

FILE

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**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

2008 JAN 30 PM 2:34

PUCO

In the Matter of the Application of Ohio Edison :
Company, The Cleveland Electric Illuminating : Case No. 07-551-EL-AIR
Company and The Toledo Edison Company for : Case No. 07-552-EL-ATA
Authority to Increase Rates for Distribution : Case No. 07-553-EL-AAM
Service, Modify Certain Accounting Practices and : Case No. 07-554-EL-UNC
for Tariff Approvals. :

**PREFILED TESTIMONY
OF
JOSEPH P. BUCKLEY
CAPITAL RECOVERY & FINANCIAL ANALYSIS DIVISION
UTILITIES DEPARTMENT
PUBLIC UTILITIES COMMISSION OF OHIO**

STAFF EXHIBIT _____

January 30, 2008

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1 1. Q. Please state, for the record, your name, position, and business address?

2 A. My name is Joseph P. Buckley. I am employed as a Utility Specialist 3 in
3 the Capital Recovery and Financial Analysis Division of the Public Utilities
4 Commission of Ohio (PUCO), 180 East Broad Street, Columbus, Ohio
5 43215
6

7 2. Q. Please state your educational and professional backgrounds?

8 A. I received a Bachelor of Science Degree in Economics from the Ohio State
9 University and a Master's Degree in Business Administration from the
10 University of Dayton. In 2000, I earned the Certified in Financial Man-
11 agement (CFM) designation, awarded by the Institute of Management
12 Accountants. Also I attended, The Annual Regulatory Studies Program
13 sponsored by The National Association of Regulatory Utility Commission-
14 ers (NARUC) and The Training for Utility Management Analyst also spon-
15 sored by NARUC. I have been employed by the PUCO since 1987. Since
16 that time I have progressed through various positions and was promoted to
17 my current position of Utility Specialist 3, in 2000. In addition, I have
18 worked on several joint Federal Communication Commission (FCC) and
19 NARUC projects and audits and currently serve on the Midwest ISO's
20 Finance Committee.
21

22 3. Q. What is your involvement in this proceeding?

1 A. I will address the Companies' (collectively Cleveland Electric Illuminating,
2 Ohio Edison, and Toledo Edison), Objection 1.a-2, which states: The said
3 Report unreasonably fails to include within rate base the Company's allocated
4 portion of FirstEnergy Service Company general plant that should have been
5 classified as Company, rather than FirstEnergy Service Company, assets and
6 unreasonably fails to provide an adequate basis or explanation regarding the
7 Staff's findings related to the classification of all such assets.
8

9 4. Q. Did the Company request inclusion of these assets in their application to
10 increase rates for distribution service filed on June 7, 2007 or the updated filing
11 on August 6, 2007?

12 A. No. The assets as of date certain May 31, 2007, did not include the service
13 company allocated portion of FirstEnergy Service Company general plant that
14 the Company claims should have been classified as Company, rather than
15 FirstEnergy Service Company, assets.
16

17 5. Q. Do you believe these assets should be included in the revenue requirement as
18 part of this case?

19 A. No. The assets were not included in the initial application or the updated
20 application and were not subjected to, and deemed reasonable during the
21 Staff's typical rate base review. Staff did not include the assets in the revenue
22 requirement calculation in this case because the assets were not a part of the

distribution Company's rate base at the date certain and the Company failed to include the assets in its original application and updated application.

6. Q. Does this conclude your testimony?

A. Yes, it does.

PROOF OF SERVICE

I hereby certify that a true copy of the foregoing Prefiled Testimony of Joseph P. Buckley, submitted on behalf of the Staff of the Public Utilities Commission of Ohio, was served by regular U.S. mail, postage prepaid, hand-delivered, and/or delivered via electronic mail, upon the following parties of record, this 30th day of January, 2008.



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