

FILE

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

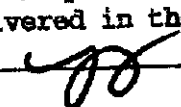
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In the Matter of the Application of Ohio Edison :
Company, The Cleveland Electric Illuminating : Case No. 07-551-EL-AIR
Company and The Toledo Edison Company for : Case No. 07-551-EL-ATA
Authority to Increase Rates for Distribution : Case No. 07-553-EL-AAM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

**ADDITIONAL ATTACHMENTS
TO
PREFILED TESTIMONY
OF
CARLOS J. GARCIA
ACCOUNTING & ELECTRICITY DIVISION
UTILITIES DEPARTMENT
PUBLIC UTILITIES COMMISSION OF OHIO**

STAFF EXHIBIT _____

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February 11, 2008

The Cleveland Electric Illuminating Company
Case No. 07-551-EL-AIR
Cash Working Capital
Income Statement
For the Twelve Months Ended February 29, 2008

Data: 3 Months Actual & 9 Months Estimated

Schedule B-5.1

Reference No(s): Applicant's Schedule WPB-5.0a & Staff's Schedule C-3, Staff's Workpapers

Line No.	Description	Jurisdictional 2/29/2008 Amount	C-3 Adjustment Amount	Adjusted Jurisdictional Amount	Lead/Lag Days	Weighted Dollar Days	Cash Working Capital
	(A)	(B)	(C)	(D) = (B)+(C)	(E)	(F) = (D) * (E)	(G) = (F) / 365
1	<u>Operating Revenues</u>						
2	Electric Revenues	\$421,856,480	(\$669,324)	\$421,187,156	28.0	\$11,793,240,358	\$32,310,248
3	Other Revenues	21,738,916	(6,957,240)	14,781,676	46.8	691,782,437	1,895,294
4							
5	Revenue Lag Allowance	\$443,595,396	(\$7,626,564)	\$435,968,832	28.6	\$12,485,022,795	\$34,205,542
6							
7	<u>Operation & Maintenance Expenses</u>						
8	Purchased Power	(\$39,088,212)	\$39,088,212	\$0	30.5	\$0	\$0
9	Payroll	62,887,639	2,820,090	65,707,729	65.7	4,316,997,817	11,827,391
10	Employee Benefits	10,087,214	6,223,039	16,310,253	21.7	353,932,490	969,678
11	Other O&M:					0	0
12	Tree Trimming Contracting Fees	13,813,701	0	13,813,701	45.2	624,379,285	1,710,628
13	Outside Services Employed - FE Service	9,934,874	0	9,934,874	26.6	264,267,648	724,021
14	Uncollectibles	10,276,431	(7,856,184)	2,420,247	28.6	69,309,634	189,889
15	Other	39,026,127	(2,914,244)	36,111,883	52.3	1,888,651,498	5,174,388
16							
17	Total O&M Expense	106,937,775	37,360,913	144,298,688	52.1	7,517,538,372	20,595,995
18							
19	<u>Depreciation and Amortization</u>						
20	Depreciation Expense	62,248,981	(5,274,074)	56,974,907	0.0	0	0
21	Amortization of Limited-Term Electric Plant	3,024,781	0	3,024,781	0.0	0	0
22	Regulatory Debits / Credits	(71,636,343)	79,764,666	8,128,123	0.0	0	0
23							
24	Total Depreciation and Amortization	(6,362,781)	74,490,592	68,127,811	0.0	0	0
25							
26	<u>Taxes Other Than Income Taxes</u>						
27	Employee Income Taxes	4,597,819	372,042	4,969,861	3.5	17,394,514	47,656
28	Ohio CAT Tax	666,947	13,164	680,111	88.3	60,053,835	164,531
29	Ohio KWH Tax	69,029,182	(1,340,277)	67,688,905	35.2	2,382,649,456	6,527,807
30	Ohio Property Tax	65,091,511	(125,059)	64,966,452	293.1	19,041,667,081	52,168,951
31	PA Franchise Tax	2,984,018	(2,451,865)	532,153	30.0	15,964,596	43,739
32	Ohio Sales & Use Tax	41,624	0	41,624	19.8	824,155	2,258
33	Other Taxes	3,932	2,464,741	2,468,673	(120.6)	(297,722,001)	(815,677)
34							
35	Total Taxes Other Than Income Taxes	142,415,033	(1,067,253)	141,347,780	150.1	21,220,831,636	58,139,265
36							
37	<u>Income Taxes</u>						
38	Federal Income Taxes	15,433,255	(751,411)	14,681,844	37.5	550,569,150	1,508,409
39	Ohio State Income Tax	1,410,516	(711,570)	698,946	274.3	191,720,789	525,262
40	PA State Income Tax	246,674	(81,752)	164,922	30.0	4,947,667	13,555
41	Municipal	528,058	(53,376)	474,682	87.8	41,677,053	114,184
42	Provision for Deferred Income Taxes	37,669,180	(35,646,234)	2,022,945	0.0	0	0
43	Investment Tax Credit	(800,276)	(62,450)	(862,726)	0.0	0	0
44							
45	Total Income Taxes	54,487,406	(37,306,793)	17,180,613	45.9	788,914,659	2,161,410
46							
47	Net Operating Income	146,117,963	(81,104,023)	65,013,940			
48							
49	Interest on Long-Term Debt	50,872,771	(16,599,095)	34,273,676	91.2	3,125,759,251	8,563,724
50	Return on Common Equity	95,245,192	(81,104,023)	14,141,169	0.0	0	0
51							
52	Expense Lag Allowance	\$443,595,396	(\$24,225,659)	\$419,369,737	77.9	\$32,653,043,918	\$89,460,394
53							
54	Working Capital						(\$55,254,852)

The Cleveland Electric Illuminating Company
Case No. 07-551-EL-AIR
Electric Revenue Lag

<u>Description</u>	Test Year Jurisdictional <u>Amount</u>	Lead/Lag <u>Days</u>	Lead/lag <u>Dollars</u>
Electric Revenues	\$ 416,443,399	39.5	\$ 16,449,514,261
Energy for Education (Ohio Schools Council) Revenues (Distribution)	<u>5,413,081</u>	(854.5)	<u>(4,625,477,715)</u>
Total Electric Revenues	\$ 421,856,480	28.0	\$ 11,824,036,546

Other Revenues

Forfeited Discounts	\$ 5,371,213	39.5	212,162,914
Misc. Service Revenues	2,471,404	39.5	97,620,458
Joint Usage Revenues	1,955,020	101.6	198,630,032
Right of way Revenues	1,057,633	25.2	26,652,352
Other Electric Revenues	<u>3,747,342</u>	39.5	<u>148,020,009</u>
Total Other Revenues	\$ 14,602,612	46.8	\$ 683,085,765

Ohio Edison Company
Case No. 07-551-EL-AIR
Cash Working Capital
For the Twelve Months Ended February 29, 2008

Schedule B-5.1

Data: 3 Months Actual & 9 Months Estimated

Reference No(s): Applicant's Schedule WPB-5.0a & Staff's Schedule C-3, Staff's Workpapers

Line No.	Description	Jurisdictional 2/29/2008 Amount	Adjustment Amount	Adjusted Jurisdictional Amount	Lead/Lag Days	Weighted Dollar Days	Cash Working Capital
	(A)	(B)	(C)	(D) = (B)+(C)	(E)	(F) = (D) * (E)	(G) = (F) / 365
1	<u>Operating Revenues</u>						
2	Electric Revenues	\$486,620,488	\$1,112,830	\$487,733,318	24.4	\$11,900,692,952	\$32,604,638
3	Other Revenues	30,967,029	(10,607,117)	20,359,912	183.4	3,734,007,831	10,230,158
4							
5	Revenue Lag Allowance	\$517,587,517	(\$9,494,287)	\$508,093,230	30.8	\$15,634,700,783	\$42,834,796
6							
7	<u>Operation & Maintenance Expenses</u>						
8	Purchased Power	(\$57,939,654)	\$57,939,654	\$0	30.5	\$8	\$0
9	Payroll	82,606,482	(83,931)	82,522,551	76.3	6,296,470,638	17,250,604
10	Employee Benefits	1,929,275	18,770,382	20,699,657	22.7	469,882,214	1,287,349
11	Other O&M:					0	0
12	Tree Trimming Contracting Fees	15,338,156	0	15,338,156	45.2	693,284,651	1,899,410
13	Outside Services Employed - FE Service	11,993,723	0	11,993,723	26.6	319,033,032	874,063
14	Uncollectibles	\$15,634,832	(11,981,322)	3,653,510	30.8	112,528,110	308,296
15	Other	50,005,543	(5,379,010)	44,626,533	52.3	2,333,967,659	6,394,432
16							
17	Total O&M Expense	119,568,357	59,265,773	178,834,130	57.2	10,225,166,312	28,014,154
18							
19	<u>Depreciation and Amortization</u>						
20	Depreciation Expense	57,092,241	1,577,056	58,669,297	0.0	0	0
21	Amortization of Limited-Term Electric Plant	3,338,635	0	3,338,635	0.0	0	0
22	Regulatory Debits / Credits	(83,496,227)	115,034,396	31,538,169	0.0	0	0
23							
24	Total Depreciation and Amortization	(23,065,351)	116,611,452	93,546,101	0.0	0	0
25							
26	<u>Taxes Other Than Income Taxes</u>						
27	Employee Income Taxes	5,319,957	966,399	6,286,356	3.5	22,002,246	60,280
28	Ohio CAT Tax	800,606	(7,981)	792,625	88.3	69,988,826	191,750
29	Ohio KWH Tax	97,000,241	(4,730,846)	92,269,395	35.2	3,247,882,704	8,898,309
30	Ohio Property Tax	57,864,342	(501,068)	57,363,274	309.0	17,725,251,789	48,562,334
31	PA Franchise Tax	778,622	0	778,622	30.0	23,358,660	63,996
32	Ohio Sales & Use Tax	71,090	0	71,090	19.8	1,407,582	3,856
33	Other Taxes	9,802	3,017,329	3,027,131	(95.3)	(288,485,565)	(790,371)
34							
35	Total Taxes Other Than Income Taxes	161,844,660	(1,256,166)	160,588,494	129.5	20,801,406,242	56,990,154
36							
37	<u>Income Taxes</u>						
38	Federal Income Taxes	18,489,697	(583,577)	17,906,120	37.5	671,479,507	1,839,670
39	Ohio State Income Tax	1,630,682	(774,874)	855,808	274.3	234,748,115	643,146
40	PA State Income Tax	524,804	(361,199)	163,605	30.0	4,908,143	13,447
41	Municipal	510,542	(168,700)	341,842	87.8	30,013,734	82,229
42	Provision for Deferred Income Taxes	52,223,565	(59,058,510)	(6,834,945)	0.0	0	0
43	Investment Tax Credit	(1,289,181)	0	(1,289,181)	0.0	0	0
44							
45	Total Income Taxes	72,090,109	(60,946,861)	11,143,249	84.5	941,149,499	2,578,492
46							
47	Net Operating Income	187,149,742	(123,168,486)	63,981,256			
48							
49	Interest on Long-Term Debt	61,145,527	(17,723,053)	43,422,474	91.2	3,960,129,629	10,849,670
50	Return on Common Equity	126,004,214	(105,445,432)	20,558,782	0.0	0	0
51							
52	Expense Lag Allowance	\$517,587,517	(\$9,494,287)	\$508,093,230	70.7	\$35,927,851,682	98,432,470
53							
54	Working Capital						(\$55,597,674)

Ohio Edison Company
Case No. 07-551-EL-AIR
Electric Revenue Lag

<u>Description</u>	Test Year Jurisdictional <u>Amount</u>	Lead/Lag <u>Days</u>	Lead/lag <u>Dollars</u>
Electric Revenues	\$ 478,039,210	40.2	\$ 19,217,176,242
Energy for Education (Ohio Schools Council) Revenues (Distribution)	8,581,278	(854.4)	(7,331,843,923)
Total Electric Revenues	\$ 486,620,488	24.4	\$ 11,885,332,319

Other Revenues

Late Payment Charges	\$ 8,516,969	40.2	342,382,154
Misc. Service Revenues	2,391,036	40.2	96,119,647
Joint Usage Revenues	6,286,982	504.1	3,169,267,626
Right of way Revenues	232,883	25.2	5,868,652
Other Electric Revenues	2,912,702	40.2	117,090,620
Total Other Revenues	\$ 20,340,572	183.4	\$ 3,730,728,699

8,581,278

486,620,488

The Toledo Edison Company
Case No. 07-551-EL-AIR
Cash Working Capital
Income Statement
For the Twelve Months Ended February 29, 2008

Data: 3 Months Actual & 9 Months Estimated

Schedule B-5.1

Line No.	Description (A)	Jurisdictional 2/29/2008 Amount (B)	C-3 Adjustment Amount (C)	Adjusted Jurisdictional Amount (D) = (B)+(C)	Lead/Lag Days (E)	Weighted Dollar Days (F) = (D) * (E)	Cash Working Capital (G) = (F) / 365
1	<u>Operating Revenues</u>						
2	Electric Revenues	\$145,755,356	\$1,221,254	\$146,976,610	27.2	\$3,997,769,231	\$10,952,792
3	Other Revenues	11,666,242	(1,712,961)	9,953,281	138.1	1,374,548,095	3,765,885
4							
5	Revenue Lag Allowance	\$157,421,798	(\$491,707)	\$156,930,091	34.2	\$5,372,317,326	\$14,718,678
6							
7	<u>Operation & Maintenance Expenses</u>						
8	Purchased Power	(\$16,514,843)	\$16,514,843	\$0	30.5	\$0	\$0
9	Payroll	31,877,113	(132,464)	31,744,649	64.3	2,041,180,954	5,592,277
10	Employee Benefits	5,502,411	2,312,020	8,814,431	23.6	208,020,572	569,919
11	Other O&M:						
12	Tree Trimming Contracting Fees	4,425,488	0	4,425,488	45.2	200,032,058	548,033
13	Outside Services Employed - FE Service	5,424,880	0	5,424,880	26.6	144,301,808	395,347
14	Uncollectibles	6,172,169	(\$174,859)	5,997,310	34.2	34,141,733	93,539
15	Other	19,382,981	(1,685,932)	17,697,049	52.3	925,555,657	2,535,769
16							
17	Total O&M Expense	57,270,199	11,833,608	69,103,807	51.4	3,553,232,781	9,734,884
18							
19	<u>Depreciation and Amortization</u>						
20	Depreciation Expense	26,107,656	(2,561,987)	23,545,669	0.0	0	0
21	Amortization of Limited-Term Electric Plant	977,216	0	977,216	0.0	0	0
22	Regulatory Debits / Credits	(28,514,231)	31,361,658	2,847,427	0.0	0	0
23							
24	Total Depreciation and Amortization	(1,429,359)	28,799,671	27,370,312	0.0	0	0
25							
26	<u>Taxes Other Than Income Taxes</u>						
27	Employee Income Taxes	1,669,588	1,273,871	2,943,459	3.5	10,302,107	28,225
28	Ohio CAT Tax	195,634	49,177	244,811	88.3	21,616,806	59,224
29	Ohio KWH Tax	29,150,960	(1,594,093)	27,556,867	35.2	970,001,718	2,657,539
30	Ohio Property Tax	22,167,397	(2,068,487)	20,098,910	302.5	6,079,920,275	16,657,316
31	PA Franchise Tax	296,300	0	296,300	30.0	8,889,000	24,353
32	Ohio Sales & Use Tax	12,745	0	12,745	19.8	252,351	691
33	Other Taxes	2,443	1,100,665	1,103,108	(68.5)	(75,555,525)	(207,001)
34							
35	Total Taxes Other Than Income Taxes	53,495,067	(1,238,867)	52,256,200	134.3	7,015,426,732	19,220,347
36							
37	<u>Income Taxes</u>						
38	Federal Income Taxes	(8,827,744)	1,850,565	(6,977,179)	37.5	(261,644,215)	(716,833)
39	Ohio State Income Tax	(760,216)	439,301	(320,915)	274.3	(88,027,060)	(241,170)
40	PA State Income Tax	(196,363)	64,172	(132,191)	30.0	(3,965,733)	(10,865)
41	Municipal	(260,425)	70,637	(189,788)	87.8	(16,663,391)	(45,653)
42	Provision for Deferred Income Taxes	19,926,495	(14,642,867)	5,283,628	0.0	0	0
43	Investment Tax Credit	(446,007)	0	(446,007)	0.0	0	0
44							
45	Total Income Taxes	9,435,739	(12,218,191)	(2,782,453)	133.1	(370,300,399)	(1,014,522)
46							
47	Net Operating Income	38,650,152	(27,667,927)	10,982,224			
48							
49	Interest on Long-Term Debt	19,402,660	(5,253,149)	14,149,511	91.2	1,290,435,403	3,535,439
50	Return on Common Equity	19,247,492	(22,414,778)	(3,167,287)	0.0	0	0
51							
52	Expense Lag Allowance	\$157,421,798	(\$491,707)	\$156,930,091	73.2	\$11,488,794,518	\$31,476,149
53							
54	Working Capital						(\$16,757,472)

The Toledo Edison Company
Case No. 07-551-EL-AIR
Electric Revenue Lag

<u>Description</u>	Test Year Jurisdictional Amount	Lead/Lag Days	Lead/lag Dollars
Electric Revenues	\$ 143,537,948	40.8	\$ 5,856,348,278
Energy for Education (Ohio Schools Council) Revenues (Distribution)	<u>2,217,608</u>	(854.4)	<u>(1,894,724,275)</u>
Total Electric Revenues	\$ 145,755,556	27.2	\$ 3,961,624,003

Other Revenues

Forfeited Discounts	\$ 2,662,748	40.8	108,640,118
Misc. Service Revenues	2,246,492	40.8	91,656,874
Joint Usage Revenues	2,906,520	373.4	1,085,294,568
Right of way Revenues	50,969	25.2	1,284,419
Other Electric Revenues	<u>2,064,181</u>	40.8	<u>84,218,585</u>
Total Other Revenues	\$ 9,930,910	138.1	\$ 1,371,094,564

PROOF OF SERVICE

I hereby certify that a true copy of the foregoing Additional Attachments to
Prefiled Testimony of Carlos J. Garcia, 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
11 day of February, 2008.



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