Company Exhibit_____

BEFORE THE
PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company for Authority to Provide for a Standard Service Offer Pursuant to R.C. 4928.143 in the Form of an Electric Security Plan	)))))))	Case No. 14-1297-EL-SSO

DIRECT TESTIMONY OF

JOANNE M. SAVAGE

ON BEHALF OF

OHIO EDISON COMPANY
THE CLEVELAND ELECTRIC ILLUMINATING COMPANY
THE TOLEDO EDISON COMPANY

AUGUST 4, 2014

INTRODUCTION

Q. PLEASE STATE YOUR NAME, POSITION, AND BUSINESS ADDRESS.

A. My name is Joanne M. Savage and I am an Analyst in the Rates and Regulatory Affairs Department of FirstEnergy Service Company. My business address is 76 South Main Street, Akron, Ohio 44308.

Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND AND PROFESSIONAL EXPERIENCE.

A. I received a Bachelor of Science degree in Accounting and Finance from Albright College and a Master of Business Administration degree in Corporate Finance from Alvernia University. I have been employed by FirstEnergy Service Company since 2005 and have held various positions of increasing responsibility in the Rates and Regulatory Affairs Department since that time. I have been an Analyst in the Rates and Regulatory Affairs Department supporting Ohio matters since February 2011.

Q. WHAT ARE YOUR CURRENT JOB DUTIES AND AREAS OF RESPONSIBILITY?

A. My current responsibilities include analyzing financial data of Ohio Edison Company ("Ohio Edison"), The Cleveland Electric Illuminating Company ("CEI") and The Toledo Edison Company ("Toledo Edison") (collectively, the "Companies") for various projects. I also participate in the strategic direction, and conduct research and analyses, for a number of regulatory proceedings including, but not limited to the FirstEnergy SmartGrid Modernization Initiative, Electric Security Plan(s), the Companies' securitization, and various riders. I interact with customer service representatives on various issues related to the Companies' tariffs and Electric Service Regulations. In addition to my experience in

Ohio, I spent six years providing regulatory support and analyses for the FirstEnergy Corp. Pennsylvania utilities.

Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE A REGULATORY COMMISSION?

A. Yes. I have previously testified before the Public Utilities Commission of Ohio ("PUCO" or "Commission") in Case No. 13-2145-EL-CSS and have testified before the Pennsylvania Public Utility Commission.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?

A. The purpose of my testimony is to explain the mechanics and rate design of the proposed Retail Rate Stability Rider ("Rider RRS") and provide estimated Rider RRS rates for the term of the rider and the term of the Companies' fourth electric security plan entitled Powering Ohio's Progress (also referred to as "ESP IV"). My testimony shows that a typical Residential customer would nominally receive approximately $360 over the term of the Economic Stability Program. I also explain changes to the existing Generation Cost Reconciliation Rider ("Rider GCR").

RETAIL RATE STABILITY RIDER

Q. PLEASE EXPLAIN THE RETAIL RATE STABILITY RIDER.

A. As explained by other Company witnesses, the Companies are proposing an Economic Stability Program. Rider RRS is the mechanism that will provide retail rate stabilization credits or charges to customers. Rider RRS will go into effect on a service rendered basis on June 1, 2016 and would be applicable to all customers on a nonbypassable basis. Rider RRS is designed to be financially neutral to the Companies. Attachment 4 to the Companies' Application includes the proposed Rider RRS tariff.

Q. HOW OFTEN WILL RIDER RRS BE UPDATED?

A. Rider RRS will be updated and reconciled on an annual basis. No later than April 1st of each year, the Companies will file with the Commission updated tariff pricing for Rider RRS which will become effective on June 1st of each year unless otherwise ordered by the Commission.

Q. HOW WILL THE RIDER RRS REVENUE REQUIREMENT BE CALCULATED?

A. The revenue requirement for Rider RRS will be derived based on the difference between: (1) the projected costs, including a return on and of invested capital, associated expenses and applicable taxes, for the upcoming year for the Davis-Besse Nuclear Power Station ("Davis-Besse") and the W.H. Sammis Plant ("Sammis") (collectively, the "Plants") along with those costs assessed against FirstEnergy Solutions Corp.'s ("FES") share of the Ohio Valley Electric Corporation ("OVEC"); and (2) the projected PJM market revenues that the Companies will receive for selling the energy, capacity and ancillary services from the Plants and OVEC into the PJM market. The revenue requirement for Rider RRS will also include a reconciliation from the prior period. The reconciliation component will compare actual costs to forecasted costs and actual market revenue to forecasted market revenue in order to reconcile the forecasted Rider RRS charge or credit with what the actual Rider RRS charge or credit should be for the period. Actual revenue collected from or credited to customers in the period will also be reconciled in the true-up. The cumulative reconciliation balance on each Company's books as of month-end February will be incorporated into the Rider RRS revenue requirement for the upcoming 12-month period. A template of the Rider RRS calculation is shown as Attachment JMS-1.

Q. HOW WILL THE REVENUES AND EXPENSES ASSOCIATED WITH RIDER RRS BE RECONCILED AND RECORDED ON THE COMPANIES' BOOKS?

A. Each month, revenue requirements for the Plants and OVEC will be compared to actual PJM market revenues and actual Rider RRS revenues or credits. The monthly under or over collection will be recorded as a regulatory asset or liability on the Companies' books for future recovery or return to customers. Over the term of Rider RRS, carrying costs will accrue on any under or over collection of Rider RRS using the Companies' after-tax weighted average cost of capital approved in their most recent base distribution rate case of 8.48%[1]. The cumulative actual regulatory asset or liability balance, including applicable carrying charges, will be included in the Rider RRS revenue requirement calculation for each Company as described above.

Q. WHAT IS THE PROPOSED RATE DESIGN OF RIDER RRS?

A. The Rider RRS revenue requirement will be allocated to each Company and each rate schedule based on demand. The demand values used in the allocation will be the average of the four monthly coincident peaks, including distribution losses, for the months of June through September of the prior year. This demand allocation is consistent with the rate design of the capacity component of the Companies' Generation Service Rider ("Rider GEN"). The allocated revenue requirement for each rate schedule will then be converted to an energy charge or credit based on projected kWh sales for the upcoming recovery period June 1st through May 31st. The resulting energy charge or credit for each rate schedule will be applied to all customers on a nonbypassable basis.

[1] Case No. 07-551-EL-AIR.

Q. HAVE YOU ESTIMATED RIDER RRS RATES FOR CUSTOMERS FOR THE TERM OF THE ECONOMIC STABILITY PROGRAM?

A. Yes. I have estimated the rates by rate schedule for each Company for each calendar year of the term of the Economic Stability Program based on the data presented by Company witness Ruberto. For simplicity, I have assumed total sales remain constant at 2013 levels for 2016-2031 and the demands are held constant based on summer 2013 data. Those calculations are shown in Attachment JMS-2.

Q. HAVE YOU ESTIMATED RIDER RRS RATES FOR CUSTOMERS FOR THE TERM OF ESP IV?

A. For the purpose of customer impacts included in the Application and described in the testimony of Company witness Fanelli, I have estimated Rider RRS rates for the term of the ESP IV. Those calculations convert the rates shown on Attachment JMS-2 to a June 1st – May 31st recovery year and are shown in Attachment JMS-3.

Q. HAVE YOU CONSIDERED THE IMPACT OF THE PROJECTED RIDER RRS RATES ON A TYPICAL RESIDENTIAL CUSTOMER?

A. Yes. The testimony of Company witness Ruberto discusses the estimated benefit to retail customers of $2 billion over the fifteen-year term. I have calculated the impact for a typical residential customer. For a typical residential customer using 750 kWh per month, the estimated Rider RRS charge would average approximately $2.00 per month during the term of the ESP IV. In exchange for this charge in the early years of the ESP IV, customers are projected to receive a credit of as much as approximately $5 per month in the later years of the Economic Stability Program of Powering Ohio's Progress. For a typical residential customer, Rider RRS is estimated to result in nominal savings of approximately $360 over

the fifteen year term of the Economic Stability Program. These calculations are shown in Attachment JMS-4.

GENERATION COST RECONCILIATION RIDER

Q. PLEASE EXPLAIN THE COMPANIES' RIDER GCR.

A. Rider GCR is the existing rate mechanism as approved in the Companies' prior and existing Electric Security Plans in Case No. 10-388-EL-SSO ("ESP II") and Case No. 12-1230-EL-SSO ("ESP III") that reconciles differences between the Companies' actual generation expenses and generation revenues, including the Companies' Rider GEN. Rider GCR is updated on a quarterly basis.

Q. PLEASE EXPLAIN THE LANGUAGE CHANGES YOU ARE PROPOSING TO RIDER GCR.

A. Consistent with the Companies' Stipulations in ESP II and ESP III, the language of Rider GCR has been updated to reflect that Rider GCR would shift to recovery through a nonbypassable charge if the balance of Rider GCR exceeds 5% of the projected generation expense in two consecutive quarters. The rider tariff sheet currently does not explicitly indicate that the balance must exceed the threshold for two consecutive quarters. In order to improve the transparency to customers and retail market participants on how the approved rider is designed and implemented to be consistent with the current ESP Stipulations and practice, language has been added to make clear in the tariff itself that the balance must exceed the threshold for two consecutive quarters. Attachment 5 to the Companies' Application includes the revised Rider GCR tariff sheet reflecting this proposed change.

Q. SINCE THE START OF ESP II, HAS THE BALANCE OF RIDER GCR EVER EXCEEDED 5% OF THE PROJECTED GENERATION EXPENSE IN TWO CONSECUTIVE QUARTERS?

A. No.

Q. ARE THE COMPANIES PROPOSING ANY OTHER CHANGES TO RIDER GCR?

A. No. Rider GCR will continue to be calculated and charged in a manner consistent with the current approved methodology[2].

CONCLUSION

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes. I reserve the right to supplement my testimony.

[2] Order entered May 28, 2014 in Case No. 13-1604-EL-RDR finding Rider GCR rates for year ending December 31, 2012 were consistent with, and in compliance with Commission orders.

Attachment JMS-1
Rider RRS - Rate Design

Line	Line Item Description	OE	CEI	TE	TOTAL
	(A)	(B)	(C)	(D)	(E)
1	Projected Costs				$ -
2	Projected Market Revenues				$ -
3	Projected Under / (Over)				$ -
4	Allocation Factor to Companies	0.00%	0.00%	0.00%	0.00%
5	Projected Under / (Over) by Company	$ -	$ -	$ -	$ -
6	Cumulative Reconciliation Balance	$ -	$ -	$ -	$ -
7	RRS Revenue Requirement, excluding CAT	$ -	$ -	$ -	$ -
8	CAT Tax	0.26%	0.26%	0.26%	0.26%
9	**Rider RRS Revenue Requirement**	**$ -**	**$ -**	**$ -**	**$ -**
10	Demand Allocation Factors				
11	Rate RS	0.00%	0.00%	0.00%	
12	Rate GS	0.00%	0.00%	0.00%	
13	Rate GP	0.00%	0.00%	0.00%	
14	Rate GSU	0.00%	0.00%	0.00%	
15	Rate GT	0.00%	0.00%	0.00%	
16	Rate STL	0.00%	0.00%	0.00%	
17	Rate POL	0.00%	0.00%	0.00%	
18	Rate TRF	0.00%	0.00%	0.00%	
19	Total Allocation Ratios	0.00%	0.00%	0.00%	
20	Allocated Revenue Requirement				
21	Rate RS	$0	$0	$0	$0
22	Rate GS	$0	$0	$0	$0
23	Rate GP	$0	$0	$0	$0
24	Rate GSU	$0	$0	$0	$0
25	Rate GT	$0	$0	$0	$0
26	Rate STL	$0	$0	$0	$0
27	Rate POL	$0	$0	$0	$0
28	Rate TRF	$0	$0	$0	$0
29	Total Revenue Requirement	$0	$0	$0	$0
30	Estimated kWh Sales				
31	Rate RS	0	0	0	0
32	Rate GS	0	0	0	0
33	Rate GP	0	0	0	0
34	Rate GSU	0	0	0	0
35	Rate GT	0	0	0	0
36	Rate STL	0	0	0	0
37	Rate POL	0	0	0	0
38	Rate TRF	0	0	0	0
39	Total Estimated kWh Sales	0	0	0	0
40	**Rider RRS Rate (¢/kWh)**				
41	**Rate RS**	**0.0000**	**0.0000**	**0.0000**	
42	**Rate GS**	**0.0000**	**0.0000**	**0.0000**	
43	**Rate GP**	**0.0000**	**0.0000**	**0.0000**	
44	**Rate GSU**	**0.0000**	**0.0000**	**0.0000**	
45	**Rate GT**	**0.0000**	**0.0000**	**0.0000**	
46	**Rate STL**	**0.0000**	**0.0000**	**0.0000**	
47	**Rate POL**	**0.0000**	**0.0000**	**0.0000**	
48	**Rate TRF**	**0.0000**	**0.0000**	**0.0000**	

NOTES

1 Estimated Costs for upcoming Rider RRS Recovery Period
2 Estimated Market Revenues for upcoming Rider RRS Recovery Period
3 Calculation: Line 1 - Line 2
4 Average Peak from Page 2, Column F
5 Calculation: Line 3, Column (E) X Line 4
6 Actual Cumulative Reconcilation balance from Companies' books
7 Calculation: Line 5 + Line 6
9 Calculation: Line 7 / (1 - Line 8)
10-19 Demand Allocation Factors from Page 2, Column G
20-29 Calculation: Revenue Requirement x Demand Allocation Factor
30-39 Estimated kWh sales for the upcoming Rider RRS recovery period
40-48 Calculation: Allocated Revenue Requirement x 100 / Estimated kWh Sales

DEMAND ALLOCATORS

Line	RATE CODE / COMPANY (A)	JUNE PEAK[1] kW (B)	JULY PEAK[1] kW (C)	AUGUST PEAK[1] kW (D)	SEPTEMBER PEAK[1] kW (E)	AVERAGE PEAK kW (F)=SUM(B:E)/4	DEMAND ALLOCATION FACTORS (G)
	OE						
1	Rate RS						0.00%
2	Rate GS						0.00%
3	Rate GP						0.00%
4	Rate GSU						0.00%
5	Rate GT						0.00%
6	Rate STL						0.00%
7	Rate POL						0.00%
8	Rate TRF						0.00%
9	TOTAL	0	0	0	0	0	0.00%
	CEI						
10	Rate RS						0.00%
11	Rate GS						0.00%
12	Rate GP						0.00%
13	Rate GSU						0.00%
14	Rate GT						0.00%
15	Rate STL						0.00%
16	Rate POL						0.00%
17	Rate TRF						0.00%
18	TOTAL	0	0	0	0	0	0.00%
	TE						
19	Rate RS						0.00%
20	Rate GS						0.00%
21	Rate GP						0.00%
22	Rate GSU						0.00%
23	Rate GT						0.00%
24	Rate STL						0.00%
25	Rate POL						0.00%
26	Rate TRF						0.00%
27	TOTAL	0	0	0	0	0	0.00%

1-Individual company contributions to the monthly ATSI system peaks for the most recent PJM summer months.
2-Solely traffic lighting ("Rate TRF") contributes to the coincident peak.
Column G: Column F/Column F Line 9, Line 18, Line 27 respectively.

Attachment JMS-2

Estimated Rider RRS Rates 2016-2031 - For Illustrative Purposes

I. Rider RRS Revenue Requirement Summary ($M)

Line	Line Item	Allocation Factor	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	Estimated Total Revenue Requirement																	
1	Revenue Requirement, excluding CAT		$ 166.8	$ 194.4	$ 102.9	$ (107.0)	$ (189.0)	$ (200.5)	$ (162.5)	$ (177.5)	$ (132.1)	$ (229.3)	$ (179.3)	$ (267.0)	$ (265.7)	$ (350.6)	$ (264.5)	$ (42.7)
2	Total Revenue Requirement		$ 167.2	$ 194.9	$ 103.2	$ (107.3)	$ (189.5)	$ (201.0)	$ (162.9)	$ (177.9)	$ (132.5)	$ (229.9)	$ (179.7)	$ (267.7)	$ (266.4)	$ (351.6)	$ (265.1)	$ (42.8)
	Company Breakdown																	
3	OE	45.58%	$ 76.2	$ 88.8	$ 47.0	$ (48.9)	$ (86.4)	$ (91.6)	$ (74.3)	$ (81.1)	$ (60.4)	$ (104.8)	$ (81.9)	$ (122.0)	$ (121.4)	$ (160.2)	$ (120.8)	$ (19.5)
4	CEI	36.02%	$ 60.2	$ 70.2	$ 37.2	$ (38.6)	$ (68.3)	$ (72.4)	$ (58.7)	$ (64.1)	$ (47.7)	$ (82.8)	$ (64.7)	$ (96.4)	$ (96.0)	$ (126.6)	$ (95.5)	$ (15.4)
5	TE	18.40%	$ 30.8	$ 35.9	$ 19.0	$ (19.7)	$ (34.9)	$ (37.0)	$ (30.0)	$ (32.7)	$ (24.4)	$ (42.3)	$ (33.1)	$ (49.3)	$ (49.0)	$ (64.7)	$ (48.8)	$ (7.9)
6	Total	100.00%	$ 167.2	$ 194.9	$ 103.2	$ (107.3)	$ (189.5)	$ (201.0)	$ (162.9)	$ (177.9)	$ (132.5)	$ (229.9)	$ (179.7)	$ (267.7)	$ (266.4)	$ (351.6)	$ (265.1)	$ (42.8)

II. Estimated Rider RRS Rates (¢ / kWh)

Line	Line Item	Annual MWH Sales	Allocation Factor	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
	OE																		
7	Rate RS	9,274,426	37.34%	0.5259	0.3577	0.1893	(0.1968)	(0.3477)	(0.3688)	(0.2989)	(0.3265)	(0.2430)	(0.4218)	(0.3298)	(0.4912)	(0.4888)	(0.6451)	(0.4865)	(0.1887)
8	Rate GS	6,592,253	33.31%	0.6600	0.4489	0.2375	(0.2470)	(0.4363)	(0.4628)	(0.3752)	(0.4097)	(0.3050)	(0.5293)	(0.4139)	(0.6165)	(0.6134)	(0.8095)	(0.6106)	(0.2368)
9	Rate GP	2,630,586	10.95%	0.5440	0.3700	0.1958	(0.2036)	(0.3596)	(0.3814)	(0.3092)	(0.3377)	(0.2514)	(0.4363)	(0.3411)	(0.5081)	(0.5056)	(0.6672)	(0.5032)	(0.1952)
10	Rate GSU	978,431	3.49%	0.4665	0.3173	0.1679	(0.1746)	(0.3084)	(0.3271)	(0.2652)	(0.2896)	(0.2156)	(0.3742)	(0.2926)	(0.4358)	(0.4336)	(0.5723)	(0.4316)	(0.1674)
11	Rate GT	4,554,538	14.86%	0.4262	0.2899	0.1534	(0.1595)	(0.2818)	(0.2988)	(0.2423)	(0.2646)	(0.1970)	(0.3418)	(0.2673)	(0.3981)	(0.3961)	(0.5228)	(0.3943)	(0.1529)
12	Rate STL	122,532	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Rate POL	36,054	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Rate TRF	14,740	0.05%	0.4150	0.2823	0.1494	(0.1553)	(0.2744)	(0.2910)	(0.2359)	(0.2576)	(0.1918)	(0.3328)	(0.2602)	(0.3876)	(0.3857)	(0.5091)	(0.3839)	(0.1489)
15	Total	24,203,559	100.00%																
	CEI																		
16	Rate RS	5,535,410	29.09%	0.5425	0.3690	0.1953	(0.2030)	(0.3587)	(0.3804)	(0.3084)	(0.3368)	(0.2507)	(0.4351)	(0.3402)	(0.5068)	(0.5043)	(0.6655)	(0.5019)	(0.1946)
17	Rate GS	6,536,798	41.90%	0.6617	0.4501	0.2382	(0.2476)	(0.4375)	(0.4640)	(0.3762)	(0.4108)	(0.3058)	(0.5307)	(0.4149)	(0.6181)	(0.6150)	(0.8116)	(0.6121)	(0.2374)
18	Rate GP	445,966	2.21%	0.5127	0.3487	0.1845	(0.1919)	(0.3389)	(0.3595)	(0.2914)	(0.3182)	(0.2369)	(0.4112)	(0.3215)	(0.4788)	(0.4765)	(0.6288)	(0.4743)	(0.1839)
19	Rate GSU	3,778,472	18.38%	0.5022	0.3416	0.1807	(0.1879)	(0.3320)	(0.3521)	(0.2855)	(0.3117)	(0.2321)	(0.4027)	(0.3149)	(0.4691)	(0.4668)	(0.6160)	(0.4646)	(0.1802)
20	Rate GT	2,120,383	8.40%	0.4091	0.2783	0.1472	(0.1531)	(0.2705)	(0.2869)	(0.2326)	(0.2540)	(0.1891)	(0.3281)	(0.2565)	(0.3821)	(0.3803)	(0.5018)	(0.3785)	(0.1468)
21	Rate STL	125,007	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Rate POL	55,212	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Rate TRF	18,408	0.02%	0.1070	0.0728	0.0385	(0.0400)	(0.0707)	(0.0750)	(0.0608)	(0.0664)	(0.0495)	(0.0858)	(0.0671)	(0.0999)	(0.0995)	(0.1313)	(0.0990)	(0.0384)
24	Total	18,615,656	100.00%																
	TE																		
25	Rate RS	2,507,876	26.20%	0.5511	0.3748	0.1983	(0.2062)	(0.3643)	(0.3864)	(0.3133)	(0.3421)	(0.2547)	(0.4420)	(0.3456)	(0.5147)	(0.5122)	(0.6760)	(0.5098)	(0.1977)
26	Rate GS	1,965,008	25.16%	0.6752	0.4593	0.2430	(0.2527)	(0.4464)	(0.4735)	(0.3838)	(0.4192)	(0.3120)	(0.5415)	(0.4234)	(0.6307)	(0.6276)	(0.8282)	(0.6246)	(0.2422)
27	Rate GP	987,134	10.75%	0.5741	0.3905	0.2066	(0.2149)	(0.3796)	(0.4026)	(0.3264)	(0.3564)	(0.2653)	(0.4605)	(0.3600)	(0.5363)	(0.5336)	(0.7042)	(0.5311)	(0.2060)
28	Rate GSU	116,054	1.00%	0.4561	0.3102	0.1641	(0.1707)	(0.3015)	(0.3198)	(0.2593)	(0.2831)	(0.2108)	(0.3658)	(0.2860)	(0.4260)	(0.4239)	(0.5594)	(0.4219)	(0.1636)
29	Rate GT	4,832,776	36.88%	0.4025	0.2738	0.1449	(0.1506)	(0.2661)	(0.2823)	(0.2288)	(0.2499)	(0.1860)	(0.3228)	(0.2524)	(0.3760)	(0.3741)	(0.4937)	(0.3724)	(0.1444)
30	Rate STL	49,050	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	Rate POL	9,702	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	Rate TRF	2,230	0.01%	0.2402	0.1634	0.0865	(0.0899)	(0.1588)	(0.1684)	(0.1366)	(0.1491)	(0.1110)	(0.1927)	(0.1506)	(0.2244)	(0.2233)	(0.2947)	(0.2222)	(0.0862)
33	Total	10,469,829	100.00%																
34	Ohio Total	53,289,044		0.5378	0.3658	0.1936	(0.2013)	(0.3556)	(0.3771)	(0.3057)	(0.3339)	(0.2486)	(0.4313)	(0.3373)	(0.5024)	(0.4999)	(0.6597)	(0.4976)	(0.1930)

NOTES

1 Source: Attachment JAR-1

2 Calculation: Line 1 / (1-0.26%)

3-5 Calculation: Line 2 X respective Company's allocation factor

7-14 Calculation: Section I, Line 3 X Allocation Factor / Sales. (2016 and 2031 adjusted to reflect 7 and 5 months, respectively).

16-23 Calculation: Section I, Line 4 X Allocation Factor / Sales. (2016 and 2031 adjusted to reflect 7 and 5 months, respectively).

25-32 Calculation: Section I, Line 5 X Allocation Factor / Sales. (2016 and 2031 adjusted to reflect 7 and 5 months, respectively).

34 Calculation (Annual MWH Sales): Sum (Lines 15, 24, 33). Calculation (Estimated Rider RRS Rate): Section I, Line 6 / Sales. (2016 and 2031 adjusted to reflect 7 and 5 months, respectively).

Attachment JMS-3

Estimated Rider RRS Rates (¢ / kWh) June 2016 - May 2019

For Illustrative Purposes

Line	Company / Rate	June 2016 - May 2017	June 2017 - May 2018	June 2018 - May 2019
1	OE			
2	Rate RS	0.4558	0.2875	0.0284
3	Rate GS	0.5720	0.3608	0.0356
4	Rate GP	0.4715	0.2974	0.0294
5	Rate GSU	0.4044	0.2551	0.0252
6	Rate GT	0.3694	0.2330	0.0230
7	Rate STL	-	-	-
8	Rate POL	-	-	-
9	Rate TRF	0.3597	0.2269	0.0224
10	CEI			
11	Rate RS	0.4702	0.2966	0.0293
12	Rate GS	0.5735	0.3618	0.0357
13	Rate GP	0.4443	0.2803	0.0277
14	Rate GSU	0.4353	0.2746	0.0271
15	Rate GT	0.3546	0.2237	0.0221
16	Rate STL	-	-	-
17	Rate POL	-	-	-
18	Rate TRF	0.0927	0.0585	0.0058
19	TE			
20	Rate RS	0.4776	0.3013	0.0298
21	Rate GS	0.5852	0.3692	0.0365
22	Rate GP	0.4976	0.3139	0.0310
23	Rate GSU	0.3953	0.2494	0.0246
24	Rate GT	0.3489	0.2201	0.0217
25	Rate STL	-	-	-
26	Rate POL	-	-	-
27	Rate TRF	0.2082	0.1313	0.0130

NOTES

1-27 Calculated based on the rates shown on Exhibit JMS-2 for the respective number of months. For example, the estimated rates for June 2016 - May 2017 are calculated as follows: (2016 estimated rate x 7 months + 2017 estimated rate x 5 months) / 12.

Attachment JMS-4

Estimated Rider RRS Bill Impact - Average Standard Residential Customer
For Illustrative Purposes

I. Estimated RS Bill Impact June 2016 - May 2019

Line	Line Item	June 2016 - May 2017	June 2017 - May 2018	June 2018 - May 2019	Average
1	Estimated Rider RRS (¢ / kWh)	0.4679	0.2951	0.0292	0.2641
2	Monthly kWh	750	750	750	750
3	Estimate Monthly Charge	$ 3.51	$ 2.21	$ 0.22	$ 1.98

II. Estimated RS Bill Impact 2016 - 2031

		(A)	(B)	(C)	(D)	(E)
Line	Year	Estimated Rider RRS (¢ / kWh)	Monthly kWh	Number of Months	Monthly Charge (Credit)	Annual Charge (Credit)
4	2016	0.5398	750	7	$ 4.05	$ 28.35
5	2017	0.3672	750	12	$ 2.75	$ 33.00
6	2018	0.1943	750	12	$ 1.46	$ 17.52
7	2019	(0.2020)	750	12	$ (1.52)	$ (18.24)
8	2020	(0.3569)	750	12	$ (2.68)	$ (32.16)
9	2021	(0.3785)	750	12	$ (2.84)	$ (34.08)
10	2022	(0.3069)	750	12	$ (2.30)	$ (27.60)
11	2023	(0.3351)	750	12	$ (2.51)	$ (30.12)
12	2024	(0.2495)	750	12	$ (1.87)	$ (22.44)
13	2025	(0.4329)	750	12	$ (3.25)	$ (39.00)
14	2026	(0.3385)	750	12	$ (2.54)	$ (30.48)
15	2027	(0.5042)	750	12	$ (3.78)	$ (45.36)
16	2028	(0.5018)	750	12	$ (3.76)	$ (45.12)
17	2029	(0.6622)	750	12	$ (4.97)	$ (59.64)
18	2030	(0.4994)	750	12	$ (3.75)	$ (45.00)
19	2031	(0.1937)	750	5	$ (1.45)	$ (7.25)
20	**Total Estimated Rider RRS Charge (Credit)**					**$ (357.62)**

NOTES
1 Calculation: Average of OE, CEI, TE Rate RS rates from JMS-3
3 Calculation: Line 1 x Line 2 / 100
4-19 A Calculation: Average of OE, CEI, TE Rate RS rates from JMS-2
4-19 D Calculation: Column (A) X Column (B)
4-19 E Calculation: Column (C) x Column (D)
20 Calculation: Sum Lines (4 -19)

Summary: Testimony (Direct) of Joanne M. Savage electronically filed by Ms. Tamera J Singleton on behalf of Ohio Edison Company and The Cleveland Electric Illuminating Company and The Toledo Edison Company