Rate	\$	0.0005700

Calculation

1	10/99 USF Rider	\$ 0.0005700
2	USF Rider Revenue Requirement	\$45,729,952.73
3	Total kWh Used in Calculation	13,729,963,010
4	Uniform per Kwh Rate (2) / (3)	\$ 0.0033307
5	Accounts with Annual kWh Greater than 10,000,000 kWh	96
6	Total Kwh of Accounts Over 10,000,000 kWh Annually	3,570,616,147
7	First Block Annual kWh (833,000 Monthly)	10,000,000
8	Total kWh in First Block (5) x (6)	960,000,000
9	Revenue First Block Rate x (8)	\$ 3,819,669.09
10	Total Second Block kWh (6) - (8)	2,610,616,147
11	Lower of 10/99 Rate (1) or Uniform Per Kwh Rate (4)	\$ 0.0005700
12	Second Block Revenue (11) x (10)	\$ 1,488,051.20
13	Total First and Second Block Revenue (9) + (12)	\$ 5,307,720.29
14	Revenue @ Uniform per Kwh Rate (6) x (4)	\$ 11,892,538.06
15	Reduction in Total Revenue (13) - (14)	\$ (6,584,817.77)

Adjustment to Calculation

16	Adjusted Cost (2) - (9) - (12)	\$ 40,422,232.44
17	Adjusted kWh (3) - (6)	10,159,346,863
18	Adjusted USF (16)/(17)	\$ 0.0039788
19	Change (18) - (4)	\$ 0.0006482
20	% Change	19.5%
21	<u>Annual Cost to Consumer Using 1010 kWh per Month (19) x 1010 x 12</u>	\$ 7.86

**Two-Tiered Rider
CEI**

Revised-SSM-33

Proposal

First Block 833,000 kWh (10,000,000 per Year) (18)	\$ 0.0015068
Over 833,000 kWh [Lower of 10/99 Rate (1) or Uniform per Kwh Rate (4)]	\$ 0.0005680

Calculation

1	10/99 USF Rider	\$ 0.0005680
2	USF Rider Revenue Requirement	\$ 22,643,676.37
3	Total kWh Used in Calculation	18,540,307,651
4	Uniform per Kwh Rate (2) / (3)	\$ 0.0012213
5	Accounts with Annual kWh Greater than 10,000,000 kWh	154
6	Total Kwh of Accounts Over 10,000,000 kWh Annually	7,177,857,387
7	First Block Annual kWh (833,000 Monthly)	10,000,000
8	Total kWh in First Block (5) x (6)	1,540,000,000
9	Revenue First Block Rate x (8)	\$ 2,320,467.38
10	Total Second Block kWh (6) - (8)	5,637,857,387
11	Lower of 10/99 Rate (1) or Uniform Per Kwh Rate (4)	\$ 0.0005680
12	Second Block Revenue (11) x (10)	\$ 3,202,303.00
13	Total First and Second Block Revenue (9) + (12)	\$ 5,522,770.38
14	Revenue @ Uniform per Kwh Rate (6) x (4)	\$ 8,766,471.56
15	Reduction in Total Revenue (13) - (14)	(\$3,243,701.18)

Adjustment to Calculation

16	Adjusted Cost (2) - (9) - (12)	\$ 17,120,905.99
17	Adjusted kWh (3) - (6)	11,362,450,264
18	Adjusted USF (16)/(17)	\$ 0.0015068
19	Change (18) - (4)	\$0.0002855
20	% Change	23.4%
21	<u>Annual</u> Cost to Consumer Using 716 kWh per Month (19) x 716 x 12	\$ 2.45

Two-Tiered Rider Ohio Edison

Proposal

First Block 833,000 kWh (10,000,000 per Year) (18)	\$	0.0015843
Over 833,000 kWh [Lower of 10/99 Rate (1) or Uniform per Kwh Rate (4)]	\$	0.0010461

Calculation

1	10/99 USF Rider	\$ 0.0010461
2	USF Rider Revenue Requirement	\$ 34,467,219.78
3	Total kWh Used in Calculation	23,965,901,688
4	Uniform per Kwh Rate (2) / (3)	\$ 0.0014382
5	Accounts with Annual kWh Greater than 10,000,000 kWh	201
6	Total Kwh of Accounts Over 10,000,000 kWh Annually	8,516,501,940
7	First Block Annual kWh (833,000 Monthly)	10,000,000
8	Total kWh in First Block (5) x (6)	2,010,000,000
9	Revenue First Block Rate x (8)	\$ 3,184,424.70
10	Total Second Block kWh (6) - (8)	6,506,501,940
11	Lower of 10/99 Rate (1) or Uniform Per Kwh Rate (4)	\$ 0.0010461
12	Second Block Revenue (11) x (10)	\$ 6,806,451.68
13	Total First and Second Block Revenue (9) + (12)	\$ 9,990,876.38
14	Revenue @ Uniform per Kwh Rate (6) x (4)	\$ 12,248,241.19
15	Reduction in Total Revenue (13) - (14)	\$ (2,257,364.80)

Adjustment to Calculation

16	Adjusted Cost (2) - (9) - (12)	\$ 24,476,343.40
17	Adjusted kWh (3) - (6)	15,449,399,748
18	Adjusted USF (16)/(17)	\$ 0.0015843
19	Change (18) - (4)	\$ 0.0001461
20	% Change	10.2%
21	<u>Annual</u> Cost to Consumer Using 857 kWh per Month (19) x 857 x 12	\$ 1.50

Two-Tiered Rider Toledo Edison

Proposal

First Block 833,000 kWh (10,000,000 per Year) (18)	\$ 0.0009692
Over 833,000 kWh [Lower of 10/99 Rate (1) or Uniform per Kwh rate	\$ 0.0005610

Calculation

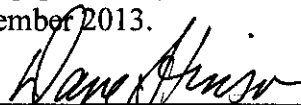
1	10/99 USF Rider	\$ 0.0005610
2	USF Rider Revenue Requirement	\$ 7,539,461.15
3	Total kWh Used in Calculation	10,301,776,158
4	Uniform per Kwh rate	\$ 0.0007319
5	Accounts with Annual kWh Greater than 10,000,000 kWh	73
6	Total Kwh of Accounts Over 10,000,000 kWh Annually	6,720,263,985
7	First Block Annual kWh (833,334 Monthly)	10,000,000
8	Total kWh in First Block (5) x (6)	730,000,000
9	Revenue First Block Rate x (8)	\$ 707,550.79
10	Total Second Block kWh (6) - (8)	5,990,263,985
11	Lower of 10/99 Rate (1) or Uniform per Kwh rate	\$ 0.0005610
12	Second Block Revenue (11) x (10)	\$ 3,360,538.10
13	Total First and Second Block Revenue (9) + (12)	\$ 4,068,088.88
14	Revenue @ ODOD Proposed Rate (6) x (4)	\$ 4,918,294.52
15	Revenue shortfall (13) - (14)	\$ (850,205.64)

Adjustment to Calculation

16	Adjusted Cost (2) - (9) - (12)	\$ 3,471,372.27
17	Adjusted kWh (3) - (6)	3,581,512,173
18	Adjusted First Block Rate (16)/(17)	\$ 0.0009692
19	Change (18) - (4)	\$ 0.0002374
20	% Change	32.4%
21	<u>Annual</u> Cost to Consumer Using 792 kWh per Month (19) x 792 x 12	\$ 2.26

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing Revised Exhibits to the Testimony of Susan M. Moser has been served upon the following parties by first class mail, postage prepaid, and/or by electronic mail this 27th day of November 2013.


Dane Stinson

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BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of the Ohio)	
Development Services Agency for an Order)	
Approving Adjustments to the Universal)	Case No. 13-1296-EL-USF
Service Fund Riders of Jurisdictional)	
Ohio Electric Distribution Utilities.)	

JOINT STIPULATION AND RECOMMENDATION

Pursuant to Rule 4901-1-30, Ohio Administrative Code, the undersigned parties to this proceeding (the "Signatory Parties") hereby stipulate, agree, and recommend that the application filed herein on November 8, 2013, by the Ohio Development Services Agency ("ODSA") for an order approving adjustments to the Universal Service Fund ("USF") riders of the jurisdictional Ohio electric distribution utilities ("EDUs"), be granted by the Public Utilities Commission of Ohio ("Commission") in accordance with the terms and conditions specified herein.

Although the Signatory Parties recognize that this Stipulation and Recommendation (the "Stipulation") is not binding upon the Commission, the Signatory Parties respectfully submit that this Stipulation, which is not opposed by any party to the proceeding, is supported by the record, represents a just and reasonable resolution of the issues involved, violates no regulatory principle or precedent, and is in the public interest.¹ The Signatory Parties represent that this Stipulation is the product of serious negotiations among knowledgeable parties representing a broad range of interests and that the Stipulation is a compromise involving a balancing of those interests and does not necessarily reflect the position that any one of the Signatory Parties would have adopted if

¹ The Signatory parties are authorized to represent that, although the Commission Staff ("Staff") is not a signatory, Staff does not oppose the Stipulation.

this matter had been fully litigated. In joining in this Stipulation, the Signatory Parties recognize that it is not in the interest of the public or the parties hereto to delay necessary adjustments to the EDU USF riders by extended litigation when an acceptable outcome can be achieved through settlement negotiations. Thus, the Signatory Parties further agree that this Stipulation shall not be relied upon as precedent for or against any party to this proceeding or the Commission itself in any subsequent proceeding, except as may be necessary to enforce the terms of the Stipulation.

If the Commission rejects or modifies all or any part of this Stipulation or imposes additional conditions or requirements upon the Signatory Parties, a Signatory Party shall have the right, within 30 days of the Commission's order, to file an application for rehearing or to withdraw from the Stipulation by filing a notice with the Commission. If a Signatory Party seeks rehearing, said Signatory Party may withdraw from the Stipulation within 30 days of the Commission's ultimate disposition of its rehearing application. Upon notice of withdrawal by a Signatory Party pursuant to the foregoing provisions, the Stipulation shall immediately be deemed null and void and this matter shall proceed as if the Stipulation had not been submitted; provided, however, that a notice of withdrawal from the Stipulation by an EDU Signatory Party shall void the Stipulation only as to the proposed USF rider rate of that EDU. Any party to this proceeding may become a Signatory Party to the Stipulation subsequent to its filing by submitting a letter to the Commission stating the party's intention to do so.

The Signatory Parties hereby stipulate and agree as follows:

1. This matter is properly before the Commission pursuant to Section 4928.52(B), Revised Code. The Commission has jurisdiction to approve this Stipulation as submitted and to issue an order authorizing adjustments to the current EDU USF riders in the minimum amount necessary to provide the revenues sufficient to cover the administrative costs of the low-income customer assistance programs and the consumer education program and provide adequate funding for those programs.
2. The application and supporting exhibits filed in this docket by ODSA on November 8, 2013, the testimony of ODSA witness Randall Hunt filed herein on November 8, 2013, the testimony of ODSA witness Susan M. Moser filed herein on November 8, 2013, and the revisions to the exhibits to the testimony of ODSA witness Moser filed herein on November 27, 2013, shall be admitted into evidence and made a part of the record in this case.
3. If called to testify, an appropriate representative of each EDU would verify that the Kwh sales data and other information supplied by that EDU to ODSA upon which ODSA relied in developing the USF rider revenue requirement and USF rider rate for each EDU as set out in the application, as corrected, is true and accurate to the best of that EDU's knowledge and belief.
4. As set forth in ODSA's application, and as further described in and supported by the testimony of ODSA witnesses Hunt and Moser, the annual USF rider revenue requirement for each EDU shall be as follows:

The Cleveland Electric Illuminating Company ("CEI")	\$ 22,643,677
The Dayton Power & Light Company ("DP&L")	45,729,952
Duke Energy Ohio ("Duke")	19,216,586
Ohio Edison Company ("OE")	34,467,220
The Toledo Edison Company ("TE")	7,539,462
Ohio Power Company	
Columbus Southern Power Company Rate Zone ("CSP")	71,115,784
Ohio Power Company Rate Zone ("OP")	118,309,398

5. The methodology for determining the respective USF rider revenue requirements is consistent with the methodology accepted by the Commission in its October 2, 2013, opinion and order in the notice of intent ("NOI") phase of this proceeding.

6. The annual USF rider revenue requirements set forth in Paragraph 4 shall be collected by the respective EDUs through a USF rider which incorporates a declining block rate design consisting of two consumption blocks. The first block of the rate shall apply to all monthly consumption up to and including 833,000 Kwh. The second rate block shall apply to all consumption above 833,000 Kwh per month. For each EDU, the rate per Kwh for the second block shall be set at the lower of the Percentage of Income Payment Plan ("PIPP") charge in effect in October 1999 or the per Kwh rate that would apply if the EDU's annual USF rider revenue requirement were to be recovered through a single block per Kwh rate. The rate for the first block rate shall be set at the level necessary to produce the remainder of the EDU's annual USF rider revenue requirement. The USF riders for each EDU determined in accordance with this methodology shall be as shown in the following table.

	<u>First 833,000 Kwh</u>	<u>Above 833,000 Kwh</u>
CSP	\$0.0043882	\$0.0001830
OP	\$0.0072152	\$0.0001681
Duke	\$0.0010791	\$0.0004690
DPL	\$0.0039788	\$0.0005700
CEI	\$0.0015068	\$0.0005680
OE	\$0.0015843	\$0.0010461
TE	\$0.0009692	\$0.0005610

The specific calculations supporting these stipulated USF rider rates are set forth in Revised Exhibits SSM-29 through SSM-35 to the testimony of ODSA witness Moser. The Parties recognize that due to proposed adjustments in the 2013 USF rider rate in the Ohio Power jurisdiction, the use of actual USF rider revenue collections during October through December 2012 may not be representative as a forecast of revenues to be collected during October through December 2013, and may lead to a higher, unrepresentative USF rider rate to be charged to customers. To prevent this risk the parties agree to a process to recognize the actual rider revenues for these traditionally forecasted months. First, the rate described above should be approved. Second, in the first quarter of 2014, ODSA will use the actual USF rider revenues collected in the CSP and OP rate zones during October through December of 2013 in determining the USF rider revenues collected during the 2013 test year (i.e., all 12 months of 2013), and adjust USF rider rates accordingly in the CSP and OP rate zones, unless ODSA, in conjunction with Ohio Power and Staff, find the adjustments to be de minimis. Finally, this departure from the customary course of using October through December revenues collected in the preceding year to forecast the October through December collections in the test year is a one-time adjustment limited to this proceeding due to the unrepresentative impact on customers paying the USF rider rate. Therefore, any changes to ODSA's methodology will be considered in the Notice of Intent phase of a subsequent USF rider rate adjustment proceeding.

7. The rate design methodology utilized in calculating the recommended USF rider rates set forth in Paragraph 6 is identical to the methodology accepted by the Commission in its October 2, 2013 opinion and order in the NOI phase of this proceeding and in all prior USF rider rate adjustment proceedings. Any change in the existing relative customer class revenue responsibility resulting from the use of this rate design methodology is well within the range of estimation error inherent in any customer class cost-of-service analysis and does not violate the Section 4928.52(C), Revised Code, prohibition against shifting the costs of funding low-income customer assistance programs among customer classes. By stipulating to the use of the EDU's October 1999 PIPP charge as a cap on the second block of the rider for purposes of this case, no Signatory Party waives its right to contest the continued use of the October 1999 PIPP charge as a cap on the second block of the rider in any future Section 4928.52(B), Revised Code, USF rider rate adjustment proceeding.
8. The stipulated USF rider rates for Duke and OP set forth in Paragraph 6 reflect the minimum increases required to produce the additional revenues necessary to satisfy the respective annual USF rider revenue requirements of Duke and OP as set forth in Paragraph 4. The stipulated CEI, CSP, DPL, OE, and TE USF rider rates set forth in Paragraph 6, which are lower than the current USF rider rates of these EDUs, represent the minimum rates necessary to satisfy their respective rider revenue requirements set forth in Paragraph 4. ODSA hereby consents to the resulting USF rider rate decreases for these EDUs as required by Section 4928.52(B), Revised Code.
9. The current USF rider of each EDU shall be withdrawn and cancelled and shall be replaced by USF riders containing the rates provided in Paragraph 6, such riders to be

filed within seven days of the Commission order adopting the Stipulation. The new USF riders shall be effective upon filing with the Commission and shall apply on a bills-rendered basis beginning with the first billing cycle of the month following their effective date. The EDUs shall notify customers of the adjustments to their respective USF riders by means of the customer notice attached hereto as Appendix A.

10. Unlike traditional ratemaking, where the objective is to establish rates which will provide the applicant utility with a reasonable earnings opportunity, the USF riders must actually generate sufficient revenues to enable ODSA to meet its specific USF-related statutory and contractual obligations on an ongoing basis. To this end, ODSA shall file, not later than October 31, 2014, an application with the Commission for such adjustments to the USF riders as may be necessary to assure, to the extent possible, that each EDU's USF rider will generate its associated revenue requirement, but not more than its associated revenue requirement, during the annual collection period following Commission approval of such adjustments. ODSA shall serve copies of such application upon all other parties to this proceeding. In the event ODSA fails to file such application on or before October 31, 2014, ODSA shall notify the Signatory Parties in writing of its intentions with respect to an application for adjustments to the USF riders, including its anticipated filing date. Such notice shall not affect the right of any Signatory Party to pursue such legal recourse against ODSA as may be available for failure to comply with the Stipulation, if any.

11. The Signatory Parties recognize that the EDU USF rider rates proposed in ODSA's annual USF rider adjustment applications are predicated on the assumption that the new USF riders authorized by the Commission will be effective on a bills-rendered basis during the January billing cycle of the following year. Although the October 31, 2014 filing deadline established in Paragraph 10 of this Stipulation for the filing of next year's application will provide adequate time for the Commission to act upon the application prior to January 1, 2015 if the application is not contested, the Signatory Parties recognize that this two-month interval may not be sufficient in the event that a party to the proceeding objects to the application and wishes to litigate the issue(s) raised in its objection(s).² To address this concern, the Signatory Parties propose and agree that ODSA should again follow the NOI process first adopted in Case Nos. 04-1616-EL-UNC. Specifically, this process shall be as follows: On or before May 31, 2014, ODSA shall file with the Commission a notice of its intent to submit its annual USF rider adjustment application, and shall serve the NOI on all parties to this proceeding. The NOI shall set forth the methodology ODSA intends to employ in calculating the USF rider revenue requirement and in designing the USF rider rates in preparing its 2014 USF rider rate adjustment application, and may also include such other matters as ODSA deems appropriate. Upon the filing of the NOI, the Commission will open the 2014 USF rider adjustment application docket and will establish a schedule for the filing of objections or comments, responses to the objections or comments, and, if a hearing is requested, a schedule for discovery, the filing of

² In so stating the Signatory Parties are referring to an objection relating to something other than the mathematical accuracy of ODSA's calculations, as an objection to the accuracy of an ODSA calculation can almost certainly be resolved informally in a time frame that will permit the Commission to issue a final order on the application in advance of the January billing cycles.

testimony, and the commencement of the hearing. The Commission will use its best efforts to issue its decision with respect to any objections raised not later than September 30, 2014. ODSA will conform its 2014 USF rider adjustment application to any directives set forth in the Commission's decision. If the order is not issued sufficiently in advance of the October 31, 2014 filing deadline to permit ODSA to incorporate such directives, ODSA will file an amended application conforming to the Commission's directives as soon as practicable after the order is issued.

12. The Signatory Parties support initiatives intended to control the costs that ultimately must be recovered through the USF riders. In furtherance of this objective, the Signatory Parties agree to the continuation of the USF Rider Working Group (the "Working Group") formed pursuant to the stipulation approved by the Commission in Case No. 03- 2049-EL-UNC, which is charged with developing, reviewing, and recommending such cost-control measures. Although recommendations made by the Working Group shall not be binding upon any Signatory Party, the Signatory Parties shall give due consideration to such recommendations and shall not unreasonably oppose the implementation of such recommendations.

WHEREFORE, the Signatory Parties respectfully request that the Commission issue an order adopting this Stipulation and directing each EDU to file new USF riders in

accordance therewith, said riders to be effective with the January 2014 billing cycle on a bills-rendered basis.

Respectfully submitted,

Ohio Development Services Agency

By: Nanci Stinson

Duke Energy Ohio

By: _____

Industrial Energy Users – Ohio

By: Matthew Portchard / s
per email authentication

The Dayton Power and Light Company

By: Judith L. Schelke / s
per email authentication

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

By: Carrie M. Slann / s
per email authentication

Ohio Partners for Affordable Energy*

By: Colleen L. Mooney / s
per email authentication

* Ohio Partners for Affordable Energy does not join in Paragraphs 6 and 7 of this Joint Stipulation and Recommendation.

Ohio Power Company

By: Matthew J. Astlewhite / s
per email authentication

Office of the Ohio Consumers' Counsel

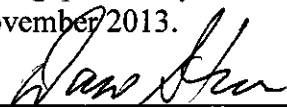
By: _____

APPENDIX A

Pursuant to state law, the Universal Service Fund rider rate has been adjusted effective with this bill.

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing *Joint Stipulation and Recommendation* has been served upon the following parties by first class mail, postage prepaid, and/or by electronic mail this 27th day of November 2013.


Dane Stinson

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<p>Elizabeth H. Watts Duke Energy Ohio, Inc. 155 East Broad Street Columbus, Ohio 43215 Elizabeth.Watts@duke-energy.com</p>	<p>Colleen L. Mooney Ohio Partners for Affordable Energy PO Box 1793 231 West Lima Street Findlay, Ohio 45839-1793 cmooney@ohiopartners.org</p>
<p>Carrie M. Dunn FirstEnergy Corp. 76 South Main Street Akron, Ohio 44308 cdunn@firstenergycorp.com</p>	<p>Sam Randazzo Frank P. Darr Joseph Olikier Matthew Pritchard McNees, Wallace & Nurick Fifth Third Center, 17th Floor 21 East State Street Columbus, Ohio 43215 sam@mwncmh.com fdarr@mwncmh.com joliker@mwncmh.com mpritchard@mwncmh.com</p>