## BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO
In the Matter of the Application of the Ohio Department of Development for an Order Approving Adjustments to the Universal Service Fund Riders of Jurisdictional Ohio Electric Distribution Utilities.

Case No. 05-717-EL-UNC


SUPPLEMENTAL TESTIMONY
OF
DONALD A. SKAGGS
ON BEHALF OF
THE OHIO DEPARTMENT OF DEVELOPMENT

November 22, 2006

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## SUPPLEMENTAL TESTIMONY OF DONALD A. SKAGGS

 On Behalf of The Ohio Department of DevelopmentQ. Please state your name and business address.
A. My name is Donald A. Skaggs. My business address is Ohio Department of Development ("ODOD"), 77 South High Street, 25th Floor, Columbus, Ohio 432161001.
Q. By whom are you employed and in what capacity?
A. I am employed by ODOD in its Office of Community Services ("OCS") as Research and Planning Manager.
Q. Have you previously submitted written testimony on behalf of ODOD in support of its application in this proceeding?
A. Yes. My direct testimony in support of ODOD's original application was filed in this docket on October 31, 2006.
Q. What is the purpose of your supplemental testimony?
A. The purpose of this supplemental testimony is to support the amended application which ODOD has filed in this proceeding. In this testimony, I discuss the reasons for the changes to the Universal Service Fund ("USF") rider revenue requirement originally proposed for each electric distribution utility ("EDU") and sponsor the revised exhibits and workpapers I have prepared in connection with the amended application.
Q. Why has ODOD filed an amended application?
A. In the original application, ODOD reserved the right to update its calculations to incorporate additional actual data as it became available. ODOD now has EDU-reported
data for September 2006 and has substituted that data for the estimated September 2005 data used in the original test-period analysis.
Q. How does the inclusion of the this additional month of actual data impact the testperiod analysis?
A. Substituting the actual numbers for September 2006 for the estimates used in the original analysis changes the adjusted test-period cost of electricity delivered to the EDU's PIPP customers, and results in increases in the cost of PIPP components of each of the respective EDU's USF rider revenue requirements except for DPL. However, while the primary impact is on the cost of PIPP, there are also several other changes that flow from substituting actual numbers from September 2006 for the estimates used in the original analysis.
Q. Please explain.
A. First, because the Electric Partnership Program ("EPP") and Consumer Education ("CE") program costs are allocated based on the EDU's relative cost of PIPP, the changes to the EDU's respective cost of PIPP components produce changes in the EPP and CE components as well. Second, the projected December 31, 2006 PIPP account balances for each EDU were also recalculated to capture the impact of this additional actual data, resulting in changes in the adjustments necessary to synchronize the riders proposed in the amended application with EDU's PIPP USF account balances as of the riders' proposed effective date of January 1, 2007. Third, the substitution of the actual Kwh sales for September 2006 in the Kwh sales figures used in the original calculations, coupled with other factors driving revisions to the cost of PIPP, also impacts the
allowance for interest component. Finally, the change in Kwh sales and the change in pro forma rider revenue affects the calculation of the allowance for undercollection component.
Q. What is the impact of these foregoing changes on the indicated USF rider revenue requirement?
A. These changes produce a proposed aggregate USF rider revenue requirement of $\$ 111,806,989$, as compared to the total annual USF rider revenue target of $\$ 106,604,995$ identified in the original application. This revised revenue requirement, when compared to the adjusted test-period revenues of $\$ 119,009,989$, produces the indicated aggregated revenue surplus of $\$ 7,203,001$ shown on the table on page 6 of the amended application, as compared to the $\$ 12,071,887$ total surplus reported in the original application. On an individual company basis, CSP, OP, DPL, and Duke still show surpluses based on their current USF rider rates, but OE and TE have joined CEI in exhibiting USF rider revenue deficiencies.
Q. Have you prepared revised exhibits reflecting the changes you have described?
A. Yes. I prepared the exhibits attached to the amended application, which show the elements of the revised USF rider revenue requirement on a company-by-company basis. In addition, I have attached the workpapers to my testimony which support certain of these components. The underlying methodology for each calculation is the same as described in my initial testimony.
Q. How were the cost of PIPP components calculated for purposes of the amended application?
A. The cost of PIPP represents the total cost of electricity consumed by each EDU's PIPP customers during the test period, plus pre-PIPP balances, less all payments made by or on behalf of PIPP customers, including agency payments, over the same period. The revised test-period cost of PIPP for each EDU is shown on Exhibit A to the amended application. However, as described in my initial testimony, it is necessary to adjust the test-period cost of PIPP calculation to capture the impact of the USF rider increases approved by the Commission in its finding and order of June 6, 2006 in Case No, 05-717-EL-UNC on the cost of PIPP. Thus, rather than relying on actual data from the corresponding months of 2005 as a surrogate for the results for those months of the test period for which data was not available at the time the application was prepared, I projected both the cost of electricity delivered to PIPP customers and the USF rider revenues collected from all ratepayers for the final months of 2006 by applying the current dider rates to the monthly sales volumes for September through December 2005. As shown in the workpapers attached to my supplemental testimony as Exhibits DAS-Rev-1 through Das-Rev-7, I have replaced the projections for September 2006 with actual data for that month. The resulting adjustments are shown in the second column of Exhibit A1 to the amended application.
Q. In your initial testimony, in addition to the adjustments to take into account the impact of the January 2006 EDU rate increases you have just discussed, you also described an adjustment to take into account the fact that the rates of CSP, DP\&L, Duke and OP will increase in January 2007. Have you revised those adjustments to reflect actual data for September 2006 ?
A. Yes. The revised adjustments for the January 2007 CSP, DP\&L, Duke, and OP rate increases are also set out in Exhibit A1 of the amended application. The workpapers supporting these adjustments are attached to my testimony as Exhibits DAS-Rev-8 to DAS-Rev-11.
Q. Were the "Other Adjustments" shown on Exhibit A1 to the original application also revised to reflect the additional month of actual data.
A. Yes. The revised adjustment to annualize the impact of the transfer of the former customers of Monongahela Power Company to CSP effective January 1, 2006 is shown on Exhibit A1 of the amended application and is supported by the workpaper attached to my supplemental testimony as Exhibit DAS-Rev-12. Because DPL, pursuant to the Commission's opinion and order of September 29, 2005 in Case No. 05-717-EL-UNC, stopped charging late payment fees to PIPP customers in October 2005, the use of actual September 2006 data in the revised adjusted test-period cost of PIPP analysis eliminates the need for the separate adjustment for DPL late payment fee revenues included in the original analysis.
Q. Were the CSP and OP Pre-PIPP corrections shown on Exhibit A1 of the original application affected by the availability of actual data for September 2006 ?
A. No. As I explained in my initial testimony, these corrections are were based on dollars reported, and, thus, have been deducted directly in calculating the adjusted test-period cost of PIPP for these companies.
Q. What was the overall effect on the adjusted test-period cost of PIPP of substituting actual data for September 2006 in your analysis?
A. A comparison of Exhibit A1 to the October 31, 2006 application with Exhibit A1 to the amended application shows that the inclusion of actual data for September 2006 has increased the aggregate revenue requirement associated with the cost of PIPP component from $\$ 79,847,366$ to $\$ 82,392,596$. The specific calculation of the cost of PIPP for each EDU is shown in the workpapers attached to my testimony as Exhibits DAS-Rev-13 through DAS-Rev-19.
Q. How were the USF rider revenue requirement components for the EPP and CE programs determined for purposes of the amended application?
A. As in the original application, $\$ 14,946,196$ component for the EPP/CE programs is the allowance approved by the Commission in its September 6,2006 opinion and order in the notice of intent ("NOI") phase of this proceeding. As explained above, the specific amount allocated to each EDU has changed slightly due to the changes in their relative costs of PIPP, the basis upon which the total allowed EPP/CE program costs are allocated. The development of the allocation factors and the results of the allocation are shown in Exhibit B to the amended application.
Q. How was the component of the USF rider revenue requirement relating to the administrative costs associated with low-income customer assistance programs and the consumer education program determined for purposes of the amended application?
A. There is no change in this component from the amount included for administrative costs in the original application. Because these costs were allocated to the EDUs based on the relative number of PIPP customers during April 2006, the test-period month with the
highest PIPP customer account totals, the amounts allocated to the individual EDUs were unaffected by the inclusion of the September 2006 data. The results of the allocation are shown on Exhibit C of the amended application.
Q. What was the impact of substituting actual data for September 2006 on the projected December 31, 2005 PIPP USF account balance element of the USF rider revenue requirement?
A. The USF rider is calculated by dividing the USF rider revenue requirement by historical annual Kwh sales. Because sales levels vary over the course of a year, and because other factors bearing on the cost of PIPP, such as PIPP enrollment patterns, also change, the EDU's PIPP USF account balance will fluctuate from month to month (see Amended Application, Exhibit E). As explained in my initial prefiled testimony, the new USF rider must be synchronized with the EDU's PIPP USF account cash position as of the rider's effective date. At the time the original application was prepared, ODOD projected a December 31, 2006 consolidated PIPP USF account balance of $\$ 11,722,294$, which decreased the aggregate USF rider revenue target by that amount. As shown in Exhibit D of the amended application, ODOD, based on the latest available data, now projects a December 31, 2006 consolidated balance of $\$ 9,223,889$. Thus, the overall USF rider revenue requirement has gone up by $\$ 2,498,405$ as a result of the reduction in the offset. The workpapers showing the calculation of the December 31, 2006 balances now projected for each company are attached to my testimony as Exhibits DAS-Rev-20 through DAS-Rev-26. These exhibits replace the corresponding final pages of Exhibits DAS-20 through DAS-26 to my initial testimony.
Q. Have changes been made to the reserve component of the USF rider revenue target in preparing the amended application.
A. The inclusion of actual data for September 2006 has no impact on the calculation of the reserve component because, as now proposed by ODOD, the reserve component is based on the EDU's highest monthly deficit during the test period. However, in the original application, ODOD inadvertently based the TE reserve component on the company's May 2006 USF cash balance deficit, when the April 06 deficit was actually slightly higher. The TE reserve components shown in Exhibit F to the amended application reflects this correction.
Q. You indicated that substituting actual Kwh sales for September 2006, coupled with other factors driving the cost of the PIPP, also impacts the allowances for interest proposed in the amended application. What is this impact?
A. Although the impact is relatively small, these changes do affect the results of the cash flow analysis used to develop the allowance for interest. As shown on Exhibit $G$ to the amended application, the new total proposed allowances for interest is $\$ 134,894$ as opposed to the $\$ 152,922$ originally proposed. The workpapers supporting these figures are attached to this supplemental testimony as Exhibits DAS-Rev-27 through DAS-Rev33.
Q. You also indicated that substituting actual Kwh sales for September 2006 in calculating test-period sales, coupled with the change in pro forma USF rider revenue, affects the allowance for undercollection components of the rider. What is this impact?
A. As shown in Exhibit $\mathbf{H}$ to the amended application, the proposed allowance for undercollection is now $\$ 2,303,384$, as compared to the $\$ 2,168,856$ for this element proposed in the original application. The workpapers supporting the revised proposal are attached to my testimony as Exhibits DAS-Rev-34 through DAS-Rev-40.
Q. Did you revise the proposed allowances for audit costs for CEI, DPL, OE, and TE in determining the revised revenue requirement for purposes of the amended application?
A. No. The allowances for the costs of the audits of PIPP-relating accounting and reporting of these EDUs are unaffected by the inclusion of actual data for September 2006.
Q. Taking into account the various changes you have described in your supplemental testimony, what are the results of your USF rider revenue requirement analysis?
A. The revised USF rider revenue requirement analysis for each EDU is summarized in Exhibit I to the amended application.
Q. How did you calculate the proposed USF rider for each EDU?
A. I applied the same Commission-approved rate design methodology described in my initial testimony, substituting actual September 2006 Kwh sales for the estimate used in the original calculation. However, subsequent to the filing of the application, I was advised by CSP and OP that they anticipated significant increases in industrial sales commencing in January of 2007. Thus, I incorporated these projected additional sales in developing the USF rider rates for these companies, which, of course, spreads the revenue requirement over more volumes, thereby reducing the rider rates from what they would otherwise would have been. The updated sales information is attached to this
testimony as Exhibits DAS-Rev-41 through DAS-Rev-47. The workpapers supporting the resulting proposed USF riders are attached to my testimony as Exhibits DAS-Rev-48 through DAS-Rev-54.
Q. How do the USF riders proposed in the amended application compare to the current USF riders?
A. The table presented at page 13 of the amended application compares the USF rider rate now proposed for each EDU with the EDU's current USF rider. As I previously indicated, the test period revenues produced by the current CEI, OE, and TE rider rates are below the indicated USF rider revenue requirements for these companies. Accordingly, the USF rider rates proposed for these EDUs are above their current USF rider rates. On the other hand, the current CSP, DPL, Duke, and OP riders would generate pro forma revenues that exceed their indicated revenue requirements. Thus, the propose USF rider rates for these EDUs are below their current USF rider rates.
Q. Will the USF rider adjustments proposed in the amended application produce the minimum amount of revenue necessary to serve the purposes for which the USF riders were created?
A. Yes. ODOD's goal was to propose USF riders at the lowest possible level which will generate revenues sufficient to fund the low-income customer assistance and consumer education programs and cover the associated administrative costs. However, ODOD continues to believe that the USF riders must be reviewed no less frequently than annually to assure, to the extent possible, that these riders will generate the necessary level of revenues, but no more than that level.

1 Q. Does this conclude your supplemental testimony?
2 A. Yes.

## EXHIBITS

## Supplemental Rate Increase Adjustment for September through December Columbus Southern Power



## Supplemental Rate Increase Adjustment for September through December Ohio Power



## Supplemental Rate Increase Adjustment for September through December

 Duke

| Supplemental Rate Inc Rider Revenue kwh |  |
| :---: | :---: |
| OCT04 | 1,220,760,487 |
| NOV04 | 1,105,616,961 |
| DEC04 | 1,419,267,809 |
|  | 3,745,645,25 |

Kwh x Supplemental Rider $\$ 3,364,260$
Kwh $x$ original USF rider $\$ 1,749,591$
Difference between Supplemental Rider and Original Rider \$1,616,843
Expected Increase in Rider Revenue less Expected Increase in Costs $\quad \$ 776,865$

## Supplemental Rate Increase Adjustment for September through December Dayton Power and Light



## Supplemental Rate Increase

 Rider Revenuekwh

| OCT04 | $1,131,154,551$ |
| :--- | :--- |
| NOV04 | $1,096,870,068$ |

NOV04 1,096,870,068
DEC04 $\quad 1,198,824,592$

Block 1 Kwh (kwh x 72) 2,467,331,432
Block 1 Kwh (kwh x .72) 2,467,331,432
Kwh x Supplemental Rider
Kwh x original USF rider
Difference between Supplemental Rider and Original Rider
\$2,350,756 \$1,901,819
$\$ 448,937$
Expected Increase in Rider Revenue less Expected Increase in Costs $\$ 204,925$

Supplemental Rate Increase Adjustment for September through December Cleveland Electric and Illuminating

Supplemental Rate Increase Costs

| OCT04 | $\$ 1,375,257$ |
| ---: | ---: |
| NOVO4 | $\$ 1,351,812$ |
| DECO4 | $\$ 1,634,745$ |
| electricity | $\$ 4,361,814$ |
| electricity $\times 3.17 \%$ rate increase | $\$ 138,270$ |
| Increase $x$ interest ratio | $\$ 1,360$ |
| Uncollectible | $\$ 2,285$ |
| Supplemental Cost increase | $\$ 141,914$ |

Supplemental Rate Increase
Rider Revenue
kwh

| OCT04 | $1,149,711,068$ |
| ---: | ---: |
| NOVO4 | $1,145,975,459$ |
| DEC04 | $1,219,143,153$ |
|  | $3,514,829,680$ |
| Kwh $\times$ Supplemental Rider | $\$ 2,955,003$ |
| Kwh $\times$ original USF rider | $\$ 2,670,919$ |
| ntal Rider and Original Rider | $\$ 284,083$ |
| Expected Increase in Costs | $\$ 142,169$ |

## Supplemental Rate Increase <br> Adjustment for September through December Ohio Edison

| Supplemental Rate Increase <br> Costs |  |
| ---: | ---: |
| OCT04 | $\$ 2,701,829$ |
| NOVO4 | $\$ 3,046,790$ |
| DEC04 | $\$ 3,615,948$ |
| electricity | $\$ 9,364,567$ |
| $\$ 296,857$ |  |
| electricity $\times 3.17 \%$ rate increase | $\$ 2,833$ |
| Increase $\times$ interest ratio | $\$ 3,027$ |
| Uncollectible | $\$ 302,717$ |
| Supplemental Cost Increase |  |



## Supplemental Rate Increase Adjustment for September through December Toledo Edison



Supplemental Rate Increase Rider Revenue kwh

| OCT04 | $459,651,633$ |
| ---: | ---: |
| NOV04 | $482,548,826$ |
| DEC04 | $507,125,937$ |
|  | $1,449,326,396$ |
| Kwh $\times$ Supplemental Rider | $\$ 1,543,755$ |
| Kwh $\times$ original USF rider | $\$ 1,385,556$ |

## 2007 Rate Increase Columbus Southern Power

|  | Rate Increase Effective 1/1/07 |  |
| :---: | :---: | :---: |
|  | \9614. |  |
|  | OCTO5 | \$1,003,817 |
|  | NOV05 | \$962,627 |
|  | DEC05 | \$1,192,692 |
|  | JANO6 | \$1,414,607 |
|  | FEB06 | \$1,327,524 |
|  | MARO6 | \$1,376,674 |
|  | APR06 | \$1,276,690 |
|  | MAYO6 | \$1,164,877 |
|  | JUNO6 | \$1,552,265 |
|  | JUL06 | \$1,864,827 |
|  | AUG06 | \$2,119,678 |
|  | SEPT06 | \$1,784,234 |
| Test Period Generation Charges |  | \$17,040,513 |
| Rate Increase: |  | 3.00\% |
|  |  | \$511,215 |

# 2007 Rate Increase Ohio Power 

| Rate Increase |
| :---: |
| Effective 1/1/07 |


| Marti |  |
| :---: | :---: |
| OCT05 | \$934,093 |
| NOV05 | \$1,026,090 |
| DEC05 | \$1,555,984 |
| JANO6 | \$2,025,879, |
| FEB06 | \$1,749,907 |
| MARO6 | \$1,765,322 |
| APR06 | \$1,495,915 |
| MAYO6 | \$1,184,043 |
| JUNO6 | \$1,269,379 |
| JUL06 | \$1,399,998 |
| AUG06 | \$1,578,645 |
| SEPT06 | \$1,352,961 |
| ion Charges | \$17,338,218 |
| te Increase: | 7.00\% |
|  | \$1,213,675 |

## 2007 Rate Increase Duke Energy

| Rate Increase Effective 1/1/07 |  |
| :---: | :---: |
|  | Execuin |
| OCT05 | \$948,457.23 |
| NOVO5 | \$870,043.64 |
| DEC05 | \$1,156,299.30 |
| JAN06 | \$1,474,277.44 |
| FEB06 | \$1,555,570.60 |
| MAR06 | \$1,641,127.36 |
| APR06 | \$1,511,270.85 |
| MAY06 | \$1,336,449.63 |
| JUN06 | \$1,743,762.95 |
| JUL06 | \$2,092,318.82 |
| AUGO6: | \$2,474,359.32 |
| SEPT06 | \$1,961,539,55 |
|  | \$18,765,476.69 |
| 2006 increase Oct-Dec | \$826,234.47 |
|  | \$19,591,711.16 |
| 2007 increase: | 4.12\% |
|  | \$807,178.50 |

## 2007 Rate Increase <br> Dayton Power and Light

| Rate Increase |
| :---: |
| Effective 1/1/07 |


| Mos ${ }^{2}$ | 6ensemprey |
| :---: | :---: |
| OCT05 | \$687,583.43 |
| NOVO5 | \$692,493.14 |
| DEC05 | \$877,536.61 |
| JANO6 | \$976,143.15 |
| FEB06 | \$915,761.63 |
| MAR06 | \$896,680.49 |
| APR06 | \$882,733.31 |
| MAYO6 | \$715,421.13 |
| JUNO6 | \$830,173.04 |
| JULO6 | \$974,093.11 |
| AUG06 | \$1,073,409.39 |
| SEPT06 | \$904,281.96 |
| Charges | \$10,426,310.39 |
| Increase: | 5.40\% |
|  | \$563,020.76 |

# Columbus Southern Power Annualizing Impact of Allegheny Power Customer Acquisition 

## Cost of PIPP Adjustment

| Cost of PIPP (Sept05-Dec05) | $\$ 38,446$ |
| ---: | ---: | ---: |
| Payments received (Jan06-July06) | $\$ 73,815$ |
| Net Adjustment | $(\$ 35,369)$ |

Universal Service Fund
Current Rider Mechanism
Cost of PIPP

## Cost of PIPP

Company: COLUMBUS SOUTHERN POWER

|  | For Montity Bulling Cycle Ending: |  | Aprobs | may-06 | Jun-06 | Jul-06 | Aug. 06 | Sop-06 | OCt-05 | Nou05 | D0c.05 | Annual |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| A. | Rendtance (Form USF-301-00) |  |  |  |  |  |  |  |  |  |  |  |
|  | 1. USF RIder Collectod on All Customers | [\$51,116,221.98] $\mathbf{8 1 , 0 1 7 , 8 7 4 . 3 4} \mathbf{8 1 , 0 0 7 , 1 0 4 . 2 3 1}$ | \$880,953.71 | SE15,435.92] | \$1,265,365.26 | [51,578,830.02] | \$ $\$ 1,746,915.61$ | [ $51,570,958.34$ ] | \$977,033.73\| | \$900,329.3 | \$1,034,562.52 | 114,012,582.17 |
| 2. Non-UsF Rlder Funds |  |  |  |  |  |  |  |  |  |  |  |  |
| a. Customer Payments <br> b. Other Customer Payments <br> c. Agency Paymonts |  |  | - $5955,971.99$ | \$1,16,880.59 | \$ $51,178,681,36 \mid$ | [51,445,859.49 | ${ }^{51,958,6615.44} 5$ | ${ }^{\$ 2,039,384.68}$ | \$1,796,298.02 | 51,738,964.91 | +509, 253.07 |  |
|  |  |  <br> $51,003,324.87$ | ${ }^{\$ 3} \mathbf{\$ 0 7 , 8 7 2 7 2 . 0 5}$ | \$271,614.70\| | \$170,087,80 | \$784,103.37 | 5245, ,171.927 | 5153,688.10 | 512, 297, 73 | $\frac{1804,2279}{}$ | \$53,412.83 | K, |
|  | 3. We:mmen | [2, \% \% , 7\% |  |  |  |  |  |  |  |  |  | 524,541,070.50 |
|  | 4. Tota Amourt of Remintanca |  |  |  |  |  |  |  |  |  |  | \$38,653,652-67 |
| B. | OCs Admun $\quad$ 2.99\% | \$23,060.84] \$27,029.01] $520,800.44$ | \%18,408, 86 | \$17,497, 141 | 526,142.40] | [2, 2 ,61.20] | 538,050.80] | 532, 155.57 | 520,751.84 | 519,122.87 | 523,218.11 | \$291,219.60 |
| c. | EPP Program ${ }^{23.14 \%}$ |  |  |  |  |  |  |  |  |  |  | [2,429,225:16 |
|  | 21.81\% |  |  |  |  |  |  |  |  |  |  |  |
| D. | Avalable Esarcse (AA-E-C) |  |  |  |  |  |  |  |  |  |  | 33,933,207,.91 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| $\xi$ |  <br>  |  |  |  |  |  |  |  |  |  |  | \$37,515,291.59 |
| f. | Suplusid ofich (0-E) |  |  |  |  |  |  |  |  |  |  | [ $51,582,083,68$ ] |
|  | Cost of PIPP (Total of E. Total of A.3.) |  |  |  |  |  |  |  |  |  | Cost of PPP: $510,945,872.51$ |  |

Ohio Power
Current Rider



|  | Company: Duke |
| :---: | :---: |
| A | For Monthly allung Cycla Ending: |
|  | Remiltance (form USF-301-00) |
|  | 4. UsF fider colliected on All Customers |
|  | 2. Non-USF Rider Funds <br> a. Customer Payments <br> b. Other Customer Payments <br> c. Agency Payments |
|  | 3: |
|  | 4. Total Amourit of Remillance |
| 日. | $\text { ocs Admin } \quad \underset{1.89 \%}{2.99 \%}$ |
| c. | EPP Program ${ }_{17.43 \%}^{23.14 \%}$ |
| D. | Avallable Balance (AALE-C) |
| \% |  <br> (Form USF-302-00, Lne W thens VII) |
|  | Surpeusfonact (D-E) |
|  | Cost of RPP (Total of E- Total of A.3.) |

Company: Dayton Power and Light

Cleveland Illuminating Company
Current Rider Mechanism
Cost of PIPP
Company: Cleveland Illuminating Company


DAS-Rev-17
Company: Ohio Edison Company
Ohio Edison
Current Rider Mechanism

Toledo Edison
Current Rider Mechanism
Cost of PIPP



 Cost of PIPP: $\$ 8,689,903.79$

\section*{Universal Service Fund

Projection of December 31, 2006 Balance Projection of December 31, 206
Jan 2006-Dec 2006 <br> 
Universal Service Fund
Profection of December 31, 2006 Balance
Jan 2006-Dec 2006

Company: OHIO POWER COMPANY

Universal Service Fund
Projection of December 31, 2006 Balance
Jan 2006 - Dec 2006




|  | Company: <br> Dayton Power and Light |
| :---: | :---: |
|  | For Monthly Bulling Cycle Emding: |
| A. | Remiltance (Fomm USF-301-00) |
|  | 1. USF RIder Collocted on All Custommers |
|  | 2. Hon-USF Rider Funds <br> a. Customer Payments <br> b. Other Dustomer Payments <br> c. Agency Payments |
|  | 3. Total Paymants |
|  | 4. Total Amount of Romittance |
| E. | Ocs Admin $2.99 \%$ |
| c. |  |
| c. | 18.13\% |
| D. | Avallablo Balance (A4.E-C) |
| E | Ralmbursament Due |
| F. | Suplus/Donlet (0-E) |

Universal Service Fund
Projected of December 31, 2006 Balance

Universal Service Fund
Projection of December 31, 2006 Balance Jan 2006 - Dec 2006


Universal Service Fund
Projection of December 31, 2006 Balance Jan 2006 - Dec 2006








 (\$1.93) $\quad \$ 292.384 .44 \quad \$ 282,634.32$

CSP

## Interest Calculation

| Month | Debt | Deficit | Interest | Notes |
| :---: | :---: | :---: | :---: | :---: |
| January | Begin through Dec January Begin through Jan | $\begin{array}{r} (2,844,535.29) \\ 125,967.69 \\ (2,718,567.60) \\ \hline \end{array}$ | \$0.00 | Begin through Jan $\times .000222 \times 30$ |
| February | Begin through Jan February Begin throug Feb | $\begin{array}{r} (2,718,567.60) \\ 919,491.76 \\ (1,799,075.84) \\ \hline \end{array}$ | \$0.00 | Begin through Feb x. $000222 \times 30$ |
| March | Begin through Feb March Begin through March | $\begin{array}{r} (1,799,075.84) \\ 409,183.72 \\ \hline(1,389,892.12) \\ \hline \end{array}$ | \$0.00 | Begin through March x . $000222 \times 30$ |
| April | Begin through March April <br> Begin through April | $\begin{gathered} (1,389,892.12) \\ 960,124.42 \\ (429,767.70) \end{gathered}$ | \$0.00 | Begin through April $\times .000222 \times 30$ |
| May | Begin through April May <br> Begin through May | $\begin{gathered} (429,767.70) \\ 126,116.84 \\ (303,650.86) \\ \hline \end{gathered}$ | \$0.00 | Begin through May $\times .000222 \times 30$ |
| June | Begin through May June <br> Begin through June | $\begin{gathered} (303,650.86) \\ 584,098.60 \\ 280,447.74 \end{gathered}$ | \$1,867.78 | Begin through June $\times .000222 \times 30$ |
| July | Begin through June July <br> Begin through July | $\begin{aligned} & \hline 282,315.52 \\ & 154,633.49 \\ & 436,949.02 \\ & \hline \end{aligned}$ | \$2,910.08 | Begin through July $\times .000222 \times 30$ |
| August | Begin through July August <br> Begin through Aug | $\begin{aligned} & \hline 439,859.10 \\ & 445,676.28 \\ & 885,535.38 \\ & \hline \end{aligned}$ | \$5,897.67 | Begin through Aug $\times .000222 \times 30$ |
| September | Begin through Aug September Begin through Sept | $\begin{gathered} \hline 891,433.04 \\ (71,392.72) \\ 820,040.32 \\ \hline \end{gathered}$ | \$5,461.47 | Begin through Sept $\times .000222 \times 30$ |
| October | Begin through Sept October Begin through October | $825,501.79$ <br> $(1,108,866.80)$ <br> $(283,365.01)$ | 0.00 | Begin through Oct $\mathrm{x} .000222 \times 30$ |
| November | Begin througth October November Begin through Nov | $\begin{array}{r} (283,365.01) \\ (336,407.67) \\ (619,772.68) \end{array}$ | 0.00 | Begin + Dec $\times .000222 \times 30$ |
| December | Begin through Nov December Begin through Dec | $\begin{array}{r} (619,772.68) \\ (1,351,625.77) \\ (1,971,398.45) \end{array}$ | \$0.00 |  |
|  |  | Total Interest: | \$16,137.00 |  |

Interest Calculation

| Month | Debt | Deficit | Interest | Notes |
| :---: | :---: | :---: | :---: | :---: |
| January | Dec-06 <br> January <br> Begin through Jan | $\begin{array}{r} \hline(\$ 3,314,788.75) \\ \$ 541,306.55 \\ (\$ 2,773,482.21) \end{array}$ | \$0.00 | Begin through Jan $\times .000222 \times 30$ |
| February | Begin through Jan February <br> Begin throug Feb | $(\$ 2,773,482.21)$ $\$ 1,185,941.52$ $(\$ 1,587,540.69)$ | \$0.00 | Begin through Feb $\times .000222 \times 30$ |
| March | Begin through Feb <br> March <br> Begin through March | $\begin{array}{r} (\$ 1,587,540.69) \\ \$ 791,595.89 \\ (\$ 795,944.80) \end{array}$ | \$0.00 | Begin through March $\times .000222 \times 30$ |
| April | Begin through March April <br> Begin through April | $\begin{gathered} (\$ 795,944.80) \\ \$ 996,659.62 \\ \$ 110.714 .82 \end{gathered}$ | \$0.00 | Begin through April $\times .000222 \times 30$ |
| May | Begin through April <br> May <br> Begin through May | $\begin{gathered} \$ 110,714.82 \\ (\$ 88,602.78) \\ \$ 22,112.04 \end{gathered}$ | \$0.00 | Begin through May $\times .000222 \times 30$ |
| June | Begin through May June <br> Begin through June | $\$ 22,112.04$ $\$ 72,675.38$ $\$ 94,787.42$ | \$631.28 | Begin through June $\times .000222 \times 30$ |
| July | Begin through June July <br> Begin through July | $\$ 95,418.71$ $(\$ 672,450.53)$ $(\$ 577,031.83)$ | \$0.00 | Begin through July x $000222 \times 30$ |
| August | Begin through July August <br> Begin through Aug | (\$577,031.83) (\$219,987.31) (\$797,019.13) | \$0.00 | Begin through Aug $\times .000222 \times 30$ |
| September | $\begin{aligned} & \text { Begin through Aug } \\ & \text { September } \\ & \text { Begin through Sept } \end{aligned}$ | $(\$ 797,019.13)$ $(\$ 575,938.10)$ $(\$ 1,372,957.24)$ | \$0.00 | Begin through Sept x $000222 \times 30$ |
| October | Begin through Sept October <br> Begin through Octobe | $(\$ 1,372,957.24)$ $(\$ 1,000,508.10)$ $(\$ 2,373,465.34)$ | \$0.00 | Begin through Oct $\times .000222 \times 30$ |
| November | Begin througth Octob November Begin through Nov | $\begin{array}{r} (\$ 2,373,465.34) \\ (\$ 70,981.00) \\ (\$ 2,444,446.34) \end{array}$ | \$0.00 |  |
| December | Begin through Nov December Begin through Dec | $\begin{array}{r} (\$ 2,444,446.34) \\ \$ 228,969.76 \\ (\$ 2,215,476.58) \end{array}$ | $\$ 0.00$ |  |
|  |  | Total Interest: | \$631.28 |  |

CGE
DAS-Rev-29
Interest Calculation

| Month | Debt | Deficit | Interest | Notes |
| :---: | :---: | :---: | :---: | :---: |
| January | Begin through Dec January <br> Begin through Jan | $\begin{aligned} & (\$ 364,081.31) \\ & (\$ 484,256.01) \\ & (\$ 848,337.32) \\ & \hline \end{aligned}$ | \$0.00 | Begin through Jan $\times .000222 \times 30$ |
| February | Begin through Jan February Begin throug Feb | $\begin{gathered} (\$ 848,337.32) \\ \$ \$ 17,764.47 \\ (\$ 830,572.86) \end{gathered}$ | \$0.00 | Begin through Feb $\times .000222 \times 30$ |
| March | Begin through Feb March <br> Begin through March | $\begin{array}{r} (\$ 830,572.86) \\ \$ 85,967.15 \\ (\$ 744,605.71) \end{array}$ | \$0.00 | Begin through March $\times .000222 \times 30$ |
| April | Begin through March April <br> Begin through April | $\begin{gathered} (\$ 744,605.71) \\ \$ 342,298.87 \\ (\$ 402,306.84) \end{gathered}$ | \$0.00 | Begin through April $\times .000222 \times 30$ |
| May | Begin through April May <br> Begin through May | $\begin{aligned} & (\$ 402,306.84) \\ & (\$ 251,831.42) \\ & (\$ 654,138.26) \end{aligned}$ | \$0.00 | Begin through May $\times .000222 \times 30$ |
| June | Begin through May June <br> Begin through June | $\begin{array}{r} (\$ 654,138.26) \\ \$ 63,506.56 \\ (\$ 590,631.71) \end{array}$ | \$0.00 | Begin through June $\times .000222 \times 30$ |
| July | Begin through June July Begin through July | $\begin{gathered} \hline(\$ 590,631.71) \\ \$ 177,929.71 \\ (\$ 412,701.99) \end{gathered}$ | \$0.00 | Begin through July x . $000222 \times 30$ |
| August | Begin through July August <br> Begin through Aug | $\begin{gathered} (\$ 412,701.99) \\ \$ 130,533.26 \\ (\$ 282,168.73) \end{gathered}$ | \$0.00 | Begin through Aug x $000222 \times 30$ |
| September | Begin through Aug <br> September <br> Begin through Sept | (\$282,168.73) <br> (\$161,508.46) <br> (\$443,677.19) | \$0.00 | Begin through Sept $\times .000222 \times 30$ |
| October | Begin through Sept <br> October <br> Begin through Octobe | $(\$ 443,677.19)$ $(\$ 931,658.80)$ $(\$ 1,375,335.99)$ | \$0.00 | Begin through Oct $\mathrm{x} .000222 \times 30$ |
| November | Begin througth Octob <br> November <br> Begin through Nov | $(\$ 1,375,335.99)$ $(\$ 684,377.01)$ $(\$ 2,059,713.00)$ | \$0.00 |  |
| December | Begin through Nov December Begin through Dec | $(\$ 2,059,713.00)$ $(\$ 260,953.23)$ $(\$ 848,337.32)$ | \$0.00 |  |

## DPL

InterestCalculation

| Month | Debt | Deficit | Interest | Notes |
| :---: | :---: | :---: | :---: | :---: |
| January | Begin through Dec January Begin through Jan | $\begin{array}{r} (\$ 1,005,450.80) \\ \$ 222,684.10 \\ (\$ 782,766.71) \end{array}$ | 0.00 | Begin through Jan $\times .000222 \times 30$ |
| February | Begin through Jan February Begin throug Feb | $\begin{array}{c\|} \hline(\$ 782,766.71) \\ \$ 383,981.72 \\ (\$ 398,784.99) \\ \hline \end{array}$ | 0.00 | Begin through Feb x . $000222 \times 30$ |
| March | Begin through Feb March <br> Begin through March | $(\$ 398,784.99)$ $\$ 234,821.21$ $(\$ 163,963.78)$ | 0.00 | Begin through March $\times .000222 \times 30$ |
| April | Begin through March Apriz <br> Begin through April | $\begin{array}{c\|} \hline(\$ 163,963.78) \\ \$ 416,322.08 \\ \$ 252,358.30 \\ \hline \end{array}$ | 1,680.71 | Begin through April $\times .000222 \times 30$ |
| May | Begin through April May <br> Begin through May | $\begin{aligned} & \$ 254,039.01 \\ & \$ 223,630.39 \\ & \$ 477,669.40 \end{aligned}$ | 3,181.28 | Begin through May $\times .000222 \times 30$ |
| June | Begin through May June <br> Begin through June | $\begin{gathered} \hline \$ 480,850.68 \\ (\$ 256,631.67) \\ \$ 224,219.00 \\ \hline \end{gathered}$ | 1,493.30 | Begin through June $\times .000222 \times 30$ |
| July | Begin through June July <br> Begin through July | $\begin{array}{r} \$ 225,712.30 \\ (\$ 248,286.02) \\ (\$ 22,573.72) \\ \hline \end{array}$ | 0.00 | Begin through July x . $000222 \times 30$ |
| August | Begin through July August <br> Begin through Aug | $\begin{array}{r} (\$ 22,573.72) \\ (\$ 1,279,753.88) \\ (\$ 1,302,327.60) \end{array}$ | 0.00 | Begin through Aug $\times .000222 \times 30$ |
| September | Begin through Aug September Begin through Sept | $\begin{array}{r} (\$ 1,302,327.60) \\ (\$ 794,291.95) \\ (\$ 2,096,619.54) \end{array}$ | 0.00 | Begin through Sept x . $000222 \times 30$ |
| October | Begin through Sept October <br> Begin through October | (\$2,096,619.54) <br> (\$1,007,886.49) <br> (\$3,104,506.04) | 0.00 | Begin through Oct $\times .000222 \times 30$ |
| November | Begin througth October November Begin through Nov | $\begin{array}{r} (\$ 3,104,506.04) \\ (\$ 444,855.53) \\ (\$ 3,549,361.57) \\ \hline \end{array}$ | \$0.00 | Begin + Dec $\times .000222 \times 30$ |
| December | Begin through Nov December <br> Begin through Dec | $\begin{array}{r} \hline(\$ 3,549,361.57) \\ \$ 444,334.91 \\ (\$ 3,105,026.66) \\ \hline \text { Total Interest: } \\ \hline \end{array}$ | $\begin{array}{r} \$ 0.00 \\ \hline 6,355.28 \end{array}$ |  |

CEI
DAS-Rev-31
Interest Calculation

| Month | Debt | Deficit | Interest | Notes |
| :---: | :---: | :---: | :---: | :---: |
| January | Begin through Dec January Begin through Jan | $\$ 225,165.58$ $\$ 189,161.80$ $\$ 414,327.38$ | \$2,759.42 | Begin through Jan x. $000222 \times 30$ |
| February | Begin through Jan February <br> Begin throug Feb | $\begin{array}{r} \hline \$ 417,086.80 \\ \$ 34,285.17 \\ \$ 451,371.97 \\ \hline \end{array}$ | \$3,006.14 | Begin through Feb x . $000222 \times 30$ |
| March | Begin through Feb <br> March <br> Begin through March | $\begin{aligned} & \$ 454,378.11 \\ & \$ 246,768.49 \\ & \$ 701,146.60 \end{aligned}$ | \$4,669.64 | Begin through March x . $000222 \times 30$ |
| April | Begin through March April <br> Begin through April | $\begin{array}{r} \$ 705,816.23 \\ \$ 402,963.04 \\ \$ 1,108,779.27 \end{array}$ | \$7,384.47 | Begin through April x . $000222 \times 30$ |
| May | Begin through April <br> May <br> Begin through May | $\begin{array}{r} \$ 1,116,163.74 \\ \$ 19,227.44 \\ \$ 1,135,391.18 \end{array}$ | \$7,561.71 | Begin through May $\times .000222 \times 30$ |
| June | Begin through May June <br> Begin through June | $\$ 1,142,952.89$ $(\$ 292,547.30)$ $\$ 850,405.59$ | \$5,663.70 | Begin through June $\mathrm{x} .000222 \times 30$ |
| July | Begin through June July Begin through July | $\$ 856,069.29$ $(\$ 350,631.07)$ $\$ 505,438.22$ | \$3,366.22 | Begin through July x . $000222 \times 30$ |
| August | Begin through July August <br> Begin through Aug | $\$ 508,804.44$ $(\$ 971,693.53)$ $(\$ 462,889.09)$ | \$0.00 | Begin through Aug $\times .000222 \times 30$ |
| September | Begin through Aug September Begin through Sept | $(\$ 462,889.09)$ $(\$ 545,890.38)$ $(\$ 1,008,779.48)$ | \$0.00 | Begin through Sept x . $000222 \times 30$ |
| October | Begin through Sept October Begin through October | $(\$ 1,008,779.48)$ $(\$ 1,129,701.48)$ $(\$ 2,138,480.96)$ | \$0.00 | Begin through Oct $\times .000222 \times 30$ |
| November | Begin througth October November Begin through Nov | $(\$ 2,138,480.96)$ <br> $(\$ 752,662.03)$ <br> $(\$ 2,891,142.99)$ | \$0.00 | Begin + Dec $\times .000222 \times 30$ |
| December | Begin through Nov December Begin through Dec | $\begin{array}{r} (\$ 2,891,142.99) \\ (\$ 182,325.41) \\ (\$ 3,073,468.40) \end{array}$ | \$0.00 |  |
|  |  | Total Interest: | \$34,411.29 |  |

## OE

Interest Calculation

| Month | Debt | Deficit | Interest | Notes |
| :---: | :---: | :---: | :---: | :---: |
| January | Begin through Dec January Begin through Jan | $(\$ 1,731,379.68)$ $\$ 766,103.32$ $(\$ 965,276.36)$ | \$0.00 | Begin through Jan $\times .000222 \times 30$ |
| February | Begin through Jan February Begin throug Feb | $\begin{gathered} (\$ 965,276.36) \\ \$ 835,711.33 \\ (\$ 129,565.03) \end{gathered}$ | \$0.00 | Begin through Febx . $000222 \times 30$ |
| March | Begin through Feb <br> March <br> Begin through March | $\begin{gathered} (\$ 129,565.03) \\ \$ 1,277,189.21 \\ \$ 1,147,624.18 \end{gathered}$ | \$7,643.18 | Begin through March $\times .000222 \times 30$ |
| April | Begin through March April <br> Begin through April | $\$ 1,155,267.36$ $\$ 1,228,333.40$ $\$ 2,383,600.76$ | \$15,874.78 | Begin through April $\times .000222 \times 30$ |
| May | Begin through April May <br> Begin through May | $\begin{array}{r} \$ 2,399,475.54 \\ (\$ 22,086.25) \\ \$ 2,377,389.29 \\ \hline \end{array}$ | \$15,833.41 | Begin through May $\times .000222 \times 30$ |
| June | Begin through May June Begin through June | $\begin{array}{r} \hline \$ 2,393,222.70 \\ (\$ 499,739.79) \\ \$ 1,893,482.91 \end{array}$ | \$12,610.60 | Begin through June $\times .000222 \times 30$ |
| July | Begin through June <br> July <br> Begin through July | $\begin{array}{r} \$ 1,906,093.51 \\ (\$ 583,277.70) \\ \$ 1,322,815.80 \\ \hline \end{array}$ | \$12,694.58 | Begin through July x $000222 \times 30$ |
| August | Begin through July <br> August <br> Begin through Aug | $\$ 1,335,510.39$ $(\$ 1,858,983.22)$ $(\$ 523,472.84)$ | \$0.00 | Begin through Aug x . $000222 \times 30$ |
| September | $\begin{aligned} & \text { Begin through Aug } \\ & \text { September } \\ & \text { Begin through Sept } \end{aligned}$ | $(\$ 523,472.84)$ <br> $(\$ 1,066,159.64)$ <br> $(\$ 1,589,632.48)$ | \$0.00 | Begin through Sept $\times .000222 \times 30$ |
| October | Begin through Sept October Begin through October | $\begin{aligned} & (\$ 1,589,632.48) \\ & (\$ 2,226,110.48) \\ & (\$ 3,815,742.96) \end{aligned}$ | \$0.00 | Begin through Sept $\times .000222 \times 30$ |
| November | Begin througth October November Begin through Nov | $\begin{array}{r} (\$ 3,815,742.96) \\ (\$ 798,985.00) \\ (\$ 4,614,727.96) \end{array}$ | \$0.00 | Begin + Dec $\times .000222 \times 30$ |
| December | Begin through Nov December Begin through Dec | $\begin{array}{r} (\$ 4,614,727.96) \\ \$ 231,312,98 \\ (\$ 4,383,414,97) \\ \hline \text { Total Interest } \end{array}$ | $\begin{array}{r} \$ 0.00 \\ \hline \$ 64,656.55 \end{array}$ |  |

TE
Interest Calculation


## DAS-Rev-34

## CSP

## Calculation of Allowance for Undercollection

|  | KWh | KWh sales X USF rider= Expected Revenue | Rider Collection | Expected Revenuet Rider Collection | Average Collection |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Jan-06 | 1,721,563,271 | \$1,124,209.70 | \$1,116,221.98 | 99.29\% | 98.68\% |
| Feb-06 | 1,668,767,843 | \$1,032,230.96 | \$1,017,874.34 | 98.61\% |  |
| Mar-06 | 1,617,640,013 | \$1,012,019.98 | \$1,007,101.23 | 99.51\% |  |
| Apr-06 | 1,430,284,672 | \$893,506.45 | \$890,953.71 | 99.71\% |  |
| May-06 | 1,396,268,539 | \$852,613.69 | \$846,435.92 | 99.28\% |  |
| Jun-06 | 1,619,683,494 | \$1,402,339.23 | \$1,265,365.26 | 90.23\% |  |
| Jul-06 | 1,780,174,012 | \$1,583,791.39 | \$1,578,830.02 | 99.69\% |  |
| Aug-06 | 1,952,152,512 | \$1,753,590.04 | \$1,746,915.61 | 99.62\% |  |
| Sep-05 | 1,773,211,694 | \$1,572,007.90 | \$1,570,958.34 | 99.93\% |  |
| Oct-05 | 1,512,128,889 | \$991,394.31 | \$977,033.73 | 98.55\% |  |
| Nov-05 | 1,401,443,259 | \$919,470.72 | \$900,329.51 | 97.92\% |  |
| Dec-05 | 1,616,059,718 | \$1,075,123.49 | \$1,094,562.52 | 101.81\% |  |
|  | 19,489,377,916 | \$14,212,297.87 | \$14,012,582.17 |  |  |

[^0]\$12,492,668.83
\$12,659,863.88
\$167,195.05

## DAS-Rev-35

## OP

Calculation of Allowance for Undercollection

|  | KWH | KWh sales $X$ current rider = Expected Revenue | Rider Collection | Expected Revenue/ Rider Collection | Average Collection |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Jan-06 | 2,523,260,446 | \$1,061,597.14 | \$1,058,006.02 | 99.66\% | 99.22\% |
| Feb-06 | 2,075,146,339 | \$903,417.15 | \$900,698.16 | 99.70\% |  |
| Mar-06 | 2,239,316,349 | \$895,678.31 | \$920,073.89 | 102.72\% |  |
| Apr-06 | 1,955,207,709 | \$819,891.42 | \$818,597.94 | 99.84\% |  |
| May-06 | 1,873,246,251 | \$774,582.78 | \$772,191.49 | 99.69\% |  |
| Jun-06 | 2,113,145,689 | \$1,277,765.33 | \$1,153,091.50 | 90.24\% |  |
| Jul-06 | 2,119,831,681 | \$1,359,719.76 | \$1,354,162.31 | 99.59\% |  |
| Aug-06 | 2,346,938,654 | \$1,508,495.46 | \$1,502,365.65 | 99.59\% |  |
| Sep-05 | 2,180,240,897 | \$1,384,528.78 | \$1,380,817.11 | 99.73\% |  |
| Oct-05 | 1,888,459,081 | \$725,823.86 | \$724,797.05 | 99.86\% |  |
| Nov-05 | 2,027,244,003 | \$745,221,68 | \$742,961.09 | 99.70\% |  |
| Dec-05 | 2,180,553,027 | \$861,317.23 | \$863,525.85 | 100.26\% |  |
|  | 25,522,590,126 | \$12,318,038.91 | 12,191,288.06 |  |  |

Target Revenue:<br>Total Cost:(Target Revenue / .99)<br>Allowance:(Total Cost - Total Revenue)

$\$ 11,368,219.84$
\$11,483,050.34
\$114,830.50

1- Average collection rate of $99 \%$ used for calculation.

## DAS-Rev-36

## Duke

## Calculation of Allowance for Undercollection

|  | KWH | KWh sales X USF rider= Expected Revenue | Rider Collection | Expected Revenuer Rider Collection | Average Collection |
| :---: | :---: | :---: | :---: | :---: | :---: |
| \|Jan-06 | 1,926,488,386 | \$899,919 | \$890,071 | 98.91\% | 97.52\% |
| Feb-06 | 1,669,757,648 | \$779,993 | \$771,488 | 98.91\% |  |
| Mar-06 | 1,665,089,614 | \$777,812 | \$768,596 | 98.82\% |  |
| Apr-06 | 1,547,461,859 | \$722,865 | \$714,996 | 98.91\% |  |
| May-06 | 1,514,550,019 | \$707,491 | \$698,823 | 98.77\% |  |
| Jun-06 | 1,731,657,588 | \$1,386,229 | \$1,156,823 | 83.45\% |  |
| Jul-06 | 1,964,387,699 | \$1,587,391 | \$1,569,105 | 98.85\% |  |
| Aug-06 | 2,137,536,105 | \$1,734,077 | \$1,713,893 | 98.84\% |  |
| Sep-05 | 1,903,187,524 | \$1,540,065 | \$1,521,743 | 98.81\% |  |
| Oct-05 | 1,717,414,326 | \$867,554 | \$856,752 | 98.75\% |  |
| Nov-05 | 1,571,110,765 | \$793,307 | \$783,048 | 98.71\% |  |
| Dec-05 | 1,867,182,520 | \$946,825 | \$933,316 | 98.57\% |  |
|  | 21,215,824,053 | \$12,743,527 | \$12,378,654 |  |  |

[^1]$\$ 16,666,610.41$
$\$ 17,089,618.54$
$\$ 423,008.14$

## DAS-Rev-37

## DPL

Calculation of Allowance for Undercollection

|  | KWH | KWh sales X current rider $=$ Expected Revenue | Rider Collection | Expected Revenue Rider Collection | Average Collection |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Jan-06 | 1,310,808,827 | \$956,023.11 | \$934,267.02 | 97.72\% | 94.72\% |
| Feb-06 | 1,274,469,488 | \$929,519.44 | \$904,612.52 | 97.32\% |  |
| Mar-06 | 1,200,099,187 | \$875,278.33 | \$854,082.52 | 97.58\% |  |
| Apr-06 | 1,187,888,110 | \$866,372.32 | \$838,040.50 | 96.73\% |  |
| May-06 | 1,058,331,985 | \$771,882.08 | \$746,694.54 | 96.74\% |  |
| Jun-06 | 1,204,924,646 | \$1,086,644.06 | \$848,283.25 | 78.06\% |  |
| Jul-06 | 1,333,286,188 | \$1,202,405.08 | \$1,129,393.39 | 93.93\% |  |
| Aug-06 | 1,436,498,646 | \$1,295,485.76 | \$1,221,861.83 | 94.32\% |  |
| Sep-05 | 1,345,652,587 | \$1,213,557.54 | \$1,131,353.40 | 93.23\% |  |
| Oct-05 | 1,181,625,040 | \$484,364.75 | \$469,961.34 | 97.03\% |  |
| Nov-05 | 1,121,409,493 | \$459,681.55 | \$445,988.81 | 97.02\% |  |
| Dec-05 | 1,267,256,805 | \$519,466.42 | \$503,970.20 | 97.02\% |  |
|  | 14,922,251,002 | \$10,660,680.42 | \$10,028,509.32 |  |  |


| Target Revenue: | $\$ 12,034,700.01$ |
| :--- | ---: |
| Total Cost:(Target Revenue / Average Collection) | $\$ 12,704,996.85$ |
| Allowance:(Total Cost - Total Revenue) | $\$ 670,296.84$ |

## DAS-Rev-38

## CEI

## Calculation of Allowance for Undercollection

|  | KWH | KWh sales X USF rider= Expected Revenue | Rider Collection | Expected Revenuef Rider Collection | Average Collection |
| :---: | :---: | :---: | :---: | :---: | :---: |
| JJan-06 | 1,677,368,036 | \$1,209,271 | \$1,203,961 | 99.56\% | 98.50\% |
| Feb-06 | 1,610,757,574 | \$1,158,278 | \$1,133,363 | 97.85\% |  |
| Mar-06 | 1,637,464,772 | \$1,170,851 | \$1,155,337 | 98.67\% |  |
| Apr-06 | 1,499,205,579 | \$1,075,497 | \$1,084,009 | 100.79\% |  |
| May-06 | 1,485,519,326 | \$1,062,713 | \$1,038,316 | 97.70\% |  |
| Jun-06 | 1,559,596,861 | \$1,209,784 | \$1,135,494 | 93.86\% |  |
| Jul-06 | 1,686,203,212 | \$1,319,194 | \$1,310,722 | 99.36\% |  |
| Aug-06 | 1,882,268,458 | \$1,479,916 | \$1,447,187 | 97.79\% |  |
| Sep-05 | 1,660,374,540 | \$1,295,269 | \$1,278,464 | 98.70\% |  |
| Oct-05 | 1,582,095,352 | \$1,095,584 | \$1,086,366 | 99.16\% |  |
| Nov-05 | 1,519,282,172 | \$1,046,940 | \$1,049, 108 | 100.21\% |  |
| Dec-05 | 1,623,219,625 | \$1,123,608 | \$1,105,614 | 98.40\% |  |
|  | ,423,355,507 | \$14,246,906.17 | ,027,941.87 |  |  |

[^2]
## DAS-Rev-39

## OE

## Calculation of Allowance for Undercollection

|  | KWH | KWh sales $X$ USF rider $=$ Expected Revenue | Rider Collection | Expected Revenuel Rider Collection | Average Collection |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Jan-06 | 2,213,729,515 | \$2,374,765 | \$2,357,133 | 99.26\% | 98.66\% |
| Feb-06 | 2,148,443,973 | \$2,361,451 | \$2,358,718 | 99.88\% |  |
| Mar-06 | 2,163,727,003 | \$2,318,759 | \$2,275,064 | 98.12\% |  |
| Apr-06 | 1,976,616,492 | \$2,158,207 | \$2,162,439 | 100.20\% |  |
| May-06 | 1,886,782,410 | \$2,045,905 | \$2,010,778 | 98.28\% |  |
| Jun-06 | 2,153,033,365 | \$2,411,602 | \$2,250,293 | 93.31\% |  |
| Jul-06 | 2,095,938,244 | \$2,617,714 | \$2,613,507 | 99.84\% |  |
| Aug-06 | 2,090,669,154 | \$2,882,889 | \$2,855,820 | 99.06\% |  |
| Sep-05 | 2,103,336,275 | \$2,628,150 | \$2,636,754 | 100.33\% |  |
| Oct-05 | 1,921,223,595 | \$2,371,063 | \$2,345,666 | 98.93\% |  |
| Nov-05 | 1,864,448,191 | \$2,260,471 | \$2,216,454 | 98.05\% |  |
| Dec-05 | 2,040,934,642 | \$2,533,191 | \$2,499,331 | 98.66\% |  |
|  | 24,658,882,859 | \$28,964,166 | \$28,581,957 |  |  |

Target Revenue:
Total Cost:(Target Revenue $/ .9866$ )
Allowance:(Total Cost - Total Revenue)

```
$30,553,708.07
    30,968,679.15
    414,971.08
```


## TE

Calculation of Allowance for Undercollection

|  | KWH | KWh sales X USF rider= Expected Revenue | Rider Collection | Expected Revenu Rider Collection | Average Collection |
| :---: | :---: | :---: | :---: | :---: | :---: |
| JJan-06 | 927,395,540 | \$762,837.85 | \$698,461.44 | 91.56\% | 97.33\% |
| Feb-06 | 868,641,036 | \$692,038.31 | \$689,660.50 | 99.66\% |  |
| Mar-06 | 876,882,128 | \$697,886.75 | \$682,454.49 | 97.79\% |  |
| Apr-06 | 815,821,399 | \$645,020.16 | \$642,431.27 | 99.60\% |  |
| May-06 | 811,128,186 | \$633,591.85 | \$608,275.67 | 96.00\% |  |
| Jun-06 | 875,714,822 | \$745,741.17 | \$693,566.91 | 93.00\% |  |
| Jul-06 | 928,276,140 | \$803,462.28 | \$793,809.70 | 98.80\% |  |
| Aug-06 | 992,463,402 | \$884,568.22 | \$842,778.95 | 95.28\% |  |
| Sep-05 | 909,263,640 | \$782,447.86 | \$774,723.52 | 99.01\% |  |
| Oct-05 | 842,865,302 | \$668,094.03 | \$658,609.44 | 98.58\% |  |
| Nov-05 | 799,286,129 | \$637,650.33 | \$635,628.21 | 99.68\% |  |
| Dec-05 | 877,323,413 | \$707,178.15 | \$699,727.39 | 98.95\% |  |
|  | 525,061,137 | \$8,660,516.96 | 8,420,127.49 |  |  |

Target Revenue:
Total Cost:(Target Revenue / .9736) Allowance:(Total Cost - Total Revenue)
$\$ 9,146,533,64$
\$9,397,851.47
$\$ 251,317.82$

DAS-Rev-41

CSP
KWH Sales

|  | Jan-06 | $1,721,563,271$ |
| :--- | ---: | ---: |
|  | $1,739,190,271$ |  |
| Feb-06 | $1,668,767,843$ | $1,714,781,843$ |
| Mar-06 | $1,617,640,013$ | $1,711,912,013$ |
| Apr-06 | $1,430,284,672$ | $1,563,546,672$ |
| May-06 | $1,396,268,539$ | $1,576,220,539$ |
| Jun-06 | $1,619,683,494$ | $1,805,083,494$ |
| Jul-06 | $1,780,174,012$ | $1,971,754,012$ |
| Aug-06 | $1,952,152,512$ | $2,143,732,512$ |
| Sep-05 | $1,773,211,694$ | $1,958,611,694$ |
| Oct-05 | $1,512,128,889$ | $1,703,708,889$ |
| Nov-05 | $1,401,443,259$ | $1,586,843,259$ |
| Dec-05 | $1,616,059,718$ | $1,807,639,718$ |
|  | $19,489,377,916$ |  |
|  | $21,283,024,916$ |  |

1- Proforma KWH was adjusted due to expected increase in Industrial sales.

OP
KWH Sales

|  | Jan-06 | $2,523,260,446$ |
| :--- | ---: | ---: |
|  | $2,541,720,446$ |  |
| Feb-06 | $2,075,146,339$ | $2,121,993,339$ |
| Mar-06 | $2,239,316,349$ | $2,334,421,349$ |
| Apr-06 | $1,955,207,709$ | $2,089,302,709$ |
| May-06 | $1,873,246,251$ | $2,054,031,251$ |
| Jun-06 | $2,113,145,689$ | $2,299,378,689$ |
| Jul-06 | $2,119,831,681$ | $2,312,244,681$ |
| Aug-06 | $2,346,938,654$ | $2,539,351,654$ |
| Sep-05 | $2,180,240,897$ | $2,366,473,897$ |
| Oct-05 | $1,888,459,081$ | $2,080,872,081$ |
| Nov-05 | $2,027,244,003$ | $2,213,477,003$ |
| Dec-05 | $2,180,553,027$ | $2,372,966,027$ |
|  | $25,522,590,126$ | $2,326,233,126$ |

1- Proforma KWH was adjusted due to expected increase in Industrial sales.

## DAS-Rev-43

## Duke

|  | KWH |
| :--- | ---: |
|  | Jan-06 |
| Feb-06 | $1,926,488,386$ |
| Mar-06 | $1,669,757,648$ |
| Apr-06 | $1,665,089,614$ |
| May-06 | $1,547,461,859$ |
| Jun-06 | $1,514,550,019$ |
| Jul-06 | $1,731,657,588$ |
| Aug-06 | $1,964,387,699$ |
| Sep-05 | $2,137,536,105$ |
| Oct-05 | $1,903,187,524$ |
| Nov-05 | $1,717,414,326$ |
| Dec-05 | $1,571,110,765$ |
|  | $1,867,182,520$ |

DAS-Rev-44

DPL
KWH Sales

|  | KWH |
| :--- | :---: |
|  | $1,310,808,827$ |
| Jan-06 | $1,274,469,488$ |
| Feb-06 | 1,2 |
| Mar-06 | $1,200,099,187$ |
| Apr-06 | $1,187,888,110$ |
| May-06 | $1,058,331,985$ |
| Jun-06 | $1,204,924,646$ |
| Jul-06 | $1,333,286,188$ |
| Aug-06 | $1,436,498,646$ |
| Sep-05 | $1,345,652,587$ |
| Oct-05 | $1,181,625,040$ |
| Nov-05 | $1,121,409,493$ |
| Dec-05 | $1,267,256,805$ |

## DAS-Rev-45

CEI
KWH Sales

|  | KWH |
| :--- | :---: |
|  | $1,677,368,036$ |
| Jan-06 | 1 |
| Feb-06 | $1,610,757,574$ |
| Mar-06 | $1,637,464,772$ |
| Apr-06 | $1,499,205,579$ |
| May-06 | $1,485,519,326$ |
| Jun-06 | $1,559,596,861$ |
| Jul-06 | $1,686,203,212$ |
| Aug-06 | $1,882,268,458$ |
| Sep-05 | $1,660,374,540$ |
| Oct-05 | $1,582,095,352$ |
| Nov-05 | $1,519,282,172$ |
| Dec-05 | $1,623,219,625$ |

# DAS-Rev-46 

## OE <br> KWH Sales

|  | KWH |
| :--- | ---: |
|  | Jan-06 |
| Feb-06 | $2,198,665,185$ |
| Mar-06 | $2,187,029,542$ |
| Apr-06 | $2,149,746,504$ |
| May-06 | $2,000,606,983$ |
| Jun-06 | $1,898,727,394$ |
| Jul-06 | $2,057,741,176$ |
| Aug-06 | $2,224,073,383$ |
| Sep-05 | $2,439,753,989$ |
| Oct-05 | $2,233,599,964$ |
| Nov-05 | $2,053,597,764$ |
| Dec-05 | $1,946,485,237$ |
|  | $2,186,776,931$ |

## DAS-Rev-47

## TE <br> KWH Sales

|  | KWH |
| :--- | ---: |
|  | Jan-06 |
|  | $927,395,540$ |
| Feb-06 | $868,641,036$ |
| Mar-06 | $876,882,128$ |
| Apr-06 | $815,821,399$ |
| May-06 | $811,128,186$ |
| Jun-06 | $875,714,822$ |
| Jul-06 | $928,276,140$ |
| Aug-06 | $992,463,402$ |
| Sep-05 | $909,263,640$ |
| Oct-05 | $842,865,302$ |
| Nov-05 | $799,286,129$ |
| Dec-05 | $877,323,413$ |

## Two-Tiered Rider CSP

## Proposal

$\begin{array}{lll}\text { First Block } 833,000 \mathrm{kWh}(10,000,000 \text { per Year })(18) & \$ 0.0007236 \\ \text { Over } 833,000 \mathrm{kWh}[\text { (Lower of } 10 / 99 \text { Rate (1) or Uniform per Kwh rate (4)] } & \$ 0.0001830\end{array}$
Over $833,000 \mathrm{kWh}$ [Lower of $10 / 99$ Rate (1) or Uniform per Kwh rate (4)] \$ 0.0001830

## Calculation

1 10/99 USF Rider

2 USF Rider Revenue Requirement
$\$ 12,659,863.88$

3 Total kWh Used in Calculation
21,283,024,916

4 Uniform per Kwh rate
$\$ 0.0005948$

5 Accounts with Annual kWh Greater than $10,000,000 \mathrm{kWh}$
121

6 Total Kwh of Accounts Over 10,000,000 kWh Annually
7 First Block Annual kWh (833,334 Monthly) $10,000,000$

8 Total kWh in First Block (5) $\times(6)$
$1,210,000,000$

9 Revenue First Block Rate $\times$ (8)
10 Total Second Block kWh (6) - (8)
11 Lower of $10 / 99$ Rate (1) or Uniform per Kwh rate
12 Second Block Revenue (11) x(10)
\$ 875,545.11
5,069,158,334

13 Total First and Second Block Revenue (9) + (12)
$\$ 0.0001830$

14 Revenue @ ODOD Proposed Rate (6) $\times(4)$
\$ 927,655.98

15 Revenue shortfall (13)-(14)
\$ 1,803,201.08
\$ 3,735,055.99
\$ $(1,931,854.91)$
Adjustment to Calculation
16 Adjusted Cost (2)-(9)-(12) $\quad \$ 10,856,662.80$
17 Adjusted kWh (3)-(6) 15,003,866,582
18 Adjusted First Block Rate (16)/(17)
19 Change (18) - (4)
\$ 0.0001288
20 \% Change
21.6\%

21 Annual Cost to Consumer Using 965 kWh per Month (19) $\times 965 \times 12$

## Two-Tiered Rider <br> Ohio Power

## Proposal

| First Block $833,000 \mathrm{kWh}(10,000,000$ per Year ) (18) | $\$$ | 0.0005735 |
| :--- | :--- | :--- | :--- |
| Over $833,000 \mathrm{kWh}$ [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
3 Total kWh Used in Calculation
\$ 11,483,050.34

4 Uniform per Kwh rate
27,316,237,126

4 Uniform per Kwh rate
5 Accounts with Annual kWh Greater than $10,000,000 \mathrm{kWh}$
199

6 Total Kwh of Accounts Over 10,000,000 kWh Annually
$12,306,109,255$
7 First Block Annual KWh (833,334 Monthly)
$10,000,000$
8 Total KWh in First Block (5) x (6)
$1,990,000,000$
9 Revenue First Block Rate $\times$ ( 8 )
\$ 1,141,187.63
10 Total Second Block kWh (6) - (8)
$10,316,109,255$
11 Lower of 10/99 Rate (1) or Uniform per Kwh rate
$\$ \quad 0.0001681$
12 Second Block Revenue (11) $\times$ (10)
\$ 1,734,137.97
13 Total First and Second Block Revenue (9) + (12)
\$ 2,875,325.60
14 Revenue @ ODOD Proposed Rate (6) x (4)
\$ 5,173,174.89
15 Revenue shortfall (13) - (14)
$\$(2,297,849.30)$

## Adjustment to Calculation

| 16 | Adjusted Cost (2) $-(9)-(12)$ | $\$, 607,724,75$ |  |
| :--- | :--- | ---: | ---: |
| 17 | Adjusted kWh (3) $-(6)$ | $15,010,127,871$ |  |
| 18 | Adjusted First Block Rate (16)/(17) | $\$$ | 0.0005735 |
| 19 | Change (18) - (4) | $\$$ | 0.0001531 |
| 20 | \% Change | $36.4 \%$ |  |
| 21 | Annual Cost to Consumer Using 1,051 kWh per Month (19) $\times 1,051 \times 12$ | $\$$ | 1.93 |

## Two-Tiered Rider

## CGE

| Proposal |  |  |  |
| :---: | :---: | :---: | :---: |
|  | First Block $833,000 \mathrm{kWh}(10,000,000$ per Year ) (18) | \$ | 0.0008951 |
|  | Over $833,000 \mathrm{kWh}$ [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 |  | 17,089,618.54 |
| 3 | Total kWh Used in Calculation |  | 1,215,824,053 |
| 4 | Uniform per Kwh Rate (2) / (3) | \$ | 0.0008055 |
| 5 | Accounts with Annual kWh Greater than $10,000,000 \mathrm{kWh}$ |  | 145 |
| 6 | Total Kwh of Accounts Over 10,000,000 kWh Annually |  | 5,912,405,098 |
| 7 | First Block Annual $\mathrm{kWh}(833,000$ Monthly) |  | 10,000,000 |
| 8 | Total kWh in First Block (5) $\times$ (6) |  | 1,450,000,000 |
| 9 | Revenue First Block Rate $\times$ (8) |  | 1,297,961.23 |
| 10 | Total Second Block kWh (6) - (8) |  | 4,462,405,098 |
| 11 | Lower of 10/99 Rate (1) or Uniform Per Kwh Rate (4) | \$ | 0.0004690 |
| 12 | Second Block Revenue (11) $\times$ (10) |  | 2,092,867.99 |
| 13 | Total First and Second Block Revenue (9) + (12) | \$ | 3,390,829.22 |
| 14 | Revenue @ Uniform per Kwh Rate (6) $\times$ (4) |  | 4,762,518.18 |
| 15 | Reduction in Total Revenue (13) - (14) |  | $(1,371,688.96)$ |
| Adjustment to Calcuiation |  |  |  |
| 16 | Adjusted Cost (2) - (9) - (12) |  | 13,698,789.32 |
| 17 | Adjusted kWh (3) - (6) |  | 5,303,418,955 |
| 18 | Adjusted USF (16)/(17) | \$ | 0.0008951 |
| 19 | Change (18) - (4) | \$ | 0.0000896 |
| 20 | \% Change |  | 11.1\% |
| 21 | Annual Cast to Consumer Using 1,062 kWh per Month (19) $\times 1,062 \times 12$ | \$ | 1.14 |

## DAS-Rev-51

## Two-Tiered Rider

## DPL

## Proposal

| First Block $833,000 \mathrm{kWh}(10,000,000$ per Year ) (18) | $\$$ | 0.0009297 |
| :--- | :--- | :--- |
| Over $833,000 \mathrm{kWh}$ [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
$\$ 12,704,996.85$
3 Total kWh Used in Calculation
14,922,251,002

4 Uniform per Kwh Rate (2) / (3)
$5 \quad$ Accounts with Annual kWh Greater than $10,000,000 \mathrm{kWh}$
$\$ 0.0008514$

6 Total Kwh of Accounts Over $10,000,000 \mathrm{kWh}$ Annually
7 First Block Annual KWh (833,000 Monthly)
$4,466,264,695$
10,000,000
8 Total kWh in First Block (5) $\times(6)$
$1,220,000,000$
9 Revenue First Block Rate $\times(8)$
10 Total Second Block kWh (6) - (8)
11 Lower of 10/99 Rate (1) or Uniform Per Kwh Rate (4)
\$ 0.0005700

12 Second Block Revenue (11) $\times(10)$
13 Total First and Second Block Revenue (9) + (12)
14 Revenue @ Uniform per Kwh Rate (6) x (4)
$\$ 3,802,635.33$
15 Reduction in Total Revenue (13) - (14)
$\$ \quad(818,086.72)$

## Adjustment to Calculation

| 16 | Adjusted Cost (2) $-(9)-(12)$ | $\$, 720,448.24$ |  |
| :--- | :--- | ---: | ---: |
| 17 | Adjusted KWh (3) - (6) | $\mathbf{1 0 , 4 5 5 , 9 8 6 , 3 0 7}$ |  |
| 18 | Adjusted USF (16)/(17) | $\$$ | 0.0009297 |
| 19 | Change (18) - (4) | $\$$ | 0.0000782 |
| 20 | $\%$ Change | $9.2 \%$ |  |
| 21 | Annual Cost to Consumer Using 1,011 kWh per Month (19) $\times 1,011 \times 12$ | $\$$ | 0.95 |

## CEI

## Proposal

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

| $\$$ | 0.0009950 |
| :--- | :--- |
| $\$$ | 0.0005680 |

## Calculation

| 1 | 10/99 USF Rider | \$ | 0.0005680 |
| :---: | :---: | :---: | :---: |
| 2 | USF Rider Revenue Requirement | \$ | 17,502,928.34 |
| 3 | Total kWh Used in Calculation |  | 19,423,355,507 |
| 4 | Uniform per Kwh Rate (2) / (3) | \$ | 0.0009011 |
| 5 | Accounts with Annual kWh Greater than 10,000,000 kWh |  | 148 |
| 6 | Total Kwh of Accounts Over $10,000,000 \mathrm{kWh}$ Annually |  | 5,750,302,960 |
| 7 | First Block Annual kWh (833,000 Monthly) |  | 10,000,000 |
| 8 | Total kWh in First Block (5) $\times(6)$ |  | 1,480,000,000 |
| 9 | Revenue First Block Rate $\times$ (8) | \$ | 1,472,610.64 |
| 10 | Total Second Block kWh (6) - (8) |  | 4,270,302,960 |
| 11 | Lower of 10/99 Rate (1) or Uniform Per Kwh Rate (4) | \$ | 0.0005680 |
| 12 | Second Block Revenue (11) $\times$ (10) | \$ | 2,425,532.08 |
| 13 | Total First and Second Block Revenue (9) + (12) | \$ | 3,898,142.72 |
| 14 | Revenue @ Uniform per Kwh Rate (6) $\times$ (4) | \$ | 5,181,758.66 |
| 15 | Reduction in Total Revenue (13) - (14) |  | (\$1,283,615.94) |

Adjustment to Calculation

| 16 | Adjusted Cost (2) $-(9)-(12)$ | $\$$ | $13,604,785.61$ |
| :--- | :--- | ---: | ---: |
| 17 | Adjusted $\mathrm{kWh}(3)-(6)$ | $13,673,052,547$ |  |
| 18 | Adjusted USF (16)/(17) | $\$$ | 0.0009950 |
| 19 | Change $(18)-(4)$ | $\$ 0.0000939$ |  |
| 20 | $\%$ Change | $10.4 \%$ |  |
| 21 | Annual Cost to Consumer Using 705 kWh per Month $(19) \times 705 \times 12$ | $\$$ | 0.79 |

## Two-Tiered Rider <br> Ohio Edison

## Proposal

First Block $833,000 \mathrm{kWh}(10,000,000$ per Year ) (18)
Over $833,000 \mathrm{kWh}$ [Lower of $10 / 99$ Rate (1) or Uniform per Kwh Rate
$\begin{array}{ll}\$ & 0.0012455 \\ \$ & 0.0010461\end{array}$

## Calculation

1 10/99 USF Rider

2 USF Rider Revenue Requirement
3 Total kWh Used in Calculation

4 Uniform per Kwh Rate (2) / (3)
5 Accounts with Annual kWh Greater than $10,000,000 \mathrm{kWh}$
6 Total Kwh of Accounts Over $10,000,000 \mathrm{kWh}$ Annually
7 First Block Annual kWh ( 833,000 Monthly)
$10,000,000$
8 Total kWh in First Block (5) $\times$ (6)
9 Revenue First Block Rate $\times$ (8)
10 Total Second Block kWh (6) - (8)
11 Lower of 10/99 Rate (1) or Uniform Per Kwh Rate (4)
12 Second Block Revenue (11) x (10)
13 Total First and Second Block Revenue (9) + (12)
14 Revenue @ Uniform per Kwh Rate (6) x (4)
15 Reduction in Total Revenue (13) - (14)
Adjustment to Calculation

| 16 | Adjusted Cost (2) - (9) - (12) | \$ 23,837,595.24 |  |
| :---: | :---: | :---: | :---: |
| 17 | Adjusted kWh (3) - (6) | 19,139,260,183 |  |
| 18 | Adjusted USF (16)/(17) | \$ | 0.0012455 |
| 19 | Change (18) - (4) | \$ | 0.0000347 |
| 20 | \% Change |  | 2.9\% |
| 21 | Annual Cost to Consumer Using 836 kWh per Month (19) $\times 836 \times 12$ | \$ | 0.35 |

## Two-Tiered Rider <br> Toledo Edison

## Proposal

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

## Calculation

1 10/99 USF Rider

2 USF Rider Revenue Requirement
3 Total kWh Used in Calculation

4 Uniform per Kwh rate
5 Accounts with Annual kWh Greater than $10,000,000 \mathrm{kWh}$
6 Total Kwh of Accounts Over 10,000,000 kWh Annually
7 First Block Annual kWh (833,334 Monthly)
8 Total kWh in First Block (5) $\times(6)$
9 Revenue First Block Rate $\times$ (8)
10 Total Second Block kWh (6) - (8)

11 Lower of 10/99 Rate (1) or Uniform per Kwh rate
12 Second Block Revenue (11) x (10)
13 Total First and Second Block Revenue (9) + (12)
14 Revenue @ ODOD Proposed Rate (6) x (4)
15 Revenue shortfall (13) - (14)
Adjustment to Calculation
16 Adjusted Cost (2)-(9) - (12)
17 Adjusted kWh (3) - (6)

18 Adjusted First Block Rate (16)/(17)
19 Change (18) - (4)
20 \% Change
21 Annual Cost to Consumer Using 772 kWh per Month (19) $\times 772 \times 12$
\$ 6,278,137.56
5,626,652,003
\$ 0.0011158
$\$ 0.0002229$
25.0\%
\$
2.06

## CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing has been served upon the following parties by first class mail, postage prepaid, this $22^{\underline{v}}$ day of November 2006.


Marvin I. Resnik<br>Steven T. Nourse<br>AEP Service Corporation<br>1 Riverside Plaza<br>Columbus, Ohio 43215<br>Randall Griffin<br>The Dayton Power \& Light Company<br>MacGregor Park<br>1065 Woodman Avenue<br>Dayton, Ohio 45432<br>Paul Colbert<br>Duke Energy Ohio, Inc.<br>155 East Broad Street<br>Columbus, Ohio 43215<br>Kathy Kolich<br>FirstEnergy Corp.<br>76 South Main Street<br>Akron, Ohio 44308<br>Janine Migden-Ostrander<br>Ann Hotz<br>Ohio Consumers' Counsel<br>10 West Broad Street<br>Suite 1800<br>Columbus, Ohio 43215-3485

Samuel C. Randazzo<br>Gretchen J. Hummel<br>McNees, Wallace \& Nurick<br>Fifth Third Center<br>Suite 910<br>21 East State Street<br>Columbus, Ohio 43215<br>David C. Rinebolt, Esq.<br>Ohio Partners for Affordable Energy<br>PO Box 1793<br>Findlay, Ohio 45839-1793


[^0]:    Target Revenue:
    Total Cost:(Target Revenue / 98.88\%)
    Allowance:(Total Cost - Total Revenue)

[^1]:    Target Revenue:
    Total Cost:(Target Revenue /.9752)
    Allowance:(Total Cost - Total Revenue)

[^2]:    Target Revenue:
    Total Cost:(Target Revenue / Average Collection) Allowance:(Total Cost - Target Revenue)

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    $17,241,155.23
    $17,502,928.34
    $261,773.11
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