Large Filing Separator Sheet

Case Number: 07-551-EL-AIR
07-552-EL-ATA
07-553-EL-AAM
07-554-EL-UNC

Date Filed: 6/7/2007

Section: 24?

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Description of Document:

Case No. 07-551-EL-AIR, et al.

Ohio Edison Company
The Cleveland Electric Illuminating Company
The Toledo Edison Company
Volume 4B
Section II
Direct Testimony
Exhibit 5-Attach. PRC-2 & Attach. PRC-3

Original Filing June 7, 2007

Whole Life Depreciation Accrual

Account: TECO 101/6-366 Underground conduit
Dispersion: 60 - R4

erage Net Salvage Rate: -25.00%
ture Net Salvage Rate: -25.00%

Broad Group Procedure

January 1, 2007

		Plant Amt	Period (Years)	Accrual (Dollars)	Accrual Rate (Percent)
Pre- 2007	Additions	$11,715,670.33		$236,085.23	2.015128
	Whole Life		60	$238,277.86	
	Amortization		0	$0.00	
	Retirements	$210,492.41	60	$2,192.63	
2007	Additions	$0.00		$0.00	0.000000
	Whole Life			$0.00	
	Retirements	$0.00	0.00	$0.00	
	Total:	$11,715,670.33 *		$236,085.23	2.015132
	Average:	$11,610,424.13		$236,085.23	2.033390
	Grand Total:	$11,715,670.33 *		36,085.23	2.015132

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* Excluding 2007 Retirements

04/04/2007

Generation Arrangement Report

Account: TECO 101/6-366 Underground conduit

Dispersion: 60.00 - R4

Average Net Salvage Rate: -25.00%

Future Net Salvage Rate: -25.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
2006	0.50	$405,499.02	60.00	59.50	1.2396	1.0000	$502,654.03	$8,447.90
2005	1.50	$271,044.93	60.00	58.50	1.2188	1.0000	$330,344.37	$5,646.77
2004	2.50	$8,736.47	60.00	57.50	1.1980	1.0000	$10,466.03	$182.01
2003	3.50	$138,232.10	60.00	56.50	1.1772	1.0000	$162,721.86	$2,879.84
2002	4.50	$391,903.27	60.00	55.51	1.1564	1.0000	$453,189.61	$8,164.65
2001	5.50	$55,702.93	60.00	54.51	1.1356	1.0000	$63,255.58	$1,160.48
2000	6.50	$77,998.23	60.00	53.51	1.1148	1.0000	$86,953.14	$1,624.96
1999	7.50	$213,318.80	60.00	52.51	1.0941	1.0000	$233,382.49	$4,444.14
1998	8.50	$10,328.70	60.00	51.52	1.0733	1.0000	$11,085.92	$215.18
1997	9.50	$410,001.06	60.00	50.52	1.0526	1.0000	$431,556.59	$8,541.69
1996	10.50	$54,923.86	60.00	49.53	1.0319	1.0000	$56,673.88	$1,144.25
1995	11.50	$131,153.60	60.00	48.54	1.0112	1.0000	$132,620.47	$2,732.37
1994	12.50	$91,646.48	60.00	47.55	0.9905	1.0000	$90,779.01	$1,909.30
1993	13.50	$62,353.02	60.00	46.56	0.9699	1.0000	$60,476.04	$1,299.02
1992	14.50	$375,359.52	60.00	45.57	0.9493	1.0000	$356,337.06	$7,819.99
1991	15.50	$122,506.83	60.00	44.58	0.9288	1.0000	$113,781.54	$2,552.23
1990	16.50	$165,963.53	60.00	43.60	0.9083	1.0000	$150,739.77	$3,457.57
1989	17.50	$150,769.61	60.00	42.62	0.8878	1.0000	$133,858.26	$3,141.03
1988	18.50	$502,109.62	60.00	41.64	0.8675	1.0000	$435,555.04	$10,460.62
1987	19.50	$1,323,869.87	60.00	40.66	0.8471	1.0000	$1,121,474.64	$27,580.62
1986	20.50	$268,955.51	60.00	39.69	0.8269	1.0000	$222,397.42	$5,603.24
1985	21.50	$285,875.56	60.00	38.72	0.8067	1.0000	$230,624.74	$5,955.74
1984	22.50	$150,112.82	60.00	37.76	0.7866	1.0000	$118,086.19	$3,127.35
1983	23.50	$141,929.15	60.00	36.80	0.7667	1.0000	$108,816.86	$2,956.86
1982	24.50	$376,734.47	60.00	35.85	0.7468	1.0000	$281,358.51	$7,848.63
1981	25.50	$134,829.57	60.00	34.90	0.7271	1.0000	$98,030.90	$2,808.95
1980	26.50	$1,852,960.39	60.00	33.96	0.7075	1.0000	$1,310,957.94	$38,603.34
1979	27.50	$164,079.88	60.00	33.02	0.6880	1.0000	$112,889.58	$3,418.33
1978	28.50	$131,299.62	60.00	32.10	0.6687	1.0000	$87,795.76	$2,735.41
1977	29.50	$82,923.19	60.00	31.18	0.6495	1.0000	$53,862.33	$1,727.57
1976	30.50	$244,598.82	60.00	30.27	0.6305	1.0000	$154,229.75	$5,095.81
1975	31.50	$97,855.44	60.00	29.36	0.6117	1.0000	$59,858.85	$2,038.66
1974	32.50	$210,438.36	60.00	28.47	0.5931	1.0000	$124,818.64	$4,384.13

Account: TECO 101/6-366 Underground conduit

Dispersion: 60.00 - R4

Average Net Salvage Rate: -25.00%

Future Net Salvage Rate: -25.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
1973	33.50	$229,028.16	60.00	27.59	0.5747	1.0000	$131,623.05	$4,771.42
1972	34.50	$221,452.73	60.00	26.71	0.5565	1.0000	$123,243.93	$4,613.60
1971	35.50	$222,534.92	60.00	25.85	0.5385	1.0000	$119,843.69	$4,636.14
1970	36.50	$99,790.23	60.00	25.00	0.5208	1.0000	$51,967.36	$2,078.96
1969	37.50	$107,608.29	60.00	24.15	0.5032	1.0000	$54,149.37	$2,241.84
1968	38.50	$20,109.13	60.00	23.33	0.4860	1.0000	$9,772.92	$418.94
1967	39.50	$80,060.09	60.00	22.51	0.4689	1.0000	$37,543.79	$1,667.92
1966	40.50	$17,269.46	60.00	21.70	0.4521	1.0000	$7,808.22	$359.78
1965	41.50	$16,089.99	60.00	20.91	0.4357	1.0000	$7,010.24	$335.21
1964	42.50	$5,628.86	60.00	20.13	0.4194	1.0000	$2,360.84	$117.27
1963	43.50	$13,664.64	60.00	19.36	0.4034	1.0000	$5,512.23	$284.68
1962	44.50	$6,589.96	60.00	18.61	0.3877	1.0000	$2,555.17	$137.29
1961	45.50	$41,838.95	60.00	17.87	0.3723	1.0000	$15,574.63	$871.64
1960	46.50	$26,763.39	60.00	17.14	0.3570	1.0000	$9,554.64	$557.57
1959	47.50	$3,292.82	60.00	16.42	0.3421	1.0000	$1,126.56	$68.60
1958	48.50	$11,300.37	60.00	15.72	0.3274	1.0000	$3,699.71	$235.42
1957	49.50	$35,240.10	60.00	15.02	0.3129	1.0000	$11,026.28	$734.17
1956	50.50	$17,164.38	60.00	14.34	0.2987	1.0000	$5,127.42	$357.59
1955	51.50	$42,841.00	60.00	13.67	0.2847	1.0000	$12,197.37	$892.52
1954	52.50	$68,029.35	60.00	13.01	0.2710	1.0000	$18,433.17	$1,417.28
1953	53.50	$34,537.90	60.00	12.37	0.2577	1.0000	$8,900.47	$719.54
1952	54.50	$21,219.45	60.00	11.75	0.2447	1.0000	$5,193.11	$442.07
1951	55.50	$16,826.26	60.00	11.15	0.2322	1.0000	$3,907.06	$350.55
1950	56.50	$29,291.17	60.00	10.58	0.2204	1.0000	$6,454.60	$610.23
1949	57.50	$64,242.36	60.00	10.03	0.2089	1.0000	$13,422.22	$1,338.38
1948	58.50	$68,088.33	60.00	9.51	0.1981	1.0000	$13,485.11	$1,418.51
1947	59.50	$35,493.84	60.00	9.02	0.1879	1.0000	$6,668.84	$739.45
1946	60.50	$158,501.03	60.00	8.55	0.1782	1.0000	$28,240.39	$3,302.10
1945	61.50	$305.00	60.00	8.11	0.1690	1.0000	$51.56	$6.35
1944	62.50	$104.00	60.00	7.70	0.1604	1.0000	$16.68	$2.17
1942	64.50	$2,038.31	60.00	6.94	0.1445	1.0000	$294.54	$42.46
1941	65.50	$21,793.14	60.00	6.58	0.1371	1.0000	$2,988.28	$454.02
1940	66.50	$10,447.07	60.00	6.25	0.1301	1.0000	$1,359.57	$217.65

Account: TECO 101/6-366 Underground conduit

Dispersion: 60.00 - R4

Average Net Salvage Rate: -25.00%

Future Net Salvage Rate: -25.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
1939	67.50	$32,382.14	60.00	5.93	0.1235	1.0000	$3,999.81	$674.63
1938	68.50	$13,167.20	60.00	5.61	0.1170	1.0000	$1,540.15	$274.32
1937	69.50	$10,474.57	60.00	5.32	0.1108	1.0000	$1,160.55	$218.22
1936	70.50	$20,556.62	60.00	5.04	0.1049	1.0000	$2,156.34	$428.26
1935	71.50	$18,073.22	60.00	4.74	0.0988	1.0000	$1,786.21	$376.53
1934	72.50	$4,802.40	60.00	4.47	0.0931	1.0000	$447.34	$100.05
1932	74.50	$510.00	60.00	3.93	0.0818	1.0000	$41.74	$10.63
1931	75.50	$48,078.83	60.00	3.67	0.0764	1.0000	$3,675.57	$1,001.64
1930	76.50	$63,745.69	60.00	3.40	0.0708	1.0000	$4,515.43	$1,328.04
1929	77.50	$90,492.99	60.00	3.14	0.0655	1.0000	$5,923.68	$1,885.27
1928	78.50	$90,753.27	60.00	2.89	0.0603	1.0000	$5,471.10	$1,890.69
1927	79.50	$36,157.59	60.00	2.66	0.0554	1.0000	$2,003.67	$753.28
1926	80.50	$11,808.73	60.00	2.39	0.0499	1.0000	$588.94	$246.02
1925	81.50	$10,937.68	60.00	2.16	0.0450	1.0000	$492.63	$227.87
1924	82.50	$30,264.62	60.00	1.95	0.0407	1.0000	$1,231.69	$630.51
1923	83.50	$26,480.78	60.00	1.70	0.0353	1.0000	$935.89	$551.68
1922	84.50	$11,694.40	60.00	1.49	0.0310	1.0000	$362.13	$243.63
1921	85.50	$1,619.01	60.00	1.32	0.0274	1.0000	$44.41	$33.73
1919	87.50	$58,917.28	60.00	0.88	0.0183	1.0000	$1,076.63	$1,227.44
1918	88.50	$1,221.51	60.00	0.78	0.0162	1.0000	$19.74	$25.46
1914	92.50	$278,332.88	60.00	0.00	0.0000	0.0000	$0.00	$0.00
		$11,715,670.33	60.00	35.48	0.7392	1.0000	$8,660,219.50	$238,277.86

Depreciation Reserve Summary

Account: TECO 101/6-366 Underground conduit
Scenario: TECO Distribution ADR
Dispersion: 60 - R4
Average Net Salvage Rate: -25.00%
Future Net Salvage Rate: -25.00%

Broad Group Procedure

January 1 , 2007

	Plant Amt	Depreciation Reserve Amount	Depreciation Reserve Ratio	Net Plant Amount	Net Plant Ratio
Recorded	$11,715,670.33	$5,658,671.86	0.4830	$8,985,916.05	0.7670
Computed	$11,715,670.33	$5,984,368.41	0.5108	$8,660,219.50	0.7392
Difference		($325,696.55)	-0.0278	$325,696.55	0.0278

Toledo Edison Company

Average Life and Salvage Rate Determination

Based On Year End 2006 Data using Beginning Balance 1999

Account 367 Underground Conductor & Devices

Life and Iowa Survivor Curve

Current Life and Iowa Survivor Curve is 40 R2

Actuarial Life Analysis

59.26 R2.5 best fit using 1999 - 2006 data and a 1967 Placement Band

Industry Survey - EEI Survey of Depreciation Statistics 2003

Service Life Range 24 - 63 Years

Recommendation

Recommend a 50 R2.5 for this account

Comments:
The actuarial results would indicate a 59 year life which is at the upper level of the EEI study results. It would appear a longer life than the current 40 R1 is appropriate in matching the curve. However, a 19 year life extension seems unreasonable especially in light of the drop off in exposures on the Observed Life Table as we reach the end of the study period . We recommend a life extension to 50 years and a slight movement of the dispersion curve to R2.5 to better fit the data observed.

Salvage Factor Estimates

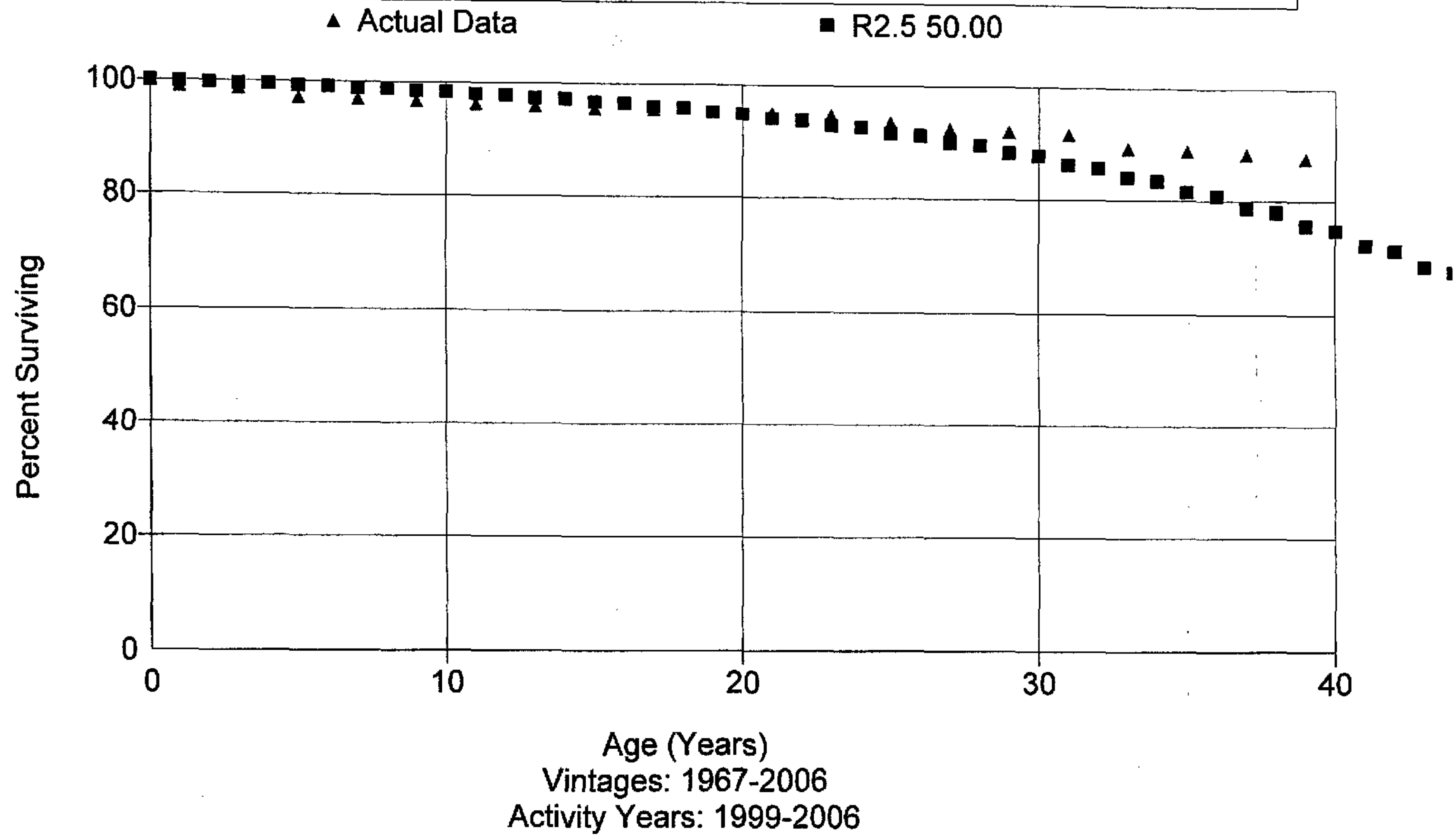
Current Net salvage Rate is -10%
Proposed Net salvage Rate -10%

Comments:
Our study of 1999 - 2006 data produced a 45.09% net salvage rate. This study interval is too short to recommend a change . We propose the -10% arrived at previously continue to be used for the account. EEI Study results for net salvage ranged from 49% to -73%

Summary of Recommendations

50	Average Service Life
R2.5	Iowa Curve
-10	% Net Salvage

Toledo Edison Company Account 367 Underground Conductor & Devices



Observed Life Table

Scenario: Toledo Edison Company Accounts Dist
Account: TECO 101/6-367 Undergrd conductor
Placement Band: 1967 - 2006 **Observation Band:** 1999 - 2006

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirment Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
0	29,849,457.66	366.05	0.00001	0.99999	100.00
0.5	21,791,205.78	206,236.42	0.00946	0.99054	100.00
1.5	22,736,921.72	74,637.19	0.00328	0.99672	99.05
2.5	22,356,951.97	6,067.32	0.00027	0.99973	98.73
3.5	21,239,049.53	71,857.46	0.00338	0.99662	98.70
4.5	17,608,039.46	218,398.38	0.01240	0.98760	98.37
5.5	16,525,148.04	27,208.03	0.00165	0.99835	97.15
6.5	15,298,647.39	13,081.00	0.00086	0.99914	96.99
7.5	9,863,989.46	12,537.29	0.00127	0.99873	96.91
8.5	10,279,486.84	14,148.16	0.00138	0.99862	96.79
9.5	13,535,906.96	13,962.74	0.00103	0.99897	96.66
10.5	16,562,735.41	61,698.87	0.00373	0.99627	96.56
11.5	18,731,545.91	6,027.75	0.00032	0.99968	96.20
12.5	20,017,308.45	46,256.50	0.00231	0.99769	96.17
13.5	20,320,678.70	23,978.99	0.00118	0.99882	95.95
14.5	19,261,412.51	64,606.77	0.00335	0.99665	95.84
15.5	16,557,256.98	10,326.24	0.00062	0.99938	95.52
16.5	13,608,537.91	14,868.02	0.00109	0.99891	95.46
17.5	10,884,257.74	12,860.64	0.00118	0.99882	95.36
18.5	8,915,812.92	8,332.53	0.00093	0.99907	95.25
19.5	7,243,060.00	7,873.82	0.00109	0.99891	95.16
20.5	6,288,879.88	7,777.25	0.00124	0.99876	95.06
21.5	5,651,458.04	6,964.93	0.00123	0.99877	94.94
22.5	5,783,412.36	9,596.89	0.00166	0.99834	94.82
23.5	5,710,019.11	65,234.68	0.01142	0.98858	94.66
24.5	5,628,552.15	15,351.58	0.00273	0.99727	93.58
25.5	5,387,334.37	47,284.22	0.00878	0.99122	93.32
26.5	4,741,060.29	12,278.92	0.00259	0.99741	92.50
27.5	4,354,735.55	8,674.61	0.00199	0.99801	92.26
28.5	4,039,665.34	7,765.66	0.00192	0.99808	92.08
29.5	3,672,400.80	7,892.11	0.00215	0.99785	91.90
30.5	2,813,355.62	4,878.00	0.00173	0.99827	91.70
31.5	2,612,760.82	61,836.77	0.02367	0.97633	91.54
32.5	1,971,960.79	4,294.75	0.00218	0.99782	89.37
33.5	1,434,301.58	3,160.34	0.00220	0.99780	89.18
34.5	904,638.72	2,174.36	0.00240	0.99760	88.98
35.5	455,018.54	1,292.75	0.00284	0.99716	88.77
36.5	255,337.56	803.68	0.00315	0.99685	88.52
37.5	111,457.26	395.67	0.00355	0.99645	88.24
38.5	29,592.91	124.74	0.00422	0.99578	87.93
39.5	0.00	0.00	0.00000	0.00000	87.56

Observed Life Table

Scenario: Toledo Edison Company Accounts Dist

Account: TECO 101/6-367 Undergrd conductor

Placement Band: 1967 - 2006 Observation Band: 1999 - 2006

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirment Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
0	29,849,457.66	366.05	0.00001	0.99999	100.00
0.5	21,791,205.78	206,236.42	0.00946	0.99054	100.00
1.5	22,736,921.72	74,637.19	0.00328	0.99672	99.05
2.5	22,356,951.97	6,067.32	0.00027	0.99973	98.73
3.5	21,239,049.53	71,857.46	0.00338	0.99662	98.70
4.5	17,608,039.46	218,398.38	0.01240	0.98760	98.37
5.5	16,525,148.04	27,208.03	0.00165	0.99835	97.15
6.5	15,298,647.39	13,081.00	0.00086	0.99914	96.99
7.5	9,863,989.46	12,537.29	0.00127	0.99873	96.91
8.5	10,279,486.84	14,148.16	0.00138	0.99862	96.79
9.5	13,535,906.96	13,962.74	0.00103	0.99897	96.66
10.5	16,562,735.41	61,698.87	0.00373	0.99627	96.56
11.5	18,731,545.91	6,027.75	0.00032	0.99968	96.20
12.5	20,017,308.45	46,256.50	0.00231	0.99769	96.17
13.5	20,320,678.70	23,978.99	0.00118	0.99882	95.95
14.5	19,261,412.51	64,606.77	0.00335	0.99665	95.84
15.5	16,557,256.98	10,326.24	0.00062	0.99938	95.52
16.5	13,608,537.91	14,868.02	0.00109	0.99891	95.46
17.5	10,884,257.74	12,860.64	0.00118	0.99882	95.36
18.5	8,915,812.92	8,332.53	0.00093	0.99907	95.25
19.5	7,243,060.00	7,873.82	0.00109	0.99891	95.16
20.5	6,288,879.88	7,777.25	0.00124	0.99876	95.06
21.5	5,651,458.04	6,964.93	0.00123	0.99877	94.94
22.5	5,783,412.36	9,596.89	0.00166	0.99834	94.82
23.5	5,710,019.11	65,234.68	0.01142	0.98858	94.66
24.5	5,628,552.15	15,351.58	0.00273	0.99727	93.58
25.5	5,387,334.37	47,284.22	0.00878	0.99122	93.32
26.5	4,741,060.29	12,278.92	0.00259	0.99741	92.50
27.5	4,354,735.55	8,674.61	0.00199	0.99801	92.26
28.5	4,039,665.34	7,765.66	0.00192	0.99808	92.08
29.5	3,672,400.80	7,892.11	0.00215	0.99785	91.90
30.5	2,813,355.62	4,878.00	0.00173	0.99827	91.70
31.5	2,612,760.82	61,836.77	0.02367	0.97633	91.54
32.5	1,971,960.79	4,294.75	0.00218	0.99782	89.37
33.5	1,434,301.58	3,160.34	0.00220	0.99780	89.18
34.5	904,638.72	2,174.36	0.00240	0.99760	88.98
35.5	455,018.54	1,292.75	0.00284	0.99716	88.77
36.5	255,337.56	803.68	0.00315	0.99685	88.52
37.5	111,457.26	395.67	0.00355	0.99645	88.24
38.5	29,592.91	124.74	0.00422	0.99578	87.93
39.5	0.00	0.00	0.00000	0.00000	87.56

Net Salvage Analysis Report

Account	Year	Retirements	Gross Salvage (Cash) Amount	Gross Salvage (Cash) Pct.	Gross Salvage (Returns) Amount	Gross Salvage (Returns) Pct.	Cost of Removal Amount	Cost of Removal Pct.	Net Salvage Amount	Net Salvage Pct.	1-Yr Avg
TECO 367 Underground Conductor	1999	332,104.67	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 367 Underground Conductor	2000	53,058.88	0.00	0.00	0.00	0.00	2,570.84	4.85	(2,570.84)	-4.85	-4.85
TECO 367 Underground Conductor	2001	904,665.16	0.00	0.00	0.00	0.00	23,112.40	2.55	(23,112.40)	-2.55	-2.55
TECO 367 Underground Conductor	*2002*	*45,661.98*	*5,161.51*	*11.30*	*0.00*	*0.00*	6,359.53	13.93	(1,198.02)	-2.62	-2.62
TECO 367 Underground Conductor	2003	22,944.46	0.00	0.00	0.00	0.00	3,917.38	17.07	(3,917.38)	-17.07	-17.07
TECO 367 Underground Conductor	2004	93,557.49	1,253,899.09	1340.24	0.00	0.00	209,381.75	223.80	1,044,517.34	1116.44	1116.44
TECO 367 Underground Conductor	2005	34,483.77	0.00	0.00	0.00	0.00	272,041.71	788.90	(272,041.71)	-788.90	-788.90
TECO 367 Underground Conductor	2006	132,975.44	5.73	0.00	0.00	0.00	11,437.05	8.60	(11,431.32)	-8.60	-8.60
		1,619,451.85	*1,259,066.33*	*77.75*	*0.00*	*0.00*	528,820.66	32.65	730,245.67	45.09	

Whole Life Depreciation Accrual

Account: TECO 101/6-367 Undergrd conductor

Dispersion: 50 - R2.5

Average Net Salvage Rate: -10.00%

Future Net Salvage Rate: -10.00%

Broad Group Procedure

January 1 , 2007

	Plant Amt	Period (Years)	Accrual (Dollars)	Accrual Rate (Percent)
Pre- 2007 Additions	$95,071,600.13		$2,086,086.40	2.194227
Whole Life		50	$2,091,575.20	
Amortization		0	$0.00	
Retirements	$498,981.95	50	$5,488.80	
2007 Additions	$0.00		$0.00	0.000000
Whole Life			$0.00	
Retirements	$0.00	0.00	$0.00	
Total:	$95,071,600.13 *		$2,086,086.40	2.194228
Average:	$94,822,109.16		$2,086,086.40	2.200000
Grand Total:	$95,071,600.13 *		$2,086,086.40	2.194228

* Excluding 2007 Retirements

Account: TECO 101/6-367 Undergrd conductor

Dispersion: 50.00 - R2.5

Average Net Salvage Rate: -10.00%

Future Net Salvage Rate: -10.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
2006	0.50	$7,813,173.98	50.00	49.53	1.0896	1.0000	$8,513,252.39	$171,889.83
2005	1.50	$2,590,799.50	50.00	48.59	1.0689	1.0000	$2,769,246.68	$56,997.59
2004	2.50	$400,113.67	50.00	47.65	1.0482	1.0000	$419,409.08	$8,802.50
2003	3.50	$1,669,588.48	50.00	46.71	1.0277	1.0000	$1,715,773.43	$36,730.95
2002	4.50	$3,785,441.43	50.00	45.78	1.0072	1.0000	$3,812,683.32	$83,279.71
2001	5.50	$1,744,351.98	50.00	44.86	0.9868	1.0000	$1,721,365.82	$38,375.74
2000	6.50	$3,059,631.62	50.00	43.93	0.9666	1.0000	$2,957,305.38	$67,311.90
1999	7.50	$8,486,207.01	50.00	43.02	0.9464	1.0000	$8,031,361.20	$186,696.55
1998	8.50	$3,117,239.32	50.00	42.11	0.9264	1.0000	$2,887,668.73	$68,579.27
1997	9.50	$7,168,015.18	50.00	41.20	0.9064	1.0000	$6,497,288.31	$157,696.33
1996	10.50	$5,443,687.59	50.00	40.30	0.8866	1.0000	$4,826,509.83	$119,761.13
1995	11.50	$8,042,193.22	50.00	39.41	0.8669	1.0000	$6,972,173.47	$176,928.25
1994	12.50	$5,227,083.31	50.00	38.52	0.8474	1.0000	$4,429,446.17	$114,995.83
1993	13.50	$5,437,879.75	50.00	37.64	0.8280	1.0000	$4,502,595.83	$119,633.35
1992	14.50	$1,975,467.36	50.00	36.76	0.8088	1.0000	$1,597,659.91	$43,460.28
1991	15.50	$3,048,030.55	50.00	35.89	0.7896	1.0000	$2,406,865.79	$67,056.67
1990	16.50	$3,549,612.55	50.00	35.03	0.7707	1.0000	$2,735,665.07	$78,091.48
1989	17.50	$3,515,741.43	50.00	34.18	0.7519	1.0000	$2,643,520.73	$77,346.31
1988	18.50	$3,097,779.24	50.00	33.33	0.7333	1.0000	$2,271,556.89	$68,151.14
1987	19.50	$2,485,250.07	50.00	32.49	0.7148	1.0000	$1,776,526.99	$54,675.50
1986	20.50	$1,466,070.93	50.00	31.66	0.6966	1.0000	$1,021,194.45	$32,253.56
1985	21.50	$1,145,788.29	50.00	30.84	0.6785	1.0000	$777,373.93	$25,207.34
1984	22.50	$806,629.43	50.00	30.02	0.6605	1.0000	$532,818.85	$17,745.85
1983	23.50	$407,729.27	50.00	29.22	0.6428	1.0000	$262,099.33	$8,970.04
1982	24.50	$613,692.11	50.00	28.42	0.6253	1.0000	$383,740.38	$13,501.23
1981	25.50	$806,189.79	50.00	27.63	0.6080	1.0000	$490,136.62	$17,736.18
1980	26.50	$1,130,926.27	50.00	26.86	0.5908	1.0000	$668,200.75	$24,880.38
1979	27.50	$824,068.32	50.00	26.09	0.5739	1.0000	$472,948.46	$18,129.50
1978	28.50	$505,226.21	50.00	25.33	0.5572	1.0000	$281,519.48	$11,114.98
1977	29.50	$502,220.58	50.00	24.58	0.5407	1.0000	$271,561.20	$11,048.85
1976	30.50	$928,973.06	50.00	23.84	0.5245	1.0000	$487,202.41	$20,437.41
1975	31.50	$281,242.95	50.00	23.11	0.5084	1.0000	$142,987.35	$6,187.34
1974	32.50	$580,182.75	50.00	22.39	0.4926	1.0000	$285,802.56	$12,764.02

Generation Arrangement Report

Account: TECO 101/6-367 Undergrd conductor
Dispersion: 50.00 - R2.5
Average Net Salvage Rate: -10.00%
Future Net Salvage Rate: -10.00%
Broad Group Procedure
January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
1973	33.50	$526,805.95	50.00	21.68	0.4770	1.0000	$251,308.54	$11,589.73
1972	34.50	$523,700.28	50.00	20.99	0.4617	1.0000	$241,804.43	$11,521.41
1971	35.50	$441,502.72	50.00	20.30	0.4467	1.0000	$197,203.76	$9,713.06
1970	36.50	$195,555.01	50.00	19.63	0.4319	1.0000	$84,453.49	$4,302.21
1969	37.50	$141,415.52	50.00	18.97	0.4173	1.0000	$59,018.38	$3,111.14
1968	38.50	$80,117.39	50.00	18.32	0.4031	1.0000	$32,295.22	$1,762.58
1967	39.50	$27,937.01	50.00	17.69	0.3891	1.0000	$10,871.61	$614.61
1966	40.50	$77,507.82	50.00	17.07	0.3755	1.0000	$29,104.10	$1,705.17
1965	41.50	$44,569.35	50.00	16.46	0.3622	1.0000	$16,141.59	$980.53
1964	42.50	$29,392.22	50.00	15.87	0.3492	1.0000	$10,262.62	$646.63
1963	43.50	$65,854.35	50.00	15.29	0.3365	1.0000	$22,159.18	$1,448.80
1962	44.50	$24,232.46	50.00	14.73	0.3242	1.0000	$7,855.20	$533.11
1961	45.50	$53,348.97	50.00	14.19	0.3122	1.0000	$16,654.78	$1,173.68
1960	46.50	$37,552.90	50.00	13.66	0.3006	1.0000	$11,287.61	$826.16
1959	47.50	$36,397.76	50.00	13.15	0.2893	1.0000	$10,531.39	$800.75
1958	48.50	$30,356.23	50.00	12.66	0.2785	1.0000	$8,453.75	$667.84
1957	49.50	$77,298.95	50.00	12.18	0.2680	1.0000	$20,716.56	$1,700.58
1956	50.50	$78,419.32	50.00	11.72	0.2579	1.0000	$20,225.29	$1,725.23
1955	51.50	$55,333.34	50.00	11.28	0.2482	1.0000	$13,734.19	$1,217.33
1954	52.50	$86,486.13	50.00	10.86	0.2389	1.0000	$20,660.19	$1,902.69
1953	53.50	$77,706.91	50.00	10.45	0.2299	1.0000	$17,867.97	$1,709.55
1952	54.50	$65,530.64	50.00	10.06	0.2214	1.0000	$14,506.61	$1,441.67
1951	55.50	$19,793.91	50.00	9.69	0.2132	1.0000	$4,219.36	$435.47
1950	56.50	$38,733.91	50.00	9.33	0.2053	1.0000	$7,952.43	$852.15
1949	57.50	$60,293.54	50.00	8.99	0.1978	1.0000	$11,925.45	$1,326.46
1948	58.50	$94,234.09	50.00	8.66	0.1906	1.0000	$17,960.46	$2,073.15
1947	59.50	$93,361.94	50.00	8.35	0.1837	1.0000	$17,150.04	$2,053.96
1946	60.50	$33,861.68	50.00	8.05	0.1771	1.0000	$5,995.98	$744.96
1945	61.50	$3,492.67	50.00	7.76	0.1707	1.0000	$596.21	$76.84
1944	62.50	$8,097.70	50.00	7.48	0.1646	1.0000	$1,332.58	$178.15
1943	63.50	$5,532.16	50.00	7.21	0.1586	1.0000	$877.59	$121.71
1942	64.50	$4,631.96	50.00	6.95	0.1529	1.0000	$708.10	$101.90
1941	65.50	$43,781.90	50.00	6.69	0.1473	1.0000	$6,448.13	$963.20

Account: TECO 101/6-367 Undergrd conductor

Dispersion: 50.00 - R2.5

Average Net Salvage Rate: -10.00%

Future Net Salvage Rate: -10.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
1940	66.50	$9,918.06	50.00	6.45	0.1418	1.0000	$1,406.50	$218.20
1939	67.50	$18,250.10	50.00	6.20	0.1365	1.0000	$2,490.45	$401.50
1938	68.50	$7,489.20	50.00	5.96	0.1312	1.0000	$982.62	$164.76
1937	69.50	$9,046.61	50.00	5.73	0.1260	1.0000	$1,140.27	$199.03
1936	70.50	$74,587.23	50.00	5.50	0.1210	1.0000	$9,021.88	$1,640.92
1935	71.50	$241.68	50.00	5.27	0.1159	1.0000	$28.02	$5.32
1934	72.50	$323.15	50.00	5.05	0.1110	1.0000	$35.87	$7.11
1932	74.50	$1,044.73	50.00	4.60	0.1013	1.0000	$105.83	$22.98
1931	75.50	$3,101.39	50.00	4.39	0.0965	1.0000	$299.33	$68.23
1930	76.50	$6,057.75	50.00	4.17	0.0918	1.0000	$555.81	$133.27
1929	77.50	$15,855.76	50.00	3.95	0.0870	1.0000	$1,378.96	$348.83
1928	78.50	$10,441.82	50.00	3.73	0.0821	1.0000	$857.48	$229.72
1927	79.50	$6,294.14	50.00	3.51	0.0772	1.0000	$485.60	$138.47
1926	80.50	$341.65	50.00	3.27	0.0720	1.0000	$24.60	$7.52
1925	81.50	$176.28	50.00	3.03	0.0666	1.0000	$11.74	$3.88
1924	82.50	$197.65	50.00	2.77	0.0610	1.0000	$12.05	$4.35
1923	83.50	$141.37	50.00	2.50	0.0551	1.0000	$7.79	$3.11
1922	84.50	$173.14	50.00	2.23	0.0491	1.0000	$8.50	$3.81
1914	92.50	$68,854.53	50.00	0.25	0.0055	1.0000	$378.50	$1,514.80
		$95,071,600.13	50.00	38.62	0.8496	1.0000	$80,776,975.32	$2,091,575.20

Depreciation Reserve Summary

Account: TECO 101/6-367 Undergrd conductor
Scenario: TECO Distribution ADR
Dispersion: 50 - R2.5
Average Net Salvage Rate: -10.00%
Future Net Salvage Rate: -10.00%

Broad Group Procedure

January 1 , 2007

		Depreciation Reserve		Net Plant	
	Plant Amt	**Amount**	**Ratio**	**Amount**	**Ratio**
Recorded	$95,071,600.13	$25,032,853.73	0.2633	$79,545,906.41	0.8367
Computed	$95,071,600.13	$23,801,784.82	0.2504	$80,776,975.32	0.8496
Difference		$1,231,068.91	0.0129	($1,231,068.91)	-0.0129

Toledo Edison Company

Average Life and Salvage Rate Determination

Based On Year End 2006 Data using Beginning Balance 1999

Account 368 Line Transformers & Equipment

Life and Iowa Survivor Curve

Current Life and Iowa Survivor Curve is 35 S0

Actuarial Life Analysis

54.33 R1.5 best fit using 1999 - 2006 data

Industry Survey - EEI Survey of Depreciation Statistics 2003

Service Life Range 25 - 50 Years

Recommendation

Recommend a 42 R1.5 for this account

Comments:
Utilizing the same Placement Band as the previous study 1967 -2006 Placement band or all the available data we arrived at similar results which would indicate a life extension was appropriate. The 54 years was outside the EEI Study findings. A 19 year life extension was unreasonable from both a study and general knowledge of transformer performance perspective. We selected a 42 R1.5 as a reasonable compromise to fit the data and fell within the Observed Life Table span of statistical significance.

Salvage Factor Estimates

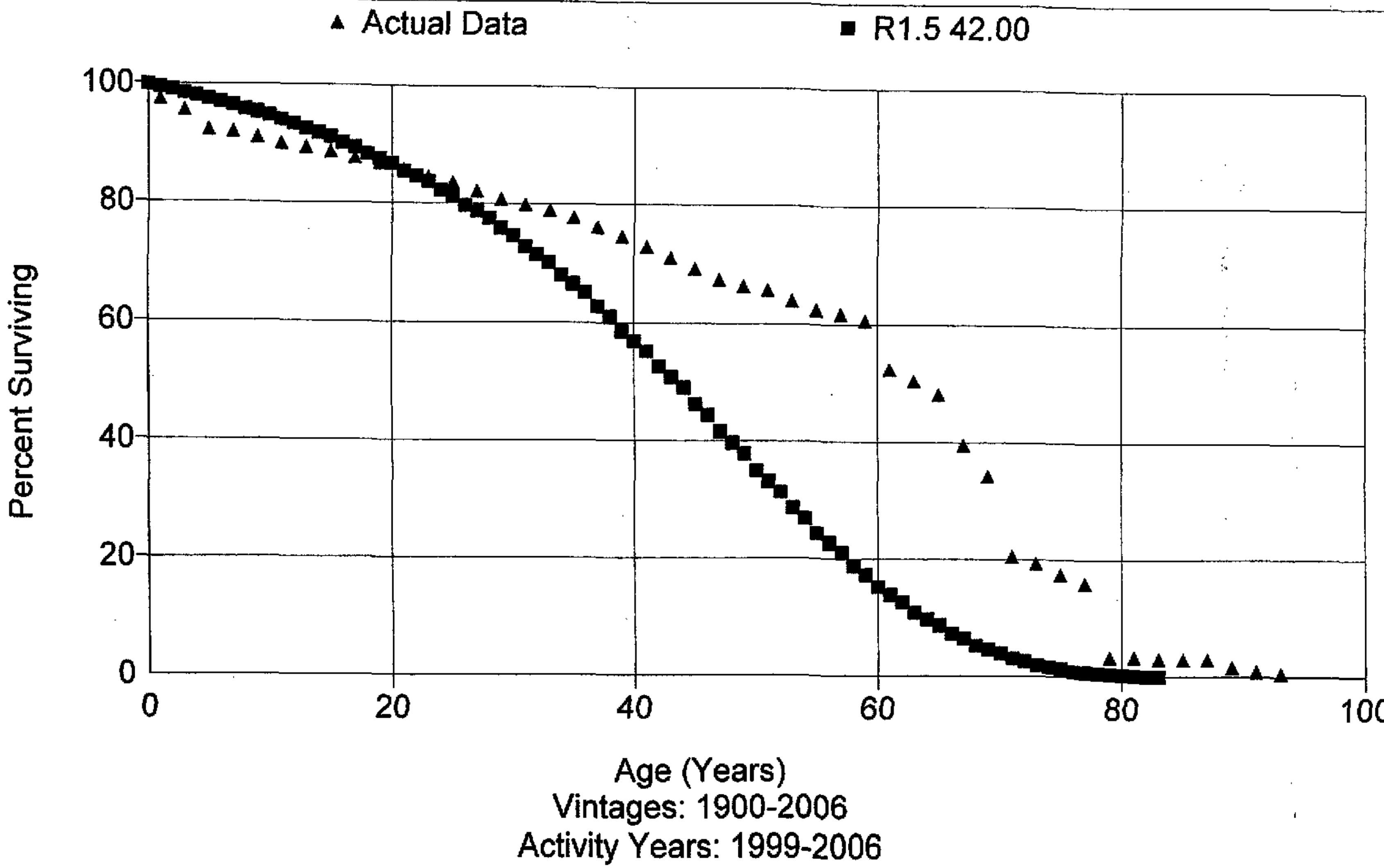
Current Net salvage Rate is -10%
Proposed Net salvage Rate -10%

Comments:
Our study of 1999 - 2006 data produced a 38.84% net salvage rate. This study interval is too short to recommend a change . We propose the -10% arrived at previously continue to be used for the account. EEI Study results for net salvage ranged from 43% to -25%

Summary of Recommendations

42	Average Service Life
R1.5	Iowa Curve
-10	% Net Salvage

Toledo Edison Company Account 368 Line Transformers



Observed Life Table

Scenario: Toledo Edison Company Accounts Dist

Account: TECO 101/6-368 Line transformers

Placement Band: 1900 - 2006 Observation Band: 1999 - 2006

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirment Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
0	27,646,878.19	0.00	0.00000	1.00000	100.00
0.5	12,578,102.29	318,478.69	0.02532	0.97468	100.00
1.5	16,324,326.68	169,865.56	0.01041	0.98959	97.47
2.5	17,387,237.32	156,524.20	0.00900	0.99100	96.46
3.5	19,297,258.59	555,716.80	0.02880	0.97120	95.59
4.5	17,372,685.01	111,798.45	0.00644	0.99356	92.84
5.5	15,950,121.97	28,681.31	0.00180	0.99820	92.24
6.5	17,160,276.37	26,954.92	0.00157	0.99843	92.07
7.5	18,833,017.73	77,682.17	0.00412	0.99588	91.93
8.5	21,203,089.49	124,499.44	0.00587	0.99413	91.55
9.5	20,000,988.12	125,226.53	0.00626	0.99374	91.01
10.5	23,470,276.55	112,951.17	0.00481	0.99519	90.44
11.5	22,010,247.80	78,202.04	0.00355	0.99645	90.00
12.5	25,730,991.45	83,468.99	0.00324	0.99676	89.68
13.5	29,368,788.20	72,078.69	0.00245	0.99755	89.39
14.5	28,758,877.34	172,025.96	0.00598	0.99402	89.17
15.5	27,386,746.89	159,056.34	0.00581	0.99419	88.64
16.5	25,941,658.77	133,475.44	0.00515	0.99485	88.13
17.5	25,274,303.35	116,493.32	0.00461	0.99539	87.68
18.5	24,065,256.68	126,721.70	0.00527	0.99473	87.28
19.5	23,252,716.84	126,336.11	0.00543	0.99457	86.82
20.5	21,766,881.42	141,260.20	0.00649	0.99351	86.35
21.5	20,080,579.73	149,754.36	0.00746	0.99254	85.79
22.5	18,409,272.83	135,005.87	0.00733	0.99267	85.15
23.5	17,797,693.99	107,550.91	0.00604	0.99396	84.53
24.5	18,699,685.59	93,837.59	0.00502	0.99498	84.02
25.5	18,966,055.39	134,567.86	0.00710	0.99290	83.60
26.5	18,524,473.20	170,406.81	0.00920	0.99080	83.01
27.5	16,870,861.16	154,353.80	0.00915	0.99085	82.25
28.5	15,485,971.87	124,955.39	0.00807	0.99193	81.50
29.5	13,862,223.43	96,024.14	0.00693	0.99307	80.84
30.5	13,153,531.61	68,973.80	0.00524	0.99476	80.28
31.5	12,218,160.99	59,998.39	0.00491	0.99509	79.86
32.5	9,451,919.21	58,257.58	0.00616	0.99384	79.47
33.5	7,215,465.45	54,512.22	0.00755	0.99245	78.98
34.5	5,849,345.10	48,251.13	0.00825	0.99175	78.38
35.5	4,894,906.54	51,060.31	0.01043	0.98957	77.73
36.5	4,335,584.19	43,425.48	0.01002	0.98998	76.92
37.5	4,178,589.19	43,154.17	0.01033	0.98967	76.15
38.5	3,961,162.60	38,248.07	0.00966	0.99034	75.36
39.5	3,748,535.89	48,448.89	0.01292	0.98708	74.63
40.5	3,700,888.64	42,454.42	0.01147	0.98853	73.67
41.5	3,680,180.41	43,490.72	0.01182	0.98818	72.83
42.5	3,872,239.03	50,213.54	0.01297	0.98703	71.97
43.5	4,286,073.77	53,544.93	0.01249	0.98751	71.04
44.5	4,299,307.15	58,847.32	0.01369	0.98631	70.15
45.5	4,057,966.63	55,106.95	0.01358	0.98642	69.19
46.5	3,809,230.93	52,601.17	0.01381	0.98619	68.25
47.5	3,562,432.64	31,935.12	0.00896	0.99104	67.31
48.5	3,106,704.27	20,528.43	0.00661	0.99339	66.71
49.5	2,693,467.53	15,414.89	0.00572	0.99428	66.27
50.5	2,138,610.07	8,914.28	0.00417	0.99583	65.89
51.5	1,535,399.56	12,430.30	0.00810	0.99190	65.62
52.5	1,098,929.80	20,010.02	0.01821	0.98179	65.09

Observed Life Table

Scenario: Toledo Edison Company Accounts Dist

Account: TECO 101/6-368 Line transformers

Placement Band: *1900 - 2006* **Observation Band:** *1999 - 2006*

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirement Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
53.5	865,981.14	7,511.72	0.00867	0.99133	63.90
54.5	645,478.24	9,355.44	0.01449	0.98551	63.35
55.5	478,933.13	4,026.24	0.00841	0.99159	62.43
56.5	424,951.89	1,371.43	0.00323	0.99677	61.90
57.5	330,153.00	812.75	0.00246	0.99754	61.70
58.5	265,522.29	3,677.47	0.01385	0.98615	61.55
59.5	166,170.89	13,085.04	0.07874	0.92126	60.70
60.5	136,405.19	8,775.19	0.06433	0.93567	55.92
61.5	105,992.74	2,713.73	0.02561	0.97439	52.32
62.5	127,737.46	1,449.29	0.01134	0.98866	50.98
63.5	131,181.15	2,032.81	0.01550	0.98450	50.40
64.5	125,151.95	3,783.09	0.03023	0.96977	49.62
65.5	117,367.40	17,055.82	0.14532	0.85468	48.12
66.5	69,077.64	2,636.68	0.03817	0.96183	41.13
67.5	60,817.98	5,956.01	0.09793	0.90207	39.56
68.5	51,930.03	2,111.75	0.04067	0.95933	35.69
69.5	55,438.42	6,510.11	0.11743	0.88257	34.24
70.5	32,531.20	10,434.28	0.32074	0.67926	30.22
71.5	78,824.41	958.78	0.01217	0.98783	20.53
72.5	91,745.84	4,179.25	0.04555	0.95445	20.28
73.5	90,097.63	5,238.55	0.05815	0.94185	19.36
74.5	83,998.11	3,654.19	0.04350	0.95650	18.23
75.5	79,528.17	6,721.39	0.08451	0.91549	17.44
76.5	74,411.31	0.00	0.00000	1.00000	15.97
77.5	74,868.32	48,155.39	0.64320	0.35680	15.97
78.5	28,823.63	12,043.75	0.41785	0.58215	5.70
79.5	17,162.89	0.00	0.00000	1.00000	3.32
80.5	21,943.01	0.00	0.00000	1.00000	3.32
81.5	20,275.52	531.12	0.02619	0.97381	3.32
82.5	23,175.25	1,501.83	0.06481	0.93519	3.23
83.5	22,653.17	0.00	0.00000	1.00000	3.02
84.5	17,744.37	671.89	0.03787	0.96213	3.02
85.5	16,361.02	0.00	0.00000	1.00000	2.91
86.5	13,566.59	0.00	0.00000	1.00000	2.91
87.5	13,222.15	0.00	0.00000	1.00000	2.91
88.5	11,175.34	4,961.06	0.44394	0.55606	2.91
89.5	4,178.03	1,368.08	0.32743	0.67257	1.62
90.5	2,809.95	372.78	0.13274	0.86726	1.09
91.5	2,437.17	1,002.64	0.41157	0.58843	0.95
92.5	1,479.06	117.67	0.07978	0.92022	0.56
93.5	44.53	44.53	1.00000	0.00000	0.52
94.5	0.00	0.00	0.00000	0.00000	0.00

Net Salvage Analysis Report

			Gross Salvage (Cash)		Gross Salvage (Returns)		Cost of Removal		Net Salvage		
\ccount	Year	Retirements	Amount	Pct.	Amount	Pct.	Amount	Pct.	Amount	Pct.	1-Yr Avg
ΓECO 368 Transformers	2000	1,525,633.43	287,312.58	18.83	0.00	0.00	0.00	0.00	287,312.58	18.83	18.83
ΓECO 368 Transformers	2001	1,723,953.74	739,605.46	42.90	0.00	0.00	35,404.67	2.05	704,200.79	40.85	40.85
ΓECO 368 Transformers	2002	516,773.78	97,273.96	18.82	0.00	0.00	22,765.96	4.41	74,508.00	14.42	14.42
ΓECO 368 Transformers	2003	1,583,599.20	0.03	0.00	0.00	0.00	155,349.28	9.81	(155,349.25)	-9.81	-9.81
ΓECO 368 Transformers	2004	91,212.06	9,800.00	10.74	0.00	0.00	4,359.52	4.78	5,440.48	5.96	5.96
ΓECO 368 Transformers	2005	101,887.91	0.00	0.00	0.00	0.00	(1,268,066.89)	-1244.57	1,268,066.89	1244.57	1244.57
ΓECO 368 Transformers	2006	75,547.88	103.66	0.14	0.00	0.00	1,795.95	2.38	(1,692.29)	-2.24	-2.24
		5,618,608.00	1,134,095.69	20.18	0.00	0.00	(1,048,391.51)	-18.66	2,182,487.20	38.84	

Whole Life Depreciation Accrual

Account: TECO 101/6-368 Line transformers
Dispersion: 42 - R1.5

Average Net Salvage Rate: -10.00%
Future Net Salvage Rate: -10.00%

Broad Group Procedure

January 1, 2007

	Plant Amt	Period (Years)	Accrual (Dollars)	Accrual Rate (Percent)
Pre- 2007 Additions	$109,422,738.25		$2,843,873.24	2.598979
Whole Life		42	$2,865,380.44	
Amortization		0	$0.00	
Retirements	$1,642,368.21	42	$21,507.20	
2007 Additions	$0.00		$0.00	0.000000
Whole Life			$0.00	
Retirements	$0.00	0.00	$0.00	
Total:	$109,422,738.25 *		$2,843,873.24	2.598979
Average:	$108,601,554.15		$2,843,873.24	2.618630
Grand Total:	$109,422,738.25 *		$2,843,873.24	2.598979

* *Excluding 2007 Retirements*

Account: *TECO 101/6-368 Line transformers*

Dispersion: 42.00 - R1.5

Average Net Salvage Rate: -10.00%

Future Net Salvage Rate: -10.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
2006	0.50	$15,145,871.34	42.00	41.59	1.0892	1.0000	$16,497,018.95	$396,677.58
2005	1.50	$2,280,906.98	42.00	40.77	1.0677	1.0000	$2,435,399.87	$59,738.04
2004	2.50	$299,603.81	42.00	39.95	1.0464	1.0000	$313,507.02	$7,846.77
2003	3.50	$1,353,207.92	42.00	39.15	1.0252	1.0000	$1,387,350.50	$35,441.16
2002	4.50	$1,446,222.78	42.00	38.34	1.0042	1.0000	$1,452,274.17	$37,877.26
2001	5.50	$1,530,277.59	42.00	37.54	0.9833	1.0000	$1,504,705.52	$40,078.70
2000	6.50	$2,527,605.45	42.00	36.75	0.9625	1.0000	$2,432,941.13	$66,199.19
1999	7.50	$1,791,459.73	42.00	35.96	0.9419	1.0000	$1,687,434.12	$46,919.18
1998	8.50	$1,534,634.56	42.00	35.18	0.9215	1.0000	$1,414,144.78	$40,192.81
1997	9.50	$1,886,411.51	42.00	34.41	0.9012	1.0000	$1,699,965.00	$49,406.02
1996	10.50	$3,563,736.58	42.00	33.64	0.8810	1.0000	$3,139,723.30	$93,335.96
1995	11.50	$4,144,974.53	42.00	32.87	0.8610	1.0000	$3,568,871.38	$108,558.86
1994	12.50	$788,502.15	42.00	32.12	0.8411	1.0000	$663,238.65	$20,651.25
1993	13.50	$218,099.09	42.00	31.36	0.8214	1.0000	$179,155.06	$5,712.12
1992	14.50	$3,612,720.07	42.00	30.62	0.8019	1.0000	$2,896,898.54	$94,618.86
1991	15.50	$3,361,789.42	42.00	29.88	0.7825	1.0000	$2,630,555.99	$88,046.87
1990	16.50	$3,885,110.31	42.00	29.14	0.7633	1.0000	$2,965,403.81	$101,752.89
1989	17.50	$3,276,853.99	42.00	28.42	0.7442	1.0000	$2,438,667.61	$85,822.37
1988	18.50	$3,459,555.94	42.00	27.70	0.7254	1.0000	$2,509,420.87	$90,607.42
1987	19.50	$3,643,631.85	42.00	26.98	0.7067	1.0000	$2,574,921.79	$95,428.45
1986	20.50	$3,715,958.52	42.00	26.28	0.6882	1.0000	$2,557,347.53	$97,322.72
1985	21.50	$3,751,796.68	42.00	25.58	0.6700	1.0000	$2,513,523.54	$98,261.34
1984	22.50	$2,930,681.66	42.00	24.89	0.6519	1.0000	$1,910,448.17	$76,755.95
1983	23.50	$2,068,026.81	42.00	24.21	0.6341	1.0000	$1,311,281.95	$54,162.61
1982	24.50	$2,480,884.99	42.00	23.54	0.6165	1.0000	$1,529,448.34	$64,975.56
1981	25.50	$2,601,521.85	42.00	22.88	0.5991	1.0000	$1,558,627.76	$68,135.10
1980	26.50	$2,275,462.16	42.00	22.22	0.5820	1.0000	$1,324,396.29	$59,595.44
1979	27.50	$2,853,054.08	42.00	21.58	0.5652	1.0000	$1,612,518.72	$74,722.84
1978	28.50	$2,303,292.28	42.00	20.95	0.5486	1.0000	$1,263,570.89	$60,324.32
1977	29.50	$2,175,098.73	42.00	20.32	0.5323	1.0000	$1,157,796.04	$56,966.87
1976	30.50	$1,327,740.14	42.00	19.71	0.5162	1.0000	$685,426.26	$34,774.15
1975	31.50	$1,500,321.84	42.00	19.11	0.5005	1.0000	$750,912.16	$39,294.14
1974	32.50	$3,283,213.93	42.00	18.52	0.4851	1.0000	$1,592,523.94	$85,988.94

Account: TECO 101/6-368 Line transformers

Dispersion: 42.00 - R1.5

Average Net Salvage Rate: -10.00%

Future Net Salvage Rate: -10.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	*Remaining* Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
1973	33.50	$2,771,467.45	42.00	17.94	0.4699	1.0000	$1,302,237.54	$72,586.05
1972	34.50	$1,844,816.67	42.00	17.37	0.4550	1.0000	$839,437.41	$48,316.63
1971	35.50	$1,273,928.09	42.00	16.82	0.4404	1.0000	$561,087.33	$33,364.78
1970	36.50	$989,408.50	42.00	16.27	0.4262	1.0000	$421,713.61	$25,913.08
1969	37.50	$626,007.63	42.00	15.74	0.4123	1.0000	$258,113.54	$16,395.44
1968	38.50	$657,987.12	42.00	15.22	0.3987	1.0000	$262,337.28	$17,233.00
1967	39.50	$584,133.20	42.00	14.72	0.3854	1.0000	$225,144.58	$15,298.73
1966	40.50	$529,083.57	42.00	14.22	0.3725	1.0000	$197,079.27	$13,856.95
1965	41.50	$538,557.98	42.00	13.74	0.3599	1.0000	$193,806.06	$14,105.09
1964	42.50	$486,672.35	42.00	13.27	0.3476	1.0000	$169,155.14	$12,746.18
1963	43.50	$329,507.49	42.00	12.81	0.3356	1.0000	$110,582.32	$8,629.96
1962	44.50	$445,393.66	42.00	12.37	0.3240	1.0000	$144,293.32	$11,665.07
1961	45.50	$465,584.58	42.00	11.94	0.3127	1.0000	$145,566.01	$12,193.88
1960	46.50	$435,770.15	42.00	11.52	0.3016	1.0000	$131,449.10	$11,413.03
1959	47.50	$372,834.68	42.00	11.11	0.2910	1.0000	$108,480.61	$9,764.72
1958	48.50	$489,946.11	42.00	10.71	0.2806	1.0000	$137,470.07	$12,831.92
1957	49.50	$507,974.48	42.00	10.33	0.2705	1.0000	$137,406.03	$13,304.09
1956	50.50	$653,018.59	42.00	9.95	0.2607	1.0000	$170,234.76	$17,102.87
1955	51.50	$728,393.41	42.00	9.59	0.2512	1.0000	$182,951.67	$19,076.97
1954	52.50	$467,103.43	42.00	9.24	0.2419	1.0000	$112,991.66	$12,233.66
1953	53.50	$252,954.98	42.00	8.89	0.2329	1.0000	$58,903.58	$6,625.01
1952	54.50	$219,671.89	42.00	8.56	0.2241	1.0000	$49,224.41	$5,753.31
1951	55.50	$163,097.48	42.00	8.23	0.2155	1.0000	$35,144.35	$4,271.60
1950	56.50	$56,307.37	42.00	7.91	0.2071	1.0000	$11,663.54	$1,474.72
1949	57.50	$102,354.33	42.00	7.59	0.1989	1.0000	$20,358.48	$2,680.71
1948	58.50	$103,481.24	42.00	7.29	0.1908	1.0000	$19,748.23	$2,710.22
1947	59.50	$119,862.06	42.00	6.99	0.1830	1.0000	$21,934.35	$3,139.24
1946	60.50	$27,826.71	42.00	6.69	0.1752	1.0000	$4,875.36	$728.79
1945	61.50	$30,017.72	42.00	6.40	0.1676	1.0000	$5,030.04	$786.18
1944	62.50	$6,044.32	42.00	6.11	0.1601	1.0000	$967.90	$158.30
1943	63.50	$5,638.97	42.00	5.83	0.1527	1.0000	$861.33	$147.69
1942	64.50	$6,059.82	42.00	5.56	0.1456	1.0000	$882.47	$158.71
1941	65.50	$5,791.45	42.00	5.29	0.1385	1.0000	$802.14	$151.68

Account: TECO 101/6-368 Line transformers

Dispersion: 42.00 - R1.5

rage Net Salvage Rate: -10.00%

ure Net Salvage Rate: -10.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
1940	66.50	$34,038.54	42.00	5.02	0.1316	1.0000	$4,478.25	$891.49
1939	67.50	$6,751.32	42.00	4.77	0.1249	1.0000	$843.51	$176.82
1938	68.50	$8,051.85	42.00	4.52	0.1183	1.0000	$952.90	$210.88
1937	69.50	$3,568.76	42.00	4.28	0.1120	1.0000	$399.63	$93.47
1936	70.50	$18,612.25	42.00	4.04	0.1059	1.0000	$1,971.71	$487.46
1935	71.50	$0.00	42.00	3.81	0.0999	1.0000	$0.00	$0.00
1934	72.50	$0.00	42.00	3.60	0.0943	1.0000	$0.00	$0.00
1933	73.50	$1,789.99	42.00	3.37	0.0883	1.0000	$158.12	$46.88
1932	74.50	$2,804.60	42.00	3.14	0.0823	1.0000	$230.77	$73.45
1931	75.50	$1,128.34	42.00	2.91	0.0761	1.0000	$85.91	$29.55
1930	76.50	$4,459.27	42.00	2.64	0.0690	1.0000	$307.88	$116.79
1929	77.50	$1,571.31	42.00	2.35	0.0615	1.0000	$96.70	$41.15
28	78.50	$1,772.10	42.00	2.02	0.0530	1.0000	$93.87	$46.41
1927	79.50	$0.00	42.00	1.69	0.0442	1.0000	$0.00	$0.00
1926	80.50	$0.00	42.00	1.37	0.0360	1.0000	$0.00	$0.00
1925	81.50	$3,703.74	42.00	1.06	0.0277	1.0000	$102.43	$97.00
1924	82.50	$1,943.63	42.00	0.75	0.0195	1.0000	$37.99	$50.90
1923	83.50	$312.59	42.00	0.46	0.0120	1.0000	$3.76	$8.19
1922	84.50	$4,908.80	42.00	0.00	0.0000	0.0000	$0.00	$0.00
1921	85.50	$2,028.32	42.00	0.00	0.0000	0.0000	$0.00	$0.00
1920	86.50	$2,912.10	42.00	0.00	0.0000	0.0000	$0.00	$0.00
1919	87.50	$383.01	42.00	0.00	0.0000	0.0000	$0.00	$0.00
1918	88.50	$3,717.87	42.00	0.00	0.0000	0.0000	$0.00	$0.00
1917	89.50	$2,036.25	42.00	0.00	0.0000	0.0000	$0.00	$0.00
1916	90.50	$0.00	42.00	0.00	0.0000	0.0000	$0.00	$0.00
1915	91.50	$0.00	42.00	0.00	0.0000	0.0000	$0.00	$0.00
1913	93.50	$1,316.86	42.00	0.00	0.0000	0.0000	$0.00	$0.00
1912	94.50	$0.00	42.00	0.00	0.0000	0.0000	$0.00	$0.00
1911	95.50	$0.00	42.00	0.00	0.0000	0.0000	$0.00	$0.00
910	96.50	$0.00	42.00	0.00	0.0000	0.0000	$0.00	$0.00
06	100.50	$0.00	42.00	0.00	0.0000	0.0000	$0.00	$0.00
		$109,422,738.25	42.00	27.99	0.7330	1.0000	$80,211,115.57	$2,865,380.44

Depreciation Reserve Summary

Account: TECO 101/6-368 Line transformers
Scenario: TECO Distribution ADR
Dispersion: 42 - R1.5
Average Net Salvage Rate: -10.00%
Future Net Salvage Rate: -10.00%

Broad Group Procedure

January 1 , 2007

		Depreciation Reserve		Net Plant	
	Plant Amt	Amount	Ratio	Amount	Ratio
Recorded	$109,422,738.25	$46,430,582.62	0.4243	$73,934,429.46	0.6757
Computed	$109,422,738.25	$40,153,896.50	0.3670	$80,211,115.58	0.7330
Difference		$6,276,686.12	0.0574	($6,276,686.12)	-0.0574

Toledo Edison Company

Average Life and Salvage Rate Determination

Based On Year End 2006 Data using Beginning Balance 1999

Account 369 Services

Life and Iowa Survivor Curve

Current Life and Iowa Survivor Curve is 34 L4

Actuarial Life Analysis

49.24 S6 best fit using 1999 - 2006 data

Industry Survey - EEI Survey of Depreciation Statistics 2003

Service Life Range 20 - 50 Years

Recommendation

Recommend a 41 R5 for this account

Comments:
The actuarial results would indicate a 49 S6 as the best fit to the data. This however, is a 15 year increased life for the account . We chose a 41 R5 dispersion curve as we felt the beginning data matched well and the drop off in survivors seemed reasonable with the results appearing on the Observed Life Table at 40 years and beyond.

Salvage Factor Estimates

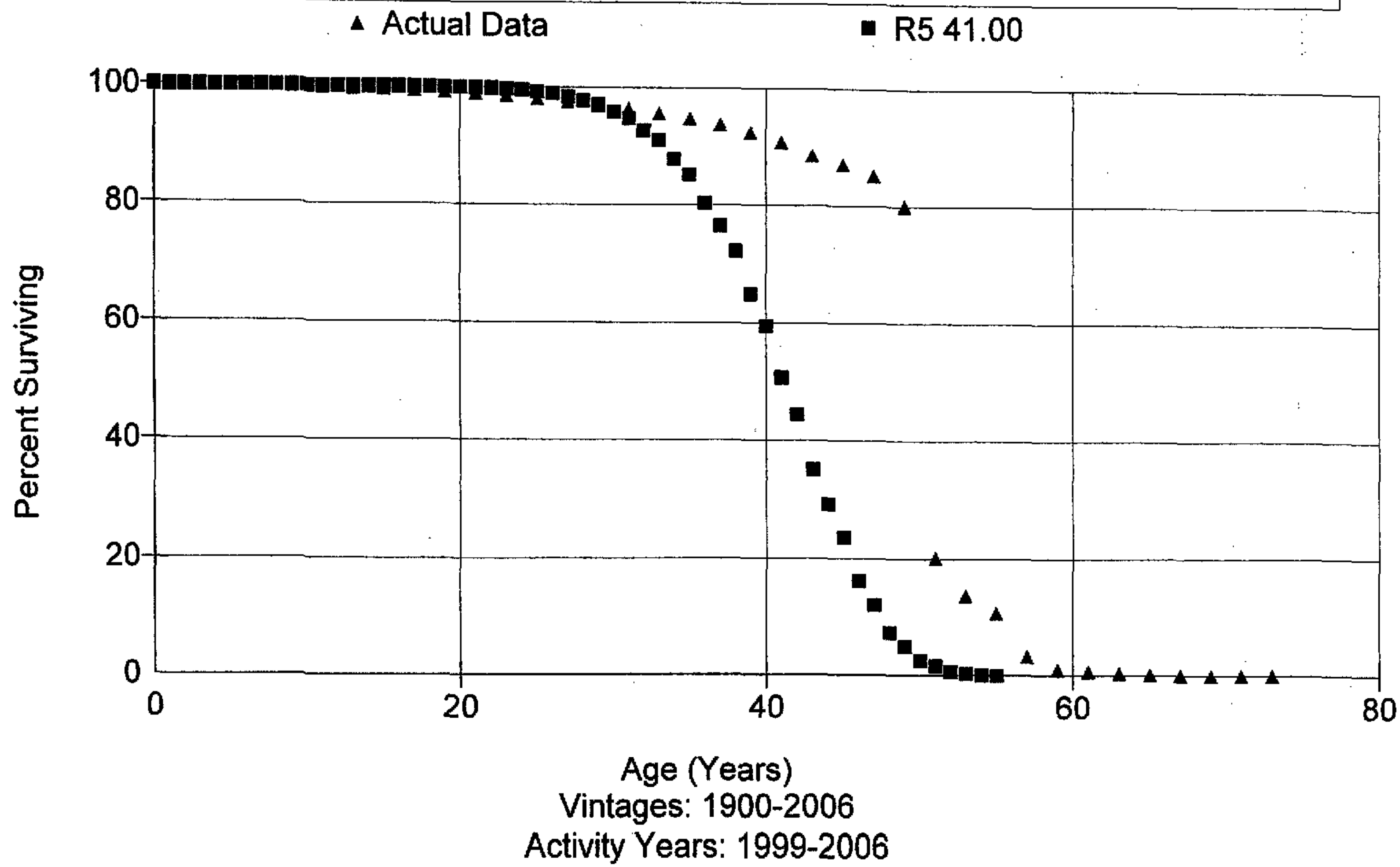
Current Net salvage Rate is -30%
Proposed Net salvage Rate -30%

Comments:
Our study of 1999 - 2006 data produced a -18.07% net salvage rate. This study interval is too short to recommend a change . We propose the -30% arrived at previously continue to be used for the account. EEI Study results for net salvage ranged from 100% to -60%

Summary of Recommendations

41	Average Service Life
R5	Iowa Curve
-30	% Net Salvage

Toledo Edison Company Account 369 Services



Observed Life Table

Scenario: Toledo Edison Company Accounts Dist
Account: TECO 101/6-369 Services
Placement Band: 1900 - 2006 **Observation Band:** 1999 - 2006

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirement Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
0	3,360,623.59	0.00	0.00000	1.00000	100.00
0.5	1,902,096.41	0.00	0.00000	1.00000	100.00
1.5	3,104,882.81	0.00	0.00000	1.00000	100.00
2.5	3,564,607.16	0.00	0.00000	1.00000	100.00
3.5	3,954,829.20	0.00	0.00000	1.00000	100.00
4.5	4,925,069.39	0.00	0.00000	1.00000	100.00
5.5	5,914,988.24	0.00	0.00000	1.00000	100.00
6.5	7,029,148.98	1,441.84	0.00021	0.99979	100.00
7.5	8,049,998.07	3,460.51	0.00043	0.99957	99.98
8.5	8,491,493.54	3,579.52	0.00042	0.99958	99.94
9.5	10,123,416.75	6,779.54	0.00067	0.99933	99.90
10.5	13,769,089.40	-8,439.21	-0.00061	1.00061	99.83
11.5	16,722,157.77	13,326.02	0.00080	0.99920	99.89
12.5	19,257,531.88	15,445.24	0.00080	0.99920	99.81
13.5	21,064,013.42	16,784.22	0.00080	0.99920	99.73
14.5	22,624,436.93	17,654.19	0.00078	0.99922	99.65
15.5	23,735,141.87	19,322.93	0.00081	0.99919	99.57
16.5	24,324,721.86	22,854.51	0.00094	0.99906	99.49
17.5	24,045,869.36	23,751.88	0.00099	0.99901	99.40
18.5	22,080,331.16	24,304.40	0.00110	0.99890	99.30
19.5	20,929,828.67	26,750.11	0.00128	0.99872	99.19
20.5	19,654,176.40	29,873.46	0.00152	0.99848	99.06
21.5	18,589,481.77	28,420.27	0.00153	0.99847	98.91
22.5	17,306,205.26	30,625.74	0.00177	0.99823	98.76
23.5	16,332,514.33	33,039.99	0.00202	0.99798	98.59
24.5	15,731,877.72	35,649.70	0.00227	0.99773	98.39
25.5	15,196,271.99	38,347.23	0.00252	0.99748	98.17
26.5	14,609,532.44	38,762.01	0.00265	0.99735	97.92
27.5	13,557,093.11	40,189.38	0.00296	0.99704	97.66
28.5	12,369,822.21	37,614.95	0.00304	0.99696	97.37
29.5	11,424,057.23	39,241.72	0.00344	0.99656	97.07
30.5	10,407,838.90	34,107.25	0.00328	0.99672	96.74
31.5	9,475,650.64	41,741.03	0.00441	0.99559	96.42
32.5	8,113,468.07	26,087.16	0.00322	0.99678	95.99
33.5	7,125,242.69	35,088.45	0.00492	0.99508	95.68
34.5	5,851,467.18	24,786.27	0.00424	0.99576	95.21
35.5	4,849,169.19	22,541.28	0.00465	0.99535	94.81
36.5	3,957,716.26	21,833.07	0.00552	0.99448	94.37
37.5	3,270,746.87	22,132.47	0.00677	0.99323	93.85
38.5	2,743,516.88	21,074.61	0.00768	0.99232	93.21
39.5	2,229,280.38	19,343.41	0.00868	0.99132	92.49
40.5	2,033,706.56	19,249.16	0.00946	0.99054	91.69
41.5	1,655,819.28	25,197.17	0.01522	0.98478	90.82
42.5	1,402,129.69	12,409.75	0.00885	0.99115	89.44
43.5	1,195,959.52	11,197.66	0.00936	0.99064	88.65
44.5	1,014,094.74	8,779.02	0.00866	0.99134	87.82
45.5	833,476.17	7,342.60	0.00881	0.99119	87.06
46.5	663,936.18	8,302.73	0.01251	0.98749	86.29
47.5	509,130.01	4,483.55	0.00881	0.99119	85.21
48.5	372,991.14	19,379.64	0.05196	0.94804	84.46
49.5	175,036.68	105,459.55	0.60250	0.39750	80.07
50.5	93,494.74	34,249.24	0.36632	0.63368	31.83
51.5	82,657.33	17,400.07	0.21051	0.78949	20.17
52.5	82,002.77	11,384.28	0.13882	0.86118	15.92

Observed Life Table

Scenario: Toledo Edison Company Accounts Dist
Account: TECO 101/6-369 Services
Placement Band: 1900 - 2006 **Observation Band:** 1999 - 2006

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirment Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
53.5	76,276.37	7,237.88	0.09489	0.90511	13.71
54.5	71,479.49	9,782.52	0.13687	0.86313	12.41
55.5	62,708.68	21,760.23	0.34700	0.65300	10.71
56.5	42,662.48	22,633.10	0.53052	0.46948	6.99
57.5	23,883.59	12,117.80	0.50737	0.49263	3.28
58.5	18,116.59	6,334.31	0.34962	0.65038	1.62
59.5	15,971.60	3,919.58	0.24543	0.75457	1.05
60.5	14,875.33	941.10	0.06326	0.93674	0.79
61.5	17,738.31	3,240.60	0.18272	0.81728	0.74
62.5	18,716.77	4,070.48	0.21745	0.78255	0.60
63.5	15,961.44	6,172.96	0.38676	0.61324	0.47
64.5	12,488.89	4,193.62	0.33582	0.66418	0.29
65.5	8,430.21	1,568.51	0.18612	0.81388	0.19
66.5	9,036.26	4,295.90	0.47543	0.52457	0.15
67.5	8,063.67	5,087.47	0.63083	0.36917	0.08
68.5	9,396.12	5,717.65	0.60856	0.39144	0.03
69.5	18,183.18	900.13	0.04950	0.95050	0.01
70.5	31,294.68	134.94	0.00431	0.99569	0.01
71.5	36,131.97	790.41	0.02186	0.97814	0.01
72.5	39,989.99	2,851.69	0.07132	0.92868	0.01
73.5	40,041.09	11,405.56	0.28486	0.71514	0.01
74.5	35,389.78	16,784.00	0.47426	0.52574	0.01
75.5	22,032.24	4,743.02	0.21528	0.78472	0.01
76.5	30,196.87	4,592.76	0.15210	0.84790	0.01
77.5	29,610.18	4,266.86	0.14411	0.85589	0.01
78.5	25,568.87	8,429.60	0.32970	0.67030	0.01
79.5	21,190.42	12,907.65	0.60916	0.39084	0.01
80.5	8,282.77	4,006.07	0.48364	0.51636	0.00
81.5	4,276.70	1,935.98	0.45265	0.54735	0.00
82.5	2,340.72	2,340.72	1.00000	0.00000	0.00
83.5	0.00	0.00	0.00000	0.00000	0.00
84.5	16,666.52	4,741.17	0.28445	0.71555	
85.5	11,925.35	5,699.01	0.47790	0.52210	
86.5	6,226.34	6,226.34	1.00000	0.00000	
87.5	0.00	0.00	0.00000	0.00000	

Net Salvage Analysis Report

			Gross Salvage (Cash)		Gross Salvage (Returns)		Cost of Removal		Net Salvage		
Account	Year	Retirements	Amount	Pct.	Amount	Pct.	Amount	Pct.	Amount	Pct.	1-Yr Avg
TECO 369 Services	1999	22,669.89	0.00	0.00	0.00	0.00	152.10	0.67	(152.10)	-0.67	-0.67
TECO 369 Services	2000	35,364.15	0.00	0.00	0.00	0.00	(18,492.09)	-52.29	18,492.09	52.29	52.29
TECO 369 Services	2001	29,540.14	2,726.32	9.23	0.00	0.00	14,893.38	50.42	(12,167.06)	-41.19	-41.19
TECO 369 Services	2002	111,139.04	1,086.65	0.98	0.00	0.00	1,581.01	1.42	(494.36)	-0.44	-0.44
TECO 369 Services	2003	50,644.31	197.12	0.39	0.00	0.00	23,589.34	46.58	(23,392.22)	-46.19	-46.19
TECO 369 Services	2004	278,869.95	137,200.00	49.20	0.00	0.00	23,586.21	8.46	113,613.79	40.74	40.74
TECO 369 Services	2005	62,807.61	0.00	0.00	0.00	0.00	34,617.57	55.12	(34,617.57)	-55.12	-55.12
TECO 369 Services	2006	114,233.74	53.20	0.05	0.00	0.00	188,782.95	165.26	(188,729.75)	-165.21	-165.21
		705,268.83	141,263.29	20.03	0.00	0.00	268,710.47	38.10	(127,447.18)	-18.07	

Whole Life Depreciation Accrual

Account: TECO 101/6-369 Services
Dispersion: 41 - R5

erage Net Salvage Rate: -30.00%
ture Net Salvage Rate: -30.00%

Broad Group Procedure

January 1, 2007

		Plant Amt	Period (Years)	Accrual (Dollars)	Accrual Rate (Percent)
Pre- 2007	Additions	$63,429,591.64		$1,992,246.92	3.140880
	Whole Life		41	$2,011,150.10	
	Amortization		0	$0.00	
	Retirements	$1,192,354.38	41	$18,903.18	
2007	Additions	$0.00		$0.00	0.000000
	Whole Life			$0.00	
	Retirements	$0.00	0.00	$0.00	
	Total:	$63,429,591.64 *		$1,992,246.92	3.140881
	Average:	$62,833,414.45		$1,992,246.92	3.170681
	Grand Total:	$63,429,591.64 *		$1,992,246.92	3.140881

Excluding 2007 Retirements

Account: TECO 101/6-369 Services

Dispersion: 41.00 - R5

Average Net Salvage Rate: -30.00%

Future Net Salvage Rate: -30.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
2006	0.50	$2,122,026.70	41.00	40.50	1.2841	1.0000	$2,724,992.84	$67,283.77
2005	1.50	$155,869.86	41.00	39.50	1.2524	1.0000	$195,217.50	$4,942.22
2004	2.50	$3,489.97	41.00	38.50	1.2207	1.0000	$4,260.32	$110.66
2003	3.50	$132,073.34	41.00	37.50	1.1890	1.0000	$157,038.42	$4,187.69
2002	4.50	$60,572.97	41.00	36.50	1.1573	1.0000	$70,102.13	$1,920.61
2001	5.50	$100,533.19	41.00	35.50	1.1256	1.0000	$113,161.14	$3,187.64
2000	6.50	$333,447.26	41.00	34.50	1.0939	1.0000	$364,758.77	$10,572.72
1999	7.50	$452,610.30	41.00	33.50	1.0622	1.0000	$480,760.46	$14,351.06
1998	8.50	$590,263.78	41.00	32.50	1.0305	1.0000	$608,259.63	$18,715.68
1997	9.50	$1,146,215.70	41.00	31.50	0.9988	1.0000	$1,144,817.89	$36,343.42
1996	10.50	$544,293.75	41.00	30.50	0.9671	1.0000	$526,371.89	$17,258.09
1995	11.50	$618,648.26	41.00	29.50	0.9354	1.0000	$578,662.46	$19,615.68
1994	12.50	$1,183,997.96	41.00	28.50	0.9037	1.0000	$1,069,929.88	$37,541.40
1993	13.50	$1,251,802.66	41.00	27.50	0.8720	1.0000	$1,091,510.87	$39,691.30
1992	14.50	$1,445,541.56	41.00	26.50	0.8402	1.0000	$1,214,607.50	$45,834.24
1991	15.50	$1,470,779.77	41.00	25.50	0.8085	1.0000	$1,189,179.27	$46,634.48
1990	16.50	$1,693,430.17	41.00	24.50	0.7768	1.0000	$1,315,519.56	$53,694.13
1989	17.50	$2,393,797.66	41.00	23.50	0.7451	1.0000	$1,783,733.28	$75,900.90
1988	18.50	$4,096,705.04	41.00	22.50	0.7135	1.0000	$2,922,938.53	$129,895.53
1987	19.50	$3,445,671.59	41.00	21.50	0.6819	1.0000	$2,349,474.23	$109,253.00
1986	20.50	$3,559,554.23	41.00	20.51	0.6503	1.0000	$2,314,912.27	$112,863.91
1985	21.50	$2,893,178.53	41.00	19.52	0.6189	1.0000	$1,790,679.33	$91,734.93
1984	22.50	$3,000,743.50	41.00	18.53	0.5877	1.0000	$1,763,504.58	$95,145.53
1983	23.50	$2,577,943.06	41.00	17.56	0.5567	1.0000	$1,435,155.94	$81,739.66
1982	24.50	$2,279,096.36	41.00	16.59	0.5260	1.0000	$1,198,792.23	$72,264.03
1981	25.50	$2,115,215.67	41.00	15.63	0.4957	1.0000	$1,048,499.52	$67,067.81
1980	26.50	$2,146,855.28	41.00	14.69	0.4658	1.0000	$999,949.17	$68,071.02
1979	27.50	$2,290,122.17	41.00	13.76	0.4364	1.0000	$999,466.05	$72,613.63
1978	28.50	$2,276,027.97	41.00	12.85	0.4075	1.0000	$927,578.89	$72,166.74
1977	29.50	$1,827,235.93	41.00	11.97	0.3794	1.0000	$693,241.94	$57,936.75
1976	30.50	$1,713,393.08	41.00	11.10	0.3519	1.0000	$602,973.90	$54,327.10
1975	31.50	$1,601,974.09	41.00	10.26	0.3252	1.0000	$520,901.38	$50,794.30
1974	32.50	$1,672,084.08	41.00	9.44	0.2994	1.0000	$500,593.74	$53,017.30

Account: TECO 101/6-369 Services
Dispersion: 41.00 - R5

Average Net Salvage Rate: -30.00%
Future Net Salvage Rate: -30.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
1973	33.50	$1,574,129.23	41.00	8.66	0.2745	1.0000	$432,084.90	$49,911.41
1972	34.50	$1,553,528.20	41.00	7.91	0.2509	1.0000	$389,726.13	$49,258.21
1971	35.50	$1,237,748.56	41.00	7.20	0.2283	1.0000	$282,565.51	$39,245.69
1970	36.50	$1,089,962.58	41.00	6.54	0.2072	1.0000	$225,866.52	$34,559.79
1969	37.50	$884,066.95	41.00	5.91	0.1875	1.0000	$165,757.06	$28,031.39
1968	38.50	$705,584.91	41.00	5.33	0.1691	1.0000	$119,306.40	$22,372.20
1967	39.50	$671,150.06	41.00	4.80	0.1522	1.0000	$102,147.88	$21,280.37
1966	40.50	$333,464.38	41.00	4.31	0.1366	1.0000	$45,558.22	$10,573.26
1965	41.50	$577,023.73	41.00	3.86	0.1225	1.0000	$70,683.91	$18,295.87
1964	42.50	$294,815.53	41.00	3.46	0.1097	1.0000	$32,333.04	$9,347.81
1963	43.50	$242,173.13	41.00	3.09	0.0981	1.0000	$23,762.78	$7,678.66
1962	44.50	$203,953.92	41.00	2.77	0.0880	1.0000	$17,943.54	$6,466.83
1961	45.50	$196,803.55	41.00	2.49	0.0788	1.0000	$15,509.80	$6,240.11
1960	46.50	$181,826.11	41.00	2.23	0.0708	1.0000	$12,864.42	$5,765.22
1959	47.50	$153,929.56	41.00	2.02	0.0640	1.0000	$9,853.85	$4,880.69
1958	48.50	$138,939.14	41.00	1.82	0.0575	1.0000	$7,995.85	$4,405.39
1957	49.50	$191,523.97	41.00	1.64	0.0519	1.0000	$9,938.01	$6,072.71
1956	50.50	$2,760.98	41.00	1.41	0.0448	1.0000	$123.59	$87.54
1955	51.50	$0.00	41.00	1.19	0.0378	1.0000	$0.00	$0.00
1954	52.50	$0.00	41.00	0.96	0.0303	1.0000	$0.00	$0.00
1953	53.50	$0.00	41.00	0.74	0.0233	1.0000	$0.00	$0.00
1952	54.50	$0.00	41.00	0.59	0.0188	1.0000	$0.00	$0.00
1951	55.50	$0.00	41.00	0.54	0.0171	1.0000	$0.00	$0.00
1950	56.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1949	57.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1948	58.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1947	59.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1946	60.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1945	61.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1944	62.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1943	63.50	$1,011.71	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1942	64.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1941	65.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00

Generation Arrangement Report

Account: TECO 101/6-369 Services

Dispersion: 41.00 - R5

Average Net Salvage Rate: -30.00%

Future Net Salvage Rate: -30.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
1940	66.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1939	67.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1938	68.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1937	69.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1936	70.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1935	71.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1934	72.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1933	73.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1932	74.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1931	75.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1930	76.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1929	77.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1928	78.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1927	79.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1926	80.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1925	81.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1924	82.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1923	83.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1922	84.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1921	85.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1920	86.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1919	87.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
1914	92.50	$0.00	41.00	0.00	0.0000	0.0000	$0.00	$0.00
		$63,429,591.64	41.00	18.23	0.5781	1.0000	$36,665,556.92	$2,011,150.10

Depreciation Reserve Summary

Account: TECO 101/6-369 Services
Scenario: TECO Distribution ADR
Dispersion: 41 - R5
Average Net Salvage Rate: -30.00%
Future Net Salvage Rate: -30.00%

Broad Group Procedure

January 1 , 2007

	Plant Amt	Depreciation Reserve Amount	Depreciation Reserve Ratio	Net Plant Amount	Net Plant Ratio
Recorded	$63,429,591.64	$50,286,488.40	0.7928	$32,171,980.73	0.5072
Computed	$63,429,591.64	$45,792,912.21	0.7219	$36,665,556.92	0.5781
Difference		$4,493,576.19	0.0708	($4,493,576.19)	-0.0708

Toledo Edison Company

Average Life and Salvage Rate Determination

Based On Year End 2006 Data using Beginning Balance 1999

Account 370 Meters

Life and Iowa Survivor Curve

Current Life and Iowa Survivor Curve is 35 R2

Actuarial Life Analysis

42.30 SC best fit using 1999 - 2006 data

Industry Survey - EEI Survey of Depreciation Statistics 2003

Service Life Range 20 - 45 Years

Recommendation

Change to remaining life of 10 years

Comments:
The Company will be installing an automated meter system in the next 10 years. The 10 year remaining life reflects the remaining life of the meters that will be replaced with the automated metering system.

Salvage Factor Estimates

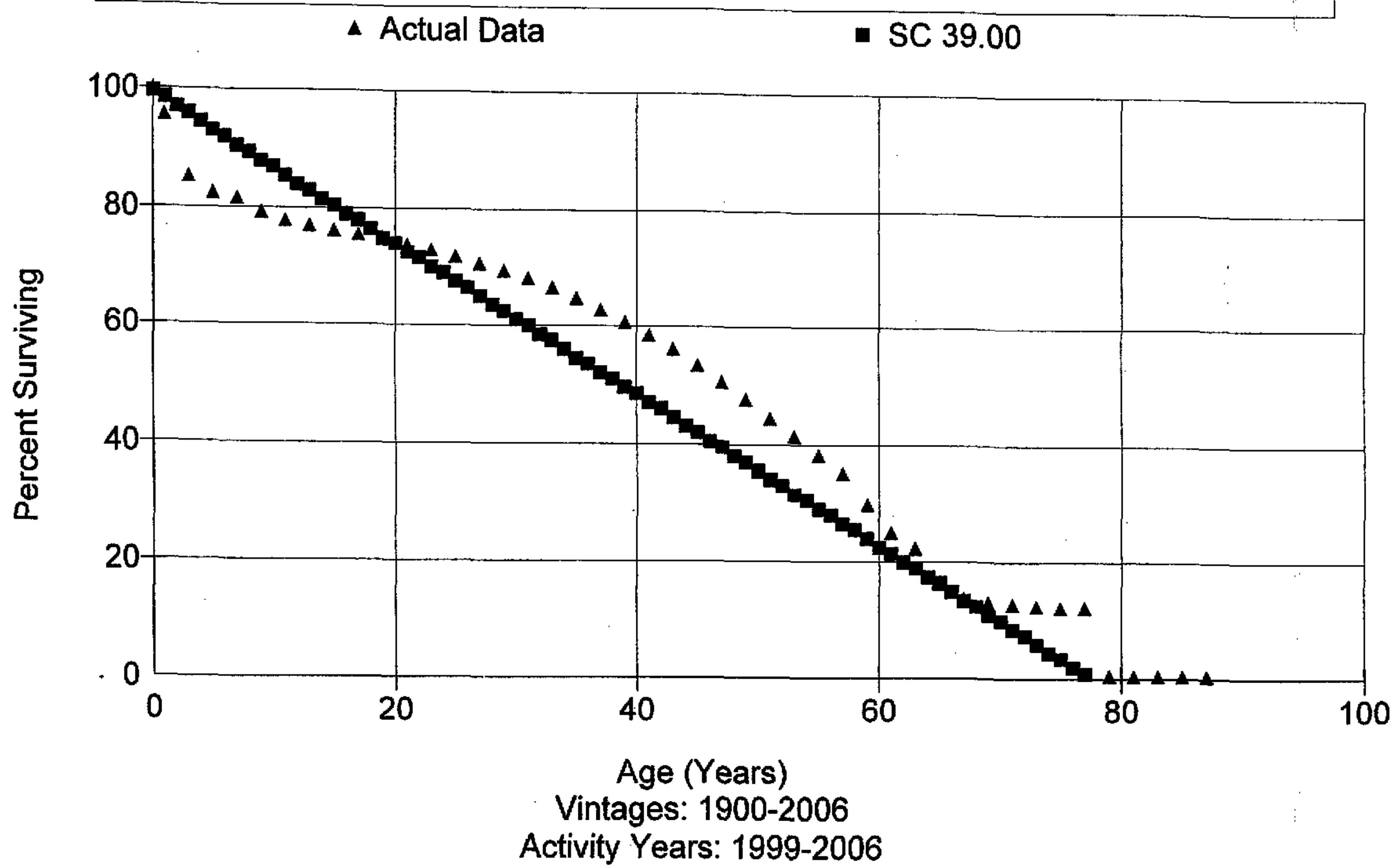
Current Net salvage Rate is -20%
Proposed Net salvage Rate 0

Comments:

Summary of Recommendations

10	Remaining Life
	Iowa Curve
0	% Net Salvage

Toledo Edison Company Account 370 Meters



Observed Life Table

Scenario: Toledo Edison Company Accounts Dist

Account: TECO 101/6-370 Meters

Placement Band: 1900 - 2006 **Observation Band:** 1999 - 2006

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirment Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
0	6,829,455.13	143,204.60	0.02097	0.97903	100.00
0.5	5,694,419.40	131,598.98	0.02311	0.97689	97.90
1.5	3,976,498.71	228,708.56	0.05752	0.94248	95.64
2.5	3,992,794.48	218,221.13	0.05465	0.94535	90.14
3.5	5,069,739.21	130,910.05	0.02582	0.97418	85.21
4.5	4,391,187.61	29,059.79	0.00662	0.99338	83.01
5.5	3,920,493.91	24,980.72	0.00637	0.99363	82.46
6.5	5,029,679.14	20,889.70	0.00415	0.99585	81.93
7.5	5,112,892.81	119,942.77	0.02346	0.97654	81.59
8.5	5,184,944.29	26,123.14	0.00504	0.99496	79.68
9.5	5,686,665.62	41,018.66	0.00721	0.99279	79.28
10.5	7,217,526.91	75,140.01	0.01041	0.98959	78.71
11.5	7,477,619.38	30,393.47	0.00406	0.99594	77.89
12.5	8,463,949.75	60,070.57	0.00710	0.99290	77.57
13.5	9,361,992.11	64,521.78	0.00689	0.99311	77.02
14.5	9,276,183.04	32,920.96	0.00355	0.99645	76.49
15.5	9,090,691.38	40,244.10	0.00443	0.99557	76.22
16.5	8,678,192.28	39,024.72	0.00450	0.99550	75.88
17.5	7,994,355.07	45,319.87	0.00567	0.99433	75.54
18.5	7,955,573.26	46,227.98	0.00581	0.99419	75.11
19.5	7,507,289.36	43,203.18	0.00575	0.99425	74.67
20.5	7,662,005.98	51,826.91	0.00676	0.99324	74.24
21.5	7,240,589.04	42,073.48	0.00581	0.99419	73.74
22.5	6,695,738.38	41,176.83	0.00615	0.99385	73.31
23.5	6,590,973.18	35,772.30	0.00543	0.99457	72.86
24.5	6,539,545.97	60,525.47	0.00926	0.99074	72.46
25.5	6,341,633.60	55,548.17	0.00876	0.99124	71.79
26.5	5,483,347.42	43,538.46	0.00794	0.99206	71.16
27.5	4,861,938.46	41,751.05	0.00859	0.99141	70.59
28.5	3,981,293.89	36,432.63	0.00915	0.99085	69.98
29.5	3,747,248.16	33,880.81	0.00904	0.99096	69.34
30.5	3,442,527.13	31,424.43	0.00913	0.99087	68.71
31.5	3,076,610.73	32,780.18	0.01065	0.98935	68.08
32.5	2,805,511.38	33,590.99	0.01197	0.98803	67.35
33.5	2,546,598.90	34,628.03	0.01360	0.98640	66.54
34.5	2,271,463.24	30,919.80	0.01361	0.98639	65.64
35.5	2,252,028.05	34,253.50	0.01521	0.98479	64.75
36.5	2,305,307.93	38,240.44	0.01659	0.98341	63.77
37.5	2,198,026.83	37,541.88	0.01708	0.98292	62.71
38.5	2,051,787.96	35,153.11	0.01713	0.98287	61.64
39.5	2,007,512.33	36,972.61	0.01842	0.98158	60.58
40.5	1,872,197.97	32,956.40	0.01760	0.98240	59.46
41.5	1,796,335.57	34,420.18	0.01916	0.98084	58.41
42.5	1,655,690.00	35,897.08	0.02168	0.97832	57.29
43.5	1,515,450.79	37,152.11	0.02452	0.97548	56.05
44.5	1,271,448.37	31,419.48	0.02471	0.97529	54.68
45.5	1,128,973.56	30,595.59	0.02710	0.97290	53.33
46.5	1,075,634.33	28,877.78	0.02685	0.97315	51.88
47.5	979,513.05	26,859.71	0.02742	0.97258	50.49
48.5	961,006.15	30,718.81	0.03197	0.96803	49.11
49.5	831,255.57	26,271.24	0.03160	0.96840	47.54
50.5	768,493.45	28,431.45	0.03700	0.96300	46.04
51.5	677,061.44	21,925.36	0.03238	0.96762	44.34
52.5	634,038.25	21,857.23	0.03447	0.96553	42.90

Observed Life Table

Scenario: Toledo Edison Company Accounts Dist

Account: TECO 101/6-370 Meters

Placement Band: 1900 - 2006 **Observation Band:** 1999 - 2006

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirment Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
53.5	550,392.39	19,903.68	0.03616	0.96384	41.42
54.5	397,791.58	16,548.56	0.04160	0.95840	39.92
55.5	306,501.71	12,376.34	0.04038	0.95962	38.26
56.5	239,137.63	10,441.75	0.04367	0.95633	36.72
57.5	218,551.59	16,198.95	0.07412	0.92588	35.12
58.5	150,566.79	12,398.19	0.08234	0.91766	32.52
59.5	101,084.88	8,363.56	0.08274	0.91726	29.84
60.5	68,570.14	5,789.52	0.08444	0.91556	27.37
61.5	60,293.42	3,091.52	0.05128	0.94872	25.06
62.5	56,838.82	3,271.70	0.05757	0.94243	23.77
63.5	52,527.71	6,177.24	0.11759	0.88241	22.40
64.5	41,343.21	6,542.14	0.15824	0.84176	19.77
65.5	24,555.57	2,937.35	0.11960	0.88040	16.64
66.5	17,110.56	842.65	0.04927	0.95073	14.65
67.5	14,711.06	523.33	0.03555	0.96445	13.93
68.5	14,278.12	279.52	0.01961	0.98039	13.43
69.5	14,916.11	55.78	0.00375	0.99625	13.17
70.5	16,585.46	310.92	0.01875	0.98125	13.12
71.5	16,493.75	218.33	0.01322	0.98678	12.87
72.5	14,167.24	165.10	0.01165	0.98835	12.70
73.5	16,194.14	299.87	0.01853	0.98147	12.55
74.5	156,497.90	230.59	0.00148	0.99852	12.32
75.5	155,778.47	375.59	0.00241	0.99759	12.30
76.5	154,977.25	134.82	0.00087	0.99913	12.27
77.5	149,896.28	25,383.86	0.16934	0.83066	12.26
78.5	122,027.57	115,322.78	0.94505	0.05495	10.18
79.5	5,913.93	124.48	0.02097	0.97903	0.56
80.5	3,929.31	96.03	0.02443	0.97557	0.55
81.5	1,600.56	29.59	0.01874	0.98126	0.54
82.5	1,339.90	9.54	0.00746	0.99254	0.53
83.5	622.73	28.02	0.04494	0.95506	0.53
84.5	58,056.14	87.37	0.00150	0.99850	0.51
85.5	57,968.77	11.46	0.00019	0.99981	0.51
86.5	57,912.07	0.00	0.00000	1.00000	0.51
87.5	57,871.93	10,087.14	0.17430	0.82570	0.51
88.5	47,729.59	47,553.72	0.99631	0.00369	0.42
89.5	94.47	0.00	0.00000	1.00000	0.00
90.5	0.00	0.00	0.00000	0.00000	0.00

Net Salvage Analysis Report

			Gross Salvage (Cash)		Gross Salvage (Returns)		Cost of Removal		Net Salvage		
Account	Year	Retirements	Amount	Pct.	Amount	Pct.	Amount	Pct.	Amount	Pct.	1-Yr Avg
TECO 370 Meters	1999	295,914.68	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 370 Meters	2000	160,611.39	131.31	0.08	0.00	0.00	24,844.48	15.47	(24,713.17)	-15.39	-15.39
TECO 370 Meters	2001	174,103.06	258.71	0.15	0.00	0.00	28,046.00	16.11	(27,787.29)	-15.96	-15.96
TECO 370 Meters	2002	184,663.29	29,043.96	15.73	0.00	0.00	22,676.61	12.28	6,367.35	3.45	3.45
TECO 370 Meters	2003	1,236,408.90	15,877.98	1.28	0.00	0.00	116,314.37	9.41	(100,436.39)	-8.12	-8.12
TECO 370 Meters	2004	84,585.16	9,800.00	11.59	0.00	0.00	1,318.00	1.56	8,482.00	10.03	10.03
TECO 370 Meters	2005	370,972.55	0.00	0.00	0.00	0.00	(488,555.15)	-131.70	488,555.15	131.70	131.70
TECO 370 Meters	2006	586,698.20	0.00	0.00	0.00	0.00	9,743.04	1.66	(9,743.04)	-1.66	-1.66
		3,093,957.23	55,111.96	1.78	0.00	0.00	(285,612.65)	-9.23	340,724.61	11.01	

Whole Life Depreciation Accrual

Account: TECO 101/6-370 Meters
Dispersion: 39 - SC

...rage Net Salvage Rate: -20.00%
...ture Net Salvage Rate: -20.00%

Broad Group Procedure

January 1 , 2007

	Plant Amt	Period (Years)	Accrual (Dollars)	Accrual Rate (Percent)
Pre- 2007 Additions	$32,939,327.81		$1,003,590.95	3.046788
Whole Life		39	$1,013,234.82	
Amortization		0	$0.00	
Retirements	$626,851.54	39	$9,643.87	
2007 Additions	$0.00		$0.00	0.000000
Whole Life			$0.00	
Retirements	$0.00	0.00	$0.00	
Total:	$32,939,327.81 *		$1,003,590.95	3.046789
Average:	$32,625,902.04		$1,003,590.95	3.076056
Grand Total:	$32,939,327.81 *		$1,003,590.95	3.046789

* Excluding 2007 Retirements

Generation Arrangement Report

Account: TECO 101/6-370 Meters
Dispersion: 39.00 - SC
Average Net Salvage Rate: -20.00%
Future Net Salvage Rate: -20.00%
Broad Group Procedure
January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
2006	0.50	$1,184,285.65	39.00	38.75	1.1923	1.0000	$1,412,032.89	$36,439.56
2005	1.50	$2,335,745.66	39.00	38.25	1.1769	1.0000	$2,748,992.96	$71,869.10
2003	3.50	$127,516.34	39.00	37.25	1.1462	1.0000	$146,153.34	$3,923.58
2002	4.50	$523,029.02	39.00	36.75	1.1308	1.0000	$591,425.12	$16,093.20
2001	5.50	$504,954.73	39.00	36.25	1.1154	1.0000	$563,218.74	$15,537.07
2000	6.50	$466,878.84	39.00	35.75	1.1000	1.0000	$513,566.72	$14,365.50
1999	7.50	$794,786.93	39.00	35.25	1.0846	1.0000	$862,038.13	$24,454.98
1998	8.50	$324,788.19	39.00	34.75	1.0692	1.0000	$347,273.53	$9,993.48
1997	9.50	$582,866.02	39.00	34.25	1.0538	1.0000	$614,251.11	$17,934.34
1996	10.50	$469,033.67	39.00	33.75	1.0385	1.0000	$487,073.42	$14,431.81
1995	11.50	$1,686,921.45	39.00	33.25	1.0231	1.0000	$1,725,850.41	$51,905.28
1994	12.50	$632,828.88	39.00	32.75	1.0077	1.0000	$637,696.79	$19,471.66
1993	13.50	$64,852.66	39.00	32.25	0.9923	1.0000	$64,353.79	$1,995.47
1992	14.50	$1,254,068.48	39.00	31.75	0.9769	1.0000	$1,225,128.44	$38,586.72
1991	15.50	$869,871.72	39.00	31.25	0.9615	1.0000	$836,415.11	$26,765.28
1990	16.50	$922,797.06	39.00	30.75	0.9462	1.0000	$873,107.98	$28,393.76
1989	17.50	$1,331,356.30	39.00	30.25	0.9308	1.0000	$1,239,185.47	$40,964.81
1988	18.50	$1,493,146.08	39.00	29.75	0.9154	1.0000	$1,366,802.95	$45,942.96
1987	19.50	$1,326,719.97	39.00	29.25	0.9000	1.0000	$1,194,047.97	$40,822.15
1986	20.50	$959,440.71	39.00	28.75	0.8846	1.0000	$848,736.01	$29,521.25
1985	21.50	$955,255.14	39.00	28.25	0.8692	1.0000	$830,337.16	$29,392.47
1984	22.50	$1,181,409.43	39.00	27.75	0.8538	1.0000	$1,008,741.90	$36,351.06
1983	23.50	$699,616.64	39.00	27.25	0.8385	1.0000	$586,601.64	$21,526.67
1982	24.50	$524,676.02	39.00	26.75	0.8231	1.0000	$431,848.72	$16,143.88
1981	25.50	$637,374.51	39.00	26.25	0.8077	1.0000	$514,802.49	$19,611.52
1980	26.50	$1,386,225.19	39.00	25.75	0.7923	1.0000	$1,098,316.88	$42,653.08
1979	27.50	$899,551.01	39.00	25.25	0.7769	1.0000	$698,881.93	$27,678.49
1978	28.50	$1,112,443.05	39.00	24.75	0.7615	1.0000	$847,168.17	$34,229.02
1977	29.50	$551,744.20	39.00	24.25	0.7462	1.0000	$411,686.06	$16,976.74
1976	30.50	$635,495.67	39.00	23.75	0.7308	1.0000	$464,400.68	$19,553.71
1975	31.50	$581,114.61	39.00	23.25	0.7154	1.0000	$415,720.45	$17,880.45
1974	32.50	$478,462.92	39.00	22.75	0.7000	1.0000	$334,924.04	$14,721.94
1973	33.50	$478,195.45	39.00	22.25	0.6846	1.0000	$327,379.96	$14,713.71

Account: TECO 101/6-370 Meters

Dispersion: 39.00 - SC

Average Net Salvage Rate: -20.00%

Future Net Salvage Rate: -20.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
1972	34.50	$540,576.68	39.00	21.75	0.6692	1.0000	$361,770.54	$16,633.13
1971	35.50	$290,761.15	39.00	21.25	0.6538	1.0000	$190,113.06	$8,946.50
1970	36.50	$242,141.98	39.00	20.75	0.6385	1.0000	$154,598.34	$7,450.52
1969	37.50	$321,755.79	39.00	20.25	0.6231	1.0000	$200,478.61	$9,900.18
1968	38.50	$331,195.57	39.00	19.75	0.6077	1.0000	$201,265.00	$10,190.63
1967	39.50	$222,150.59	39.00	19.25	0.5923	1.0000	$131,581.50	$6,835.40
1966	40.50	$215,358.67	39.00	18.75	0.5769	1.0000	$124,245.39	$6,626.42
1965	41.50	$224,326.10	39.00	18.25	0.5615	1.0000	$125,967.73	$6,902.34
1964	42.50	$272,012.99	39.00	17.75	0.5462	1.0000	$148,560.94	$8,369.63
1963	43.50	$265,923.88	39.00	17.25	0.5308	1.0000	$141,144.21	$8,182.27
1962	44.50	$284,159.63	39.00	16.75	0.5154	1.0000	$146,451.50	$8,743.37
1961	45.50	$213,962.14	39.00	16.25	0.5000	1.0000	$106,981.07	$6,583.45
1960	46.50	$186,205.88	39.00	15.75	0.4846	1.0000	$90,238.23	$5,729.41
1959	47.50	$176,177.42	39.00	15.25	0.4692	1.0000	$82,667.87	$5,420.84
1958	48.50	$98,612.36	39.00	14.75	0.4538	1.0000	$44,754.84	$3,034.23
1957	49.50	$147,976.20	39.00	14.25	0.4385	1.0000	$64,881.87	$4,553.11
1956	50.50	$134,460.96	39.00	13.75	0.4231	1.0000	$56,887.33	$4,137.26
1955	51.50	$126,840.00	39.00	13.25	0.4077	1.0000	$51,711.69	$3,902.77
1954	52.50	$60,378.72	39.00	12.75	0.3923	1.0000	$23,687.04	$1,857.81
1953	53.50	$76,954.50	39.00	12.25	0.3769	1.0000	$29,005.93	$2,367.83
1952	54.50	$135,620.92	39.00	11.75	0.3615	1.0000	$49,032.18	$4,172.95
1951	55.50	$78,660.17	39.00	11.25	0.3462	1.0000	$27,228.52	$2,420.31
1950	56.50	$72,580.66	39.00	10.75	0.3308	1.0000	$24,007.45	$2,233.25
1949	57.50	$36,699.37	39.00	10.25	0.3154	1.0000	$11,574.42	$1,129.21
1948	58.50	$66,694.01	39.00	9.75	0.3000	1.0000	$20,008.20	$2,052.12
1947	59.50	$42,459.74	39.00	9.25	0.2846	1.0000	$12,084.69	$1,306.45
1946	60.50	$28,135.83	39.00	8.75	0.2692	1.0000	$7,575.03	$865.72
1945	61.50	$8,809.14	39.00	8.25	0.2538	1.0000	$2,236.17	$271.05
1944	62.50	$2,218.45	39.00	7.75	0.2385	1.0000	$529.01	$68.26
1943	63.50	$2,266.47	39.00	7.25	0.2231	1.0000	$505.60	$69.74
1942	64.50	$9,563.29	39.00	6.75	0.2077	1.0000	$1,986.22	$294.26
1941	65.50	$10,531.96	39.00	6.25	0.1923	1.0000	$2,025.38	$324.06
1940	66.50	$4,789.12	39.00	5.75	0.1769	1.0000	$847.31	$147.36

Account: TECO 101/6-370 Meters

Dispersion: 39.00 - SC

Average Net Salvage Rate: -20.00%

Future Net Salvage Rate: -20.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
1939	67.50	$2,873.58	39.00	5.25	0.1615	1.0000	$464.19	$88.42
1938	68.50	$748.12	39.00	4.75	0.1462	1.0000	$109.34	$23.02
1937	69.50	$4,554.45	39.00	4.25	0.1308	1.0000	$595.58	$140.14
1936	70.50	$971.20	39.00	3.75	0.1154	1.0000	$112.06	$29.88
1935	71.50	$1,115.50	39.00	3.25	0.1000	1.0000	$111.55	$34.32
1934	72.50	$4,139.60	39.00	2.75	0.0846	1.0000	$350.27	$127.37
1933	73.50	$275.35	39.00	2.25	0.0692	1.0000	$19.06	$8.47
1932	74.50	$233.80	39.00	1.75	0.0538	1.0000	$12.59	$7.19
1931	75.50	$1,196.47	39.00	1.25	0.0385	1.0000	$46.02	$36.81
1930	76.50	$622.60	39.00	0.75	0.0231	1.0000	$14.37	$19.16
1929	77.50	$4,988.28	39.00	0.25	0.0077	1.0000	$38.37	$153.49
1928	78.50	$2,584.87	39.00	0.00	0.0000	0.0000	$0.00	$0.00
1927	79.50	$841.48	39.00	0.00	0.0000	0.0000	$0.00	$0.00
1926	80.50	$1,915.34	39.00	0.00	0.0000	0.0000	$0.00	$0.00
1925	81.50	$2,325.58	39.00	0.00	0.0000	0.0000	$0.00	$0.00
1924	82.50	$325.54	39.00	0.00	0.0000	0.0000	$0.00	$0.00
1923	83.50	$707.63	39.00	0.00	0.0000	0.0000	$0.00	$0.00
1922	84.50	$179.43	39.00	0.00	0.0000	0.0000	$0.00	$0.00
1921	85.50	$0.00	39.00	0.00	0.0000	0.0000	$0.00	$0.00
1920	86.50	$45.24	39.00	0.00	0.0000	0.0000	$0.00	$0.60
1919	87.50	$40.14	39.00	0.00	0.0000	0.0000	$0.00	$0.00
1918	88.50	$55.20	39.00	0.00	0.0000	0.0000	$0.00	$0.00
1917	89.50	$81.40	39.00	0.00	0.0000	0.0000	$0.00	$0.00
1916	90.50	$94.47	39.00	0.00	0.0000	0.0000	$0.00	$0.00
1914	92.50	$0.00	39.00	0.00	0.0000	0.0000	$0.00	$0.00
		$32,939,327.81	39.00	28.52	0.8776	1.0000	$28,906,667.21	$1,013,234.82

Depreciation Reserve Summary

Account: TECO 101/6-370 Meters
Scenario: TECO Distribution ADR
Dispersion: 39 - SC
Average Net Salvage Rate: -20.00%
Future Net Salvage Rate: -20.00%

Broad Group Procedure

January 1 , 2007

		Depreciation Reserve		Net Plant	
	Plant Amt	Amount	Ratio	Amount	Ratio
Recorded	$32,939,327.81	$17,626,085.06	0.5351	$21,901,108.31	0.6649
Computed	$32,939,327.81	$10,620,526.16	0.3224	$28,906,667.21	0.8776
Difference		$7,005,558.90	0.2127	($7,005,558.90)	-0.2127

Toledo Edison Company

Average Life and Salvage Rate Determination

Based On Year End 2006 Data using Beginning Balance 1999

Account 371 Installations On Customer Premises

Life and Iowa Survivor Curve

Current Life and Iowa Survivor Curve - 25 S0

Actuarial Life Analysis

54.27 S2 best fit using 1999 - 2006 data

Industry Survey - EEI Survey of Depreciation Statistics 2003

Service Life Range 14 - 60 Years

Recommendation

Change to remaining life of 5 years

Comments:
The Company is exiting the outdoor lighting installed on customer premises in 5 years.

Salvage Factor Estimates

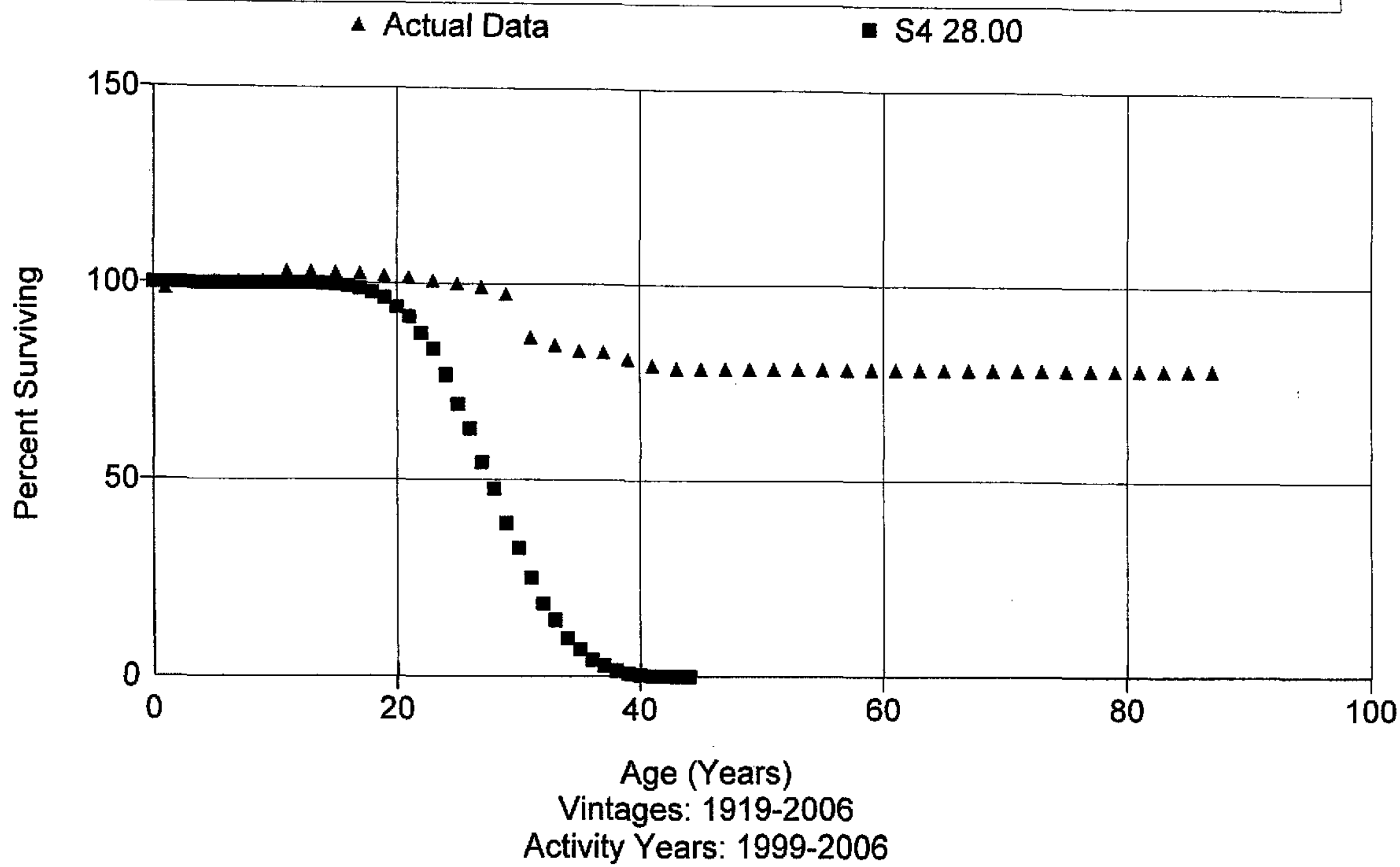
Current Net salvage Rate is 0%
Proposed Net salvage Rate 0%

Comments:

Summary of Recommendations

5	Average Service Life
	Iowa Curve
0	% Net Salvage

Toledo Edison Company Account 371 Installations On Customer Premises



Observed Life Table

Scenario: Toledo Edison Company Accounts Dist

Account: TECO 101/6-371 Inst on cust prem

Placement Band: 1919 - 2006 **Observation Band:** 1999 - 2006

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirement Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
0	1,147,365.55	1,435.78	0.00125	0.99875	100.00
0.5	855,875.37	11,434.10	0.01336	0.98664	99.88
1.5	-1,040,505.34	6,286.40	-0.00604	1.00604	98.55
2.5	-1,046,791.74	10,612.43	-0.01014	1.01014	
3.5	-1,178,449.41	3,615.56	-0.00307	1.00307	
4.5	-1,360,833.34	0.00	0.00000	1.00000	
5.5	-1,369,347.71	1,606.76	-0.00117	1.00117	
6.5	-1,487,829.27	0.00	0.00000	1.00000	
7.5	-1,514,645.01	0.00	0.00000	1.00000	
8.5	-1,343,167.81	246.38	-0.00018	1.00018	
9.5	710,400.50	476.93	0.00067	0.99933	
10.5	895,596.42	-23,262.68	-0.02597	1.02597	
11.5	1,162,310.77	427.82	0.00037	0.99963	
12.5	1,440,573.75	1,215.73	0.00084	0.99916	
13.5	1,734,945.09	1,363.46	0.00079	0.99921	
14.5	1,898,519.18	2,115.03	0.00111	0.99889	
15.5	2,355,968.89	2,306.97	0.00098	0.99902	
16.5	2,556,673.70	5,154.52	0.00202	0.99798	
17.5	2,412,327.76	5,131.35	0.00213	0.99787	
18.5	2,418,858.83	6,286.56	0.00260	0.99740	
19.5	2,374,723.54	4,271.97	0.00180	0.99820	
20.5	2,180,054.49	4,818.94	0.00221	0.99779	
21.5	1,931,133.99	4,130.25	0.00214	0.99786	
22.5	1,699,883.47	9,882.78	0.00581	0.99419	
23.5	1,239,623.57	2,923.60	0.00236	0.99764	
24.5	884,522.30	4,382.41	0.00495	0.99505	
25.5	755,477.87	2,209.23	0.00292	0.99708	
26.5	571,419.87	3,450.69	0.00604	0.99396	
27.5	395,499.41	2,620.27	0.00662	0.99338	
28.5	318,850.06	3,608.69	0.01132	0.98868	
29.5	270,146.40	27,103.57	0.10033	0.89967	
30.5	228,515.32	3,431.62	0.01502	0.98498	
31.5	204,249.87	1,646.75	0.00806	0.99194	
32.5	196,536.95	2,889.53	0.01470	0.98530	
33.5	136,521.77	2,320.39	0.01699	0.98301	
34.5	120,247.31	0.00	0.00000	1.00000	
35.5	115,429.56	0.00	0.00000	1.00000	
36.5	110,370.06	394.98	0.00358	0.99642	
37.5	104,910.90	789.48	0.00752	0.99248	
38.5	98,709.42	1,320.32	0.01337	0.98663	
39.5	83,755.80	501.83	0.00599	0.99401	
40.5	62,636.78	860.14	0.01373	0.98627	
41.5	38,714.69	328.77	0.00850	0.99150	
42.5	21,092.35	0.00	0.00000	1.00000	
43.5	1,063.37	0.00	0.00000	1.00000	
44.5	0.00	0.00	0.00000	0.00000	

Net Salvage Analysis Report

			Gross Salvage (Cash)		Gross Salvage (Returns)		Cost of Removal		Net Salvage		
Account	Year	Retirements	Amount	Pct.	Amount	Pct.	Amount	Pct.	Amount	Pct.	1-Yr Avg
TECO 371 Install on Customer Premesis	1999	223.88	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 371 Install on Customer Premesis	2000	46,016.96	0.00	0.00	0.00	0.00	27.08	0.06	(27.08)	-0.06	-0.06
TECO 371 Install on Customer Premesis	2001	21,895.77	(14.57)	-0.07	0.00	0.00	5,689.88	25.99	(5,704.45)	-26.05	-26.05
TECO 371 Install on Customer Premesis	2002	6,136.44	0.00	0.00	0.00	0.00	574.34	9.36	(574.34)	-9.36	-9.36
TECO 371 Install on Customer Premesis	2003	16,055.42	0.00	0.00	0.00	0.00	6,053.77	37.71	(6,053.77)	-37.71	-37.71
TECO 371 Install on Customer Premesis	2004	20,198.06	19,600.00	97.04	0.00	0.00	9,061.25	44.86	10,538.75	52.18	52.18
TECO 371 Install on Customer Premesis	2005	7,052.65	0.00	0.00	0.00	0.00	65,655.91	930.94	(65,655.91)	-930.94	-930.94
TECO 371 Install on Customer Premesis	2006	26,249.44	70.07	0.27	0.00	0.00	5,497.34	20.94	(5,427.27)	-20.68	-20.68
		143,828.62	19,655.50	13.67	0.00	0.00	92,559.57	64.35	(72,904.07)	-50.69	

Whole Life Depreciation Accrual

Account: TECO 101/6-371 Inst on cust prem
Dispersion: 28 - S4

rage Net Salvage Rate: 0.00%
ture Net Salvage Rate: 0.00%

Broad Group Procedure

January 1, 2007

		Plant Amt	Period (Years)	Accrual (Dollars)	Accrual Rate (Percent)
Pre- 2007	Additions	$5,192,574.53		$179,121.98	3.449589
	Whole Life		28	$185,449.09	
	Amortization		0	$0.00	
	Retirements	$354,317.94	28	$6,327.11	
2007	Additions	$0.00		$0.00	0.000000
	Whole Life			$0.00	
	Retirements	$0.00	0.00	$0.00	
	Total:	$5,192,574.53 *		$179,121.98	3.449598
	Average:	$5,015,415.56		$179,121.98	3.571428
	Grand Total:	$5,192,574.53 *		$179,121.98	3.449598

* Excluding 2007 Retirements

03/28/2007

Generation Arrangement Report

Account: TECO 101/6-371 Inst on cust prem

Dispersion: 28.00 - S4

erage Net Salvage Rate: 0.00%

ure Net Salvage Rate: 0.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
2006	0.50	$316,317.79	28.00	27.50	0.9821	1.0000	$310,669.26	$11,297.06
2005	1.50	$194,858.52	28.00	26.50	0.9464	1.0000	$184,419.67	$6,959.23
2003	3.50	$121,045.24	28.00	24.50	0.8750	1.0000	$105,914.59	$4,323.04
2002	4.50	$178,768.37	28.00	23.50	0.8393	1.0000	$150,037.74	$6,384.58
2001	5.50	$13,775.37	28.00	22.50	0.8036	1.0000	$11,069.49	$491.98
2000	6.50	$215,272.80	28.00	21.50	0.7679	1.0000	$165,298.76	$7,688.31
1999	7.50	$72,641.82	28.00	20.50	0.7321	1.0000	$53,184.19	$2,594.35
1998	8.50	$966.59	28.00	19.50	0.6964	1.0000	$673.16	$34.52
1997	9.50	$46,282.54	28.00	18.50	0.6607	1.0000	$30,579.51	$1,652.95
1996	10.50	$36,416.46	28.00	17.50	0.6250	1.0000	$22,760.87	$1,300.59
1995	11.50	$36,804.17	28.00	16.50	0.5893	1.0000	$21,690.04	$1,314.43
1993	13.50	$5,261.00	28.00	14.51	0.5182	1.0000	$2,726.49	$187.89
1992	14.50	$98,398.00	28.00	13.52	0.4830	1.0000	$47,528.57	$3,514.21
1991	15.50	$45,579.70	28.00	12.55	0.4483	1.0000	$20,431.62	$1,627.85
1990	16.50	$197,924.86	28.00	11.60	0.4142	1.0000	$81,972.64	$7,068.75
1989	17.50	$362,022.69	28.00	10.67	0.3810	1.0000	$137,928.72	$12,929.38
1988	18.50	$184,817.21	28.00	9.78	0.3492	1.0000	$64,536.29	$6,600.61
1987	19.50	$242,235.94	28.00	8.93	0.3188	1.0000	$77,236.34	$8,651.28
1986	20.50	$276,236.58	28.00	8.13	0.2904	1.0000	$80,223.60	$9,865.59
1985	21.50	$298,231.98	28.00	7.39	0.2639	1.0000	$78,691.44	$10,651.14
1984	22.50	$259,129.93	28.00	6.71	0.2395	1.0000	$62,055.68	$9,254.64
1983	23.50	$495,772.61	28.00	6.08	0.2171	1.0000	$107,637.36	$17,706.16
1982	24.50	$392,686.87	28.00	5.51	0.1968	1.0000	$77,267.22	$14,024.53
1981	25.50	$215,183.71	28.00	5.00	0.1785	1.0000	$38,408.23	$7,685.13
1980	26.50	$215,960.65	28.00	4.53	0.1619	1.0000	$34,974.61	$7,712.88
1979	27.50	$200,312.31	28.00	4.12	0.1471	1.0000	$29,469.17	$7,154.01
1978	28.50	$80,749.17	28.00	3.75	0.1338	1.0000	$10,801.81	$2,883.90
1977	29.50	$50,244.15	28.00	3.41	0.1217	1.0000	$6,116.92	$1,794.43
1976	30.50	$21,059.23	28.00	3.11	0.1109	1.0000	$2,336.50	$752.12
1975	31.50	$36,937.62	28.00	2.84	0.1013	1.0000	$3,741.95	$1,319.20
1974	32.50	$30,026.66	28.00	2.59	0.0924	1.0000	$2,773.48	$1,072.38
1973	33.50	$81,103.46	28.00	2.37	0.0845	1.0000	$6,852.80	$2,896.55
1972	34.50	$31,970.94	28.00	2.16	0.0770	1.0000	$2,462.98	$1,141.82

Account: TECO 101/6-371 Inst on cust prem

Dispersion: *28.00* - S4

rage Net Salvage Rate: 0.00%

ture Net Salvage Rate: 0.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
1971	35.50	$25,058.30	28.00	1.97	0.0705	1.0000	$1,766.66	$894.94
1970	36.50	$6,346.75	28.00	1.80	0.0642	1.0000	$407.33	$226.67
1969	37.50	$5,064.18	28.00	1.64	0.0586	1.0000	$296.78	$180.86
1968	38.50	$5,412.00	28.00	1.51	0.0538	1.0000	$291.26	$193.29
1967	39.50	$13,633.30	28.00	1.36	0.0486	1.0000	$663.14	$486.90
1966	40.50	$20,617.19	28.00	1.25	0.0446	1.0000	$919.23	$736.33
1965	41.50	$23,061.95	28.00	1.12	0.0400	1.0000	$922.81	$823.64
1964	42.50	$17,293.57	28.00	1.02	0.0364	1.0000	$629.48	$617.63
1963	43.50	$20,028.98	28.00	0.89	0.0319	1.0000	$638.29	$715.32
1962	44.50	$1,063.37	28.00	0.76	0.0271	1.0000	$28.78	$37.98
		$5,192,574.53	28.00	11.00	0.3927	1.0000	$2,039,035.46	$185,449.09

Depreciation Reserve Summary

Account: TECO 101/$-371 Inst on cust prem
Scenario: TECO Distribution ADR
Dispersion: 28 - S4
Average Net Salvage Rate: 0.00%
Future Net Salvage Rate: 0.00%

Broad Group Procedure

January 1 , 2007

	Plant Amt	Depreciation Reserve Amount	Depreciation Reserve Ratio	Net Plant Amount	Net Plant Ratio
Recorded	$5,192,574.53	$2,534,033.42	0.4880	$2,658,541.11	0.5120
Computed	$5,192,574.53	$3,153,539.07	0.6073	$2,039,035.46	0.3927
Difference		($619,505.65)	-0.1193	$619,505.65	0.1193

03/28/2007

Toledo Edison Company

Average Life and Salvage Rate Determination

Based On Year End 2006 Data using Beginning Balance 1999

Account 373 Street Lighting

Life and Iowa Survivor Curve

Current Life and Iowa Survivor Curve - 25 R2

Actuarial Life Analysis

76.69 S0.5 best fit using 1999 - 2006 data and a 1975 Placement Band

Industry Survey - EEI Survey of Depreciation Statistics 2003

Service Life Range 14 - 32 Years

Recommendation

Recommend a 28 S5 for this account

Comments:
The actuarial results would indicate a 76.69 S0.5 is the best fit to the data. This is outside the EEI Study results and increases the current life by 50 years. This is unreasonable so we chose to look to the Observed Life Table which demonstrated a drop off in exposures to below 20% of current total exposures at approximately 28 years. The S5 provided a good fit for the data and demonstrated the drop off in the percentage of exposures at the approximate 28 - 30 year mark .

Salvage Factor Estimates

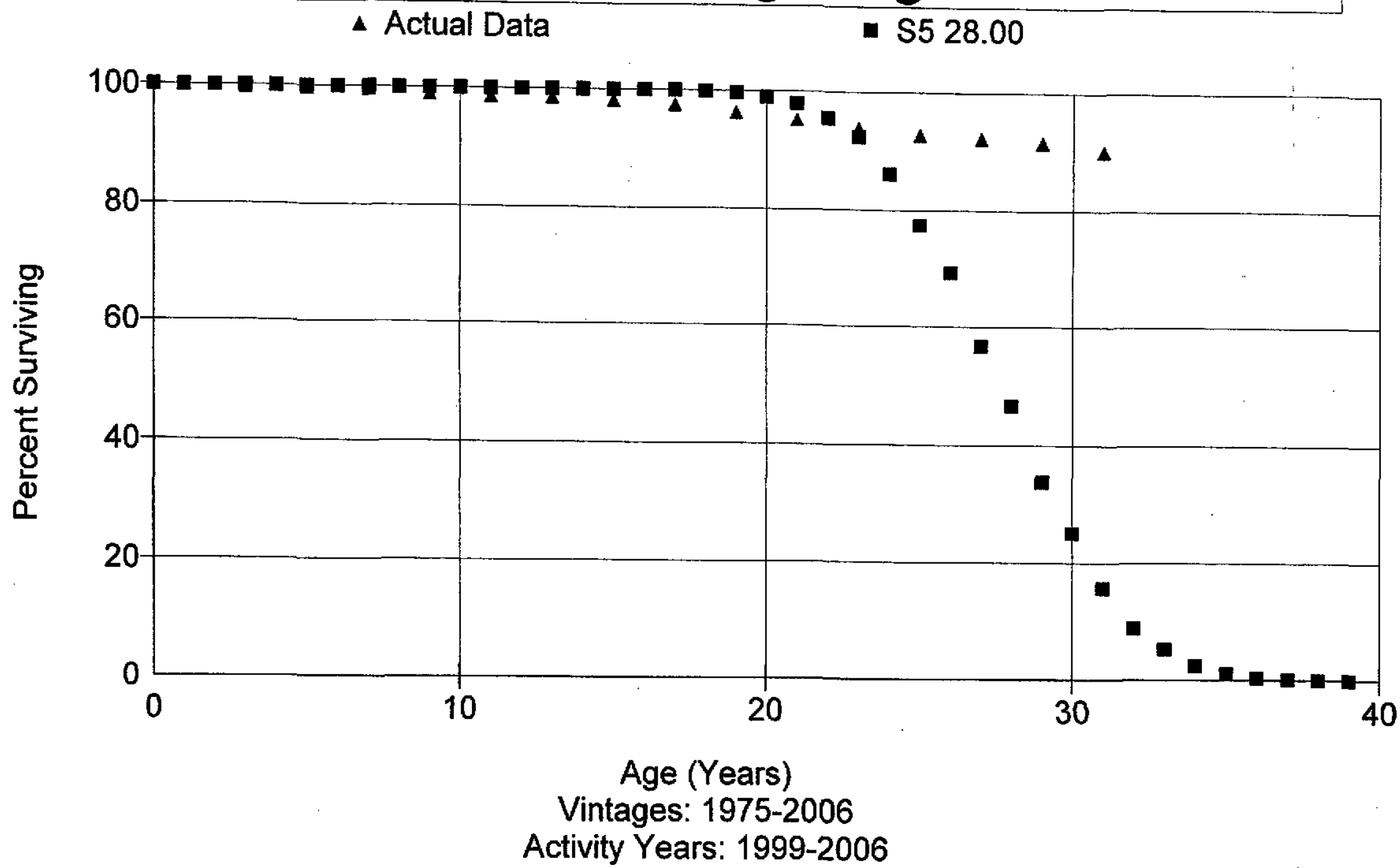
Current Net salvage Rate is -10%
Proposed Net salvage Rate -10%

Comments:
Our study of 1999 - 2006 data produced a 13.86 net salvage rate. We felt the study period was too short to be conclusive. EEI Study results for net salvage ranged from 60% to -157%. We had been using a -10% net salvage rate. We recommend continuing with the -10% rate.

Summary of Recommendations

28	Average Service Life
S5	Iowa Curve
-10	% Net Salvage

Toledo Edison Company Account 373
Street Lighting



Observed Life Table

Scenario: Toledo Edison Company Accounts Dist
Account: TECO 101/6-373 Street lighting
Placement Band: 1975 - 2006 **Observation Band:** 1999 - 2006

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirment Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
0	12,042,236.92	1,787.77	0.00015	0.99985	100.00
0.5	7,595,896.06	2,755.96	0.00036	0.99964	99.99
1.5	7,622,124.54	12,017.38	0.00158	0.99842	99.95
2.5	7,240,891.10	3,981.58	0.00055	0.99945	99.79
3.5	6,839,111.28	695.59	0.00010	0.99990	99.74
4.5	5,609,131.04	1,302.42	0.00023	0.99977	99.73
5.5	5,491,838.89	2,825.39	0.00051	0.99949	99.71
6.5	5,085,885.15	5,416.53	0.00107	0.99893	99.66
7.5	4,501,265.79	9,269.89	0.00206	0.99794	99.55
8.5	4,386,282.88	16,841.48	0.00384	0.99616	99.34
9.5	4,956,712.77	8,221.75	0.00166	0.99834	98.96
10.5	5,617,516.81	10,562.28	0.00188	0.99812	98.80
11.5	6,089,069.44	19,722.41	0.00324	0.99676	98.61
12.5	6,444,410.82	-14,612.58	-0.00227	1.00227	98.29
13.5	6,253,563.01	10,788.47	0.00173	0.99827	98.51
14.5	6,075,064.96	14,354.23	0.00236	0.99764	98.34
15.5	6,156,146.91	18,957.42	0.00308	0.99692	98.11
16.5	5,655,149.45	18,802.66	0.00332	0.99668	97.81
17.5	6,079,380.05	42,000.73	0.00691	0.99309	97.49
18.5	6,295,474.35	34,571.12	0.00549	0.99451	96.82
19.5	6,235,190.36	41,353.50	0.00663	0.99337	96.29
20.5	6,336,070.99	32,509.55	0.00513	0.99487	95.65
21.5	6,627,565.41	44,864.14	0.00677	0.99323	95.16
22.5	6,600,472.62	45,213.16	0.00685	0.99315	94.52
23.5	6,740,553.41	60,378.14	0.00896	0.99104	93.87
24.5	5,983,326.53	13,512.78	0.00226	0.99774	93.03
25.5	4,700,618.77	13,333.53	0.00284	0.99716	92.82
26.5	3,809,421.77	10,937.19	0.00287	0.99713	92.56
27.5	2,746,837.76	8,993.63	0.00327	0.99673	92.29
28.5	2,130,495.84	8,562.62	0.00402	0.99598	91.99
29.5	1,407,195.63	9,618.25	0.00683	0.99317	91.62
30.5	779,340.33	6,875.63	0.00882	0.99118	90.99
31.5	0.00	0.00	0.00000	0.00000	90.19

Net Salvage Analysis Report

			Gross Salvage (Cash)		Gross Salvage (Returns)		Cost of Removal		Net Salvage		
Account	Year	Retirements	Amount	Pct.	Amount	Pct.	Amount	Pct.	Amount	Pct.	1-Yr Avg
TECO 373 Street Lighting	1999	1,291,604.39	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 373 Street Lighting	2000	54,312.29	0.00	0.00	0.00	0.00	1,999.94	3.68	(1,999.94)	-3.68	-3.68
TECO 373 Street Lighting	2001	55,384.92	(1.93)	0.00	0.00	0.00	1,221.80	2.21	(1,223.73)	-2.21	-2.21
TECO 373 Street Lighting	2002	113,770.84	0.00	0.00	0.00	0.00	(13,034.75)	-11.46	13,034.75	11.46	11.46
TECO 373 Street Lighting	2003	220,444.86	(0.01)	0.00	0.00	0.00	10,220.73	4.64	(10,220.74)	-4.64	-4.64
TECO 373 Street Lighting	2004	84,418.14	567,778.34	672.58	0.00	0.00	113,426.27	134.36	454,352.07	538.22	538.22
TECO 373 Street Lighting	2005	46,667.74	24.81	0.05	0.00	0.00	112,841.85	241.80	(112,817.04)	-241.75	-241.75
TECO 373 Street Lighting	2006	194,688.01	178.91	0.09	0.00	0.00	55,541.64	28.53	(55,362.73)	-28.44	-28.44
		2,061,291.19	567,980.12	27.55	0.00	0.00	282,217.48	13.69	285,762.64	13.86	

Whole Life Depreciation Accrual

Account: TECO 101/6-373 Street lighting

Dispersion: 28 - S5

Average Net Salvage Rate: -10.00%

Future Net Salvage Rate: -10.00%

Broad Group Procedure

January 1, 2007

	Plant Amt	Period (Years)	Accrual (Dollars)	Accrual Rate (Percent)
Pre- 2007 Additions	$41,388,099.02		$1,422,725.47	3.437524
Whole Life		28	$1,519,024.19	
Amortization		0	$0.00	
Retirements	$4,902,480.58	28	$96,298.73	
2007 Additions	$0.00		$0.00	0.000000
Whole Life			$0.00	
Retirements	$0.00	0.00	$0.00	
Total:	$41,388,099.02 *		$1,422,725.47	3.437525
Average:	$38,936,858.73		$1,422,725.47	3.653930
Grand Total:	$41,388,099.02 *		$1,422,725.47	3.437525

* Excluding 2007 Retirements

Generation Arrangement Report

Account: TECO 101/6-373 Street lighting

Dispersion: 28.00 - S5

age Net Salvage Rate: -10.00%

Future Net Salvage Rate: -10.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
2006	0.50	$4,453,037.69	28.00	27.50	1.0804	1.0000	$4,810,871.07	$174,940.77
2005	1.50	$1,611,353.46	28.00	26.50	1.0411	1.0000	$1,677,534.05	$63,303.17
2004	2.50	$369,216.06	28.00	25.50	1.0018	1.0000	$369,875.37	$14,504.92
2003	3.50	$1,063,440.64	28.00	24.50	0.9625	1.0000	$1,023,561.61	$41,778.03
2002	4.50	$1,347,600.26	28.00	23.50	0.9232	1.0000	$1,244,123.81	$52,941.44
2001	5.50	$777,201.73	28.00	22.50	0.8839	1.0000	$686,990.81	$30,532.93
2000	6.50	$1,244,583.35	28.00	21.50	0.8446	1.0000	$1,051,228.44	$48,894.35
1999	7.50	$1,173,214.11	28.00	20.50	0.8054	1.0000	$944,856.36	$46,090.55
1998	8.50	$1,315,503.05	28.00	19.50	0.7661	1.0000	$1,007,769.30	$51,680.48
1997	9.50	$1,817,644.13	28.00	18.50	0.7268	1.0000	$1,321,037.79	$71,407.45
1996	10.50	$634,686.74	28.00	17.50	0.6875	1.0000	$436,347.13	$24,934.12
1995	11.50	$1,132,315.46	28.00	16.50	0.6482	1.0000	$733,983.06	$44,483.82
1994	12.50	$846,125.13	28.00	15.50	0.6089	1.0000	$515,229.77	$33,240.63
1993	13.50	$1,073,388.25	28.00	14.50	0.5696	1.0000	$611,447.95	$42,168.82
1992	14.50	$872,847.25	28.00	13.50	0.5304	1.0000	$462,919.75	$34,290.43
1991	15.50	$637,796.29	28.00	12.50	0.4911	1.0000	$313,211.16	$25,056.28
1990	16.50	$1,200,238.90	28.00	11.50	0.4518	1.0000	$542,317.28	$47,152.24
1989	17.50	$874,738.40	28.00	10.50	0.4127	1.0000	$360,996.92	$34,364.72
1988	18.50	$657,082.70	28.00	9.52	0.3738	1.0000	$245,637.32	$25,813.96
1987	19.50	$1,124,599.56	28.00	8.54	0.3355	1.0000	$377,317.99	$44,180.70
1986	20.50	$480,849.42	28.00	7.59	0.2983	1.0000	$143,456.89	$18,890.51
1985	21.50	$440,008.41	28.00	6.69	0.2628	1.0000	$115,635.18	$17,286.04
1984	22.50	$650,707.64	28.00	5.85	0.2298	1.0000	$149,517.92	$25,563.51
1983	23.50	$656,232.18	28.00	5.08	0.1996	1.0000	$131,000.00	$25,780.55
1982	24.50	$694,788.73	28.00	4.40	0.1727	1.0000	$120,011.28	$27,295.27
1981	25.50	$1,270,395.79	28.00	3.81	0.1495	1.0000	$189,955.64	$49,908.41
1980	26.50	$875,712.56	28.00	3.29	0.1294	1.0000	$113,344.31	$34,402.99
1979	27.50	$1,048,893.27	28.00	2.86	0.1124	1.0000	$117,947.47	$41,206.52
1978	28.50	$605,441.64	28.00	2.50	0.0981	1.0000	$59,371.42	$23,785.21
1977	29.50	$710,919.16	28.00	2.19	0.0858	1.0000	$61,029.34	$27,928.97
1976	30.50	$614,117.10	28.00	1.92	0.0756	1.0000	$46,416.47	$24,126.03
1975	31.50	$767,187.14	28.00	1.71	0.0672	1.0000	$51,517.50	$30,139.49
1974	32.50	$1,145,871.60	28.00	1.51	0.0594	1.0000	$68,105.96	$45,016.38

Generation Arrangement Report

Account: TECO 10116-373 Street lighting
Dispersion: 28.00 - S5
Average Net Salvage Rate: -10.00%
Future Net Salvage Rate: -10.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
1973	33.50	$996,200.22	28.00	1.36	0.0534	1.0000	$53,213.04	$39,136.44
1972	34.50	$706,670.33	28.00	1.21	0.0475	1.0000	$33,591.93	$27,762.05
1971	35.50	$854,619.69	28.00	1.10	0.0431	1.0000	$36,837.29	$33,574.34
1970	36.50	$833,121.57	28.00	0.98	0.0384	1.0000	$32,001.92	$32,729.78
1969	37.50	$447,168.25	28.00	0.88	0.0346	1.0000	$15,486.45	$17,567.32
1968	38.50	$246,701.25	28.00	0.82	0.0320	1.0000	$7,899.78	$9,691.83
1967	39.50	$239,499.59	28.00	0.69	0.0272	1.0000	$6,517.13	$9,408.91
1966	40.50	$154,351.70	28.00	0.47	0.0185	1.0000	$2,849.71	$6,063.82
1965	41.50	$176,570.49	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1964	42.50	$155,514.15	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1963	43.50	$203,617.24	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1962	44.50	$223,863.65	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1961	45.50	$72,759.38	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1960	46.50	$274,823.06	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1959	47.50	$123,941.34	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1958	48.50	$50,055.44	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1957	49.50	$172,505.23	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1956	50.50	$79,949.36	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1955	51.50	$61,741.52	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1954	52.50	$110,542.61	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1953	53.50	$206,119.33	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1952	54.50	$144,849.20	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1951	55.50	$94,126.35	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1950	56.50	$67,758.56	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1949	57.50	$71,883.73	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1948	58.50	$70,980.07	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1947	59.50	$13,705.29	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1946	60.50	$6,460.81	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1945	61.50	$5,905.61	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1944	62.50	$1,019.59	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1943	63.50	$1,606.36	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1942	64.50	$4,091.34	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1941	65.50	$6,264.26	28.00	0.00	0.0000	0.0000	$0.00	$0.00

Account: TECO 101/6-373 Street lighting

Dispersion: 28.00 - S5

Average Net Salvage Rate: -10.00%

Future Net Salvage Rate: -10.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
1940	66.50	$8,004.41	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1939	67.50	$604.58	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1938	68.50	$2,384.26	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1937	69.50	$5,661.18	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1936	70.50	$479.21	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1935	71.50	$271.18	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1934	72.50	$40.00	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1933	73.50	$3,512.56	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1932	74.50	$3,364.76	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1931	75.50	$14,095.30	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1930	76.50	$11,819.49	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1929	77.50	$52,006.06	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1928	78.50	$18,484.62	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1927	79.50	$57,683.90	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1926	80.50	$13,929.37	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1925	81.50	$3,895.31	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1924	82.50	$44,503.93	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1923	83.50	$3,887.30	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1922	84.50	$3,135.90	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1920	86.50	$14.34	28.00	0.00	0.0000	0.0000	$0.00	$0.00
1914	92.50	$73,597.09	28.00	0.00	0.0000	0.0000	$0.00	$0.00
		$41,388,099.02	28.00	12.48	0.4903	1.0000	$20,292,963.55	$1,519,024.19

Depreciation Reserve Summary

Account: TECO 101/6-373 Street lighting
Scenario: TECO Distribution ADR
Version: 28 - S5
Average Net Salvage Rate: -10.00%
Future Net Salvage Rate: -10.00%

Broad Group Procedure

January 1 , 2007

		Depreciation Reserve		Net Plant	
	Plant Amt	Amount	Ratio	Amount	Ratio
Recorded	$41,388,099.02	$24,404,422.62	0.5896	$21,122,486.30	0.5104
Computed	$41,388,099.02	$25,233,945.37	0.6097	$20,292,963.55	0.4903
Difference		($829,522.75)	-0.0200	$829,522.75	0.0200

Toledo Edison Company

Average Life and Salvage Rate Determination

Based On Year End 2006 Data using Beginning Balance 1999

Account 390 General Structures & Improvements

Life and Iowa Survivor Curve

Current Life and Iowa Survivor Curve is 50 R2.

Actuarial Life Analysis

284 SC best fit using 1999 - 2006 data.

Industry Survey - EEI Survey of Depreciation Statistics 2003

Service Life Range 29 - 60 Years

Recommendation

No change is recommended for this account.

Comments:
Actuarial results seem inappropriate in accordance with previous studies and EEI industry results.We recommend using the current 50 R2 which is more consistent with the above studies.

Salvage Factor Estimates

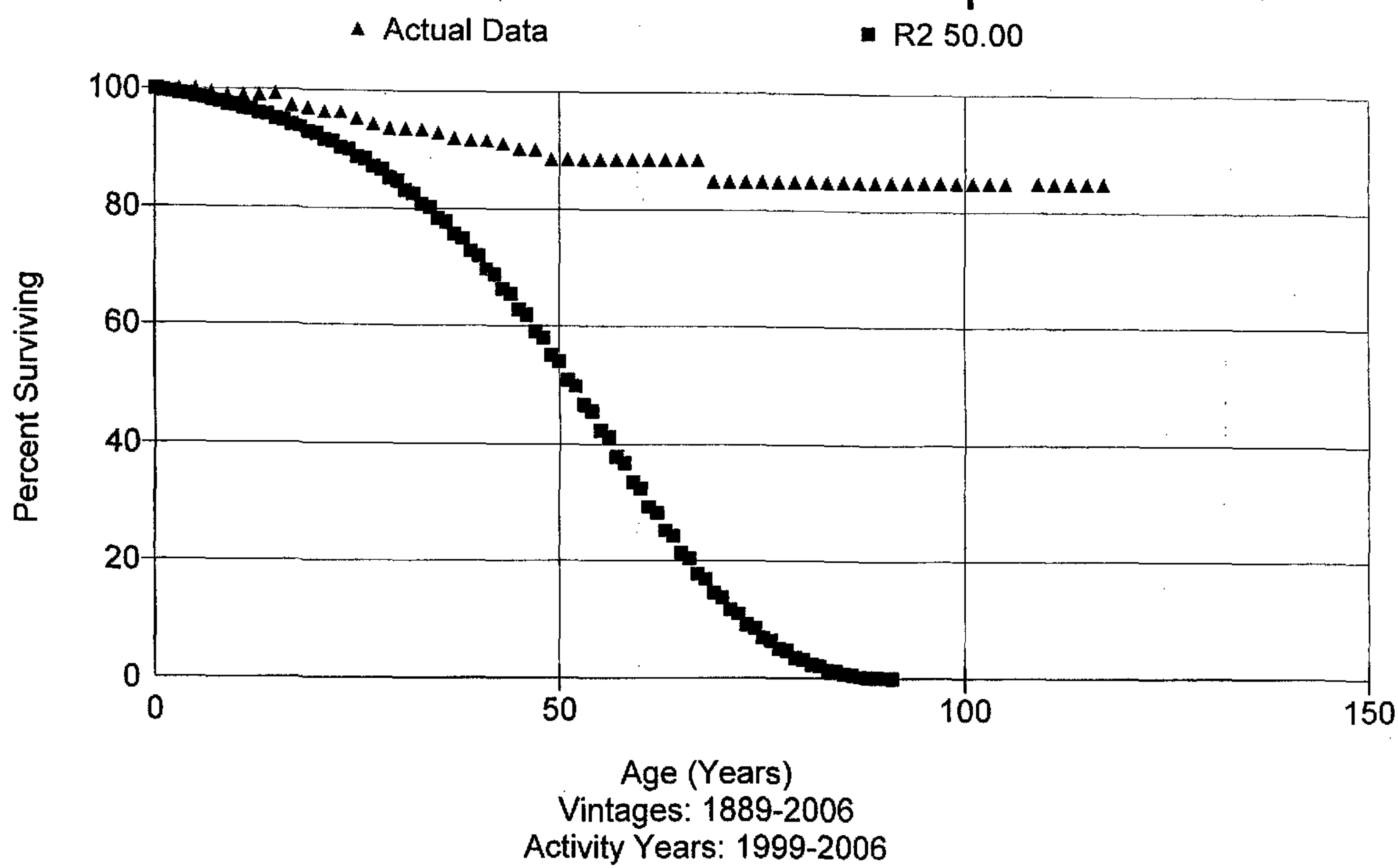
Current Net salvage Rate is	-10%
Proposed Net salvage Rate	-10%

Comments:
Industry Averages per the 2003 EEI Study for the net salvage rate range from 20% to -50%. The current rate of -10% is suggested as it falls within this range.

Summary of Recommendations

50	Average Service Life
R2	Iowa Curve
-10	% Net Salvage

Toledo Edison Company
Account 390 Structures & Improvements



Observed Life Table

Scenario: Toledo Edison General Accounts
Account: TECO 101/6-390 Structures/improve
Placement Band: 1889 - 2006 **Observation Band:** 1999 - 2006

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirment Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
0	20,484,048.87	0.00	0.00000	1.00000	100.00
0.5	3,669,678.16	0.00	0.00000	1.00000	100.00
1.5	4,005,222.81	0.00	0.00000	1.00000	100.00
2.5	3,747,458.89	0.00	0.00000	1.00000	100.00
3.5	3,805,713.32	0.00	0.00000	1.00000	100.00
4.5	2,388,181.54	0.00	0.00000	1.00000	100.00
5.5	3,307,843.82	0.00	0.00000	1.00000	100.00
6.5	3,950,019.15	15,667.00	0.00397	0.99603	100.00
7.5	3,668,773.37	0.00	0.00000	1.00000	99.60
8.5	3,832,333.79	23,390.69	0.00610	0.99390	99.60
9.5	3,830,819.53	0.00	0.00000	1.00000	98.99
10.5	3,702,792.44	-4,000.00	-0.00108	1.00108	98.99
11.5	3,199,928.52	0.00	0.00000	1.00000	99.10
12.5	3,132,001.89	0.00	0.00000	1.00000	99.10
13.5	2,548,972.49	0.00	0.00000	1.00000	99.10
14.5	1,669,551.96	-4,000.00	-0.00240	1.00240	99.10
15.5	1,515,728.32	6,376.17	0.00421	0.99579	99.34
16.5	1,208,437.33	18,947.47	0.01568	0.98432	98.92
17.5	1,313,967.82	4,045.23	0.00308	0.99692	97.37
18.5	1,203,300.03	412.86	0.00034	0.99966	97.07
19.5	1,280,183.54	4,502.51	0.00352	0.99648	97.04
20.5	1,264,556.10	3,862.92	0.00305	0.99695	96.70
21.5	1,108,150.35	0.00	0.00000	1.00000	96.41
22.5	991,544.26	551.89	0.00056	0.99944	96.41
23.5	3,576,771.17	39,795.57	0.01113	0.98887	96.36
24.5	3,562,591.33	305.07	0.00009	0.99991	95.29
25.5	4,465,791.32	21,471.44	0.00481	0.99519	95.28
26.5	6,390,899.18	31,609.21	0.00495	0.99505	94.82
27.5	14,721,448.91	87,004.08	0.00591	0.99409	94.35
28.5	14,811,603.08	23,953.73	0.00162	0.99838	93.79
29.5	14,603,967.90	7,682.41	0.00053	0.99947	93.64
30.5	14,570,438.84	2,690.37	0.00018	0.99982	93.59
31.5	11,971,746.37	16,885.55	0.00141	0.99859	93.57
32.5	11,960,556.04	710.23	0.00006	0.99994	93.44
33.5	10,913,140.15	59,585.34	0.00546	0.99454	93.43
34.5	8,650,210.54	741.64	0.00009	0.99991	92.92
35.5	481,294.85	4,158.81	0.00864	0.99136	92.91
36.5	341,442.39	475.71	0.00139	0.99861	92.11
37.5	328,601.42	398.06	0.00121	0.99879	91.98
38.5	342,105.54	829.56	0.00243	0.99757	91.87
39.5	248,488.04	0.00	0.00000	1.00000	91.65
40.5	234,006.11	0.00	0.00000	1.00000	91.65
41.5	211,443.94	0.00	0.00000	1.00000	91.65
42.5	180,054.52	1,051.16	0.00584	0.99416	91.65
43.5	184,024.75	742.66	0.00404	0.99596	91.11
44.5	224,834.60	1,238.58	0.00551	0.99449	90.74
45.5	250,549.05	249.04	0.00099	0.99901	90.24
46.5	218,535.64	0.00	0.00000	1.00000	90.15
47.5	436,213.06	7,985.30	0.01831	0.98169	90.15
48.5	443,313.67	0.00	0.00000	1.00000	88.50
49.5	522,779.81	0.00	0.00000	1.00000	88.50
50.5	494,843.28	0.00	0.00000	1.00000	88.50
51.5	487,405.04	0.00	0.00000	1.00000	88.50
52.5	426,905.14	0.00	0.00000	1.00000	88.50

Observed Life Table

Scenario: *Toledo Edison General Accounts*

Account: *TECO 101/6-390 Structures/improve*

Placement Band: 1889 - 2006 **Observation Band:** 1999 - 2006

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirment Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
53.5	374,310.61	0.00	0.00000	1.00000	88.50
54.5	364,723.59	0.00	0.00000	1.00000	88.50
55.5	162,440.13	0.00	0.00000	1.00000	88.50
56.5	145,003.20	0.00	0.00000	1.00000	88.50
57.5	14,926.97	0.00	0.00000	1.00000	88.50
58.5	14,055.19	0.00	0.00000	1.00000	88.50
59.5	3,041.24	0.00	0.00000	1.00000	88.50
60.5	12,952.24	0.00	0.00000	1.00000	88.50
61.5	12,467.00	0.00	0.00000	1.00000	88.50
62.5	54,729.13	0.00	0.00000	1.00000	88.50
63.5	54,771.13	0.00	0.00000	1.00000	88.50
64.5	55,071.13	0.00	0.00000	1.00000	88.50
65.5	54,926.13	0.00	0.00000	1.00000	88.50
66.5	54,595.13	0.00	0.00000	1.00000	88.50
67.5	217,585.50	8,639.72	0.03971	0.96029	88.50
68.5	257,339.74	204.00	0.00079	0.99921	84.99
69.5	257,135.74	0.00	0.00000	1.00000	84.92
70.5	214,873.61	0.00	0.00000	1.00000	84.92
71.5	214,843.85	0.00	0.00000	1.00000	84.92
72.5	214,543.85	0.00	0.00000	1.00000	84.92
73.5	214,543.85	0.00	0.00000	1.00000	84.92
74.5	256,819.75	0.00	0.00000	1.00000	84.92
75.5	102,469.10	0.00	0.00000	1.00000	84.92
76.5	42,288.14	0.00	0.00000	1.00000	84.92
77.5	12.24	0.00	0.00000	1.00000	84.92
78.5	12.24	0.00	0.00000	1.00000	84.92
79.5	0.00	0.00	0.00000	0.00000	84.92

Net Salvage Analysis Report

			Gross Salvage (Cash)		Gross Salvage (Returns)		Cost of Removal		Net Salvage		
Account	Year	Retirements	Amount	Pct.	Amount	Pct.	Amount	Pct.	Amount	Pct.	1-Yr Avg
TECO 390 Structures/Improvements	1999	396,163.99	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 390 Structures/Improvements	2001	568,013.48	823,472.43	144.97	0.00	0.00	18,319.91	3.23	805,152.52	141.75	141.75
TECO 390 Structures/Improvements	2002	0.00	0.00	0.00	0.00	0.00	2,370.30	0.00	(2,370.30)	0.00	0.00
TECO 390 Structures/Improvements	2003	195,199.40	238,233.22	122.05	0.00	0.00	4,011.38	2.06	234,221.84	119.99	119.99
TECO 390 Structures/Improvements	2004	0.00	0.00	0.00	0.00	0.00	0.01	0.00	(0.01)	0.00	0.00
TECO 390 Structures/Improvements	2005	0.00	0.00	0.00	0.00	0.00	116,612.22	0.00	(116,612.22)	0.00	0.00
		1,159,376.87	1,061,705.65	91.58	0.00	0.00	141,313.82	12.19	920,391.83	79.39	

Whole Life Depreciation Accrual

Account: TECO 101/6-390 Structures/improve
Dispersion: 50 - R2

Average Net Salvage Rate: -10.00%
Future Net Salvage Rate: -10.00%

Broad Group Procedure

January 1 , 2007

	Plant Amt	Period (Years)	Accrual (Dollars)	Accrual Rate (Percent)
Pre- 2007 Additions	$42,210,888.14		$924,496.99	2.190187
Whole Life		50	$928,639.54	
Amortization		0	$0.00	
Retirements	$376,595.37	50	$4,142.55	
2007 Additions	$0.00		$0.00	0.000000
Whole Life			$0.00	
Retirements	$0.00	0.00	$0.00	
Total:	$42,210,888.14 *		$924,496.99	2.190188
Average:	$42,022,590.46		$924,496.99	2.200000
Grand Total:	$42,210,888.14 *		$924,496.99	2.190188

* Excluding 2007 Retirements

03/27/2007

Generation Arrangement Report

Account: TECO 101/6-390 Structures/improve

Dispersion: 50.00 - R2

Average Net Salvage Rate: -10.00%

Future Net Salvage Rate: -10.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
2006	0.50	$17,111,834.07	50.00	49.55	1.0900	1.0000	$18,652,596.68	$376,460.35
2005	1.50	$109,920.57	50.00	48.65	1.0702	1.0000	$117,636.38	$2,418.25
2004	2.50	$656,024.53	50.00	47.75	1.0505	1.0000	$689,135.82	$14,432.54
2003	3.50	$368,808.84	50.00	46.86	1.0309	1.0000	$380,190.36	$8,113.79
2002	4.50	$1,547,848.81	50.00	45.97	1.0114	1.0000	$1,565,436.97	$34,052.67
2001	5.50	$61,109.88	50.00	45.09	0.9920	1.0000	$60,620.17	$1,344.42
2000	6.50	$423,462.82	50.00	44.22	0.9727	1.0000	$411,917.33	$9,316.18
1999	7.50	$588,461.35	50.00	43.35	0.9536	1.0000	$561,165.63	$12,946.15
1998	8.50	$347,085.40	50.00	42.48	0.9346	1.0000	$324,396.23	$7,635.88
1997	9.50	$171,175.74	50.00	41.63	0.9158	1.0000	$156,758.12	$3,765.87
1996	10.50	$398,260.61	50.00	40.77	0.8970	1.0000	$357,259.56	$8,761.73
1995	11.50	$427,063.27	50.00	39.93	0.8785	1.0000	$375,163.27	$9,395.39
1994	12.50	$130,317.03	50.00	39.09	0.8600	1.0000	$112,077.19	$2,866.97
1993	13.50	$753,122.16	50.00	38.26	0.8417	1.0000	$633,939.99	$16,568.69
1992	14.50	$1,033,067.28	50.00	37.44	0.8236	1.0000	$850,843.60	$22,727.48
1991	15.50	$307,284.57	50.00	36.62	0.8056	1.0000	$247,556.29	$6,760.26
1990	16.50	$525,085.49	50.00	35.81	0.7878	1.0000	$413,658.19	$11,551.88
1989	17.50	$146,700.12	50.00	35.01	0.7701	1.0000	$112,976.55	$3,227.40
1988	18.50	$261,137.44	50.00	34.21	0.7526	1.0000	$196,536.24	$5,745.02
1987	19.50	$29,704.35	50.00	33.42	0.7353	1.0000	$21,840.67	$653.50
1986	20.50	$59,634.02	50.00	32.64	0.7181	1.0000	$42,822.79	$1,311.95
1985	21.50	$164,562.57	50.00	31.87	0.7011	1.0000	$115,373.43	$3,620.38
1984	22.50	$151,495.03	50.00	31.10	0.6843	1.0000	$103,662.61	$3,332.89
1983	23.50	$125,052.35	50.00	30.35	0.6676	1.0000	$83,486.40	$2,751.15
1982	24.50	$206,422.50	50.00	29.60	0.6511	1.0000	$134,410.40	$4,541.30
1981	25.50	$278,985.30	50.00	28.86	0.6349	1.0000	$177,117.62	$6,137.68
1980	26.50	$169,195.46	50.00	28.13	0.6188	1.0000	$104,692.94	$3,722.30
1979	27.50	$57,335.25	50.00	27.40	0.6029	1.0000	$34,565.50	$1,261.38
1978	28.50	$55,095.87	50.00	26.69	0.5872	1.0000	$32,350.25	$1,212.11
1977	29.50	$14,064.78	50.00	25.98	0.5717	1.0000	$8,040.26	$309.43
1976	30.50	$83,118.99	50.00	25.29	0.5564	1.0000	$46,244.31	$1,828.62
1975	31.50	$2,667,579.89	50.00	24.60	0.5413	1.0000	$1,443,893.12	$58,686.76
1974	32.50	$21,065.34	50.00	23.93	0.5264	1.0000	$11,088.71	$463.44

Account: TECO 101/6-390 Structures/improve

Dispersion: 50.00 - R2

Average Net Salvage Rate: -10.00%

Future Net Salvage Rate: -10.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
1973	33.50	$1,160,021.07	50.00	23.26	0.5117	1.0000	$593,623.08	$25,520.46
1972	34.50	$2,038,284.81	50.00	22.60	0.4973	1.0000	$1,013,625.12	$44,842.27
1971	35.50	$8,171,044.03	50.00	21.96	0.4831	1.0000	$3,947,216.41	$179,762.97
1970	36.50	$209,679.27	50.00	21.32	0.4691	1.0000	$98,357.54	$4,612.94
1969	37.50	$42,565.12	50.00	20.70	0.4553	1.0000	$19,381.30	$936.43
1968	38.50	$29,460.47	50.00	20.08	0.4418	1.0000	$13,016.06	$648.13
1967	39.50	$43,999.29	50.00	19.48	0.4285	1.0000	$18,855.00	$967.98
1966	40.50	$24,375.56	50.00	18.89	0.4155	1.0000	$10,127.97	$536.26
1965	41.50	$69,123.96	50.00	18.30	0.4027	1.0000	$27,836.74	$1,520.73
1964	42.50	$33,230.19	50.00	17.74	0.3902	1.0000	$12,965.43	$731.06
1963	43.50	$2,843.17	50.00	17.18	0.3779	1.0000	$1,074.39	$62.55
1962	44.50	$17,589.14	50.00	16.63	0.3659	1.0000	$6,435.13	$386.96
1961	45.50	$31,167.54	50.00	16.09	0.3541	1.0000	$11,036.06	$685.69
1960	46.50	$46,293.39	50.00	15.57	0.3426	1.0000	$15,858.90	$1,018.45
1959	47.50	$18,248.89	50.00	15.06	0.3313	1.0000	$6,046.37	$401.48
1958	48.50	$11,366.55	50.00	14.56	0.3203	1.0000	$3,641.15	$250.06
1957	49.50	$42,802.09	50.00	14.07	0.3096	1.0000	$13,252.32	$941.65
1956	50.50	$3,481.76	50.00	13.60	0.2992	1.0000	$1,041.60	$76.60
1955	51.50	$7,516.90	50.00	13.13	0.2890	1.0000	$2,172.09	$165.37
1954	52.50	$62,579.90	50.00	12.68	0.2790	1.0000	$17,461.07	$1,376.76
1953	53.50	$53,079.77	50.00	12.24	0.2693	1.0000	$14,296.44	$1,167.75
1952	54.50	$6,715.02	50.00	11.81	0.2599	1.0000	$1,745.31	$147.73
1951	55.50	$202,283.46	50.00	11.40	0.2507	1.0000	$50,720.37	$4,450.24
1950	56.50	$17,436.93	50.00	10.99	0.2418	1.0000	$4,216.40	$383.61
1949	57.50	$130,221.23	50.00	10.60	0.2331	1.0000	$30,357.63	$2,864.87
1948	58.50	$1,202.78	50.00	10.21	0.2247	1.0000	$270.23	$26.46
1947	59.50	$11,013.95	50.00	9.84	0.2164	1.0000	$2,383.82	$242.31
1946	60.50	$2,080.00	50.00	9.47	0.2084	1.0000	$433.52	$45.76
1945	61.50	$485.24	50.00	9.12	0.2006	1.0000	$97.35	$10.68
1941	65.50	$145.00	50.00	7.78	0.1712	1.0000	$24.83	$3.19
1940	66.50	$331.00	50.00	7.47	0.1643	1.0000	$54.37	$7.28
1938	68.50	$11,991.00	50.00	6.85	0.1507	1.0000	$1,806.81	$263.80
1936	70.50	$42,262.13	50.00	6.25	0.1375	1.0000	$5,810.25	$929.77

Generation Arrangement Report

Account: TECO 101/6-390 Structures/improve

Dispersion: 50.00 - R2

rage Net Salvage Rate: -10.00%

Future Net Salvage Rate: -10.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
1935	71.50	$42.00	50.00	5.95	0.1310	1.0000	$5.50	$0.92
1934	72.50	$300.00	50.00	5.66	0.1245	1.0000	$37.36	$6.60
1931	75.50	$154,350.65	50.00	4.79	0.1053	1.0000	$16,254.63	$3,395.71
1930	76.50	$60,180.96	50.00	4.50	0.0989	1.0000	$5,954.30	$1,323.98
1927	79.50	$12.24	50.00	3.63	0.0799	1.0000	$0.98	$0.27
1924	82.50	$0.00	50.00	2.78	0.0612	1.0000	$0.00	$0.00
		$42,210,888.14	50.00	37.20	0.8184	1.0000	$34,546,947.42	$928,639.54

Depreciation Reserve Summary

Account: TECO 101/6-390 Structures/improve
Scenario: Toldeo Edison General ADR
ersion: 50 - R2
rage Net Salvage Rate: -10.00%
Future Net Salvage Rate: -10.00%

Broad Group Procedure

January 1 , 2007

		Depreciation Reserve		Net Plant	
	Plant Amt	Amount	Ratio	Amount	Ratio
Recorded	$42,210,888.14	$13,925,274.27	0.3299	$32,506,702.68	0.7701
Computed	$42,210,888.14	$11,885,029.53	0.2816	$34,546,947.42	0.8184
Difference		$2,040,244.74	0.0483	($2,040,244.74)	-0.0483

Toledo Edison Company

Average Life and Salvage Rate Determination

Based On Year End 2006 Data using Beginning Balance 1999

Account 39110 General Furniture & Equipment

Life and Iowa Survivor Curve

Current Life and Iowa Survivor Curve is 25 L0.5.

Actuarial Life Analysis

24.3 L1.5 best fit using 1999 - 2006 data

Industry Survey - EEI Survey of Depreciation Statistics 2003

Service Life Range 3 - 31 Years

Recommendation

We recommend changing to a 25 L1.5.

Comments:
The actuarial analysis recommends a 25 year life which is currently being used. A change to an L 1.5 Iowa Curve produces a better fit for the data.

Salvage Factor Estimates

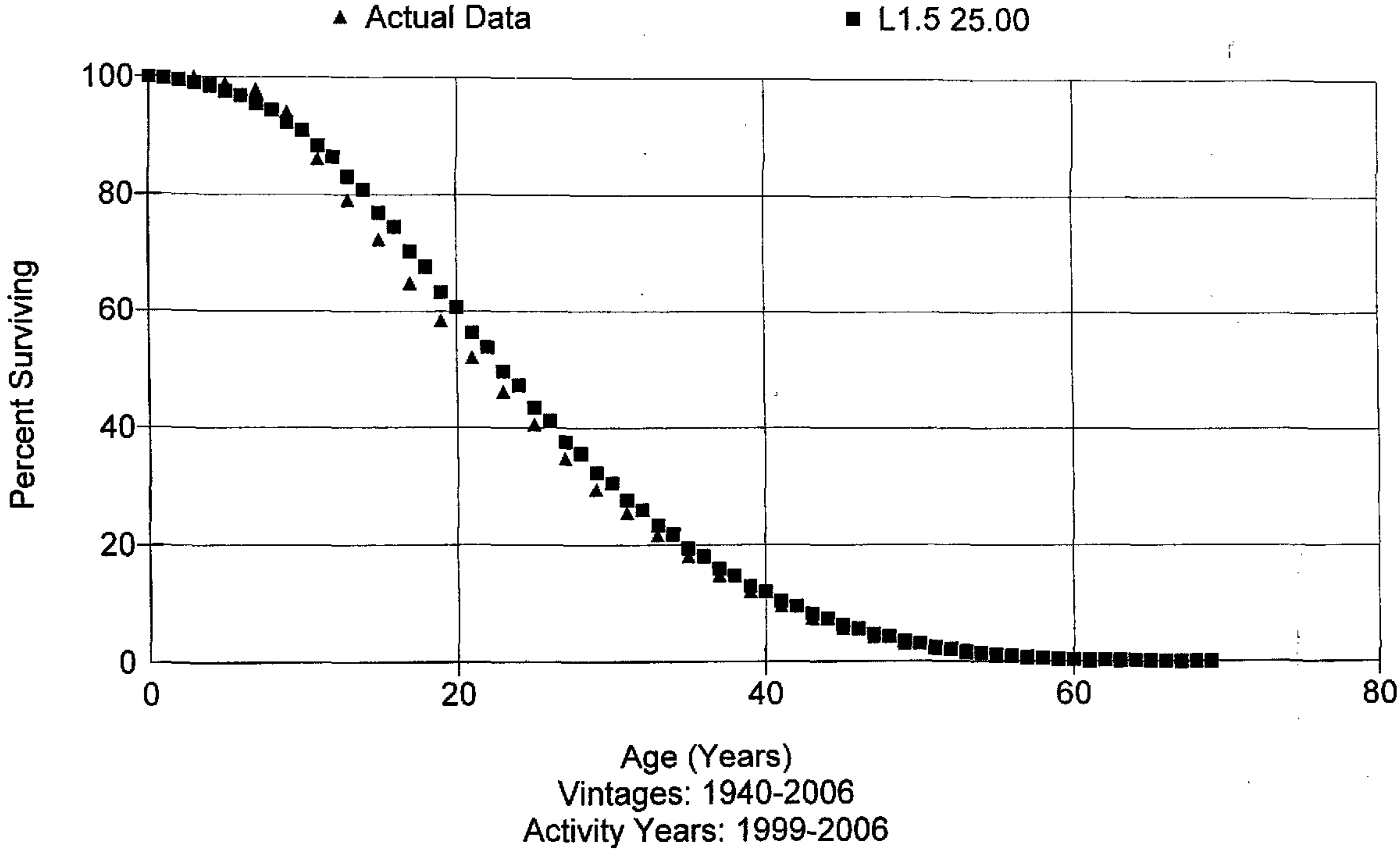
Current Net salvage Rate is	5%
Proposed Net salvage Rate is	5%

Comments:
The current rate of 5% falls within EEI Industry Standards and it is recommended.

Summary of Recommendations

25	Average Service Life
L1.5	Iowa Curve
5	% Net Salvage

Toledo Edison Comapny
Account 39110 Office Furniture & Fixtures



Observed Life Table

Scenario: Toledo Edison General Accounts
Account: TECO 101/6-39110 Office furn & equi
Placement Band: 1940 - 2006 **Observation Band:** 1999 - 2006

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirment Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
0	1,128,524.32	0.00	0.00000	1.00000	100.00
0.5	3,109,049.18	155.67	0.00005	0.99995	100.00
1.5	2,406,204.93	-2,104.11	-0.00087	1.00087	100.00
2.5	2,436,471.97	2,141.02	0.00088	0.99912	100.09
3.5	2,733,742.06	10,149.62	0.00371	0.99629	100.00
4.5	2,869,903.63	18,432.89	0.00642	0.99358	99.63
5.5	2,774,578.68	10,068.72	0.00363	0.99637	98.99
6.5	2,849,250.62	20,749.41	0.00728	0.99272	98.63
7.5	2,909,066.34	16,796.00	0.00577	0.99423	97.91
8.5	649,765.09	21,129.77	0.03252	0.96748	97.35
9.5	640,083.21	27,133.95	0.04239	0.95761	94.18
10.5	915,567.14	40,213.78	0.04392	0.95608	90.19
11.5	863,695.17	37,209.86	0.04308	0.95692	86.23
12.5	729,273.18	29,828.37	0.04090	0.95910	82.52
13.5	800,226.36	35,465.65	0.04432	0.95568	79.14
14.5	744,020.24	32,153.54	0.04322	0.95678	75.63
15.5	708,271.52	34,504.04	0.04872	0.95128	72.36
16.5	879,512.97	51,069.42	0.05807	0.94193	68.83
17.5	767,408.07	35,742.73	0.04658	0.95342	64.83
18.5	589,963.35	32,447.08	0.05500	0.94500	61.81
19.5	653,919.54	37,294.77	0.05703	0.94297	58.41
20.5	612,025.92	34,173.79	0.05584	0.94416	55.08
21.5	538,588.16	31,340.61	0.05819	0.94181	52.00
22.5	477,806.22	27,533.34	0.05762	0.94238	48.97
23.5	391,826.44	22,908.10	0.05846	0.94154	46.15
24.5	283,990.37	18,649.15	0.06567	0.93433	43.45
25.5	295,820.68	20,648.51	0.06980	0.93020	40.60
26.5	321,200.81	25,119.71	0.07821	0.92179	37.77
27.5	549,845.08	51,597.12	0.09384	0.90616	34.82
28.5	439,014.85	28,728.53	0.06544	0.93456	31.55
29.5	264,987.88	18,326.62	0.06916	0.93084	29.49
30.5	231,577.61	16,775.40	0.07244	0.92756	27.45
31.5	213,636.52	16,256.04	0.07609	0.92391	25.46
32.5	184,103.68	14,330.98	0.07784	0.92216	23.52
33.5	159,316.67	13,227.28	0.08302	0.91698	21.69
34.5	117,495.62	9,953.41	0.08471	0.91529	19.89
35.5	18,423.12	1,821.06	0.09884	0.90116	18.21
36.5	14,363.68	1,365.92	0.09510	0.90490	16.41
37.5	12,673.05	1,284.17	0.10132	0.89868	14.85
38.5	10,459.33	1,036.88	0.09915	0.90085	13.35
39.5	7,948.05	845.86	0.10644	0.89356	12.03
40.5	7,289.54	815.62	0.11193	0.88807	10.75
41.5	5,086.98	586.95	0.11539	0.88461	9.55
42.5	4,025.75	480.80	0.11947	0.88053	8.45
43.5	3,259.38	435.96	0.13378	0.86622	7.44
44.5	2,791.74	366.41	0.13109	0.86891	6.44
45.5	2,151.87	294.34	0.13662	0.86338	5.60
46.5	1,792.83	248.04	0.13832	0.86168	4.83
47.5	1,581.80	238.65	0.15107	0.84893	4.16
48.5	1,191.83	172.22	0.14430	0.85570	3.53
49.5	895.21	140.24	0.15642	0.84358	3.02
50.5	708.34	115.12	0.16243	0.83757	2.55
51.5	488.63	83.97	0.17178	0.82822	2.14
52.5	359.05	64.91	0.18106	0.81894	1.77

Observed Life Table

Scenario: Toledo Edison General Accounts
Account: TECO 101/6-39110 Office furn & equi
Placement Band: 1940 - 2006   Observation Band: 1999 - 2006

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirment Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
53.5	219.85	39.19	0.17727	0.82273	1.45
54.5	133.28	26.28	0.19549	0.80451	1.19
55.5	68.71	14.25	0.20290	0.79710	0.96
56.5	44.84	10.09	0.22222	0.77778	0.77
57.5	33.41	8.73	0.27273	0.72727	0.60
58.5	18.97	4.82	0.26316	0.73684	0.44
59.5	7.07	5.26	0.71429	0.28571	0.32
60.5	-1.49	0.00	0.00000	1.00000	0.09
61.5	-1.49	0.00	0.00000	1.00000	
62.5	-1.49	0.00	0.00000	1.00000	
63.5	-1.38	0.00	0.00000	1.00000	
64.5	-1.27	0.00	0.00000	1.00000	
65.5	0.00	0.00	0.00000	0.00000	

Net Salvage Analysis Report

			Gross Salvage (Cash)		Gross Salvage (Returns)		Cost of Removal		Net Salvage		
Account	Year	Retirements	Amount	Pct.	Amount	Pct.	Amount	Pct.	Amount	Pct.	1-Yr Avg
TECO 39110 Office Furniture & Fixtures	1999	122,420.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 39110 Office Furniture & Fixtures	2000	123,430.65	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 39110 Office Furniture & Fixtures	2001	71,140.74	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 39110 Office Furniture & Fixtures	2002	71,074.49	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 39110 Office Furniture & Fixtures	2003	73,553.35	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 39110 Office Furniture & Fixtures	2004	74,495.66	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 39110 Office Furniture & Fixtures	2005	80,159.49	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 39110 Office Furniture & Fixtures	2006	70,641.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		686,915.65	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

Whole Life Depreciation Accrual

Account: TECO 101/6-39110 Office furn & equi
Dispersion: 25 - L1.5

rage Net Salvage Rate: 5.00%
ure Net Salvage Rate: 5.00%

Broad Group Procedure

January 1 , 2007

		Plant Amt	Period (Years)	Accrual (Dollars)	Accrual Rate (Percent)
Pre- 2007	Additions	$2,479,359.94		$92,592.76	3.734563
	Whole Life		25	$94,215.68	
	Amortization		0	$0.00	
	Retirements	$85,416.84	25	$1,622.92	
2007	Additions	$0.00		$0.00	0.000000
	Whole Life			$0.00	
	Retirements	$0.00	0.00	$0.00	
	Total:	$2,479,359.94 *		$92,592.76	3.734582
	Average:	$2,436,651.52		$92,592.76	3.800000
	Grand Total:	$2,479,359.94 *		$92,592.76	3.734582

* Excluding 2007 Retirements

03/27/2007

Generation Arrangement Report

Account: TECO 101/6-39110 Office furn & equi

Dispersion: 25.00 - L1.5

Average Net Salvage Rate: 5.00%

Future Net Salvage Rate: 5.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
2006	0.50	$207,965.44	25.00	24.52	0.9316	1.0000	$193,737.17	$7,902.69
2005	1.50	$779,836.39	25.00	23.56	0.8952	1.0000	$698,133.02	$29,633.78
2004	2.50	$24,001.09	25.00	22.62	0.8597	1.0000	$20,634.92	$912.04
2003	3.50	$0.00	25.00	21.72	0.8253	1.0000	$0.00	$0.00
2002	4.50	$22,339.21	25.00	20.85	0.7921	1.0000	$17,695.94	$848.89
2000	6.50	$0.00	25.00	19.20	0.7298	1.0000	$0.00	$0.00
1999	7.50	$33,701.91	25.00	18.44	0.7006	1.0000	$23,612.10	$1,280.67
1998	8.50	$2,685.77	25.00	17.71	0.6728	1.0000	$1,807.02	$102.06
1997	9.50	$38,569.10	25.00	17.01	0.6464	1.0000	$24,931.69	$1,465.63
1996	10.50	$22,849.83	25.00	16.36	0.6216	1.0000	$14,203.76	$868.29
1995	11.50	$53,936.19	25.00	15.75	0.5985	1.0000	$32,283.31	$2,049.58
1994	12.50	$88,288.97	25.00	15.19	0.5773	1.0000	$50,967.36	$3,364.98
1993	13.50	$26,718.14	25.00	14.68	0.5578	1.0000	$14,902.05	$1,015.29
1992	14.50	$72,554.66	25.00	14.21	0.5398	1.0000	$39,166.90	$2,757.08
1991	15.50	$59,775.97	25.00	13.77	0.5233	1.0000	$31,281.14	$2,271.49
1990	16.50	$42,723.64	25.00	13.37	0.5080	1.0000	$21,703.89	$1,623.50
1989	17.50	$58,393.23	25.00	12.99	0.4938	1.0000	$28,834.11	$2,218.94
1988	18.50	$151,541.26	25.00	12.65	0.4805	1.0000	$72,819.01	$5,758.57
1987	19.50	$39,121.06	25.00	12.32	0.4681	1.0000	$18,310.70	$1,486.60
1986	20.50	$51,724.15	25.00	12.01	0.4562	1.0000	$23,598.80	$1,965.52
1985	21.50	$71,792.85	25.00	11.71	0.4450	1.0000	$31,945.13	$2,728.13
1984	22.50	$42,108.91	25.00	11.42	0.4341	1.0000	$18,278.93	$1,600.14
1983	23.50	$55,296.00	25.00	11.15	0.4235	1.0000	$23,418.61	$2,101.25
1982	24.50	$128,215.85	25.00	10.87	0.4132	1.0000	$52,974.17	$4,872.20
1981	25.50	$16,567.98	25.00	10.60	0.4030	1.0000	$6,676.46	$629.58
1980	26.50	$47,923.08	25.00	10.34	0.3929	1.0000	$18,827.82	$1,821.08
1979	27.50	$54,972.45	25.00	10.08	0.3829	1.0000	$21,046.60	$2,088.95
1978	28.50	$34,280.20	25.00	9.81	0.3729	1.0000	$12,782.24	$1,302.65
1977	29.50	$30,549.56	25.00	9.55	0.3629	1.0000	$11,087.76	$1,160.88
1976	30.50	$16,096.36	25.00	9.29	0.3531	1.0000	$5,683.07	$611.66
1975	31.50	$7,885.68	25.00	9.03	0.3432	1.0000	$2,706.62	$299.66
1974	32.50	$16,483.17	25.00	8.78	0.3335	1.0000	$5,496.66	$626.36
1973	33.50	$18,813.35	25.00	8.52	0.3238	1.0000	$6,091.83	$714.91

Account: TECO 101/6-39110 Office furn & equi

Dispersion: 25.00 - L1.5

Average Net Salvage Rate: 5.00%

Future Net Salvage Rate: 5.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
1972	34.50	$36,638.97	25.00	8.27	0.3142	1.0000	$11,512.89	$1,392.28
1971	35.50	$109,443.91	25.00	8.02	0.3048	1.0000	$33,357.80	$4,158.87
1970	36.50	$3,703.01	25.00	7.78	0.2955	1.0000	$1,094.23	$140.71
1969	37.50	$961.57	25.00	7.54	0.2863	1.0000	$275.33	$36.54
1968	38.50	$1,203.45	25.00	7.30	0.2773	1.0000	$333.77	$45.73
1967	39.50	$2,071.72	25.00	7.07	0.2685	1.0000	$556.30	$78.73
1966	40.50	$626.01	25.00	6.84	0.2599	1.0000	$162.69	$23.79
1965	41.50	$2,255.04	25.00	6.62	0.2514	1.0000	$566.92	$85.69
1964	42.50	$833.17	25.00	6.40	0.2431	1.0000	$202.55	$31.66
1963	43.50	$1,216.83	25.00	6.18	0.2350	1.0000	$285.92	$46.24
1962	44.50	$525.60	25.00	5.97	0.2270	1.0000	$119.32	$19.97
1961	45.50	$554.50	25.00	5.77	0.2192	1.0000	$121.55	$21.07
1960	46.50	$194.14	25.00	5.57	0.2116	1.0000	$41.08	$7.38
1959	47.50	$236.03	25.00	5.37	0.2041	1.0000	$48.18	$8.97
1958	48.50	$245.82	25.00	5.18	0.1968	1.0000	$48.38	$9.34
1957	49.50	$169.39	25.00	4.99	0.1896	1.0000	$32.12	$6.44
1956	50.50	$122.77	25.00	4.81	0.1826	1.0000	$22.42	$4.67
1955	51.50	$209.42	25.00	4.63	0.1758	1.0000	$36.81	$7.96
1954	52.50	$125.68	25.00	4.45	0.1691	1.0000	$21.25	$4.78
1953	53.50	$98.92	25.00	4.28	0.1625	1.0000	$16.07	$3.76
1952	54.50	$58.33	25.00	4.11	0.1561	1.0000	$9.10	$2.22
1951	55.50	$76.87	25.00	3.94	0.1498	1.0000	$11.52	$2.92
1950	56.50	$21.61	25.00	3.78	0.1437	1.0000	$3.10	$0.82
1949	57.50	$21.68	25.00	3.62	0.1377	1.0000	$2.99	$0.82
1948	58.50	$13.16	25.00	3.47	0.1318	1.0000	$1.73	$0.50
1947	59.50	$11.34	25.00	3.32	0.1261	1.0000	$1.43	$0.43
1946	60.50	$9.55	25.00	3.17	0.1204	1.0000	$1.15	$0.36
1943	63.50	$0.00	25.00	2.73	0.1039	1.0000	$0.00	$0.00
1942	64.50	$0.00	25.00	2.59	0.0984	1.0000	$0.00	$0.00
1941	65.50	$0.00	25.00	2.44	0.0927	1.0000	$0.00	$0.00
1936	70.50	$0.00	25.00	1.62	0.0616	1.0000	$0.00	$0.00
1931	75.50	$0.00	25.00	0.00	0.0000	0.0000	$0.00	$0.00
1930	76.50	$0.00	25.00	0.00	0.0000	0.0000	$0.00	$0.00

Generation Arrangement Report

Account: TECO 101/6-39110 Office furn & equi

Dispersion: 25.00 - L1.5

rage Net Salvage Rate: 5.00%

ure Net Salvage Rate: 5.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	*Surviving* Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed *Net Plant*	Accrual
1929	77.50	$0.00	25.00	0.00	0.0000	0.0000	$0.00	$0.00
1928	78.50	$0.00	25.00	0.00	0.0000	0.0000	$0.00	$0.00
1927	79.50	$0.00	25.00	0.00	0.0000	0.0000	$0.00	$0.00
1926	80.50	$0.00	25.00	0.00	0.0000	0.0000	$0.00	$0.00
1925	81.50	$0.00	25.00	0.00	0.0000	0.0000	$0.00	$0.00
1924	82.50	$0.00	25.00	0.00	0.0000	0.0000	$0.00	$0.00
1923	83.50	$0.00	25.00	0.00	0.0000	0.0000	$0.00	$0.00
		$2,479,359.94	25.00	16.92	0.6431	1.0000	$1,594,525.40	$94,215.68

Depreciation Reserve Summary

Account: TECO 101/6-39110 Office furn & equi
Scenario: Toldeo Edison General ADR
Dispersion: 25 - L1.5
Average Net Salvage Rate: 5.00%
Future Net Salvage Rate: 5.00%

Broad Group Procedure

January 1 , 2007

		Depreciation Reserve		Net Plant	
	Plant Amt	Amount	Ratio	Amount	Ratio
Recorded	$2,479,359.94	$772,417.34	0.3115	$1,582,974.60	0.6385
Computed	$2,479,359.94	$760,866.54	0.3069	$1,594,525.40	0.6431
Difference		$11,550.80	0.0047	($11,550.80)	-0.0047

Toledo Edison Company

Average Life and Salvage Rate Determination

Based On Year End 2006 Data using Beginning Balance 1999

Account 39120 General Data Processing Equipment

Life and Iowa Survivor Curve

Current Life and Iowa Survivor Curve is 25 L0.5

Actuarial Life Analysis

12 R4 best fit using 1999 - 2006 data.

Industry Survey - EEI Survey of Depreciation Statistics 2003

Service Life Range 5 - 31 Years

Recommendation

We recommend changing to a 10 R4.

Comments:
The actuarial analysis recommends a 12 year service life. In looking at the Observed Life Table the exposures become insignificant after approximately 10 years, so a 10 year life is recommended.

***Salvage Factor* Estimates**

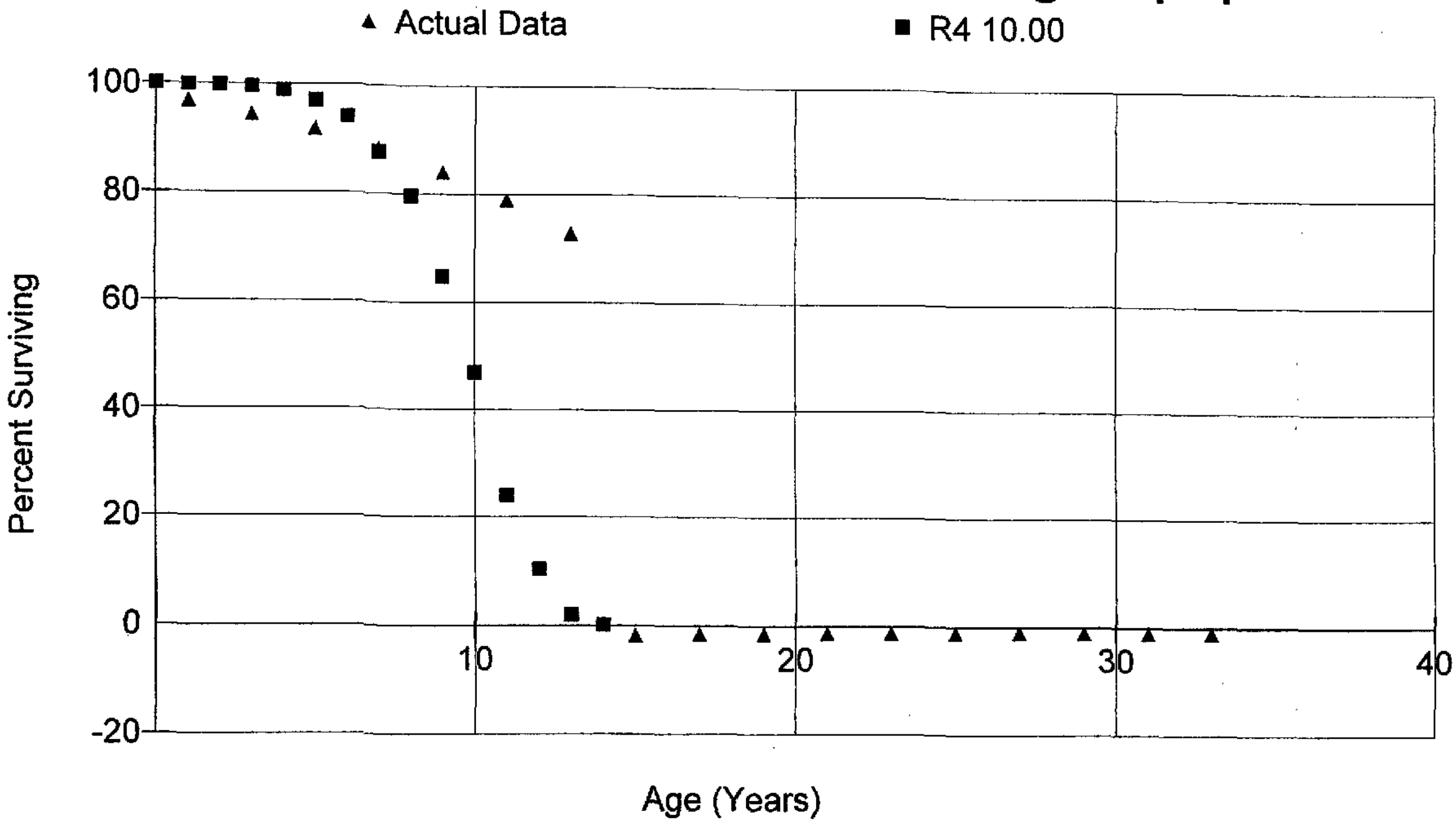
Current Net salvage Rate is	5%
Proposed Net salvage Rate is	5%

Comments:
Our study of 1999 - 2006 data produced a 0% net salvage rate which we believe to be reasonable with previous analysis and EEI Industry trends which range from 10% to -5%. We recommend continuing with the current 5% net salvage rate as we are experiencing neither cost of removal or salvage in our current study while experiencing retirements in every year.

Summary of Recommendations

10	Average Service Life
R4	Iowa Curve
5	% Net Salvage

Toledo Edison Company
Account 39120 Data Processing Equipment



Vintages: 1973-2006
Activity Years: 1999-2006

Observed Life Table

Scenario: Toledo Edison General Accounts

Account: TECO 101/6-39120 Data processing

Placement Band: 1973 - 2006 **Observation Band:** 1999 - 2006

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirment Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
0	662,946.60	546.31	0.00082	0.99918	100.00
0.5	582,790.10	17,636.26	0.03026	0.96974	99.92
1.5	4,063,598.75	74,071.95	0.01823	0.98177	96.90
2.5	4,217,343.36	34,053.75	0.00807	0.99193	95.13
3.5	3,643,333.49	44,088.47	0.01210	0.98790	94.36
4.5	3,451,644.11	55,410.15	0.01605	0.98395	93.22
5.5	3,021,053.42	55,337.77	0.01832	0.98168	91.72
6.5	3,044,487.34	62,737.57	0.02061	0.97939	90.04
7.5	2,499,603.43	57,377.90	0.02295	0.97705	88.18
8.5	900,948.15	22,934.21	0.02546	0.97454	86.16
9.5	1,013,372.38	28,115.61	0.02774	0.97226	83.97
10.5	294,843.96	9,938.60	0.03371	0.96629	81.64
11.5	269,597.57	9,836.53	0.03649	0.96351	78.89
12.5	188,369.85	7,841.83	0.04163	0.95837	76.01
13.5	1,385.09	1,453.44	1.04910	-0.04910	72.85
14.5	3,058.03	1,567.98	0.51275	0.48725	-3.58
15.5	39,967.86	3,046.84	0.07624	0.92376	-1.74
16.5	62,626.34	2,497.21	0.03987	0.96013	-1.61
17.5	24,211.67	999.23	0.04126	0.95874	-1.55
18.5	0.00	0.00	0.00000	0.00000	-1.49
19.5	2,693.77	118.97	0.04417	0.95583	
20.5	2,574.80	117.53	0.04583	0.95417	
21.5	0.00	0.00	0.00000	0.00000	
22.5	118.88	5.79	0.05042	0.94958	
23.5	3,599.66	181.10	0.05028	0.94972	
24.5	5,797.94	301.23	0.05191	0.94809	
25.5	10,661.98	571.40	0.05355	0.94645	
26.5	7,859.35	434.81	0.05535	0.94465	
27.5	0.00	0.00	0.00000	0.00000	

Net Salvage Analysis Report

			Gross Salvage (Cash)		Gross Salvage (Returns)		Cost of Removal		Net Salvage		
Account	Year	Retirements	Amount	Pct.	Amount	Pct.	Amount	Pct.	Amount	Pct.	1-Yr Avg
TECO 39120 Data Processing Equipment	1999	64,236.55	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 39120 Data Processing Equipment	2000	125,674.86	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 39120 Data Processing Equipment	2001	30,727.87	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 39120 Data Processing Equipment	2002	35,431.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 39120 Data Processing Equipment	2003	39,913.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 39120 Data Processing Equipment	2004	50,730.96	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 39120 Data Processing Equipment	2005	67,546.44	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 39120 Data Processing Equipment	2006	76,961.12	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		491,222.44	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

Whole Life Depreciation Accrual

Account: TECO 101/6-39120 Data processing
Dispersion: *10 - R4

erage Net Salvage Rate: 5.00%
ure Net Salvage Rate: 5.00%

Broad Group Procedure

January 1 , 2007

		Plant Amt	Period (Years)	Accrual (Dollars)	Accrual Rate (Percent)
Pre- 2007	Additions	*$3,757,388.15*		$325,698.48	8.668228
	Whole Life		10	$353,940.80	
	Amortization		0	$0.00	
	Retirements	$594,575.14	10	$28,242.32	
2007	Additions	$0.00		$0.00	0.000000
	Whole Life			$0.00	
	Retirements	$0.00	0.00	$0.00	
	Total:	$3,757,388.15 *		$325,698.48	8.668240
	Average:	$3,460,100.58		$325,698.48	9.412977
	Grand Total:	$3,757,388.15 *		$325,698.48	8.668240

* Excluding 2007 Retirements

03/27/2007

Generation Arrangement Report

Account: TECO 101/6-39120 Data processing

Dispersion: 10.00 - R4

rage Net Salvage Rate: 5.00%

ure Net Salvage Rate: 5.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
2006	0.50	$164,564.50	10.00	9.50	0.9026	1.0000	$148,528.61	$15,633.63
2005	1.50	$8,896.88	10.00	8.50	0.8078	1.0000	$7,187.24	$845.20
2004	2.50	$105,032.61	10.00	7.51	0.7137	1.0000	$74,960.00	$9,978.10
2003	3.50	$1,022,317.36	10.00	6.53	0.6208	1.0000	$634,659.51	$97,120.15
2000	6.50	$48,946.40	10.00	3.82	0.3632	1.0000	$17,778.46	$4,649.91
1999	7.50	$386,733.45	10.00	3.05	0.2894	1.0000	$111,932.59	$36,739.68
1998	8.50	$1,291,707.77	10.00	2.35	0.2228	1.0000	$287,761.80	$122,712.24
1997	9.50	$52,434.47	10.00	1.74	0.1651	1.0000	$8,659.06	$4,981.27
1996	10.50	$645,059.22	10.00	1.29	0.1226	1.0000	$79,055.46	$61,280.63
1995	11.50	$0.00	10.00	0.97	0.0925	1.0000	$0.00	$0.00
1994	12.50	$0.00	10.00	0.73	0.0690	1.0000	$0.00	$0.00
1993	13.50	$0.00	10.00	0.53	0.0507	1.0000	$0.00	$0.00
992	14.50	$0.00	10.00	0.30	0.0285	1.0000	$0.00	$0.00
1991	15.50	$0.00	10.00	0.00	0.0000	0.0000	$0.00	$0.00
1990	16.50	$31,695.49	10.00	0.00	0.0000	0.0000	$0.00	$0.00
1989	17.50	$0.00	10.00	0.00	0.0000	0.0000	$0.00	$0.00
1988	18.50	$0.00	10.00	0.00	0.0000	0.0000	$0.00	$0.00
1987	19.50	$0.00	10.00	0.00	0.0000	0.0000	$0.00	$0.00
1986	20.50	$0.00	10.00	0.00	0.0000	0.0000	$0.00	$0.00
1985	21.50	$0.00	10.00	0.00	0.0000	0.0000	$0.00	$0.00
1984	22.50	$0.00	10.00	0.00	0.0000	0.0000	$0.00	$0.00
1983	23.50	$0.00	10.00	0.00	0.0000	0.0000	$0.00	$0.00
1982	24.50	$0.00	10.00	0.00	0.0000	0.0000	$0.00	$0.00
1979	27.50	$0.00	10.00	0.00	0.0000	0.0000	$0.00	$0.00
1976	30.50	$0.00	10.00	0.00	0.0000	0.0000	$0.00	$0.00
1975	31.50	$0.00	10.00	0.00	0.0000	0.0000	$0.00	$0.00
1974	32.50	$0.00	10.00	0.00	0.0000	0.0000	$0.00	$0.00
1973	33.50	$0.00	10.00	0.00	0.0000	0.0000	$0.00	$0.00
		$3,757,388.15	10.00	3.84	0.3648	1.0000	$1,370,522.73	$353,940.80

Depreciation Reserve Summary

Account: TECO 101/6-39120 Data processing
Scenario: Toldeo Edison General ADR
Dispersion: 10 - R4
Average Net Salvage Rate: 5.00%
Future Net Salvage Rate: 5.00%

Broad Group Procedure

January 1 , 2007

		Depreciation Reserve		Net Plant	
	Plant Amt	Amount	Ratio	Amount	Ratio
Recorded	$3,757,388.15	$625,572.28	0.1665	$2,943,946.46	0.7835
Computed	$3,757,388.15	$2,198,996.02	0.5852	$1,370,522.72	0.3648
Difference		($1,573,423.74)	-0.4188	$1,573,423.74	0.4188

Toledo Edison Company

Average Life and Salvage Rate Determination

Based On Year End 2006 Data using Beginning Balance 1999

Account 392 General Transportation Equipment

Life and Iowa Survivor Curve

Current Life and Iowa Survivor Curve is 11 L2.

Actuarial Life Analysis

12.5 L3 best fit using 1999 - 2006 data.

Industry Survey - EEI Survey of Depreciation Statistics 2003

Service Life Range 5 - 30 Years

Recommendation

We recommend changing to a 13 L3.

Comments:
We were inclined to use the more recent data as it is more reflective of what we are experiencing currently with regard to Transportation Equipment. The actuarial analysis suggested a slight increase to the average service life which is recommended.

Salvage Factor Estimates

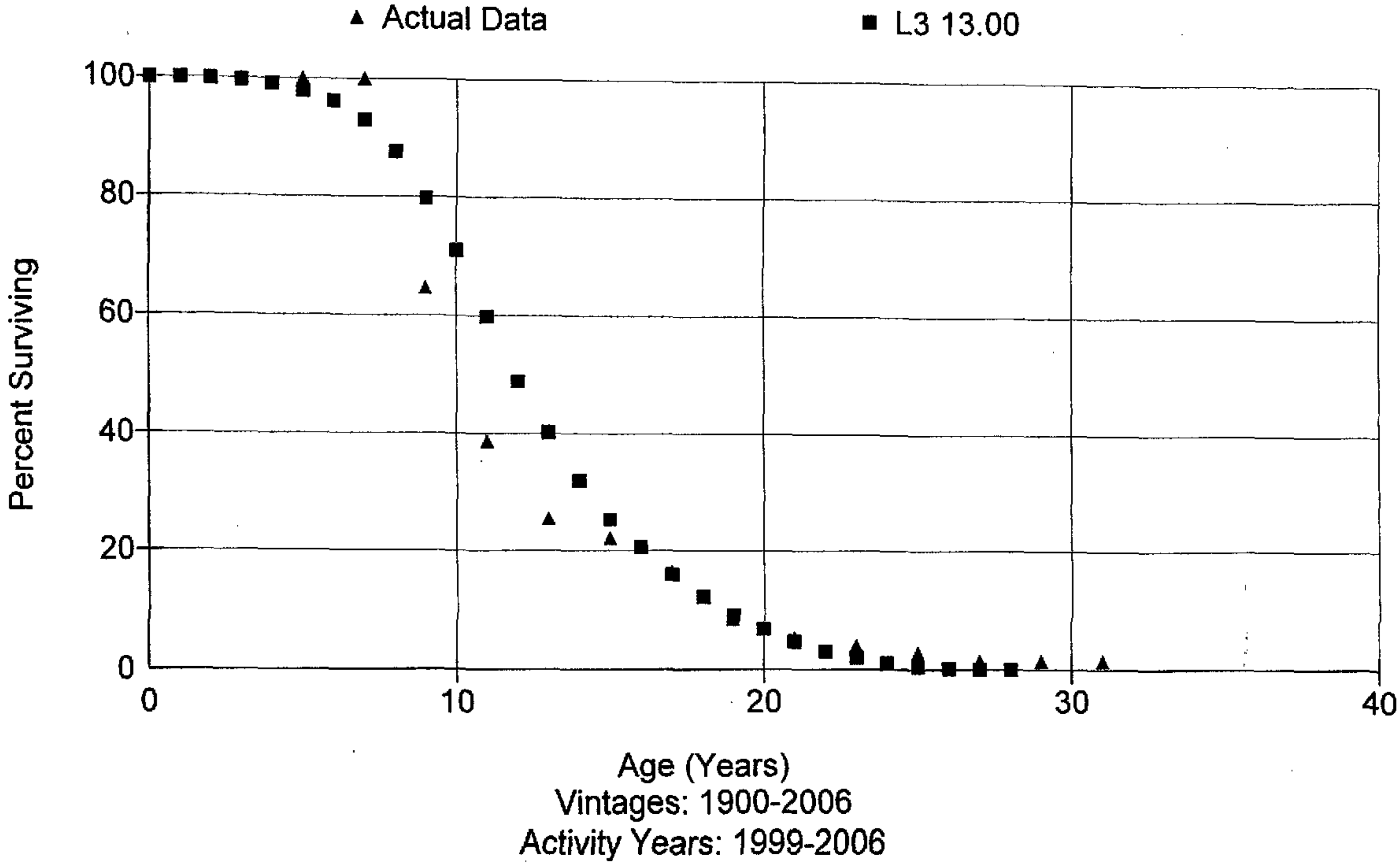
Current Net salvage Rate is	10%
Proposed Net salvage Rate is	10%

Comments:
Our study of 1999 - 2006 data produced a 4% net salvage rate. We believe the period studied is too short to be decisive. The Industry net cost of removal per the EEI Study ranged from 0% to 109% . We recommend no change to the net salvage rate at this time based on our findings.

Summary of Recommendations

13	Average Service Life
L3	Iowa Curve
10	% Net Salvage

Toledo Edison Company
Account 392 Transportation Equipment



Observed Life Table

Scenario: Toledo Edison General Accounts
Account: TECO 101/6-392 Transportation equip
Placement Band: 1900 - 2006 **Observation Band:** 1999 - 2006

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirment Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
0	72,049.78	0.00	0.00000	1.00000	100.00
0.5	72,049.78	0.00	0.00000	1.00000	100.00
1.5	72,049.78	0.00	0.00000	1.00000	100.00
2.5	72,049.78	0.00	0.00000	1.00000	100.00
3.5	72,049.78	0.00	0.00000	1.00000	100.00
4.5	72,049.78	0.00	0.00000	1.00000	100.00
5.5	83,270.78	0.00	0.00000	1.00000	100.00
6.5	132,703.78	0.00	0.00000	1.00000	100.00
7.5	60,654.00	0.00	0.00000	1.00000	100.00
8.5	1,364,568.21	483,397.24	0.35425	0.64575	100.00
9.5	1,943,799.07	405,887.17	0.20881	0.79119	64.58
10.5	3,192,720.42	775,966.78	0.24304	0.75696	51.10
11.5	4,991,856.01	1,184,275.54	0.23724	0.76276	38.68
12.5	5,321,263.34	723,471.81	0.13596	0.86404	29.50
13.5	6,309,244.46	595,052.26	0.09431	0.90569	25.49
14.5	5,634,442.44	232,503.10	0.04126	0.95874	23.09
15.5	6,621,860.19	1,121,014.39	0.16929	0.83071	22.14
16.5	5,469,615.97	579,980.62	0.10604	0.89396	18.39
17.5	5,611,836.44	1,096,942.60	0.19547	0.80453	16.44
18.5	4,675,489.44	1,690,453.56	0.36156	0.63844	13.23
19.5	3,078,263.16	1,058,117.73	0.34374	0.65626	8.45
20.5	1,971,738.31	56,948.82	0.02888	0.97112	5.55
21.5	1,664,390.20	406,362.51	0.24415	0.75585	5.39
22.5	1,258,027.69	53,387.75	0.04244	0.95756	4.07
23.5	963,513.69	250,250.75	0.25973	0.74027	3.90
24.5	710,507.03	0.00	0.00000	1.00000	2.89
25.5	288,538.57	12,811.15	0.04440	0.95560	2.89
26.5	194,053.79	91,380.08	0.47090	0.52910	2.76
27.5	102,673.71	0.00	0.00000	1.00000	1.46
28.5	102,673.71	0.00	0.00000	1.00000	1.46
29.5	102,673.71	0.00	0.00000	1.00000	1.46
30.5	102,673.71	0.00	0.00000	1.00000	1.46
31.5	67,571.61	0.00	0.00000	1.00000	1.46
32.5	67,571.61	67,571.61	1.00000	0.00000	1.46
33.5	0.00	0.00	0.00000	0.00000	0.00

Net Salvage Analysis Report

			Gross Salvage (Cash)		Gross Salvage (Returns)		Cost of Removal		Net Salvage		
Account	Year	Retirements	Amount	Pct.	Amount	Pct.	Amount	Pct.	Amount	Pct.	1-Yr Avg
TECO 392 Transportation Equipment	1999	5,134,460.41	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 392 Transportation Equipment	2000	285,637.09	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 392 Transportation Equipment	2001	380,780.79	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 392 Transportation Equipment	2004	0.00	333,698.72	0.00	0.00	0.00	0.00	0.00	333,698.72	0.00	0.00
TECO 392 Transportation Equipment	2005	2,247,820.10	66,400.51	2.95	0.00	0.00	0.00	0.00	66,400.51	2.95	2.95
TECO 392 Transportation Equipment	2006	2,837,077.08	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		10,885,775.47	400,099.23	3.68	0.00	0.00	0.00	0.00	400,099.23	3.68	

Whole Life Depreciation Accrual

Account: TECO 101/6-392 Transportation equip
Dispersion: 13 - L3

erage Net Salvage Rate: 10.00%
ure Net Salvage Rate: 10.00%

Broad Group Procedure

January 1 , 2007

	Plant Amt	Period (Years)	Accrual (Dollars)	Accrual Rate (Percent)
Pre- 2007 Additions	$2,125,986.40		$118,415.86	5.569949
Whole Life		13	$144,753.53	
Amortization		0	$0.00	
Retirements	$760,865.87	13	$26,337.66	
2007 Additions	$0.00		$0.00	0.000000
Whole Life			$0.00	
Retirements	$0.00	0.00	$0.00	
Total:	$2,125,986.40 *		$118,415.86	5.569971
Average:	$1,745,553.47		$118,415.86	6.783858
Grand Total:	$2,125,986.40 *		$118,415.86	5.569971

Excluding 2007 Retirements

Account: TECO 101/6-392 Transportation equip

Dispersion: 13.00 - L3

Average Net Salvage Rate: 10.00%

Future Net Salvage Rate: 10.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
1999	7.50	$72,049.78	13.00	6.07	0.4200	1.0000	$30,258.11	$4,988.06
1993	13.50	$11,221.00	13.00	3.84	0.2657	1.0000	$2,981.65	$776.84
1992	14.50	$49,433.00	13.00	3.67	0.2538	1.0000	$12,543.63	$3,422.28
1990	16.50	$290,670.36	13.00	3.23	0.2236	1.0000	$65,002.71	$20,123.33
1989	17.50	$218,632.09	13.00	2.98	0.2062	1.0000	$45,087.00	$15,136.07
1988	18.50	$209,275.99	13.00	2.72	0.1883	1.0000	$39,408.39	$14,488.34
1987	19.50	$90,597.71	13.00	2.47	0.1707	1.0000	$15,464.62	$6,272.15
1986	20.50	$48,407.12	13.00	2.22	0.1537	1.0000	$7,440.53	$3,351.26
1985	21.50	$250,399.29	13.00	1.98	0.1373	1.0000	$34,386.76	$17,335.34
1984	22.50	$0.00	13.00	1.76	0.1217	1.0000	$0.00	$0.00
1983	23.50	$276,228.35	13.00	1.54	0.1069	1.0000	$29,529.12	$19,123.50
1982	24.50	$2,755.91	13.00	1.34	0.0926	1.0000	$255.10	$190.79
1981	25.50	$421,968.46	13.00	1.14	0.0789	1.0000	$33,309.22	$29,213.20
1980	26.50	$149,245.24	13.00	0.95	0.0660	1.0000	$9,855.08	$10,332.36
1979	27.50	$0.00	13.00	0.78	0.0541	1.0000	$0.00	$0.00
1975	31.50	$35,102.10	13.00	0.00	0.0000	0.0000	$0.00	$0.00
1972	34.50	$0.00	13.00	0.00	0.0000	0.0000	$0.00	$0.00
		$2,125,986.40	13.00	2.21	0.1531	1.0000	$325,521.94	$144,753.53

Depreciation Reserve Summary

Account: TECO 101/6-392 Transportation equip
Scenario: Toldeo Edison General ADR
Dispersion: 13 - L3
[illegible]age Net Salvage Rate: 10.00%
Future Net Salvage Rate: 10.00%

Broad Group Procedure

January 1 , 2007

	Plant Amt	Depreciation Reserve Amount	Depreciation Reserve Ratio	Net Plant Amount	Net Plant Ratio
Recorded	$2,125,986.40	$2,098,344.00	0.9870	($184,956.24)	-0.0870
Computed	$2,125,986.40	$1,587,865.82	0.7469	$325,521.94	0.1531
Difference		$510,478.18	0.2401	($510,478.18)	-0.2401

Toledo Edison Company

Average Life and Salvage Rate Determination

Based On Year End 2006 Data using Beginning Balance 1999

Account 393 General Stores Equipment

Life and Iowa Survivor Curve

Current Life and Iowa Survivor Curve is 35 S0.

Actuarial Life Analysis

32 S0 best fit using an observation band beginning in 1980 - 2006 data.

Industry Survey - EEI Survey of Depreciation Statistics 2003

Service Life Range 10 - 50 Years

Recommendation

We recommend changing to a 32 S0.

Comments:
The actuarial analysis recommends a slightly shorter life using the same Iowa Curve. In reviewing the Observed Life Table the exposures after approximately 32 years are statistically insignificant, and this change is justifiable.

Salvage Factor Estimates

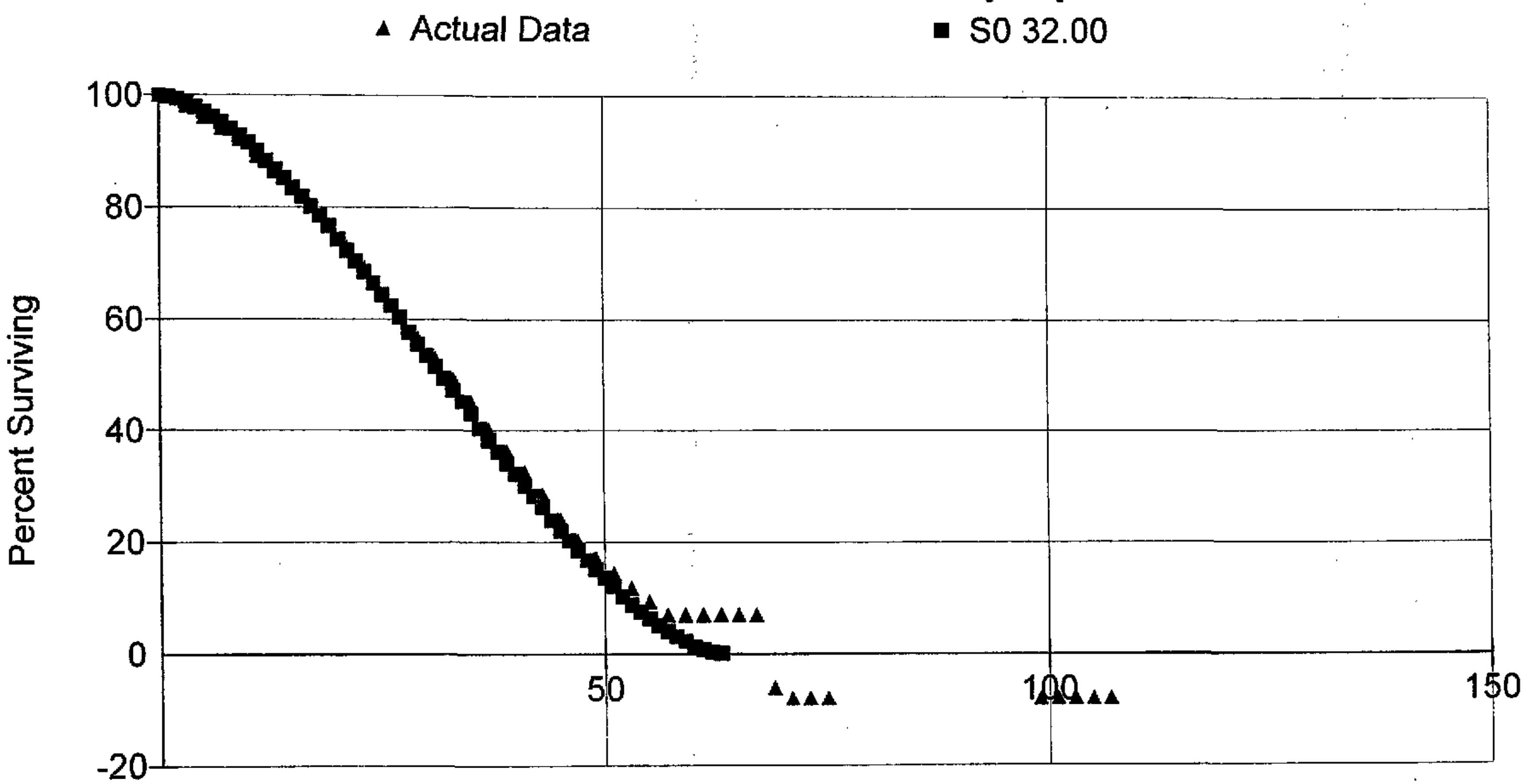
Current Net salvage Rate is	0%
Proposed Net salvage Rate is	0%

Comments:
Our study of 1999 - 2006 data produced a 0% net salvage rate. We believe the period studied is too short to be decisive but matches the previous study findings. The Industry net cost of removal per the EEI Study was between 500% and -45%. We recommend no change to the current net salvage rate.

Summary of Recommendations

32	Average Service Life
S0	Iowa Curve
0	% Net Salvage

Toledo Edison Company
Account 393 Stores Equipment



Age (Years)
Vintages: 1900-2006
Activity Years: 1999-2006

Observed Life Table

Scenario: Toledo Edison General Accounts

Account: TECO 101/6-393 Stores equipment

Placement Band: 1900 - 2006 Observation Band: 1999 - 2006

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirment Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
0	-1,069.89	0.00	0.00000	1.00000	100.00
0.5	-535.00	0.00	0.00000	1.00000	100.00
1.5	-535.00	-5.46	0.00935	0.99065	
2.5	7,208.27	62.15	0.00860	0.99140	
3.5	78,761.68	811.34	0.01030	0.98970	
4.5	152,937.77	1,531.41	0.01001	0.98999	
5.5	167,802.31	1,493.35	0.00890	0.99110	
6.5	221,671.09	2,506.95	0.01131	0.98869	
7.5	219,164.14	2,250.00	0.01027	0.98973	
8.5	228,425.49	2,684.83	0.01175	0.98825	
9.5	225,740.66	2,749.90	0.01218	0.98782	
10.5	427,087.27	8,173.39	0.01914	0.98086	
11.5	413,403.23	6,621.53	0.01602	0.98398	
12.5	339,605.11	5,114.47	0.01506	0.98494	
13.5	330,258.09	6,167.13	0.01867	0.98133	
14.5	285,984.44	5,015.81	0.01754	0.98246	
15.5	297,990.35	5,594.69	0.01878	0.98122	
16.5	318,297.50	6,599.30	0.02073	0.97927	
17.5	311,698.20	6,138.69	0.01970	0.98030	
18.5	122,727.65	2,545.46	0.02074	0.97926	
19.5	91,306.06	2,462.78	0.02698	0.97302	
20.5	106,758.37	2,820.45	0.02641	0.97359	
21.5	100,674.20	2,474.39	0.02457	0.97543	
22.5	99,645.42	2,706.72	0.02717	0.97283	
23.5	254,076.57	10,644.10	0.04189	0.95811	
24.5	226,002.29	6,360.16	0.02814	0.97186	
25.5	238,720.31	7,151.30	0.02996	0.97004	
26.5	275,778.75	9,202.73	0.03337	0.96663	
27.5	247,886.99	7,486.48	0.03020	0.96980	
28.5	225,755.03	7,091.42	0.03141	0.96859	
29.5	215,268.42	7,038.24	0.03269	0.96731	
30.5	199,675.04	6,785.13	0.03398	0.96602	
31.5	61,750.89	2,186.59	0.03542	0.96458	
32.5	50,351.06	1,853.50	0.03682	0.96318	
33.5	35,060.76	1,373.49	0.03916	0.96084	
34.5	1,174.05	54.58	0.04685	0.95315	
35.5	4,011.10	277.64	0.06931	0.93069	
36.5	3,733.46	161.84	0.04340	0.95660	
37.5	3,935.28	197.09	0.05006	0.94994	
38.5	3,738.19	176.28	0.04708	0.95292	
39.5	3,925.59	211.81	0.05400	0.94600	
40.5	3,784.56	198.05	0.05231	0.94769	
41.5	3,935.72	256.60	0.06529	0.93471	
42.5	3,882.88	236.11	0.06078	0.93922	
43.5	4,975.87	462.77	0.09305	0.90695	
44.5	5,297.42	371.62	0.07023	0.92977	
45.5	7,935.68	707.19	0.08909	0.91091	
46.5	8,257.69	628.64	0.07617	0.92383	
47.5	8,149.42	638.21	0.07829	0.92171	
48.5	7,781.14	616.49	0.07917	0.92083	
49.5	6,703.51	547.76	0.08174	0.91826	
50.5	5,971.85	515.82	0.08640	0.91360	
51.5	3,791.28	349.20	0.09206	0.90794	
52.5	3,048.64	300.66	0.09872	0.90128	

Observed Life Table

Scenario: Toledo Edison General Accounts

Account: TECO 101/6-393 Stores equipment

Placement Band: 1900 - 2006

Observation Band: 1999 - 2006

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirment Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
53.5	1,163.27	123.23	0.10576	0.89424	
54.5	568.17	65.03	0.11444	0.88556	
55.5	171.15	21.27	0.12281	0.87719	
56.5	22.83	3.10	0.13043	0.86957	
57.5	0.00	0.00	0.00000	0.00000	
58.5	0.00	0.00	0.00000	0.00000	
59.5	0.00	0.00	0.00000	0.00000	
60.5	0.00	0.00	0.00000	0.00000	
61.5	0.00	0.00	0.00000	0.00000	
62.5	0.00	0.00	0.00000	0.00000	
63.5	0.00	0.00	0.00000	0.00000	
64.5	0.00	0.00	0.00000	0.00000	
65.5	0.00	0.00	0.00000	0.00000	
66.5	0.00	0.00	0.00000	0.00000	
67.5	0.00	0.00	0.00000	0.00000	
68.5	7.63	14.05	1.75000	-0.75000	
69.5	-6.42	2.02	-0.33333	1.33333	
70.5	-8.44	0.00	0.00000	1.00000	
71.5	-8.44	0.00	0.00000	1.00000	
72.5	-8.44	0.00	0.00000	1.00000	
73.5	-8.44	0.00	0.00000	1.00000	
74.5	-8.44	0.00	0.00000	1.00000	
75.5	-8.44	0.00	0.00000	1.00000	
76.5	0.00	0.00	0.00000	0.00000	

Net Salvage Analysis Report

			Gross Salvage (Cash)		Gross Salvage (Returns)		Cost of Removal		Net Salvage		
Account	Year	Retirements	Amount	Pct.	Amount	Pct.	Amount	Pct.	Amount	Pct.	1-Yr Avg
TECO 393 Stores Equipment	1999	15,191.39	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 393 Stores Equipment	2000	15,773.96	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 393 Stores Equipment	2001	16,306.48	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 393 Stores Equipment	2002	16,799.22	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 393 Stores Equipment	2003	17,264.49	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 393 Stores Equipment	2004	17,687.39	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 393 Stores Equipment	2005	18,065.36	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 393 Stores Equipment	2006	18,429.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		135,517.43	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

Whole Life Depreciation Accrual

Account: TECO 101/6-393 Stores equipment

Dispersion: 32 - S0

Average Net Salvage Rate: 0.00%

Future Net Salvage Rate: 0.00%

Broad Group Procedure

January 1, 2007

	Plant Amt	Period (Years)	Accrual (Dollars)	Accrual Rate (Percent)
Pre- 2007 Additions	$768,660.15		$23,659.33	3.078061
Whole Life		32	$24,020.63	
Amortization		0	$0.00	
Retirements	$23,123.20	32	$361.30	
2007 Additions	$0.00		$0.00	0.000000
Whole Life			$0.00	
Retirements	$0.00	0.00	$0.00	
Total:	$768,660.15 *		$23,659.33	3.078124
Average:	$757,098.55		$23,659.33	3.125000
Grand Total:	$768,660.15 *		$23,659.33	3.078124

* Excluding 2007 Retirements

Generation Arrangement Report

Account: TECO 101/6-393 Stores equipment
Dispersion: 32.00 - S0
[illegible]rage Net Salvage Rate: 0.00%
[illegible]ure Net Salvage Rate: 0.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
2000	6.50	$0.00	32.00	26.64	0.8324	1.0000	$0.00	$0.00
1996	10.50	$7,222.19	32.00	23.94	0.7482	1.0000	$5,403.29	$225.69
1995	11.50	$66,284.14	32.00	23.31	0.7285	1.0000	$48,289.86	$2,071.38
1994	12.50	$68,344.21	32.00	22.70	0.7094	1.0000	$48,482.73	$2,135.76
1993	13.50	$14,464.89	32.00	22.10	0.6907	1.0000	$9,990.70	$452.03
1992	14.50	$50,048.32	32.00	21.52	0.6724	1.0000	$33,652.46	$1,564.01
1990	16.50	$10,251.90	32.00	20.38	0.6369	1.0000	$6,529.71	$320.37
1988	18.50	$185,420.06	32.00	19.29	0.6028	1.0000	$111,774.93	$5,794.38
1987	19.50	$53,090.45	32.00	18.76	0.5862	1.0000	$31,122.57	$1,659.08
1986	20.50	$620.73	32.00	18.24	0.5699	1.0000	$353.74	$19.40
1985	21.50	$8,684.88	32.00	17.72	0.5538	1.0000	$4,809.83	$271.40
1984	22.50	$9,784.04	32.00	17.22	0.5380	1.0000	$5,263.76	$305.75
[illegible]83	23.50	$14,390.95	32.00	16.72	0.5224	1.0000	$7,517.83	$449.72
1982	24.50	$30,231.90	32.00	16.22	0.5070	1.0000	$15,328.03	$944.75
1979	27.50	$19,173.42	32.00	14.79	0.4621	1.0000	$8,860.23	$599.17
1978	28.50	$15,046.67	32.00	14.32	0.4475	1.0000	$6,733.50	$470.21
1977	29.50	$3,637.32	32.00	13.86	0.4331	1.0000	$1,575.22	$113.67
1976	30.50	$8,816.37	32.00	13.40	0.4188	1.0000	$3,692.30	$275.51
1975	31.50	$135,435.53	32.00	12.95	0.4047	1.0000	$54,808.84	$4,232.36
1974	32.50	$9,525.99	32.00	12.50	0.3907	1.0000	$3,721.91	$297.69
1973	33.50	$14,802.45	32.00	12.06	0.3769	1.0000	$5,578.84	$462.58
1972	34.50	$33,955.62	32.00	11.62	0.3632	1.0000	$12,332.36	$1,061.11
1969	37.50	$103.94	32.00	10.33	0.3228	1.0000	$33.56	$3.25
1967	39.50	$51.93	32.00	9.49	0.2965	1.0000	$15.40	$1.62
1965	41.50	$602.59	32.00	8.66	0.2706	1.0000	$163.08	$18.83
1964	42.50	$144.93	32.00	8.25	0.2578	1.0000	$37.37	$4.53
1963	43.50	$1,979.93	32.00	7.84	0.2451	1.0000	$485.33	$61.87
1961	45.50	$306.54	32.00	7.04	0.2200	1.0000	$67.43	$9.58
1959	47.50	$263.00	32.00	6.24	0.1951	1.0000	$51.32	$8.22
[illegible]58	48.50	$44.10	32.00	5.85	0.1829	1.0000	$8.07	$1.38
[illegible]7	49.50	$560.16	32.00	5.46	0.1707	1.0000	$95.60	$17.51
1956	50.50	$202.22	32.00	5.07	0.1585	1.0000	$32.06	$6.32
1955	51.50	$1,844.44	32.00	4.69	0.1464	1.0000	$270.10	$57.64

Account: TECO 101/6-393 Stores equipment

Dispersion: 32.00 - S0

rage Net Salvage Rate: 0.00%

re Net Salvage Rate: 0.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
1954	52.50	$439.68	32.00	4.30	0.1344	1.0000	$59.11	$13.74
1953	53.50	$1,788.60	32.00	3.92	0.1225	1.0000	$219.13	$55.89
1952	54.50	$538.73	32.00	3.54	0.1106	1.0000	$59.61	$16.84
1951	55.50	$384.23	32.00	3.16	0.0989	1.0000	$37.98	$12.01
1950	56.50	$149.43	32.00	2.79	0.0872	1.0000	$13.03	$4.67
1949	57.50	$23.67	32.00	2.42	0.0756	1.0000	$1.79	$0.74
1930	76.50	$0.00	32.00	0.00	0.0000	0.0000	$0.00	$0.00
		$768,660.15	32.00	17.80	0.5561	1.0000	$427,472.61	$24,020.63

Depreciation Reserve Summary

Account: TECO 101/6-393 Stores equipment
Scenario: *Toldeo Edison General ADR*
Dispersion: 32 - S0
Average Net Salvage Rate: 0.00%
Future Net Salvage Rate: 0.00%

Broad Group Procedure

January 1 , 2007

		Depreciation Reserve		Net Plant	
	Plant Amt	Amount	Ratio	Amount	Ratio
Recorded	$768,660.15	$363,394.31	0.4728	$405,265.84	0.5272
Computed	$768,660.15	$341,187.54	0.4439	$427,472.61	0.5561
Difference		$22,206.77	0.0289	($22,206.77)	-0.0289

Toledo Edison Company

Average Life and Salvage Rate Determination

Based On Year End 2006 Data using Beginning Balance 1999

Account 394 General Tools Shop & Garage Equipment

Life and Iowa Survivor Curve

Current Life and Iowa Survivor Curve is 30 R2.

Actuarial Life Analysis

29.5 R2 best fit using 1999 - 2006 data.

Industry Survey - EEI Survey of Depreciation Statistics 2003

Service Life Range 10 - 45 Years.

Recommendation

We recommend continuing with 30 R2.

Comments:
A review of the data for account 394 produced the same results as the previous study and the life was well within the EEI Study results. We recommend no change to account 394 life or curve.

Salvage Factor Estimates

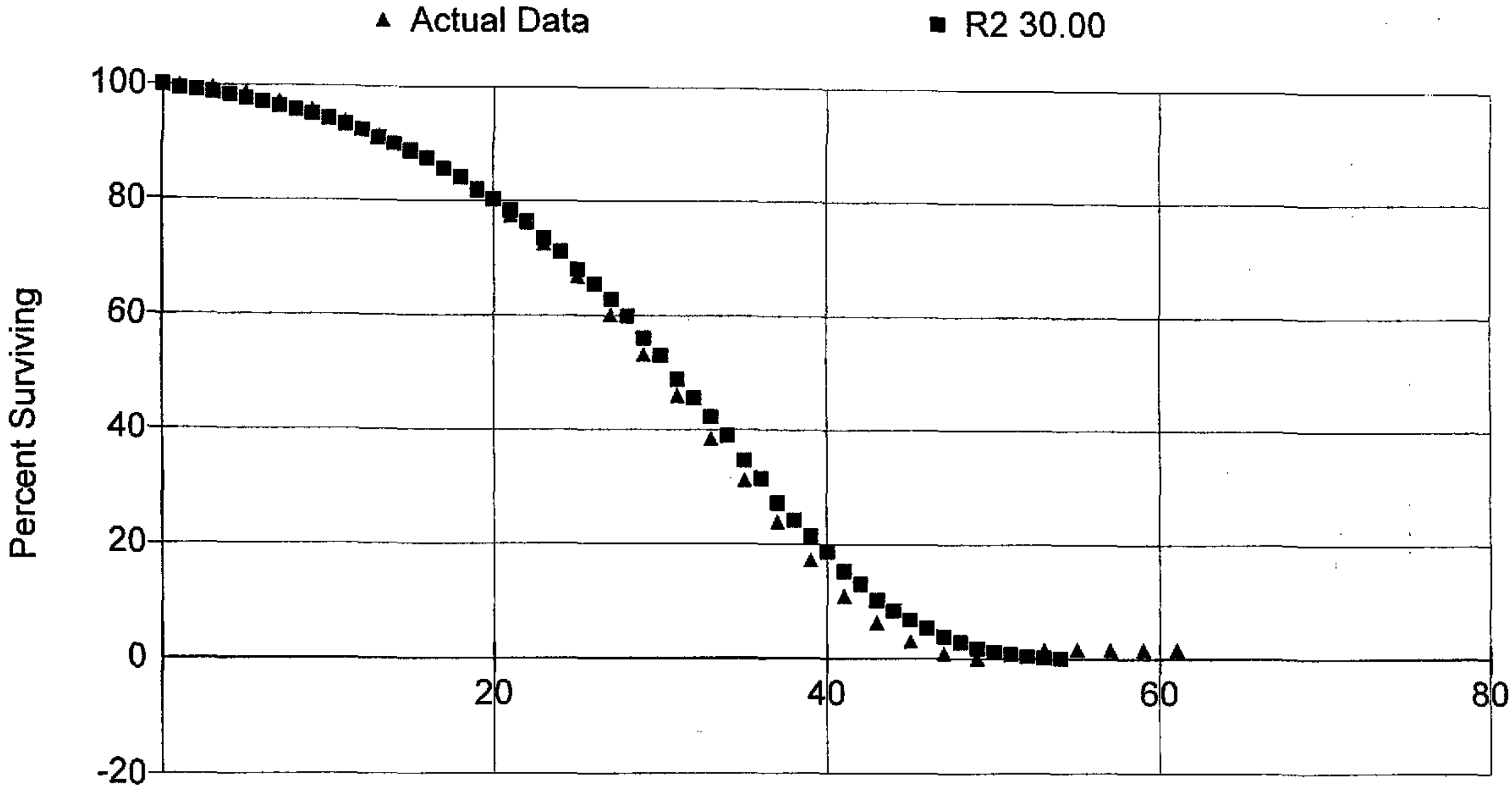
Current Net salvage Rate is	0%
Proposed Net salvage Rate is	0%

Comments:
Our study of 1999 - 2006 data produced a 1% net salvage rate. We believe the period studied is too short to be decisive. The Industry net cost of removal per the EEI Study ranged from 0% to 500% . We recommend no change to the net salvage rate at this time based on our findings.

Summary of Recommendations

30	Average Service Life
R2	Iowa Curve
0	% Net Salvage

Toledo Edison Company
Account 394 Tools, Shop & Garage Equipment



Age (Years)
Vintages: 1946-2006
Activity Years: 1999-2006

Observed Life Table

Scenario: *Toledo Edison General Accounts*

Account: TECO 101/6-394 Tools, shop, garage

Placement Band: 1946 - 2006

Observation Band: 1999 - 2006

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirment Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
0	232,030.87	0.00	0.00000	1.00000	100.00
0.5	335,793.40	290.05	0.00086	0.99914	100.00
1.5	481,554.25	869.81	0.00181	0.99819	99.91
2.5	503,212.23	1,155.41	0.00230	0.99770	99.73
3.5	572,284.02	1,817.06	0.00317	0.99683	99.50
4.5	668,512.58	3,424.31	0.00512	0.99488	99.18
5.5	876,906.47	5,628.57	0.00642	0.99358	98.67
6.5	1,123,134.89	8,085.07	0.00720	0.99280	98.04
7.5	1,081,178.90	7,777.12	0.00719	0.99281	97.33
8.5	989,134.57	8,735.22	0.00883	0.99117	96.63
9.5	1,022,929.90	10,341.80	0.01011	0.98989	95.78
10.5	1,113,031.22	11,933.37	0.01072	0.98928	94.81
11.5	1,458,900.20	19,827.56	0.01359	0.98641	93.79
12.5	1,478,753.07	18,936.72	0.01281	0.98719	92.52
13.5	1,357,617.34	18,905.23	0.01393	0.98607	91.33
14.5	1,201,789.81	18,588.53	0.01547	0.98453	90.06
15.5	1,142,061.67	19,005.04	0.01664	0.98336	88.67
16.5	1,105,269.29	20,767.25	0.01879	0.98121	87.19
17.5	1,023,496.60	21,269.99	0.02078	0.97922	85.55
18.5	985,231.56	22,655.53	0.02300	0.97700	83.77
19.5	703,232.82	18,851.23	0.02681	0.97319	81.84
20.5	610,679.92	16,675.69	0.02731	0.97269	79.65
21.5	559,029.28	17,047.70	0.03050	0.96950	77.47
22.5	505,202.70	17,065.03	0.03378	0.96622	75.11
23.5	506,749.56	19,649.82	0.03878	0.96122	72.57
24.5	462,242.83	19,206.71	0.04155	0.95845	69.76
25.5	444,748.81	21,384.45	0.04808	0.95192	66.86
26.5	447,282.16	24,648.26	0.05511	0.94489	63.65
27.5	373,526.91	20,738.49	0.05552	0.94448	60.14
28.5	381,274.52	24,413.99	0.06403	0.93597	56.80
29.5	344,066.88	22,503.66	0.06541	0.93459	53.16
30.5	315,458.83	23,063.93	0.07311	0.92689	49.68
31.5	286,181.48	24,188.33	0.08452	0.91548	46.05
32.5	248,462.09	21,838.01	0.08789	0.91211	42.16
33.5	188,697.59	17,636.27	0.09346	0.90654	38.45
34.5	126,229.92	13,366.74	0.10589	0.89411	34.86
35.5	101,066.15	11,844.06	0.11719	0.88281	31.17
36.5	67,109.42	8,779.49	0.13082	0.86918	27.52
37.5	53,946.77	7,741.06	0.14349	0.85651	23.92
38.5	39,816.45	6,309.21	0.15845	0.84155	20.49
39.5	22,425.90	4,077.06	0.18180	0.81820	17.24
40.5	19,065.31	4,251.45	0.22297	0.77703	14.11
41.5	16,609.86	3,807.75	0.22926	0.77074	10.96
42.5	12,886.45	3,247.84	0.25206	0.74794	8.45
43.5	9,561.67	2,716.55	0.28415	0.71585	6.32
44.5	7,075.78	2,361.58	0.33380	0.66620	4.52
45.5	4,457.26	1,728.37	0.38770	0.61230	3.01
46.5	3,336.00	1,731.31	0.51888	0.48112	1.84
47.5	1,881.14	1,338.86	0.71186	0.28814	0.89
48.5	714.19	812.37	1.13725	-0.13725	0.26
49.5	58.79	486.30	8.23729	-7.23729	-0.04
50.5	-199.76	355.52	-1.78000	2.78000	0.29
51.5	-367.02	215.39	-0.58583	1.58583	
52.5	-377.71	100.28	-0.26455	1.26455	

Observed Life Table

Scenario: Toledo Edison General Accounts

Account: *TECO 101/6-394 Tools, shop, garage*

Placement Band: 1946 - 2006 **Observation Band:** 1999 - 2006

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirment Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
53.5	-433.27	43.21	-0.09931	1.09931	
54.5	-239.30	7.87	-0.03347	1.03347	
55.5	-121.76	0.37	0.00000	1.00000	
56.5	-69.97	0.00	0.00000	1.00000	
57.5	-61.97	0.00	0.00000	1.00000	
58.5	-24.84	0.00	0.00000	1.00000	
59.5	-5.36	0.00	0.00000	1.00000	
60.5	0.00	0.00	0.00000	0.00000	

Net Salvage Analysis Report

			Gross Salvage (Cash)		Gross Salvage (Returns)		Cost of Removal		Net Salvage		
Account	Year	Retirements	Amount	Pct.	Amount	Pct.	Amount	Pct.	Amount	Pct.	1-Yr Avg
TECO 394 Tools, Shop & Garage Equip	1999	57,180.94	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 394 Tools, Shop & Garage Equip	2000	60,648.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 394 Tools, Shop & Garage Equip	2001	63,813.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 394 Tools, Shop & Garage Equip	2002	66,968.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 394 Tools, Shop & Garage Equip	2003	70,133.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 394 Tools, Shop & Garage Equip	2004	74,050.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 394 Tools, Shop & Garage Equip	2005	77,180.72	0.00	0.00	0.00	0.00	(7,408.20)	-9.60	7,408.20	9.60	9.60
TECO 394 Tools, Shop & Garage Equip	2006	80,565.96	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		550,541.87	0.00	0.00	0.00	0.00	(7,408.20)	-1.35	7,408.20	1.35	

Whole Life Depreciation Accrual

Account: TECO 101/6-394 Tools, shop, garage
Dispersion: 30 - R2

rage Net Salvage Rate: 0.00%
Future Net Salvage Rate: 0.00%

Broad Group Procedure

January 1, 2007

	Plant Amt	Period (Years)	Accrual (Dollars)	Accrual Rate (Percent)
Pre- 2007 Additions	$2,896,470.01		$95,116.74	3.283902
Whole Life		30	$96,549.00	
Amortization		0	$0.00	
Retirements	*$85,935.66*	30	$1,432.26	
2007 Additions	$0.00		$0.00	0.000000
Whole Life			$0.00	
Retirements	$0.00	0.00	$0.00	
Total:	$2,896,470.01 *		$95,116.74	3.283919
Average:	$2,853,502.18		$95,116.74	3.333333
Grand Total:	$2,896,470.01 *		$95,116.74	3.283919

* Excluding 2007 Retirements

Generation Arrangement Report

Account: *TECO 101/6-394 Tools, shop, garage*

Dispersion: 30.00 - R2

Average Net Salvage Rate: *0.00%*

Future Net Salvage Rate: 0.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
2005	1.50	$86,065.77	30.00	28.65	0.9550	1.0000	$82,190.73	$2,868.86
2000	6.50	$0.00	30.00	24.30	0.8098	1.0000	$0.00	$0.00
1999	7.50	$145,241.34	30.00	23.46	0.7819	1.0000	$113,557.75	$4,841.38
1998	8.50	$98,907.56	30.00	22.63	0.7542	1.0000	$74,599.10	$3,296.92
1997	9.50	$123,668.87	30.00	21.81	0.7270	1.0000	$89,903.30	$4,122.30
1996	10.50	$21,417.94	30.00	21.00	0.7001	1.0000	$14,995.09	$713.93
1995	11.50	$66,399.77	30.00	20.21	0.6737	1.0000	$44,732.57	$2,213.33
1994	12.50	$91,119.69	30.00	19.43	0.6476	1.0000	$59,013.18	$3,037.32
1993	13.50	$196,789.07	30.00	18.66	0.6221	1.0000	$122,417.28	$6,559.64
1992	14.50	$233,452.24	30.00	17.91	0.5969	1.0000	$139,358.74	$7,781.74
1991	15.50	$102,417.85	30.00	17.17	0.5723	1.0000	$58,609.48	$3,413.93
1990	16.50	$106,971.39	30.00	16.44	0.5481	1.0000	$58,629.19	$3,565.71
1989	17.50	$150,090.32	30.00	15.73	0.5244	1.0000	$78,707.93	$5,003.01
1988	18.50	$108,830.25	30.00	15.04	0.5012	1.0000	$54,545.67	$3,627.67
1987	19.50	$375,451.71	30.00	14.36	0.4786	1.0000	$179,681.21	$12,515.06
1986	20.50	$113,713.30	30.00	13.69	0.4565	1.0000	$51,907.92	$3,790.44
1985	21.50	$80,431.90	30.00	13.05	0.4349	1.0000	$34,981.21	$2,681.06
1984	22.50	$80,551.64	30.00	12.42	0.4140	1.0000	$33,347.02	$2,685.05
1983	23.50	$50,458.73	30.00	11.81	0.3936	1.0000	$19,862.07	$1,681.96
1982	24.50	$72,255.64	30.00	11.22	0.3739	1.0000	$27,013.45	$2,408.52
1981	25.50	$70,331.91	30.00	10.64	0.3548	1.0000	$24,951.01	$2,344.40
1980	26.50	$71,117.22	30.00	10.09	0.3363	1.0000	$23,916.18	$2,370.57
1979	27.50	$85,567.35	30.00	9.55	0.3184	1.0000	$27,248.66	$2,852.25
1978	28.50	$28,712.36	30.00	9.04	0.3013	1.0000	$8,650.78	$957.08
1977	29.50	$32,002.98	30.00	8.54	0.2848	1.0000	$9,114.21	$1,066.77
1976	30.50	$29,687.86	30.00	8.07	0.2689	1.0000	$7,984.19	$989.60
1975	31.50	$45,914.28	30.00	7.61	0.2538	1.0000	$11,651.59	$1,530.48
1974	32.50	$29,755.22	30.00	7.18	0.2392	1.0000	$7,118.80	$991.84
1973	33.50	$43,667.65	30.00	6.76	0.2254	1.0000	$9,840.58	$1,455.59
1972	34.50	$55,093.86	30.00	6.36	0.2121	1.0000	$11,684.48	$1,836.46
1971	35.50	$19,106.64	30.00	5.98	0.1994	1.0000	$3,809.76	$636.89
1970	36.50	$29,844.18	30.00	5.62	0.1873	1.0000	$5,589.43	$994.81
1969	37.50	$9,006.98	30.00	5.27	0.1757	1.0000	$1,582.19	$300.23

Account: TECO 101/6-394 Tools, shop, garage

Dispersion: 30.00 - R2

Average Net Salvage Rate: 0.00%

Future Net Salvage Rate: 0.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
1968	38.50	$10,445.69	30.00	4.93	0.1645	1.0000	$1,718.30	$348.19
1967	39.50	$16,331.40	30.00	4.61	0.1538	1.0000	$2,511.74	$544.38
1966	40.50	$5,889.33	30.00	4.30	0.1434	1.0000	$844.33	$196.31
1965	41.50	$1,120.56	30.00	4.00	0.1332	1.0000	$149.28	$37.35
1964	42.50	$2,132.68	30.00	3.70	0.1234	1.0000	$263.11	$71.09
1963	43.50	$1,758.25	30.00	3.41	0.1135	1.0000	$199.64	$58.61
1962	44.50	$1,333.25	30.00	3.11	0.1038	1.0000	$138.41	$44.44
1961	45.50	$885.62	30.00	2.83	0.0943	1.0000	$83.50	$29.52
1960	46.50	$571.33	30.00	2.54	0.0846	1.0000	$48.36	$19.04
1959	47.50	$489.39	30.00	2.25	0.0750	1.0000	$36.73	$16.31
1958	48.50	$854.50	30.00	1.97	0.0658	1.0000	$56.19	$28.48
1957	49.50	$333.83	30.00	1.69	0.0564	1.0000	$18.82	$11.13
1956	50.50	$156.06	30.00	1.42	0.0472	1.0000	$7.37	$5.20
1955	51.50	$73.55	30.00	1.16	0.0387	1.0000	$2.85	$2.45
1954	52.50	$42.00	30.00	0.91	0.0304	1.0000	$1.28	$1.40
1953	53.50	$3.73	30.00	0.68	0.0226	1.0000	$0.08	$0.12
1952	54.50	$5.15	30.00	0.55	0.0182	1.0000	$0.09	$0.17
1951	55.50	$0.22	30.00	0.15	0.0050	1.0000	$0.00	$0.01
1950	56.50	$0.00	30.00	0.00	0.0000	0.0000	$0.00	$0.00
1949	57.50	$0.00	30.00	0.00	0.0000	0.0000	$0.00	$0.00
1948	58.50	$0.00	30.00	0.00	0.0000	0.0000	$0.00	$0.00
1947	59.50	$0.00	30.00	0.00	0.0000	0.0000	$0.00	$0.00
1946	60.50	$0.00	30.00	0.00	0.0000	0.0000	$0.00	$0.00
1944	62.50	$0.00	30.00	0.00	0.0000	0.0000	$0.00	$0.00
		$2,896,470.01	30.00	15.51	0.5169	1.0000	$1,497,274.81	$96,549.00

Depreciation Reserve Summary

Account: TECO 101/6-394 Tools, shop, garage
Scenario: Toldeo Edison General ADR
Dispersion: 30 - R2
Average Net Salvage Rate: 0.00%
Future Net Salvage Rate: 0.00%

Broad Group Procedure

January 1 , 2007

		Depreciation Reserve		Net Plant	
	Plant Amt	Amount	Ratio	Amount	Ratio
Recorded	$2,896,470.01	$1,588,239.42	0.5483	$1,308,230.59	0.4517
Computed	$2,896,470.01	$1,399,195.20	0.4831	$1,497,274.81	0.5169
Difference		$189,044.22	0.0653	($189,044.22)	-0.0653

Toledo Edison Company

Average Life and Salvage Rate Determination

Based On Year End 2006 Data using Beginning Balance 1999

Account 395 General Laboratory Equipment

Life and Iowa Survivor Curve

Current Life and Iowa Survivor Curve is 35 R2.

Actuarial Life Analysis

34 R2 best fit using 1999 - 2006 data

Industry Survey - EEI Survey of Depreciation Statistics 2003

Service Life Range 7 - 52 Years

Recommendation

We recommend continuing with 35 R2.

Comments:
The actuarial analysis recommends the same Iowa Curve with an average service life of 34 years. As an average service life of 35 years is currently being used, no change is recommended.

Salvage Factor Estimates

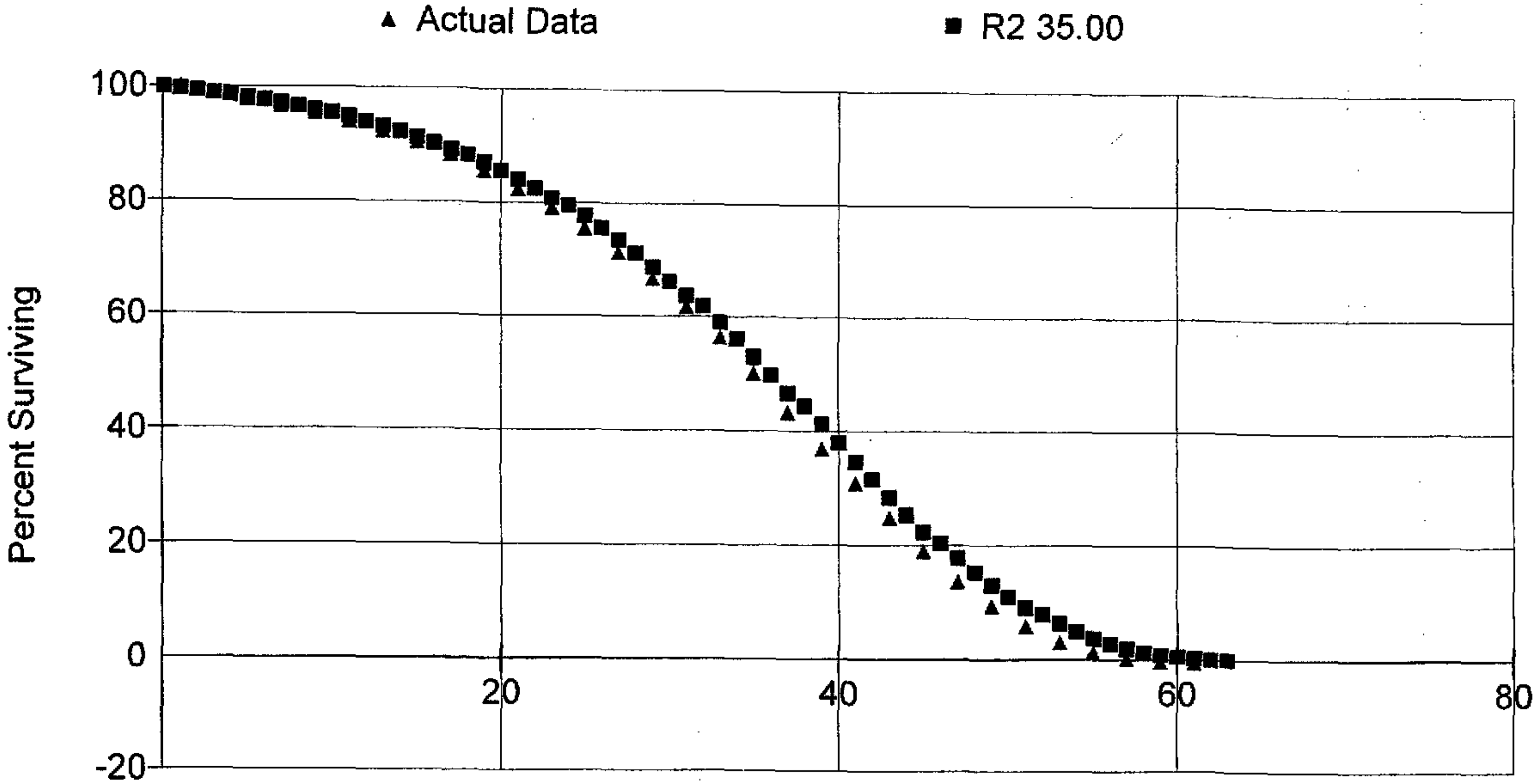
Current Net salvage Rate is	0%
Proposed Net salvage Rate is	0%

Comments:
Our study of 1999 - 2006 data produced a 0% net salvage rate. We believe the period studied is too short to be decisive. The Industry net cost of removal per the EEI Study ranged from 0% to 500% . We recommend no change to the net salvage rate at this time based on our findings.

Summary of Recommendations

35	Average Service Life
R2	Iowa Curve
0	% Net Salvage

Toledo Edison Company
Account 395 Laboratory Equipment



Age (Years)
Vintages: 1946-2006
Activity Years: 1999-2006

Observed Life Table

Scenario: Toledo Edison General Accounts

Account: TECO 101/6-395 Laboratory equipment

Placement Band: 1946 - 2006 Observation Band: 1999 - 2006

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirment Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
0	-112.18	0.00	0.00000	1.00000	100.00
0.5	-56.00	0.00	0.00000	1.00000	100.00
1.5	-56.00	-0.26	0.00000	1.00000	
2.5	145,488.54	959.42	0.00659	0.99341	
3.5	273,230.25	1,424.35	0.00521	0.99479	
4.5	479,909.24	2,794.30	0.00582	0.99418	
5.5	569,785.05	2,997.49	0.00526	0.99474	
6.5	695,173.30	4,072.55	0.00586	0.99414	
7.5	955,375.65	6,565.11	0.00687	0.99313	
8.5	1,090,240.84	7,310.12	0.00670	0.99330	
9.5	1,083,244.68	7,089.25	0.00654	0.99346	
10.5	1,031,182.43	7,987.63	0.00775	0.99225	
11.5	1,023,234.65	8,834.97	0.00863	0.99137	
12.5	893,321.09	8,173.89	0.00915	0.99085	
13.5	886,420.91	8,925.73	0.01007	0.98993	
14.5	794,391.05	8,314.64	0.01047	0.98953	
15.5	562,769.34	6,381.10	0.01134	0.98866	
16.5	476,514.29	6,210.33	0.01303	0.98697	
17.5	503,801.23	6,899.56	0.01370	0.98630	
18.5	507,477.71	8,356.91	0.01647	0.98353	
19.5	414,852.57	6,708.03	0.01617	0.98383	
20.5	482,446.32	10,153.81	0.02105	0.97895	
21.5	416,781.67	7,898.56	0.01895	0.98105	
22.5	433,174.25	9,495.49	0.02192	0.97808	
23.5	428,738.80	9,612.16	0.02242	0.97758	
24.5	392,799.30	9,459.51	0.02408	0.97592	
25.5	379,721.95	10,111.05	0.02663	0.97337	
26.5	307,943.09	8,911.63	0.02894	0.97106	
27.5	305,517.31	9,856.86	0.03226	0.96774	
28.5	185,452.02	6,210.00	0.03349	0.96651	
29.5	164,177.01	5,900.63	0.03594	0.96406	
30.5	121,152.90	4,920.86	0.04062	0.95938	
31.5	97,461.39	4,107.38	0.04214	0.95786	
32.5	84,742.59	4,047.54	0.04777	0.95223	
33.5	70,400.48	3,828.13	0.05438	0.94562	
34.5	57,438.47	3,341.56	0.05818	0.94182	
35.5	43,271.22	3,026.52	0.06995	0.93005	
36.5	40,822.71	2,904.83	0.07116	0.92884	
37.5	37,994.05	2,791.36	0.07346	0.92654	
38.5	33,062.50	2,683.17	0.08115	0.91885	
39.5	30,372.67	2,529.47	0.08326	0.91674	
40.5	25,393.20	2,287.60	0.09010	0.90990	
41.5	18,874.89	1,836.22	0.09727	0.90273	
42.5	14,879.41	1,613.30	0.10841	0.89159	
43.5	9,489.56	1,166.15	0.12287	0.87713	
44.5	5,925.01	749.30	0.12641	0.87359	
45.5	4,176.19	583.45	0.13961	0.86039	
46.5	2,870.85	478.26	0.16649	0.83351	
47.5	2,060.98	326.94	0.15866	0.84134	
48.5	1,663.54	309.16	0.18570	0.81430	
49.5	1,309.82	261.84	0.20000	0.80000	
50.5	866.17	190.00	0.21940	0.78060	
51.5	478.52	120.18	0.25052	0.74948	
52.5	341.07	98.01	0.28739	0.71261	

Observed Life Table

Scenario: Toledo Edison General Accounts
Account: TECO 101/6-395 Laboratory equipment
Placement Band: 1946 - 2006
Observation Band: 1999 - 2006

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirment Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
53.5	204.63	67.41	0.32683	0.67317	
54.5	72.93	28.07	0.38356	0.61644	
55.5	44.86	24.02	0.53333	0.46667	
56.5	14.93	12.04	0.80000	0.20000	
57.5	3.15	6.27	2.00000	-1.00000	
58.5	-1.85	3.70	-2.00000	3.00000	
59.5	-2.26	1.29	-0.50000	1.50000	
60.5	0.00	0.00	0.00000	0.00000	

Net Salvage Analysis Report

			Gross Salvage (Cash)		Gross Salvage (Returns)		Cost of Removal		Net Salvage		
Account	Year	Retirements	Amount	Pct.	Amount	Pct.	Amount	Pct.	Amount	Pct.	1-Yr Avg
TECO 395 Laboratory Equipment	1999	22,180.47	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 395 Laboratory Equipment	2000	23,639.33	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 395 Laboratory Equipment	2001	25,152.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 395 Laboratory Equipment	2002	26,721.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 395 Laboratory Equipment	2003	28,341.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 395 Laboratory Equipment	2004	30,011.38	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 395 Laboratory Equipment	2005	31,721.39	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 395 Laboratory Equipment	2006	33,473.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		221,239.72	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

Whole Life Depreciation Accrual

Account: TECO 101/6-395 Laboratory equipment

Dispersion: 35 - R2

age Net Salvage Rate: 0.00%

Future Net Salvage Rate: 0.00%

Broad Group Procedure

January 1 , 2007

		Plant Amt	Period (Years)	Accrual (Dollars)	Accrual Rate (Percent)
Pre- 2007	Additions	$1,958,748.79		$55,446.14	2.830717
	Whole Life		35	$55,964.25	
	Amortization		0	$0.00	
	Retirements	$36,267.83	35	$518.11	
2007	Additions	$0.00		$0.00	0.000000
	Whole Life			$0.00	
	Retirements	$0.00	0.00	$0.00	
	Total:	$1,958,748.79 *		$55,446.14	2.830742
	Average:	$1,940,614.88		$55,446.14	2.857143
	Grand Total:	$1,958,748.79 *		$55,446.14	2.830742

* Excluding 2007 Retirements

Generation Arrangement Report

Account: *TECO 101/6-395 Laboratory equipment*
Dispersion: 35.00 - R2
[illegible]age Net Salvage Rate: 0.00%
Future Net Salvage Rate: 0.00%
Broad Group Procedure
January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
2000	6.50	$0.00	35.00	29.27	0.8362	1.0000	$0.00	$0.00
1996	10.50	$139,920.14	35.00	25.92	0.7406	1.0000	$103,617.93	$3,997.72
1995	11.50	$123,320.21	35.00	25.11	0.7173	1.0000	$88,461.07	$3,523.43
1994	12.50	$198,612.82	35.00	24.30	0.6944	1.0000	$137,917.01	$5,674.65
1993	13.50	$88,012.08	35.00	23.51	0.6718	1.0000	$59,124.64	$2,514.63
1992	14.50	$121,441.48	35.00	22.73	0.6495	1.0000	$78,876.39	$3,469.76
1991	15.50	$248,732.25	35.00	21.96	0.6275	1.0000	$156,083.02	$7,106.64
1990	16.50	$132,394.59	35.00	21.21	0.6059	1.0000	$80,212.37	$3,782.70
1989	17.50	$343.22	35.00	20.46	0.5845	1.0000	$200.63	$9.81
1988	18.50	$87,381.63	35.00	19.72	0.5636	1.0000	$49,245.09	$2,496.62
1987	19.50	$112,949.12	35.00	19.00	0.5429	1.0000	$61,325.14	$3,227.12
1986	20.50	$69,964.80	35.00	18.29	0.5227	1.0000	$36,569.69	$1,998.99
1985	21.50	$80,400.63	35.00	17.60	0.5029	1.0000	$40,429.54	$2,297.16
1984	22.50	$33,843.85	35.00	16.92	0.4834	1.0000	$16,359.20	$966.97
1983	23.50	$21,402.64	35.00	16.25	0.4643	1.0000	$9,937.08	$611.50
1982	24.50	$45,486.98	35.00	15.60	0.4456	1.0000	$20,269.67	$1,299.63
1981	25.50	$29,417.30	35.00	14.96	0.4274	1.0000	$12,571.76	$840.49
1980	26.50	$83,602.89	35.00	14.33	0.4095	1.0000	$34,238.39	$2,388.65
1979	27.50	$23,564.90	35.00	13.72	0.3921	1.0000	$9,240.78	$673.28
1978	28.50	$120,054.79	35.00	13.13	0.3753	1.0000	$45,050.66	$3,430.14
1977	29.50	$19,855.83	35.00	12.56	0.3588	1.0000	$7,123.96	$567.31
1976	30.50	$46,746.97	35.00	12.00	0.3428	1.0000	$16,024.08	$1,335.63
1975	31.50	$20,825.07	35.00	11.45	0.3273	1.0000	$6,815.15	$595.00
1974	32.50	$14,475.04	35.00	10.93	0.3122	1.0000	$4,519.22	$413.57
1973	33.50	$19,347.63	35.00	10.42	0.2977	1.0000	$5,758.83	$552.79
1972	34.50	$15,383.39	35.00	9.93	0.2836	1.0000	$4,362.34	$439.53
1971	35.50	$21,513.66	35.00	9.45	0.2700	1.0000	$5,809.02	$614.68
1970	36.50	$5,395.96	35.00	8.99	0.2569	1.0000	$1,386.33	$154.17
1969	37.50	$3,006.08	35.00	8.55	0.2443	1.0000	$734.39	$85.89
1968	38.50	$5,688.36	35.00	8.13	0.2322	1.0000	$1,320.61	$162.52
1967	39.50	$985.77	35.00	7.72	0.2205	1.0000	$217.34	$28.16
1966	40.50	$3,372.02	35.00	7.32	0.2092	1.0000	$705.58	$96.34
1965	41.50	$5,014.60	35.00	6.95	0.1985	1.0000	$995.15	$143.27

Generation Arrangement Report

Account: TECO 101/6-395 Laboratory equipment

Dispersion: 35.00 - R2

ge Net Salvage Rate: 0.00%

Future Net Salvage Rate: 0.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
1964	42.50	$3,250.00	35.00	6.58	0.1880	1.0000	$611.11	$92.86
1963	43.50	$5,350.11	35.00	6.23	0.1780	1.0000	$952.38	$152.86
1962	44.50	$2,963.54	35.00	5.89	0.1683	1.0000	$498.88	$84.67
1961	45.50	$1,438.40	35.00	5.56	0.1590	1.0000	$228.69	$41.10
1960	46.50	$1,501.09	35.00	5.25	0.1499	1.0000	$225.03	$42.89
1959	47.50	$400.91	35.00	4.94	0.1411	1.0000	$56.56	$11.45
1958	48.50	$283.26	35.00	4.64	0.1325	1.0000	$37.52	$8.09
1957	49.50	$151.83	35.00	4.34	0.1239	1.0000	$18.81	$4.34
1956	50.50	$286.43	35.00	4.04	0.1154	1.0000	$33.07	$8.18
1955	51.50	$341.50	35.00	3.75	0.1071	1.0000	$36.58	$9.76
1954	52.50	$68.58	35.00	3.46	0.0988	1.0000	$6.78	$1.96
1953	53.50	$68.93	35.00	3.17	0.0906	1.0000	$6.25	$1.97
52	54.50	$136.89	35.00	2.88	0.0824	1.0000	$11.28	$3.91
1950	56.50	$29.77	35.00	2.31	0.0660	1.0000	$1.97	$0.85
1949	57.50	$11.64	35.00	2.03	0.0580	1.0000	$0.67	$0.33
1948	58.50	$3.60	35.00	1.75	0.0501	1.0000	$0.18	$0.10
1947	59.50	$3.67	35.00	1.48	0.0423	1.0000	$0.16	$0.10
1946	60.50	$1.91	35.00	1.22	0.0349	1.0000	$0.07	$0.05
1943	63.50	$0.03	35.00	0.58	0.0164	1.0000	$0.00	$0.00
1938	68.50	$0.00	35.00	0.00	0.0000	0.0000	$0.00	$0.00
1936	70.50	$0.00	35.00	0.00	0.0000	0.0000	$0.00	$0.00
1935	71.50	$0.00	35.00	0.00	0.0000	0.0000	$0.00	$0.00
		$1,958,748.79	35.00	19.62	0.5607	1.0000	$1,098,228.04	$55,964.25

03/27/2007

Depreciation Reserve Summary

Account: TECO 101/6-395 Laboratory equipment
Scenario: Toldeo Edison General ADR
Dispersion: 35 - R2

Average Net Salvage Rate: 0.00%
Future Net Salvage Rate: 0.00%

Broad Group Procedure

January 1 , 2007

		Depreciation Reserve		Net Plant	
	Plant Amt	Amount	Ratio	Amount	Ratio
Recorded	$1,958,748.79	$961,923.02	0.4911	$996,825.77	0.5089
Computed	$1,958,748.79	$860,520.75	0.4393	$1,098,228.04	0.5607
Difference		$101,402.27	0.0518	($101,402.27)	-0.0518

Toledo Edison Company

Average Life and Salvage Rate Determination

Based On Year End 2006 Data using Beginning Balance 1999

Account 396 General Power Operated Equipment

Life and Iowa Survivor Curve

Current Life and Iowa Survivor Curve is 15 L1

Actuarial Life Analysis

21 S3 best fit using 1999 - 2006 data.

Industry Survey - EEI Survey of Depreciation Statistics 2003

Service Life Range 9 - 30 Years

Recommendation

We recommend 18 S3.

Comments:
The actuarial analysis recommends a slightly longer life and the S Iowa Curve. This life and curve provides a good fit to the data.

Salvage Factor Estimates

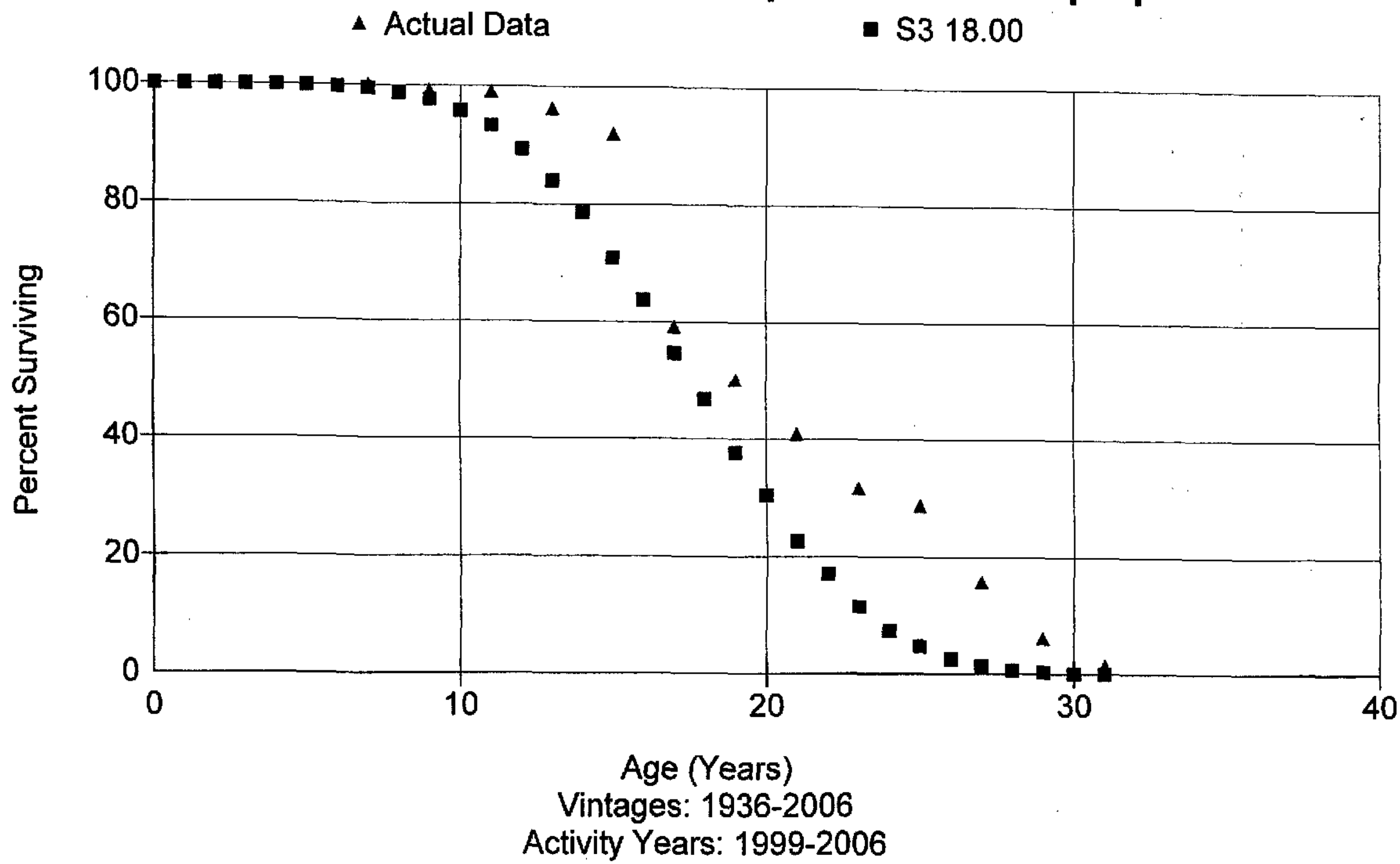
Current Net salvage Rate is	5%
Proposed Net salvage Rate is	5%

Comments:
The activity used for this study produced an average salvage of approximately 6.4%. It is recommended to continue with 5% as this rate is still a viable option.

Summary of Recommendations

18	Average Service Life
S3	Iowa Curve
5	% Net Salvage

Toledo Edison Company
Account 396 Power Operated Equipment



Observed Life Table

Scenario: Toledo Edison General Accounts
Account: TECO 101/6-396 Power operated equip
Placement Band: 1936 - 2006 **Observation Band:** 1999 - 2006

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirment Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
0	16,903.59	0.00	0.00000	1.00000	100.00
0.5	16,903.59	0.00	0.00000	1.00000	100.00
1.5	1,040.00	0.00	0.00000	1.00000	100.00
2.5	84,744.00	0.00	0.00000	1.00000	100.00
3.5	84,744.00	0.00	0.00000	1.00000	100.00
4.5	84,744.00	0.00	0.00000	1.00000	100.00
5.5	208,026.00	0.00	0.00000	1.00000	100.00
6.5	309,543.00	0.00	0.00000	1.00000	100.00
7.5	336,343.69	2,514.01	0.00747	0.99253	100.00
8.5	362,039.85	0.00	0.00000	1.00000	99.25
9.5	578,800.85	1,222.80	0.00211	0.99789	99.25
10.5	853,017.28	0.00	0.00000	1.00000	99.04
11.5	990,669.24	13,561.92	0.01369	0.98631	99.04
12.5	999,783.00	14,396.79	0.01440	0.98560	97.68
13.5	941,226.62	26,322.84	0.02797	0.97203	96.27
14.5	934,107.68	15,873.17	0.01699	0.98301	93.58
15.5	1,033,493.82	88,477.17	0.08561	0.91439	91.99
16.5	1,020,457.11	302,276.48	0.29622	0.70378	84.11
17.5	665,651.15	15,202.66	0.02284	0.97716	59.19
18.5	540,871.57	71,266.82	0.13176	0.86824	57.84
19.5	479,730.52	80,493.33	0.16779	0.83221	50.22
20.5	458,141.88	8,706.25	0.01900	0.98100	41.79
21.5	463,361.75	55,321.28	0.11939	0.88061	41.00
22.5	366,932.96	44,419.10	0.12105	0.87895	36.11
23.5	272,433.65	24,836.83	0.09117	0.90883	31.74
24.5	197,874.63	533.40	0.00269	0.99731	28.85
25.5	142,855.78	29,488.17	0.20642	0.79358	28.77
26.5	108,110.32	33,398.19	0.30893	0.69107	22.83
27.5	88,988.93	54,747.71	0.61522	0.38478	15.78
28.5	9,162.08	0.00	0.00000	1.00000	6.07
29.5	92,498.39	70,329.34	0.76033	0.23967	6.07
30.5	22,169.05	0.00	0.00000	1.00000	1.45
31.5	27,795.62	27,795.62	1.00000	0.00000	1.45
32.5	2,628.29	2,628.29	1.00000	0.00000	0.00
33.5	0.00	0.00	0.00000	0.00000	0.00

Net Salvage Analysis Report

			Gross Salvage (Cash)		Gross Salvage (Returns)		Cost of Removal		Net Salvage		
Account	Year	Retirements	Amount	Pct.	Amount	Pct.	Amount	Pct.	Amount	Pct.	1-Yr Avg
TECO 396 Power Operated Equipment	1999	281,270.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 396 Power Operated Equipment	2000	115,897.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 396 Power Operated Equipment	2001	22,169.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 396 Power Operated Equipment	2004	0.00	63,367.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 396 Power Operated Equipment	2005	473,580.15	0.00	0.00	0.00	0.00	0.00	0.00	63,367.15	0.00	0.00
TECO 396 Power Operated Equipment	2006	90,895.83	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		983,812.17	63,367.15	6.44	0.00	0.00	0.00	0.00	63,367.15	6.44	

Whole Life Depreciation Accrual

Account: TECO 101/6-396 Power operated equip
Dispersion: 18 - S3

Average Net Salvage Rate: 5.00%
Future Net Salvage Rate: 5.00%

Broad Group Procedure

January 1, 2007

	Plant Amt	Period (Years)	Accrual (Dollars)	Accrual Rate (Percent)
Pre- 2007 Additions	$1,033,955.10		$48,722.53	4.712296
Whole Life		18	$54,569.85	
Amortization		0	$0.00	
Retirements	$221,582.92	18	$5,847.33	
2007 Additions	$0.00		$0.00	0.000000
Whole Life			$0.00	
Retirements	$0.00	0.00	$0.00	
Total:	$1,033,955.10 *		$48,722.53	4.712342
Average:	$923,163.64		$48,722.53	5.277778
Grand Total:	$1,033,955.10 *		$48,722.53	4.712342

* Excluding 2007 Retirements

03/27/2007

Generation Arrangement Report

Account: TECO 101/6-396 Power operated equip

Dispersion: *18.00* - S3

Average Net Salvage Rate: 5.00%

Future Net Salvage Rate: 5.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
2005	1.50	$16,903.59	18.00	16.50	0.8708	1.0000	$14,720.21	$892.13
1997	9.50	$1,040.00	18.00	8.75	0.4618	1.0000	$480.24	$54.89
1996	10.50	$83,704.00	18.00	7.91	0.4177	1.0000	$34,963.26	$4,417.71
1993	13.50	$123,282.00	18.00	5.78	0.3049	1.0000	$37,586.71	$6,506.55
1992	14.50	$101,517.00	18.00	5.19	0.2739	1.0000	$27,806.81	$5,357.84
1991	15.50	$24,286.68	18.00	4.66	0.2461	1.0000	$5,977.61	$1,281.80
1990	16.50	$12,337.00	18.00	4.19	0.2211	1.0000	$2,728.17	$651.12
1989	17.50	$153,145.82	18.00	3.77	0.1988	1.0000	$30,438.91	$8,082.70
1988	18.50	$115,367.61	18.00	3.38	0.1787	1.0000	$20,610.59	$6,088.85
1987	19.50	$87,527.07	18.00	3.04	0.1606	1.0000	$14,052.86	$4,619.48
1986	20.50	$8,278.89	18.00	2.73	0.1443	1.0000	$1,194.26	$436.94
1985	21.50	$0.00	18.00	2.45	0.1294	1.0000	$0.00	$0.00
1984	22.50	$47,471.34	18.00	2.20	0.1160	1.0000	$5,507.93	$2,505.43
1983	23.50	$74,917.04	18.00	1.97	0.1039	1.0000	$7,783.22	$3,953.95
1982	24.50	$49,722.19	18.00	1.75	0.0926	1.0000	$4,602.17	$2,624.23
1981	25.50	$54,485.45	18.00	1.56	0.0824	1.0000	$4,489.59	$2,875.62
1980	26.50	$5,257.29	18.00	1.38	0.0727	1.0000	$382.46	$277.47
1979	27.50	$40,470.91	18.00	1.22	0.0642	1.0000	$2,596.26	$2,135.96
1978	28.50	$25,079.14	18.00	1.06	0.0559	1.0000	$1,401.22	$1,323.62
1977	29.50	$9,162.08	18.00	0.92	0.0486	1.0000	$444.86	$483.55
1976	30.50	$0.00	18.00	0.78	0.0413	1.0000	$0.00	$0.00
1975	31.50	$0.00	18.00	0.65	0.0341	1.0000	$0.00	$0.00
1971	35.50	$0.00	18.00	0.00	0.0000	0.0000	$0.00	$0.00
1969	37.50	$0.00	18.00	0.00	0.0000	0.0000	$0.00	$0.00
1967	39.50	$0.00	18.00	0.00	0.0000	0.0000	$0.00	$0.00
1966	40.50	$0.00	18.00	0.00	0.0000	0.0000	$0.00	$0.00
		$1,033,955.10	18.00	3.99	0.2106	1.0000	$217,767.33	$54,569.85

Depreciation Reserve Summary

Account: *TECO 101/6-396 Power operated equip*
Scenario: Toldeo Edison General ADR
Dispersion: 18 - S3
Average Net Salvage Rate: 5.00%
Future Net Salvage Rate: 5.00%

Broad Group Procedure

January 1 , 2007

		Depreciation Reserve		Net Plant	
	Plant Amt	Amount	Ratio	Amount	Ratio
Recorded	$1,033,955.10	$912,041.39	0.8821	$70,215.95	0.0679
Computed	$1,033,955.10	$764,490.01	0.7394	$217,767.33	0.2106
Difference		$147,551.38	0.1427	($147,551.38)	-0.1427

Toledo Edison Company

Average Life and Salvage Rate Determination

Based On Year End 2006 Data using Beginning Balance 1999

Account 397 General Communication Equipment

Life and Iowa Survivor Curve

Current Life and Iowa Survivor Curve is 20 L2.

Actuarial Life Analysis

14.9 L1 best fit using 1999 - 2006 data.

Industry Survey - EEI Survey of Depreciation Statistics 2003

Service Life Range 9 - 35 Years.

Recommendation

We recommend 17 L1.

Comments:
The actuarial analysis recommends a slightly shorter average service life. As this life and Iowa Curve provide a good match to the data it is recommended.

Salvage Factor Estimates

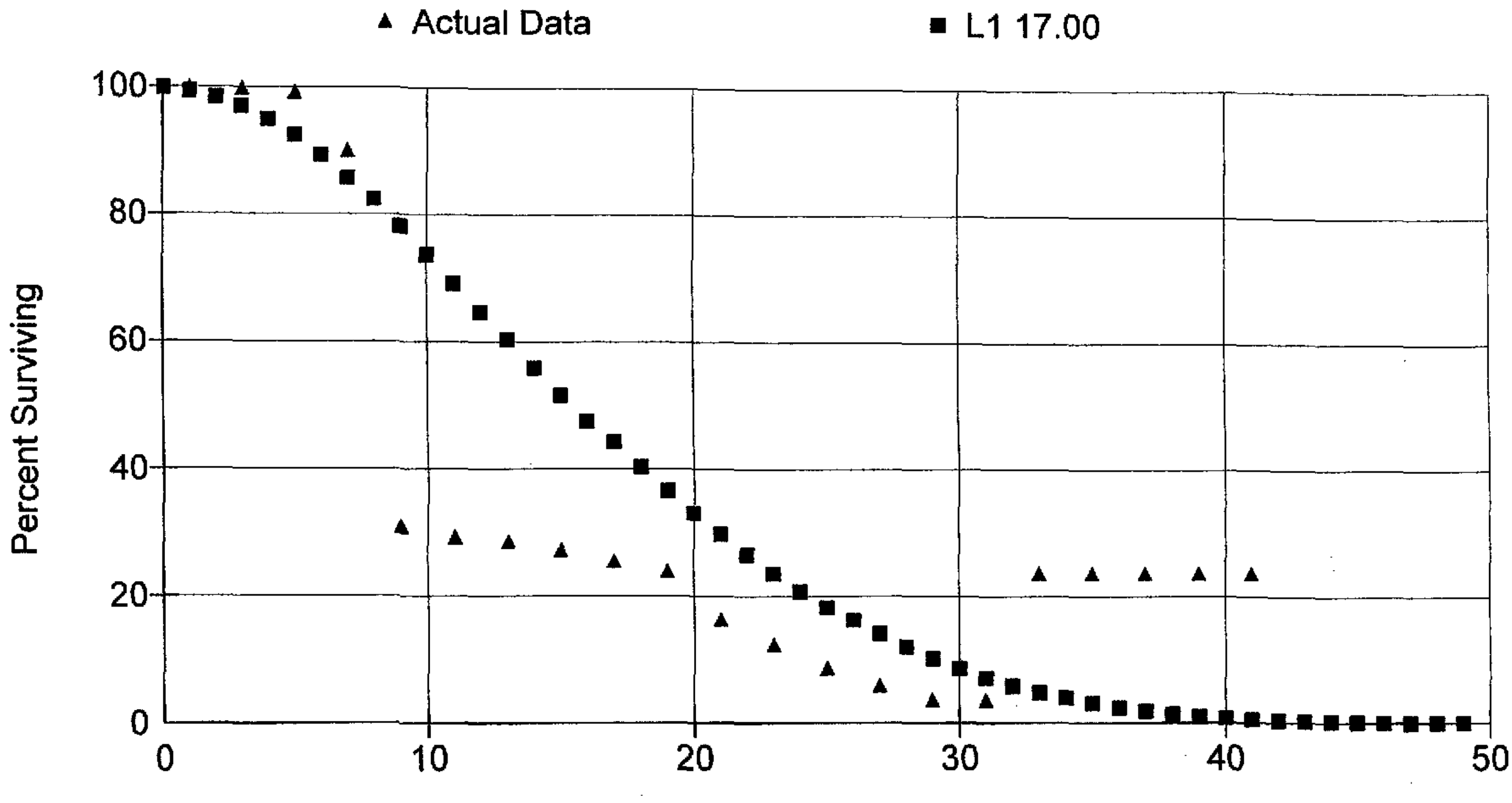
Current Net salvage Rate is	0%
Proposed Net salvage Rate is	0%

Comments:
The data analyzed for this study provided no salvage activity. No change to the current rate is advised.

Summary of Recommendations

17	Average Service Life
L1	Iowa Curve
0	% Net Salvage

Toledo Edison Company
Account 397 Communication Equipment



Vintages: 1966-2006
Activity Years: 1999-2006

Observed Life Table

Scenario: **Toledo Edison General Accounts**
Account: **TECO 101/6-397 Communication equip**
Placement Band: **1966 - 2006** **Observation Band: 1999 - 2006**

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirment Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
0	-267,954.78	0.00	0.00000	1.00000	100.00
0.5	-99,314.77	0.00	0.00000	1.00000	100.00
1.5	69,306.55	24.52	0.00036	0.99964	
2.5	43,159.03	53.55	0.00125	0.99875	
3.5	43,105.48	90.14	0.00209	0.99791	
4.5	47,184.16	184.02	0.00390	0.99610	
5.5	198,864.13	217.82	0.00110	0.99890	
6.5	254,284.64	23,101.01	0.09085	0.90915	
7.5	690,916.50	1,062.36	0.00154	0.99846	
8.5	5,009,618.52	3,283,261.66	0.65539	0.34461	
9.5	1,170,759.83	35,784.30	0.03056	0.96944	
10.5	27,891.10	680.88	0.02442	0.97558	
11.5	218,379.18	3,274.26	0.01499	0.98501	
12.5	419,265.41	3,546.77	0.00846	0.99154	
13.5	255,918.07	4,063.34	0.01588	0.98412	
14.5	66,565.36	1,860.21	0.02794	0.97206	
15.5	524,541.49	304.84	0.00058	0.99942	
16.5	671,689.63	44,260.95	0.06589	0.93411	
17.5	256,732.50	7,939.01	0.03092	0.96908	
18.5	112,526.54	3,392.17	0.03014	0.96986	
19.5	16,042.12	3,488.07	0.21743	0.78257	
20.5	14,263.52	1,916.99	0.13439	0.86561	
21.5	14,538.25	2,082.11	0.14321	0.85679	
22.5	9,961.53	1,218.68	0.12236	0.87764	
23.5	34,618.91	7,959.13	0.22990	0.77010	
24.5	28,708.95	2,465.90	0.08590	0.91410	
25.5	28,545.08	7,942.77	0.27826	0.72174	
26.5	137,139.33	7,212.93	0.05260	0.94740	
27.5	117,817.03	11,976.24	0.10165	0.89835	
28.5	303.43	91.76	0.30363	0.69637	
29.5	884.08	27.27	0.03054	0.96946	
30.5	-7,286.82	50.13	-0.00686	1.00686	
31.5	-2,816.02	2,314.57	-0.82209	1.82209	
32.5	-1,275.89	3,331.12	-2.61050	3.61050	
33.5	-876.25	0.00	0.00000	1.00000	
34.5	-106.68	0.00	0.00000	1.00000	
35.5	-71.75	0.00	0.00000	1.00000	
36.5	-39.36	0.00	0.00000	1.00000	
37.5	-39.36	0.00	0.00000	1.00000	
38.5	-13.14	0.00	0.00000	1.00000	
39.5	0.00	0.00	0.00000	0.00000	

Net Salvage Analysis Report

			Gross Salvage (Cash)		Gross Salvage (Returns)		Cost of Removal		Net Salvage		
Account	Year	Retirements	Amount	Pct.	Amount	Pct.	Amount	Pct.	Amount	Pct.	1-Yr Avg
TECO 397 Communication Equipment	1999	3,321,701.76	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 397 Communication Equipment	2000	118,128.93	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 397 Communication Equipment	2001	24.52	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 397 Communication Equipment	2002	53.55	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 397 Communication Equipment	2003	90.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 397 Communication Equipment	2004	131.46	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 397 Communication Equipment	2005	175.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 397 Communication Equipment	2006	223.96	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		3,440,529.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

Whole Life Depreciation Accrual

Account: TECO 101/6-397 Communication equip

Dispersion: 17 - L1

[illegible]age Net Salvage Rate: 0.00%

[illegible]ure Net Salvage Rate: 0.00%

Broad Group Procedure

January 1, 2007

		Plant Amt	Period (Years)	Accrual (Dollars)	Accrual Rate (Percent)
Pre- 2007	Additions	$16,361.34		$940.07	5.748758
	Whole Life		17	$962.43	
	Amortization		0	$0.00	
	Retirements	$760.17	17	$22.36	
2007	Additions	$0.00		$0.00	0.000000
	Whole Life			$0.00	
	Retirements	$0.00	0.00	$0.00	
	Total:	$16,361.34 *		$940.07	5.751638
	Average:	$15,981.26		$940.07	5.882329
	Grand Total:	$16,361.34 *		$940.07	5.751638

* Excluding 2007 Retirements

Generation Arrangement Report

Account: TECO 101/6-397 Communication equip

Dispersion: 17.00 - L1

age Net Salvage Rate: 0.00%

Future Net Salvage Rate: 0.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
2004	2.50	$0.00	17.00	14.78	0.8692	1.0000	$0.00	$0.00
2000	6.50	$0.00	17.00	12.03	0.7077	1.0000	$0.00	$0.00
1999	7.50	$16,361.34	17.00	11.51	0.6772	1.0000	$11,079.40	$962.43
1998	8.50	$0.00	17.00	11.05	0.6499	1.0000	$0.00	$0.00
1994	12.50	$0.00	17.00	9.49	0.5580	1.0000	$0.00	$0.00
1993	13.50	$0.00	17.00	9.13	0.5370	1.0000	$0.00	$0.00
1992	14.50	$0.00	17.00	8.78	0.5167	1.0000	$0.00	$0.00
1991	15.50	$0.00	17.00	8.45	0.4971	1.0000	$0.00	$0.00
1990	16.50	$0.00	17.00	8.13	0.4780	1.0000	$0.00	$0.00
1989	17.50	$0.00	17.00	7.81	0.4595	1.0000	$0.00	$0.00
1987	19.50	$0.00	17.00	7.21	0.4240	1.0000	$0.00	$0.00
1986	20.50	$0.00	17.00	6.92	0.4070	1.0000	$0.00	$0.00
1985	21.50	$0.00	17.00	6.64	0.3905	1.0000	$0.00	$0.00
1984	22.50	$0.00	17.00	6.37	0.3744	1.0000	$0.00	$0.00
1983	23.50	$0.00	17.00	6.10	0.3588	1.0000	$0.00	$0.00
1982	24.50	$0.00	17.00	5.84	0.3436	1.0000	$0.00	$0.00
1981	25.50	$0.00	17.00	5.59	0.3287	1.0000	$0.00	$0.00
1980	26.50	$0.00	17.00	5.34	0.3142	1.0000	$0.00	$0.00
1979	27.50	$0.00	17.00	5.10	0.3001	1.0000	$0.00	$0.00
1978	28.50	$0.00	17.00	4.87	0.2863	1.0000	$0.00	$0.00
1977	29.50	$0.00	17.00	4.64	0.2729	1.0000	$0.00	$0.00
1976	30.50	$0.00	17.00	4.41	0.2597	1.0000	$0.00	$0.00
1975	31.50	$0.00	17.00	4.20	0.2468	1.0000	$0.00	$0.00
1974	32.50	$0.00	17.00	3.98	0.2342	1.0000	$0.00	$0.00
1973	33.50	$0.00	17.00	3.77	0.2219	1.0000	$0.00	$0.00
1972	34.50	$0.00	17.00	3.57	0.2098	1.0000	$0.00	$0.00
1971	35.50	$0.00	17.00	3.37	0.1980	1.0000	$0.00	$0.00
1970	36.50	$0.00	17.00	3.17	0.1865	1.0000	$0.00	$0.00
1968	38.50	$0.00	17.00	2.79	0.1639	1.0000	$0.00	$0.00
1967	39.50	$0.00	17.00	2.60	0.1530	1.0000	$0.00	$0.00
1966	40.50	$0.00	17.00	2.42	0.1422	1.0000	$0.00	$0.00
1965	41.50	$0.00	17.00	2.24	0.1317	1.0000	$0.00	$0.00
1964	42.50	$0.00	17.00	2.06	0.1214	1.0000	$0.00	$0.00

Generation Arrangement Report

Account: TECO 101/6-397 Communication equip

Dispersion: 17.00 - L1

Average Net Salvage Rate: 0.00%

Future Net Salvage Rate: 0.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
1963	43.50	$0.00	17.00	1.89	0.1112	1.0000	$0.00	$0.00
1962	44.50	$0.00	17.00	1.72	0.1012	1.0000	$0.00	$0.00
1961	45.50	$0.00	17.00	1.56	0.0915	1.0000	$0.00	$0.00
1955	51.50	$0.00	17.00	0.00	0.0000	0.0000	$0.00	$0.00
1954	52.50	$0.00	17.00	0.00	0.0000	0.0000	$0.00	$0.00
1952	54.50	$0.00	17.00	0.00	0.0000	0.0000	$0.00	$0.00
1951	55.50	$0.00	17.00	0.00	0.0000	0.0000	$0.00	$0.00
1950	56.50	$0.00	17.00	0.00	0.0000	0.0000	$0.00	$0.00
1948	58.50	$0.00	17.00	0.00	0.0000	0.0000	$0.00	$0.00
		$16,361.34	17.00	11.51	0.6772	1.0000	$11,079.40	$962.43

Depreciation Reserve Summary

Account: TECO 101/6-397 Communication equip

Scenario: Toldeo Edison General ADR

Dispersion: 17 - L1

Average Net Salvage Rate: 0.00%

Future Net Salvage Rate: 0.00%

Broad Group Procedure

January 1 , 2007

		Depreciation Reserve		Net Plant	
	Plant Amt	Amount	Ratio	Amount	Ratio
Recorded	$16,361.34	($2,588.51)	-0.1582	$18,949.85	1.1582
Computed	$16,361.34	$5,281.94	0.3228	$11,079.40	0.6772
Difference		($7,870.45)	-0.4810	$7,870.45	0.4810

03/27/2007

Toledo Edison Company

Average Life and Salvage Rate Determination

Based On Year End 2006 Data using Beginning Balance 1999

Account 398 General Miscellaneous Equipment

Life and Iowa Survivor Curve

Current Life and Iowa Survivor Curve is 30 L1.

Actuarial Life Analysis

29 L1 best fit using 1999 - 2006 data.

Industry Survey - EEI Survey of Depreciation Statistics 2003

Service Life Range 10 - 50 Years

Recommendation

We recommend continuing with 30 L1.

Comments:
The actuarial analysis suggests an average service life of 29 years and an Iowa Curve of L1. As the company is currently using an average service life of 30 years with an L1 curve, no change is recommended.

Salvage Factor Estimates

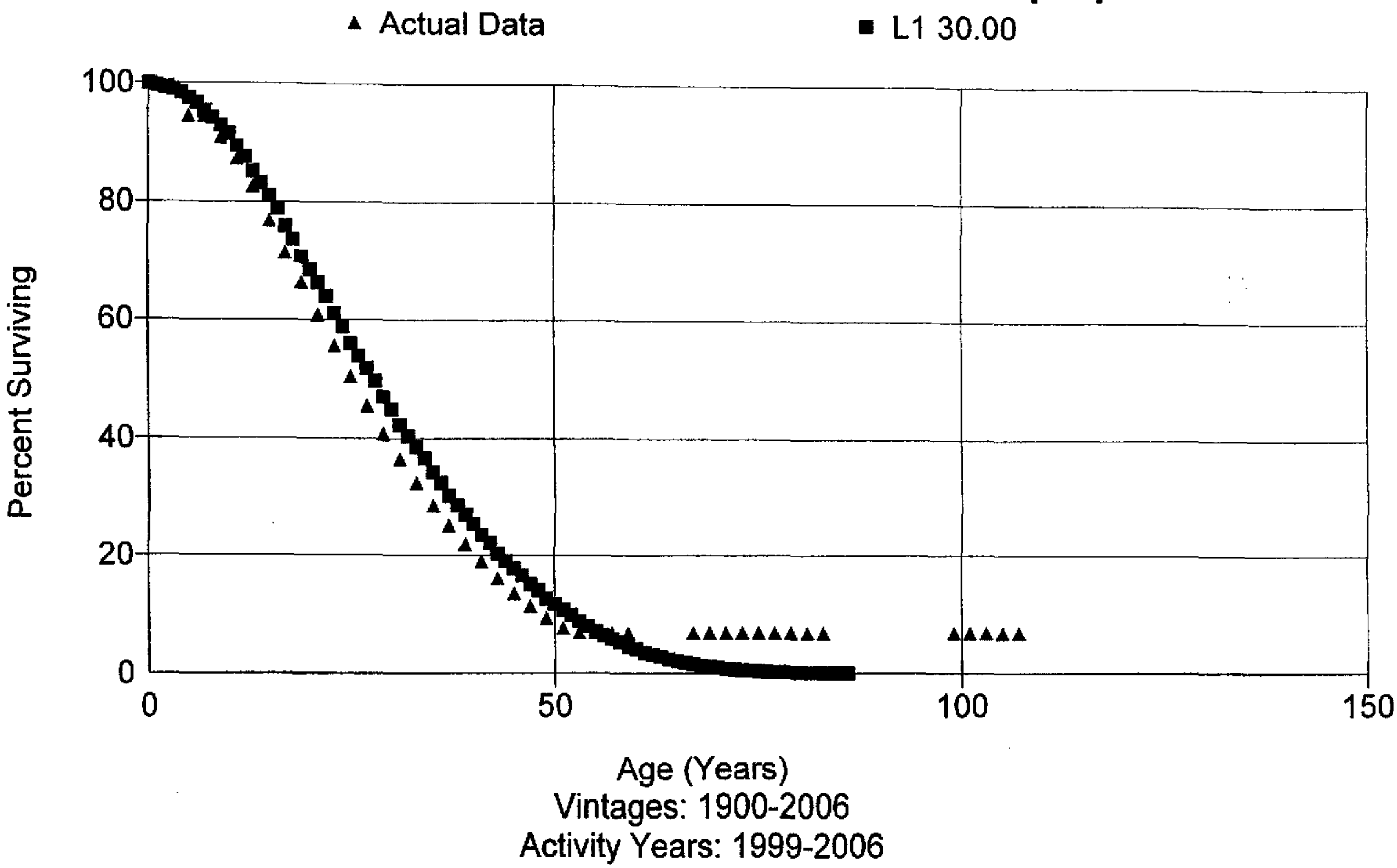
Current Net salvage Rate is	0%
Proposed Net salvage Rate is	0%

Comments:
The data analyzed for this study provided no salvage activity. No change to the current rate is advised.

Summary of Recommendations

30	Average Service Life
L1	Iowa Curve
0	% Net Salvage

Toledo Edison Company
Account 398 Miscellaneous Equipment



Observed Life Table

Scenario: Toledo Edison General Accounts
Account: TECO 101/6-398 Miscellaneous equip
Placement Band: 1900 - 2006 *Observation Band:* 1999 - 2006

Age at Beginning of Interval	Exposures at Beginning of Interval	Retirements During Interval	Retirment Ratio	Survivor Ratio	Percent Surv at Beginning of Interval
0	2,779,836.79	0.00	0.00000	1.00000	100.00
0.5	374,455.60	0.00	0.00000	1.00000	100.00
1.5	374,455.60	-51.86	-0.00014	1.00014	100.00
2.5	349,547.22	1,559.05	0.00446	0.99554	100.01
3.5	347,988.17	2,010.23	0.00578	0.99422	99.56
4.5	-2,639.14	-117.76	0.04471	0.95529	98.98
5.5	0.00	0.00	0.00000	0.00000	
7.5	7,767.66	183.93	0.02369	0.97631	
8.5	7,583.73	113.97	0.01503	0.98497	
9.5	7,469.76	128.55	0.01727	0.98273	
10.5	9,943.81	238.32	0.02393	0.97607	
11.5	15,692.30	457.37	0.02912	0.97088	
12.5	15,617.97	383.69	0.02459	0.97541	
13.5	14,300.97	352.68	0.02468	0.97532	
14.5	31,817.73	1,452.49	0.04563	0.95437	
15.5	31,070.50	1,076.17	0.03463	0.96537	
16.5	39,685.71	1,557.74	0.03926	0.96074	
17.5	39,712.57	1,377.41	0.03467	0.96533	
18.5	39,276.70	1,457.73	0.03712	0.96288	
19.5	38,266.78	1,543.34	0.04032	0.95968	
20.5	43,121.37	1,831.17	0.04246	0.95754	
21.5	47,960.56	2,011.47	0.04193	0.95807	
22.5	37,356.56	1,726.37	0.04620	0.95380	
23.5	40,019.70	1,941.21	0.04850	0.95150	
24.5	34,644.01	1,606.48	0.04636	0.95364	
25.5	37,363.87	1,854.34	0.04962	0.95038	
26.5	40,604.77	2,133.55	0.05256	0.94744	
27.5	39,782.65	2,062.34	0.05183	0.94817	
28.5	36,291.22	1,885.32	0.05194	0.94806	
29.5	32,967.22	1,750.03	0.05308	0.94692	
30.5	29,516.28	1,641.24	0.05560	0.94440	
31.5	23,582.46	1,291.38	0.05475	0.94525	
32.5	21,443.74	1,242.95	0.05796	0.94204	
33.5	19,499.24	1,241.56	0.06370	0.93630	
34.5	13,902.37	817.53	0.05884	0.94116	
35.5	10,270.06	626.61	0.06105	0.93895	
36.5	7,857.41	494.76	0.06300	0.93700	
37.5	6,343.41	432.46	0.06811	0.93189	
38.5	4,479.78	306.48	0.06830	0.93170	
39.5	3,639.45	248.25	0.06815	0.93185	
40.5	2,598.91	185.49	0.07118	0.92882	
41.5	845.46	61.35	0.07219	0.92781	
42.5	804.88	68.59	0.08571	0.91429	
43.5	753.43	66.68	0.08898	0.91102	
44.5	628.69	51.62	0.08267	0.91733	
45.5	332.89	27.50	0.08408	0.91592	
46.5	211.38	17.99	0.08531	0.91469	
47.5	193.39	17.11	0.08808	0.91192	
48.5	157.25	14.48	0.08917	0.91083	
49.5	142.77	13.65	0.09790	0.90210	
50.5	71.56	7.12	0.09722	0.90278	
51.5	9.14	0.95	0.11111	0.88889	
52.5	0.00	0.00	0.00000	0.00000	

Net Salvage Analysis Report

			Gross Salvage (Cash)		Gross Salvage (Returns)		Cost of Removal		Net Salvage		
Account	Year	Retirements	Amount	Pct.	Amount	Pct.	Amount	Pct.	Amount	Pct.	1-Yr Avg
TECO 398 Miscellaneous Equipment	1999	4,268.95	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 398 Miscellaneous Equipment	2000	4,285.09	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 398 Miscellaneous Equipment	2001	4,286.74	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 398 Miscellaneous Equipment	2002	4,221.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 398 Miscellaneous Equipment	2003	4,245.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 398 Miscellaneous Equipment	2004	4,208.31	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 398 Miscellaneous Equipment	2005	5,603.53	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECO 398 Miscellaneous Equipment	2006	6,048.89	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		37,167.66	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

Whole Life Depreciation Accrual

Account: TECO 101/6-398 Miscellaneous equip
Dispersion: 30 - L1

Average Net Salvage Rate: 0.00%
Future Net Salvage Rate: 0.00%

Broad Group Procedure

January 1 , 2007

	Plant Amt	Period (Years)	Accrual (Dollars)	Accrual Rate (Percent)
Pre- 2007 Additions	$460,743.58		$15,244.21	3.308718
Whole Life		30	$15,358.12	
Amortization		0	$0.00	
Retirements	$6,834.75	30	$113.91	
2007 Additions	$0.00		$0.00	0.000000
Whole Life			$0.00	
Retirements	$0.00	0.00	$0.00	
Total:	$460,743.58 *		$15,244.21	3.308823
Average:	$457,326.21		$15,244.21	3.333334
Grand Total:	$460,743.58 *		$15,244.21	3.308823

* Excluding 2007 Retirements

Account: TECO 101/6-398 Miscellaneous equip

Dispersion: *30.00* *- L1*

Average Net Salvage Rate: 0.00%

Future Net Salvage Rate: 0.00%

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
2006	0.50	$0.00	30.00	29.53	0.9843	1.0000	$0.00	$0.00
2004	2.50	$24,960.24	30.00	27.71	0.9236	1.0000	$23,053.86	$832.01
2002	4.50	$348,617.08	30.00	26.00	0.8668	1.0000	$302,173.18	$11,620.57
2000	6.50	$0.00	30.00	24.44	0.8146	1.0000	$0.00	$0.00
1991	15.50	$4,202.01	30.00	19.28	0.6425	1.0000	$2,699.85	$140.07
1988	18.50	$2,101.10	30.00	18.07	0.6022	1.0000	$1,265.29	$70.04
1987	19.50	$4,762.63	30.00	17.68	0.5894	1.0000	$2,807.24	$158.75
1986	20.50	$300.60	30.00	17.31	0.5769	1.0000	$173.41	$10.02
1985	21.50	$0.00	30.00	16.94	0.5646	1.0000	$0.00	$0.00
1984	22.50	$14,854.73	30.00	16.57	0.5525	1.0000	$8,207.22	$495.16
1983	23.50	$3,655.06	30.00	16.22	0.5406	1.0000	$1,976.02	$121.84
1982	24.50	$7,270.71	30.00	15.87	0.5290	1.0000	$3,845.99	$242.36
1981	25.50	$1,177.23	30.00	15.53	0.5175	1.0000	$609.24	$39.24
1980	26.50	$2,205.46	30.00	15.19	0.5063	1.0000	$1,116.54	$73.52
1979	27.50	$3,710.00	30.00	14.86	0.4952	1.0000	$1,837.24	$123.67
1978	28.50	$4,824.46	30.00	14.53	0.4843	1.0000	$2,336.67	$160.82
1977	29.50	$4,127.80	30.00	14.21	0.4736	1.0000	$1,955.13	$137.59
1976	30.50	$4,684.24	30.00	13.89	0.4632	1.0000	$2,169.55	$156.14
1975	31.50	$5,522.89	30.00	13.58	0.4528	1.0000	$2,500.88	$184.10
1974	32.50	$2,446.01	30.00	13.28	0.4427	1.0000	$1,082.74	$81.53
1973	33.50	$3,723.62	30.00	12.98	0.4327	1.0000	$1,611.11	$124.12
1972	34.50	$4,859.54	30.00	12.69	0.4228	1.0000	$2,054.78	$161.98
1971	35.50	$3,230.67	30.00	12.39	0.4131	1.0000	$1,334.75	$107.69
1970	36.50	$2,078.13	30.00	12.11	0.4037	1.0000	$838.85	$69.27
1969	37.50	$1,609.21	30.00	11.83	0.3943	1.0000	$634.44	$53.64
1968	38.50	$1,751.75	30.00	11.55	0.3850	1.0000	$674.46	$58.39
1967	39.50	$580.66	30.00	11.28	0.3760	1.0000	$218.30	$19.36
1966	40.50	$908.16	30.00	11.01	0.3670	1.0000	$333.29	$30.27
1965	41.50	$1,719.48	30.00	10.74	0.3582	1.0000	$615.84	$57.32
1964	42.50	$115.27	30.00	10.48	0.3495	1.0000	$40.29	$3.84
1963	43.50	$118.12	30.00	10.23	0.3409	1.0000	$40.27	$3.94
1962	44.50	$85.60	30.00	9.97	0.3325	1.0000	$28.46	$2.85
1961	45.50	$273.10	30.00	9.73	0.3242	1.0000	$88.53	$9.10

Generation Arrangement Report

Account: ***TECO 101/6-398 Miscellaneous equip***

Dispersion: **30.00 - L1**

Average Net Salvage Rate: **0.00%**

Future Net Salvage Rate: **0.00%**

Broad Group Procedure

January 1, 2007

Vintage	Age	Surviving Plant	Avg Life	Remaining Life	Net Plant Ratio	Alloc Factor	Computed Net Plant	Accrual
1960	46.50	$105.74	30.00	9.48	0.3159	1.0000	$33.41	$3.52
1958	48.50	$21.68	30.00	9.00	0.2999	1.0000	$6.50	$0.72
1956	50.50	$66.53	30.00	8.53	0.2842	1.0000	$18.91	$2.22
1955	51.50	$64.44	30.00	8.30	0.2766	1.0000	$17.82	$2.15
1954	52.50	$9.63	30.00	8.07	0.2690	1.0000	$2.59	$0.32
		$460,743.58	30.00	23.99	0.7996	1.0000	$368,402.65	$15,358.12

Depreciation Reserve Summary

Account: TECO 101/6-398 Miscellaneous equip
Scenario: Toldeo Edison General ADR
Dispersion: 30 - L1
Average Net Salvage Rate: 0.00%
Future Net Salvage Rate: 0.00%

Broad Group Procedure

January 1 , 2007

		Depreciation Reserve		Net Plant	
	Plant Amt	Amount	Ratio	Amount	Ratio
Recorded	$460,743.58	$110,592.37	0.2400	$350,151.21	0.7600
Computed	$460,743.58	$92,340.93	0.2004	$368,402.65	0.7996
Difference		$18,251.44	0.0396	($18,251.44)	-0.0396