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# FILE FILE

## **PUCO EXHIBIT FILING**

Date of Hearing: <u>12/8/08</u> 18-658-EL-UM Case No. n: In The Matter of the application Department of Debelopment for an ung Adjustments to the Universal PUCO Case Caption: of the Order proving intronel Ohio Electric Jurisd Service und Kiders Distribution alilities List of exhibits being filed: Exhibit # RECEIVED-DOCKSTING DIV 2000 DEC 23 ODAD Exhibit 1-4 υ PH L: မ္မ Reporter's Signature: <u>Malerie</u> Joan

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10	Public Utilities Commission of Ohio, 180 East Broad				
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JUNT EXHIBIT

### BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of the Ohio : Department of Development for an Order : Approving Adjustments to the Universal : Service Fund Riders of Jurisdictional Ohio : Electric Distribution Utilities :

Case No. 08-658-EL-UNC

### STIPULATION AND RECOMMENDATION

Pursuant to Rule 4901-1-30, Ohio Administrative Code, the undersigned parties to this proceeding (the "Signatory Parties") hereby stipulate, agree, and recommend that the amended application filed herein on November 26, 2008 by the Ohio Department of Development (ODOD) for an order approving adjustments to the Universal Service Fund ("USF") riders of the jurisdictional Ohio electric distribution utilities ("EDUs") be granted by the Public Utilities Commission of Ohio ("Commission") in accordance with the terms and conditions specified herein.

Although the Signatory Parties recognize that this Stipulation and Recommendation (the "Stipulation") is not binding upon the Commission, the Signatory Parties respectfully submit that this Stipulation, which is not opposed by any party to the proceeding, is supported by the record, represents a just and reasonable resolution of the issues involved, violates no regulatory principle or precedent, and is in the public interest. The Signatory Parties represent that this Stipulation is the product of serious negotiations among knowledgeable parties representing a broad range of interests and that the Stipulation is a compromise involving a balancing of those interests and does not necessarily reflect the position that any one of the Stipulating Parties would have adopted if this matter had been fully litigated. In joining in this Stipulation, the Signatory Parties

recognize that it is not in the interest of the public or the parties hereto to delay necessary adjustments to the EDU USF riders by extended litigation when an acceptable outcome can be achieved through settlement negotiations. Thus, the Stipulating Parties further agree that this Stipulation shall not be relied upon as precedent for or against any party to this proceeding or the Commission, itself, in any subsequent proceeding, except as may be necessary to enforce the terms of the Stipulation.

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If the Commission rejects or modifies all or any part of this Stipulation or imposes additional conditions or requirements upon the Stipulating Parties, a Signatory Party shall have the right, within 30 days of the Commission's order, to file an application for rehearing or to withdraw from the Stipulation by filing a notice with the Commission. If a Signatory Party seeks rehearing, said Signatory Party may withdraw from the Stipulation within 30 days of the Commission's ultimate disposition of its rehearing application. Upon notice of withdrawal by a Signatory Party pursuant to the foregoing provisions, the Stipulation shall immediately be deemed null and void and this matter shall proceed as if the Stipulation had not been submitted; provided, however, that a notice of withdrawal from the Stipulation by an EDU Signatory Party shall void the Stipulation only as to the proposed USF rider rate of that EDU.

Any party to this proceeding may become a Signatory Party to the Stipulation subsequent to its filing by submitting a letter to the Commission stating the party's intention to do so.

The Signatory Parties stipulate and agree as follows:

 This matter is properly before the Commission pursuant to Section 4928.52(B), Revised Code. The Commission has jurisdiction to approve this Stipulation as submitted and to issue an order authorizing adjustments to the current EDU USF riders in the minimum

amount necessary to provide the revenues sufficient to cover the administrative costs of the low-income customer assistance programs and the consumer education program and provide adequate funding for those programs.

- 2. The amended application and supporting exhibits filed in this docket by ODOD on November 26, 2008, the testimony of ODOD witness Nick Sunday filed herein on October 31, 2008, the testimony of ODOD witness Donald A. Skaggs filed herein on October 31, 2007, and the supplemental testimony of ODOD witness Donald A. Skaggs filed herein on November 26, 2008 shall be admitted into evidence and made a part of the record in this case, subject to the corrections described in Paragraph 3 below.
- 3. If called to testify, ODOD witness Skaggs would state: (a) that the Columbus Southern Power Company ("CSP") regulatory asset rider referred to at page 6, lines 5-6, of his supplemental testimony as having been removed effective January 2008, is actually scheduled to be removed effective January 2009; (b) that the basis for the adjustment for this rate change shown in Exhibit A.1.a of the amended application is to annualize the impact of this rate decrease so that the test-period cost of PIPP will reflect the annual revenue requirement that must be recovered through the cost of PIPP component of CSP USF rider rate during the 2009 collection period; (c) that, although the description of the basis for the adjustment set forth at page 6, lines 6-9, of his supplemental testimony is incorrect, the adjustment for this rate decrease shown in Exhibit A.1.a of the amended application is correctly calculated;<sup>1</sup> and (d) that the resulting reduction should have been carried forward to Exhibit A.1 as a 2009 EDU rate decrease rather than a 2008 EDU rate

<sup>&</sup>lt;sup>1</sup> Notwithstanding the description at page 6, lines 6-9, of ODOD witness Skaggs' supplemental testimony, the adjustment was made to the total cost of electricity delivered to PIPP customers during the test period.

decrease. Accordingly, corrected Exhibit A.1 attached hereto as Appendix A should be substituted for Exhibit A.1 to the amended application. Because the adjustment itself was correctly calculated, the substitution of corrected Exhibit A.1 for Exhibit A.1 to the amended application, has no impact on CSP's adjusted test-period cost of PIPP or any other element of the CSP USF rider revenue requirement.

- 4. If called to testify, an appropriate representative of each EDU would verify that the Kwh sales data and other information supplied by the EDU to ODOD and upon which ODOD relied in developing the USF rider revenue requirement for each EDU as set out in the amended application is true and accurate to the best of that EDU's knowledge and belief.
- 5. As set forth in ODOD's amended application, and as further described in and supported by the testimony of ODOD witness Nick Sunday and the testimony and supplemental testimony of ODOD witness Donald A. Skaggs, the annual USF rider revenue requirement for each EDU shall be as follows:

The Cleveland Electric Illuminating Company ("CEI")\$ 15,371,278Columbus Southern Power Company ("CSP")22,985,870The Dayton Power & Light Company ("DP&L")19,198,560Duke Energy Ohio ("Duke")20,386,647Ohio Edison Company ("OE")44,050,245Ohio Power Company ("OPC")20,263,229The Toledo Edison Company ("TE")14,323,628

6. The methodology for determining the respective USF rider revenue requirements is consistent with the methodology accepted by the Commission in its September 10, 2008 finding and order in the notice of intent ("NOI") phase of this proceeding.

The annual USF rider revenue requirements set forth in Paragraph 5 shall be collected by the respective EDUs through a USF rider which incorporates a declining block rate design consisting of two consumption blocks. The first block of the rate shall apply to all monthly consumption up to and including 833,000 Kwh. The second rate block shall apply to all consumption above 833,000 Kwh per month. For each EDU, the rate per Kwh for the second block shall be set at the lower of the Percentage of Income Payment Plan ("PIPP") charge in effect in October 1999 or the per Kwh rate that would apply if the EDU's annual USF rider revenue requirement were to be recovered through a single block per Kwh rate. The rate for the first block rate shall be set at the level necessary to produce the remainder of the EDU's annual USF rider revenue requirement. The USF riders for each EDU determined in accordance with this methodology shall be as follows:

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	First 833,000 Kwh	Above 833,000 Kwh
CEI	\$ 0.0008495 / Kwh	\$ 0.0005680 / Kwh
CSP	0.0013130 / Kwh	0.0001830 / Kwh
DP&L	0.0014757 / Kwh	0.0005700 / Kwh
Duke	0.0010857 / Kwh	0.0004690 / Kwh
OE	0.0019474 / Kwh	0.0010461 / Kwh
OP	0.0010601 / Kwh	0.0001681 / Kwh
TE	0.0018964 / Kwh	0.0005610 / Kwh

The specific calculations supporting the stipulated USF rider rates are set forth in Exhibits DAS-Rev-36 through DAS-Rev-42 to the supplemental testimony of ODOD witness Skaggs.

8. The stipulated USF rider rates for DPL, OE, and TE set forth in Paragraph 7 reflect the minimum increases necessary to produce the additional revenues the Signatory Parties agree are sufficient to satisfy the respective annual USF rider revenue requirements set

forth in Paragraph 5. The stipulated CEI, CSP, Duke, and OP rider rates, which are lower than the current USF rider rates of these EDUs approved in Case No. 07-661-EL-UNC, are set at the minimum level sufficient to satisfy the CEI, CSP, Duke, and OP annual USF rider revenue requirements set forth in Paragraph 5. ODOD hereby consents to and approves these USF rider rate decreases as required by Section 4928.52(B), Revised Code.

9. The rate design methodology utilized in calculating the recommended USF rider rates set forth in Paragraph 6 is identical to the methodology accepted by the Commission in its September 10, 2008 finding and order in the NOI phase of this proceeding and in all prior USF rider rate adjustment proceedings. Any change in the existing relative customer class revenue responsibility resulting from the use of this rate design methodology is well within the range of estimation error inherent in any customer class cost-of-service analysis and does not violate the Section 4928.52(C), Revised Code, prohibition against shifting the costs of funding low-income customer assistance programs among customer classes. By stipulating to the use of the EDU's October 1999 PIPP charge as a cap on the second block of the rider for purposes of this case, no Signatory Party waives its right to contest the continued use of the October 1999 PIPP charge as a cap on the second block of the rider for purposes of this case, no Signatory Party waives its right to contest the continued use of the October 1999 PIPP charge as a cap on the second block of the rider for purposes of this case, no Signatory Party waives its right to contest the continued use of the October 1999 PIPP charge as a cap on the second block of the rider for purposes 0.52(B), Revised Code, proceeding.

The current USF rider of each EDU shall be withdrawn and cancelled and shall be replaced by USF riders containing the rates provided in Paragraph 6, such riders to be filed within seven days of the Commission order adopting the Stipulation. The new USF riders shall be effective upon filing with the Commission and shall apply on a bills-

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rendered basis beginning with the first billing cycle of the month following their effective date. The EDUs shall notify customers of the adjustments to their respective USF riders by means of the customer notice attached hereto as Appendix B.

- 11. Unlike traditional ratemaking, where the objective is to establish rates which will provide the applicant utility with a reasonable earnings opportunity, the USF riders must actually generate sufficient revenues to enable ODOD to meet its specific USF-related statutory and contractual obligations on an ongoing basis. To this end, ODOD shall file, not later than October 31, 2009, an application with the Commission for such adjustments to the USF riders as may be necessary to assure, to the extent possible, that each EDU's USF rider will generate its associated revenue requirement, but not more than its associated revenue requirement, during the annual collection period following Commission approval of such adjustments. ODOD shall serve copies of such application upon all other parties to this proceeding. In the event ODOD fails to file such application on or before October 31, 2009, ODOD shall notify the Signatory Parties in writing of its intentions with respect to an application for adjustments to the USF riders, including its anticipated filing date. Such notice shall not affect the right of any Signatory Party to pursue such legal recourse against ODOD as may be available for failure to comply with the Stipulation, if any.
- 12. The Signatory Parties recognize that the EDU USF rider rates proposed in ODOD's annual USF rider adjustment applications are predicated on the assumption that the new USF riders authorized by the Commission will be effective on a bills-rendered basis during the January billing cycle of the following year. Although the October 31, 2009 filing deadline established in Paragraph 10 of this Stipulation for the filing of next year's

application will provide adequate time for the Commission to act upon the application prior to January 1, 2010 if the application is not contested, the Signatory Parties recognize that this two-month interval may not be sufficient in the event that a party to the proceeding objects to the application and wishes to litigate the issue(s) raised in its objection(s).<sup>2</sup> To address this concern, the Signatory Parties propose and agree that ODOD should again follow the NOI process adopted in Case Nos. 04-1616-EL-UNC, 05-717-EL-UNC, 06-751-EL-UNC, and 07-661-EL-UNC. Specifically, this process shall be as follows: On or before May 31, 2009, ODOD shall file with the Commission a notice of its intent to submit its annual USF rider adjustment application, and shall serve the NOI on all parties to this proceeding. The NOI shall set forth the methodology ODOD intends to employ in calculating the USF rider revenue requirement and in designing the USF rider rates in preparing its 2009 USF rider rate adjustment application, and may also include such other matters as ODOD deems appropriate. Upon the filing of the notice of intent, the Commission will open the 2009 USF rider adjustment application docket and will establish a schedule for the filing of objections or comments, responses to the objections or comments, and, if a hearing is requested, a schedule for discovery, the filing of testimony, and the commencement of the hearing. The Commission will use its best efforts to issue its decision with respect to any objections raised not later than September 30, 2009. ODOD will conform its 2009 USF rider adjustment application to any directives set forth in the Commission's decision. If the order is not issued sufficiently in advance of the October 31, 2009 filing deadline to permit ODOD to incorporate such

<sup>&</sup>lt;sup>2</sup> In so stating, the Signatory Parties are referring to an objection relating to something other than the mathematical accuracy of ODOD's calculations, as such an objection can almost certainly be resolved informally in a timely manner under the current process.

directives, ODOD will file an amended application conforming to the Commission's directives as soon as practicable after the order is issued.

- 13. The Signatory Parties support initiatives intended to control the costs that ultimately must be recovered through the USF rider. In furtherance of this objective, the Signatory Parties agree to the continuation of the USF Rider Working Group (the "Working Group") formed pursuant to the stipulation approved by the Commission in Case No. 03-2049-EL-UNC, which is charged with developing, reviewing, and recommending such cost-control measures. Although recommendations made by the Working Group shall not be binding upon any Signatory Party, the Signatory Parties shall give due consideration to such recommendations and shall not unreasonably oppose the implementation of such recommendations.
- 14. Consistent with the cost-control objective described in Paragraph 13, the signatory EDUs will continue to honor the term of the stipulation in Case No. 03-2049-EL-UNC that provides that no security deposit will be required from a reconnecting PIPP customer.
- 15. The Signatory Parties recognize that the EDUs currently have cases pending before the Commission that may result in rate increases during the 2009 collection period. Accordingly, the Signatory Parties recommend that the Commission allow this docket to remain open to permit ODOD to file supplemental applications for approval of such additional USF rider rate adjustments as may be necessary to reflect the impact of changes to the USF rider revenue requirements of the respective EDUs during the 2009 collection period.

16. The stipulation adopted by the Commission in its September 10, 2008 finding and order in the NOI phase of this proceeding contemplated that ODOD would file a supplement to the NOI ("Supplement") including the reports by Schneider Downs of the results of its application of agreed-upon procedures designed to test the accuracy and timeliness of the PIPP-related accounting and reporting of Duke and the AEP operating companies (CSP) and OP), and ODOD's conclusions regarding the Schneider Downs' findings. Although Schneider Downs has issued its reports and the Working Group has conducted an exit interview of Schneider Downs' personnel responsible for the reports, ODOD has not yet filed the Supplement. Under these circumstances, the Signatory Parties recommend that the Supplement remain on a separate procedural track and agree to submit a proposed procedural schedule for addressing any unresolved issues once the Supplement has been filed. In the event that it is ultimately determined that any identified PIPP-related accounting or reporting deficiencies resulted in overpayments to the subject EDUs, the Signatory Parties recommend that proposed adjustments to credit EDU customers for such overpayments be raised through a separate supplemental application filed by ODOD in this docket or in conjunction with a supplemental application filed pursuant to Paragraph 15 above.

WHEREFORE, the Signatory Parties respectfully request that the Commission issue an order adopting this Stipulation and directing each EDU to file new USF riders in accordance therewith, said riders to be effective with the January 2009 billing cycle on a bills-rendered basis. Ohio Department of Development

By:

Staff of the Public Utilities Commission of Ohio

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Industrial Energy Users - Ohio

By:

Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company

By: Kan

Columbus Southern Power Company and Ohio Power Company

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Duke Energy Ohio

By: \_\_\_

By: Judi Sobechi EMAL AUTHORIZATION

Ohio Partners for Affordable Energy

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The Office of the Ohio Consumers' Counsel

By: \_\_\_\_\_

# **APPENDIX** A

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	Test Period Cost of PIPP	2008 EDU Rate Increases	2008 EDU Rate Decreases	2009 EDU Rate Increases	2009 EDU Rate Decreases	Adjusted Test-Period Cost of PIPP
CSP'	\$18,031,000	\$132,422	\$0		(\$1,532,691)	\$16,630,730
OP <sup>2</sup>	\$16,556,819	\$31,877	(\$389,343)	\$0	\$0	\$16,199,353
Duke	\$16,873,384	\$0	\$0	\$0	\$0	\$16,873,384
DPL <sup>3</sup>	\$12,221,965	\$9,192	(\$156,647)	\$1,777,996	\$0	\$13,852,506
CEI <sup>4</sup>	\$14,355,716	\$95,496	\$0	\$0	\$0	\$14,451,213
OE⁵	\$31,555,093	\$637,130	\$0	\$0	\$0	\$32,192,223
TE <sup>€</sup>	\$10,278,004	\$161,898	\$0	\$0	\$0	\$10,439,902
	\$119,871,981	\$1,068,015	(\$545,990)	\$1,777,996	(\$1,532,691)	\$120,639,312

## Adjusted Test-Period Cost of PIPP

1-See Exhibit A.1.a

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5- See Exhibit A.1.e 6- See Exhibit A.1.f

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2-See Exhibit A.1.b 3-See Exhibit A.1.c

4- See Exhibit A.1.d

## **APPENDIX B**

Pursuant to state law, the Universal Service Fund rider rate has been adjusted effective with this bill.

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### BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of the Ohio : Department of Development for an Order : Approving Adjustments to the Universal : Service Fund Riders of Jurisdictional Ohio : Electric Distribution Utilities.

Case No. 08-658-EL-UNC

AMENDED APPLICATION

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RECEIVED-DOCKETING DIV

By its application in this docket of October 31, 2008, the Ohio Department of Development ("ODOD"), by its Director, Lee Fisher, petitioned the Commission for an order approving adjustments to the Universal Service Fund ("USF") riders of all jurisdictional Ohio electric distribution utilities ("EDUs") pursuant to Section 4928.52(B), Revised Code. Pursuant to Rule 4901-1-16, Ohio Administrative Code, ODOD hereby moves to amend its application as set forth below. As more fully described in the supplemental testimony of ODOD witness Donald A. Skaggs submitted herewith, this amended application reflects information which was not available to ODOD at the time the original application was prepared. Accordingly, ODOD respectfully requests that the Commission accept this amended application for filing. In support of its amended application, ODOD states as follows:

1. Under the legislative scheme embodied in SB 3, the 1999 legislation that restructured Ohio's electric utility industry and transferred administration of the percentage of income payment plan ("PIPP") program to ODOD, the USF riders replaced the existing PIPP riders of each jurisdictional electric utility. The USF riders were to be calculated so as to generate the same level of revenue as the PIPP riders they replaced [*see* Section 4928.52(A)(1). Revised Code], plus an amount equal to the level of funding for low-income customer energy efficiency programs reflected in the electric rates in effect on the effective date of the statute [*see* Section 4928.52(A)(2), Revised Code]. In addition, the USF riders were also to be designed to recover the amount necessary to pay the administrative costs associated with the low-income customer assistance programs and the consumer education program created by Section 4928.56, Revised Code [*see* Section 4928.52(A)(3), Revised Code].

2. Pursuant to Section 4928.51(A), Revised Code, all USF rider revenues collected by the EDUs are remitted to ODOD for deposit in the state treasury's USF. ODOD then makes disbursements from the USF to fund the low-income customer assistance programs (including PIPP and the low-income customer energy efficiency programs) and the consumer education program and to pay their related administrative costs.

3. Section 4928.52(B), Revised Code, provides that, if ODOD, after consultation with the Public Benefits Advisory Board ("PBAB"), determines that the revenues in the USF, together with revenues from federal and other sources of funding, including the general revenue fund appropriations for the Ohio Energy Credit Program,<sup>3</sup> will be insufficient to cover the cost of the low-income customer assistance and consumer education programs and their related administrative costs, ODOD shall file a petition with the Commission for approval of an increase in the USF rider rates. The statute further provides that, after providing reasonable notice and opportunity for hearing, the Commission may adjust the USF rider by the minimum amount necessary to generate the additional revenues required; provided, however, that the Commission

<sup>&</sup>lt;sup>3</sup> The Ohio Energy Credit Program was discontinued as of July 1, 2003.

may not decrease a USF rider without the approval of the ODOD Director, after consultation, by the Director, with the PBAB.

4. Unlike traditional ratemaking, where the objective is merely to establish rates that will provide the applicant utility with a reasonable earnings opportunity, the USF riders must actually generate sufficient revenues to enable ODOD to meet its USF-related statutory and contractual obligations on an ongoing basis. In recognition of this fact, the stipulations adopted by the Commission in all prior USF rider rate adjustment proceedings have required that ODOD file a Section 4928.52(B), Revised Code, application with the Commission no later than October 31 of the following year, proposing such adjustments to the USF rider rates as may be necessary to assure, to the extent possible, that each EDU's rider will generate its associated revenue requirement – but not more than its associated revenue requirement – during the annual collection period following Commission approval of such adjustments. This is the eighth annual USF rider adjustment application filed by ODOD pursuant to this statute since the establishment of the initial USF riders in the electric transition plan proceedings initiated by applications filed by the EDUs pursuant to SB 3.

5. By its opinion and order of December 19, 2007 in Case No. 07-661-EL-UNC, this Commission granted ODOD's 2007 application for approval of adjustments to the USF riders of all Ohio EDUs based on its acceptance of a stipulation and recommendation submitted jointly by a majority of the parties to that proceeding. The new USF riders replaced the USF riders approved by the Commission in Case No. 06-751-EL-UNC, and became effective on a billsrendered basis with the January 2008 EDU billing cycles. The USF riders of Columbus Southern Power Company ("CSP") and Ohio Power Company ("OP") were subsequently revised,

effective with the June 2008 billing cycle, to correct certain errors in the original calculation of CSP and OP USF rider revenue requirements previously approved by the Commission in its December 19, 2007 opinion and order. *See* Case No. 07-661-EL-UNC, Finding and Order dated May 28, 2008.

6. The Commission's December 19, 2007 opinion and order in Case No. 07-661-EL-UNC provided for the continuation of the notice of intent ("NOI") process first approved by the Commission in Case No. 04-1616-EL-UNC. Under this process, ODOD is required to make a preliminary filing by May 31 setting out the methodology it will employ in developing the USF rider revenue requirements and rate design for its subsequent annual USF rider adjustment application. The purpose of this procedure is to permit the Commission to resolve any issues relating to methodology prior to the preparation and filing of the application itself, so as to limit the issues in the second phase of the case and thereby permit the Commission to act on the application in time for the new USF rider rates to take effect on January 1 of the following year. ODOD filed its NOI in this case on June 2, 2008.<sup>1</sup> The Commission, consistent with the terms of a stipulation jointly submitted by a majority of the parties to the proceeding,<sup>2</sup> approved the methodology proposed by ODOD in the NOI by its finding and order of September 10, 2008 (the "*NOI Order*").

<sup>&</sup>lt;sup>1</sup> May 31, 2008 fell on a Saturday. Thus, under the Commission's computation of time rule, the NOI was timely filed. See Rule 4901-1-07(A), Ohio Administrative Code.

<sup>&</sup>lt;sup>2</sup> Although not a signatory party, the Office of the Ohio Consumers' Counsel ("OCC") did not contest the stipulation (*see* OCC Letter dated August 4, 2008). Ohio Partners for Affordable Energy joined in the stipulation except for the provision regarding the proposed rate design methodology, but did not contest the issue.

7. Based on its analysis of the annual pro forma revenue that would generated by applying the current USF rider rates to test-period sales volumes<sup>3</sup> and the results of its application of the USF rider revenue requirements methodology approved in the NOI Order as described below, ODOD has determined that, on an aggregated basis, the total pro forma annual revenue generated by the current USF riders will fall short, by some \$5,105,844, of the annual revenue required to fulfill the objectives identified in Section 4928.52(A), Revised Code, during the 2009 collection period. However, although the current USF riders of Dayton Power and Light Company ("DPL"), Ohio Edison Company ("OE"), and Toledo Edison Company ("TE") are projected to under-recover their respective USF rider revenue requirements during the collection period, ODOD's analysis indicates that the pro forma revenues generated by the USF rider rates of The Cleveland Electric Illuminating Company ("CEI"), Columbus Southern Power Company, Duke Energy Ohio ("Duke"), and Ohio Power Company ("OP") will over-recover their associated revenue responsibility over 2009. Accordingly, ODOD, having consulted with the PBAB, proposes that the USF riders of each EDU be adjusted so as to generate the required annual revenue indicated on the following table.

<sup>&</sup>lt;sup>3</sup> As previously noted, the current CSP and OP USF riders took effect in June 2008. These riders were designed to recover the impact of the increases in the CSP and OP USF rider revenue requirements resulting from the correction of the errors identified by ODOD in its April 29, 2008 supplemental application in Case No. 07-661-EL-UNC over the final seven months of the 2008 collection period. Applying these seven-month rates to the twelve-month test-period sales volumes will not accurately portray the annual pro forma revenue for CSP and OP. Thus, as explained in the direct testimony of ODOD witness Donald A. Skaggs filed herein on October 31, 2008, the pro forma USF rider revenues for CSP and OP have been restated to reflect a twelve-month recovery of the corrected revenue requirements approved by the Commission in granting ODOD's supplemental application in Case No. 07-661-EL-UNC.

Company	Adjusted Test-Period USF Rider Revenue	Required Annual USF Rider Revenue	USF Rider Revenue Surplus/Deficiency
CEI	\$ 17,094,866	\$ 15,371,278	\$ 1,723,588
CSP	25,124,368	22,985,870	2,138,498
DPL	12,148,344	19,198,560	(7,050,216)
DUKE	22,630,983	20,386,647	2,244,336
OE	35,088,007	44,050,245	(8,962,238)
OP	26,411,260	20,263,229	6,148,030
TE	13,759,454	14,323,628	(564,174)
TOTALS	\$ 152,257,281	\$ 156,579,457	(\$ 4,322,176)

8. As described in further detail in the direct testimony of ODOD witness Skaggs filed herein on October 31, 2008, the revenue requirement that the proposed USF riders are designed to generate consists of the elements identified below. These elements have been determined in accordance with the methodology approved by the Commission in the *NOI Order*.

a. <u>Cost of PIPP</u>. The cost of PIPP component of the USF rider revenue requirement is intended to reflect the total cost of electricity consumed by the company's PIPP customers for the 12-month period January 2008 through December 2008 (the "test period"), plus pre-PIPP balances, less all payments made by or on behalf of PIPP customers, including agency payments, over the same period. Because actual data for October through December 2008 was not available at the time the amended application was prepared, information from the corresponding months of 2007 was combined with actual data from January through September of 2008 to determine the test-period cost of PIPP. The calculation of the test-period cost of PIPP is shown in attached Exhibit A. Certain elements of the tariffed rates of CEI, CSP, DP&L, OE, OP, and TE were adjusted

during 2008 pursuant to orders of this Commission. In addition, certain other Commission-approved DP&L rate changes will take effect January 1, 2009. As discussed in the direct and supplemental testimony of ODOD witness Skaggs, the impact of these rate changes on the cost of PIPP must be recognized in establishing the USF rider revenue requirements for these EDUs. The calculation of the adjustments, which are explained in Mr. Skaggs' supplemental testimony, are shown in attached Exhibits A.1.a through A.1.f. The cumulative effects of these adjustments are shown in the Adjusted Test-Period Cost of PIPP column in attached Exhibit A.1.

b. Electric Partnership Program and Consumer Education Program Costs. This element of the USF rider revenue requirement reflects the cost of the low-income customer energy efficiency programs and the consumer education program, now referred to collectively by ODOD as the "Electric Partnership Program" ("EPP"), and their associated administrative costs, which are recovered through the USF riders pursuant to Section 4928.52(A)(2) and (3), Revised Code. ODOD's proposed allowance for these items of \$14,946,196, which is identical to the allowance accepted by the Commission in all previous USF riders rate adjustment proceedings, is supported by the analysis submitted by ODOD as Exhibit A to the NOI filed herein on June 5, 2008 and the direct testimony of ODOD witness Skaggs filed herein on October 31, 2008. Consistent with the NOI Order, this component of the USF rider revenue requirement is allocated to the companies based on the ratio of their respective costs of PIPP to the total cost of PIPP. The results of the allocation are shown in attached Exhibit B.

c. <u>Administrative Costs</u>. This USF rider revenue requirement element represents an allowance for the costs ODOD incurs in connection with its administration of the PIPP program and is included as a revenue requirement component pursuant to Section 4928.52(A)(3), Revised Code. As explained in the direct testimony of ODOD witness Nick Sunday filed herein in on October 31, 2008, the proposed allowance for administrative costs of \$2,021,589 has been determined in accordance with the methodology approved by the Commission in the *NOI Order*. The requested allowance for administrative costs has been allocated to the EDUs based on the number of PIPP customer accounts as of April 2008, the test-period month exhibiting the highest PIPP customer account totals. The results of the allocation are shown in attached Exhibit C.

d. <u>December 31, 2008 PIPP Account Balances</u>. Because the USF rider is based on historical sales and historical PIPP enrollment patterns, the cost of PIPP component of an EDU's USF rider will, in actual practice, either over-recover or underrecover its associated annual revenue requirement over the collection period. Overrecovery creates a positive PIPP USF account balance for the company in question, thereby reducing the amount needed on a forward-going basis to satisfy the USF rider revenue requirement. Conversely, where under-recovery has created a negative PIPP USF account balance as of the effective date of the new riders, there will be a shortfall in the cash available to ODOD, which will impair its ability to make the PIPP reimbursement payments due the EDUs on a timely basis. Thus, the amount of any existing positive PIPP USF account balance must be deducted in determining the target revenue level the adjusted USF rider is to generate, while the deficit represented by a negative PIPP USF account balance must be added to the associated revenue

requirement. In this case, ODOD is requesting that its proposed USF riders be implemented on a bills-rendered basis effective January 1, 2009. Accordingly, the USF rider revenue requirement of each company has been adjusted by the amount of the company's projected December 31, 2008 PIPP account balance so as to synchronize the new riders with the EDU's PIPP USF account balance as of their effective date. This conforms to the methodology approved by the Commission in the *NOI Order*. The adjustment for each EDU is shown in attached Exhibit D.

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Reserve. ODOD has entered into agreements of understanding with each e. of the EDUs pursuant to Rule 122:12-2-01(A), Ohio Administrative Code. These agreements provide, inter alia, that ODOD will be assessed a carrying charge on all ODOD monthly payments reimbursing the EDU for the cost of electricity delivered to PIPP customers which are not received by the EDU by the specified due date. PIPPrelated cash flows fluctuate significantly throughout the year, due, in large measure, to the weather-sensitive nature of electricity sales and PIPP enrollment behavior. As shown on the test-period graph attached hereto as Exhibit E, these fluctuations will, from timeto-time, result in negative PIPP USF account balances, which means that ODOD would be unable to satisfy its payment obligation to the EDUs on a timely basis and, thus, would incur carrying charges in those months. To address this problem, ODOD has included an allowance to create a reserve as an element of the USF rider revenue requirement based on each EDU's highest monthly deficit during the test period. The Commission approved this methodology in its NOI Order in this case. The proposed reserve component for each EDU is set forth in attached Exhibit F. As explained in the direct testimony of ODOD witness Skaggs filed herein of October 31, 2008, the reserve

components for CSP and OP have been adjusted to recognize that their actual April 2008 deficits – the highest test-period monthly deficits for both companies – overstate their reserve requirements due to the impact of the errors in the CSP and OP USF rider revenue requirements originally approved in Case No. 07-661-EL-UNC. *See* Case No. 07-661-EL-UNC, Finding and Order Dated May 28, 2008. The calculation of the adjustments for CSP and OP are shown in attached Exhibits F.1 and F.2, respectively.

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f. <u>Allowance for Interest</u>. Although the methodology for calculating the reserve component is designed to fully fund the EDU reserves on a pro forma basis by the end of the 2009 collection period, because USF cash flows fluctuate considerably over the course of the year, ODOD projects that it will still incur some carrying charges for late PIPP reimbursement payments to the EDUs during 2009. Thus, ODOD has again included an allowance for these interest costs as a component of the USF rider revenue requirement. This allowance was calculated based on a cash-flow analysis that projected the daily PIPP USF account balances the proposed USF riders would produce. ODOD then determined the number of late payment days these balances would represent and applied the daily interest costs ODOD will incur. This methodology is consistent with that approved in the *NOI Order*. The proposed interest allowance to be built into the USF rider of each EDU is shown in attached Exhibit G.

h. <u>Allowance for Undercollection</u>. This component of the USF rider revenue requirement is an adjustment to recognize that, due to the difference between amounts billed through the USF rider and the amounts actually collected from EDU customers, the rider will not generate the target revenues. In accordance with the methodology approved

by the Commission in the NOI Order, the allowance for undercollection for each company is based on the collection experience of that company. The allowance for undercollection for each EDU is shown in attached Exhibit H.

i. <u>Allowance for Audit Costs</u>. As discussed in the direct testimony of ODOD witness Skaggs filed herein on October 31, 2008, the USF Rider Working Group (the "Working Group")<sup>4</sup> recommended that ODOD engage a qualified, independent third party to conduct audits of each EDUs' PIPP-related accounting and reporting. Consistent with the Working Group's recommendation, the audits are staggered, with DP&L and the FirstEnergy operating companies (CEI, OE, and TE) scheduled to be audited in 2009. Accordingly, in the NOI in this case, ODOD proposed that an allowance for audit costs of \$40,000 be included as a component of the USF rider requirement of those EDUs to be audited in 2009, with any difference between the allowance and the actual cost of the audits to be trued up via the December 31, 2009 USF account balance element in next year's USF rider rate adjustment application. The Commission approved this proposal in its *NOI Order*, and the revenue requirements proposed herein for DPL and the FirstEnergy companies include this element.

j. <u>Universal Service Fund Interest Offset</u>. Section 4928.51(A), Revised Code, provides that interest on the USF shall be credited to the fund. Although the fund has, from time to time, generated interest income, ODOD, in the past, was routinely forced to utilize such income to cover shortfalls resulting from the amounts by which the

<sup>&</sup>lt;sup>4</sup> The USF Rider Working Group was formed pursuant to the stipulation approved by the Commission in Case No. 03-2049-EL-UNC, and is charged with developing, reviewing and recommending measures to control the costs that ultimately must be recovered through the USF rider.

actual cost of PIPP during the collection periods have exceeded the test-period cost of PIPP built into the USF rider rates. In the ODOD-OCC settlement agreement in the NOI phase of Case No. 05-717-EL-UNC, ODOD indicated that, in future cases, if it projected that there would be any accrued interest on the fund available at year-end, ODOD would offset this interest against the USF rider revenue requirement. However, the 2005 state budget bill for the 2006-2007 biennium authorized the Office of Budget and Management ("OBM"), through June 30, 2007, to transfer interest earned on various funds within the state treasury to the General Revenue Fund (see Section 312.06 of HB 66). OBM identified the Universal Service Fund ("USF") as one of the funds subject to such interest transfers, notwithstanding that SB 3 provided that interest on the USF would be credited to the USF. Although ODOD opposed the use of USF interest for other purposes, OBM did not reverse its position on this issue. The 2007 state budget bill for fiscal years 2008 and 2009 continues to authorize this transfer of interest from the USF (see Section 512.03) of HB 119). Thus, there will be no USF interest available to ODOD as of December 31, 2008 to be used as an offset to the USF rider revenue requirement.

9. A summary schedule showing the USF rider component costs by company is attached as Exhibit I. ODOD proposes to recover the annual USF rider revenue requirement for each company through a USF rider which incorporates the same two-step declining block rate design approved by the Commission in all prior USF rider rate adjustment cases and the *NOI Order* in this proceeding. The first block of the rate applies to all monthly consumption up to and including 833,000 Kwh. The second rate block applies to all consumption above 833,000 Kwh per month. For each EDU, the rate per Kwh for the second block is set at the lower of the

PIPP charge in effect in October 1999 or the per Kwh rate that would apply if the EDU's annual USF rider revenue requirement were to be recovered through a single block per Kwh rate. The rate for the first block rate is set at the level necessary to produce the remainder of the EDU's annual USF rider revenue requirement. Thus, if the EDU's October 1999 PIPP charge exceeds the per Kwh rate that would apply if the EDU's annual USF rider revenue requirement were to be recovered through a single block per Kwh rate, a calculation shown in Exhibit J, the rate for both consumption blocks would be the same. In this case, the October 1999 PIPP charge cap has been triggered for each of the EDUs, so all the new USF rider rates proposed herein have the declining block feature. The following table compares the resulting proposed USF riders for each EDU with the EDU's current USF rider.

Сотрану	Current USF Rider		Proposed USF Rider			
Company	First 833,000 Kwh	Above 833,000 Kwh	First 833,000 Kwh	Above 833,000 Kwh	_	
CEI	\$0.0009629	\$0.0005680	\$0.0008495	\$ 0.0005680		
CSP	\$0.0016196	\$ 0.0001830	\$0.0013130	\$ 0,0001830	_	
DPL	\$0.0008796	\$ 0.0005700	\$0.0014757	\$ 0.0005700		
DUKE	\$0.0012176	\$ 0.0004690	\$0.0010857	\$ 0.0004690		
OE	\$0.0014760	\$ 0.0010461	\$0.0019474	\$ 0.0010461		
OP	\$0.0015491	\$ 0.0001681	\$0.0010601	\$ 0.0001681		
TE	\$0.0018007	\$ 0.0005610	\$0.0018964	\$ 0.0005610		

10. Consistent with Section 4928.52(B), Revised Code, the proposed USF rider rates set forth above for DPL, OE, and TE reflect the minimum increases necessary to produce the additional revenues required to satisfy the respective USF rider revenue responsibility of those companies. The proposed USF rider rate for CEI, CSP, Duke, and OP, which are lower than their current rider rates, have also been set at the minimum level necessary to satisfy their respective USF rider revenue responsibilities. If its application is granted, ODOD will, of course, consent to and approve the USF rider decreases for CEI, CSP, Duke, and OP as required by Section 4928.52(B), Revised Code.

11. In calculating the USF rider revenue requirement, ODOD has relied on certain information reported by the EDUs. Although ODOD believes this information to be reliable, ODOD has not performed an audit to verify the accuracy of this information. If any party questions or wishes to challenge the accuracy of this information, ODOD requests that the Commission require such party to direct its inquiries to the EDU in question, either informally, or through formal discovery.

13. ODOD requests that, as a part of its order in this proceeding, the Commission require that ODOD file its 2009 USF rider rate adjustment application no later than October 31, 2009, provide that the NOI procedure again be used in connection with the 2009 application, and authorize the continuation of the Working Group.

14. ODOD recognizes that the EDUs currently have SSO cases pending before the Commission and that these cases are likely to result in increases in the rates and charges for electric service delivered to PIPP customers effective January 1, 2009 or thereafter. ODOD requests that the Commission allow this docket to remain open to permit ODOD to file a supplemental application for approval of necessary adjustments of the USF rider rates approved herein to reflect the impact of these rate increases on the USF rider revenue requirements once the increases are known. In the event USF rider rate adjustments are necessary to reflect the ultimate disposition of issues identified in the Supplement to the NOI addressing the reports of

the results of the CSP, OP, and Duke audits, ODOD reserves the right to propose such adjustments in its supplemental application.

WHEREFORE, ODOD respectfully requests that the Commission permit this matter to proceed to hearing on December 8, 2008 in accordance with the attorney examiner's entry in this docket of November 21, 2008, and issue an order (1) finding that USF rider rate adjustments proposed in the amended application represent the minimum adjustments necessary to provide the revenues necessary to satisfy the respective USF rider revenue requirements; (2) granting the amended application; and (3) directing the EDU's to incorporate the new USF rider rates approved therein in their filed tariffs, to be effective January 1, 2009 on a bills-rendered basis.

Lee Fisher V Lt. Governor of Ohio Director, Ohio Department of Development 77 South High Street P.O. Box. 1001 Columbus, Ohio 43216-1001

Candace M. Jones // Chief Legal Counsel Ohio Department of Development 77 South High Street P.O. Box 1001 Columbus, Ohio 43216-1001

Respectfully submitted,

Barth E. Royer Bell & Royer Co., LPA 33 South Grant Avenue Columbus, Ohio 43215-3900 (614) 228-0704 (614) 228-0201 (Fax)

Attorney for The Ohio Department of Development

	Reimbursement		Customer and	Cost of	
	Electical Service	Pre-PIPP	Agency Payments	PIPP	
CSP	\$46,934,387	\$3,417,913	\$32,321,300	\$18,031,000	
OP	\$47,890,445	\$3,291,340	\$34,624,965	<b>\$16</b> ,556,819	
DUKE	\$24,860,718	\$5,187,540	\$13,174,874	\$16,873,384	
DPL	\$26,687,981	\$3,021,376	\$17,487,393	\$12,221,965	
CEI	\$37,651,353	\$3,070,504	\$26,366,141	\$14,355,716	
OE	\$71,926,413	\$6,085,357	\$46,456,677	\$31,555,093	
TE	\$20,703,143	\$2,562,197	\$12,987,335	\$10,278,004	
Total:	\$276,654,440	\$26,636,227	\$183,418,685	\$119,871,981	

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# **Test-Period Cost of PIPP**

	Test Period Cost of PIPP	2008 EDU Rate Increases	2008 EDU Rate Decreases	2009 EDU Rate increases	Adjusted Test-Period Cost of PIPP
CSP	\$18,031,000	\$132,422	(\$1,532,691)	\$0	\$16,630,730
OP <sup>2</sup>	\$16,556,819	\$31,877	(\$389,343)	\$0	\$16,199,353
Duke	\$16,873,384	\$0	\$0	\$0	\$16,873,384
DPL <sup>3</sup>	\$12,221,965	\$9,192	(\$156,647)	\$1,777,996	\$13,852,506
CEI4	\$14,355,716	\$95,496	\$0	\$0	\$14,451,213
OE⁵	\$31,555,093	\$637,130	\$0	- \$0	\$32,192,223
LE <sub>e</sub>	\$10,278,004	\$161,898	\$0	\$0	\$10,439,902
	\$119,871,981	\$1,068,015	(\$2,078,681)	\$1,777,996	\$120,639,312

## Adjusted Test-Period Cost of PIPP

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5- See Exhibit A.1.e 6- See Exhibit A.1.f

1- See Exhibit A.1.a 2- See Exhibit A.1.b

3-See Exhibit A.1.c

4- See Exhibit A.1.d

### Columbus Southern Power Adjustments to the Cost of PIPP

## Adjustment to Generation Service

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Utility	Month	Generation Services	Monthly Adjustment	]
CSP	OCT07	\$1,384,341.17	\$8,151.55	-
	NOV07	\$1,345,833.33	\$7,924.80	
	DEC07	\$1,616,049.00	\$53,573.96	
	JAN08	\$1,893,483.52	<u>\$62,771.25</u>	
	FEB08	\$1,873,894.45	\$132,421.57	Total
	MAR08	\$1,874,138.03		
	APR08	\$1,735,156.67		
	MAY08	\$1,482,864.64		Surcharge
	JUN08	\$1,977,579.55	Effective Date	Percentage
	JUL08	\$2,410,578.10	May 07	3.8270400%
	AUG08	\$2,502,226.86	Dec 07	1.1007600%
	SEP08	\$2,243,970.30	Feb 08	4.4158800%
		\$22,340,115.62		

### Removal of Regulatory Assets Rider

Utility	Month	PIPP KWH
CSP	OCT07	30,604,806
	NOV07	32,312,134
	DEC07	45,916,310
	JAN08	55,939,447
	FEB08	53,461,298
	MAR08	54,276,901
	APR08	44,738,381
	MAY08	32,323,122
	JUN08	35,661,631
	JUL08	41,559,820
	AUG08	46,126,612
	SEP08	40,905,377
		513,825,839
	Rider:	<u>\$0.0029829</u>
		\$1,532,691.10

Adjustments	
Generation Service:	\$132,421.57
Regulatory Asset:	(1,532,691,10)
Total:	(\$1,400,269.52)

### Ohio Power Adjustments to the Cost of PIPP

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## Adjustment to Generation Service

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Utility	Month	Generation Services	Monthly Adjustment	
OP	OCT07	\$1,375,575.14	(\$10,331.19)	-
	NOV07	\$1,499,189.47	(\$9,687.10)	
	DEC07	\$2,170,188.14	\$36,926.62	
	JAN08	\$2,872,730.19	<u>\$14,968.36</u>	
	FEB08	\$2,782,571.34	\$31,876.69	Total
	MAR08	\$2,755,604.13		
	APR08	\$2,268,609.05		Surcharge
	MAY08	\$1,629,077.41	Effective Date	Percentage
	JUN08	\$1,752,996.21	MAY07	1.2640400%
	JUL08	\$1,940,474.20	DEC07	-1.1804900%
	AUG08	\$1,990,483.01	FEB08	0.5210500%
	SEP08	\$1,811,549.28		
		\$24,849,047.57		

## Removal of Regulatory Assets Rider

Utility	Month	PIPP KWH	Adjustments
OP	OCT07	35,218,692	Generation Service: \$31,876.69
	NOV07	38,104,291	Regulatory Asset: (\$389,342.94)
	DEC07	<u>57,513,411</u>	Total: (\$357,466.25)
	JAN08	130,836,394	
	FEB08	\$0.0029758	
	MAR08	\$389,342.94	
	APR08		
	MAY08		
	JUN08		
	JUL08		
	AUG08		
	SEP08		

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#### Dayton Power and Light Adjustments to the Cost of PIPP

#### DPL 2008 Rate Adjustment PJM Admin Fee Increase Implemented 5/1/08

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Month	Transmission Service
SEP07	\$55,59 <b>6.6</b> 4
OCT07	\$44,128.18
NOV07	\$47,103.58
DEC07	\$60,652.85
JAN08	\$79,280.33
FE808	\$77,488.30
MAR08	\$81,642.01
APR08	\$64,795.06
	\$510,686.95
increase:	1.80%
	\$9,192.37

#### DPL 2008 Rate Adjustment Storm Recovery Rider Withdrawn Implemented 7/25/08

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Month	Distribution Service
SEP07	\$552,183.31
OCT07	\$456,831.31
NOV07	\$484,148,78
DEC07	\$601,018.78
JAN08	\$761,963.46
FEB08	\$751,065,66
MAR08	\$790,237.15
APR08	\$650,672.72
MAY08	\$505,253.53
JUN08	\$554,071.80
JULD8	\$644,570.06
	\$6,752,016.56
	2.32%
Reduction:	\$156,646.78
Total 2008 Decrease:	(\$147,454.42)

i Diai 2008 Decrease:	(\$147,434.42)
Total 2009 Increase:	<u>\$1,777,996.25</u>
Total:	\$1,630,541.83

#### DPL 2009 Rate Adjustment Environmental Investment Rider Increase Effective 1/1/09

Month	Generation Service
SEP07	\$1,076,656.55
OCT07	\$872,791.59
NOV07	\$908,664.03
DEC07	\$1,092,758.66
JAN08	\$1,377,503.53
FEB08	\$1,341,005.71
MAROS	\$1,415,981.97
APR08	\$1,179,348.79
MAY08	\$921,490.21
JUN08	\$1,045,297.68
JUL08	\$1,252,896.93
AUG08	\$1,298,521.00
	\$13,782,916.65
increase:	5.40%

\$744,277.50

#### DPL 2009 Rate Adjustment Residential Discount Expires Effective 1/1/09

Mont	Generation Service
SEP07	\$1,076,656.55
OCT07	\$872,791.59
NOV07	\$908,664.03
DEC07	\$1,092,758.66
JANO8	\$1,377,503.53
FEB08	\$1,341,005.71
MAROB	\$1,415,981.97
APR08	\$1,179,348.79
MAY08	\$921,490.21
JUN08	\$1,045,297.68
JUL08	\$1,252,896.93
AUG08	\$1,298,521.00
	\$13,782,916.65
increase:	7.50%
	\$1,033,718.75

## A.1.d

## Cleveland Electric Illuminating Adjustment to the Cost of PIPP

Ulliny	Month	Transmission Services
CEI	OCT07	\$182,876
	NOV07	\$168,136
	DEC07	\$199,915
	JAN08	\$234,732
	FEB08	\$223,700
	MAR08	\$236,493
	APR08	\$196,922
	MAY08	\$183,456
	JUN08	\$210,236
		\$1,836,468

5.2% Increase:

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\$95,496

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## A.1.e

## Ohio Edison Adjustment to the Cost of PIPP

Utility	Monur	Inansmission services.
OE	OCT07	\$347,365.22
	NOV07	\$346,180.28
	DEC07	\$438,003.11
	JAN08	\$515,369.94
	FEB08	\$505,203.14
	MAR08	\$523,753.45
	APR08	\$454,735.11
	MAY08	\$363,065.90
	JUN08	\$415,099.79
		\$3,908,775.94

16.3% Increase:

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\$637,130

## A.1.f

## Toledo Edison Adjustment to the Cost of PIPP

Utility	Month	Transmission Services
TE	OCT07	\$103,991.85
	NOV07	\$105,553.74
	DEC07	\$134,064.41
	JAN08	\$151,167.29
	FEB08	\$153,163.22
:	MAR08	\$160,577.93
	APR08	\$134,962.35
	MAY08	\$110,242.60
	JUN08	\$128,010.47
		\$1,181,733.86

13.7% Increase:

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\$161,898

### Allocation of Electric Partnership Program and Consumer Education Costs

		Percent	Total	Allocated
	Cost of PIPP	Cost of PIPP <sup>1</sup>	EPP/CE	EPP/CE
CSP	\$16,630,730	0.1379	\$14,946,196	\$2,060,408
OP	\$16,199,353	0.1343	<b>\$14,946,196</b>	\$2,006,964
Duke	\$16,873,384	0.1399	\$14,946,196	\$2,090,470
DPL	\$13,852,506	0.1148	\$14,946,196	\$1,716,209
CEI	\$14,451,213	0.1198	\$14,946,196	\$1,790,384
OE	\$32,192,223	0.2668	\$14,946,196	\$3,988,346
TE	\$10,439,902	0.0865	\$14,946,196	\$1,293,416

\$120,639,312

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\$14,946,196

1- Company Cost of PIPP divided by Total Cost of PIPP of \$120,639,312

	Customers	ADM Costs	Administratve
Company	April-08	per Customer <sup>2</sup>	Costs <sup>3</sup>
CSP	37,431	\$7.90	\$295,740
OP	38,489	\$7.90	\$304,099
DUKE	21,257	\$7.90	\$167,950
DPL	24,058	\$7.90	\$190,081
CEI	46,417	\$7.90	\$366,738
OE	67,652	\$7.90	\$534,514
TE	20,563	<u>\$7.90</u>	\$162,467
	255,867		\$2,021,589

## Allocation of Administrative Costs<sup>1</sup>

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Data source: USF Monthly Remittance Reports
 Cost per Customer equals total Adm Costs/total Customers.
 Cost per company equals number of customers times cost per customer.

Exhibit D

## Projected USF Account Balances December 31, 2008

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	Balance
Company	12/31/08
CSP	\$487,961
OP	\$3,293,316
Duke	\$1,060,612
DPL	(\$510,646)
CEI	\$2,297,841
OE	\$157,435
TE	\$510,946

Total:

\$7,297,465

Exhibit E

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**Projection of Consolidated USF Account Balance** 



	Largest Monthly Cash Deficit <sup>1</sup>		
Company	Month	Deficit	
CSP	APR08	(\$4,216,838)	
OP	APR08	(\$4,837,692)	
DUKE	OCT07	(\$2,086,021)	
DPL	JUN08	(\$2,315,151)	
CEI	MAY08	(\$820,192)	
OE	JUN08	(\$6,853,298)	
TE	APR08	(\$2,519,061)	
Totals:		(\$23,648,254)	

## **Calculation of Annual Reserve Component**

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1- The Reserve was set at the largest deficit during the test year.

## Projected Interest Requirements

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Company	Interest Payments
CSP	\$40,256
OP	\$5,805
Duke	\$0
DPL	\$58,495
CEI	\$46,880
OE	\$158,797
TE	\$13,077

Total:

\$323,309

## **Allowance for Undercollection**

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Compony	Estimated
Company	Underconection
CSP	\$229,859
OP	\$202,632
Duke	\$229,432
DPL	\$515,472
CEI	\$153,713
OE	\$440,502
TE	\$366,651
Total:	\$2,138,262

### Exhibit I

### **USF Component Costs**

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	CEI	Duke	CSP	DPL
Cost of PIPP	\$14,451,213	\$16,873,384	\$16,630,730	\$13,852,506
EPP/CE	\$1,790,384	\$2,090,470	\$2,060,408	\$1,716,209
Administration	\$366,738	\$167,950	\$295,740	\$190,081
Audit	\$40,000	\$0	\$0	\$40,000
Account Balance 12/31	(\$2,297,841)	(\$1,060,612)	(\$487,961)	\$510,646
Reserve	\$820,192	\$2,086,021	\$4,216,838	\$2,315,151
Interest	\$46,880	\$0	\$40,256	\$58,495
Adjustment for Undercollection	\$153,713	\$229,432	\$229,859	\$515,472
Г	\$15,371,278	\$20,386,647	\$22,985,870	\$19,198,560

	OE	OP	TE
Cost of PIPP	\$32,192,223	\$16,199,353	\$10,439,902
EPP/CE	\$3,988,346	\$2,006,964	\$1,293,416
Administration	\$534,514	\$304,099	\$162,467
Audit	\$40,000	\$0	\$40,000
Account Balance 12/31	(\$157,435)	(\$3,293,316)	(\$510,946)
Reserve	\$6,853,298	\$4,837,692	\$2,519,061
interest	\$158,797	\$5,805	\$13,077
Adjustment for Undercollection	\$440,502	\$202,632	\$366,651
E E E E E E E E E E E E E E E E E E E	\$44,050,245	\$20,263,229	\$14,323,628

## Exhibit J

	KWH	Required	Indicated
Company	Sales <sup>1</sup>	Revenue	Costs/KWH
CSP	22,427,367,611	\$22,985,870	\$0.0010249
OP	28,221,046,671	\$20,263,229	\$0.0007180
Duke	21,309,240,995	\$20,386,647	\$0.0009567
DPL	14,897,618,324	\$19,198,560	\$0.0012887
CEI	19,525,883,053	\$15,371,278	\$0.0007872
OE	25,700,038,528	\$44,050,245	\$0.0017140
TE	10,484,503,044	\$14,323,628	\$0.0013662
Total:	142,565,698,226	\$156,579,457	

## Calculation of USF Costs/Kwh

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1- KWH Sales were sales reported for the last twelve months (Oct07-Sep08).

#### CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing application has been served upon the following parties by first class mail, postage prepaid, this 26th day of November 2008.

Marvin I. Resnik Steven T. Nourse AEP Service Corporation 1 Riverside Plaza Columbus, Ohio 43215

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Randall Griffin Judi Sobecki The Dayton Power & Light Company MacGregor Park 1065 Woodman Avenue Dayton, Ohio 45432

Paul Colbert Duke Energy 155 East Broad Street Columbus, Ohio 43215

Kathy Kolich FirstEnergy Corp. 76 South Main Street Akron, Ohio 44308

Janine Migden-Ostrander Ann Hotz Richard Reese Ohio Consumers' Counsel 10 West Broad Street Suite 1800 Columbus, Ohio 43215-3485 Samuel C. Randazzo Gretchen J. Hummel McNees, Wallace & Nurick Fifth Third Center Suite 910 21 East State Street Columbus, Ohio 43215

David C. Rinebolt, Esq. Ohio Partners for Affordable Energy PO Box 1793 Findlay, Ohio 45839-1793

ODOD EXHIBIT 2

#### RECEIVED-DOCKETING BIV

#### BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO PM 3:48

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In the Matter of the Application of the Ohio Department of Development for an Order Approving Adjustments to the Universal Service Fund Riders of Jurisdictional Ohio Electric Distribution Utilities.

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PUCO Case No. 08-658-EL-UNC

#### TESTIMONY

#### OF

#### NICK SUNDAY

#### ON BEHALF OF THE OHIO DEPARTMENT OF DEVELOPMENT

October 31, 2008

#### TESTIMONY OF NICK SUNDAY On Behalf of The Ohio Department of Development

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l	Q.	Please state your name and business address.
2	<b>A</b> .	My name is Nick Sunday. My business address is Ohio Department of Development
3		("ODOD"), 77 South High Street, 25th Floor, Columbus, Ohio 43216-1001.
4	Q.	By whom are you employed and in what capacity?
5	<b>A</b> .	I am employed by ODOD as Office Chief of ODOD's Office of Community Services
6		("OCS"), an office within ODOD's Community Development Division.
7	Q.	Please briefly describe your professional experience and educational background.
8	A.	I have been with ODOD since 1981. Prior to my appointment as Office Chief in 2003, I
9		served as OCS's Assistant Office Chief from 1985 to 2003 and as OCS's Chief Financial
10		Officer from 1981 to 1985. I am a graduate of Franklin University with degrees in
11		Business and Finance, and have done graduate work at Capital University in Corporate
12		Finance.
13	Q.	What are your duties and responsibilities as OCS's Office Chief?
14	<b>A</b> .	OCS administers a number of energy assistance programs for low-income utility
15		customers, including the federally-funded Low-Income Home Energy Assistance Program
16		("LIHEAP"), the federally-funded Community Service Block Grant ("CSBG") program,
17		and the electric Percentage of Income Payment Plan ("PIPP") program, which is funded
18		from the state treasury's Universal Service Fund ("USF"). As Office Chief, I have overall
19		responsibility for administering the funds that support these programs. I also have
20		management responsibility for the day-to-day operations of OCS, which now has some 72
21		employees.

Have you previously testified before this Commission? 1 Q. Yes. I presented testimony on behalf of ODOD in the last two annual USF rider rate 2 Α. adjustment proceedings, Case Nos. 06-751-EL-UNC and 07-661-EL-UNC. 3 What is the purpose of your testimony in this case? 4 Q. The purpose of my testimony is to support the \$2,021,589 allowance for costs associated 5 Α. with ODOD's administration of the PIPP program that has been included in the USF rider 6 7 revenue requirement proposed by ODOD in its application in this case. What standard did you employ in determining the proposed allowance for 8 Q. administrative costs associated with the PIPP program? 9 Α. As a part of a settlement agreement ODOD entered into with the Office of the Ohio 10 Consumers' Counsel ("OCC") in the Notice of Intent ("NOI") phase of ODOD's 2005 11 USF rider rate adjustment proceeding (Case No. 05-717-EL-UNC), ODOD agreed that, 12 in future USF rider rate adjustment proceedings, ODOD's proposed allowance for 13 administrative costs would be based on the administrative costs actually incurred during 14 the test period, subject to such adjustment(s), plus or minus, for reasonably anticipated 15 post-test period cost changes as may be necessary to assure, to the extent possible, that 16 the administrative cost component of the USF rider revenue requirement will recover the 17 administrative costs incurred during the collection year. The use of this methodology for 18 determining the allowance for administrative costs was also a condition of the stipulation 19 adopted by the Commission in its September 10, 2008 finding and order in the NOI phase 20 of this proceeding. I have determined the proposed allowance for administrative costs 21 using this standard. 22

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## Q. How did you identify the costs actually incurred by ODOD during the test period in connection with its administration of the PIPP program?

3 A. It is my understanding that the approved test period in this case is calendar year 2008. However, ODOD's accounting is based on the state fiscal year, which is the twelve 4 months ending June 30, not the calendar year. Thus, I relied on OCS's FY 2008 (the 5 twelve months ending June 30, 2008) accounting records to identify the costs actually 6 incurred by ODOD in connection with its administration of the PIPP program. Limiting 7 8 the analysis to OCS's accounting records assures that the administrative costs of other customer assistance programs funded through the USF, but managed by another office 9 within ODOD, are not included in the proposed allowance. 10

Q. You indicated that OCS has responsibilities other than the administration of the
 PIPP program. For accounting purposes, how does OCS distinguish between the
 costs incurred in connection with its administration of the PIPP program and the
 costs associated with these other activities?

This depends on the nature of the costs involved. As shown on Exhibit NS-1 to my 15 A. testimony, OCS breaks its costs down into six categories for accounting and budget 16 purposes: (1) Payroll, (2) Temp Staff / Agencies, (3) Consultants / Mail Services, (4) 17 Indirect Costs, (5) Maintenance, and (6) Equipment. In some instances, costs are directly 18 assigned to PIPP administration, while, in others, costs are allocated to PIPP 19 20 administration based on OCS's estimates of the portion of the total costs in the category that relate to this function. The costs identified in the column headed "FY 2008 Actual 21 Expenses" are the costs that were coded by OCS as PIPP administrative costs when they 22

	Weit Chieres into the blate seconding system daming 1 1 2000. I would point out that
2	PIPP administrative costs make up a relatively small percentage of OCS's total costs and
3	budget.

4 Q. What costs are included in the Payroll category?

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- 5 A. The Payroll category includes the salaries and employee benefits for the members of the 6 OCS staff.
- Q. Do OCS staff members report their time in a manner that permits OCS to track the
   employee hours that are chargeable to PIPP administration as opposed to other
   OCS activities?

OCS staff members in the Administrative and Support Unit, the Fiscal Unit, Grantee Α. 10 Services (formerly known as the Research and Planning Unit), and the Field Unit record 11 their time by activity in a daily log known as Form OCS 149-96. An example of a 12 completed Form OCS 149-96 is attached to my testimony as Exhibit NS-2. Employees 13 report the hours spent on PIPP-related activities on the line designated "TOTAL HRS -14 USF." These logs enable OCS to directly assign the payroll dollars associated with PIPP-15 related activities of the employees in these units to PIPP administration in entering the 16 costs into the state accounting system. However, OCS employees in other units within the 17 office do not report their time by activity, so, in those instances, the OCS fiscal unit must 18 estimate the percentage of their time to be coded to PIPP administration based on an 19 exercise of informed judgment as to the hours the employees devote to PIPP-related 20 matters as opposed to other activities. The \$403,831.53 that was coded to PIPP 21 administration in FY 2008 represents approximately 12.55 percent of the total OCS 22

payroll costs for that period.

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2	Q.	The actual USF-related payroll cost of \$403,831.53 for FY 2008 shown on Exhibit
3		NS-1 is lower than the \$495,444.65 in actual PIPP-related payroll costs for FY 2007
4		that you reported in your testimony in Case No. 07-661-EL-UNC and considerably
5		below the \$561,320.70 in actual PIPP-related payroll costs for FY 2007 that you
6		reported in your testimony in Case No. 06-751-EL-UNC. What accounts for this
7		decrease?
8	А.	This difference is simply a function of the year-to-year difference in the OCS employee
9		time assigned and allocated to USF activities. As I indicated in my testimony in Case No.
10		07-661-EL-UNC, the decrease between FY 2006 and FY 2007 was largely attributable to
]]		the completion of the development and start-up of Phase I of the Ohio Community Energy
12		and Assistance Network ("OCEAN") during FY 2007. This web-based application
13		system was designed to facilitate PIPP enrollment and PIPP customer eligibility
14		verification and reverification. The streamlining of these processes meant that fewer OCS
15		employee hours were required in connection with these activities in FY 2007 than in FY
16		2006. The fact that Phase I of OCEAN was in place throughout FY 2008 resulted even
17		greater savings in OCS employee PIPP-related time than in FY 2007.
18	Q.	What costs are included in the Temp Staff / Agency category?
19	А.	OCS hires temporary employees to perform customer intake and screening functions for
20		both PIPP and HEAP assistance and to staff telephone hotlines to provide information
21		regarding both these programs. Temporary employees are used to perform these

22 functions because the need for these services fluctuates significantly during the year. OCS

]		also contracts with community action agencies to perform intake and screening. The
2		temporary personnel costs associated the operation of the hotline are allocated to PIPP
3		administration based on the percentage of PIPP-related calls to total calls to the hotline.
4		Intake and screening costs are allocated based on the number of PIPP applications
5		processed versus the total number of applications processed. The \$666,414.41 shown as
6		Temp Staff / Agency costs in Exhibit NS-1 is the amount that was coded as PIPP-related
7		temporary employee and agency costs in FY 2008.
8	Q.	In your testimony in Case No. 07-661-EL-UNC, you reported actual FY 2007
9		expenditures in the Temp Staff / Agency category of \$241,462.06. Why are the
10		actual FY 2007 expenditures in this category so much higher?
11	<b>A</b> .	There has been a significant increase in PIPP-related activity, which includes both
12		applications and reverifications, since FY 2007. In fact, there were over 25,000 more
13		PIPP enrollments during the highest month of enrollment activity in FY 2008 than during
14		the highest month of FY 2007. Thus, despite the fact that all 52 community action
15		agencies now utilize the OCEAN system, the need for temporary workers and agency
16		contract services still increased significantly during periods of heavy PIPP enrollment
17		activity.
18	Q.	What costs are included in the Consultants / Mail Services category?
19		The Consultants category includes costs incurred by OCS in FY 2008 for outside

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Pipe professional services, including legal services, in connection with its administration of the PIPP program. These costs are directly assigned to PIPP administration when they are entered into the state accounting system. Mail Services costs are the costs associated with

1		mail opening, document imaging, and keying in information in connection with processing
2		applications. OCS contracts these services out. For accounting purposes, these costs are
3		allocated to PIPP administration based on the number of PIPP applications received versus
4		the total number of applications received.
5	Q.	The actual FY 2008 expenditures in this category are significantly lower than the FY
6		2007 expenditures you reported in Case No. 07-661-EL-UNC \$237,101.75 in FY
7		2008 versus \$ 324,624.22 in FY 2007. To what is this difference attributable?
8	Q.	The FY 2007 numbers still included some costs associated with the development and
9		start-up of Phase I of OCEAN. The fact that these first-phase OCEAN costs are now
10		totally behind us accounts for much of the difference in actual expenditures in the
11		Consultant / Mail Service category between FY 2008 and FY 2007.
12	Q.	The next line item on Exhibit NS-1 is titled Indirect Costs. What are Indirect
12 13	Q.	The next line item on Exhibit NS-1 is titled Indirect Costs. What are Indirect Costs?
12 13 14	Q. A.	The next line item on Exhibit NS-1 is titled Indirect Costs. What are Indirect Costs? The Ohio Department of Administrative Services ("DAS") periodically determines a
12 13 14 15	<b>Q.</b> A.	<ul> <li>The next line item on Exhibit NS-1 is titled Indirect Costs. What are Indirect</li> <li>Costs?</li> <li>The Ohio Department of Administrative Services ("DAS") periodically determines a</li> <li>specified percentage of total payroll that OCS must pay to DAS for overhead. In addition</li> </ul>
12 13 14 15 16	<b>Q.</b>	<ul> <li>The next line item on Exhibit NS-1 is titled Indirect Costs. What are Indirect</li> <li>Costs?</li> <li>The Ohio Department of Administrative Services ("DAS") periodically determines a</li> <li>specified percentage of total payroll that OCS must pay to DAS for overhead. In addition</li> <li>to a contribution ODOD's general operating costs, these Indirect Costs also include a</li> </ul>
12 13 14 15 16 17	Q. A.	<ul> <li>The next line item on Exhibit NS-1 is titled Indirect Costs. What are Indirect</li> <li>Costs?</li> <li>The Ohio Department of Administrative Services ("DAS") periodically determines a</li> <li>specified percentage of total payroll that OCS must pay to DAS for overhead. In addition</li> <li>to a contribution ODOD's general operating costs, these Indirect Costs also include a</li> <li>contribution to DAS's costs. The specified payroll percentage is currently 42.10 percent.</li> </ul>
12 13 14 15 16 17 18	Q. A.	The next line item on Exhibit NS-1 is titled Indirect Costs. What are IndirectCosts?The Ohio Department of Administrative Services ("DAS") periodically determines aspecified percentage of total payroll that OCS must pay to DAS for overhead. In additionto a contribution ODOD's general operating costs, these Indirect Costs also include acontribution to DAS's costs. The specified payroll percentage is currently 42.10 percent.However, applying this percentage to the PIPP-related payroll cost for FY 2008 will not
12 13 14 15 16 17 18 19	Q. A.	<ul> <li>The next line item on Exhibit NS-1 is titled Indirect Costs. What are Indirect</li> <li>Costs?</li> <li>The Ohio Department of Administrative Services ("DAS") periodically determines a</li> <li>specified percentage of total payroll that OCS must pay to DAS for overhead. In addition</li> <li>to a contribution ODOD's general operating costs, these Indirect Costs also include a</li> <li>contribution to DAS's costs. The specified payroll percentage is currently 42.10 percent.</li> <li>However, applying this percentage to the PIPP-related payroll cost for FY 2008 will not</li> <li>produce the PIPP-related Indirect Costs actually incurred during FY 2008 because these</li> </ul>
12 13 14 15 16 17 18 19 20	Q.	The next line item on Exhibit NS-1 is titled Indirect Costs. What are IndirectCosts?The Ohio Department of Administrative Services ("DAS") periodically determines aspecified percentage of total payroll that OCS must pay to DAS for overhead. In additionto a contribution ODOD's general operating costs, these Indirect Costs also include acontribution to DAS's costs. The specified payroll percentage is currently 42.10 percent.However, applying this percentage to the PIPP-related payroll cost for FY 2008 will notproduce the PIPP-related Indirect Costs actually incurred during FY 2008 because thesepayments are not made to DAS until the quarter following the quarter in which the payroll
12 13 14 15 16 17 18 19 20 21	Q.	The next line item on Exhibit NS-1 is titled Indirect Costs. What are IndirectCosts?The Ohio Department of Administrative Services ("DAS") periodically determines aspecified percentage of total payroll that OCS must pay to DAS for overhead. In additionto a contribution ODOD's general operating costs, these Indirect Costs also include acontribution to DAS's costs. The specified payroll percentage is currently 42.10 percent.However, applying this percentage to the PIPP-related payroll cost for FY 2008 will notproduce the PIPP-related Indirect Costs actually incurred during FY 2008 because thesepayments are not made to DAS until the quarter following the quarter in which the payrollcosts on which they are based. Accordingly, the \$152,164.07 figure shown in Exhibit

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during FY 2008, and is not the product of applying the specified percentage to the OCS

- 2 PIPP-related payroll costs incurred during that period.
- What costs are included in the Maintenance category? 3 0. The Maintenance category includes the cost of supplies, communications services, and the 4 Α. like that are necessary for OCS's day-to-day operations. The \$51,164.07 shown on 5 Exhibit NS-1 for this line item is the portion of OCS's total maintenance costs coded to 6 PIPP administration during FY 2008. 7 8 0. In this instance, the actual FY 2008 costs are considerably higher than the actual FY 2007 costs of \$5.428.20 you reported in your testimony in Case No. 07-661-EL-UNC. 9 What accounts for this difference? 10 As I noted in my testimony in that case, FY 2007 maintenance costs were abnormally low Α. 11 compared to our historical experience. The FY 2008 amount includes the maintenance 12 costs for the OCEAN servers, which were all in place during FY 2008. This is an annual 13 cost that will continue to be incurred in future years. 14 What costs are included in the Equipment category shown on Exhibit NS-1? 15 Q. This category includes the cost of equipment purchased to enable OCS to administer the 16 А. PIPP program. The \$146,851,10 shown on Exhibit NS-1 for this line item consists 17 primarily of the cost of computers and related equipment and the associated vendor 18 support services. 19 What was the total cost actually incurred by OCS during FY 2008 in connection 20 **Q**. with its administration of the PIPP program? 21 22

A. As shown in Exhibit NS-1 to my testimony, the total actual cost for FY 2008 was
 \$1,657,335.43.

You indicated that, under the agreed methodology, the proposed allowance for 0. 3 administrative costs is to be based on costs actually incurred during the test period, 4 subject to such adjustment(s), plus or minus, for reasonably anticipated post-test 5 period cost changes as may be necessary to assure, to the extent possible, that the 6 administrative cost component of the USF rider revenue requirement will recover 7 the administrative costs incurred during the collection year. Have you proposed any 8 9 such adjustments? As I indicated, the costs shown in the FY 2008 Actual Expenses column in Exhibit NS-1 10 A.

are the costs actually incurred by OCS in connection with PIPP administration during FY 2008, which is the twelve-month period ending June 30, 2008. However, if the administrative cost components of the USF rider rates established in this case are to recover the costs that will be incurred during the 2009 collection year, reasonably

anticipated cost changes must be recognized. To accomplish this, I have relied on the
 approved OCS budget for PIPP-related costs for the state's 2009 fiscal year.

17 Q. What amount has OCS budgeted for PIPP administration in its FY 2009 budget?

18 A. As shown in the column headed FY 2009 Approved Budget in Exhibit NS-1, OCS has

budgeted \$2,021,589 for PIPP administration for the twelve-month period ending June 30,
 2009.

21 Q. How was the FY 2009 budget for PIPP administration developed?

22 A. The methodology depends on the category involved. In developing the budget for the

Payroll category, OCS began with the FY 2008 actual PIPP-related payroll costs of 1 \$403,831,53, then made two necessary adjustments. In April of 2008, OCS added 15 2 employees, bringing the total number of employees to 72. Although the last few months 3 of FY 2008 reflected the impact of this increase in personnel on PIPP-related payroll 4 costs, the impact of this increase had to be annualized so that the budget would reflect the 5 costs anticipated over the course of FY 2009. The resulting figure was then adjusted 6 upward by 3.5 percent to annualize the effect of the hourly wage increase that became 7 effective July 1, 2008 under the state employee collective bargaining agreement. Because 8 Indirect Costs are tied to payroll, the FY 2009 budget amount for Indirect Costs was also 9 adjusted to reflect the impact of both the increase in OCS staff and the wage increase. 10 11 Both the Payroll and Indirect Cost numbers were then converted to round numbers, which is standard practice in preparing budgets. 12 Q. In your testimony in Case No. 06-751-EL-UNC, you indicated that the budgeted 13 amounts for the other line items were determined by rounding up the actual FY 14 2006 costs in these categories, which you described as a conventional treatment in 15 developing budgets. However, Exhibit NS-1 shows approved FY 2009 budget 16 amounts for some of these other categories that are significantly different from the 17 18 actual FY 2008 costs. Please explain why you did not simply employ the rounding convention in connection with these items in developing the FY 2009 budget for 19 **USF-related costs.** 20

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A. Although the actual costs incurred in these categories in the prior fiscal year are the
 starting point for developing the budget, those costs must be adjusted to recognize

ł		anticipated changes if the budget amounts are to reasonably reflect the cost of OCS's
2		PIPP-related operations on a going-forward basis. One of the primary drivers for
3		adjustments to the actual FY 2008 costs is Phase II of the OCEAN project.
4	Q.	What does Phase II of the OCEAN project entail?
5	A.	OCEAN's capabilities have been expanded to include processing applications related to
6		the Electric Partnership Program and the Home Weatherization Assistance Program.
7	Q.	How does the status of Phase II of the OCEAN project affect projected expenditures
8		in the Temp Staff / Agency category?
9	А.	Although, over the long term, Phase II of OCEAN will reduce expenditures in this
10		category, additional costs will be incurred in FY 2009 for training agency personnel in the
11		use of these new capabilities. Thus, the actual FY 2008 expenditure in the Temp Staff/
12		Agency category of \$666,414.41 was adjusted to \$600,000 for purposes of the FY 2009
13		to balance the expected cost savings with the estimate of the additional training costs that
14		will be incurred in FY 2009.
15	Q.	Will Phase II of the OCEAN project also affect the level of expenditures in the
16		Consultants / Mail Services category?
17	А.	Yes. The level of expenditures for consulting services will increase as the costs of
18		developing and deploying these new OCEAN capabilities are incurred. Accordingly, FY
19		2009 budget estimate of \$476,589 for this category includes an estimate of these
20		additional costs.
21	Q.	As shown in Exhibit NS-1, the FY 2008 budget amount of \$50,000 for the
22		Maintenance line item is essentially the same as the \$51,164,07 in costs actually

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J		incurred in this category in FY 2008. Does this indicate that OCS believes that the
2		FY 2008 experience is representative of what can be expected in FY 2009?
3	A.	Yes. In discussing this line item in my testimony in Case No. 07-661-EL-UNC, I noted
4		out that the actual FY 2007 expenditures in this category of \$5,428.20 appeared to be
5		somewhat abnormal, in that the annual PIPP-related maintenance costs had, historically,
6		been considerably higher. As an example, I pointed to FY 2006, where the actual
7		maintenance costs were \$47,628.04. Thus, we have continued to use the same \$50,000
8		estimate for the FY 2009 budget that we used in the FY 2007 and FY 2008 budgets.
9	Q.	The FY 2009 budget amount of \$20,000 for the Equipment category is considerably
10		less than the actual FY 2008 expenditures of \$148,858.10. Please explain.
11	А.	As I explained in my testimony in Case No. 07-661-EL-UNC, OCS anticipated ODOD's
12		purchase of an additional server in FY 2008 for use in conjunction with COGNOS, the
13		state administrative agency reporting system, as well as a general upgrade of staff
14		equipment. Thus, the FY 2008 Equipment budget was intended to reflect the portion of
15		those costs that would be allocated to OCS, and then reallocated among OCS's various
16		functions, including PIPP administration. As indicated in Exhibit NS-1, actual FY 2008
17		expenditures in this category totaled \$148,858.10, which proved to be an extraordinarily
18		good fit with the FY 2008 budget estimate of \$150,000. However, these costs are now
19		behind us, and OCS believes that FY 2009 budget amount of \$20,000 will be adequate for
20		the coming fiscal year.
21	Q.	Do you believe the amount budgeted by OCS for PIPP administration for FY 2009

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22 reasonably reflects the costs OCS will incur during the period the USF rider rates

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#### approved in this proceeding will be in effect?

A. Yes. The goal in preparing the budget is to project, as accurately as possible, the cost 2 OCS will incur for PIPP administration over the next year. This is the same goal we are 3 trying to achieve in developing the proposed allowance for administrative costs for 4 purposes of this case. The FY 2009 budget amount for PIPP administrative costs 5 represents our best estimate of those costs, and, thus, is the appropriate benchmark to use 6 7 in establishing the administrative cost component of the USF rider revenue requirement. In addition, I would note that ratepayers will be made whole in the 2009 USF rider rate 8 9 adjustment case in the event the budget amount exceeds the actual costs incurred by OCS for PIPP administration during the 2008 collection period. As explained in the testimony 10 11 of ODOD witness Donald Skaggs, the projected year-end USF account balance element of the USF rider revenue requirement will true-up any such difference. 12

# Q. How does the \$2,021,589 allowance for administrative costs proposed in this case compare to the allowance approved by the Commission in recent USF rider rate proceedings?

A. In last year's USF rider rate adjustment case, Case No. 07-661-EL-UNC, ODOD proposed, and the Commission approved, an allowance for administrative costs of \$1,965,000. This was considerably less than the \$2,738,000 allowance proposed and approved in the previous case, Case No. 06-751-EL-UNC, which was the first case in which the allowance was determined based on the methodology specified by the ODOD-OCC settlement agreement to which I previously referred. As I have explained, much of the difference between that allowance in that case and the much lower allowances

1		proposed in Case No. 07-661-EL-UNC and in this case is attributable to the Phase I
2		OCEAN-related costs incurred in FY 2006 and the savings in FY 2007 and FY 2008
3		resulting from the implementation of the OCEAN system. In the three prior cases (Case
4		Nos. 03-2049-EL-UNC, 04-1616-EL-UNC, and 05-717-EL-UNC), ODOD proposed,
5		and the Commission approved, the same \$1,578,000 annual administrative cost allowance
6		proposed and approved in Case No. 02-2868-EL-UNC. This was down from the
7		allowance for administrative costs of \$1,932,561 accepted by the Commission in
8		establishing the original USF riders in the electric transition plan cases of the state's
9		electric distribution utilities ("EDUs") and in approving the new USF riders proposed in
10		the first USR rider rate adjustment proceeding, Case No. 01-2411-EL-UNC.
11	0	If ADAD was able to carry out its responsibilities for administering the PIDD
	<b>v</b> •	IT ODOD was able to carry out its responsibilities for administering the LET
12	ν.	program with an annual allowance for administrative costs of \$1,578,000 for a
12 13	<b>v</b> •	n ODOD was able to carry out its responsibilities for administering the FET program with an annual allowance for administrative costs of \$1,578,000 for a number of years, why should the Commission approve the \$2,021,589 allowance that
12 13 14	¥.	n ODOD was able to carry out its responsibilities for administering the FET program with an annual allowance for administrative costs of \$1,578,000 for a number of years, why should the Commission approve the \$2,021,589 allowance that you propose in this case?
12 13 14 15	х. А	<ul> <li>n ODOD was able to carry out its responsibilities for administering the FIT</li> <li>program with an annual allowance for administrative costs of \$1,578,000 for a</li> <li>number of years, why should the Commission approve the \$2,021,589 allowance that</li> <li>you propose in this case?</li> <li>OCS has the absolute responsibility to administer the PIPP program regardless of the</li> </ul>
12 13 14 15 16	ч. А	<ul> <li>n ODOD was able to carry out its responsibilities for administering the FIT</li> <li>program with an annual allowance for administrative costs of \$1,578,000 for a</li> <li>number of years, why should the Commission approve the \$2,021,589 allowance that</li> <li>you propose in this case?</li> <li>OCS has the absolute responsibility to administer the PIPP program regardless of the</li> <li>amount of cash the administrative cost components of the USF rider rates actually</li> </ul>
12 13 14 15 16 17	A	<ul> <li>If ODOD was able to carry out its responsibilities for administering the FIFF</li> <li>program with an annual allowance for administrative costs of \$1,578,000 for a</li> <li>number of years, why should the Commission approve the \$2,021,589 allowance that</li> <li>you propose in this case?</li> <li>OCS has the absolute responsibility to administer the PIPP program regardless of the</li> <li>amount of cash the administrative cost components of the USF rider rates actually</li> <li>generate on an annual basis. OCS cannot encumber funds for purposes of paying the cost</li> </ul>
12 13 14 15 16 17 18	A.	<ul> <li>Program with an annual allowance for administrative costs of \$1,578,000 for a number of years, why should the Commission approve the \$2,021,589 allowance that you propose in this case?</li> <li>OCS has the absolute responsibility to administer the PIPP program regardless of the amount of cash the administrative cost components of the USF rider rates actually generate on an annual basis. OCS cannot encumber funds for purposes of paying the cost of PIPP administration unless it has sufficient cash on hand to support those expenditures.</li> </ul>
12 13 14 15 16 17 18 19	ц.	<ul> <li>program with an annual allowance for administrative costs of \$1,578,000 for a number of years, why should the Commission approve the \$2,021,589 allowance that you propose in this case?</li> <li>OCS has the absolute responsibility to administer the PIPP program regardless of the amount of cash the administrative cost components of the USF rider rates actually generate on an annual basis. OCS cannot encumber funds for purposes of paying the cost of PIPP administration unless it has sufficient cash on hand to support those expenditures. Although the USF rider rates are designed to generate a specific annual pro forma</li> </ul>
12 13 14 15 16 17 18 19 20	ς. Α	<ul> <li>If ODOD was able to carry out its responsibilities for administering the FDT</li> <li>program with an annual allowance for administrative costs of \$1,578,000 for a</li> <li>number of years, why should the Commission approve the \$2,021,589 allowance that</li> <li>you propose in this case?</li> <li>OCS has the absolute responsibility to administer the PIPP program regardless of the</li> <li>amount of cash the administrative cost components of the USF rider rates actually</li> <li>generate on an annual basis. OCS cannot encumber funds for purposes of paying the cost</li> <li>of PIPP administration unless it has sufficient cash on hand to support those expenditures.</li> <li>Although the USF rider rates are designed to generate a specific annual pro forma</li> <li>revenue amount to cover PIPP-related administrative costs, this does not mean that</li> </ul>
12 13 14 15 16 17 18 19 20 21	A	program with an annual allowance for administrative costs of \$1,578,000 for a number of years, why should the Commission approve the \$2,021,589 allowance that you propose in this case? OCS has the absolute responsibility to administer the PIPP program regardless of the amount of cash the administrative cost components of the USF rider rates actually generate on an annual basis. OCS cannot encumber funds for purposes of paying the cost of PIPP administration unless it has sufficient cash on hand to support those expenditures. Although the USF rider rates are designed to generate a specific annual pro forma revenue amount to cover PIPP-related administrative costs, this does not mean that ODOD always has cash on hand from USF rider collections to support the payment of

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over the course of a year, the USF cash balances will, at times, go negative, leaving OCS with insufficient revenues to pay the costs of PIPP administration. Thus, OCS's fiscal unit must "make the numbers work" no matter how many dollars are actually available.

4 Q. Please explain.

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As the monthly USF rider collections come in from the EDUs, ODOD distributes those A. 5 revenues based on a formula that recognizes the various USF rider revenue requirement 6 7 components those revenues are intended to support. However, although ODOD's 8 practice is to "pay" the PIPP administrative cost component bucket in full each month, the USF rider rates will not generate the total annual allowance for administrative costs they 9 were designed to produce until the end of the collection year. In the years immediately 10 following the transfer of responsibility for the PIPP program to ODOD, OCS addressed 11 this problem by ascribing little or no cost to the PIPP administration function for 12 accounting purposes and relying primarily on cash balances earmarked for other purposes 13 to support its administration of the PIPP program. This permitted OCS to build up a 14 15 surplus in the PIPP administrative cost bucket. After two years' experience, ODOD got a better handle on the actual costs associated with administering the PIPP program, and 16 used this surplus to reduce the requested allowance for administrative costs in its 2002. 17 USF rider rate adjustment case and to "pay back" some of the cash it had "borrowed" 18 from other sources to operate the PIPP program in the first two years. In the interest of 19 keeping the USF rider rates as low as possible, ODOD continued to propose the same 20 \$1,578,000 allowance for administrative costs approved in the 2002 case in subsequent 21 applications, notwithstanding that the actual costs of PIPP administration were 22

1		approximately \$1.9 million in FY 2003, \$2.4 million in FY 2004, \$2.1 million in FY 2005,
2		and \$2.653 million in FY 2006. To support the payment of these costs as they became
3		due, the OCS fiscal unit again had to "make the numbers work" by relying on cash
4		balances earmarked for other purposes and by charging certain costs to other programs
5		even though some or all of those costs should have been allocated to PIPP administration.
6	Q.	What additional sources of cash did OCS rely on to permit it to pay PIPP
7		administration expenses as they became due in those years?
8	A.	OCS relied primarily on funds earmarked for the LIHEAP program and the interest on the
9		USF generated during periods when the USF had a surplus. More recently, OCS also
10		supported payments for PIPP administration costs with funds from the Temporary
11		Assistance for Needy Families ("TANF") program that were passed through to ODOD
12		from the Department of Jobs and Family Services.
13	Q.	If ODOD was able to "make do" with a \$1,578,000 annual allowance for
]4		administrative costs in the past, why is it proposing a higher allowance in its
15		application in this case?
16	A.	First, as a matter of principle, the USF rider rate should support the cost of administering
17		the PIPP program as contemplated by the legislation that transferred responsibility for the
18		administration of the PIPP program to ODOD. Indeed, the standard for determining the
19		allowance for administrative costs set forth in ODOD-OCC settlement agreement and
20		implicitly recognizes this principle. Second, certain of the funding sources upon which
<b>2</b> 1		OCS has relied in the past to support the cost of administering the PIPP program are $n_0$
22		longer available. For example, as explained in the application, USF interest is no longer

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available for use by ODOD, nor are TANF funds. Finally, even with the proposed 1 increase in the level of the allowance, the cash flow problem will continue to exist because 2 the total allowance will not be fully collected until the end of the collection period and 3 because the USF will still run into the red from time to time due to the previously 4 mentioned fluctuations in the cost of PIPP. In fact, even if the proposed allowance is 5 approved, I anticipate a problem in 2009 as the result of the need to pay for the EDU 6 audits that will be conducted in the first part of next year. I would also note that ODOD is 7 in the process of revising its electric PIPP rules, and that the proposed allowance does not 8 reflect the impact changes to the current rules may have on the administrative costs 9 associated with the program. 10

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Q. But ODOD has proposed that an element be included in the USF rider revenue 11 requirement approved in this case to reflect the cost of the EDU audits, has it not? 12 Yes. But, again, the problem is that these revenues will not be fully collected until the end Α. 13 14 of the collection year, while OCS will have to have cash available to encumber the funds to pay for these audit costs well in advance of year end. I am not suggesting that there 15 16 should be some sort of additional adjustment to cure this problem, but it is obvious that including an allowance for PIPP administrative costs that is substantially less than the 17 costs ODOD actually incurs in connection with its administration of the PIPP program will 18 only exacerbate the cash flow problem. 19

# Q. If ODOD anticipates that changes in the electric PIPP rules will add to its PIPP related administrative costs during the 2009 collection period, why has no adjustment been proposed in this case to reflect the impact of these increases?

A. Although the objective of the rulemaking effort is to control the cost of the PIPP program, additional costs will be incurred in 2009 to implement the revised rules. These implementation costs will include the costs associated with training agency personnel and any necessary computer reprogramming. However, at this stage of the rulemaking process, the total implementation costs have not yet been quantified. Thus, these costs are not reflected in the proposed allowance, which, in turn, means that the allowance is conservative by any measure.

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## Q. Is there other evidence that supports the reasonableness of the allowance for administrative costs you have recommended?

Yes. Although the allowance for PIPP-related administrative costs proposed in this case 10 Α. is higher than the \$1,578,000 allowance approved by the Commission in the four earlier 11 USF rider rate adjustment proceedings to which I referred, one must also recognize that 12 PIPP enrollment has increased dramatically over the period since ODOD took over 13 14 administration of the PIPP program. In 2001, there were 131,330 PIPP enrollments during the month of the greatest enrollment activity. In FY 2008, there were 255,867 15 enrollments in the month of the highest PIPP-enrollment activity. In view of this increased 16 demand, one would naturally expect the cost of administering the PIPP program to 17 increase, despite efforts, such as the OCEAN project, directed toward minimizing costs to 18 the extent possible. Clearly, these efforts have been very effective, as evidenced by the 19 fact that actual PIPP-related administrative costs in FY 2007 and FY 2008 are well below 20 the actual annual costs incurred during the FY 2003-FY 2006 that I previously identified, 21 despite the significant year-to-year increases in PIPP enrollment. 22

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

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**Exhibit NS-1** 

## Ohio Department of Development Community Development Division Office of Community Services

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### **PIPP-Related Administrative Costs**

Cost Category	FY 2008 Actual Expenses	FY 2009 Approved Budget
Payroll	\$ 403,831.53	\$ 610,000.00
Temp Staff / Agencies	666,414.41	600,000.00
Consultants / Mail Services	237,010.75	476,589.00
Indirect Costs	152,056.57	265,000.00
Maintenance	51,164.07	50,000.00
Equipment	146,848.10	20,000.00
Totals	\$ 1,657,335.43	\$ 2,021,589.00

#### Exhibit NS-2

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DCS 145-96 (REV 10/2001)

#### DAILYLOG BREAKDOWN OF HOURS CHARGED TO PROGRAMS

NAME\_\_\_\_\_John Due

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WEEK ENDING:		6/2/2006				·····		
ACTURIY	MON 5/29/2006	TUE 5/30/2006	WED 5/31/2006	11HU 67U2806	FRI 6/2/2006	Week 1		
1 70751 SPC	3	7	5	7	3	25		
2. TOTAL HRS - HEAP	¥	1	1	1	3	7		
9. TOTAL HRS - USF	4		2		2	8		
4. TOTAL HES ON LEAVE						9		
5. TOTAL (3+2+3+4)	8	8	8	ŧ	8	40		
WEEK ENDING:		6/9/2006						
	MON	TUE	₩#ED	THU	FR	Week 2	2 Weeks	
ACTIVITY	6/5/2006	6/6/2006	6/7/2005	6/8/2006	6/9/2006	Total Hours	Canadative	
1. TOTAL HRS - CSOG	6	Ð	7	4	7	30	55	<u>( (5500)</u>
2. TOTAL HRS - HEAF	1	1	\$	1	1	5	12	12:00
3. TOTAL HRS - USP	1	1		. 3		5	13	(* <b>#3</b> .00)
4. TOTAL HES ON LEAVE						0	6	and the second
5. TOTAL (1+2+5+4)	8	ġ	Ę	8	8	40	88	( air
### CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing application has been served upon the following parties by first class mail, postage prepaid, this 31st day of October 2008.

Barth E. Rover

Marvin I. Resnik Steven T. Nourse **AEP** Service Corporation 1 Riverside Plaza Columbus, Ohio 43215

Randall Griffin Judi Sobecki The Dayton Power & Light Company MacGregor Park 1065 Woodman Avenue Dayton, Ohio 45432

Paul Colbert Duke Energy 155 East Broad Street Columbus, Ohio 43215

Kathy Kolich FirstEnergy Corp. 76 South Main Street Akron, Ohio 44308

Janine Migden-Ostrander Ann Hotz Ohio Consumers' Counsel 10 West Broad Street Suite 1800 Columbus, Ohio 43215-3485

Samuel C. Randazzo Gretchen J. Hummel McNees, Wallace & Nurick Fifth Third Center Suite 910 21 East State Street Columbus, Ohio 43215

David C. Rinebolt, Esq. Ohio Partners for Affordable Energy PO Box 1793 Findlay, Ohio 45839-1793

CDOD EXHIBH 5

RECEIVED-DOCKETING DIV

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO 2009 UCT 31 PM 3:48

In the Matter of the Application of the Ohio Department of Development for an Order Approving Adjustments to the Universal Service Fund Riders of Jurisdictional Ohio Electric Distribution Utilities.

## Case No. 08-658-EL-UNC

### TESTIMONY

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### OF

### DONALD A. SKAGGS

## ON BEHALF OF THE OHIO DEPARTMENT OF DEVELOPMENT

October 31, 2008

## TESTIMONY OF DONALD A. SKAGGS On Behalf of The Ohio Department of Development

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1	Q.	Please state your name and business address.
2	<b>A</b> .	My name is Donald A. Skaggs. My business address is Ohio Department of
3		Development ("ODOD"), 77 South High Street, 25th Floor, Columbus, Ohio 43216-
4		1001.
5	Q.	By whom are you employed and in what capacity?
6	A.	I am employed by ODOD in its Office of Community Services ("OCS") as Assistant
7		Office Chief.
8	Q.	Please briefly describe your educational background and employment experience.
9	A.	I have a B.A. from Miami University and an M.S.W. from the University of Michigan. I
10		have been employed by the state of Ohio for thirty-two years, twenty-five of which have
11		been with ODOD. Most of my professional experience has been concentrated in the
12		areas of program evaluation and program management. Prior to being named Assistant
13		Office Chief earlier this year, I was the OCS Research and Planning Manager. In that
14		capacity, I was responsible for the procedures that enable OCS to meet the compliance
15		requirements of various federal programs, and was also responsible for the management
16		of large data bases, data analyses, and preparing related reports. During the
17		administration of Governor Voinovich, I served two years as an Executive on Loan to the
18		Governor's Office of Family and Children First.
19	Q.	What are your duties and responsibilities as OCS Assistant Office Chief?
20	А.	As Assistant Office Chief, I am responsible for the management of several programs,
21		including the electric Percentage of Income Payment Plan ("PIPP") program, the Home

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Weatherization Assistance Program, the Electric Partnership Program, and the Community Services Block Grant program.

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### 3 Q. What is your role with respect to the electric PIPP program?

- 4 Α. Since the legislature assigned ODOD responsibility for administering the Universal 5 Service Fund ("USF") and the electric PIPP program in 1999, I have been the ODOD staff person primarily responsible for developing the USF monthly reporting procedures 6 7 for the electric distribution utilities ("EDUs") and calculating the USF riders that ODOD has proposed for each EDU. I prepared the exhibits which were submitted with ODOD's 8 9 prior USF filings in the electric transition plan ("ETP") cases where the initial USF riders 10 were established and in each subsequent annual USF rider rate adjustment application 11 (Case Nos. 01-2411-EL-UNC, 02-2868-EL-UNC, 03-2049-EL-UNC, 04-1616-EL-UNC,
- 12 05-717-EL-UNC, 06-751-EL-UNC, 07-661-EL-UNC), as well as those attached to
- 13 ODOD's application in this case.

### 14 Q. Have you previously testified before this Commission?

15 A. Yes. I submitted written testimony in support of ODOD's application in each of the

16 annual USF rider rate adjustment proceedings identified in my previous answer. I also

- 17 presented written and oral testimony in the Notice of Intent ("NOI") phase of Case No.
- 18 05-717-EL-UNC in support of ODOD's position on various issues.

### 19 Q. What is the purpose of your testimony in this proceeding?

A. The purpose of my testimony is to explain the basis upon which the proposed USF riders
that are the subject of this application were calculated.

- Q. Why is it necessary for ODOD to seek the adjustments to the USF riders at this
   time?
- 3 Α. The stipulation entered into by the parties in Case No. 07-661-EL-UNC required ODOD to file, not later than October 31, 2008, an application for approval of such adjustments to 4 5 the riders as are necessary to assure, to the extent possible, that each EDU's rider will 6 generate its associated revenue requirement – but not more that its associated revenue 7 requirement - during the next annual collection period. As indicated in the application. 8 ODOD has determined that, on an aggregated basis, the total pro forma annual revenue 9 that the current USF riders would generate will be insufficient to provide adequate 10 funding for the low-income customer assistance and consumer education programs and to 11 cover their associated administrative costs during the 2008 collection period. However, 12 while the pro forma revenues that would be generated by the current USF riders of the 13 Dayton Power and Light Company ("DPL"), Ohio Edison Company ("OE"), and Toledo Edison Company ("TE") will fall short of the revenue targets ODOD's analysis indicates 14 15 are now appropriate for these EDUs, the current USF riders of The Cleveland Electric 16 Illuminating Company ("CEI"), Columbus Southern Power Company ("CSP"), Duke 17 Energy Ohio ("Duke"), and Ohio Power Company ("OP") would over-recover those 18 companies' USF rider revenue responsibility during the collection year. By its 19 application, ODOD seeks an order from the Commission directing each EDU to adjust its 20 USF rider rate accordingly.
- 21 **Q.**

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What factors contribute to the need to adjust the USF riders?

Generally speaking, the need to adjust the riders is primarily attributable to two separate 1 А. 2 factors. First, because the current riders are based on historical Kwh sales, they will not, in actual practice, generate the level of revenue they were designed to produce on a pro-3 forma basis. Although one would never expect test-period sales to be identical to sales in 4 the collection period, updating the sales volumes to reflect the more recent experience of 5 each company should, all else being equal, produce a more representative result. Second, 6 7 the USF rider revenue requirement for each company has also changed from the revenue requirements the Commission found to be reasonable in Case No. 07-661-EL-UNC. 8 These changes are due to a number of factors, including, among other things, changes in 9 10 the cost of PIPP resulting from increases in PIPP enrollment experienced by the various EDUs and changes in the EDUs' collection experience. Thus, the USF rider rates must 11 12 be adjusted if they are to recover their related revenue requirements, but no more than their related revenue requirements, over the 2009 collection period. 13 14 How was the USF rider revenue requirement target for each EDU determined? **Q.** As described in the application, the annual revenue requirement which the proposed USF 15 Α. riders are designed to generate consists of eight elements: (1) the cost of PIPP, (2) the 16 cost of targeted energy efficiency programs and the consumer education programs, now 17 18 referred to by ODOD collectively as the Electric Partnership Program ("EPP"), (3) the allowance for ODOD's PIPP-related administrative costs, (4) an allowance to recognize 19 the projected EDU December 31, 2008 USF account balances, (5) an allowance to fund a 20 21 reserve, (6) an allowance for interest costs, (7) an allowance for undercollection, and (8), an allowance for the cost of EDU audits. As indicated in the application, ODOD has 22

1		used a calendar 2008 test period for purposes of the USF revenue requirements analysis.
2		As in prior cases, ODOD has utilized actual data through August of the test period, and
3		has projected the results for those months of the test period for which information was
4		not available at the time the application was prepared by substituting data from the
5		corresponding months of the previous year. Although this is simply another way of
6		saying that ODOD has utilized the most recent twelve months of actual data available at
7		the time the application was prepared for purposes of the test period analysis, it is
8		conceptually appropriate to consider calendar 2008 as the test period for reasons
9		discussed below.
10	Q.	Is ODOD's methodology for determining the USF rider revenue requirement
11		proposed in the application in this case generally consistent with the methodology
12		previously approved by the Commission in prior USF rider adjustment cases?
13	A.	Yes. The revenue requirement methodology used in preparing this application is
14		generally consistent with that approved in prior USF rider rate adjustment proceedings.
15		Moreover, it is identical to the methodology approved by the Commission in its
16		September 10, 2008 finding and order in the NOI phase of this proceeding.
17	Q.	How was the cost of PIPP component of the USF rider revenue requirement
18		calculated for purposes of this case?
19	<b>A</b> .	The cost of PIPP represents the total cost of electricity consumed by each EDU's PIPP
20		customers during the test period, plus pre-PIPP balances, less all payments made by and
<b>2</b> 1		on behalf of PIPP customers, including USF rider collections and agency payments, over
<b>~</b> ~		the same period. The information necessary to perform this calculation comes from the

USF Monthly Report and Remittance forms (USF-301) and the USF Monthly 1 Reimbursement Request forms (USF-302), the documents the EDUs use to report the 2 3 USF rider collections remitted to ODOD and to request reimbursement from the USF for the cost of electricity delivered to PIPP customers. As in prior cases, ODOD used the 4 5 unadjusted actual data for the most recent twelve months for which information was 6 available at the time the application was prepared to calculate the test-period cost of 7 PIPP. The workpapers showing the calculation for each EDU are attached as Exhibits 8 DAS-1 through DAS-7 to my testimony. The resulting test-period cost of PIPP 9 components for each EDU are shown in Exhibit A to the application. However, in this case, the use of the test-period cost of PIPP numbers will not produce the appropriate 10 allowance for this element of the USF rider revenue requirement of all the EDUs. 11 12 Q. Please explain. During 2008, various elements of DPL's tariffed rates for electric service were adjusted 13 Α. 14 pursuant to orders of this Commission. Although these rate adjustments change the cost of electricity delivered to PIPP customers, they do not change the level of PIPP customer 15 payments because those payments are based on fixed, specified percentages of customer 16 17 income and are not tied to the rates charged. Thus, an increase in an EDU rate element increases the cost of PIPP by widening the gap between the cost of electricity delivered to 18 19 PIPP customers and the amount paid by PIPP customers. On the other hand, a decrease in a rate element reduces the cost of **PIPP** by narrowing this gap. Because the DPL rate 20 21 changes to which I referred were not in place throughout the test-period, it is necessary to adjust the test-period cost of electricity delivered to PIPP customers to annualize the 22

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impact of these rate changes. Otherwise, the test period cost of PIPP will not reflect the
 annual revenue requirement that must be recovered through this component of DPL's
 USF rider rate.

4 Q. What adjustments to DPL's actual test-period cost of PIPP have you made to 5 recognize the changes to DPL's tariffed rate elements during 2008? 6 A, DPL has reported that there were three Commission-approved rate changes during 2008. 7 The first, an increase in its environmental investment rider effective January 1, 2008. 8 was, in fact, recognized through a post-test period adjustment in last year's case (Case 9 No. 07-661-EL-UNC, Amended Application, Exhibit A.1), so no adjustment is required in this case. The other two 2008 changes were an increase in DPL's PJM administration 10 11 fee recovery mechanism effective May 1, 2008 and the withdrawal of DPL's storm cost 12 recovery rider near the end of July 2008. Although the impact of these changes is 13 captured in the reported actual data for May though August 2008 in the case of the PJM 14 administrative fee, and the reported actual data for August 2008 in the case of the 15 withdrawal of the storm cost recovery rider, the data for the other months of the test 16 period, including the surrogate months of September through December 2006, do not 17 reflect these changes. The annualization adjustments for these changes are shown in 18 Exhibits A.1.a and A.1.b of the application.

Q. Are any other adjustments to DPL's cost of PIPP required as a result of changes in
 DPL's rates?

A. Yes. DPL's environmental investment rider will again increase on January 1, 2009. In
 addition, DPL's current residential generation discount will expire on December 31,

2008, which means that the price of residential generation service will be higher 1 effective January 1, 2009. Although these rate changes are outside the calendar 2008 test 2 period, these are known and measurable changes that must be recognized if DPL's USF 3 rider is to recover the cost of PIPP during the 2009 collection period. The adjustments 4 for these changes are shown in Exhibits A.1.c and A.1.d of the application. The 5 6 Commission approved similar post-test period adjustments in Case No. 06-751-EL-UNC 7 and Case No. 07-661-EL-UNC.

### 8 Q. Have any other EDU's reported rate changes that occurred in 2008?

9 Α. No. However, ODOD is aware that the other EDUs currently have ESP cases pending before the Commission and that some level of rate increases will undoubtedly be 10 authorized effective January 1, 2009 or thereafter as a result of these cases. Because the 11 amount of these rate increases is unknown at this time, it is not possible to incorporate 12 13 their effects in determining the USF rider revenue requirement of these EDUs at this 14 juncture. Further, because the new USF rider rates approved in this proceeding will be effective with the January 2009 EDU billing cycles, it appears unlikely that orders will be 15 16 issued in the ESP cases in time for ODOD to address the impact of the rate increases through an amended application in this case. Thus, it appears that it will be necessary for 17 ODOD to file a supplemental application in early 2009 to seek an adjustment in the USF 18 19 rider rates to reflect these increases.

20

After performing the adjustments for the DPL rate changes you have described. Q. 21 what allowance for the cost of PIPP do you recommend for inclusion in the USF rider revenue requirement of each of the EDUs? 22

1	A.	The proposed cost of PIPP components of the respective EDU revenue requirements are
2		shown in the Adjusted Test-Period Cost of PIPP column in Exhibit A.1 to the application.
3	Q.	How was the proposed allowance for the cost of the Electric Partnership Program
4		determined?
5	A.	This USF rider revenue requirement component is intended to recognize the cost of the
6		low-income customer energy efficiency and consumer education programs which are
7		funded through the USF. In all previous USF rider adjustment cases, the Commission
8		has accepted the \$14,946,196 EPP allowance first proposed by ODOD when the initial
9		USF riders were established in the ETP proceedings. However, as a part of a settlement
10		agreement entered into with the Office of the Ohio Consumers' Counsel ("OCC") in the
11		NOI phase of Case No. 05-717-EL-UNC, ODOD agreed that in future USF rider rate
12		adjustment proceedings, ODOD would base its proposed allowance for EPP costs on its
13		projection of payments to EPP providers and the administrative costs associated with
14		ODOD's oversight of the EPP program during the collection period.
15	Q.	What has ODOD projected these costs to be for the 2009 collection period during
16		which the USF rider rates set in this case will be in effect?
17	A.	As shown in Exhibit A to the NOI submitted in this proceeding, ODOD's analysis for
18		2009 supported the use of the same \$14,946,196 annual allowance for these costs that the
19		Commission has accepted in all prior USF rider rate adjustment proceedings.
20	Q.	Did the Commission approve the \$14,946,196 allowance for EPP costs in the NOI
21		phase of this case?

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1	Α.	Yes. However, the stipulation adopted by the Commission in its September 10, 2008
2		finding and order in the NOI phase of this case provided that, as indicated in the NOI,
3		ODOD would adjust the proposed allowance for EPP costs if updated projections
4		suggested that \$14,946,196 allowance was no longer appropriate. The stipulation also
5		provided that ODOD would address questions raised by OCC in its objections to the NOI
6		relating to the projected indirect costs and outside consultant costs included in the EPP
7		analysis supporting the proposed allowance for EPP costs presented in Exhibit A to the
8		NOI.
9	Q.	What was the basis for OCC's objection relating to indirect costs?
10	A.	In Exhibit A to the NOI, ODOD presented a table showing, by cost category, the actual
11		EPP expenditures for FY 2006, FY 2007, and FY 2008 (year-to-date), as well as a
1 <b>2</b>		column headed "FY 2009 Budget" that showed projected expenditures for each of the
13		EPP line items for FY 2009. In its objections, OCC pointed out that the line item for
14		Indirect Costs in the FY 2009 Budget column of \$616,080 greatly exceeds the historical
15		level of these costs and questioned the reason for this difference.
16	Q.	Can you explain this difference?
17	A.	Upon investigation, I have determined that the \$616,080 shown for Indirect Costs was
18		incorrect. As explained in detail in the testimony of ODOD witness Nick Sunday, the
1 <b>9</b>		Ohio Department of Administrative Services ("DAS") periodically determines a
20		specified percentage of total payroll that OCS must pay to DAS for overheads. Applying
21		the current DAS percentage of 42.10 percent to the projected EPP Payroll amount of

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\$538,046.09 shown in the FY 2009 Budget produces an indicated value for Indirect Costs of \$226,517.

3 Q. How did this error occur?

In NOI Exhibit A. ODOD pointed out that its proposed \$14,946,196 allowance for EPP 4 Α. costs was consistent with the annual appropriation authorization for FY 2009 sought by 5 ODOD for inclusion in the state biennium budget for the 2008 and 2009 fiscal years. б Although not mentioned in the NOI EPP exhibit in this case, Exhibit A to the NOI in 7 Case No. 07-661-EL-UNC indicated that the requested appropriation, which was 8 9 ultimately approved, was \$15 million for each of the two years. The narrative following the table in NOI Exhibit A implies that the FY 2009 Budget column contains the same 10 details that were developed in 2007 to support the FY 2009 appropriations request. 11 However, this is not the case. The individuals that prepared the FY 2009 EPP 12 appropriation request in 2007 are no longer with ODOD, and the original details could 13 not be located. Thus, ODOD attempted to reconstruct the original projection of FY 2009 14 EPP costs, and, in the process, updated the estimates in certain of the cost categories to 15 reflect more current information. The individual that was assigned this task is no longer 16 17 with ODOD. Although I have not been able to replicate his calculation of the amount for Indirect Costs, he apparently either used the wrong payroll base or included costs that 18 should have accounted for in a different category. 19

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Q.

EPP costs requested in this case?

22 A. Absolutely not.

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Does this error change your opinion as to the reasonableness of the allowance for

I Q. Why not?

First, it has never been ODOD's intention to suggest that the allowance for EPP costs 2 Α. 3 approved by the Commission should be set at a level equal to the FY Budget amount presented in its EPP cost exhibit, and, in fact, the Commission has not done so in prior 4 5 cases. Although I will not repeat the explanation here, the narrative in NOI Exhibit A 6 sets out a number of factors, the effects of which cannot be quantified at this time, which 7 support a conclusion that the necessary allowance for EPP costs will be greater than the 8 projected EPP costs shown in the FY 2009 Budget column, Second, although the 9 projected FY 2009 Budget Indirect Costs shown on the table are overstated by some 10 \$390,000 due to the error I described, there is some \$70,000 in unbudgeted contract costs 11 not shown in FY 2009 Budget column that will be incurred during the period, which narrows the difference resulting from the use of the erroneous figure for Indirect Costs. 12 13 Finally, after correcting the Indirect Costs error and adding the \$70,000 in known 14 unbudgeted contract costs, the projection of quantifiable FY 2009 EPP costs is still in 15 excess of \$14,580,000, which, when coupled with the impact of the factors discussed in 16 NOI Exhibit A, clearly supports the reasonableness of the continuation of the \$14,946,146 allowance for EPP costs approved by the Commission in all prior USF rider 17 18 rate adjustment cases. Indeed, the Commission approved this allowance in Case No. 07-19 661-EL-UNC even though the FY 2008 Budget amount presented in NOI Exhibit A in that case showed quantifiable projected costs of \$14,132,697, which is obviously well 20 21 below the corrected quantifiable costs identified above. What was the issue OCC raised in its objections with respect to consultant costs? 22 Q.

1 A. In Exhibit A to the NOL ODOD noted that, consistent with the EPP objective of reducing electrical consumption of the targeted low-income population, ODOD had engaged an 2 outside consultant to assist it in its efforts to assure the cost effectiveness of the program. 3 In its objections, OCC complained that the consultant was not identified, that the purpose 4 for which the consultant was retained was not explained, that cost of the consultant was 5 6 not quantified, and that there was no indication of which line item in the NOI Exhibit A 7 table included the cost. OCC also inquired as to the amount of the cost for consultant that ODOD would seek to recover from customers through the USF rider rates and asserted 8 9 that a process should be established for review of the consultant's findings by the parties to the case. Although ODOD supplied much of the requested information to OCC 10 informally shortly after its objections were filed, I will address these questions in this 11 12 testimony so that the responses will be in the public record.

### 13 Q. Please proceed.

14 A. Since the inception of the EPP, ODOD has routinely engaged independent consultants to 15 evaluate the program impacts, including the cost-effectiveness and environmental 16 impacts of the program. The last such evaluation was completed in 2006, and resulted in 17 a finding that the EPP did, in fact, generate a net savings. In April 2008, ODOD retained consultant Michael Blasnick to perform another such evaluation. The fee for his services 18 of \$47,920 will be paid upon receipt of his report, which is expected to be completed in 19 20 June 2009. This amount is shown in the Contract Services category in the FY 2009 Budget column in the table in Exhibit A. Thus, the cost of the evaluation is captured in 21 the proposed allowance for EPP costs, and will be recovered from ratepayers through this 22

1		element of the USF rider rates. ODOD has no objection to providing the report to
2		interested parties once it is submitted, and, as in the past, will post the report on the
3		ODOD website and will provide the report to the Public Benefits Advisory Board.
4		Consistent with past practice, meetings will be held with EPP stakeholders, including
5		members of the USF Rider Working Group, to discuss the consultant's findings.
6	Q.	How has ODOD allocated the EPP costs among the EDUs?
7	А.	As in all prior USF rider rate adjustment applications, ODOD has allocated this
8		component of the revenue requirement among the EDUs based on the ratio of their
9		respective costs of PIPP to the total cost of PIPP. The development of the allocation
10		factors and the results of the allocation are shown in Exhibit B to the application.
11	Q.	What allowance for PIPP-related administrative costs has ODOD proposed for
12		inclusion in the USF rider revenue requirement in this case?
13	A.	ODOD has proposed an allowance for PIPP-related administrative costs of \$2,021,589.
14		The basis for the proposed allowance is explained in the testimony of ODOD witness
15		Nick Sunday.
16	Q.	How has ODOD allocated the administrative cost component of USF rider revenue
17		requirement among the EDUs?
18	<b>A</b> .	As in all previous USF rider rate adjustment applications, ODOD has allocated
19		responsibility for the administrative costs to the EDUs based on the relative number of
20		PIPP customers. Specifically, as shown in Exhibit C to the application, this revenue
21		requirement component has been allocated among the EDUs based on the number of

PIPP customer accounts as of April 2008, the test-period month exhibiting the highest
 PIPP customer account totals.

# Q. You have identified the projected December 31, 2008 USF account balance as an clement of the EDU's USF rider revenue requirement. Why is this component included?

6 The USF rider rate is calculated with reference to historical annual Kwh sales. Because Α. 7 actual sales will vary from sales during the test period, and because other factors bearing 8 on the cost of PIPP also change, the EDU's rider rate will, in actual practice, either overrecover or under-recover its associated revenue requirement during the collection period. 9 10 All else being equal, over-recovery will result in a positive year-end USF account balance 11 for the EDU in question, while under-recovery will create a negative balance. A positive 12 USF account balance reduces the amount needed to satisfy the USF rider revenue 13 requirement on a going-forward basis, while a negative balance means that there will be 14 insufficient cash available for ODOD to make the monthly PIPP reimbursement 15 payments due the EDU in question. To synchronize the new USF rider with each EDU's 16 existing USF account cash position, the revenue target must be adjusted by the amount of 17 the USF account balance as of the rider's effective date. Thus, a positive balance must be 18 deducted from the revenue requirement, while a negative balance must be added to the 19 revenue target the rider is designed to generate. Because ODOD is requesting that the 20 proposed USF riders be made effective January 1, 2009 on a bills-rendered basis, I have 21 adjusted each EDU's rider revenue target by the amount of the EDU's projected December 31, 2008 USF account balance. The adjustments are displayed in Exhibit D of 22

1		the application. The workpapers showing the calculation of the projected December 31,
2		2008 balances are attached to my testimony as Exhibits DAS-8 through DAS-14.
3	Q.	Has the Commission previously approved the inclusion of this element in
4		determining the target revenues the proposed USF rider rates must be designed to
5		generate?
6	А.	Yes. The Commission has approved this synchronizing adjustment in establishing the
7		USF riders in all previous USF rider adjustment cases, and has again accepted this
8		methodology in its September 10, 2008 finding and order in the NOI phase of this case.
9	Q.	If this component of the USF rider rate remains in effect for longer than one year,
10		would not an EDU with a projected December 31, 2008 USF PIPP account balance
11		deficit begin to over-recover its USF rider revenue requirement?
12	A.	Because the component reflecting a December 31, 2008 deficit will be recovered on an
13		annual basis, the recovery will, in theory, be complete after the new USF rider has been
14		in place for one year. On the other hand, an EDU with a positive projected December 31,
15		2007 balance will, in theory, have paid this surplus back to ratepayers by the end of the
16		collection year. This means that, all else being equal, the allowance for this revenue
17		requirement element should come out of their USF riders at that time.
18	Q.	Is ODOD proposing that the USF riders be automatically adjusted on January 1,
19		2010 to recognize that the amortization of the December 31, 2008 balances, whether
20		negative or positive, will have been completed at that time?
<b>2</b> 1	А.	No. Although ODOD will be monitoring the monthly EDU USF balances very closely,
22		ODOD will also continue to examine all the other elements of the USF rider revenue

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requirement, and will keep a watchful eye on whether, in practice, riders are generating 1 the necessary level of revenue. Rather than proposing an automatic adjustment for one 2 component of the USF riders on the anniversary date. ODOD believes the better approach 3 is to revisit all elements of the rider before January 1, 2010, so that, if it reasonably 4 appears that additional adjustments are required, all proposed adjustments can be 5 incorporated in a single filing with the Commission. Thus, while ODOD agrees that the 6 7 component reflecting the December 31, 2008 PIPP USF account balance, whether negative or positive, should be eliminated once the balance has been fully amortized, that 8 9 adjustment should be made in the context of this broader evaluation. Indeed, the parties 10 to the stipulations in all previous USF rider adjustment cases, in requiring that ODOD file a new application on or before October 31, recognized that this annual review process is 11 12 necessary. ODOD continues to support this approach.

# Q. What is the purpose of including an allowance to create a reserve as a USF rider revenue requirement component?

15 As described in the application, ODOD has entered into agreements with each EDU that А. provide that ODOD will be assessed a carrying charge on all monthly payments 16 reimbursing the EDU for cost of electricity delivered to PIPP customers which do not 17 arrive by the specified due date. Because of the weather-sensitive nature of electricity 18 sales and certain other factors, such as PIPP enrollment behavior, PIPP-related cash flows 19 20 fluctuate significantly over the course of the year. These fluctuations will result in negative PIPP USF account balances in some months, which will mean that ODOD will 21 22 be unable to satisfy its monthly payment obligation to the EDU on a timely basis and

will, therefore, incur carrying charges in those months. The graph attached to the
application as Exhibit E plots the consolidated net PIPP USF account balance throughout
the year. Any USF rider revenues ODOD must pay out in carrying charges will impair
its ability to fund the low-income customer assistance and consumer education programs
and pay their administrative costs. Thus, ODOD is again proposing that a component be
included in the USF rider revenue target to fund a reserve that can be drawn upon to
reduce ODOD's liability for these carrying charges over the coming year.

# Q. Does this reserve component of the USF rider revenue target serve a different purpose than the component that recognizes projected EDU December 31, 2008

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### PIPP USF account balances?

11 Α. Yes. A deficit EDU December 31, 2008 account balance represents an existing shortfall 12 which must be remedied if the USF fund is to have the cash necessary to fulfill the 13 purposes for which it was created on a going-forward basis, while a positive EDU 14 December 31, 2008 account balance represents an amount that must be returned to 15 ratepayers. Thus, the December 31, 2008 account balance element is, in essence, a true-16 up mechanism. The reserve, on the other hand, is intended to mitigate ODOD's future 17 liability for carrying charges which would otherwise result from its inability to reimburse 18 EDUs on a timely basis in certain months for the cost of electricity furnished to PIPP 19 customers. Thus, revenues that have been generated and retained for the purpose of 20 establishing the reserve are not deducted as a part of the synchronizing adjustment for 21 those EDUs with a positive projected December 31, 2008 USF account balance.

1 Q. Was an allowance to create a cash reserve included in developing the revenue target 2 for the USF riders approved in previous USF rider rate adjustment cases? 3 Yes. However, as I have explained in my testimony in previous cases, the methodology A, 4 used to fund the reserve has changed over time. Although recognizing the need for a 5 reserve early on, ODOD, in an attempt to minimize the impact on ratepayers, proposed a very conservative mechanism for funding the reserve in the first five USF rider 6 7 adjustment cases. Despite a tweak to the original methodology in Case No. 03-2049-EL-8 UNC, it eventually became apparent that the reserve could not be fully funded under this approach due to dramatic year-to-year increases in the cost of PIPP. These increases 9 10 meant that the cost of PIPP components of the approved USF riders, which were 11 calculated based on historical test-period data, were not generating the revenues sufficient 12 to cover the actual cost of PIPP during the collection period. As a result, ODOD was 13 forced to utilize the USF rider revenues earmarked for the reserve, as well revenues 14 earmarked for other purposes, to meet its reimbursement obligations to the EDUs on a timely basis during months in the collection period in which negative cash flows were at 15 16 their highest levels. 17 **Q**. What did ODOD do to address this problem? 18 А. In its application in the 2006 case, ODOD abandoned the ineffective methodology it had

previously employed and proposed to calculate the reserve component based on the
highest monthly deficit for each EDU during the test period. The Commission approved
this approach in Case No. 06-751-EL-UNC and, again, in Case No. 07-661-EL-UNC.

22 Q. Has ODOD utilized this same method for funding the reserve in this case?

A. Yes. In the NOI, ODOD again proposed basing the allowance for this element of the
 USF rider revenue requirement on the highest projected monthly deficit for the EDU in
 question during the test period. The Commission approved this methodology in its
 September 10, 2008 finding and order in the NOI phase of this case. However, there are
 unique circumstances present in this case which require that the indicated test-period
 reserve targets for CSP and OP be adjusted.

7 Q. Please explain.

8 In April 2008, ODOD filed a supplemental application in Case No. 07-661-EL-UNC A. 9 seeking an increase in the CSP and OP USF rider rates initially approved in the 10 Commission's December 19, 2007 opinion and order in that case to reflect the correction 11 of certain errors in the calculation of the revenue requirements upon which the rider rates 12 were based. The Commission, by its finding and order of May 28, 2008, granted the 13 supplemental application and directed CSP and OP to replace their existing USF rider rates with new rider rates designed to recover the increases in their respective revenue 14 requirements resulting from the correction of the errors over the final seven months of the 15 16 2008 collection period. If the CSP and OP USF rider revenue requirements had been 17 correctly calculated in the first place, the USF rider rates implemented with the January 18 2008 billing cycles would have been higher, which, in turn, would have meant that the cash deficit in April 2008, the test-period month with the highest deficit for both CSP and 19 20 OP, would have been lower. Thus, the use of the actual April 2008 deficits as the 21 benchmark for the reserve would overstate the reserve requirements for these companies. 22 Q. What adjustment have you made to address this issue?

I calculated what the initial CSP and OP USF rider rates in Case No. 07-661-EL-UNC 1 Α. would have been had they been based on the correct annual revenue requirements, and 2 applied those restated rates to the January, February, and March 2008 sales volumes to 3 determine the revenues the pro forma revenues the restated rates would have generated 4 had they been in place during those months. I then reduced the April 2008 CSP and OP 5 reserve deficits by the difference between the pro forma revenue at the restated rates and б 7 the actual collections for the months in question. The reserve components for CSP and OP shown in Exhibit F to the application reflect this adjustment. The calculation to 8 9 restate the CSP and OP USF rider rates are shown in attached Exhibits DAS-43 and 10 DAS-44, respectively. The adjustments to the January, February, and March 2008 revenues to reflect the restated rates are shown in Exhibits F.1 and F.2 to the application. 11 What is the purpose of including an allowance for interest in the revenue targets the 12 Q. 13 proposed USF riders are designed to meet? 14 Notwithstanding the use of the methodology for establishing the reserve component I А. have just described, ODOD projects that it will still incur some level of carrying charges 15 under its agreements with the EDUs in certain months because the total revenues 16 earmarked for the reserve will not be fully collected until the end of 2009. Thus, an 17 allowance for this interest expense must be included in the USF rider revenue 18 requirement if ODOD is to have sufficient revenues to fund the low-income customer 19 assistance and consumer education programs and cover the associated administrative 20 21 costs.

1 Q. Was a component for interest included in developing the revenue requirement upon which the USF riders approved in the previous USF rider adjustment cases were 2 3 based?

Yes. The Commission accepted such a component in all prior USF rider adjustment 4 Α. proceedings and again approved this component in its September 10, 2008 finding and 5 order in the NOI phase of this case. 6

#### 7 How was the proposed allowance for interest calculated? 0.

As explained in the application, I performed a cash-flow analysis which projected the 8 A. 9 daily PIPP USF account balances which the proposed riders would produce. I then

translated these balances into late payment days and applied the daily carrying charge 10

specified in the various agreements to determine the interest costs ODOD would be 11

12 expected to incur. The proposed allowance for interest to be reflected in the USF rider of

each EDU is shown in Exhibit G to the application. The workpapers supporting these 13

14 figures are attached to my testimony as Exhibits DAS-15 through DAS-21.

#### 15 The next USF rider revenue requirement element you have identified is an Q.

### 16 allowance for undercollection. What is the purpose of this component?

17 А. An allowance for undercollection is necessary to recognize that there is a difference

18 between the amount billed through the USF rider and the amount actually collected from

- customers. If this element is not included in determining the USF rider revenue 19
- 20 requirement, the riders will not generate the target revenue.
- 21

Q. Was an allowance for undercollection built into the current USF riders?

A. Yes. The Commission authorized this allowance in all prior USF rider adjustment cases
 and again approved the inclusion of this element in its September 10, 2008 finding and
 order in this case. This allowance is identical in concept to the allowance for
 uncollectibles routinely recognized in utility ratemaking. Because the EDU is merely a
 conduit for USF rider revenues, the allowance must be incorporated in USF rider itself if
 the USF rider rates are to produce the required revenues.

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### Q. How was the proposed allowance for undercollection calculated?

As in all prior cases, the allowance was calculated on a company-specific basis so as to 8 Α. 9 reflect the test-period undercollection experience of each EDU. For each reported month, an undercollection percentage was determined by dividing the amount of USF rider 10 revenues actually collected by the EDU by the pro forma revenues as determined by 11multiplying the Kwh sales for that month by USF rider rate. The resulting average rate of 12 collection was then applied to the pro forma annual rider revenue. The difference 13 between that result and the pro forma annual rider revenue represents the amount the 14 allowance for undercollection is intended to recover on an annual basis. The proposed 15 allowance for undercollection for each EDU is shown in Exhibit H of the application. 16 17 The workpapers supporting this analysis are attached to my testimony as Exhibits DAS-18 22 through DAS-28.

# Q. The final element of the USF rider revenue requirement that you have identified is an allowance for audit costs. Please explain why this element has been included in the USF rider revenue requirement proposed by ODOD in this case.

22 A. This proposed allowance has been included to recover the cost of the EDU audits that

1		will be conducted in 2009 pursuant to the recommendation of the USF Rider Working
2		Group (the "Working Group"). As shown in Exhibit I to the application, ODOD has
3		proposed that an allowance of \$40,000 be included in the revenue requirements of DPL
4		and the FirstEnergy companies (CEI, OE, and TE), the EDUs that will be audited in
5		2009. If no allowance is included, ODOD would be required to utilize USF rider
6		revenues earmarked for other purposes to pay these costs, which could lead to revenue
7		shortfalls that would ultimately translate into an increase in the interest costs ODOD
8		would incur under its agreements with the EDUs.
9	Q.	Has ODOD issued a request for proposals ("RFP") for conducting these audits?
10	А.	No. However, ODOD anticipates issuing an RFP within the next few months.
11	Q.	If ODOD does not yet know the amount of these audit costs, what is the basis for the
12		proposed allowance for the cost of the audits of the EDUs that will be audited in
12 13		proposed allowance for the cost of the audits of the EDUs that will be audited in 2008?
12 13 14	А.	proposed allowance for the cost of the audits of the EDUs that will be audited in 2008? The proposed allowance is purely a "guesstimate." However, one should bear in mind
12 13 14 15	A.	proposed allowance for the cost of the audits of the EDUs that will be audited in 2008? The proposed allowance is purely a "guesstimate." However, one should bear in mind that ODOD will true up any difference between the proposed allowance and the actual
12 13 14 15 16	A.	proposed allowance for the cost of the audits of the EDUs that will be audited in 2008? The proposed allowance is purely a "guesstimate." However, one should bear in mind that ODOD will true up any difference between the proposed allowance and the actual cost of these reviews in next year's USF rider rate adjustment application.
12 13 14 15 16 17	A. Q.	<ul> <li>proposed allowance for the cost of the audits of the EDUs that will be audited in</li> <li>2008?</li> <li>The proposed allowance is purely a "guesstimate." However, one should bear in mind</li> <li>that ODOD will true up any difference between the proposed allowance and the actual</li> <li>cost of these reviews in next year's USF rider rate adjustment application.</li> <li>In Case No. 07-661-EL-UNC, the Commission approved OBOD's proposal to</li> </ul>
12 13 14 15 16 17 18	А. Q.	proposed allowance for the cost of the audits of the EDUs that will be audited in 2008? The proposed allowance is purely a "guesstimate." However, one should bear in mind that ODOD will true up any difference between the proposed allowance and the actual cost of these reviews in next year's USF rider rate adjustment application. In Case No. 07-661-EL-UNC, the Commission approved ODOD's proposal to include an allowance for EDU audit costs of \$40,000 for each of the AEP companies
12 13 14 15 16 17 18 19	А. <b>Q.</b>	<ul> <li>proposed allowance for the cost of the audits of the EDUs that will be audited in</li> <li>2008?</li> <li>The proposed allowance is purely a "guesstimate." However, one should bear in mind</li> <li>that ODOD will true up any difference between the proposed allowance and the actual</li> <li>cost of these reviews in next year's USF rider rate adjustment application.</li> <li>In Case No. 07-661-EL-UNC, the Commission approved ODOD's proposal to</li> <li>include an allowance for EDU audit costs of \$40,000 for each of the AEP companies</li> <li>(CSP and OP) and Duke. What costs did ODOD actually incur for these audits</li> </ul>
12 13 14 15 16 17 18 19 20	А. Q.	proposed allowance for the cost of the audits of the EDUs that will be audited in 2008? The proposed allowance is purely a "guesstimate." However, one should bear in mind that ODOD will true up any difference between the proposed allowance and the actual cost of these reviews in next year's USF rider rate adjustment application. In Case No. 07-661-EL-UNC, the Commission approved ODOD's proposal to include an allowance for EDU audit costs of \$40,000 for each of the AEP companies (CSP and OP) and Duke. What costs did ODOD actually incur for these audits during the 2008 collection period?
<ol> <li>12</li> <li>13</li> <li>14</li> <li>15</li> <li>16</li> <li>17</li> <li>18</li> <li>19</li> <li>20</li> <li>21</li> </ol>	А. Q.	proposed allowance for the cost of the audits of the EDUs that will be audited in 2008? The proposed allowance is purely a "guesstimate." However, one should bear in mind that ODOD will true up any difference between the proposed allowance and the actual cost of these reviews in next year's USF rider rate adjustment application. In Case No. 07-661-EL-UNC, the Commission approved ODOD's proposal to include an allowance for EDU audit costs of \$40,000 for each of the AEP companies (CSP and OP) and Duke. What costs did ODOD actually incur for these audits during the 2008 collection period? The contract price proposed by the winning bidder, Schneider Downs, came in at

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1	Q.	If the actual cost of the audits was less than the total allowance for this project built
2		into the 2008 USF rider rates of the companies, should not the difference be flowed
3		back to EDU ratepayers?

A. Yes, of course. However, no additional adjustment is required to accomplish this result
 because the December 31, 2008 USF account balance component of the revenue
 requirement already takes this into account.

7 Q. Piease explain.

A. The projected EDU December 31, 2008 USF account balance component of the revenue
requirement captures the difference between actual costs and actual collections. As I
previously explained, positive year-end balances are flowed back to ratepayers over the
next collection period, while year-end deficits are recovered over the next collection
period. Thus, the amount by which allowance collected through the riders to pay for
these audits exceeded the actual costs of the project will be returned to the customer over
the course of 2009.

15 In the NOI filed in this docket on June 2, 2008, ODOD stated that, if the Schneider 0. 16 Downs findings with respect to Duke and the AEP companies suggested that their 17 monthly reimbursement requests overstated the reimbursement to which they were lawfully entitled, ODOD would supplement its NOI by proposing a mechanism to 18 credit customers appropriately. Has ODOD subsequently supplemented its NOI? 19 No. Although Schneider Downs completed the report detailing the results of its 20 Α. 21 application of agreed-upon procedures to the AEP companies in August 2008, Schneider Downs encountered some unanticipated difficulties in completing the Duke report. As a 22

1		result, the Duke report has not yet been circulated to members of the Working Group,
2		although ODOD does expect that it will be distributed shortly. Under the agreed process,
3		ODOD will not issue the supplement to the NOI ("Supplement") containing its
4		conclusions and recommendations regarding the findings in the Schneider Downs'
5		reports until after an exit interview at which members of the Working Group will be
6		provided the opportunity to ask questions of Schneider Downs regarding the reports.
7		ODOD will submit the Supplement as soon thereafter as possible. Although ODOD
8		hopes that any issues raised by the Supplement or objections thereto can be resolved in
9		time to incorporate any revenue requirement impact in the amended application that will
10		be filed in this case, this may not be possible.
11	Q.	If issues raised by the Supplement or objections thereto cannot be resolved in time
12		to incorporate any impact on the USF rider revenue requirements in the amended
13		application, what does ODOD recommend?
14	A.	ODOD recommends that the Supplement remain on its own procedural track. If there are
15		issues raised that have revenue requirement implications, the resolution of those issues
16		can be reflected in the supplemental application ODOD will file to address the January 1,
17		2009 increases in EDU rates resulting from the pending ESP proceedings.
18	Q.	What are the results of your USF rider revenue requirements analysis?
19	<b>A</b> .	The USF rider revenue requirement analysis for each EDU is summarized in Exhibit I to
20		the application.
21	Q.	How does ODOD propose to recover the annual USF rider revenue requirement for
22		each EDU?

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A. ODOD proposes to recover the annual USF rider revenue requirement for each company
 through a USF rider which incorporates the same two-step declining block rate design
 approved by the Commission in all prior USF rider adjustment proceedings. The
 Commission again approved this rate design methodology in its September 10, 2008
 finding and order in the NOI phase of this case.

6

Q.

### How did you calculate the proposed rider for each EDU?

7 As shown in Exhibit J to the application, I began by dividing the respective revenue requirements by the EDU's test-period Kwh sales to determine the per Kwh rate which 8 would apply if the EDU's annual USF rider revenue requirement were to be recovered 9 through a uniform per Kwh rate. The sales information came from each EDU and is 10 attached to my testimony as Exhibit DAS-29 through DAS-35. Under the Commission-11 approved USF rider rate design methodology, the first block of the rate applies to all 12 monthly consumption up to and including 833,000 Kwh (i.e., one-twelfth of an annual 13 consumption of 10,000,000 Kwh). The second block applies to all consumption above 14 15 833,000 Kwh per month. The rate per Kwh for the second block is set at the lower of the 16 PIPP rider rate in effect in October 1999 or the per-Kwh rate that would apply if the EDU's annual USF rider revenue requirement were to be recovered through a single 17 block per-Kwh rate, with the for the first block rate set at the level necessary to produce 18 the remainder of the EDU's annual USF rider revenue requirement. In this case, this cap 19 20 is in play for all the EDUs, so all the proposed rider rates have this declining block feature as shown in the table on page 12 of the application. The workpapers supporting 21 the rate calculations are attached to my testimony as Exhibits DAS-36 through DAS-42. 22

Q. What do the final three line items (lines 20, 21, and 22) on each of these workpapers
 represent?

A. Line 20 shows the dollar difference per-Kwh between the first block rate under the
approved two-tier rate design and a uniform per-Kwh rate. Line 21 expresses this
difference as a percentage. Line 23 shows the annual cost impact on the average
residential customer of the EDU in question resulting from the use of the declining block
rate structure as opposed to a uniform rate per Kwh. As in prior cases, I have presented
this analysis purely for informational purposes.

9 Q. How do the proposed USF riders compare to the current USF riders?

10 A. The table on page12 of the application compares the current and proposed rider rates. 11 As indicated in the table on page 5 of the application, the adjusted test-period revenues 12 produced by the current USF riders of DPL, OE, and TE, fall short of their respective 13 indicated revenue targets, while the adjusted test-period revenues produced by the current 14 USF riders of CEI, CSP, Duke, and OP exceed their associated revenue requirement 15 responsibility. Thus, the DPL, OE, and TE rider rates will increase, while the rider rates 16 of the remaining EDU's will go down.

17 Q. How were the adjusted test period USF rider revenues shown in the table on page 5
18 of the application determined?

A. Typically, pro forma test-period revenues are determined by simply applying the current
 rates to test-period sales volumes, which was the methodology I used to produce the
 adjusted test-period USF rider revenue figures shown for CEI, DPL, Duke, OE, and TE in

22 the table on page 5 of the application. However, the current CSP and OP rider rates are

the rates approved in the Commission's May 28, 2008 finding and order in Case No. 07-1 661-EL-UNC. As I have explained, these riders were designed to recover the increase in 2 the CSP and OP revenue requirements resulting from correcting the errors identified in 3 ODOD's supplemental application in that case over the final seven months of 2008. 4 Because these rider rates are "seven-month" rates, using these rates to calculate annual 5 test-period pro forma revenues would obviously be inappropriate. To permit a more 6 7 meaningful comparison to the CSP and OP USF rider revenue targets proposed in this case, the adjusted test-period USF rider revenues for CSP and OP shown on the table on 8 9 page 5 of the application were determined by applying the "twelve-month" CSP and OP rider rates that would have been in place throughout the 2008 test-period if the CSP and 10 OP revenue requirements approved by the Commission's December 19, 2007 opinion and 11 12 order in Case No. 07-661-EL-UNC had been correctly determined. As I indicated in discussing the adjustments to the CSP and OP reserve allowances, the derivation of the 13 14 restated CSP and OP rates are shown in Exhibits DAS-43 and DAS-44 of my testimony. 15 Although the table on page 5 of the application still shows a surplus for both CSP and OP, the use of the current "seven-month" rates would have overstated the surpluses. 16 17 Q. Does this conclude your testimony? Yes. However, I reserve the right to supplement my testimony after additional actual 18 Α.

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information becomes available.

Universal Service Fund Current Rider Mechanism Cost of PIPP

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Company: COLUMBUS SOUTHERN POWER

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For Manthy Billing Cycle Ending:	Jar-06 Petr-08 Mar-08 Apr-06 May-08 Jut-168 Jut-08 Sep-07 Oct-07 Dec-07 Arriua
Rentitance (Form USF-301-60)	
1. USF Rider Collected on Ali Customers	FI STR TASEN \$1,066,218.35 \$1,554,157.17 \$1,154,745.28 \$1,431,101.58 \$2,146,384,44 \$2,485,704,44 \$2,581,711.78 \$1,141,085.58 \$1,045,085.28 \$1,055,98,73 \$20,155,528,73
<ol> <li>Non-USF Rider Funds         <ul> <li>Customer Payments</li> <li>Customer Payments</li> <li>Appency Payments</li> </ul> </li> </ol>	51,204,067.40 51,292,349.17 51,395,888.21 51,480,348.12 51,387,703,01 51,124,465,12 bb 52,717,203.25 52,274,006.53 52,765,58 553,25 51,138,776,86 271,207,157 20 5108,361,87 5406,270,87 5405,285,88 5497,7277 5486,14,39 445,74,89 457,862,89 543,617,33 562,84 56 553,755,75 548,72 75,768 521,727 56,86 271,205,75 56,877 55,75 546,77 75,75 54,877 55,75 546,77 75,75 54,877 55,75 546,77 75,75 54,877 55,75 546,77 75,75 54,877 55,75 546,77 75,75 54,877 55,75 54,975,75 54,977 55,75 54,975 54,977 55,75 55 54,757 55,7577 55,757 55,7577 55,757 55,7577 55,757 55,757 55,757
3. Total Payments	\$2,735,563.244 52,055,062.46 \$2,256,373.72 \$2,465,834.75 \$2,465,854.50 \$2,765,456.45 \$3,566,45 \$3,566,40 \$3,566,100 \$3,506,400 \$5,500,40 \$77,272,50 \$2,416,775,56 \$22,445,250,44
4. Toloi Anaurt of Ramittance	44,714,603.30 54,702,201.80 54,005,501.89 54,100,577.01 55,481,80.02 94,390,304,01 55,251,80017 66,130,127,88 54,536,135,77 84,536,146,175,27 552,206,208.49
<b>CC8 Admin 2.19%</b>	128.004.01 124.072.55 124.672.55 121.74.50 191.027.36 128.527.35 133.046.44 134.666.56 137.397.39 129.445.34 124.074.77 1346.566.53
21.81% 21.81% 21.81%	\$107,500.88 \$175,888.91 \$175,702.07 \$155,613.29 \$203,272.32 \$255,549.02 \$242,791.39 \$164,308,07 \$164,308,07 \$168,207 \$168,203.39 \$21,17,002.01
Available Balance (AI-B-C)	54.580,791.80 54.581,883.47 53,880,776.88 51,825,231 25, 353,327 84,158,171.38 54,582,582 582,582,516.78 54,514,713,28 54,542,713 549,682,288.75
Raimbursement Due (Form USF-382-06, Line VI + line VI)	44,829,873,71 84,848,413,28 84,905,904,38 94,910,M13,78 33,333,819,31 \$1,938,124,80 \$4,765,950,04 \$4,950,260,48 \$4,300,205,87 \$2,961,132,22 \$5,002,306,06 \$3,344,301,38 \$50,181,308,21
Surplus/Deficit (D-E)	(\$225) 061 61) (\$266,728.81) (\$1,616,728.60) (\$266,02.39) \$3,726,06 \$271,46.56 \$303,056.20 \$14,507 \$1,521,500 \$15,600
Cost of PIPP (Total of E Total of A.3.)	Coat of MPP: \$18,005,024.77

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DAS-1

Company: OHIO POWER COMPANY

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For Manthly Billing Cycle Ending:

- A. Remittance (Form USP-301-00) 1. USF Rider Collected on All Customers
- 2. Non-USF Rider Funds a. Customer Payments b. Other Customer Payments c. Agency Payments
  - 3. Total Payments
- 4. Total Amount of Remittance
- **B. OCS Admin 2.**994 2.70% C. TEE Program 23.14% 16.90%
- D. Avalable Balance (AS-B-C)
- E. Reinburzement Due (Form USF-302-00, Line VI +tine VII)
  - F. Surplus/Shortfall (D-E)
- G. Cost of PIPP (Tetal of E Total of A.3.)

Ohio Power Gurrent Rider Cost of PIPP

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ГТ	3	828	g	8	8	ह		<b>E</b>	
Anna	H95,908,1591	22,591,128 86,645,748 94,938,624	34,178,500	55,186,091	1350,465.	111,117,117	52,622,501	50,980,558.	
	8151 5	60.11 5 60.11 5 68.01 5	8 IS.IO	65.02	45.24	<b>9</b> 8.12	20.66	1 11 12	04.07
0-2-0	0'050'14	51,303,5 5,600,9 5,483,8	\$2,187,8	83,237,8	\$38,0	\$168,1	1,000,23	4,573,5	\$1,542,9
1	0208	172.87 120.29 577.65	112.11	111196	98.20	1939	75.08	04,70	20.62
Nov	6999	\$1,760, \$580, \$78,5	12,346,	13,216,	112	140	510(4)	196,22	(\$151)
20-1	450.68	,862.22 ,286.84 ,708.75	13.728	308.68	C7.872	392.08	\$8.6E0	312.40	727.48
8	1.991	\$2,680 \$576 \$97	13,357	14,271	12	\$143	591	12,133	11.241
P-07	1,828.49	1,487,67 8,846.88 8,294.44	8,638,99	10,467,45	6,287.62	1,426.9H	2,742,98	9,152,11	3,558.85
≫ 	1 100	52,28 551 551	HI'C2 9	14,07		М	7 \$3,82	1 53.48	132
80-DN	52 751.9	97,608.3 91,420.1 17,996.1	07,024.5	59,778.5	31,048.4	26,908,2	01,019.7	81,219,8	20,598.8
	5 \$2.4	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	6 23	1 25,7		5 52	2,25 2	H \$4,0	715 7
	880'88 <b>1</b>	223,116 673,185 968,213.	962,615.	370,615.	\$30,483.	111,122	117,364.3	<b>909,179</b> ,	308,175.
-	34	24 57 70 17	12 25	55 EF.	111	27	. 182 - 182 -	16 \$3	5
Į	2,178,451	1922 Jun 1922 Jun 1911 / 1925 1911 / 1912	2,314,310	4,682,761	12,131	5201,532	1,483,852	3,467,557	900) (900)
	8,34	1.95 \$	8.28 \$	M.62 \$	325	2.47	1 09'1	1.72 S	88 2
	<b>11,864,71</b>	10 11 22 10 11 22 11 13 10	\$2,411,56	\$4,080,25	124	1154,38	\$3,904,71	13,400,11	\$504,54
	12.21	64.08 92.53 28.62	65.23	147.20	13'LC	35.46	69.31	94.05	24.721
Ĭ	\$1,800,5	\$1,581,8 \$556,1 \$556,1	\$2,004.0	14,734,6	524,4	5176.	1153,14	1 823.4	(1923)
	530.48	491.36 882.36 815.41	189.16	719.82	361.85	658.46	699.21	457.84	738.634
	\$2,082	<u>\$1,588</u> \$548 \$611	123,527	54,709	\$26	\$192	06775	\$5,778	(51,285
Ě	1,326,83	1,188.22 5,635.36 401.14	224.72	,551.55	189.52	580.37	(821.65	967.85	572.34]
	\$2,146	\$1,512 \$548 \$1,424	\$3,505	\$5,851	121	199	\$5,425	\$5,706	0 <b>8</b> 2\$)
	2331.62	5,358.63 5,358.63	1275.81	5,667.63	145.09	2,898,21	524.33	132.30	407.977
	23	11	111	<b>35.43</b>	<b>*</b>		\$5,182	12, 783	

Cost of PIPP: \$16,804,058.05

DAS-2

Universal Service Fund **Current Rider Mechanism** Cost of PIPP

Company: Duke

For Monthly Billing Cycle Ending:

Remittance (Form USF-301-00)

4

1. USF Rider Callected on All Customers

2. Non-USF Rider Funds a. Cutioner Payments b. Other Cution er Payments c. Agency Payments

22.004.013.24 11.041,001.30 21.577,241.84 21.503,165.53 [\$1.537,511.06 [\$1,797,477,49 [\$2,119,881,00] \$2,074,550.18 \$1,705,256.88 \$1,401,376.38 [\$1,255,078,55] \$1,436,880.72 \$20,501,343.99

Annua

Oct-07 Nov-07 Dec-07

Sep-07

May-08 Jun-08 Jul-08 Aug-18

Apr-08

Mar-08

Peb-03

130-Cath

3. Total Payments

4. Total Amount of Remittance

OCS Admin ď

2.88% 1.89% 23.14% 17.43% CP Program ú

Available Balance (A4-B-C) ó Raimbursament Due (Fama USF-302-80, Line VI +tine VI) ui

Surplus/Deficit (D-E) n, Cost of PIPP (Total of E. - Total of A.3.) ø

\$112,565,14 \$382,602.68 (\$387,098.12) [\$194,601.21] \$101,591 \$17,802.50 (\$25,862.88) (\$55,111.5.9) [\$21,202,201.2] [\$24,082.7] \$1,033,260,45

22.900,000.775 25.600.277.50 22,050.416.420 52,119,420 52,119,420 52,119,450 52,175,466 52,7773,466.42 32,594,600 52,500 50,500 52,500 50

22,734,111.11 22,737,875,872 33,022,818.07 52,670,766.21 52,018,187,87,587,585,585,543,40 22,586,505,551 52,111,101 51,500,006,68 51,785,587,29 52,345,786,30 539,507,507,58

\$200,527.58 \$189,158.43 \$182,422 \$164,240 \$164,240 \$174,158 \$175,112,91 \$196,777,52 \$200,134,34 \$237,447,86 \$165,398,66 \$166,372.20 \$2,215,397,42

\$16,218.18 \$15,277.57 \$14,844.18 \$13,357.28 \$12,128.33 \$14,188.17 \$15,294.56 \$16,268.37 \$25,592.30 \$15,135 \$18,838.38 \$21,561.30

\$205,443.01

Cost of PIPP: \$17,355,253,47

DAS-3

Universal Service Fund Current Rider Mechanism Cost of PIPP

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Company: Dayton Power and Light

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far Morthly Billing Cycle Ending:	Jan-98	Feb-08	Mar-08	Apr-06	May-0\$	Jun-06	30-IN	Aug-08	Sep-07	Oct-07	Nov-07	Dec-07	Anna
Renittance (Form USF-311-40)											-		
t. USP Rider Collected on All Customers	\$1,103,309.93	\$1,055,604.60	\$1,050,847,95	\$919,268.20	5822,323.44	\$910,209,101	11 045 940 11	1 \$1,056,136,35	81 152 01221	\$996,248.88	\$850,751.37	\$997,785,96	\$12,072,420.67
2. Non-USE Nider Funds a. Customer Payments b. Other Customer Payments c. Agency Payments	9891, 966, 74 989, 866, 74 5244, 512, 00	\$763,279,21 \$96,511,51 \$109,912,49	\$798,302,29 \$140,915,65 \$831,227,08	\$729,687.57 \$74,683.40 \$53,624.13	\$962,049,94 \$93,967,71 \$16,257,78	51,012,605,42 \$119,393.08 \$235,402.78	\$1,559,019.5 \$143,178,36 \$27,310,17	1 \$1,219,859,02 \$132,396,03 \$99,688,33	\$1,585,870.82 \$237,783.30 \$103,470.71	\$1,743,662,81 \$192,211,47 \$119,995,56	\$108,120,706,28 \$108,171,61 \$20,320,75	8221,233.03 171,71,70 \$76,471,233.03	\$13,501,342,64 \$1,495,340,06 \$2,289,332,38
3. Total Paymants	66750 9668	1974 705 21	\$1,877,445.03	\$858,195.10	\$872,275,43	\$1,367,401.28	10, 729,508,04	1 \$2,041,943,36	S1 827 224.83	\$2,055,069,541	\$1,203,199,64	61,202,216,33	\$17,288,015.10
4. Total Amount of Ramittance 2 doc	\$2,099,344.92	12,030,307,81	85'328'285'826'23	1,777,481.30	1,794,598.87	\$2,277,610.38	\$2,777,348.21	1 \$3,108,132,24	\$3,079,297.04	\$3,052,116.70	\$2,233,950.01	12,199,981.31	\$29,356,441.77
OCS Admin 1,71%	\$15,134,57	\$14,480.18	\$14,414.93	\$12,609.96	\$11,280,16	\$12,486.72	\$14,373.E)	7 \$14,625.36	\$22,045,40	\$19,063.61	\$18,193,041	\$19,092.68	\$187,799.28
TEE Program 18,13%	\$136,706.33	\$130,799,37	\$130,208,00	\$113,902.28	\$101,830.52	120.087,2112	129,8212	2 \$132,106.82	\$154,213,21	\$116,059.99	\$110,759.69	\$116,236.96	\$1,465,490.74
Avaliable Balance (M-B-C)	\$1,947,504.02	\$1,815,032,26	\$2,743,672.06	\$1,850,949.08	51,681,428.19	<u>82,152,244,81</u>	\$2,630,141 <u>2</u> 2	\$2,961,400.05	\$2,923,036,43	\$2,916,883.10	\$2,104,997.08	52,064,651.67	\$27,705,151.75
Relatburs emert Due	\$2,972,862,96	\$2,940,590.93	151,718.97	\$2,642,630.19	52,067,795,33	\$2,153,289.62	\$2,531,419,04	1 \$2,862,523.32	\$2,221,147.85	\$1,854,903.02	81,955,417.77	\$2,365,905.06	\$29,530,204,06
Surplus/Doffett (D-E)	(\$1,025,356,94)	(\$1,055,558,67)	(19,940,646,91)	(\$991,881.13)	(\$376,367,14)	(\$945.01)	\$101,722,15	3 \$298,676.73	\$701,880.58	\$1,062,090.08	\$149,579.31	(\$321,253.36)	(\$1,825,052.31)
Cumulative Manihiy Deficit										Cost of Pip	P Ağustura:	\$1. KUU, 544.85	\$13,874,730.79
												Cost of MPP:	\$12 244 188.96

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Cleveland Illuminating Company Current Rider Mechanism Cost of PIPP

Company: Cleveland Illuminating Company

1. USF Rider Collected on All Customers

For Monthly Billing Cycle Ending: Remiltance (Form USF-301-00)

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Kon-USF Rider Funds
 Cutatomer Payments
 Other Cutatomer Payments
 Agency Payments

4. Total Amount of Remitlance

3. Tolai Payments

2.99% 4.63% 23.14% 22.08%

OCS Admin EPP Program

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Reimburgement Due (Form USF-S02-D0, Line VI +line VII)

Surplus/Shortfall (D-E)

Available Balance (A4-B-C)

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81,551,761,861 \$1,477,067.781 \$1,539,13 \$1,539,015,891 \$1,233,235 67] \$1,482,825,67] \$1,482,825,67] \$1,482,826,739 \$1,289,730,730 \$1,289,241,28] \$1,235,504,02] \$17,42,681,35 
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DAS-5

Cost of PIPP: \$14,569,576.45
Ohio Edison Current Rider Mechanism Cost of PIPP

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Company: Ohio Edison Company

Ending:
Billing Cycle
For Monthly (

- Ramittanon (Form USF-301-00) جّ
- 1. USF Rider Collected an All Customers
- Z, Non-USF Rider Funds e. Customer Paymends b. Other Customer Paymer c. Agency Paymeris
- 3. Total Payments
- 4. Total Amount of Remittance
- ø
- OC3 Admith 2.89% 3.35% EPP Program 23.14% 21.34% ن
- Available Balance (A4-B-C) d
- Reimbursement Due (Form USF-302-00, Line M +line VB) wî
  - Burplus/Shortfall (D-E) n,
- Cumulative Surplus/Shortfalt: đ
- Ŧ
- Cost of MPP (Total of E. Total of A.3.)

Arnusi	<u>177 887 810 827 810 825</u>	517.130.559.17	\$3,335,787,78	\$45,572,372.84	\$78,581,831.54	\$588,157.25	\$2,806,415.58	\$75,087,258.71	\$77,728,018.59	(\$2,628,759,88)	\$32,153,645.75
Dec-07	12 252 213.M	52 308.328 PH	\$139,980.87 Maja 285,55	\$3,868,205.33	\$5,620,418.91	\$80,129.13	1341,682.42	\$5,218,637.36	\$5,481,885,56	(11,263,348,20)	Cost of PIPP: (\$2,628,759.88)
Nov-07	\$2.358.752.19	BALON ZUBAB	\$201.278.34 \$889.444.03	\$3,907,626.45	\$6,267,678.64	\$55,850.30	\$315,825,53	\$4,896,102.61	\$5,088,431.75	80'129'962\$	(\$1,365,411.68)
Oct-07	\$2.916.269.34	44,643,472,50	\$316,124,90 \$28,972,58	\$4,988,774,87	\$7,506,043,87	\$58,341.46	\$138,880.17	\$7,109,822,34	\$4,782,218,15	\$2,317,604,19	(\$2,162,082.74)
Sep-07	\$2,805,255,88	\$4,051,712.21	\$352,569,94 \$126,071,08	\$4,540,353,29	\$7,345,808,16	<b>\$\$6,156.66</b>	\$375,589.85	56, 903, 882, 57	\$5,917,127,84	\$368'L754.73	H,479,686.93)
Aug-08	29.201.827.62	<b>4,315,147.72</b>	\$502,993.89 \$138,127,32	\$4,857,288.73	\$6,158,088.85	G4 8,685,38	1971741765	\$7,770,993,65	<b>56,761,5</b> 51,40	\$1,009,442.25	\$5,466,441,66)
90-04	119,2882,682,61	\$4,278,535,32	5637 427.57 58.017,7152	18 1/1 160 25	\$8,100,103,52	\$44,700.41	\$326,901.16	\$7,728,562,26	\$6,292,253.13	\$1,436,309.12	(16,883,91) (
\$0-mr	\$2,809,208,30	\$2,839,438.75	\$518,990.38	\$2,501,\$64.03	\$6,311,072,33	\$40,990.65	\$299,551.78	\$5,970,558.92	\$6,973,519,93	<b>(\$2,960.01)</b>	(\$7,912,183,04) (
May-Ođ	<u> \$2,518,485.72</u>	\$2,585,324.82	\$207,256,66 \$222,828,71	\$3,025,208,19	16.673,164,86	\$38,692.22	\$288,336.01	\$3,236,645.69	\$5,419,006.24	(\$182,380,55)	(10) (12) (10) (12)
Apr-07	<b>52,810,429,87</b>	\$2,539,515.20	\$146,270,90 \$575,242.91	\$3,251,029.01	\$6,071,468.38	540,978.47	\$299,682.02	\$5,730,798,48	\$7,268,889.13	(21,538,050,72)	(\$7,726,872,47)
Mar-08	\$3,683,273,16	\$2,412,031,18	\$145,485.87	18,023,536,81	\$6,132,811.97	\$45,102,56	\$329,842,19	22,751,861,22	10, 180, 081, 82	\$2,405,223,78	(\$6,188,781,74) {
Feb-08	\$3,130,848,70	\$2,181,542.37	\$110,087.20 \$1,503,858.79	190'895'982'05	\$6,928,457,06	\$45,651.03	12.121.21.21	\$6,548,952.82	\$7,722,684,09	(\$1,175,731,27)	(\$5'155'291'85)
Jan-08	\$3,158,182.07	<u>M, 846, 498, 20</u>	\$157,155.70 \$347,510.27	\$2,451,164.17	<b>\$5,508,346.24</b>	H6,048.89	195'584'95'55	\$5,228,533.89	57,834,360.36	[\$2,887,826.87]	

DAS-6

Toledo Edison Current Rider Mechanism Cost of PIPP

Company: Toledo Edison

For Monthly Billing Cycle Ending:

Remittance (Form USF-301-00) <

1. USF Rider Collected on All Customers

2. Non-USP Rider Funds a. Customer Payments b. Other Customer Payments c. Agency Payments

3. Total Payments

4. Total Amount of Remittance

OCS Admin đ

2.99% 2.55% 23.14% 18.67% TEE Program đ

Available Balance (A4-B-C) đ

Reimbursement Due (Form USF-302-00, Line VI +line VI) ١

Surphus/Shortfall (D-E) ų,

Cost of MPP (Total of E. - Total of A.3.) ø

Cost of PLPP: \$10,477,349.47

8415.528.58 \$8117.317.40 \$811,871.68 \$669.567.20 \$817.481.43 \$816.706.84 \$1.068.587.23 \$17.169.06.05 \$1.064.764.74.58 \$764.065.64 \$664.734.75 \$10.067.50 \$42.387.54 \$1.266.16 \$13,287.53 \$37,859.48 \$13,43.27 \$149.05.68 \$136,345.54 \$126.50 \$1.060.38 \$126,465 \$126,065 \$547.05254 \$22,42256 \$547,055 \$12,072.38 \$514,475.47 \$17,286.30 \$37,857.257.75 \$149.055.68 \$136,345.54 \$126,050 \$1,050.34 \$1756,255 \$547,056 \$44,764.75 \$12,050.54 \$17,865.05 \$14,056 \$14,056 \$14,056 \$156,050 \$10,050 \$157,055 \$14,056 \$14,0 1580,986.34 11,144,586.82 5876,384.61 \$1056,584.52 \$956,468.81 \$1,024,816,77 \$1,315,022 \$1,364,228.74 \$1,217,187.80 \$154,778.82 \$1,008,848.99 \$980,987.23 \$12,731,685,08 \$12,044.86 \$12,854.78 \$12,751.38 \$14,480.10 \$16,785.12 \$11,801.34 \$12,814.78 \$13,654.22 \$19,6534.02 \$17,084.43 \$16,285.78 \$17,614.14 \$165,613.00 (\$512,759.28) [\$81,461.43] (\$542,423.67] [\$356,188.59] \$281,528.14 \$250,186.82 \$592,91 \$287,770.64 \$144,914.70 \$684,657.33 \$186,054.74 \$465,267.14) \$287,507.58 \$1,858,251.61 \$2,360,312.70 \$1,623,475.40 \$1,647,56 \$1,661,318,73 \$2,063,715.73 \$2,460,644.25 \$2,460,644.25 \$2,071,564.24 \$1,716,424.4 \$1,670,256.52 \$24,823,575.85 22.246.391.82 22.286.908.771 \$2.466,740.43 \$2.282,274.65 \$1,461,582.44 \$1,736,407.72 \$1,376,771.67 \$2,266,811.58 \$1,787,182.16 \$1,340,248,71 \$1,455.541.32 \$1,91,916,688.42 \$52,289,004.62

DAS-7

\$1,177,285,11 \$1,15,713,28 \$1,157,481,28 \$1,041,913,16 \$880,308,82 \$1,072,037,42 \$5,7165,075,97 \$1,234,087,05 \$552,748,44 \$746,685,32 \$741,778,51 \$12,091,385,83

2065055.21

Amual

Dec-07

No-L07

Aug-08 8ep-07 0ct-07

80-mr

Apr-08 May-08 Jun-08

Mar-06

Fab-08

Jan-88

Universal Service Fund Projection of December 31, 2008 Balance Jan 2008 - Dec 2008

Total

Aug-05

20-1012

Jumb

Mary-04

Apr-03

Company: ColuMBUS SOUTHERN POWER

For Monthly Billing Cycle Ending:

5-57 5-57

Rentifance (Form USP-301-06) 4

1. USF Rider Collected on All Customers Non-URF Rider Funds

 Customer Payments
 Other Custom er Payments
 Agency Payments

3. Total Paymente

4. Totsi Amount af Remittense

ocs Admin ø

2105 21,15% 21,15% 21,01% THE Program ů,

Available Balance (448-C) a Reimburtement Due (Form USF-302-40, Line VI +Ine VII) шī

Surplus/Deflott (D-E) e,

**Cumulative Deficit** 

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31 078,746.611 31,056,216.551 31,854,157,171 31,854,742.08 31,45,004,50 32,465,704,441 32,561,711,781 32,200,248,481 32,207,745,281 32,207,745,281 31,054,174 341,247,00 81.284,007.40 \$1.282,344,17 \$1.382,484,24 17,44,39 \$1,782,484,4 \$2,144,77,28 32,277,383,25 \$2,2771,464,68 \$2,771,464,68 \$1,74,766 \$1,74,706,9 \$1,74,77,76 \$1,74,77,76 \$1,74,77,76 \$1,74,77,76 \$1,74,77,77 \$1,707,71 \$1,707,77,77 \$1,707,77 \$1,707,77,77 \$1,707,77,77 \$1,707,77,77 \$1,707,77 \$1,707,77 \$1,707,77 \$1 32,756,852.49 22,755,852.49 22,326,702.42 22,406,431.23 32,206,782.62 32,766,466.43 53,568,466.60 35,515,807,816 12,515,807,812 12,457,827,91 32,406,774,766,46 84,74,48M,30 34,742,774,22 34,740,237,61 34,766,277,61 35,486,140,42 35,456,140,47 15,45,66,14 35,776,775,2 34,777,775,22 34,777,775,22 34,746,657,88 506,466,625,45 \$29,384.82 \$24,084.82 \$24,092.46 \$1,744.89 \$19,073.96 \$28,500.30 \$33,440.44 \$44,666.46 \$16,246.72 \$73,942.75 \$154,073 \$74,294.30 \$12,735,234.35 84.666.781.181 84.561.082.1 23.090.178.061 35.045.181.181 24.246.271 84.169.174.261 54.655.620 54.653.916.781 55.045.866.74 55.775.284.281 55.775.96.16 2555.916.81 273222913225 38100279735 2820025 282025 282025 282025 2870200575 387082983 387082983 28709298275 12012022723 28200288293 282028293 282028293 282028293 1350,551.10 UT SOF VALS SERVICES ALL THE SERVICES (LIVERS SERVICES ) AND THE SERVICES (SEVEN VERS) (SEVEN VALUES ) (SEVEN VALUES ) (VALUES )

(\$2,4774,554,69) (\$2,449,477,49) (\$4,654,654,76) (\$5,242,29) (\$5,472,472,472,472,472,472,472,472) (\$2,664,61) (\$2,

\$5,242,838.35 \$356,651.10 \$73,815.41 \$73,815.41 Reserve: CSP Balance MonP Balance Projected Account Balance:

DAS-8

Company: OHIO POWER COMPANY

For shanter Billing Cycle Suding:

A. Renktance (form USF-30)-00) 1. USF földer Codectod en All Customere

2. Non-USF Ruber Funds a. Customer Payments D. Other Customer Payments c. Agency Payments

3. Total Paymenta

4. Total Amount of Renefitance

B. OCE Admin 249%
 270%
 C. TRE Fregrun 23,14%
 (6,80%

D. Available Balance (M-8-C)

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E. Reinhurseinent Dus (feim Liff-302-00, Line VI Hine VI) F. Burphuertheren (p.4)

Burphuesthorman (p.4) Currutettee Moveholy Deficit Currutettee Moveholy Deficit

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Universal Service Fund Projection of December 31, 2005 Balance Jan 2008 - Dec 2008

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Reserve: \$ 568,861.72 Projected Account Bolance: \$ 2,834,460.33 Universal Service Fund Projection of December 31, 2008 Balance Jan 2008 - Dec 2008

Company: Duke

For Monthiy Billing Cycle Ending:

Romittance (Fom USF-301-80) ÷

1. USF Rider Collected on Alt Custamers

Non-USF Rider Funds
 Customer Payments
 Other Customer Payments
 Approxy Payments

4. Total Amount of Remits 3. Total Payments

OCS Admin 2.9% 1.8% TEE Program 23,14% 17.43% ei.

v

Available Balance (A4-B-C) e

Reindbursement Due (Form USF-302-00, Line VI +thre VII) ad.

Burpius/Deficit (D-E) **⊾** (1

Monthly Cumulative Deficit

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85,890,886,55 86,521,8278	Reference count Balance:	Projected A										\$2,800,809,55
	\$729,453.88	\$92,032.96	[\$242°830°29]	(\$1,383,201.24)	(\$1,346,310,73)	(\$1,281,439,21)	(\$1,236,156.23)	[21,202,950.12]	(31,344,350,39)	(21, 183,749.02)	(9802,850.50)	(\$1,696,253.18)
\$778_138.77	\$138,520.02	12.082,50.84	\$1,160,271.40	(\$48,800.46)	(35.171.56)	(\$25,\$8 2.98)	\$47,802.96	1 H9'H9C'H015	(10,48,4813)	(\$347,499,12)	\$882,602,65	\$172,545.74
00.910,010,2016	10"On / Cart'st	1 20°11 /0°20 /1 *		and the best								
		A 222 222 24		1 AM 7 7 7 7 7 6 9	10 the 440 to	65 GMS 249 44	63 367 643 66	63.045.4.84.07	52 B70.785.24	13.023.042.07	\$2,797,674.82	10.111.107.02
\$168,348,810.33	\$2,412,227,222	52,501,434,56	\$2,854,077.08	1474212023	24.127.141.24	21.301.877.24	40'01.7'01.6'74	- 1'0' 1 C - 1 1 1 4	44-401 (1) 14-24		Any y and a sale a	
										44 MA 44	1 AN 244 145 24 1	
\$15,022,415,B2	\$245,\$90,40	\$243, 802.45	\$239,400.71	\$281,974,68	10'1212025	\$196,777.82	\$175,412.86	\$149,788,58	\$164,950.67	81-27-672143	\$189,150.53	\$201,527,59
\$1,474,046,36	\$28,417.12	\$24,085.01	327,426.02	\$33,742.96	516,308,37	85 JE 8 19 19	\$14,120.17	112,121,21	1 847,452,634	81,242,48	\$16,317.57	616,219.1E [
6179,002,242.31	12,756,134,03	\$2,826,722,26	\$3,217,666.26	S11-56'946 ES	\$3,150,235.23	\$2,902,572,50	\$2,600,009,22	\$2,251,489,06	\$2,854,472,34	12,875,161,28	09'052'h02'03	\$3,531,623.62
\$79,963,727.45	\$253,078.51	51,1 B4, 804.07	66.775,775,12	31,148,616,55	\$4,075,385.45	\$472,M1.77	111,534,73	\$743,978,63	110,700,1488	\$5:56,733.54	101-201-256-14	\$1,112,007.60
347,351,360.79	3151,535.61	\$200,051.69	\$36,114.91	177,24E,014	1 21/2265 10:5	[ £2") L0'794	2 Transfeliet	404/acer (28 )		44155 PM8414	f a small back by d	
\$14,637,438,48	\$152,194,15	31 36, 041.02	\$237,686.73	\$112,274,23	\$216,720.97	\$205,842,03	\$175,103.92	\$196,502.55	\$202,448.04	5202.202.20	5246,803.34 54 4 67 4 64 44	2177,500,06 6462,429 64
50 474 647 45	3559.439.02	\$2 86.407.36	\$1,1P4,200,35	9415,039,00	\$\$22,621,90	3721,352.41	\$471,623.0e	\$484,549.80	5430,228,IM	\$564,506.30	\$\$18,892.65	\$474,332.19
\$188,048,504,36	\$1,383,466.12	\$1,644,522.10	\$1,640,401.27	\$2,248,321.27	\$2,074,\$50.48	\$2,019,861.03	\$1,797,474.49	\$1,537,511.06	\$1,493,105.53	\$1,877,441.44	\$1,441,651.50	52,051,615.84
	Dec.18	Nov-08	Oct-16	Sep-08	Augut	\$0-Min	Jun-08	May-98	Apras	War 40	Feb-88	Jam-08

DAS-10

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Company: Dayton Power and Light for Mortiny Biling Cycle Ending: Remittance (Form USP-301-30)

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1. UBF Rider Collected on All Customers

Norv-U BF Rider Funds
 Customer Payments
 Offrer Customer Payments
 Ageney Payments

c. Aganey Payananta 3. Totai Payananta 4. Total Amount of Revelutore

B. OCB Advalor 2.09%
 1.71%
 C. TEE Program 23.14%
 18.15%

D. Avelutite Balance (A4B-C)

E. Reinfursenen Dus

F. BurghustDeflett (D-15) G. Cumulative Monthly Deflett

Universal Service Fund Projection of December 31, 2008 Balance Jan 2005 - Dec 2008 i and

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An-de

Prev-0

Pab-06

Jan-06

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<u>\$76,000,109,77</u>	\$73.331.164.00	\$18,301,786.66	114,214,000,81	181,643,708.27	\$1,402,148.14	112 636 301.31	167,605,170,05	1168,071 Jan 82	(3456,160.08)	
\$248,061.21	<b>3021.355.03</b>	576.471.71	5 202 215.33	\$2,160,278.54	\$10,141,54	\$110,446,50	2021,000.49	57.396, BDE.06	(\$384,218.57)	(\$466,160.09)
\$947,108.33	51, (20, 706 29 ]	\$108 171 01	107/02/004	\$2,200,547,97	\$17,061.00	121 139 9015	52,076,586,79	11.11.000 11.17	\$120,578.021	(25 CM (101\$)
\$661,071,06	\$1,743,652,81	\$192,211.47	\$2,065,888.84 [	\$5,018,940.80	\$18,390.51	1179971115	\$7,899,568,29	51,854,808.02	\$1,001,000.27	(\$222,621.55)
\$1,104,007.30 ]	\$1,666,870.82	102 202 122 20 1	1 201/22/120/15	12,001,222.13	\$21,129.66 J	\$120,613,70	\$2,081,482,69	\$\Z\'{4.83	3000,344,441	(\$1,254,208.01)
51.066.199.86	ş1,819,868,02	\$132,996,03 500,609,33	100000000000	109,122.24	\$14,626.36	\$132,108.62	32,961,400,05	20,000,022,222	\$296,676.75	(\$1,014,661.06)
21.094.590.18	\$1, <b>890,019.6</b> 1	\$143,176,36 \$27,346.12	\$1,729,509.04	12.946.777,53	1.09525765	\$128,653,32	2003 (41.22	1006171129725	\$101,722,10	(\$2,213,428,36)
\$810,209.10	\$1,012,605.42	\$118,385,000 \$236,402,72	\$1,567,401.28.]	\$2,277,610.36	512466.72]	\$112,760.05	2.122.344.01	2,163,289.62 [	(\$245.01)	(\$2,316,160.57)
[ 17 CT 205	P0,090,2985	\$16, 267, 79	\$9/2.275.43	40.000 1.01 10	101/08/115	\$101,890.52	<b>51,001,420,19</b> ]	\$2,067,796,335 [	6526387.143	(\$2,314,206.66)
16/0,240.20	\$729,007,57	574 (625.40) 353.624.13	\$068,196.10	\$1,777,461.50	\$12,609,86	\$113,902.29	\$1,660,949.06	\$3,642,850.19	(\$1-100,1003)	(\$1,\$57,830.42)
\$1,050,147,46	5706,302,230	\$140,816,005 \$951,227,09	\$1,877,446.05	85 282 828 23	00"717"715	\$130,206.00	\$2,783,672,08	<b>\$\$,161,718,97 ]</b>	(1996) 046.01)	(\$346,157,23)
51,055,604.00	\$766,279,21	\$108,817.61	\$074,700.21	15,000,367,51	\$14,490.18	\$130.796.37	SC 220 Jan 15	\$2 M0.660.BS	(\$1,055,559.67)	(5678,110.38)
51,100,308,55	12 900 1000 12 1000	\$244,612.00	\$61150'98945	20" 9462"3884 "05	72.4618	\$138,705,33	20'99'89'89'	\$2,872,862. <u>84</u>	(14) 025 359 (4)	

Reserve: \$2,316,180,57 Projected Account Balance: (\$466,160,09)

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DAS-11

Universa! Service Fund Projected of December 31, 2008 Balance Jan 2008-Dec 2008

Company: Clevetand Illuminating Company

Ending:
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A. Ramittanda (Form UBP-301-00) 1. UBP Rider Collected on AU Customers

2. Non-USF Rider Penda a. Customer Payments b. Other Customer Payments c. Agoncy Payments

a. Total Payments

4. Tolel Amount of Resolution roe B. OCS A finition 2 Sept.

- B. DCS A fimilin 2 by 5 45 yr C. The Program 23,44% 22,00%
- C. Available Balance (A5-E-C)
- E. Reimbursement Due (Form UNF-302-60, Line VI +line VII)
- F. Burphus/Bhorfful (D-E) G. Cumulative Monthly Daniat

12522011914 WTU59028 (2022)9145 W725913 0290288 0719020515 147059025 0712913 420513 07197105 W7187128 07197088 07107015 12717015 1271715 07107015 ALINE 11.551.281.08 Staff 00.18 M.A.1.284.78 Staff 0.151.284.78 Staff 0.151.284.28 Staff 0.151.284.28 Staff 0.151.284.28 Staff 0.151.284.28 Staff 0.151.284.28 2014/2014 12:00/00 12:00 12:00/00 12:00/00 12:00/00 12:00/00 12:00/00 12:00/00 12:00/00 12:00/00 12:00/00 12:00 Propression constructs interpreters interpreters in the second structures interpreters 25,045,045,05 12,045,05 12,046,05 12,046,05 12,046,05 12,045,05 14,04,05 14,04,05 14,04,05 14,040,05 12,046,05 12,04 D-04 8+0+8 Aug-04 (\$4100 \$441 (\$7100 \$410 \$410 \$400 \$41) \$400 \$410 \$400 \$44 \$200 \$44 \$200 \$44 \$200 \$440 \$ Nery-08 an-car

Reserves \$525,191,72 Projected Account Balances \$2,126,547,57

\$2,996,543,64 \$2,126,947,57

5200,279,08 \$1,638,466,17

(\$788,138.72) (\$418,437.24) (\$340,670.35)

(21.181,0585)

(1010) 201.00)

(92 040 LECT)

\$620 770 £3

10,108,110,112

Company: Ohio Edison COMPANY

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For Monthly Milling Cycle Ending: Renitiace (Form UBP-361-00) ~

20-Um

1. USP Rider Collected on All Customers

Nos-USF Reher Funds
 Cuntomer Payments
 Other Customer Payments
 Agency Payments

4. Total Amount of Renalitance 3. Total Paymonts

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Nerse Nerse Nerse Nerse Nerse Nerse TEE Program đ

Available Balance (45-8-4) ø R almbursement Due Form UBF-302-00, Lina VI Hine Vilj .

Cumutative Mandaly Deficit Burplee'short'sh (D-B) e. ø

Universal Service Fund Projection of December 31, 2008 Balance Jan 2008 - Dec 2908

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Tertat	\$213,660,357.10		AND AND AND AND	210 407 0-0 24	121,830,875,30		57.01.98, 101.75	34101,415,618,365		14,301,243,70	14 31 7 14 31 3	and the local		1130101201201		\$1,10,906,911,16				
Discol	5,000,000,05		N 014 014 (2)	2410 001 00	10,005.55		21.068,206.33	\$1,25.56		11122384	2012 945 B			/7"10.75"E66" 54		<b>35, 481, 135, 58</b>		AND DATE OVER DATE	107-107-6 1043	(\$450,223.66)
Nov-#8	\$2,571,654,51		41 M7 1M2 00	10.010.1123	2014,444,055		57'97'8'JE'tt	56,372,950,96		00"166"204	32,006,7822			AV TOL'SCI W		52" VCY'600'SS		A4 045 045 44	20° 104 ann 11	\$545,972,70
Decret	\$2,844,064.12		54 AUS 475 AU	\$316.328.50	\$29.972.58		74, S23, FT 4, 6V	\$7,834,738,73		NI-EMP/Joe	\$380,486,10					51,722,218,15		11 17Y 04Y CT		(\$512,964.95)
80-08	\$1,177,092.45		34.051.712.71	\$352.500.0s	126.07.4E	ALC: ALC: NO.	12 Per and we	\$7,717,445.74	<b>1</b>	Z) 107 4 M	12,120,2542		1 22 22 22 22 22	00-001-117-16		\$5.917,127.2N		61 100 ALC 12		(\$3,107,506.39)
Augus	\$3,201,027.02		11111111	\$582,9955,00	\$136,127.32	100 100 100 10		34,154,046.05	14 14 14 14		HEAPENDE			41111AVA.49AM		56,761,251,40		14 440 173 641 14	and another the second s	(\$4,407,548.9B)
2468	13,405,002.01		H 27 713 22	\$527.427.57	\$247,740,92	1 14 147 714 93		\$8, t06, 163, s2	644 T/A 44		\$126,901.16		67 7VE ART 46 1	ALC: NOT THE OWNER OF THE		M 202 243 13	┦	11.2.05.200.15		(\$8,416,969.10)
	<u>\$2,966,208.30</u>		\$2,879,4518,75	\$515,000.30	\$61007°071\$	\$1.50 Mar 102 Mar	AAN AND I AND A	54,311,472.53	AL AN AN	~	510,201.75		ET GTA AKA DO			\$5,873,519,42		M2 060 (M)		(\$Q, REC, 258, 23)
20-/ <b>New</b>	\$2.5 19.465.72		22,922,534,522	\$2,07,256,86	22.6M.71	\$1.0% 30£ 10		\$6,641, <b>673,</b> 91	516 Au2 13		10.302,3952		45 7 16 ALT 10			\$5,4 19,000 24		(\$1 \$2.380.54)		(\$8,850,338.22)
-	82.610.93.67		\$2,539,515,20	\$145,270,90	1628,823	51.261.024.01		\$8"071.46% ¥K	24.24.2		\$200,000,000		36.2% Ma.44			E1 '542' 264 '11		G1.436,096,73		(\$10,067,947,66)
	\$3,000,277.11 [		\$24 12,031.10	\$145,4461,87	942,041.75	197972702073		\$6,112,811.97	246.102.56		\$124,842.16		67 10 10 10			10110017301581		(10,400,223.7%)		(\$5,123,688.83)
	2130-021-02		52,181,542.37	\$110,007.20	51,500,004.79	\$3,796,068,36		\$6,928,457.00	245.001.00		15259,6251		26.540 m2.82		AA 444 648 94	N 122,004,00		01,02,07,00,00		(\$2,724,863.14)
	JULTEL BOLINE		51, 541, 49B, 20	97.151.78	12012-1921	11,461,164,17		\$500 SHL21	\$40,043.00		E330,763.56		\$1.276.533.60		2 641 44A 44	AL HIRCORD IN		(\$2,007,526,67)		(F1, 548, 331, 846)
1	 1	_ I		1		L	1	11	1		11					E	1	1		

Projected Account Bulance:

(997652'0695)

(#21022/00141) (#21022/00141)

DAS-13

Company: Toleto Edizon

For Monthly Barng Cycle Ending:

Readitance (Ports USF-501-06) 1. UBF Rider Collected on All Cantoners

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2. Non-USF Ridar Funda 4. Custaner Payments D. Other Customer Payments C. Agency Payments

2. Total Paymente

4. Total Amount of Remittance

B. OCS Admin 1.199% 249% G. TEE Program 23.14% 12.07%

D. Available Relance (AS-B-C)

E. Reimburstment Due (Form USF-302-00, Lina Vi and Lina VE)

Autiplustationen (D-E)
 Cumulative Manitty Deficit

Universal Service Fund Projection of December 31, 2003 Balance Jan 2008 - Dec 2008

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57.720,000 K, MAA K, MA	1.677.007.00 \$1,007.75.76 24.07.00 24.04.00 24.04.00 24.04.00 24.04.00 24.07.06.00 24.07.06.00 24.07.06.00 24.0 \$11.662.061.00 \$10.756.12 \$10.766.12 \$10.7	1 21/2017/00/14 10/2017/12 10/2017/14 12/2017/14 12/2017/14 12/2017/14 12/2017/14 12/2017/14 12/2017/14 12/2017	(\$34,480,781,87) (\$3,169,222,85) (\$2,589,226,10) (\$
147'995'928\$ 283'949'1'1'1'1'1'1'1'1'1'1'1'1'1'1'1'1'1'1	Later standitre standiant.	11:12 12:245,241.29 141,141,241,141	744.26 (2,679,143) (244,2,424,07) 076.42 (2,679,123,38) (53,121,653,02)

Projected Account Bolimoe: \$2519,061.50 Projected Account Bolimoe: \$351,089.42

\$331,099.42

\$612,007,07

947,203.30

(\$667,687.B0)

(81.140,05C,14)

(51,660,252,62)

(\$1,876,635,53)

(\$2,227,622.36)

(\$2,618,061.60)

(12,156,631,23)

(04:047/718,14)

(\$1,550,267,245)

DAS-14

CSP Interest Calculation

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Month	Debt	Deficit	Interest	Notes
January	Begin through Dec	(430,366.51)		
	January	231,624.89		
	Begin through Jan	(198,741.61)	\$0.00	Begin through Jan x .000222 X 30
February	Begin through Jan	(198,741.61)		
	February	53,423.65		
	Begin throug Feb	(145,317.97)	\$0.00	Begin through Feb x .000222 x 30
March	Begin through Feb	(145,317.97)		
	March	653,530.78		
	Begin through March	508,212.81	<b>\$3</b> ,384.70	Begin through March x .000222 x 30
April	Begin through March	511,597.51		
	April	162,931.09		
	Begin through April	674,528.60	\$4,492.36	Begin through April x .000222 x 30
May	Begin through April	679,020.96		
	May	(273,418.93)		
	Begin through May	405,602.03	\$2,701.31	Begin through May x .000222 x 30
June	Begin through May	408,303.34		
	June	(20,720.61)		
	Begin through June	387,582.73	\$2,581.30	Begin through June x .000222 x 30
July	Begin through June	390,164.03		
	July	54,719.24		<b>.</b>
	Begin through July	444,883.28	\$2,962.92	Begin through July x .000222 x 30
			· · · · · · · · · · · · · · · · · · ·	
August	Begin through July	447,846.20		
	August	(623,614.69)	<b>#0.00</b>	
	Begin mrough Aug	(1/5,/68.49)	\$0.00	Begin through Aug X 000222 X 30
O a set a set h a s	Denin through Aver	(475 769 40)		
September	Begin through Aug	(1/0,/00.49)		
	September Regin through Cost	(3/4,342.14)	\$0.00	Bagin through Sent v. 000000 v.20
	Begin unougn Sept	(1, 150, 110.65)	φ <b>0.00</b>	Begin through sept x .000222 x 30
Octobor	Regin through Sont	(1 150 110 62)		
October	Detaber	(1,100,110.00)		
	Bogin through October	(2,720,327.13)	0.00	Regin through Oct y, 000222 y 20
<del></del>		(3,370,030.42)	0,00	Begin through Oct X .000222 X 50
November	Begin througth October	(3 576 638 42)		
1404011061	November	(650 418 27)		
	Begin through Nov	(4 236 056 69)	n no	Begin + Dec x 000222 x 30
	Seguran ought tor	(1,200,000,00)	0.00	
December	Begin through Nov	(4 236 056 69)		
Deveningi	December	35 241 07		
	Begin through Dec	(4 200 715 62)	<u>so oo</u>	
		Total Interest	\$16 122 59	

### OP Interest Calculation

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Month	Debt	Deficit	Interest	Notes
January	Dec-06	(\$2,934,460.33)	· · · · · · · · · · · · · · · · · · ·	
	January	\$925,425.44		
	Begin through Jan	(\$2,009,034.88)	\$0.00	Begin through Jan x .000222 X 30
February	Begin through Jan	(\$2,009,034.88)		
	February	\$597,362.31		_
,	Begin throug Feb	(\$1,411,672.57)	\$0.00	Begin through Feb x .000222 x 30
	D. J. Harrish Eab	(64 444 670 57)		
March	Begin mough Feb	(\$1,411,072.37) \$4,500,500,70		
	March Design through Morch	⊅ 1,009,080.7Z	E1 194 00	Basis through Marsh M. 000000 v 00
	Begin unougn march	<b>a</b> 177,920,15	<u>φ1, 104.99</u>	Begin through March X .000222 X 30
Anril	Begin through March	\$179 111 14	·	· · · · · · · · · · · · · · · · · · ·
- April	April	\$387 586 83		
	Begin through April	\$566 697 97	\$3 774 21	Begin through April x, 000222 x 30
	Degin un eugri i pri	4000,001.01	φ <b>σ</b> , τ <del>τ</del> .2 τ	
May	Begin through April	\$570,472.17		· · · · · · · · · · · · · · · ·
	May	(\$431,521.51)		
	Begin through May	\$138,950.67	\$925.41	Begin through May x .000222 x 30
June	Begin through May	\$139,876.08		
	June	(\$475,489.01)		
	Begin through June	(\$335,612.93)	\$0.00	Begin through June x .000222 x 30
July	Begin through June	(\$335,612.93)		
	July	(\$804,953.68)		
	Begin through July	(\$1,140,566.62)	\$0.00	Begin through July x .000222 x 30
	Design through tasks	(\$4.440 500 00)	·	
August	Begin through July	(\$1,140,000.02) (\$704.004.05)		
	Regin through Aug	(\$1 022 401 57)	<b>to</b> 00	Pagin through Aug v 000000 v 20
	beyin though Aug	(1,932,491.37)	\$0.00	Begin through Aug X .000222 X 30
September	Beain through Aug	(\$1,932,491,57)		
0 op 11 ov.	September	(\$1,016,805,52)	ĺ	1
	Begin through Sept	(\$2,949,297,09)	\$0.00	Begin through Sept x .000222 x 30
October	Begin through Sept	(\$2,949,297.09)		
	October	(\$2,044,269.81)		
	Begin through Octobe	(\$4,993,566.89)	\$0.00	Begin through Oct x .000222 x 30
November	Begin througth Octobe	(\$4,993,566.89)		
	November	(\$525,306.95)		
	Begin through Nov	(\$5,518,873.84)	\$0.00	
		INF F40 070 C 11		
December	Begin through Nov	(\$5,518,8/3.84)		(
	December		<b>a</b> a a a	
	begin milough Dec	(\$4,631,807.70)	\$0.00	
		i otal interest:	JJ 004.01	

### Duke Interest Calculation

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January         Begin through Dec January         (\$729,153.88) (\$78,859.85)           Begin through Jan         (\$808,013.73)         \$0.00         Begin through Jan x .000222 X 30           February         Begin through Jan         (\$808,013.73)         \$0.00         Begin through Jan x .000222 X 30           February         Begin through Jan         (\$808,013.73)         \$0.00         Begin through Jan x .000222 X 30           February         Begin throug Feb         (\$1,616,528.01)         \$0.00         Begin through Feb x .000222 x 30           March         Begin through March         (\$1,616,528.01)         \$0.00         Begin through March x .000222 x 30           April         Begin through March         (\$1,152,607.37)         \$0.00         Begin through March x .000222 x 30           April         Begin through April         (\$1,152,607.37)         \$0.00         Begin through April x .000222 x 30           May         Begin through April         (\$911,329.84)         \$0.00         Begin through April x .000222 x 30           May         Begin through April         (\$911,329.84)         \$0.00         Begin through May x .000222 x 30           June         Begin through May         (\$982,816.20)         \$0.00         Begin through May x .000222 x 30
January         (\$78,859.85)           Begin through Jan         (\$808,013.73)         \$0.00         Begin through Jan x .000222 X 30           February         Begin through Jan         (\$808,013.73)         \$0.00         Begin through Jan x .000222 X 30           February         Begin through Jan (\$808,013.73)         \$0.00         Begin through Jan (\$808,013.73)         \$0.00           Begin throug Feb         (\$1,616,528.01)         \$0.00         Begin through Feb x .000222 x 30           March         Begin through Feb         (\$1,616,528.01)         \$0.00         Begin through March x .000222 x 30           March         Begin through March         (\$1,152,607.37)         \$0.00         Begin through March x .000222 x 30           April         Begin through April         (\$1,152,607.37)         \$0.00         Begin through March x .000222 x 30           April         Begin through April         (\$1,152,607.37)         \$0.00         Begin through April x .000222 x 30           May         Begin through April         (\$1,152,607.37)         \$0.00         Begin through April x .000222 x 30           May         Begin through April         (\$911,329.84)         \$0.00         Begin through April x .000222 x 30           June         Gegin through May         (\$982,816.20)         \$0.00         Begin through May x .000222 x 30 </td
Begin through Jan         (\$808,013.73)         \$0.00         Begin through Jan x .000222 X 30           February         Begin through Jan         (\$808,013.73)
February         Begin through Jan February         (\$808,013.73) (\$808,514.28) Begin throug Feb         \$0.00         Begin through Feb x .000222 x 30           March         Begin through Feb         (\$1,616,528.01)         \$0.00         Begin through Feb x .000222 x 30           March         Begin through March         \$463,920.64         Begin through March x .000222 x 30           April         Begin through March         (\$1,152,607.37)         \$0.00         Begin through March x .000222 x 30           April         Begin through April         (\$1,152,607.37)         \$0.00         Begin through April x .000222 x 30           May         Begin through April         (\$1,152,607.37)         \$0.00         Begin through April x .000222 x 30           May         Begin through April         (\$1,152,607.37)         \$0.00         Begin through April x .000222 x 30           May         Begin through April         (\$1,152,607.37)         \$0.00         Begin through April x .000222 x 30           May         Begin through April         (\$911,329.84)         \$0.00         Begin through May .000222 x 30           June         Begin through May         (\$982,816.20)         \$0.00         Begin through May x .000222 x 30
February         Begin through Jan         (\$808,013.73) (\$808,514.28) Begin throug Feb         \$0.00         Begin through Feb x .000222 x 30           March         Begin through Feb         (\$1,616,528.01)         \$0.00         Begin through Feb x .000222 x 30           March         Begin through March         (\$1,616,528.01)         \$0.00         Begin through Feb x .000222 x 30           March         Begin through March         (\$1,616,528.01)         \$0.00         Begin through March x .000222 x 30           April         Begin through March         (\$1,152,607.37)         \$0.00         Begin through March x .000222 x 30           April         Begin through April         (\$1,152,607.37)         \$0.00         Begin through April x .000222 x 30           May         Begin through April         (\$1,152,607.37)         \$0.00         Begin through April x .000222 x 30           May         Begin through April         (\$911,329.84)         \$0.00         Begin through April x .000222 x 30           May         Begin through May         (\$982,816.20)         \$0.00         Begin through May x .000222 x 30           June         Gen through May         (\$982,816.20)         \$0.00         Begin through May x .000222 x 30
February Begin throug Feb         (\$808,514.28) (\$1,616,528.01)         \$0.00         Begin through Feb x .000222 x 30           March Begin through Feb         (\$1,616,528.01) \$463,920.64         \$0.00         Begin through Feb x .000222 x 30           March Begin through March April         \$463,920.64         \$0.00         Begin through March x .000222 x 30           April         \$463,920.64         \$0.00         Begin through March x .000222 x 30           April         Begin through March April         (\$1,152,607.37) \$241,277.54         \$0.00         Begin through April x .000222 x 30           May         Begin through April         (\$911,329.84) May         \$0.00         Begin through April x .000222 x 30           May         Begin through May         (\$982,816.20) June         \$0.00         Begin through May x .000222 x 30
Begin throug Feb         (\$1,616,528.01)         \$0.00         Begin through Feb x .000222 x 30           March         Begin through Feb         (\$1,616,528.01)         Sold         Begin through Feb         (\$1,616,528.01)           March         Begin through March         (\$1,616,528.01)         Sold         Begin through March         \$463,920.64         Begin through March x .000222 x 30           April         Begin through March         (\$1,152,607.37)         \$0.00         Begin through March x .000222 x 30           April         Begin through April         (\$1,152,607.37)         \$0.00         Begin through April x .000222 x 30           May         Begin through April         (\$1,152,607.37)         \$0.00         Begin through April x .000222 x 30           May         Begin through April         (\$1,152,607.37)         \$0.00         Begin through April x .000222 x 30           May         Begin through April         (\$911,329.84)         \$0.00         Begin through May x .000222 x 30           May         Begin through May         (\$982,816.20)         \$0.00         Begin through May x .000222 x 30           June         Begin through May         (\$982,816.20)         \$0.00         Begin through May x .000222 x 30
March         Begin through Feb         (\$1,616,528.01)           March         \$463,920.64           Begin through March         (\$1,152,607.37)           April         Begin through March           April         Begin through March           April         Begin through April           S241,277.54         Begin through April           Begin through April         (\$911,329.84)           May         Begin through April           May         Begin through May           May         (\$982,816.20)           June         (\$6,603.99)
March         Begin through Feb         (\$1,616,528.01)           March         \$463,920.64           Begin through March         (\$1,152,607.37)           April         Begin through March           April         Begin through March           April         \$241,277.54           Begin through April         (\$911,329.84)           May         Begin through April           May         Begin through April           May         Begin through May           June         (\$982,816.20)           June         (\$6,603.99)
March         \$463,920.64           Begin through March         (\$1,152,607.37)         \$0.00         Begin through March x .000222 x 30           April         Begin through March         (\$1,152,607.37)         \$0.00         Begin through March x .000222 x 30           April         \$241,277.54         \$0.00         Begin through April x .000222 x 30           May         Begin through April         (\$911,329.84)         \$0.00         Begin through April x .000222 x 30           May         Begin through April         (\$911,329.84)         \$0.00         Begin through April x .000222 x 30           May         Begin through April         (\$911,329.84)         \$0.00         Begin through April x .000222 x 30           June         (\$982,816.20)         \$0.00         Begin through May x .000222 x 30
Begin through March         (\$1,152,607.37)         \$0.00         Begin through March x .000222 x 30           April         Begin through March April         (\$1,152,607.37) \$241,277.54         Begin through April         \$241,277.54           Begin through April         (\$911,329.84)         \$0.00         Begin through April x .000222 x 30           May         Begin through April         (\$911,329.84)         \$0.00         Begin through April x .000222 x 30           May         Begin through April         (\$911,329.84)         \$0.00         Begin through April x .000222 x 30           June         Begin through May         (\$982,816.20)         \$0.00         Begin through May x .000222 x 30           June         (\$982,816.20)         \$0.00         Begin through May x .000222 x 30
April         Begin through March April         (\$1,152,607.37) \$241,277.54           Begin through April         \$241,277.54           Begin through April         (\$911,329.84)           May         Begin through April           May         Begin through April           Begin through April         (\$911,329.84)           May         Begin through April           Begin through April         (\$911,329.84)           May         Begin through April           June         (\$982,816.20)           June         (\$982,816.20)           June         (\$6,603.99)
April       Begin through March       (\$1,152,607.37)         April       \$241,277.54         Begin through April       (\$911,329.84)         May       Begin through April         May       Begin through April         May       Begin through April         May       Begin through April         May       (\$911,329.84)         May       (\$911,329.84)         Begin through April       (\$911,329.84)         May       (\$982,816.20)         June       (\$982,816.20)         June       (\$982,816.20)
April       \$241,277.54         Begin through April       (\$911,329.84)         May       Begin through April         May       Begin through April         May       Begin through April         (\$911,329.84)       April         May       Begin through April         (\$911,329.84)       April         May       Begin through April         (\$911,329.84)       Begin through April         (\$911,329.84)       Begin through April         June       (\$982,816.20)         June       (\$982,816.20)         June       (\$6,603.99)
Begin through April         (\$911,329.84)         \$0.00 Begin through April x .000222 x 30           May         Begin through April         (\$911,329.84)           May         Begin through April         (\$911,329.84)           Begin through April         (\$911,329.84)
May         Begin through April         (\$911,329.84)           May         (\$71,486.36)           Begin through May         (\$982,816.20)           June         Begin through May           June         (\$982,816.20)           June         (\$982,816.20)
May         Begin through April         (\$911,529.64)           May         (\$71,486.36)           Begin through May         (\$982,816.20)           June         Begin through May           June         (\$982,816.20)           June         (\$982,816.20)
May         (\$71,400.30)           Begin through May         (\$982,816.20)         \$0.00 Begin through May x .000222 x 30           June         Begin through May         (\$982,816.20)           June         (\$982,816.20)         June
Begin through May         (\$982,816.20)         \$0.00 Begin through May x :000222 x 30           June         Begin through May         (\$982,816.20)           June         (\$6,603.99)         Image: Comparison of the second secon
June Begin through May (\$982,816.20) June (\$6,603.99)
June (\$6,603.99)
Begin through June (\$989.420.18) \$0.00 Begin through June v. 000222 v.30
July Begin through June (\$989.420.18)
July \$93,687.15
Begin through July (\$895,733.03) \$0.00 Begin through July x .000222 x 30
August Begin through July (\$895,733.03)
August \$131,338.17
Begin through Aug (\$764,394.87) \$0.00 Begin through Aug x .000222 x 30
September Begin through Aug (\$764,394.87)
September \$52,378.89
Begin through Sept (\$712,015.98) \$0.00 Begin through Sept x .000222 x 30
October Begin through Sept (\$712,015.98)
October (\$1,172,969.52)
Begin through Octobe (\$1,884,985.50) \$0.00 Begin through Oct x .000222 x 30
November Hegin through Octobe (\$1,884,985.50)
November (\$840,362.09)
Begin through Nov (32,723,347.38) \$0.00
December Bagin through Nov (\$2,725,247,50)
December (\$135.521.96)
Begin through Dec (\$848.337.32) \$0.00
Total Interest \$0.00

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DPL InterestCalculation

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Month	Debt	Deficit	Interest	Notes
January	Begin through Dec	\$466,160.09		J
	January	\$449,041.52		
	Begin through Jan	\$915,201.62	\$6,095.24	Begin through Jan x .000222 X 30
February	Begin through Jan	\$921,296.86		
	February	\$499,314.77		
<u> </u>	Begin throug Feb	\$1,420,611.63	\$9,461.27	Begin through Feb x .000222 x 30
March	Begin through Feb	\$1,430,072.90		
	March	(\$183,801.17)	<b>.</b>	
	Begin through March	\$1,246,271.74	\$8,300.17	Begin through March x .000222 x 30
April	Begin through March	\$1,254,571.91		
		\$494,503.39	644 010 01	
	Begin through April	\$1,749,075.29	\$11,648.84	Begin through April X .000222 X 30
<u> </u>	Regin through April	@1 760 704 44		
мау	Degin alrough Aphi	(¢70,00,724,14		
	Regin through May	(0/0,007.20)	\$11 204 02	Regis through Movie 000000 y 20
	Degin un ough may	ai,001,030.0/	φ11,201.03	begin unough may X.000222 X 30
June	Begin through May	\$1 693 037 91		· · · · · · · · · · · · · · · · · · ·
	hine	(\$495,990,63)		
	Beain through June	\$1,197.047.28	\$7,972,33	Begin through June x .000222 x 30
		÷.,		
July	Begin through June	\$1,205,019.61		
· ··· <b>,</b>	July	(\$668,556.98)		
	Begin through July	\$536,462.63	\$3,572.84	Begin through July x .000222 x 30
	·····			
August	Begin through July	\$540,035.47		
-	August	(\$872,785.03)		
	Begin through Aug	(\$332,749.56)	\$0.00	Begin through Aug x .000222 x 30
September	Begin through Aug	(\$332,749.56)		
	September	(\$1,251,991.04)		
	Begin through Sept	(\$1,584,740.60)	0.00	Begin through Sept x .000222 x 30
October	Begin through Sept	(\$1,584,740.60)		
	October	(\$1,546,730.81)		
	Begin through October	(\$3,131,4/1.41)	0.00	Begin through Oct x .000222 x 30
Novomber	Regin through Ostahar	(62 121 471 44)		
INDALLAR	Degin miloogin Ociober	(00,101,471.41)) (\$610,440,26)		l l
	Regin through Nov	(4012,112.30) (\$3.7/3.693.77)	en nn	Begin + Dec y 000222 y 20
	Degin unougn Nov	(\$3,143,303.11)		Begin + Dec X .000222 X 30
December	Begin through Nov	(\$3 743 583 77)		
Dereuminer	December	\$1 486 684 QA		
	Begin through Oec	(\$2 256 808 83)	\$0.00	
		Total Interest	58 251 74	
		FORM HIGHCOL	00,201.14	

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### CEI Interest Calculation

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January         Begin through Dec January         (\$2,126,947.57) \$1,038,631.28 Begin through Jan         (\$1,088,316.28) \$0.00         Begin through Jan x .000222 X 30           February         Begin through Jan         (\$1,088,316.28) February         \$0.00         Begin through Jan X .000222 X 30           February         Begin through Jan         (\$1,088,316.28) February         \$0.00         Begin through Jan X .000222 X 30           March         Begin through Feb         (\$504,465.41)         \$0.00         Begin through Feb X .000222 X 30           March         Begin through March April         \$566,504.88         \$3,747.96         Begin through March X .000222 X 30           April         Begin through April         \$1,067,122.32         \$3,747.96         Begin through April X .000222 X 30           May         Begin through April         \$1,067,1256.81         \$3,747.96         Begin through April X .000222 X 30           May         Begin through April         \$1,074,256.81         \$3,693.89         Begin through March X .000222 X 30           June         Begin through Mary         \$1,314,082.51         \$8,693.89         Begin through Mary X .000222 X 30           June         Begin through June         \$1,364,164.75         \$9,085.34         Begin through June X .000222 X 30           July         Begin through June         \$1,373,250.09	Month	Debt	Deficit	Interest	Notes
January Begin through Jan         \$1,038,631.28 (\$1,088,316.28)         \$0.00         Begin through Jan x .000222 X 30           February         Begin through Jan February         (\$1,088,316.28) \$558,850.88 Begin through Feb         (\$1,088,316.28) \$558,850.88 Begin through Feb x .000222 X 30           March         Begin through Feb         (\$504,465.41) \$1,067,222.32 Begin through March         \$0.00         Begin through March x .000222 X 30           April         Begin through March April         \$566,504.88 \$500,644.71 Begin through April         \$1,067,149.59         \$7,107.22         Begin through April X .000222 X 30           May         Begin through April         \$1,074,256.81 \$3,05,388.62         \$8,693.89         Begin through March x .000222 X 30           June         Begin through May         \$1,305,388.62         \$8,693.89         Begin through May X .000222 X 30           June         Segin through May         \$1,305,388.62         \$8,693.89         Begin through May X .000222 X 30           June         Segin through May         \$1,305,388.62         \$8,693.89         Begin through June X .000222 X 30           June         Segin through June         \$1,364,164.75         \$9,085.34         Begin through June X .000222 X 30           July         Begin through June         \$1,373,250.09 July         \$7,784.10         Begin through July X .000222 X 30	January	Begin through Dec	(\$2,126,947.57)		
Begin through Jan         (\$1,088,316.28)         \$0.00         Begin through Jan x .000222 x 30           February         Begin through Jan February         (\$1,088,316.28)         Begin through Jan X .000222 x 30           February         \$583,850.88         Begin through Feb (\$504,465.41)         \$0.00         Begin through Feb x .000222 x 30           March         Begin through Feb March         \$1,067,222.32         \$3,747.96         Begin through March x .000222 x 30           April         Begin through March April         \$1,067,122.32         \$3,747.96         Begin through March x .000222 x 30           April         Begin through March April         \$1,067,149.59         \$7,107.22         Begin through April x .000222 x 30           May         Begin through April         \$1,074,256.81         Begin through April x .000222 x 30           May         Begin through May         \$1,314,082.51         Begin through May x .000222 x 30           June         Begin through May         \$1,314,082.51         \$9,085.34         Begin through June x .000222 x 30           June         Begin through June         \$1,373,250.09         \$7,784.10         Begin through July x .000222 x 30		January	\$1,038,631.28		
February         Begin through Jan         (\$1,088,316.28)         553,850.88           February         \$583,850.88         \$0.00         Begin through Feb (\$504,465.41)         \$0.00         Begin through Feb x .000222 x 30           March         Begin through Feb (\$504,465.41)         \$1,067,222.32         \$3,747.96         Begin through March x .000222 x 30           April         Begin through March April \$566,504.88         \$566,504.88         \$500,644.71         Begin through April \$1,067,149.59         \$7,107.22         Begin through April x .000222 x 30           May         Begin through April \$1,074,256.81         \$8,693.89         Begin through May \$1,305,388.62         \$8,693.89         Begin through May x .000222 x 30           June         Begin through May         \$1,314,082.51         \$8,693.89         Begin through May x .000222 x 30           June         Begin through June \$1,364,164.75         \$9,085.34         Begin through June x .000222 x 30           June         Begin through June \$1,373,250.09         \$1,314,082.51         \$9,085.34         Begin through June x .000222 x 30           July         Begin through June \$1,373,250.09         \$1,168,783.04         \$7,784.10         Begin through July x .000222 x 30	 	Begin through Jan	(\$1,088,316.28)	\$0.00	Begin through Jan x .000222 X 30
February       Begin through Jan       (\$1,088,316.28)         February       \$583,650.88         Begin throug Feb       (\$504,465.41)         March       Begin through Feb       (\$504,465.41)         March       \$1,067,222.32         Begin through March       \$566,504.88         April       Begin through March       \$566,504.88         April       Begin through April       \$1,067,149.59         May       Begin through April       \$1,074,256.81         May       Begin through May       \$1,314,082.51         June       Begin through May       \$1,314,082.51         June       Begin through June       \$1,373,250.09         July       Begin through June       \$1,373,250.09         July       Begin through June       \$1,373,250.09         July       Stat,364,164.75       \$9,085.34         Begin through June       \$1,373,250.09					
February Begin throug Feb         \$583,650.88 (\$504,465.41)         \$0.00         Begin through Feb x .000222 x 30           March         Begin through Feb March         \$1,067,222.32 Stopping         \$3,747.96         Begin through March x .000222 x 30           April         Begin through March         \$566,504.88 April         \$3,747.96         Begin through March x .000222 x 30           May         Begin through April         \$1,067,122.32         \$3,747.96         Begin through March x .000222 x 30           May         Begin through April         \$1,067,149.59         \$7,107.22         Begin through April x .000222 x 30           May         Begin through April         \$1,074,256.81 May         \$8,693.89         Begin through May x .000222 x 30           June         Begin through May         \$1,314,082.51 June         \$8,693.89         Begin through May x .000222 x 30           June         Begin through June         \$1,373,250.09 July         \$9,085.34         Begin through June x .000222 x 30           July         Begin through June         \$1,373,250.09 July         \$7,784.10         Begin through July x .000222 x 30	February	Begin through Jan	(\$1,088,316.28)		
Begin throug Feb         (\$504,465.41)         \$0.00         Begin through Feb x .000222 x 30           March         Begin through Feb March         (\$504,465.41)         \$1,067,222.32         \$3,747.96         Begin through March x .000222 x 30           April         Begin through March         \$566,504.88         \$3,747.96         Begin through March x .000222 x 30           April         Begin through March         \$566,504.88         \$3,747.96         Begin through March x .000222 x 30           May         Begin through April         \$1,067,149.59         \$7,107.22         Begin through April x .000222 x 30           May         Begin through April         \$1,074,256.81         \$8,693.89         Begin through May x .000222 x 30           June         Begin through May         \$1,305,388.62         \$8,693.89         Begin through May x .000222 x 30           June         Begin through May         \$1,314,082.51         \$9,085.34         Begin through June x .000222 x 30           July         Begin through June         \$1,364,164.75         \$9,085.34         Begin through June x .000222 x 30           July         Begin through June         \$1,373,250.09         \$7,784.10         Begin through July x .000222 x 30	ŀ	February	\$583,850.88		
March March Begin through March AprilSegin through March \$1,067,222.32 \$562,756.92\$3,747.96 \$3,747.96Begin through March x .000222 x 30April Begin through March April Begin through April\$566,504.88 \$500,644.71 \$1,067,149.59Begin through March x .000222 x 30May May Begin through April Begin through May June Begin through May June\$1,074,256.81 \$1,305,388.62Begin through May x .000222 x 30June Begin through May June Begin through June\$1,314,082.51 \$50,082.24 \$9,085.34Begin through June x .000222 x 30July Begin through June\$1,373,250.09 \$1,373,250.09 July\$7,784.10Begin through July x .000222 x 30	L	Begin throug Feb	(\$504,465.41)	\$0.00	Begin through Feb x .000222 x 30
March       Begin through Feb       (\$504,465,41)         March       \$1,067,222.32         Begin through March       \$562,756.92         April       Begin through March         April       \$566,504.88         April       \$500,644.71         Begin through April       \$1,067,149.59         May       Begin through April         Begin through April       \$1,074,256.81         May       Begin through May         Statistical       \$8,693.89         Begin through May       \$1,314,082.51         June       \$50,082.24         Begin through June       \$1,364,164.75         July       Begin through June         July       \$1,373,250.09         July       \$1,168,783.04         Begin through July       \$1,168,783.04					
March Begin through March         \$1,067,222.32 \$562,756.92         \$3,747.96         Begin through March x .000222 x 30           April         Begin through March April         \$566,504.88 \$500,644.71         \$7,107.22         Begin through April x .000222 x 30           May         Begin through April         \$1,074,256.81         \$7,107.22         Begin through April x .000222 x 30           May         Begin through May         \$1,074,256.81         \$8,693.89         Begin through May x .000222 x 30           June         Stop,082.24         \$8,693.89         Begin through June x .000222 x 30         \$3,747.96           June         \$1,314,082.51         \$9,085.34         Begin through June x .000222 x 30         \$3,747.96           June         \$1,373,250.09         \$1,373,250.09         \$3,747.96         \$3,747.96           July         Begin through June \$1,373,250.09         \$7,784.10         Begin through July x .000222 x 30	March	Begin through Feb	(\$504,465.41)		
Begin through March         \$562,756.92         \$3,747.96         Begin through March x .000222 x 30           April         Begin through March April         \$566,504.88         April x .000222 x 30           May         Begin through April         \$1,067,149.59         \$7,107.22         Begin through April x .000222 x 30           May         Begin through April         \$1,074,256.81         S8,693.89         Begin through May x .000222 x 30           June         S1,314,082.51         S8,693.89         Begin through May x .000222 x 30           June         \$1,314,082.51         S9,085.34         Begin through June x .000222 x 30           June         \$1,364,164.75         \$9,085.34         Begin through June x .000222 x 30           July         Begin through June \$1,373,250.09         S1,373,250.09         S1,373,250.09           July         Begin through June \$1,367,3250.09         \$7,784.10         Begin through July x .000222 x 30		March	\$1,067,222.32		
April         Begin through March April         \$566,504.88 \$500,644.71 Begin through April         \$7,107.22         Begin through April x .000222 x 30           May         Begin through April         \$1,074,256.81 May         \$231,131.81 Begin through May         \$1,305,388.62         \$8,693.89         Begin through May x .000222 x 30           June         Begin through May         \$1,305,388.62         \$8,693.89         Begin through May x .000222 x 30           June         Begin through May         \$1,314,082.51 June         \$8,693.89         Begin through May x .000222 x 30           June         \$1,364,164.75         \$9,085.34         Begin through June x .000222 x 30           July         \$1,373,250.09 July         \$1,168,783.04         \$7,784.10         Begin through July x .000222 x 30		Begin through March	\$562,756.92	\$3,747.96	Begin through March x .000222 x 30
April       Begin through March       \$566,504.88         April       \$500,644.71         Begin through April       \$1,067,149.59         May       Begin through April         May       Begin through April         May       Begin through April         May       State         May       Begin through April         \$1,074,256.81       \$8,693.89         May       \$1,305,388.62         State       \$8,693.89         Begin through May       \$1,305,388.62         June       \$50,082.24         Begin through June       \$1,364,164.75         June       \$1,364,164.75         July       Begin through June         July       \$1,373,250.09         July       \$1,168,783.04         State       \$7,784.10         Begin through July       \$1,168,783.04					
April       \$500,644.71         Begin through April       \$1,067,149.59         May       Begin through April         May       Begin through April         May       \$1,074,256.81         May       \$1,074,256.81         Begin through May       \$1,313.81         Begin through May       \$1,305,388.62         June       \$1,314,082.51         June       \$1,364,164.75         Begin through June       \$1,364,164.75         July       Begin through June         July       \$1,373,250.09         July       \$1,168,783.04         State       \$7,784.10         Begin through July       \$1,168,783.04	Aprii	Begin through March	\$566,504.88		
Begin through April         \$1,067,149.59         \$7,107.22         Begin through April x .000222 x 30           May         Begin through April         \$1,074,256.81			\$500,644.71	A7 457 55	
May         Begin through April         \$1,074,256.81           May         \$231,131.81           Begin through May         \$1,305,388.62           June         \$8,693.89           Begin through May         \$1,314,082.51           June         \$50,082.24           Begin through June         \$1,364,164.75           July         Begin through June           July         \$1,373,250.09           July         \$1,373,250.09           July         \$1,364,467.05)           Begin through July         \$1,168,783.04		Begin through April	\$1,067,149.59	\$7,107.22	Begin through April x .000222 x 30
May       \$231,131.81         Begin through May       \$1,305,388.62         June       Begin through May         June       \$50,082.24         Begin through June       \$1,364,164.75         July       Begin through June         July       \$1,373,250.09         July       \$1,373,250.09         July       \$1,364,168,783.04         \$7,784.10       Begin through July x .000222 x 30	Mav	Begin through April	\$1 074 256 81		
May         \$251,151.51           Begin through May         \$1,305,388.62         \$8,693.89         Begin through May x.000222 x 30           June         Begin through May         \$1,314,082.51         \$305,082.24         \$305,082.24           June         \$50,082.24         \$9,085.34         Begin through June x.000222 x 30           July         Begin through June         \$1,364,164.75         \$9,085.34         Begin through June x.000222 x 30           July         Begin through June         \$1,373,250.09         \$30,082,000         \$30,082,000         \$30,000,000,000         \$30,000,000         \$30,000,000         \$30,000,000         \$30,000,000         \$30,000,000         \$30,000         <	, Minary	May	\$231 131 81		
June         \$1,314,082.51           June         \$50,082.24           Begin through June         \$1,364,164.75           July         Begin through June           July         Begin through June           \$1,373,250.09           July         \$1,373,250.09           July         \$1,373,250.09           July         \$1,373,250.09           July         \$1,373,250.09           July         \$1,364,164.75		Begin through May	\$1 305 388 62	48 603 80	Begin through May v. 000222 v. 20
June         Begin through May         \$1,314,082.51           June         \$50,082.24           Begin through June         \$1,364,164.75           July         Begin through June           July         Begin through June           July         Begin through June           July         \$1,373,250.09           July         (\$204,467.05)           Begin through July         \$1,168,783.04           \$7,784.10         Begin through July x .000222 x 30		Deginariougnimay	φ1,000,000.02_		Degin unough May X .000222 X 30
June         \$50,082.24           Begin through June         \$1,364,164.75         \$9,085.34         Begin through June x .000222 x 30           July         Begin through June         \$1,373,250.09	June	Begin through May	\$1,314,082,51		
Begin through June         \$1,364,164.75         \$9,085.34         Begin through June x .000222 x 30           July         Begin through June         \$1,373,250.09		June	\$50 082 24		
July         Begin through June         \$1,373,250.09           July         (\$204,467.05)           Begin through July         \$1,168,783.04           \$7,784.10         Begin through July x .000222 x 30		Beain through June	\$1,364,164,75	\$9.085.34	Begin through June x, 000222 x 30
July         Begin through June         \$1,373,250.09           July         (\$204,467.05)           Begin through July         \$1,168,783.04         \$7,784.10				<u> </u>	
July (\$204,467.05) Begin through July \$1,168,783.04 \$7,784.10 Begin through July x .000222 x 30	July	Begin through June	\$1,373,250.09		
Begin through July \$1,168,783.04 \$7,784.10 Begin through July x .000222 x 30	-	July	(\$204,467.05)		
		Begin through July	\$1,168,783.04	\$7,784.10	Begin through July x .000222 x 30
August Begin through July \$1,176,567.13	August	Begin through July	\$1,176,567.13		
August \$71,186.70		August	\$71,186.70		
Begin through Aug \$1,247,753.83 \$8,310.04 Begin through Aug x .000222 x 30		Begin through Aug	\$1,247,753.83	\$8,310.04	Begin through Aug x .000222 x 30
September Begin through Aug \$1,256,063.87	September	Begin through Aug	\$1,256,063.87		
September (\$415,612.94)		September	(\$415,612.94)		
Begin through Sept \$840,450.94 \$5,597.40 Begin through Sept x .000222 x 30		Begin through Sept	\$840,450.94	\$5,597.40	Begin through Sept x .000222 x 30
	Ortobas				
October Begin through Sept \$846,048.34	October	Begin through Sept	\$845,048.34		
October (\$1,329,983.89)		October	(\$1,329,983.89)		
Begin through October (\$483,935.55) \$0.00 Begin through Oct x .000222 x 30		Begin through October	(\$483,935.55)	\$0.00	Begin through Oct x .000222 x 30
November Begin througth October (\$483.935.55)	November	Begin througth October	(\$483 035 65)		
November (\$658.401.50)	HOYCHIDEL	November	(\$652 401 50)		
$\frac{1}{142} \frac{1}{337} \frac{1}{15} = \frac{1}{100} 1$		Regin through Nov	(\$1 149 227 DS)	<b>K</b> O 00	Begin + Dee y 000222 y 20
		Degin anough (404	(#1, 172,007.00)		
December Begin through Nov (\$1,142,337.05)	December	Begin through Nov	(\$1,142,337.05)		
December \$372.471.27		December	\$372 471 27	ļ	
Begin through Dec (\$769.865.78) \$0.00		Begin through Dec	(\$769.865.78)	\$0.00l	
Total Interest: \$50 325 94			Total Interest	\$50,325,94	

### OE Interest Calculation

Month	Debt	Deficit	Interest	Notes
January	Begin through Dec	\$430,233.59		
	January	\$1,898,812.91		
Į	Begin through Jan	\$2,329,046.50	\$15,511.45	Begin through Jan x .000222 X 30
February	Begin through Jan	\$2,344,557.95		
	February	\$465,260.81		
	Begin throug Feb	\$2,809,818.76	\$18,713.39	Begin through Feb x .000222 x 30
			_	
March	Begin through Feb	\$2,828,532.15		
	March	\$1,704,930.03		
·····	Begin through March	\$4,533,462.18	\$30,192.86	Begin through March x .000222 x 30
April	Begin through March	\$4,563,655.04		
	April	\$881,249.26	<b>*</b> *** ***	
	Begin through April	\$5,444,904.30	\$36,263.06	Begin through April x .000222 x 30
May	Regin through April	\$5 491 167 26		
wiety	Mey Mey	(\$411 625 54)		
	Begin through May	\$5,069,531,82	\$33 763 08	Bedin through May y, 000222 y 30
·	Deginanough may	<del>40,000,001.02</del>	400,100.00	Degin through may X .000222 X SU
June	Begin through May	\$5,103,294,90		
	June	(\$654,255,51)		
	Begin through June	\$4 449 039 39	\$29,630,60	Begin through June x .000222 x 30
July	Begin through June	\$4,478,669.99		
	July	(\$2,136,466.90)		
	Begin through July	\$2,342,203.09	\$15,599.07	Begin through July x .000222 x 30
August	Begin through July	\$2,357,802.17		
	August	(\$1,736,195.24)		
·	Begin through Aug	\$621,606.93	\$4,139.90	Begin through Aug x .000222 x 30
September	Begin through Aug	\$625,746,83		
		(\$2,198,519.12)		
	Begin through Sept	(\$1,5/2,772.29)	\$0.00	Begin through Sept x .000222 x 30
October	Regin through Sent	(\$1 570 770 20)		
October	October	(\$3,419,307,26)		
	Begin through October	(\$4 002 079 55)	<b>6</b> 0 00	Regin through Sent v. 000000 v.20
		(04,002,010.00)		
November	Begin througth October	(\$4,992.079.55)		
	November	(\$1,835.084.23)		
	Begin through Nov	(\$6,827,163.78)	\$0.00	Begin + Dec x .000222 x 30
		<u>,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, ,, </u>		
December	Begin through Nov	(\$6,827,163.78)		······································
	December	\$157,678.97		
	Begin through Dec	(\$6,669,484.81)	\$0.00	
		Total Interest:	\$183,813,42	

### TE Interest Calculation

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Month	Debt	Deficit	Interest	Notes
January	Begin through Dec	(331,099.42)		
-	January	464,087.61		
	Begin through Jan	132,988.19	885.70	Begin through Jan x .000222 X 30
February	Begin through Jan	133,873.89		
-	February	14,944.61		
	Begin throug Feb	148,818.50	991.13	Begin through Feb x .000222 x 30
March	Begin through Feb	149,809.63		
	March	510,440.79		
	Begin through March	660,250.42	4,397.27	Begin through March x .000222 x 30
April	Begin through March	664,647.69		
	April	298,080.67		
_	Begin through April	962,728.36	6,411.77	Begin through April x .000222 x 30
May	Begin through April	969,140.13		
-	May	(368,236.17)		
	Begin through May	600,903.96	4,002.02	Begin through May x .000222 x 30
June	Begin through May	604,905.98		
	June	(316.097.76)		
	Begin through June	288,808,22	1,923,46	Begin through June x .000222 x 30
			•	
July	Begin through June	290,731.68		
-	July	(411.675.52)		
	Beain through July	(120,943,83)	0.00	Begin through July x .000222 x 30
		<u></u>		
August	Beain through July	(120.943.83)		
	August	(294,286,64)		
	Beain through Aug	(415,230,47)	0.00	Beain through Aug x .000222 x 30
September	Begin through Aug	(415,230,47)		
	September	(569,419,14)		
	Begin through Sept	(984,649,61)	0.00	Begin through Sept x .000222 x 30
		<u> </u>		
October	Begin through Sept	(984,649,61)		
	October	(1.022,262,16)		
	Beain through October	(2.006.911.77)	0.00	Begin through Oct x .000222 x 30
	<u> </u>			
November	Begin througth October	(2.006.911.77)		
	November	(568.168.92)		
	Begin through Nov	(2.575.080.69)	0.00	Begin through Nov x .000222 x 30
		(		
December	Begin through Nov	(2.575.080.69)		
	December	74 630 55		
	Begin through Dec	(2,500,450,14)	0.00	
		Total Interest	18,611,35	

### CSP

### Calculation of Allowance for Undercollection

1		KWh sales X			
		USF rider=	Rider	Expected Revenue/	Average
	KWh	Expected Revenue	Collection	Rider Collection	Collection
Jan-08	1,913,383,008	\$1,990,678.25	\$1,978,745.81	99.40%	99.61%
Feb-08	1,920,124,516	\$1,863,258.55	\$1,856,218.55	99.62%	99.00%
Mar-08	2,072,231,989	\$1,856,235.70	\$1,854,157.17	99.89%	
Apr-08	1,727,288,648	\$1,637,354.80	\$1,634,745.28	99.84%	
May-08	1,582,333,899	\$1,434,556.88	\$1,431,101.50	99.76%	
Jun-08	1,759,882,309	\$2,152,540.86	\$2,145,094.51	99.65%	
Jul-08	1,998,028,106	\$2,495,651.21	\$2,485,704.44	99.60%	
Aug-08	2,060,374,545	\$2,574,561.62	\$2,561,711.79	99.50%	
Sep-07	1,930,183,932	\$1,148,988.15	\$1,141,065.59	99.31%	
Oct-07	1,938,846,398	\$1,021,676.95	\$1,018,688.07	99.71%	
Nov-07	1,658,659,518	\$917,799.64	\$913,346.72	99.51%	
Dec-07	1,857,698,472	\$1,044,192.34	\$1,039,349.32	99.54%	
	22,419,035,340	\$20,137,494.95	\$20,059,928.75		

Target Revenue: Total Cost:(Target Revenue / 99%) Allowance:(Total Cost - Total Revenue)

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\$24,320,068.86 \$24,565,726.12 \$245,657.26

### OP

Calculation	of Allowance f	for Undercollectio	n
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		KWh sales X			
		current rider =	Rider	Expected Revenue/	Average
	KWH	Expected Revenue	Collection	Rider Collection	Collection
Jan-08	2,608,060,780	\$2,307,893.58	\$2,302,391.82	99.76%	100.08%
Feb-08	2,410,529,684	\$2,148,098.27	\$2,146,326.83	99.92%	99.00%
Mar-08	2,344,191,605	\$2,084,246.10	\$2,082,530.46	99.92%	
Арг-08	2,452,636,431	\$1,930,226.15	\$1,930,517.21	100.02%	
May-08	2,134,575,008	\$1,672,116.17	\$1,668,788.34	99.80%	
Jun-08	2,147,397,297	\$2,185,884. <b>89</b>	\$2,178,451.31	99.66%	
Jul-08	2,482,389,862	\$2,416,902.47	\$2,408,099.95	99.64%	
Aug-08	2,353,886,412	\$2,369,874.04	\$2,452,751.94	103.50%	
Sep-07	2,250,537,378	\$1,005,507.51	\$1,001,828.49	99.63%	
Oct-07	2,314,213,323	\$921,341.16	\$918,450.88	99.69%	
Nov-07	2,065,642,532	\$872,387.69	\$869,390.30	99.66%	
Dec-07	2,553,089,923	<b>\$</b> 1,052,481.11	\$1,050,063.51	99.77%	
	28,117,150,235	\$20,966,959.13	\$21,009,591.04		

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

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\$21,054,731.50 \$21,267,405.56 \$212,674.06

### Duke

### Calculation of Allowance for Undercollection

		KWh sales X			
		USF rider=	Rider	Expected Revenue/	Average
	KWH	Expected Revenue	Collection	Rider Collection	Collection
Jan-08	1,942,717,131	\$2,091,400.20	\$2,068,615.84	98.91%	98.89%
Feb-08	1,827,754,668	\$1,967,744.65	\$1,941,651.50	98.67%	_
Mar-08	1,772,667,337	\$1,899,179.52	\$1,877,841.84	98.88%	
Apr-08	1,623,311,620	\$1,710,278.07	\$1,693,165.53	99.00%	
May-08	1,487,877,304	\$1,554,079.89	\$1,537,511.06	98.93%	
Jun-08	1,732,552,584	\$1,818,039.53	\$1,797,474.49	98.87%	
Jul-08	1,923,236,804	\$2,044,613.14	\$2,019,861.03	98.79%	
Aug-08	1,968,276,817	\$2,100,311.33	\$2,074,850.18	98.79%	
Sep-07	2,119,680,594	\$1,722,372.79	\$1,705,235.86	99.01%	
Oct-07	1,765,164,510	\$1,415,951.07	\$1,401,376.38	98.97%	
Nov-07	1,593,626,762	\$1,268,719.95	\$1,255,079.53	98.92%	
Dec-07	1,789,125,563	\$1,451,330.36	\$1,436,680.72	98.99%	
-	21,545,991,694	\$21,044,020.52	\$20,809,343.96		

Target Revenue:	\$21,759,207.23
Total Cost:(Target Revenue / Average Collection)	\$22,002,491.50
Allowance:(Total Cost - Total Revenue)	\$243,284.28

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## DPL

Calculation	of All	owance 1	for U	Indercol	lection
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		KWh sales X			····
		current rider =	Rider	Expected Revenue/	Average
	KWH	Expected Revenue	Collection	Rider Collection	Collection
Jan-08	1,374,260,433	\$1,120,648.16	\$1,103,309.93	98.45%	97.36%
Feb-08	1,319,198,229	\$1,075,747.39	\$1,055,604.60	98.13%	
Mar-08	1,311,554,348	\$1,069,514.14	\$1,050,847.95	<del>9</del> 8.25%	
Apr-08	1,160,307,516	\$946,179.09	\$919,266.20	97.1 <b>6%</b>	
May-08	1,047,396,835	\$854,105.46	\$822,323.44	96.28%	
Jun-08	1,153,063,996	\$940,272.32	\$910,209.10	96.80%	
Jul-08	1,322,701,853	\$1,078,604.44	\$1,047,840.17	97 15%	
Aug-08	1,343,297,945	\$1,095,399.63	\$1,066,188.86	97.33%	
Sep-07	1,390,566,415	\$1,183,946.17	\$1,152,072.21	97.31%	
Oct-07	1,210,529,263	\$1,030,660.22	\$996,246.86	96.66%	
Nov-07	1,155,270,068	\$983,611.83	\$950,751.37	96.66%	
Dec-07	1, 194, 142, 544	\$1,016,708.35	<b>\$997,765.98</b>	98.14%	
•	14,982,289,445	\$12,395,397.19	\$12,072,426.67		

Target Revenue:	\$18,626,655.77
Total Cost:(Target Revenue / Average Collection)	\$19,131,759.84
Allowance:(Total Cost - Total Revenue)	\$505,104.08

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### CEI

### Calculation of Allowance for Undercollection

		KWh sales X			
		USF rider=	Rider	Expected Revenue/	Average
	KWH	Expected Revenue	Collection	Rider Collection	Collection
Jan-08	1,772,859,428	\$1,572,903.42	\$1,551,781.66	98.66%	99.18%
Feb-08	1,697,795,452	\$1,490,201.03	\$1,477,067.78	99.12%	99.00%
Mar-08	1,692,492,209	\$1,481,932.55	\$1,477,563.13	99.71%	
Apr-08	1,573,126,572	\$1,368,404.24	\$1,339,015.69	97.85%	
May-08	1,415,846,529	\$1,223,199.89	\$1,227,067.64	100.32%	
Jun-08	1,548,001,445	\$1,346,908.26	\$1,333,326.67	98.99%	
Jul-08	1,707,495,458	\$1,497,431.04	\$1,482,825.67	99.02%	
Aug-08	1,772,781,294	\$1,552,089.69	\$1,551,806.68	99.98%	
Sep-07	1,761,031,101	\$1,596,735.54	\$1,585,990.57	99,33%	
Oct-07	1,612,830,787	\$1,454,047.03	\$1,434,500.78	98.66%	
Nov-07	1,507,438,249	\$1,357,026.67	\$1,336,241.26	98.47%	
Dec-07	1,535,133,602	\$1,384,085.30	\$1,385,504.02	100.10%	
•	\$19,596,832,126	\$17,324,964.67	\$17,182,691.55		

Target Revenue: Total Cost:(Target Revenue / 99% Allowance:(Total Cost - Target Revenue)

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\$15,486,526.87 \$15,642,956.44 \$156,429.56

## OE

### Calculation of Allowance for Undercollection

		KWh sales X			
		USF rider =	Rider	Expected Revenue/	Average
	KWH	Expected Revenue	Collection	Rider Collection	Collection
Jan-08	2,282,644,528	\$3,161,510	\$3,158,182	99.89%	100.63%
Feb-08	2,267,886,039	\$3,100,762	\$3,130,889	100.97%	99.00%
Mar-08	2,239,563,950	\$3,058,255	\$3,093,273	101.15%	
Apr-08	2,048,265,242	\$2,789,488	\$2,810,430	100.75%	
May-08	1,837,859,707	\$2,470,573	\$2,516,466	101.86%	
Jun-08	2,047,807,029	\$2,771,849	\$2,809,208	101.35%	
Jul-08	2,223,596,402	\$3,054,304	\$3,065,692	100.37%	
Aug-08	2,319,392,520	\$3,162,779	\$3,201,828	101.23%	
Sep-07	2,342,200,586	\$2,802,179	\$2,805,256	100.11%	
Oct-07	2,110,592,062	\$2,516,671	\$2,516,269	99.98%	
Nov-07	1,982,740,550	\$2,363,475	\$2,359,752	99.84%	
Dec-07	2,133,029,824	\$2,551,770	\$2,552,214	100.02%	
-	25,835,578,439	\$33,803,615	\$34,019,459		

Target Revenue:	\$44,094,066.89
Total Cost:(Target Revenue / .99)	44,539,461.50
Allowance:(Total Cost - Total Revenue)	445,394.62

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### TE Calculation of Allowance for Undercollection

		KWh sales X			
		USF rider=	Rider	Expected Revenu	Average
	KWH	Expected Revenue	Collection	Rider Collection	Collection
Jan-08	918,323,821	\$1,234,586.53	\$1,177,265.11	95.36%	97.72%
Feb-08	915,032,435	\$1,189,552.89	\$1,175,713.88	98.84%	
Mar-08	889,689,458	\$1,174,010.69	\$1,157,491.28	98.59%	
Apr-08	827,759,412	\$1,087,485.31	\$1,041,913.16	95.81%	
May-08	795,248,673	\$991,128.87	\$980,909.82	98.97%	
Jun-08	854,291,050	\$1,100,341.90	\$1,072,937.42	97.51%	
Jul-08	892,273,114	\$1,217,434.54	\$1,165,075.97	95.70%	
Aug-08	946,165,888	\$1,265,237.15	\$1,238,667.05	97.90%	
Sep-07	956,159,181	\$856,689.86	\$853,746.44	99.66%	
Oct-07	857,952,666	\$764,688.71	\$746,685.52	97.65%	
Nov-07	820,418,367	\$731,205.69	\$711,779.51	97.34%	
Dec-07	868,397,715	\$774,770.30	\$769,701.67	99.35%	
	10,541,711,780	\$12,387,132.43	\$12,091,886.83		

Target Revenue:

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Total Cost:(Target Revenue / Average Collection) Allowance:(Total Cost - Total Revenue)

\$14,156,746.38 \$14,486,744.86 \$329,998.48

	CSP	
	KWH Sales	_
	Past 12 months	
	KWh	
Jan-08	1,913,383,008	
Feb-08	1,920,124,516	
Mar-08	2,072,231,989	
Apr-08	1,727,288,648	
May-08	1,582,333,899	
Jun-08	1,759,882,309	
Jul-08	1,998,028,106	
Aug-08	2,060,374,545	
Sep-07	1,930,183,932	
Oct-07	1,938,846,398	
Nov-07	1,658,659,518	
Dec-07	1,857,698,472	
•	22,419,035,340	

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	OP
	KWH Sales
	Past 12 months
	KWh
Jan-08	2,608,060,780
Feb-08	2,410,529,684
Mar-08	2,344,191,605
Apr-08	2,452,636,431
May-08	2,134,575,008
Jun-08	2,147,397,297
Jul-08	2,482,389,862
Aug-08	2,353,886,412
Sep-07	2,250,537,378
Oct-07	2,314,213,323
Nov-07	2,065,642,532
Dec-07	2,553,089,923
-	28,117,150,235

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# Duke

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## KWH

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Jan-08	1,942,717,131
Feb-08	1,827,754,668
Mar-08	1,772,667,337
Apr-08	1,623,311,620
May-08	1,487,877,304
Jun-08	1,732,552,584
Jul-08	1,923,236,804
Aug-08	1,968,276,817
Sep-07	2,119,680,594
Oct-07	1,765,164,510
Nov-07	1,593,626,762
Dec-07	1,789,125,563
	21.545.991.694

# DPL KWH Sales

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	KWH
Jan-08	1,374,260,433
Feb-08	1,319,198,229
Mar-08	1,311,554,328
Apr-08	1,160,307,516
May-08	1,047,396,835
Jun-08	1,153,063,996
Jul-08	1,322,701,853
Aug-08	1,343,297,945
Sep-07	1,390,566,415
Oct-07	1,210,529,263
Nov-07	1,155,270,068
Dec-07	1,194,142,544
	14,982,289,425

# CEI KWH Sales

•

	KWH
Jan-08	1,772,859,428
Feb-08	1,697,795,452
Mar-08	1,692,492,209
Apr-08	1,573,126,572
May-08	1,415,846,529
Jun-08	1,548,001,445
Jul-08	1,707,495,458
Aug-08	1,772,781,294
Sep-07	1,761,031,101
Oct-07	1,612,830,787
Nov-07	1,507,438,249
Dec-07	1,535,133,602
-	19,596,832,126

# OE KWH Sales

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	KWH
Jan-08	2,282,644,528
Feb-08	2,267,886,039
Mar-08	2,239,563,950
Apr-08	2,048,265,242
May-08	1,837,859,707
Jun-08	2,047,807,029
Jul-08	2,223,596,402
Aug-08	2,319,392,520
Sep-07	2,342,200,586
Oct-07	2,110,592,062
Nov-07	1,982,740,550
Dec-07	2,133,029,824
-	25,835,578,439

# TE KWH Sales

•

	KWH
Jan-08	918,323,821
Feb-08	915,032,435
Mar-08	889,689,458
Apr-08	827,759,412
May-08	795,248,673
Jun-08	854,291,050
Jul-08	892,273,114
Aug-08	946,165,888
Sep-07	956,159,181
Oct-07	857,952,666
Nov-07	820,418,367
Dec-07	868,397,715
_	10,541,711,780

### Two-Tiered Rider <u>CSP</u>

### <u>Proposal</u>

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First Block 833,000 KWh (10,000,000 per Year ) (18) Over 833,000 KWh II over of 10/99 Rate (1) or Uniform per Kwh rate (4)]	\$ 0.0014082
Over 833,000 kwn [Lower of 10/99 Rate (1) or Uniform per Kwn rate (4)]	\$ 0.0001830

### **Calculation**

1	10/99 USF Rider	\$	0.0001830
2	USF Rider Revenue Requirement	\$2	4,565,726.12
3	Total kWh Used in Calculation	22,	419,035,340
4	Uniform per Kwh rate	\$	0.0010958
5	Accounts with Annual kWh Greater than 10,000,000 kWh		126
6	Total Kwh of Accounts Over 10,000,000 kWh Annually	E	6, <b>977,424,68</b> 1
7	First Block Annual kWh (833,334 Monthly)		10,000,000
8	Total kWh in First Block (5) x (7)	1,	260,000,000
9	Revenue First Block Rate x (8)	\$	1,774,349.30
10	Total Second Block kWh (6) - (8)	5,	717,424,681
11	Lower of 10/99 Rate (1) or Uniform per Kwh rate	\$	0.0001830
12	Second Block Revenue (11) × (10)	\$	1, <b>046,288</b> .72
13	Total First and Second Block Revenue (9) + (12)	\$ 2	2, <b>820,638.0</b> 1
14	Revenue @ ODOD Proposed Rate (6) x (4)	\$7	<b>7,645,534.</b> 30
15	Revenue shortfall (13) - (14)	\$ (4	1,824,896.29)
Adjustme	ent to Calculation		
16	Adjusted Cost (2) - (9) - (12)	\$21	,745,088.11
17	Adjusted KWh (3) - (6)	15,	441,610,659
18	Adjusted First Block Rate (16)/(17)		\$0.0014082
19	Change (18) - (4)	\$	0.0003125
20	% Change		28.5%
21	Annual Cost to Consumer Using 918 kWh per Month (19) x 918 x 12	\$	3.44

### Two-Tiered Rider Ohio Power

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Propos	al		
-	First Block 833,000 kWh (10,000,000 per Year ) (18) Over 833,000 kWh [Lower of 10/99 Rate (1) or Uniform per Kwh rate (4)]	\$ \$	0.0011245 0.0001681
Calcula	ition		
1	10/99 USF Rider	\$	0.0001681
2	USF Rider Revenue Requirement	\$ 2	21,267,405.56
3	Total kWh Used in Calculation	28	3,117,150,235
4	Uniform per Kwh rate	\$	0.0007564
5	Accounts with Annual kWh Greater than 10,000,000 kWh		197
6	Total Kwh of Accounts Over 10,000,000 kWh Annually	12	2,791,996,246
7	First Block Annual kWh (833,334 Monthly)		10,000,000
8	Total KWh in First Block (5) x (7)	1	,970,000,000
9	Revenue First Block Rate x (8)	\$	2,215,245.33
10	Total Second Block kWh (6) - (8)	10	,821,996,246
11	Lower of 10/99 Rate (1) or Uniform per Kwh rate	\$	0.0001681
12	Second Block Revenue (11) x (10)	\$	1,819,177.57
13	Total First and Second Block Revenue (9) + (12)	\$	4,034,422.90
14	Revenue @ ODOD Proposed Rate (6) x (4)	\$	9,675,680.85
15	Revenue shortfall (13) - (14)	\$(	5, <b>641,25</b> 7.95)
<u>Adjustme</u>	nt to Calculation		
16	Adjusted Cost (2) - (9) - (12)	<b>\$</b> 1	7,232,982.66
17	Adjusted kWh (3) - (6)	15	,325,153,989
18	Adjusted First Block Rate (16)/(17)	\$	0.0011245
19	Change (18) - (4)	\$	0.0003681
20	% Change		48.7%
21	Annual Cost to Consumer Using 986 kWh per Month (19) x 986 x 12	\$	4.36

### Two-Tiered Rider Duke

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Propos				
	First Block 833,000 kWh (10,000,000 per Year ) (18) Over 833,000 kWh [Lower of 10/99 Rate (1) or Uniform per Kwh Rate	\$ \$	0.0011652 0.0004690	
<u>Calcula</u>	ation	<u></u>		
1	10/99 USF Rider	\$	0.0004690	
2	USF Rider Revenue Requirement	\$2	2,002,491.50	
3	Total kWh Used in Calculation	21	21, <b>54</b> 5,991,694	
4	Uniform per Kwh Rate (2) / (3)	\$	0.0010212	
5	Accounts with Annual kWh Greater than 10,000,000 kWh		142	
6	Total Kwh of Accounts Over 10,000,000 kWh Annually	5	i <b>,877,523,1</b> 47	
7	First Block Annual KWh (833,000 Monthly)		10,000,000	
8	Total kWh in First Block (5) x (6)	1	,420,000,000	
9	Revenue First Block Rate x (8)	\$	1,654,619.70	
10	Total Second Block kWh (6) - (8)	4	457,523,147	
11	Lower of 10/99 Rate (1) or Uniform Per Kwh Rate (4)	\$	0.0004690	
12	Second Block Revenue (11) x (10)	\$	2,090,578.36	
13	Total First and Second Block Revenue (9) + (12)	\$	3,745,198.05	
14	Revenue @ Uniform per Kwh Rate (6) x (4)	\$	6,002,051.56	
15	Reduction in Total Revenue (13) - (14)	\$ (	2,256,853.51)	
Adjustme	nt to Calculation			
16	Adjusted Cost (2) - (9) - (12)	\$ 1	<b>8,257,293</b> .45	
17	Adjusted kWh (3) - (6)	15	,668,468,547	
18	Adjusted USF (16)/(17)	\$	0.0011652	
19	Change (18) - (4)	\$	0.0001440	
20	% Change		14.1%	
21	Annual Cost to Consumer Using 989 KWh per Month (19) x 989 x 12	\$	1.71	

0.0014596

0.0005700

#### **Two-Tiered Rider** DPL

#### **Proposal**

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

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Calcula 1	10/99 USE Rider	T e	0.0005700
•		¥	0.0000/001
2	USF Rider Revenue Requirement		\$19,131,759.84
3	Total kWh Used in Calculation		14,982,289,425
4	Uniform per Kwh Rate (2) / (3)	\$	0.0012770
5	Accounts with Annual KWh Greater than 10,000,000 kWh		106
6	Total Kwh of Accounts Over 10,000,000 kWh Annually		4,135,693,202
7	First Block Annual kWh (833,000 Monthly)		10,000,000
8	Total kWh in First Block (5) x (6)		1,060,000,000
9	Revenue First Block Rate x (8)	\$	1,547,153.46
10	Total Second Block KWh (6) - (8)		3,075,693,202
11	Lower of 10/99 Rate (1) or Uniform Per Kwh Rate (4)	\$	0.0005700
12	Second Block Revenue (11) x (10)	\$	1,753,145.13
13	Total First and Second Block Revenue (9) + (12)	\$	3,300,298.59
14	Revenue @ Uniform per Kwh Rate (6) x (4)	\$	5,281,108.04
15	Reduction in Total Revenue (13) - (14)	\$	(1,980,809.45)
<u>Adjustme</u>	nt to Calculation		
16	Adjusted Cost (2) - (9) - (12)	\$	15,831,461.25
17	Adjusted kWh (3) - (6)		10,846,596,223
18	Adjusted USF (16)/(17)	\$	0.0014596
19	Change (18) - (4)	\$	0.0001826
20	% Change		14.3%
21	Annual Cost to Consumer Using 1010 kWh per Month (19) x 1010 x 12	\$	2.21

#### Two-Tiered Rider <u>CEI</u>

**DAS-40** 

#### Proposal

First Block 833,000 kWh (10,000,000 per Year ) (18) Over 833,000 kWh [Lower of 10/99 Rate (1) or Uniform per Kwh Rate (4)] 0.0008634

\$

#### Calculation \$ 0.0005680 10/99 USF Rider 1 \$ **USF Rider Revenue Requirement** 15,642,956.44 2 Total kWh Used in Calculation 19,596,832,126 3 \$ 0.0007982 4 Uniform per Kwh Rate (2) / (3) Accounts with Annual kWh Greater than 10,000,000 kWh 150 5 5,821,273,570 6 Total Kwh of Accounts Over 10,000,000 KWh Annually 10,000,000 7 First Block Annual kWh (833,000 Monthly) 1,500,000,000 8 Total kWh in First Block (5) x (6) Revenue First Block Rate x (8) S 1,295,056.38 9 Total Second Block kWh (6) - (8) 4,321,273,570 10 \$ 0.0005680 11 Lower of 10/99 Rate (1) or Uniform Per Kwh Rate (4) Second Block Revenue (11) x (10) \$ 2,454,483.39 12 \$ 3,749,539.77 13 Total First and Second Block Revenue (9) + (12) Revenue @ Uniform per Kwh Rate (6) x (4) \$ 4,646,767.82 14 15 Reduction in Total Revenue (13) - (14) (\$897,228.05) Adjustment to Calculation \$ 16 Adjusted Cost (2) - (9) - (12) 11,893,416.67 13,775,558,556 17 Adjusted kWh (3) - (6) \$ Adjusted USF (16)/(17) 0.0008634 18 \$0.0000651 19 Change (18) - (4) 20 % Change 8.2% Annual Cost to Consumer Using 672 kWh per Month (19) x 672 x 12 \$ 0.53 21

### Two-Tiered Rider Ohio Edison

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Propo	sal		
	First Block 833,000 kWh (10,000,000 per Year ) (18) Over 833,000 kWh [Lower of 10/99 Rate (1) or Uniform per Kwh Rate	\$ \$	0.0019592 0.0010461
<u>Calcul</u>	ation		
1	10/99 USF Rider	\$	0.0010461
2	USF Rider Revenue Requirement	\$ 44	,539,461.50
3	Total kWh Used in Calculation	25,8	35,578,439
4	Uniform per Kwh Rate (2) / (3)	<u>\$</u>	0.0017240
5	Accounts with Annual KWh Greater than 10,000,000 KWh		195
6	Total Kwh of Accounts Over 10,000,000 kWh Annually	8,6	605,014,719
7	First Block Annual KWh (833,000 Monthly)		10,000,000
8	Total kWh in First Block (5) x (6)	1,9	50,000,000
9	Revenue First Block Rate x (8)	\$3,	820,347.50
10	Total Second Block kWh (6) - (8)	6,6	55,014,719
11	Lower of 10/99 Rate (1) or Uniform Per Kwh Rate (4)	\$	0.0010461
12	Second Block Revenue (11) x (10)	<b>\$</b> 6,	961,810.90
13	Total First and Second Block Revenue (9) + (12)	\$ 10,	782,158.40
14	Revenue @ Uniform per Kwh Rate (6) x (4)	\$ 14,	834,687.08
15	Reduction in Total Revenue (13) - (14)	\$ (4,	052,528.69)
Adjustme	ent to Calculation		
16	Adjusted Cost (2) - (9) - (12)	\$ 33,	757,303.10
17	Adjusted kWh (3) - (6)	17,2	30, 563, 720
18	Adjusted USF (16)/(17)	\$	0.0019592
19	Change (18) - (4)	\$	0.0002352
20	% Change		1 <b>3.6%</b>
21	Annual Cost to Consumer Using 800 kWh per Month (19) x 800 $\times$ 12	\$	2.26

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#### **DAS-42**

#### Two-Tiered Rider <u>Toledo Edison</u>

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Propo	<u>sal</u>		
	First Block 833,000 kWh (10,000,000 per Year ) (18)	\$	0.0019049
	Over 833,000 kivh [Lower of 10/99 Rate (1) or Uniform per Kwh rate	\$	0.0005610
Calcul	ation		
1	10/99 USF Rider	\$	0.0005610
2	USF Rider Revenue Requirement	\$ 1	4,486,744.86
3	Total kWh Used in Calculation	10	,541,711,780
4	Uniform per Kwh rate	\$	0.0013742
5	Accounts with Annual kWh Greater than 10,000,000 kWh		66
6	Total Kwh of Accounts Over 10,000,000 kWh Annually	4	822,721,014
7	First Block Annual kWh (833,334 Monthly)		10,000,000
8	Total kWh in First Block (5) x (6)		660,000,000
9	Revenue First Block Rate x (8)	\$	1,257,246.30
10	Total Second Block kWh (6) - (8)	4,	162,721,014
11	Lower of 10/99 Rate (1) or Uniform per Kwh rate	\$	0.0005610
12	Second Block Revenue (11) x (10)	\$ 2	2,335,286.49
13	Total First and Second Block Revenue (9) + (12)	\$ 3	3,592,532.79
14	Revenue @ ODOD Proposed Rate (6) x (4)	\$ <del>(</del>	627,531.69
15	Revenue shortfall (13) - (14)	\$ (3	8,034,998.90)
Adjustme	ent to Calculation		
16	Adjusted Cost (2) - (9) - (12)	\$ 10	,894,212.08
17	Adjusted KWh (3) - (6)	5,	718,990,766
18	Adjusted First Block Rate (16)/(17)	\$	0.0019049
19	Change (18) - (4)	\$	0.0005307
20	% Change		38.6%
21	Annual Cost to Consumer Using 769 kWh per Month (19) x 769 $\times$ 12	\$	4.90

#### Restated 2008 Two-Tiered Rider <u>CSP</u>

#### **Proposal** First Block 833,000 kWh (10,000,000 per Year ) (18) \$ 0.0014525 Over 833,000 kWh [Lower of 10/99 Rate (1) or Uniform per Kwh rate (4)] S 0.0001830 Calculation \$ 10/99 USF Rider 0.0001830 1 USF Rider Revenue Requirement+Supplemental Requirement 2 \$ 25,103,617.30 Supplemental Requirement= \$3,976,452 3 Total kWh Used in Calculation 21,688,469,300 \$ Uniform per Kwh rate 0.0011575 4 5 Accounts with Annual KWh Greater than 10,000,000 KWh 124 6 Total Kwh of Accounts Over 10,000,000 kWh Annually 6,280,500,506 7 First Block Annual KWh (833,334 Monthly) 10,000,000 8 Total kWh in First Block (5) x (6) 1,240,000,000 9 Revenue First Block Rate x (8) 1,801,102.31 \$ 10 Total Second Block kWh (6) - (8) 5,040,500,506 11 Lower of 10/99 Rate (1) or Uniform per Kwh rate \$ 0.0001830 Second Block Revenue (11) x (10) 12 \$ 922 411 59 Total First and Second Block Revenue (9) + (12) 13 \$ 2,723,513.90 Revenue @ ODOD Proposed Rate (6) x (4) 14 \$ 7,269,451.75 15 Revenue shortfall (13) - (14) (4,545,937.85) \$ Adjustment to Calculation 16 Adjusted Cost (2) - (9) - (12) \$ 22,380,103.40 17 Adjusted kWh (3) - (6) 15,407,968,794 18 Adjusted First Block Rate (16)/(17) \$0.0014525 Change (18) - (4) \$ 0.0002950 19 % Change 25,5% 20 21 Annual Cost to Consumer Using 918 kWh per Month (19) x 918 x 12 \$ 3.25

#### **DAS-44**

#### Restated 2008 Two-Tiered Rider Ohio Power

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Propos	<u>al</u>		
	First Block 833,000 kWh (10,000,000 per Year ) (18) Over 833,000 kWh (Lower of 10/99 Rate (1) or Uniform per Kwh rate (4)]	\$ •	0.0014296
		Ψ	0.0001081
<u>Calcula</u>	<u>tion</u>	_	
1	10/99 USF Rider	\$	0.0001681
2	USF Rider Revenue Requirement+Supplemental Requirement Supplemental Requirement= \$2,824,962	\$	26,489,982.27
3	Total kWh Used in Calculation		27,324,354,515
4	Uniform per Kwh rate	\$	0.0009695
5	Accounts with Annual kWh Greater than 10,000,000 kWh		197
6	Total Kwh of Accounts Over 10,000,000 KWh Annually		11, <b>936,988,5</b> 36
7	First Block Annual KWh (833,334 Monthly)		10,000,000
8	Total kWh in First Block (5) x (6)		1,970,000,000
9	Revenue First Block Rate x (8)	\$	2,816,362.06
10	Total Second Block kWh (6) - (8)		9,9 <b>66,988,</b> 536
11	Lower of 10/99 Rate (1) or Uniform per Kwh rate	\$	0.0001681
12	Second Block Revenue (11) x (10)	\$	1 <b>,675,</b> 450.77
13	Total First and Second Block Revenue (9) + (12)	\$	4,491,812.84
14	Revenue @ ODOD Proposed Rate (6) x (4)	\$	11,572,482.51
15	Revenue shortfall (13) - (14)	\$	(7,080,669.67)
<u>Adjustmer</u>	t to Calculation		
16	Adjusted Cost (2) - (9) - (12)	\$	21,998,169.43
17	Adjusted kWh (3) - (6)		15,387,365,979
18	Adjusted First Block Rate (16)/(17)	\$	0.0014296
19	Change (18) - (4)	\$	0.0004602
20	% Change		47.5%
21	Annual Cost to Consumer Using 986 kWh per Month (19) x 986 x 12	\$	5.44

#### CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing application has been served upon the following parties by first class mail, postage prepaid, this 31st day of October 2008.

Barth E. Royer

Marvin I. Resnik AEP Service Corporation 1 Riverside Plaza Columbus, Ohio 43215

Randall Griffin Edward N. Rizer The Dayton Power & Light Company MacGregor Park 1065 Woodman Avenue Dayton, Ohio 45432

Paul Colbert Duke Energy Ohio, Inc. 155 East Broad Street Columbus, Ohio 43215

Kathy Kolich FirstEnergy Corp. 76 South Main Street Akron, Ohio 44308

Janine Migden-Ostrander Ann Hotz Ohio Consumers' Counsel 10 West Broad Street Suite 1800 Columbus, Ohio 43215-3485

Samuel C. Randazzo Gretchen J. Hummel McNees, Wallace & Nurick Fifth Third Center Suite 910 21 East State Street Columbus, Ohio 43215

David C. Rinebolt, Esq. Ohio Partners for Affordable Energy **PO Box 1793** Findlay, Ohio 45839-1793

#### BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of the Ohio Department of Development for an Order Approving Adjustments to the Universal Service Fund Riders of Jurisdictional Ohio Electric Distribution Utilities.

Case No. 08-658-EL-UNC PUC PH 5: 20

#### SUPPLEMENTAL TESTIMONY

OF

#### **DONALD A. SKAGGS**

ON BEHALF OF THE OHIO DEPARTMENT OF DEVELOPMENT

November 26, 2008

#### SUPPLEMENTAL TESTIMONY OF DONALD A. SKAGGS On Behalf of The Ohio Department of Development

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1	Q.	Please state your name and business address.
2	Α.	My name is Donald A. Skaggs. My business address is Ohio Department of
3		Development ("ODOD"), 77 South High Street, 25th Floor, Columbus, Ohio 43216-
4		1001.
5	Q.	By whom are you employed and in what capacity?
6	<b>A</b> .	I am employed by ODOD in its Office of Community Services ("OCS") as Assistant
7		Office Chief.
8	Q.	Have you previously submitted written testimony on behalf of ODOD in support of
9		its application in this proceeding?
10	<b>A</b> .	Yes. My direct testimony in support of ODOD's original application was filed in this
11		docket on October 31, 2008.
12	Q.	What is the purpose of your supplemental testimony?
13	<b>A</b> .	The purpose of this supplemental testimony is to support the amended application which
14		ODOD has filed in this proceeding. In this testimony, I discuss the reasons for the
15		changes to the Universal Service Fund ("USF") rider revenue requirements and USF rider
16		rates originally proposed for each electric distribution utility ("EDU") and sponsor the
17		revised exhibits and workpapers that document these changes.
18	Q.	Why has ODOD filed an amended application?
19	А.	The approved test period for purposes of this case is calendar 2008. Because actual 2008
20		data was only available through August 2008 at the time the original application was
21		prepared, ODOD utilized data from the corresponding months of 2007 as a surrogate for

those months of the 2008 test period for which actual data was not available. However,
ODOD reserved the right to update its calculations to incorporate additional actual data
as it became available. ODOD now has EDU-reported data for September 2008, and I
have substituted that data for the September 2007 data that was used in the original testperiod analysis. In addition, I have also revised the test-period analysis to annualize the
impact of certain 2008 EDU rate changes that were not reported by the EDUs in question
until after the original application was prepared.

8 Q. How does the inclusion of the additional month of actual data impact your revenue
9 requirement analysis?

A. Substituting the actual numbers for September 2008 for the estimates used in the original analysis changes the test-period cost of electricity delivered to the EDU's PIPP customers as well as the amount of the test-period USF rider collections that are offset against that cost to determine the test-period cost of PIPP. Although the primary impact is on the cost of PIPP, there are also changes to several other USF rider revenue requirement components that flow from substituting actual numbers from September 2008 for the September 2007 numbers used in my original analysis.

17 Q. Please explain.

A. First, because the Electric Partnership Program ("EPP") costs are allocated based on the
 EDU's relative cost of PIPP, the changes to the EDU's respective cost of PIPP
 components produce changes in the EPP component as well. Second, the projected
 December 31, 2008 PIPP account balances for each EDU must also be recalculated to
 capture the impact of this additional actual data, resulting in changes in the adjustments

necessary to synchronize the proposed riders with EDU's PIPP USF account balances as
of the riders' proposed effective date of January 1, 2009. Third, the substitution of the
actual Kwh sales for September 2008 in the Kwh sales figures used in the original
calculations, coupled with other factors driving revisions to the cost of PIPP, also impacts
the interest component. Finally, the changes in Kwh sales and pro forma rider revenues
also affect the calculation of the undercollection component.

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Q. You indicated that you also revised your USF rider revenue requirement analysis to
 reflect the impact of 2008 EDU rate changes that had not been reported at the time
 the original application was prepared. How do changes in EDU rates affect the USF
 rider revenue requirement?

11 As I explained in my direct testimony, EDU rate adjustments affect the cost of electricity Α. delivered to PIPP customers, but do not change the level of PIPP customer payments 12 13 because those payments are based on fixed, specified percentages of customer income and are not tied to the rates charged. Thus, an increase in an EDU rate element increases 14 15 the cost of PIPP by widening the gap between the cost of electricity delivered to PIPP 16 customers and the amount paid by PIPP customers. On the other hand, a decrease in an 17 EDU rate element reduces the cost of PIPP by narrowing this gap. Although the use of 18 actual data for months subsequent to a rate change will capture the impact of the rate adjustment for those months, it is necessary to annualize the impact of the rate change if 19 20 the total test-period cost of PIPP is to reflect the annual revenue requirement that must be recovered through this component of the USF rider rate. Again, the primary impact these 21 adjustments is on the cost of PIPP, but, as in the case of the adjustment to include actual 22

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September 2008 data, these adjustments also affect those other elements of the USF rider revenue requirement identified above.

#### 3 Q. What is the overall impact on the indicated aggregate USF rider revenue 4 requirement of the various adjustments to cost of PIPP you have just described? 5 These changes produce an indicated aggregate USF rider revenue requirement of Α. \$156,579,457, as compared to the total annual USF rider revenue target of \$161,636,546 6 identified in the original application. This revised revenue requirement, when compared 7 8 to the revised adjusted test-period USF rider revenues of \$152,257,281, produces the 9 indicated aggregate revenue deficiency of \$4,332,628 shown on the table on page 6 of the amended application, as compared to the \$8,412,820 total deficiency reported in the 10 original application. On an individual company basis, DPL, OE, and TE continue to 11 12 show projected deficiencies based on the adjusted pro forma revenues their current USF 13 rider rates would generate, while CEI, CSP, Duke Energy Ohio ("Duke"), and OP 14 continue to show a projected surplus at their current rates. 15 Q. Have you prepared revised exhibits supporting the changes you have described? 16 A. Yes. I prepared the exhibits attached to the amended application, which show the 17 elements of the revised USF rider revenue requirement on a company-by-company basis. The workpapers supporting theses changes are attached to my supplemental testimony. 18 19 The underlying methodology for each calculation is the same as described in my initial 20 testimony. 21 0. How was the cost of PIPP component of each EDU's revenue requirement

22 determined for purposes of the amended application?

The cost of PIPP represents the total cost of electricity consumed by each EDU's PIPP 1 Α. 2 customers during the test period, plus pre-PIPP balances, less all payments made by or on behalf of PIPP customers, including agency payments, over the same period. 3 Substituting actual data for September 2008 for the September 2007 data used in the 4 5 original analysis produces the revised test-period cost of PIPP for each EDU shown in 6 Exhibit A to the amended application. The supporting work papers are attached to my 7 supplemental testimony as Exhibits DAS-Rev-1 through DAS-Rev-7. However, as 8 discussed above, it is necessary to adjust the test-period cost of PIPP to reflect the impact 9 of EDU rate increases not otherwise captured in the test-period analysis. 10 Your direct testimony describes the adjustments to the cost of PIPP you made to Q. 11 reflect Commission-approved changes to the rates charged by the Dayton Power 12 and Light Company ("DPL") that took effect during the test period, as well as adjustments you made to reflect known changes to DPL's rates that will become 13 14 effective January 1, 2009. What additional adjustments are you proposing for EDU rate changes at this time? 15 Subsequent to the preparation of the application, Columbus Southern Power Company 16 A. 17 ("CSP") and Ohio Power Company ("OP") reported two Commission-approved changes in their respective generation service riders that were not captured in my original 18 19 calculation of the test-period cost of PIPP for these companies. These riders changed effective December 2007 - the CSP rider increased and OP rider decreased - and both 20 21 riders increased effective February 2008. To annualize the impact of these changes, it

22 was necessary to restate the proforma collections for those months of the test period prior

to the months in which the changes took effect, including the surrogate months of 1 October, November, and December 2007. The calculation of the adjustments for CSP 2 and OP are shown, respectively, in Exhibit A.1.a and A.1.b of the amended application. 3 The net amounts are carried forward to the "2008 EDU Rate Increases" column in 4 5 Exhibit A.1. CSP and OP also reported that their regulatory asset riders were removed 6 effective January 2008. To avoid overstating the test-period cost of electricity delivered 7 to PIPP customers, it was necessary to recalculate the amount collected from PIPP 8 customers during the surrogate 2007 months to remove the dollars associated with these 9 riders. These calculations are also shown on Exhibits A.1.a and A.1.b of the amended 10 application, and the net reductions are carried forward to the "2008 EDU Rate Decreases" 11 column in Exhibit A.1. The Cleveland Electric Illumination Company ("CEI"), Ohio Edison Company ("OE"), and Toledo Edison Company ("TE") reported that they were 12 authorized to increase their respective transmission riders applicable to residential service 13 14 effective July 1, 2008. Although impact of these increases on the test-period cost of PIPP 15 is included in the actual data for July through September 2008, the data for the remaining months of the test period (*i.e.*, January through June of 2008, and the surrogate months of 16 17 October through December 2007) do not reflect these rate increases. Thus, I also adjusted the actual results for the other months of the test period to annualize the impact 18 19 of these rate changes on the cost of electricity delivered to PIPP customers. These 20adjustments for CEI, OE, and TE are shown, respectively, in Exhibits A.1.d. A.1.e. and A.1.f to the amended application, and the increases are carried forward to the "2008 EDU 21 22 Rate Increase" column in Exhibit A.1.

1	Q.	Are the adjustments to the cost of PIPP for DPL rate changes shown on Exhibit A.1
2		of the amended application the same as the adjustments shown in the original
3		application?
4	Α.	Yes. However, I consolidated the presentation of the calculations supporting those
5		adjustments on a single exhibit for purposes of the amended application. Those
6		calculations are now shown in Exhibit A.1.c.
7	Q.	What was the overall effect on the adjusted test-period cost of PIPP of substituting
8		actual data for September 2008 and the additional adjustments for EDU rate
9		increases you have described?
10	Α.	A comparison of Exhibit A.1 to the October 31, 2008 application with Exhibit A.1 to the
11		amended application shows that the net impact of these changes reduced the indicated
12		aggregate revenue requirement associated with the cost of PIPP component from
13		\$123,269,741 to \$120,639,312.
14	Q.	How was the EPP component of the USF rider revenue requirement determined for
15		purposes of the amended application?
16	<b>A</b> .	As in the original application, the amended application proposes the \$14,946,196
17		allowance for EPP that was approved by the Commission in its September 10, 2008
18		finding and order in the NOI phase of this proceeding. As explained above, the specific
19		amount allocated to each EDU has changed slightly due to the changes in the relative
20		costs of PIPP, the basis upon which the total allowed EPP costs are allocated. The
21		development of the allocation factors and the results of the allocation are shown in
22		Exhibit B to the amended application.

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- Q. How was the administrative cost component of the USF rider revenue requirement determined for purposes of the amended application?
- A. There is no change in this component from the amount included for administrative costs in the original application. Because these costs were allocated to the EDUs based on the relative number of PIPP customers during April 2008, the test-period month with the highest PIPP customer account totals, the amounts allocated to the individual EDUs were unaffected by the inclusion of the September 2008 data. The results of the allocation are shown on Exhibit C to the amended application.
- Q. What was the impact of substituting actual data for September 2008 and annualizing the effect of the CEI, CSP, OF, OP, and TE 2008 rate increases on the projected December 31, 2008 USF account balance clement of the USF rider revenue requirement?
- A. As shown in Exhibit D of the amended application, ODOD now projects a December 31, 2008 consolidated USF surplus of \$7,297,465, as compared to the surplus of \$5,655,634 identified in the original application. The workpapers showing the calculation of the December 31, 2008 USF account balances now projected for each company are attached to my supplemental testimony as Exhibits DAS-Rev-8 through DAS-Rev-14.
- Q. Were changes made to the reserve component of the USF rider revenue target in preparing the amended application?
- A. As explained in my initial testimony, the reserve component is based on the EDU's highest monthly deficit during the test period. The inclusion of actual data for September 2008 adjustments for the EDU rate increases had no impact on the calculation of the

respective EDU reserve requirements for most of the EDUs. However, for Duke, the
 surrogate month of September 2007 was the month of the highest test-period deficit.
 With the substitution of actual data for September 2008, the surrogate month of October
 2007 becomes the month of the highest deficit for Duke. The reserve component for each
 EDU is shown in Exhibit F to the amended application.

Q. You indicated that substituting actual Kwh sales for September 2008 and the
adjustments for EDU rate increases that you have described, coupled with other
factors the drive the cost of the PIPP, also impact the allowance for interest

9 proposed in the amended application. What is this impact?

- A. Although the impact is relatively small, these changes do affect the results of the cash flow analysis used to develop the allowance for interest. As shown in Exhibit G to the amended application, the new total allowance for interest is \$323,309, as opposed to the \$333,010 proposed in the original application. The workpapers supporting the revised allowance are attached to my supplemental testimony as Exhibits DAS-Rev-15 through DAS-Rev-21.
- 16 Q. You also indicated that substituting actual Kwh sales for September 2008 in

17 calculating test-period sales, coupled with the change in pro forma USF rider

- 18 revenue for the CEI, CSP, OE, OP, and TE rate increases, affects the
- 19 undercollection component of the revenue requirement. What was the impact of
- 20 these changes on the undercollection component?
- A. As shown in Exhibit H to the amended application, the total allowance for
  undercollection is now \$2,147,082, as compared to the \$2,138,542 proposed in the

1		original application. The workpapers supporting the revision are attached to my
2		testimony as Exhibits DAS-Rev-22 through DAS-Rev-28.
3	Q.	Did you revise the proposed allowance for the cost of the audits of CEI, DPL, OE,
4		and TE that will be conducted in 2009 in determining the revised revenue
5		requirement for purposes of the amended application?
6	A.	No. The allowances for the cost of the audits of these EDUs are fixed estimates and are
7		unaffected by the additional adjustments I have described.
8	Q.	Taking into account the various changes you have described, what are the results of
9		your USF rider revenue requirement analysis?
10	Α.	The results of the revised USF rider revenue requirement analysis for each EDU is
11		summarized in Exhibit I to the amended application.
12	Q.	How did you calculate the proposed USF rider rate for each EDU?
13	<b>A</b> .	I applied the same Commission-approved rate design methodology described in my
14		initial testimony, substituting actual September 2008 Kwh sales for the September 2007
15		sales used in the original calculation. I began by dividing each EDU's indicated revenue
16		requirement by its revised test-period sales to determine the per Kwh rate that would be
17		applicable if the EDU's revenue requirement were to be recovered through a uniform per
18		Kwh rate. The Kwh sales figures for each EDU are shown in Exhibits DAS-Rev-29
19		through DAS-Rev-36.
20	Q.	How did you convert the indicated uniform per Kwh USF rider rate for each EDU
21		into the two-tiered rates proposed in the amended application?

Α. Under the Commission-approved methodology, the first block of the rate applies to all 1 2 monthly consumption up to and including 833,000 Kwh (i.e., one-twelfth of an annual 3 consumption of 10,000,000 Kwh), while the second block applies to all consumption above 833,000 Kwh per month. The rate per Kwh for the second block is set at the lower 4 5 of the PIPP rider rate in effect in October 1999 or the per-Kwh rate that would apply if the EDU's annual USF rider revenue requirement were to be recovered through a single 6 7 block per-Kwh rate, with the rate for the first block set at the level necessary to produce 8 the remainder of the EDU's annual USF rider revenue requirement. In this case, this cap 9 is in play for all the EDUs, so all the proposed rider rates have this declining block 10 feature as shown in the table on page 13 of the amended application. The workpapers 11 supporting the rate calculations are attached to my testimony as Exhibits DAS-Rev-36 through DAS-Rev-42. The final line item (line 21) on each of these exhibits shows the 12 13 annual cost impact on the average residential consumer resulting from the use of the 14 declining block rate structure as opposed to an uniform rate per Kwh. As in prior cases, I have included this analysis purely for informational purposes. 15 How do the USF riders proposed in the amended application compare to the current Q. 16 **USF riders?** 17 18 A. The table presented at page 13 of the amended application compares the USF rider rate now proposed for each EDU with the EDU's current USF rider. As I previously 19 20 indicated, the test period revenues produced by the current DPL, OE, and TE

- 21 rider rates are below the indicated USF rider revenue requirements for these companies.
- 22 Accordingly, the USF rider rates proposed for these EDUs are higher than their current

1		USF rider rates. On the other hand, the current CEI, CSP, Duke, and OP riders
2		would generate pro forma revenues that exceed their indicated revenue requirements.
3		Thus, the proposed USF rider rates for these EDUs are lower than their current USF rider
4		rates.
5	Q.	Will the USF rider adjustments proposed in the amended application produce the
6		minimum amount of revenue necessary to serve the purposes for which the USF
7		riders were created?
8	А.	Yes. ODOD's goal is to be to propose USF riders at the lowest possible level that will
9		generate revenues sufficient to fund the low-income customer assistance and consumer
10		education programs and cover the associated administrative costs. However, ODOD
11		continues to believe that the USF riders must be reviewed no less frequently than
12		annually to assure, to the extent possible, that these riders will generate the necessary
13		level of revenues, but no more than that level.
14	Q.	Does this conclude your supplemental testimony?
15	<b>A</b> .	Yes.
16		
17		
18		
19		
20		
21		

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### **EXHIBITS**

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Adjusted Cost of PiPP: \$18,630,730.38

Adjustments: [\$1,400,289.52)

Cast of PIPP \$18,030,999.90

Cost of PIPP (Total of E. - Total of A.3.)

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\$50,352,380.30 \$733,870.32

Dec-07 Nav-07 004-07 Sep-08 AUD-08 80-JPC Universal Service Fund Current Rider Mechanism Cost of PIPP Aun-08 Mary-OK Apr-08 Mar-08

\$21,820,806.28 \$6,062,037.29 \$4,438,456,85

\$21,326,600.77

Annual

\$32,327,300,40 \$53,847,681,17 \$341,459,65 \$2,220,470,90 \$51,085,970,62

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Company: COLUMBUS SOUTHERN POWER

Jan-48 Feb-08

For Monthly Billing Cycle Ending:

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Remittance (Form USF-301-00)	
1. USF Rider Collected on All Customers	\$1,818,746.81 \$1,858,218.55 \$1,854,167.17 \$1,554,745,28 [\$1,43],101,50 \$2,145,084,51 \$2,485,704,44 \$2,561,711.79 \$2,407,737,81 \$1,018,588,07 \$873,346.72 \$1,008,24
2. Non-USP Rider Funds a. Customer Paymerks b. Other Customer Paymenke c. Agency Payments	1,204,067.40 11,202,345.17 11,399,386.21 14,450,346.72 114,367,141,0 151,725,445,726,10 151,725,42,935,725 151,526,22 154,527,12 156,222 154,52
3. Total Paymerids	\$2,755,883.49 \$2,828,042.48 \$2,356,373.72 \$2,465,831.75 \$2,067,076.52 \$2,245,898.30 \$2,766,456,45 \$5,566,466.09 \$5,579,825,482 \$5,500,488.07 \$2,137,272.80 \$5,100,77
4. Totsi Amount of Remittence	22/07/155 28/9/050/155 [10:14] 76/5/155 [12:22/95/26/26 [12:140/26/26 [14:14] 26/26/26 [14:146/2
OCS Admin 2,99%	1974 14 14 14 14 14 14 14 14 14 14 14 14 14
EPP Program 23.14%	5167.500.08 \$175.080.07 \$175.792.67 \$164.910.08 \$135.913.29 \$203.272.32 \$235.495.02 \$24.2,191.09 \$228,190.77 \$164,938.07 \$147,882.01 \$168.28
Availabie Balance (A4-B-C)	84,500,791,30 54,561,683,47 83,890,178,08 83,823,831,51 51,345,538,37 84,756,171,36 84,893,552,30 55,863,316,78 85,394,13 54,320,842,58 82,842,09 82,842,794,80 82,842,79
Rsimburgennat Due (Form UsP.302-00, Une Vi +tine VII)	4,209,812.11 64,4413.28 [4,306,304,32] \$4,310,013.78 [\$3,333,819.34] \$1,939,124.30 \$4,705,950.44 [41,860,280,48] \$4,471,200.46 [\$2,381,132.22 [\$3,092,205.65 ] \$3,044,30
Suptus/Deflett (D-E)	1421910111111111111111111111111111111111

Ohio Power Current Rider Cost of PiPP

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Company: OHIO POWER COMPANY

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For Morthhy Billing Cycle Ending:

A. Remittance (Form USP. 301-00) 5. USF Rider Collected on All Customers

Non-UEP Rider Funde
 Customer Payments
 Other Customer Payments
 Agency Paymants

3. Total Payments

4. Total Amount of Remittance

B. OCS Admin 2.39% C. TEE Program 23.14% 16.90%

D. Available Balance (AS-B-C)

E. Reimbursement Due (Form USF-302-00, Line Vi +Hine VR)

F. Suplus/Shortfall (D-E)

G. Cost of PIPP (Total of E. - Total of A.3.)

Adjusted Cost of PIPP: \$16,198,353.13

Adjustment: (\$357,466,25)

Cost of PTPP: \$16,556,819.38

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Annual	\$22,365,672,45	523,024,104,63	\$6,755,354,19 \$4,845,506,48	134,624,965,28	\$58,990,\$37.73	\$350,018.18	\$2,763,843.8B	\$\$4,376,975,78	<b>\$51,181,784,68</b>	
Dec-07	\$1,050,063.51	\$1,303,374,59	\$400,890.11 \$483,666.81	\$2,187,901.51	\$3,237,965.02	\$38,045.24	F1 (69, 1 391, 1 2	\$3,036,720.88	4,573,624.73	(\$1,542,904,07)
Nov-07	5866, 290.30	11,780,972,87	\$509,420,29	\$2,346,970,81	\$3,216,361.11	\$3H,499,20	\$140,008.83	\$3,044,775.08	02 900 961 CS	(\$151,230.62)
Oct-07	\$918,458.88	\$2,883,882.22	\$578,288.84	\$3,367,857,84	\$4,276,308.69	\$33,276.73	\$147,992.08	\$4,895,039.88	\$2,853,312.40	\$1,241,727.48
Sep-08	\$2,358,108.90	<u> 32,724,474,22</u>	\$688,452.64 \$54,176.85	\$3,487,103.71	\$5,825,213.61	\$29,850.40	\$218,152,79	\$\$,577,210.42	53,700,417.16	81,876,793.26
Aug-08	\$2,452,751.94	\$2,497,508.35	\$117,998,10	\$3,307,024.56	\$5,759,778.50	\$31,648.44	\$226,908,281	\$5,501,919.77	\$4,081,218,85	\$1,420,598.92
90-101	\$2,408,099.85	52,223,116.04	\$64,213.55	\$2,962,515,56	\$5,378,815,51	538,483.2H	51 W UZ	\$5,117,364,85	\$3,809,179.81	\$1,308,175.04
Jun-AB	15.126.0154	12.142,341.21	\$70,811.41	\$2,514,310.12	\$4,692,761.43	\$27,578.17	12203,95277	\$4,463,852.99	\$3,487,557.18	\$996,095.83
May-08	<u>\$1,660,788.34</u>	<b>51,</b> 872,521,95	\$173,029.38	\$2,411,508.28	\$4,080,234.62	\$21,124,55	11-282,1213	09'181'106'05	\$3,400,189.72	\$504,547,88
Apr-08	11,030,517.21	<b>51,881,964.00</b>	\$565,428.62	\$2,804,085.23	\$4,734,602.44	\$24,437.67	\$178,696,46	FL,531,569.31	\$0'H5Y'EZ8'H5	(\$24, 524, 72)
80-19 M	\$2,892,538,46	\$1,588,491.39	117'S 10' 1015	52,627,139.16	\$4,709,719.52	\$25,381.95	192,854.46	\$4,498,698.21	HE'LSY'911'58	(\$1,288,758.83)
Peb-08	\$2,148,326,83	\$1,532,168.22	\$1,424,401.14	\$3,505,224.72	\$5,651,351,55	\$27,169.52	\$198,580.37	\$5,425,821.65	\$3,706,393.86	(\$280,572.31)
Jan-08	\$2,302,381,82	\$1,424,236,49	61,058,552,12	\$3,133,275.81	\$5,435,667.65	\$29,145.09	212,008.21	\$5,183,524.33	\$5,793,832,30	(79:704,0094)

DAS-REV-2

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		F	ę		8	8	8	E	Π	Ŗ	52	8	8	8	
Annual		71,085,921	58,059,644	\$2,395,632	\$2,709,596	13.174.873	11,260,795	\$195,485		ULU, 101,24	31,878,298	<b>130,848,257</b>	 51,830,041	FI 6,873,383	
0-02	ļ	1, 4 36, 560, 72	\$559,438.02	\$152,104,18	\$151,535.61	\$863.079.81	12,769,759.53	\$21,561,80		N2270,0814	2,091,625.53	12,345,786.30	(\$254,080.77)	Cost of PIP?	
Hove?		1.255.078.53	\$796,867.36	\$198.041.02	\$200,051.69	1.184.900.07	2,439,979,60	\$18,636.32		01777/107.00	2,258,154,42	1,785,871.29	CI.282,214		
Oct-07		51 401 376 38 15	\$1,104,200.35	\$237,980.73	105,118.81	2 84 787 287 88	\$ 77.8,674.37	121,031,05	Jas 007 601	3161-361-90	2,575,654.96	\$1,900,806.68   S	\$774,848,28		
Sep-08		N 961, 813.31	\$971,038.34	\$177,681.67	\$21,918.41	1,170,236,42	152,649.73	\$15,634.40 [	1 02 120 024	01.17ULET4	71.446,646,52	12,058,481.04	\$285,483,13		
Aug-08		12,074,950,18	\$822,881,30	\$215,720.97	\$ 36, 982, 18	10.23.385.05	<b>53,150,236,7</b> 3	\$16,368,37	6205 634 0.4	15.151.7172	2,931,731,92	12,986,903.50	(\$55,171,58)		
Jul-08		1 20,130,010,25	\$721,352.41	\$208,942.03	CC-215-27\$	177.811.77	2,592,672,80	\$15,934.56	) L4 525 9879	20.11.0214	2,779,960.42	2,805,943,40	(\$25,982.98)		
80-taX		\$1,797,474,49	\$578,623,09	\$175,103,92	\$48,807.72	\$262,554,75	52,000,000,22	\$14,180.17	144 44 44 64 1	10711-6118	2,410,716,46	S2, 362, 913, 56 5	\$47,802.90		
May-06		\$1,537,511.06	\$4.04,040.00	\$138,502.56	\$50,936,24	\$743,974.63	\$2,281,489,69	\$12,129.33	64 AA 706 EG	51-10 1/11-12	\$2,119,573.78	\$2,018,181.97	\$101,391.81		
Apr-08		\$1,693,165.53	5430,223.04	\$202,448.04	\$278,651.23	16, 367, 34	\$2,854,472.84	\$13,357.28	5167 OKU 67 1		\$2,475,154.80	\$2,670,756.21	111:109'98131		
Nar-03		51, 877 821, 84	\$554,508.30	\$202,507.20	\$199,717,89	96.001,8582	12.07.574.23	\$14,814,16	हतक क्या रहे	A1-340-461-4	\$2,636,818,85	13,023,918.07	(21.000, TSC 2)		
		51,941,651,50	<b>\$518,892.65</b>	\$248,803.34	\$1,787,406.11	\$1,853,102,10	100'594'1989'05	\$15,317.57	5480 458 54 I	nninni 1001 4	\$3,698,277,50	\$2,797,674,\$2	\$882,682,68		
		\$2,088,615.84	\$1.22.6,87.15	\$177,596.66	\$455,978,63	\$1,112,907.58	27,423,181,124	\$16,319,18	1 204 477 56	20112012024	\$2,963,676.75	\$2,79H, 111.0H	\$172,565.74		

Universal Service Fund Current Rider Mechanism Cost of PIPP

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Company: Duke

For Monthly Billing Cycle Ending:

Remittance (Form USF-301-00) đ

1. UBF Rider Collected on AN Customers Mon-USF Rider Punds
 Custamer Payments
 Other Customer Payments
 Agency Payments

3. Total Payments

4. Total Atnotri of Remittance

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OCS Admin 2.89% 1.89% EPP Program 23.14% 17.43% υ

Avaitable Balance (A4-B-C) đ

Reimbursemmi Due (Form USF-302-00, Line VI +itna VII) نت

Surplus/Deficit (D-E)

Cost of PPP (Total of E. - Total of A.3.) ച് ന്

\$12,603.98         \$11,200.16         \$12,465.72         \$14,373.07         \$14,625.36         \$14,155.65         \$175,565.15           \$115,902.643         \$107,800.52         \$172,780.05         \$172,853.32         \$127,565.15         \$175,565.15           \$115,902.643,56         \$107,800.52         \$172,780.05         \$172,780.05         \$172,780.53         \$172,780.55         \$172,780.55           \$1,800.643,56         \$112,780.05         \$172,780.05         \$172,780.56         \$172,780.56         \$172,780.56         \$172,780.56         \$172,780.56         \$172,780.56         \$172,780.56         \$172,780.56         \$172,780.56         \$172,780.56         \$172,780.56         \$172,780.56         \$172,780.56         \$102,055         \$127,700.300.96         \$102,555         \$127,106.300.96         \$102,555         \$102,705         \$102,555         <	\$12,003.001         \$12,003.001         \$12,003.001         \$11,070.671         \$11,070.671         \$11,070.671         \$11,070.671         \$11,070.671         \$11,070.671         \$11,070.671         \$11,070.671         \$11,070.671         \$11,070.671         \$11,070.671         \$11,070.671         \$11,070.671         \$11,070.671         \$11,070.671         \$11,070.671         \$11,070.672	\$14,410.16         \$14,414.30         \$17,505.96         \$11,200.16         \$12,465.72         \$14,505.77         \$14,612.36         \$14,155.87         \$14,555.76         \$17,565.71         \$175,557         \$12,156.67         \$175,557         \$12,156.67         \$127,555.15         \$127,555.37         \$127,556.57         \$127,556.57         \$127,556.57         \$127,556.53         \$127,556.57         \$127,556.57         \$127,556.53         \$127,556.57         \$127,556.53         \$127,556.52         \$127,556.57         \$127,556.57         \$127,556.57         \$127,556.53         \$127,556.53         \$127,556.53         \$127,556.53         \$127,556.53         \$127,556.53         \$127,556.53         \$127,556.53         \$127,556.53         \$127,556.53         \$127,556.53         \$127,556.53         \$127,556.53         \$107,722.16         \$228,53.23         \$22,400,300.36         \$107,722.16         \$228,53.23         \$22,400,300.36         \$10,752.16         \$236,53.23         \$22,400,300.36         \$10,752.16         \$228,53.23         \$22,400,300.36         \$10,752.16         \$228,53.23         \$22,400,300.36         \$23,615.37         \$22,400,300.36         \$23,615.37         \$22,400,300.36         \$23,615.37         \$22,400,300.36         \$23,615.37         \$22,400,300.36         \$23,615.37         \$22,400,300.36         \$23,615.37         \$22,400,300.36         \$23,615.37
512 603 99 \$11, 200 19 \$12, 465 72 \$12, 95 37 7 \$146, 23 36 \$115 902 28 \$107, 990 52 \$172, 280, 05 \$120, 533 32 \$132, 106, 62 \$1, 300, 543 54 \$15, 590 52 \$122, 344, 51 \$2, 653, 141, 23 \$2, 964, 400, 05 \$2, 594, 500 19 \$2, 057, 755, 33 \$2, 153, 286, 62 \$2, 52, 53, 141, 23 \$2, 964, 400, 05 \$2, 945, 05 \$16, 134 \$376, 367, 143 \$2, 153, 286, 62 \$2, 52 \$3, 25 \$1, 419 \$14 \$2, 962, 52 33 2 \$2, 945, 05 \$1, 134 \$376, 367, 143 \$2, 153, 286, 62 \$2, 52 \$2, 53, 141, 23 \$2, 964, 400, 05 \$2, 945, 05 \$1, 134 \$376, 367, 143 \$2, 153, 286, 62 \$2, 123, 141, 23 \$2, 964, 50 \$3, 141, 23 \$2, 163, 253, 32 \$2, 153, 244, 50 \$2, 153, 244, 50 \$2, 153, 244, 50 \$2, 123,	\$14,414.901         \$12,605.901         \$11,300.16         \$11,300.16         \$14,615         \$14,615         \$14,615         \$14,615         \$14,615         \$14,615         \$14,615         \$14,615         \$14,615         \$14,615         \$14,615         \$14,615         \$15,700,616         \$12,700,616         \$12,700,615         \$12,945,61         \$12,961,400,12         \$15,700,616         \$12,501,616,62         \$15,700,616         \$12,501,616,62         \$12,501,616,62         \$12,501,616,12         \$12,501,616,62         \$12,501,616,12	\$14,410.16         \$14,414.00         \$12,005.96         \$11,200.16         \$12,005.72         \$14,414.00         \$14,614.20         \$14,605.26         \$10,100.05         \$112,700.05         \$12,005.26         \$120,106.67         \$120,610.67         \$120,106.67         \$120,610.67         \$12
512,603.998 \$11,200.16 \$12,465.72 \$14,273.67 \$113,902.28 \$101,800.52 \$112,780.05 \$120,633.32[ \$1,800,549,56 \$1,501,800 \$22 \$150,244.61 \$2,633,141,23 \$1,800,549,56 \$1,507,755.33 \$2,153,246.61 \$2,633,141,23 \$2,641,60 \$1,007,755.33 \$2,153,246.65 \$2,533,141,23 \$2,641,60 \$1,007,755.33 \$2,153,246.65 \$2,533,141,23 \$2,641,60 \$1,007,755.33 \$2,153,246.65 \$2,533,141,23 \$2,641,60 \$1,007,755.33 \$2,153,246.65 \$2,533,141,23 \$2,641,60 \$1,007,755.34 \$2,153,246.65 \$1,007,722,19 \$2,041,60 \$1,007,155 \$1,007,155 \$1,007,155 \$1,007,122,19 \$2,041,60 \$1,007,155 \$1,007,155 \$1,007,155 \$1,007,122,19 \$2,041,60 \$1,007,155 \$1,007,155 \$1,007,155 \$1,007,122,19 \$2,041,60 \$1,007,155 \$1,007,155 \$1,007,155 \$1,007,155 \$1,007,122,19\$	\$12,003.00         \$12,003.00         \$12,003.00         \$14,414.00         \$12,005.12         \$14,573.67         \$14,573.67         \$14,573.67         \$14,573.67         \$14,573.67         \$14,573.67         \$14,573.67         \$14,573.67         \$14,573.67         \$14,573.67         \$12,546.72         \$12,546.57         \$12,524.67         \$12,524.67         \$12,524.65         \$12,526.63         \$14,523.67         \$12,524.65         \$12,524.65         \$12,526.63         \$11,527.68         \$12,524.65         \$12,520.62         \$12,520.66         \$12,520	\$14,400 16         \$14,414 30         \$12,500 96         \$11,200 16         \$12,456 72         \$14,573 51         \$14,573 51         \$14,573 51         \$14,575 51         \$14,575 51         \$14,575 51         \$14,575 51         \$14,575 51         \$12,576 51         \$12,527 51         \$12,527
512,403.99 \$11,200.19 \$12,465.72 \$113,902.28 \$101,890.52 \$12,246.72 \$1,805.549.06 \$15.691,425.19 \$2,152,344.61 22,942.600.19 \$2,057,755.33 \$2,153,249.62 24,991.661,13\$ \$376,367.14\$ \$345.01 \$999.661,13\$ \$376,367.14\$	814,414.921 812,605.96 91 \$11,200.16 \$12,405,72 8120,203.001 \$113,902.253 \$107,800.52 \$112,246.61 2703,672.06 \$1,850,445.00 \$1,563 425.10 \$2,452,44.61 3161,718.97 \$2,642,630.19 \$2,057,755.33 \$2,153,286.62 3161,718.97 \$2,057,99 \$2,00 \$1,134 \$2,057,755.33 \$2,153,286.62 3161,718.97 \$2,00 \$1,134 \$2,056,160 \$1,134 \$2,057,755.33 \$2,153,286.62 3161,718,755 \$2,057,155 \$2,05	\$14,400 16 \$14,414.00 \$12,003.08 \$11,200.16 \$12,406.72 \$100,765.37 \$120,206.00 \$110,902.28 \$101,000.52 \$172,780.05 \$1,055.032.28 \$2,101,512.06 \$1,80,540.04 \$1,501,40 \$1,501,00 \$2,152,346.61 \$2,940,500.03 \$3,101,718.07 \$2,642.600.19 \$2,007 765.33 \$2,153,246.62 \$1,055.250.67 \$3,101,718.07 \$2,642.600.19 \$2,007 765.33 \$2,153,246.62 \$1,055.250.67 \$3,101,718.07 \$2,642.600.19 \$2,007 765.33 \$2,153,246.62 \$1,055.250.67 \$3,101,718.07 \$2,643.601,13 \$4,500.19 \$2,007 765.33 \$2,153,246.62 \$1,055.250.67 \$3,101,718.07 \$1,027 \$4,001,04 \$1,13\$ \$2,007 765.33 \$2,153,246.67
612,603,988 \$11,200,16 11,000,549,00 \$1,691,428,19 22,942,630,19 \$2,097,795,33 23,942,630,13 \$2,097,795,33 (5991,661,13) \$376,367,14	\$14,414.00 \$13,003.00 \$10,000.52 \$120,203.00 \$13,00,549.00 \$1.561,425.19 \$151,710.97 \$2,642,650,19 \$2,057,755.33 \$3151,710.97 \$2,642,650,19 \$2,057,755.33	\$14,400 16 \$14,414 33 \$12,000 98 11,200 16 \$130,755 37 \$120,208 00 \$115,002 28 \$101,000 52 \$1,055,002 28 \$2,151,110,07 \$2,942,650 19 \$2,057,755,53 \$2,940,500 28 \$3,151,110,07 \$2,942,650 19 \$2,057,755,53 \$1,055,250.07 \$5,151,110,07 \$2,942,650 19 \$2,057,755,53 \$1,055,250.07 \$5,151,110,07 \$2,941,011,156 \$2,057,755,53
612 (603 98 11 (1905 483 661 13) 11 (1905 483 661 13)	\$14,414.00 \$173,003.00 \$120,203.00 \$113,902.23 \$130,512.06 \$1,800,549,00 \$161,718.07 \$2,842,650,19 \$3181,718.07 \$2,842,650,19 \$388,046.07 \$2,842,650,19	81, 100, 25, 21, 11, 11, 11, 12, 11, 12, 10, 11, 12, 12, 12, 12, 12, 12, 12, 12, 12
	814,414.00 <u>8120,572.06</u> <u>3161,718.97</u>	51.4.4100 16 \$14.414.201 51.30,785.37 \$12.05,201 00 51.965.032.20 \$2.151,718.37 52.940,500 33 \$3,151,718.37

Universal Service Fund Current Rider Mechanism Cost of PIPP

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**Company: Dayton Power and Light** 

For Monthly Billing Cycle Briding

Remittance (Form USF-301-08)

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1. USF Rider Collected on All Cus

Non-USP Ridar Funds a. Customer Payments
 Other Customer Payments
 Agency Payments

3. Total Payments

4. Total Amount of Remittance 2.88% OCS Admin 1.71% 725 Program 18.13%

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Available Baiance (Ad-B-C) æi

Reimburs ement Due Surplus/Deficit (D-E) Ľ.

Amual	\$17,062,895.69	\$22,529,378.74 \$1,735,203.37 \$1,735,203.37	\$26,366,140.58	<b>513,429,036.25</b>	\$382,660.42	\$1,896,889.69	\$41,149,486.14	\$46,721,856.93	\$523,125.53	\$14,451,212.69
De⇔07	\$1,335,504.02	\$1,454,967,55 \$88,500.29 \$766.67,64	\$1,790,046.48	\$3,175,550.50	\$37,585,33	\$162,370.82	\$2,975,584.35	\$3,204,478.34	(\$225,894.95)	od Cost of PIPP:
10-001	\$1,336,241,26	\$1,914,244,32 \$95,994,23 \$95,994,23	52,328,721.20	\$3,652,962.46	\$36,258.60	\$156,597.59	\$3,470,105.27	\$2,688,537.34 [	\$701,568.93 [	Adjusti
Oct-07	\$1,434,500,78	\$2,750,732,44 \$154,755,58 \$19 847 54	\$2,925,135.56	H. 359,636.34	538,924,85	\$168,112.88	14,152,588.62	\$2,686,697,82	51,455,900.80	\$95,496.32
Sapt-06	\$1,406,194,71	\$2,759,372.61 \$240,845.64 \$77 998 38	53,028,248.84	H.494,411.52	\$30,658.54	\$160,154.16	11,303,508,82	\$1,580,490,28	\$808,604,85	Adjustment:
Aup-08	<b>\$1,351,306.63</b>	\$2,416,277.00 \$225,307.64 \$142.881.15	\$2,713,665.79	11221750514	\$32,448.71	\$169,505.65	p4,133,518.10	\$4,854,651.38	\$78,866.71	
30-06	51,482,825.67	\$2,339,164.71 \$241,853.32 \$138,542.81	\$2,717,580.84	11,210,316,51	\$31,006.30	\$161,970.78	54,607,409.43	\$3,488,707,85	\$138,701,48	614,355,716.37
Jun-08	29 333 326 67	\$1,703,789,42 \$310,417,37 \$73,687,95	\$2,087,894.74	11712712713	\$27,880.23	\$145,640.83	13,247,700.35	<u>43,445,647.35</u> ]	100.053.001	Cast of PIPP: 1
May-05	<b>61,227,06</b> 7.54	\$1,584,447.16 \$100,523,67 \$53,492.27	\$1,658,483.19	17,005,315,22	\$25,658.33	1070707035	R,725,838,38	\$ 2,847,424,28	[1121,985,99]	
Apr-08	\$1,339,015.69	\$1,499,373.85 \$17,361.84 \$288,682,35	\$1,863,633.64	51,202,649,35	\$27,989,19	5448,282,255	83'19E'8Z0'5\$	\$5,429,953.13	[\$409,565.24]	
Mar-08	\$1,477,563 13	00'146'012'14'10' 01'0'16'10'10'14'14'14'14'14'14'14'14'14'14'14'14'14'	\$1,747,746.14	72,005,319,27	\$30,896.26	\$461,395.85	10,110,020,01	\$3,960,428.59	(\$927,411.52)	
Feb-08	\$1,477,067.78	\$1,417,798.06 \$50,049.87 \$429.278.02	\$1,005,125.95	13,322,193.73	\$38,865,90	5161,341.84	\$3,136,965.99	\$3,636,626,13 [	(\$448,080.14)	
Jan-08	\$1,551,781.68	\$1,295,207.02 \$94,418.02 \$152,215.27	\$1,531,930.31	13,083,711.97	\$32,448.19	\$168,502,92	\$2,881,760,89	\$3,770,418.37	{ <b>\$889,652.51</b> }	

Cleveland Illuminating Company Current Rider Mechanism Cost of PIPP

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Company: Cleveland Illuminating Company

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For Marithly Bitting Cycle Ending:

Remittance (Form USF-301-00) ×

1. USP Ridar Collected on All Customers

Mon-USF Rider Funds
 Cutioner Payments
 Other Customer Payments
 Agency Paymants

3. Total Payments

4. Total Amount of Reinittende

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OCS Admin 299% 4.63% EPP Program 23.14% 22.85% ប

Available Balance (A4.8-C) ø

Reimbursement Due (Form USF-302-00, Line M +line VII) ١đ

Surplus/Shortfall (D-E) ы.

532,192,223,15	Cost of PIPP.		\$637,130.48	Adjustment:		\$31,555,082.87	Cost of PIPP:					
(\$1,727,805.28	(\$1,283,348.ZD	\$7.96,671.06	\$2,317,684.19	51,887,708.33	\$1,008,442.25	\$1,436,309.13	(\$2,360.01)	(\$182,360.55)	[\$1,530,0 <u>60</u> .73]]	(\$2,405,223.79)	121,175,731.27	<b>\$2,607,828.67</b> )
\$78,011,789,98	\$6,4B1,865.5B	\$5,098,431.75	14,792,249.15	\$6,202,079,255	\$6,781,551,4B	\$6,292,253,13	\$5,873,5H8,93	\$5,419,005.24	\$7,246,845,15	16.163.081.01	\$7,722,864,050	\$7,834,348.58
\$76,283,964.70	\$5,218,537.38	\$5,838,182.81	\$7,109,822.34	58,090,588,56	\$7,770,983.65	\$7,728,562.26	\$5,970,559.92	\$5,238,645,69	\$5,730,798,40	\$5,757,867.22	\$6,546,952.82	\$6,226,533.68
										1		
\$3,854,329.91	\$341,092,42	\$315,925.53	\$336,880.17	\$323,484.28	\$341,417.61	\$328,901.16	\$299, 541, 76	\$268,336.01	\$289,682.92	\$329, \$42, 19	\$33,\$53.9	\$336,763.56
-EG0 193 77	660 460 15	2 EE 4E0 10	549 144 AG	107 LE 179	AAR RAN VI	57 TR6 44	546. BSD. 85	<b>生態、(約2,27</b> )	\$48,878,47	\$45,102,56	\$45,651.03	546, 040, 99
1 \$90.704.528.38	15,628,418,91	16,207,678,64	12,508,043,97	\$1,468,308.00	\$4,159,086.85	\$3,100,151.82	16,311,072,33	\$5,641,673,91	48,071,484,06	12.14.52.81.97	<b>16,921,457,06</b>	35,609,348.24
548.458.677.31	53,066,265,33	53.307.926.45	\$4,989,774,67	\$5,424,657,75	\$4,957,268,73	\$5,034,471.81	13,501,864.03	\$3,025,208.19	\$3,281,029.81	\$3,638,538.81	\$3,795,568.36	\$2,451,164.17
54,999,271.88	\$618,885.55	CO'7777'88895	85'72'8'824	23'11'0'	\$1.39,127.32	25.017,7124	\$143,435,38	1/ 979 777	10.242,0154	CJ. Ltr 1784	a rezeracit	17-010-11-0
\$3.479.208.24	12,048,8512	\$201,279.34	\$316,329.59	\$495,398,47	\$502,893.61	\$537,A27.57	\$518,990.30	\$207,258,68	06.072,814	\$145,465,87	\$110,067.20	\$157,155.78
537 978 197 17	12,306.338.81	\$3,017,203.05	\$4,643,472.50	150,2150,21	\$4,315,147.72	54,279,333.32	\$2,838,438.75	12,586,324,82	\$2,539,515.20	\$2,412,031.19	\$2,181,542.37	SI, 546, 498, 20
334,247,851.07	\$2,552,213,58	\$2,359,752,19	\$2,516,269.30	\$3,033,648,25	\$3,201,827.92	\$3,065,692.01	\$2,409,286.30	\$2,516,465,72	\$2,810,429.87	\$3,093,273.15	\$3,130,888,70	\$3,158,182.07
												•
Amuai	Dec-07	Now07	Oct-07	Sep-Ces	Aug-08	10-17 1	Jun-48	May-Ce	Apr-07	Mar-96	Peb-08	Jam-04

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Ohio Edison Current Rider Mechanism Cost of PIPP

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Company: Ohio Edison Company

For Monthly Billing Cycle Ending:

Remittance (Form USF-301-00) ∢

1. USF Rider Collected on All Customers

Mor-USP Ridar Punds

 Customer Payments
 Other Customer Payments
 Chery Payments
 Agency Payments

3. Total Payments

4. Total Amount of Remittance

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**OCS Admin 2.89%** 3.35% EPP Program 23.14% 21.34% ഗ

Available Belance (A4-B-C) đ

Retmbursement Due (Form USP-302-00, Line M +(Ine VR) ¢Ű

Surplus/Shortfall (D-E) **.** 

Amila		\$12,383,420.35		\$10.347,292,45	41 771 940 E7		\$12,987,335.25		\$25,370,755.6B		152,571.82	64 774 727 EF	70-10-100712		\$23,874,318,25	\$23.265.339.72	5708,978,54	\$10,439,902.01
Dec.07		\$769,701.67		194,794,76	122,822,50		\$800,924.25		H,670,625.82		101112111	Call 101 00	20.000/000		\$1,463,521.78	51,918,808,92	(\$485,287.14)	Cost of PIPP:
New 07		15.977,1172		5764,069.64	148,095.74 5725, 883 BU		\$1,038,048.98		\$1,748,828,49	1 - L 2 - L 2 - L	Laurenziaut	4 67 E13 40	04 A B 1		\$1,641,628.24	\$1,455,569.52	\$186,059.72	
04-07		\$748,685.52		51,264,414,65	5/8,646.28		\$1,351,778,92		\$2,096,462,44	64 1 0 1 1 0	51 / ING. 43	196 470 97			\$1,984,857.04	11,360,299.71	\$624,657.33	S161,097.54
Sec-08		<b>\$1,145,279.96</b>		51,358,854,56	\$1.08,122.58		51, 473, 484, 00		\$2,614,783.96	643 807 n. +	1 10"/RC 716	\$108,690.511			\$2,498,476,41	\$1,853,494.76	\$845,381.65	Adjustment:
Aug-08		\$1,238,667.05	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	A1 7 15, 040.85	\$54,618,399		\$1,384,329.74		\$2,602,046,79	40 100 119	77%70%12	\$115,390,14 [		[	\$2,475,982.45	\$2,206,811.58[	\$267,170,84	
30-Jul		\$1,160,075.97	44 444 647 44	17.180,880,14	80.788,852		\$1,315,828.23		32,480,964.28	44 B44 76	217101712	\$108,534,64			\$2,359,554,78	\$1.676.471.87	5383 362.94	\$10,278,004.47
Jun-08		\$1,0/2,937.42	100 240 240	2010/ 10-04	\$58,067.25		\$1,024,\$19.77		\$2,087,767,19	112 102 112		16.149.962			\$1,986,004.54	51,735,407.72	\$250,896.82	Cost of PIPP;
May-08		ZR'SON BRAK	1 1 1 1 1 1 1 1 1 1	2011 40 50	\$88,444.21		19.839 1994	1 AT 144 144 14	\$1,951,378,73	\$58,794.42	******	\$94,378.33			\$1,848,211,28	\$1,667,682.14	\$291 529.14	
Apr-08		31-E-FR <sup>4</sup> LING <sup>4</sup> L.\$	4 000 CD 20	4000-001-4U	\$228,257.73	1000	25-1429,525.82		31,512,114,14	541,480,40		\$97,051.20			BC'910'091'14	12,226,274.63	[\$308,138,15]	
98-46W		AT ISS JOINT	<u>teni 274 eo 1</u>	631 207 61	\$172,505,30	4070 M4 A4	38//P. 384.61	1 25 KU 245 KU	84'0/8'000'24	\$12,731,36		16187,828,67			\$1,813,316,46	\$2,459,746,43 [	 [\$542,423,BT}	
Feb-06	00 UP. 227 N	adre Life Ite	647 177 AN	612.7MB 80	\$514,915.02	M 411 100 01	22.895.944,568.52	1 10 101 CO 4	n/7urnze7zt	\$12,401,79		\$108,525.63			12,117,955.28	\$2,254,406.71	(\$81,051,43)	
Jan-86	77 30- 427 79	11.0421) 11.14	MAR AZE AR	547.367.5A	F123,072.38	100 000 000 00	00'9882'18-04	EN 242 324 44	10'167 112/16	\$12,948,86		\$105,670,14			\$1,125,832.62	\$2,240,591.82	(\$512,758.20)	

Toledo Edison Current Rider Mechanism Cost of PIPP

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Company: Toledo Edison

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Por Monthiy Billing Cycle Ending:

A. Remittance (Form URF-S01-00)

1. USF Rider Collected on All Customers

Non-USP Rider Punds
 Customer Payments
 Other Customer Payments
 Agency Payments

3. Total Payments

4. Total Amount of Remitiance B. OC8 Admin 2.99%

B. OCB Admin 2.99% 2.55% C. TEE Program 21.14% 18.87% D. Available Balance (A4-B-C)

E Reimbursement Due (Form USF-302-00, Line VI -tine VI)

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Universal Service Fund Projection of December 31, 2008 Balance Jan 2008 - Dec 2008

Company: COLUMBUS SOUTHERN POWER

For Monthly Billing Cycle Ending:

Remittance (form USF-301-68) ÷ 1. USF Rider Collected on All Customers Non-USF Rid or Funds
 Customer Payments
 Other Customer Payments
 Agency Payments

3, Totel Payments

4. Tetai Amount of Remittance **n**i

OCB Admin 2.99% 2.72% 1100 Program 23.14% 21.81% ú

Aveilable Balance (Ad-8-C) ó

Reimbursament Dua (Form USF-102-06, Line VI +(ine VII) ui

Durplua/Deficit (D-E) s.

Cumulative Defice ø

\$5,242,839,36 \$4,216,838,21 \$414,145,39 \$73,815,41 \$487,960,80 \$1,186,278,66 \$127,450,127,20 \$369,702,21 \$27,750,557,04 \$544,797,09 \$25,738,966,17 \$2,326,280,03 \$117,749,388,13 <u>2,255,545,44</u> 2,256,326,212,2,32,46,841,2) 2,246,544,30] 22,46,544,30] 22,784,544,30] 23,787,275 3,256,345,37] 37,177,275 3,257,370] 37,107,123 3,347,375 3,347,377] 37,177,275 3,256,345,37] 37,175,37] 37,175 3,257 3,257,37] 37,175 3,257 3 27.144.004.20 51.22.29.03 54.006.556.40 54.00(27.01 154.005.04) 54.300,944.00 54.252.164.47 55.264.47 56.261 55.30 55.27 24.775.22 24.775.22 24.775.22 \$78,331,33 \$2,672,902,99 3414,145,28 Tota 2,718,32 \$144,346,38 Ramerve: Adjusted Reserve: CSP Balance Moore Balance Projacted Account Balance LATER VALUE DEPOSITION DEPOSITION DEPOSITION DEPOSITION DEPOSITION DEPOSITION DEPOSITION DEPOSITION DEPOSITION DE LA DEPOSITION \$68,807.13 81,204,667.40 51,285,286,17 51,282,888,21 31,660,448,12 81,287,793,00 51,738,400,14 52,146,57,59 52,717,302,16 52,512 52,712,515 546,515 51,512 52,51 \$382,718.52 20.201.012 524.07.55 224.02.141 521.734.03 310.027.35 228.520.33 333.049.641 524.059 527.142.33 577.348.75 Aug-08 무물 jen-ek

COMPANY
O POWER
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Company:

For Monthly Billing Cycle Ending: A. Remikterce Form UsF-361-80 1. UBF Rider Collected on All Centerners

2. Non-Jitif Rider Punds 8. Customer Psyments 6. Other Customer Payments c. Agency Psyments

3. Total Paymants

4. Total Amount of Renettance

B. OCB Admin 289%
 270%
 C. THE Program 23,14%
 16,00%

0. Available Baltonce (AL.B.C)

E. Rainburzomani Dia

Reinburgement Due (form USF-302-50, Line VI +the VI)

F. SUDNUSTIONT AT (D.E.) G. Dumbetive Monthly Deficit

Universal Service Fund Projection of December 31, 2005 Balance Jan 2008 - Dec 2995

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5 5,569,651,73 5 4,637,682,31 5 3,253,316,69	Reberve: d)usted Reserve: iccount Batance:	Ac Projected &										
	51,202,516.80	\$3,650,654.72	\$2,502,127.19	\$542,416,20	[\$1,329,583,05]	12274542.42	(2039) 160'KJ	645,064,313,856	(84,668,864,73)	(55,206,427.0¶	(10,101,100,10)	1493895'004'051
\$3,203,316,50	(12,208,20)	1948,527.56	85314'152'25	1122/02/02/15	51,429,598,822	\$1,208,175,04	\$999,095 K	\$504,347,48	(227631625)	(B1,285,758.63)	(15.145 (19.35)	149,207,40045
												1
4 2015 42 4 697 69	el 613 614 73	E1 100 005 74	07 CH2 234 CS	43 Trin 417, 46	54.054.210.05	11241.19421	11/10/ 07/1	57,480,183,72	C01461/52414	13,776,437.44	\$5, FM, 293, 86	[ <u>81,723,122.30</u> ]
2341 (11) 14 (1)	54,210,200,415	E Strange				1 494 19 19 19 19 19			1 monthly topolo			
											1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	
\$17,382,740.07	16,202,7014	5140,792.0e	1351,353,53	\$218,152.79	\$2.26,048,20	1471223	201,632.27	1428°H45	OLDAL OLD	\$152,658.48	F198,300.37	1123697424
\$2,694,667,29	101,002.22	\$78,628,74	HEMOLAN	126,356.40	101,048.101	1 KT TRY MS	127.572.5	\$\$1,(34,65)	10.114,45	426, 361.eti	\$27, 160.42	140,145,04
312 616 452 28	34, 115, 864, 58	54,461,954,19	\$5,538,286.43	\$5,825,213.61	05'022'052'55	99,370,615.51	34,652,761.43	34,089,254.62	M,734,602.44	\$4,709,719,82	\$5,051,551,55	55/198'92Y'98
\$211,246,483,96	\$2,487,005.51	14/04/6 101/12	13,357,757,51	\$3,467,103.74	\$3,367,024,56	52,902,515,56	\$2,614,310,12	\$2,411,508,28	12,304,005.23	\$2,627,109.10	¥0,545,224.72	118742 021 021
21 001 700 12	183,066.81	51 677. BS	102,705,75	24,176,85	\$117,000,10	966,213,55	18, 311 41	\$173,028.38	\$585,428,62	FIS1, B15, F1	PL'IOPHEVIS	\$1,233,690,79
PARTY AND	FILLING BILLING	BC 027 00 55	2379.295.24	STOR 452 B4	11 A24.11	2673,185.42	\$521.101.50 L	出す代本政	C6.267, 1922	1242,002.00	10,000,000	105,000,014
	10 10 10 10 10 10 10 10 10 10 10 10 10 1	10 54 9 W 13	1 CC 635 107 5)	64 747 74 69	75 809 CD F 45	52 923 116 M	\$1.022 JMC 21	\$1,673,521,06	10,404,01	31,596,401,31	M.632.141.22	1 424,238,49
\$ 107,370,044,32	\$2.527,163.07	1000/11	32144,924.44	\$2,386,109.90	101522101	32,406,009.85	1216/21128	\$1.668.738.34	122193066113	\$2,082,538.44	CL102,141,51	\$2,502,301,52
Total	Dec-04	Nov-dit	001401	3ep.48	Aug-05	1 80-IT	to-ure	10 - 12 H	Apr-06	Mur44	90-92-4	

DAS-REV-9

Projection of December 31, 2008 Balance Jan 2008 - Dec 2008 Universal Service Fund

Company: Duke

For Monthly Bifling Cycle Ending: Remittance (Form USF-301-00) ż

1. USF Rider Collected on All Customers

Non-USE Ridder Fands
 Customer Paymenis
 Other Customer Paymenis
 Agency Payments

548,030,915.54 \$14,523,946.32 \$17,332,901.43

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\$15,720,97 \$215,720,97 \$30,582,15

1721,352,03 5282,942,03 5282,942,03

Total

Dec-00

Oct-08

80-08

Aug-08

204-08

90-m/

Mary-08

Mar-08

Fab-08

Jan-06

\$74,985,863,20

\$503,078.5Y

51,455,921.73

\$28,411,46

\$24,580.09

P14,823,873.40

S162,160,026.13

4. Total Amount of Remittance

3. Total Paymonts

0CS Admin 2.00% 189% TBE Program 23.14% œ,

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Avallable Belance (A4-B-C) ø

Reinburgement Due (Form USF-302-00, Line VI Hine VI) ئىر

Monthly Cumulative Delicit Surplus/Deficit (D-E) u. ø

147.495'040'13 67.981'913 21'21'21'21'21'21'21'12 (21'39'912'13 (21'39'912'5 )(25'12'935) [05'285'52) [05'285'285'14; [17'18'14] (11'149'145) ] 11'145'45'14] 22.781,111.01 \$2.787,874.62 \$3,623,998.64 \$2,642,796.21 \$2,642,143.57 \$2,965,943.56 \$2,895,943.60 \$2,844,640 \$1,900,866.88 \$1.786,874.20 \$2,346,746.31 \$024,413,00 \$1,000,011.57 \$172,565.74

EMESTICS TRUMETON STANDART RATER RATER RATER STUDIES STUDIES STUDIES RETTING RATER RATER STUDIES TO STUDIES TO

<u>25.184/225 07.162/345 25.462/345 69786/945 12/3007/345 55.007/244 45.226/345 43.716/145 25.467/345 12/36/245</u>

\$2,860,809,46 \$1,060,811.57 Projected Account Balance:

DAS-REV-10

Company: Dayton Power and Light

For Monthly Billing Cycle Bucing:

RumMance (Perm UBP-301-30)

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1. USF RIGE Collected on All Customars 202 Mon-Uist Rader Funds

 Customer Payments
 Criter Customer Payments
 Agency Payments

3. Total Payments

4. Total Amouni of Remittence

003 Admin 2,80% 1,71% 102 Program 23,14% 18,13% ല് പ്

Avelleble Bellance (44.6-C) ó

Reitsbursemani Due wł

**CURVINEVe Monthly Deficit** us/Deflok (D-B) Ì r 9

Universal Service Fund Projection of December 31, **2008 B**alance Jan 2008 - Dec 2008

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	\$76,621,504,48	573,710,366 34 518,187,960,80	\$100,048,806.04	\$181,570,280.42 \$1,306,131,42	11.116.84.211	\$167,739,827.87	\$166,280,484,08	(\$510,546,10)
Deords	B47,624,76	12,172,320 15,172,376 15,172,376	FI,202,215.33	518.133.21	11 (C 202 62	2021,311,25	2, 366, 805, 26	(193,693,693)
20-MON	98 K,777,10	\$1,120,706.28 \$100,171,61 \$53,320,76	\$1,205,180.64]	\$17,542.92	21 06,801 38	2076,630.83	51,585,417.77	120,213.06
1-00	19 829 0965	\$1,743,002,81 \$192,211,47 \$119,866,56	12,046,849.94 J	516,382.04	\$111,910.57	22, 886, 206, 07	\$1,854,903.02	\$1,031,302,85
80-deg	\$1,030,603.09	\$1,866,202.06 \$123,946,55 \$123,946,55	52,128,602.27	53,164,105,35 \$14,135,85	\$127,095.15	B017284.98	\$2,400,500.59	5616,965.57
M10-08	\$1,006,108.86	\$1,616,668.02 \$132,386,03 \$132,386,03	[85:09()N)2	\$14,625.36	\$132,109.92	2,861,400.06	12,642,629.52	\$296,876.75
8	\$1,047,840,17	31,056,019.51 \$143,178,36 \$27,310,17	11,728,508,04	52/11/249/21 \$14,373.67	125 829 821S	203111.2	10011110225	\$101,722.10
	\$910,209,10	\$1,012,005,42 \$119,393,04 \$296,4102,78	1.551,401,281,14	\$12,408.72	112780.05	2 162344.81	1.00 MP 2011	(1945.01)
8	\$422,323,44	\$60,007.11 \$03,007.71 \$16,367.75	1 67 97 2 78 4	11.046,046,118	\$101,889.52	\$1,001,428.10	105,007,00,00	(\$578,367,14)
Apr 4	\$ PI B 200 20	51 1620 055 51 1620 055 51 1620 055	1 04. 321 (034)	512,000,20	\$113.002.20	\$1,050,048,08	82.642.05D.18	(CC 1991 (CC 5)
	\$1.060,947,95	5796(302.20 5443(36)6.00 5551,227,06	51,877,446.03	*4 *4 *4 * 4 * 4 * 4 * 4 * 4 * 4 * 4 *	\$130,206,00	32,785,672.08	\$3,451,718,87	6558046313
40-42-1	\$1.055.804.50.1	\$796,279.21 \$286,511.51 \$106,512.40	W(4/00.21	\$14,480,18	\$130,766.57	11 ME (12) MI 15	\$2,040,000,00	(\$1,065,868.97)
1 south	\$1, 103, <b>309</b> , 93	5691,896.74 109,856.55 2014,512.00	\$006,054.96	1/31961 1985 78 mill 1985	1156,706,321	51,947,504.02	62.072.862.06	()40 895 '920'1\$)

Projected Account Belance: \$510,540,19)

Universal Service Fund Projected of December 31, 2008 Balance Jen 2008-Dec 2008

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Company: Cleveland filaminating Company

For Marthy Billing Cycle Ending:	Rendication (Ferth Light-201-84)
	-č

- 1. UBF Rider Collected on All Customers
  - Non-USF Rider Funds
     Customer Payments
     Other Customer Payments
     Agency Payments

2149109121 1140012203 147012303 147012303 1470123 1470123 1470423 1470424 147042012 147042012 147042012 147042 13843711章|| 4325,84231|| 4325,86231|| 4325,86231|| 1428,281,211|| 1428,281,211|| 1428,281,211|| 1428,281,281,2

001-100

50-08 8 - 05

Aug-41

19-13-1 19-13-1

30-URI-08

Apr-99 May-05

Mar-OE

10-49-1

80-UBP

<u>紀1971年12日 1991年19日 1991年19日 1991年19日 1991年19日 1991年19日 1991年19日 1991年19日 1991年19日 1991年19日</u> 1991年19月 1991年19月 1991年19月 919/1919 14/1919 24/1919 24/1919 24/1919 24/1919 14/191/011 14/191/011 14/191/012 14/19199 2017/0121 14/191/012 在她们想到一条信要的第一条结要的第一条在这时你! 软件和那种! 鞋上的眼睛! 鞋上的一条 机加入的 人,往往往来! 其实的错误! 站在这里的, 包括在这里, 包括一条 拉力 化加入

- 3. Total Payentants
- 4. Total Amount of Remittance
- OCt Admin ú
- 5575 7577 7577 THE Program ø
- Available Balance (N.S.E.C) ¢
- nj
- Reimbursoment Due (Fram UBF-202-06, Line VI Aline VII)
- Parphaethorthal (D-C) u,
- Centralistive Monthly Denkit

至3863815523 052175633 1872558833 23788588333 1870870853 187189784 187189784 187189738 137187843 18718428788 187 (林林·杨.44) [秋林·杨.44] [897-141,03] [817-143] [817-144] [817-142] [817-142] [817-142] [817-142] [817-142] [817-142] [81-14-14] [81-14-

\$2,257,840,52 Righterted Actourie Delegater DAS-REV-12

Company: Ohla Edison COMPANY

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For Monthly Bitting Cycle Ending: Renttance Form USF-301-04 ×

1. Util' Rhim Collected on All Customers

Non-Util' Riblar Punda a. Cuadomer Paymarts
 Other Customer Paymerts
 Agency Payments

3. Total Payments

4. Total Amount of Remitlance

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003 A dania 2.69% 3.95% TEE Program 21.14% 21.34% ძ

Avidative Beliesce (<del>Ad B</del>-C) ø Reinburgement Due (Form UBP-302-00, Une Vi +Bre VE) đ

Cumutative Monthly Dufick Burphosthorthan (D-E) ø N,

Universal Service Fund Projection of December 31, 2003 Balance Jan 2008 - Dec 2008

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Foot a		5215 347 12		<b>3242</b> 574.93	\$17,040,45	11 121 12	1281, 550,40		29 100 10072	14 TO 55		13 211 224	113 211 12	NS7 24 67		6111	Jel
Dec-98		52,893,020,25		22,309,320,51	\$139,000.0V	5015,515,50	E2,069,205.20		\$3,981,225,38	11 22 24 V		1241,314,34	ALC: NO	\$5,451,645.56		(467 R 744 50V	The second se
90-A-0N		\$2,674,636.51		20'002'210'23	\$201274.51	\$648,444.03	\$3,997,920,46		\$6,578,940.96	362.011.30		\$257,800.26	N ISLAND	\$5,099,420.76		E4 668 659 85	I am an an annal a
0000		S2.044,964.12		54,643,472,590 +	0500202	120,472,58	19"71"686"71		8 T 18 1 19 1 20 20	41.049.188		3300,556.10	BT%21%221	\$4,792,218.15		57.604.541.44	
840-449		\$3,033,640,25		12"NOT 652"NS	11 MAI 1314	129.317 07	\$6,424,057,73		90'B05'B11'55	M4.233.18		102/1484 (2C1	\$3,000,400,40	\$4,202,474,23		51,540° 766 96	
Aug-08		\$3,214,027.92	<u>. 1 12 212 212 2</u> .,	21.1 M. C. L.	K02,043,09	127.32	£1,067,288,73		5.8, 15A, 164.05	90, 250,314		PANAT? PI	1 22/20/02/25	\$6,701,351.40		\$1.604.44.2.35	and a second sec
- 30-FY		\$3,066,402.01	1 22 22 22 22	TP-PCP'AIT'N	NJ ZZ	22/17/20/22	\$5,024,AT1.61		28"100'113755	5H4,200.41		1 91 105 1213	87.128.421.28	\$8,212,253.13		51-305-307-13	
Jundt		\$2,809.200.36		2/70/10/276		1143.423.95	\$3,501,004.05		02.374,116,83	340,060,05		5210,351,75	\$4.070,860,02	41.975.519.FD		122.060.011	
May-40		\$2,816,456,72	40 140 140 VP	TT-DC-CACTC	M'47' Mt	12.022.222	93.625,208.10		10,541,673,91	139,682.22		10 002 0021	54,236,546,86	\$5,419,906.24		151,52,350,6 <u>9</u>	
Apr-08		52,810,428.87	40 644 64 64 F	ALMAN AL AL		10107676	10220,112,121		30'73 91'1./11'11\$	10,078.47		5299,652.02	BUTO, THUM	 \$7,248,860.12		\$1,638,090.73	
Mar-68		31'CZ/2'10	1.47 104 017 04	1 2 1 1 2 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2		61'11 44 5m+2	11338948053		16,122,351.47	\$45,102.56		61.214.6201	121/201/201/20	\$5,163,031,41	+	(\$2,405,223,79)	
F60-06		U. 1-20"DEL "P\$	25 FM 115 C2		04 E40 140 %	a l'antitrant le	12,796,444,21		H.127 029 65	\$14,001.00		12 102 100	2122.00	\$7,722,884,89		(11,17,17,11)	
Server.	1 22 22 22 22 22 24	TOTAL SELVER	ter man dag ter	AT 121 CO 10	1 40 4 1 4 4 5 4 4 5 4 4 5 4 5 4 5 4 5 4 5 4	i rmin here	111781-189728		#204 HON	\$46,048.99	111111	ACTEN/ MORE	1005-0275	\$7,83M,340.36	t	(\$2,007,520.07)	

88.863,238,23 \$161,436,27 Projected Account Butance: DAS-REV-13

Company: Toledo Edison

### For Monitriy Billing Cycle Ending: ∢

## Remitience (Porm Util-301-01)

- 1. UBP Rider Cellsched on Alt Customers
  - Non-USF Rider Purds 
     Customer Payments
     Offrer Customer Payme
     Agency Paymenta
- 3. Total Payments
- 4. Total Amount of Remittance
- ć
- 008 Admin 2.99% 2.59% Tee Program 2.3.14% 18.07% ú
- Aveilable Belence (15240) đ
- Reinburnenent Due (Form USP-362-00, Line VI and Line VI) шî
  - and Rhoutshouts E.
- Cumbelive Monitry Defict ø

Universal Service Pund Projection of December 31, 2005 Balance Jan 2008 - Dec 2005

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Total	<b>201,002,070,02</b>	50, 433, 101, 44 53, 404, 596, 26 27, 042, 596, 26	\$72,942,573,47	136 745 557 40	\$1,187,675,82	\$9,916,371,03	12,05,14,00	126, 109, 105, 08
B0-99	\$1,100,905.49	5384,794,75 522,500 521,235,50	92"173 June	\$1,001,822.74	131 (150 CL	87741 Z715		\$1,018,006.92
Nov-th	\$1,038,431,90 F	5784,099.14 \$45,095.74 \$45,095.74	\$1,058,848,84	\$2,076,490.86	001094/525	\$154,014.74	Therease in the	th 455,589.52
800	\$1,000,406,17	\$1,294,414,45 \$74,466,45 \$1,710,25	\$1,351,776.42	52,437,783,49	524, 946, 20	\$146,238,12	R.2246.17	\$1,000,200,71
\$e-0}	\$1,445,279,68	\$1,358,459,468 \$104,792,06 \$5,839,88	\$1,473,484.00	62,418,753,463,54	N1297.W	\$108,620.51	WHIPHW28	\$1,803,494.78
August	31,234,847.05	\$1,169,040,65 \$120,098,30 \$14,018,30	11,950,986,112	\$3,802,998.79	¥13,824.12	\$112,300.44	1242141242	52,246,811,59
	11, (e8, e75.e7	11,000,597,22 135,345,04 173,347,06	CZ RESPECT	121420,904,28	12, M4, 21	1471653018	1.17197-001-11	11,000,111,117
847	\$1,672,657.42	1816,706,1M \$146,055,08 \$146,057,28	21,010,010,77	\$2,007,757.10	\$11,861.34	10,169,998	11.000,000.00	51,735,161.72
	\$960,909.12	LZ THYSEE LZ SPYSEE CY JUNY JUNE	10:4570385	101,376,146,18	\$16,780.12	10514518	11444,111.201	11 205 402 11
89432	\$1,041,913,16	61.792.000 61.693.00 71.82.000	H46.691.52	\$1,677,547.64	\$11,460.10	N. 140,748	FURNING I	\$2,228,274,55
	\$1,157.491.28	000 300 120 000 1 59 20 200 201 3 59 20 201 201 201 201 201 201 201 201 201	19'46'445	12,033,175.44	102.117.212	\$107,8231.07	111122011	\$2,456,740,43
	11/11/11/11	512,795,90 512,795,90 5314,815,82	51,044,346,82	101216,026,53	11,201.16	5169,52% ED	107.007.001.08	52,268,906.TY {
	\$1,177,283,11	\$615,536,64 \$42,326,54 \$122,072.34	400 Jan 00	19792 284 15	\$12,948,255	\$109,676.14	1.78.442.44	23105 297 23
	1.1		11	11	11	11		11

\$2,613,061,50 \$610,846,03 Realities Projected A codunt Belance:

(\$458,744.49

(\$184,407,83)

\$43,058.02

907-280 EX 65

3445,981,85

3267,170,24

520,896.02 Stat.302.01

(1112,754,36) [301,601,43] (2042,422,07] (2046,983,60) 3231,529,44

DAS-REV-14

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CSP Interest Calculation

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Month	Debt	Deficit	Interest	Notes
January	Begin through Dec	(487,960.80)		
	January	357 037.42		
	Begin through Jan	(130,923.39)	\$0.00	Begin through Jan x .000222 X 30
	<u> </u>	<u>_</u>		
February	Begin through Jan	(130,923.39)	······	
'	February	179,278,04		
	Begin throug Feb	48,354.66	\$322.04	Begin through Feb x .000222 x 30
			· · · · · · · · · · · · · · · · · · ·	
March	Begin through Feb	48,676.70		
1	March	789,355.04		
	Begin through March	838,031,74	\$5,581.29	Begin through March x .000222 x 30
April	Begin through March	843,613.03		
	April	276,146.08		
1	Begin through April	1 119 759 11	\$7,457.60	Begin through April x .000222 x 30
May	Begin through April	1,127,216.70		
	Мау	(169,704.99)		
	Begin through May	957,511.71	\$6,377.03	Begin through May x .000222 x 30
June	Begin through May	963,888.74		
	June	94,630,73		
	Begin through June	1.058.519.47	\$7,049.74	Begin through June x .000222 x 30
	¥¥			
July	Begin through June	1,065,569.21		
	July	185,679.82		
	Begin through July	1,251,249.03	\$8,333.32	Begin through July x .000222 x 30
	· · · · · · · · · · · · · · · · · · ·			
August	Begin through July	1,259,582.35		
	August	(488,567.62)		
	Begin through Aug	771,014.74	\$5,134.96	Begin through Aug x .000222 x 30
September	Begin through Aug	776,149.69		
	September	(859,418.33)		
	Begin through Sept	(83,268.63)	\$0.00	Begin through Sept x .000222 x 30
October	Begin through Sept	(83,268.63)		
	October	(2, <b>299,446</b> .27)		
	Begin through October	(2,382,714.90)	0.00	Begin through Oct x .000222 x 30
November	Begin througth October	(2,382,714.90)		
	November	(550,701.58)		
	Begin through Nov	(2,933,416.48)	0.00	Begin + Dec x .000222 x 30
December	Begin through Nov	(2,933,416.48)		
	December	(1,243,165.76)		
	Begin through Dec	(4,176,582.24)	\$0.00	
		Total Interest:	\$40,255.97	

#### OP Interest Calculation

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Month	Debt	Deficit	Interest	Notes
January	Dec-06	(\$3,293,316.50)		
	January	\$1,020,861.76		
	Begin through Jan	(\$2,272,454.73)	\$0.00	Begin through Jan x .000222 X 30
February	Begin through Jan	(\$2,272,454.73)		
-	February	\$685,570.41		
	Beain throug Feb	(\$1,586,884.32)	\$0.00	Beain through Feb x .000222 x 30
		<u> </u>		
March	Begin through Feb	(\$1,586,884.32)		
	March	\$1,675,379.32		
	Begin through March	\$88,495.00	\$589,38	Begin through March x .000222 x 30
		• • • • ·	*	
April	Begin through March	\$89,084.37		· · · · · · · · · · · · · · · · · · ·
• 1- • •,	April	\$477.335.73		
	Begin through April	\$566,420,10	\$3,772.36	Beain through April x, 000222 x 30
	Dedictions and additional			Degit anough , park .vov222 x co
May	Begin through April	\$570 192 45		<u></u>
wing	May	(\$353 411 37)		
	Regin through May	\$216 781 09	\$1 <u>443</u> 76	Regin through May v. 000222 x 30
	Degin unough may		ψ1, ττι Ο. / Ο	
1000	Pegin through May	\$218 224 85	· · · · · · · · · · · · · · · · · · ·	· · · · · · · · · · · · · · · · · · ·
JUIG		(\$296.000.67)		
	Julie Desig through Jung	(\$350,505.07) (\$178,684,82)	<b>50.00</b>	Basis through luna v 000222 v 20
	Beyn unvugn sune	(@1/0,004.02)		
hily	Pagin through lung	/\$178 684 82)		
July		(\$170,004.02) /\$714 116 02)		
	Begin through July	(\$292 800 84)	\$0.00	Basin through hub y 000222 y 20
		(\$0\$2,000.07)	UV	Begin unough outy x .000222 x 50
August	Denia through luby	/000 200 2/1		
August	Begin unrough July	(#082,000.04) /\$705 780 50)		
	August Design through Aug	(\$100,103.03) (\$1508500 43)	\$0.00	Denie through Aug y 000000 y 20
	Begin through Aug	(\$1,380,350.43)		Begin through Aug X JUUZZZ X JU
Contombor	Denin through Aug	/01 508 500 /2)		······································
Sehreunber	Begin anough Aug	(@1,080,080,40)		
		(0),24(,010.01)	#0.00	De sie theorem Constant cooperation
	Begin mrough Sept	(\$2,845,000,04)	\$0.00	Begin through Sept x JUU222 x 30
0-tak ar	Dunin Harringh Cant	/00 045 CO0 041		
Octoper	Begin through Sept			
	October	(\$1,959,586.20)		
	Begin through Octobe	(\$4,805,192.23)	\$0.00	Begin through Oct x .000222 x 30
November	Begin through Octobe	(\$4,805,192.23)		· · · · · · · · · · · · · · · · · · ·
	November	(\$449,719.25)		
	Begin through Nov	(\$5,254,911.48)	\$0.00	
				·
December	Begin through Nov	(\$5,254,911.48)		
	December	\$423,024.67		
	Begin through Dec	(\$4,831,8 <b>86</b> .81)	\$0.00	
		Total Interest:	\$5,805.50	

#### Duke Interest Calculation

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Month	Debt	Deficit	Interest	Notes
January	Begin through Dec	(\$1,060,611.57)		
-	January	(\$24,231.97)	1	
	Begin through Jan	(\$1,084,843.54)	\$0.00	Begin through Jan x .000222 X 30
February	Begin through Jan	(\$1,084,843.54)		
	February	(\$757,119.06)	l	
	Begin throug Feb	(\$1,841,962.59)	\$0.00	Begin through Feb x .000222 x 30
			[	
March	Begin through Feb	(\$1,841,962.59)		
	March	\$513,766.84		
	Begin through March	(\$1,328,195.75)	\$0.00	Begin through March x .000222 x 30
April	Begin through March	(\$1,328,195.75)	1	
	April	\$286,923.96	l	
	Begin through April	(\$1,041,271.79)	\$0.00	Begin through April x .000222 x 30
				·····
May	Begin through April	(\$1,041,271.79)	l I	
	May	(\$29,648.26)	·'	
	Begin through May	(\$1,070,920.05)	\$0,00	Begin through May x .000222 x 30
	De sta Atomorado Black	(64.030.000.05)	<sup> </sup>	
June	Begin through may	(\$1,070,920.05)	1	
		\$42,114.22	1 00 00	D 1 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4
	Begin mrougn June	(\$1,028,805.83)	<b>\$U</b> .UU	Begin through June x JUUUZZZ X 30
.tul <b>v</b>	Begin through June	(\$1.028.805.83)		
July	July	\$147 767 27	1	
	Begin through July	(\$881 038 56)	<b>so oo</b>	Benin through July x .000222 x 30
	Dogni anough out 1			Bogin anough out the termination
August	Beain through July	(\$881,038.56)		
0	August	\$186,684,78		
	Begin through Aug	(\$694,353,78)	\$0.00	Beain through Aug x .000222 x 30
			, , , , , , , , , , , , , , , , , , ,	
September	Begin through Aug	(\$694,353.78)		
- •	September	(\$162,418,13)	i l	
	Begin through Sept	(\$856,771.91)	<b>\$0</b> .00	Begin through Sept x .000222 x 30
October	Begin through Sept	(\$856,771.91)		
	October	(\$1,123,334.29)		
	Begin through Octobe	(\$1,980,106.20)	<b>\$0</b> .00	Begin through Oct x .000222 x 30
November	Begin througth Octobe	(\$1,980,106.20)		
	November	(\$795,550.39)		
	Begin through Nov	(\$2,775,656.59)	\$0.00	
December	Begin through Nov	(\$2,775,656.59)		
	December	(\$85,212,96)		
	Begin through Dec	(\$848,337.32)	\$0.00	
		Total Interest	\$D.00	

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DPL InterestCalculation

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Month	Debt	Deficit	Interest	Notes
January	Begin through Dec	\$510,646,19		
· · · ·	January	\$438.304.71		
ļ	Begin through Jan	\$948,950.90	\$6,320.01	Begin through Jan x .000222 X 30
February	Begin through Jan	\$955,270.91		
	February	\$489,008.15		
	Beain throug Feb	\$1,444,279.07	\$9,618,90	Begin through Feb x .000222 x 30
March	Begin through Feb	\$1,453, <b>89</b> 7.97		
	March	(\$194,048.07)		
	Begin through March	\$1,259,849.90	<b>\$8,390</b> .60	Begin through March x .000222 x 30
April	Begin through March	\$1,268,240.50		
	April	\$485,438.15		
	Begin through April	\$1,753, <b>678.6</b> 5	\$11,679.50	Begin through April x .000222 x 30
May	Begin through April	\$1,765,358.15		
-	May	(\$87, <b>07</b> 0.35)		
	Begin through May	\$1,678,287.80	\$11,177.40	Begin through May x .000222 x 30
June	Begin through May	\$1,689,465.20		
	June	(\$504, <del>99</del> 9.28)		
	Begin through June	\$1,184, <b>46</b> 5.92	\$7,888.54	Begin through June x .000222 x 30
July	Begin through June	\$1,192,354.46		
	July	(\$678 <b>,89</b> 0.97)		
	Begin through July	\$513,463.49	\$3,419.67	Begin through July x .000222 x 30
August	Begin through July	\$516, <b>883</b> .16		
	August	(\$883,279.94)		
	Begin through Aug	(\$366,396.78)	\$0. <b>0</b> 0	Begin through Aug x .000222 x 30
September	Begin through Aug	(\$366,396.78)		
	September	(\$1,190,287.86)		
	Begin through Sept	(\$1,556,684.64)	0.00	Begin through Sept x .000222 x 30
Ostakan	Dewin Abyeringh Court	(04 550 004 04)		······
Uctober	Begin through Sept	(\$1,550,684.64)		
		(\$1,556,188.42)	0.00	
	Begin through October	(\$3,112,873.06)	0.00	Begin through Oct X .000222 X 30
Novombor	Pagin through Ostabar	(\$2 112 672 00)		
Inovember	Beyin through October	(40,112,0(3.00)		
	NUVEINDER Regin through May	(\$027,138.24) (\$2,724,014,24)	en 00	Banin I Dan V. 000000 v 20
	begin intrugn Nov	(\$3,734,U11.31)	<u> </u>	Begin + Dec x .000222 X 30
December	Regin through Nov	(\$2 724 044 24)		
December	December	(40,104,011.01)) \$4 A77 255 25		
	Regin through Dog	(\$2 256 656 DEV	£0.00	
	begin unough Dec	(02,200,000.30)	30.00 59 404 60	
			JO,484.02	
### CEI Interest Calculation

Month	Debt	Deficit	Interest	Notes
January	Begin through Dec	(\$2,297,840.92)		
	January	\$1,060,543.79		
	Begin through Jan	(\$1,237,297.13)	\$0.00	Begin through Jan x .000222 X 30
	· · · · · · · · · · · · · · · · · · ·			
February	Begin through Jan	(\$1,237,297.13)		
	February	<b>\$604,8</b> 35.60		
	Begin throug Feb	( <b>\$632,4</b> 61.53)	\$0.00	Begin through Feb x .000222 x 30
March	Begin through Feb	(\$632,461.53)		
	March	\$1,088,141.50		
	Begin through March	\$455,679.97	\$3,034.83	Begin through March x .000222 x 30
			******	
April	Begin through March	\$4 <b>58,</b> 714.79		
	April	\$520,088.53		
	Begin through April	\$978,803.33	\$6,518.83	Begin through April x .000222 x 30
	Denin Abassish Anvil	\$005 000 4C	· · · · · · · · · · · ·	
way	Begin through April	3980,322.10		
	Degin through May	\$246,031.00 \$1,222,052,90	80 D40 40	Design through Marcon 000000 v 00
<u></u>	Begin through May	\$1,233,903.80		Begin through May X JUUU222 X 30
June	Begin through May	\$1 242 171 94		·····
oune	Llune	\$69 215 52		
	Begin through June	\$1 311 387 45	\$8 733 84	Begin through June v. 000222 v 30
		<b>4</b> 1,011,001,10	+0,100.01	
July	Begin through June	\$1,320,121.29		
-	July	(\$183,362.44)		
	Begin through July	\$1,136,758.86	\$7,570.81	Begin through July x .000222 x 30
August	Begin through July	\$1,144,329.67		
	August	\$93,098.25		
	Begin through Aug	\$1,237,427.92	\$8,241.27	Begin through Aug x .000222 x 30
O		AL 015 000 10		
September	Begin mrough Aug	\$1,245,669.19		
	Septemper	(\$000,000,009)	# 4 500 40	
	Begin through Sept	<b>\$065,</b> 003.10	\$4,302.12	Begin through Sept X 000222 X 30
October	Regin through Sept	\$690 565 22		
October	October	(\$1.310.049.33)		
	Begin through October	(\$620,484,11)	50.00	Begin through Oct v. 000222 v 30
		(4020,404.11)	\$0,00	begin mough out x .000222 x 50
November	Begin througth October	(\$620.484.11)		
	November	(\$639,769.59)		
	Begin through Nov	(\$1,260,253.70)	\$0.00	Begin + Dec x .000222 x 30
		, <u></u>		· · · · · · · · · · · · · · · · · · ·
December	Begin through Nov	(\$1,260,253.70)		
	December	\$391,445.49		
	Begin through Dec	(\$868,808.21)	<b>\$0</b> .00	
		Total Interest:	\$46,879.84	

#### OE Interest Calculation

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Month	Debt	Deficit	Interest	Notes
January	Begin through Dec	(\$157,435.27)		
	January	\$1.929,206,16	l l	
	Begin through Jan	\$1.771.770.88	\$11,799,99	Begin through Jan x .000222 X 30
· · · · · · · · · · · · · · · · · · ·	loogin un ough out			Doginanougnounneee
February	Regin through lon	¢1 793 570 88		
FCUluary		#1,100,010.00 #405 457 54		
	February	\$450,407.JH	P4E 470 00	
	Begin moug rep	<b>ΦΖ,ΖΙ</b> Ϋ, <b>υ</b> Ζο,4∡	\$10,170.00	Begin through red x July222 x 30
		10 000 75		
March	Begin through Heb	\$2,294,206.75		
	March	\$1,734,749.66		
l	Begin through March	\$4,028,956. <b>42</b>	\$26,832,85	Begin through March x .000222 x 30
April	Begin through March	\$4,055,789.27		
•	April	\$908,521.77		
	Begin through April	\$4,964,311,03	\$33.062.31	Begin through April x .000222 x 30
				Degit anough print to out the co
May	Regin through April	¢4 097 373 34		
wiciy	Degin choogn zipn	(\$297 164 57)		
		(\$307,104.07)	#00 700 00	
	Begin through May	\$4,610,208.7 <u>7</u>	\$30,703.99	Begin through May x .000222 x 30
June	Begin through May	\$4,640,912.75	1	
	June	(\$626,989.11)		
	Begin through June	\$4,013,923.65	\$26,732.73	Begin through June x .000222 x 30
July	Begin through June	\$4,040,656.38		
-	July	(\$2,106,859.88)		
	Begin through July	\$1,933,796,51	\$12,879.08	Beain through July x .000222 x 30
			••••	
August	Begin through July	\$1 946 675 59		
/	August	(\$1 705 312 69)		
	Regin through Aug	\$241 362 00	\$1 607 <b>4</b> 8	Pagin through Aug v 000222 v 30
	Degin unough Aug	JZ4 (, JUZ. 50	Φ1,007.40	
Destantor		6040 070 08		
September	Begin mrough Aug	\$242,970.30		
	September	(\$2,560,793.37)		
	Begin through Sept	(\$2,317,822.99)	\$0.00	Begin through Sept x .000222 x 30
October	Begin through Sept	(\$2,317,822.99)		
	October	(\$3,391,204.88)		
	Beain through October	(\$5.709.027.87)	\$0.00	Begin through Sept x .000222 x 30
		(**!.**!*******************************		
November	Begin througth October	(\$5 709 027 87)		······································
INCACUINCI	November	191 908 684 18		
	Denin through Nou	(#1,000,004.10)	<b>50 00</b>	De sta + De su 000000 y 00
	Rediu muondu moa	(\$7,517,712.00)		Begin + Dec X JUUZZZ X JU
December	Begin through Nov	(\$7,517,712.05)		
	December	\$186,080.11		
	Begin through Dec	(\$7,331,631.94)	\$0.00	
	<u> </u>	Total Interest:	\$158,796,77	

### TE Interest Calculation

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Month	Debt	Deficit	Interest	Notes
January	Begin through Dec	(510,946.03)		
	January	477,099,85		
	Begin through Jan	(33,846.17)	(225.42)	Begin through Jan x .000222 X 30
L				
February	Begin through Jan	(34,071.59)		
	February	27,910.21		
	Begin throug Feb	(6,161.38)	(41.03)	Begin through Feb x .000222 x 30
	Denin Hannah Esta	(6,000,44)		
warch	Begin through Feb	(0,202.41) 500.047.00		
	March De sie three who Marsh	523,047,30	0 440 40	
	Begin through March	516,844.89	3,442.19	Begin through March x .000222 x 30
Anril	Regin through March	520 287 07		
	April	309 809 65		
:	Regin through April	830,006,73	5 509 AA	Bogin through April x, 000222 x 30
		0.00,080.13	<u> </u>	Begin tinough Apin x 1000222 x 30
Mav	Begin through April	835.625.17		<u>.</u>
,	Mav	(356,967,85)		
	Begin through May	478,657,33	3,187,86	Begin through May x .000222 x 30
		<b>.</b>		
June	Begin through May	481,845,18	····	
	June	(303,992.83)		
	Begin through June	177,852.35	1,184.50	Begin through June x .000222 x 30
July	Begin through June	179,036,85		
	July	(399,032.40)		
	Begin through July	(219,995.55)	0.00	Begin through July x .000222 x 30
August	Begin through July	(219,995.55)		
	August	(280,879.88)		
	Begin through Aug	(500,875.43)	0.00	Begin through Aug x .000222 x 30
Santombor	Regin through Aug	(500 975 42)		
September	September	(697 202 12)		
I	September Begin through Sept	(1 188 168 56)	0.00	Regin through Sont v. 000222 x 20
	Beyin unougn Sept	(1,100,100.00)	0.00	Begin through Sept x .000222 x 30
October	Begin through Sept	(1 188 168 56)		
	October	(1 010 105 34)		
	Begin through October	(2,198,273,90)	0.00	Begin through Oct x .000222 x 30
		1	· · · · · · · · · · · · · · · · · · ·	
November	Begin througth October	(2,198,273.90)		
	November	(556,543.96)		
	Begin through Nov	(2,754,817.86)	0.00	Begin through Nov x .000222 x 30
December	Begin through Nov	(2,754,817.86)		
	December	86,935.36		
	Begin through Dec	(2,667,882.50)	0.00	
1		Total Interest:	13,076.54	

### CSP

#### Calculation of Allowance for Undercollection

		KWh sales X			
		USF rider=	Rider	Expected Revenue/	Average
:	KWh	Expected Revenue	Collection	Rider Collection	Collection
Jan-08	1,913,383,008	\$1,990,678.25	\$1,978,745.81	99.40%	99.62%
Feb-08	1,920,124,516	\$1,863,258.55	\$1,856,218.55	99.62%	99.00%
Mar-08	2,072,231,989	\$1,856,235.70	\$1,854,157.17	99.89%	
Apr-08	1,727,288,648	\$1,637,354.80	\$1,634,745.28	99.84%	
May-08	1,582,333,899	\$1,434,556.8 <b>8</b>	\$1,43 <b>1,10</b> 1.50	99.76%	
Jun-08	1,759,882,309	\$2,152,540.86	\$2, <b>145,094</b> .51	99.65%	
Jul-08	1,998,028,106	\$2,495,651.21	\$2,485,7 <b>04</b> .44	99.60%	
Aug-08	2,060,374,545	\$2,574,561.62	\$2,561,711.79	99.50%	
Sep-07	1,938,516,203	\$2,421,452.03	\$2,407,737.61	99.43%	
Oct-07	1,938,846,398	\$1,021,676.95	\$1,018,688.07	99.71%	
Nov-07	1,658,659,518	\$917,799.64	\$913,346.72	99.51%	
Dec-07	1,857,698,472	\$1,044,192.34	\$1,039,349.32	99.54%	
-	22,427,367,611	\$21,409,958.83	\$21,326,600.77		

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Target Revenue: Total Cost:(Target Revenue / 99%) Allowance:(Total Cost - Total Revenue)

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\$22,756,011.34 \$22,985,870.04 \$229,858.70

### OP

#### Calculation of Allowance for Undercollection

		KWh sales X			
		current rider =	Rider	Expected Revenue/	Average
	KWH	Expected Revenue	Collection	Rider Collection	Collection
Jan-08	2,608,060,780	\$2,307,893.58	\$2,302,391.82	99.76%	100.08%
Feb-08	2,410,529,684	\$2,148,098.27	\$2,146, <b>326</b> .83	99.92%	99.00%
Mar-08	2,344,191,605	\$2,084,246.10	\$2,082,530.46	99.92%	
Apr-08	2,452,636,431	\$1,930,226.15	\$1,930,517.21	100.0 <b>2%</b>	
May-08	2,134,575,008	\$1,672,116.17	\$1,668,788.34	99.80%	
Jun-08	2,147,397,297	\$2,185,884.89	\$2,178,451.31	99.66%	
Jul-08	2,482,389,862	\$2,416,902.47	\$2,408,099.95	99.64%	
Aug-08	2,353,886,412	\$2,369,874.04	\$2,452,751.94	103.50%	
Sep-08	2,354,433,814	\$2,367,250.11	\$2,358,1 <b>0</b> 9.90	99.61%	
Oct-07	2,314,213,323	\$921,341.16	\$918,450.88	99.69%	
Nov-07	2,065,642,532	\$872,387.69	\$869, <b>390</b> .30	99.66%	
Dec-07	2,553,089,923	\$1,052,481.11	\$1,050,063.51	99.77%	
-	28,221,046,671	\$22,328,701.74	\$22,365,872.45		

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

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\$20,060,597.19 \$20,263,229.48 \$202,632.29

### Duke

### Calculation of Allowance for Undercollection

		KWh sales X			
		USF rider=	Rider	Expected Revenue/	Average
	KWH	Expected Revenue	Collection	Rider Collection	Collection
Jan-08	1,942,717,131	\$2,091,400.20	\$2,068,615.84	98.91%	98.87%
Feb-08	1,827,754,668	\$1,967,744.65	\$1,941,651.50	98.67%	
Mar-08	1,772,667,337	\$1,899,179.52	\$1,877,841.84	98.88%	
Apr-08	1,623,311,620	\$1,710,278.07	\$1,693,165.53	99.00%	
May-08	1,487,877,304	\$1,554,079.89	\$1,537,511.06	98.93%	
Jun-08	1,732,552,584	\$1,818,039.53	\$1,797, <b>474</b> .49	98.87%	
Jul-08	1,923,236,804	\$2,044,613.14	\$2,019,861.03	98.79%	
Aug-08	1,968,276,817	\$2,100,311.33	\$2,074,850.18	98.79%	
Sep-08	1,882,929,895	\$2,006,519. <b>1</b> 0	<b>\$1,981,813.31</b>	98.77%	
Oct-07	1,765,164,510	\$1,415,951.07	\$1,401,376.38	98.97%	
Nov-07	1,593,626,762	\$1,268,719.95	\$1,255,079.53	98.92%	
Dec-07	1,789,125,563	<b>\$1,451,330.3</b> 6	\$1,436,680.72	98.99%	
-	21,309,240,995	\$21,328,166.83	\$21,085,921.41		

Target Revenue:	\$20,157,214.16
Total Cost: (Target Revenue / Average Collection)	\$20,386,646.58
Allowance:(Total Cost - Total Revenue)	\$229,432.42

### DPL

### Calculation of Allowance for Undercollection

		KWh sales X			
		current rider =	Rider	Expected Revenue/	Average
	KWH	Expected Revenue	Collection	Rider Collection	Collection
Jan-08	1,374,260,433	\$1,120,648.16	\$1,103,309.93	98.45%	97.32%
Feb-08	1,319,198,229	\$1,075,747.39	\$1,055,604.60	98.13%	
Mar-08	1,311,554,328	\$1,069,514.14	\$1,050,847.95	98.25%	
Apr-08	1,160,307,516	\$946,179.09	\$919,266.20	97.16%	
May-08	1,047,396,835	\$854,105.46	\$822,323.44	96.28%	
Jun-08	1,153,063,996	\$940,272.32	\$910,209.10	96.80%	
Jul-08	1,322,701,853	\$1,078,604.44	\$1,047,840.17	97.15%	
Aug-08	1,343,297,945	\$1,095,399.63	\$1,066,188.86	97.33%	
Sep-08	1,305,895,314	\$1,064,899.45	\$1,030,503.09	96.77%	
Oct-07	1,210,529,263	\$1,030,660.22	\$996,246.86	96.66%	
Nov-07	1,155,270,068	\$983,611.83	\$950,751.37	96.66%	
Dec-07	<u>1,194,142,544</u>	\$1,016,708.35	\$997,765.98	98.14%	
	14,897,618,324	\$12,276,350.47	\$11,950,857.55		

Target Revenue:\$18,683,087.64Total Cost:(Target Revenue / Average Collection)\$19,198,559.97Allowance:(Total Cost - Total Revenue)\$515,472.33

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### CEI

### Calculation of Allowance for Undercollection

		KWh sales X			
		USF rider=	Rider	Expected Revenue/	Average
	KWH	Expected Revenue	Collection	Rider Collection	Collection
Jan-08	1,772,859,428	\$1,572,903.42	\$1,551,781.66	98.66%	99.14%
Feb-08	1,697,795,452	\$1,490,201.03	<b>\$1,477,0</b> 67.78	99.12%	99.00%
Mar-08	1,692,492,209	\$1,481,932.55	\$1,477,563.13	99.71%	
Apr-08	1,573,126,572	\$1,368,404.24	\$1,339,015.69	97.85%	
May-08	1,415,846,529	\$1,223,199.89	\$1,227,067.64	100.32%	
Jun-08	1,548,001,445	\$1,346,908.26	\$1,333,326.67	98.99%	
Jul-08	1,707,495,458	\$1,497,431.04	<b>\$1,482,8</b> 25.67	99.02%	1
Aug-08	1,772,781,294	\$1,552,089.69	\$1,551,806.68	99.98%	
Sep-08	1,690,082,028	\$1,483,155.58	\$1,466,194.71	98.86%	
Oct-07	1,612,830,787	\$1,454,047.03	\$1,434,500.78	98.66%	
Nov-07	1,507,438,249	\$1,357,026.67	\$1,336,241.26	98.47%	
Dec-07	1,535,133,602	\$1, <u>3</u> 84,085.30	\$1,385,504.02	_100.10%	
	\$19,525,883,053	\$17,211,384.70	\$17,062,895.69		

Target Revenue: Total Cost:(Target Revenue / 99% Allowance:(Total Cost - Target Revenue)

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\$15,217,564.81 \$15,371,277.58 \$153,712.78

## OE

### Calculation of Allowance for Undercollection

		KWh sales X			
	1	USF rider =	Rider	Expected Revenue/	Average
	KWH	Expected Revenue	Collection	Rider Collection	Collection
Jan-08	2,282,644,528	\$3,161,510	\$3,158,182	99.89%	100.64%
Feb-08	2,267,886,039	\$3,100,7 <b>6</b> 2	\$3,130,889	100.97%	99.00%
Mar-08	2,239,563,950	\$3,058,255	\$3,093,273	101.15%	
Apr-08	2,048,265,242	\$2,789, <b>48</b> 8	\$2,810,430	100.75%	
May-08	1,837,859,707	\$2,470,573	\$2,516,466	101.86%	
Jun-08	2,047,807,029	\$2,771, <b>849</b>	\$2,809,208	101.35%	
Jul-08	2,223,596,402	\$3,054, <b>30</b> 4	\$3,065,692	100.37%	
Aug-08	2,319,392,520	\$3,162,77 <b>9</b>	\$3,201,828	101.23%	
Sep-07	2,206,660,675	\$3,024,5 <b>29</b>	\$3,033,648	100.30%	
Oct-07	2,110,592,062	\$2,516,671	\$2,516,269	99.98%	
Nov-07	1,982,740,550	\$2,363,475	\$2,359,752	99.84%	
Dec-07	2,133,029,824	\$2,551,770	\$2,552,214	100.02%	
-	25,700,038,528	\$34,025,964	\$34,247,851		

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

\$43,609,742.73 44,050,245.18 440,502.45

## TE

### Calculation of Allowance for Undercollection

		KWh sales X			
		USF rider=	Rider	Expected Revenu	Average
	KWH	Expected Revenue	Collection	Rider Collection	Collection
Jan-08	918,323,821	\$1,234,586.53	\$1,177,265.11	95.36%	97.44%
Feb-08	915,032,435	\$1,189,552.89	\$1,175,713.88	98.84%	
Mar-08	889,689,458	\$1,174,010.69	\$1,157 <b>,491</b> .28	98.59%	
Apr-08	827,759,412	\$1,087,485.31	\$1,041,913.16	95.81%	
May-08	795,248,673	\$991,128.87	\$980,909.82	98.97%	
Jun-08	854,291,050	\$1,100,341.90	\$1,072,937.42	97.51%	
Jul-08	892,273,114	\$1,217,434.54	\$1,165 <b>,07</b> 5.97	95.70%	
Aug-08	946,165,888	\$1,265,237.15	\$1,238 <b>,667</b> .05	97.90%	
Sep-07	898,950,445	\$1,189,599.29	\$1,145,279.96	96.27%	
Oct-07	857,952,666	\$764,688.71	\$746,685.52	97.65%	
Nov-07	820,418,367	\$731,205.69	\$711,779.51	97.34%	
Dec-07	868,397,715	\$774, <b>7</b> 70. <b>30</b>	\$769,701.67	99.35%	
•	10,484,503,044	\$12,720,041.86	\$12,383,420.35		

Target Revenue:

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Total Cost:(Target Revenue / Average Collection) Allowance:(Total Cost - Total Revenue) \$13,956,977.02 \$14,323,628.43 \$366,651.40

	CSP		
	KWH Sales		
	Past 12 months		
	KWh		
Jan-08	1,913,383,008		
Feb-08	1,920,124,516		
Mar-08	2,072,231,989		
Apr-08	1,727,288,648		
May-08	1,582,333,899		
Jun-08	1,759,882,309		
Jul-08	1,998,028,106		
Aug-08	2,060,374,545		
Sep-08	1,938,516,203		
Oct-07	1,938,846,398		
Nov-07	1,658,659,518		
Dec-07	1,857,698,472		
-	22,427,367,611		

	OP
	KWH Sales
	Past 12 months
	KWh
Jan-08	2,608,060,780
Feb-08	2,410,529,684
Mar-08	2,344,191,605
Apr-08	2,452,636,431
May-08	2,134,575,008
Jun-08	2,147,397,297
Jul-08	2,482,389,862
Aug-08	2,353,886,412
Sep-07	2,354,433,814
Oct-07	2,314,213,323
Nov-07	2,065,642,532
Dec-07	2,553,089,923
-	28,221,046,671

## Duke

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Jan-08	1,942,717,131
Feb-08	1,827,754,668
Mar-08	1,772,667,337
Apr-08	1,623,311,620
May-08	1,487,877,304
Jun-08	1,732,552,584
Jul-08	1,923,236,804
Aug-08	1,968,276,817
Sep-07	1,882,929,895
Oct-07	1,765,164,510
Nov-07	1,593,626,762
Dec-07	1,789,125,563
-	21,309,240,995

# DPL KWH Sales

	KWH
Jan-08	1,374,260,433
Feb-08	1,319,198,229
Mar-08	1,311,554,328
Apr-08	1,160,307,516
May-08	1,047,396,835
Jun-08	1,153,063,996
Jul-08	1,322,701,853
Aug-08	1,343,297,945
Sep-07	1,305,895,314
Oct-07	1,210,529,263
Nov-07	1,155,270,068
Dec-07	1,194,142,544
	14,897,618,324

# CEI KWH Sales

	KWH
Jan-08	1,772,859,428
Feb-08	1,697,795,452
Mar-08	1,692,492,209
Apr-08	1,573,126,572
May-08	1,415,846,529
Jun-08	1,548,001,445
Jul-08	1,707,495,458
Aug-08	1,772,781,294
Sep-07	1,690,082,028
Oct-07	1,612,830,787
Nov-07	1,507,438,249
Dec-07	1,535,133,602
	19,525,883,053

# OE KWH Sales

	KWH	
Jan-08	2,282,644,528	
Feb-08	2,267,886,039	
Mar-08	2,239,563,950	
Apr-08	2,048,265,242	
May-08	1,837,859,707	
Jun-08	2,047,807,029	
Jul-08	2,223,596,402	
Aug-08	2,319,392,520	
Sep-07	2,206,660,675	
Oct-07	2,110,592,062	
Nov-07	1,982,740,550	
Dec-07	2,133,029,824	
	25,700,038,528	

# TE KWH Sales

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_	KWH
Jan-08	918,323,821
Feb-08	915,032,435
Mar-08	889,689,458
Apr-08	827,759,412
May-08	795,248,673
Jun-08	854,291,050
Jul-08	892,273,114
Aug-08	946,165,888
Sep-07	898,950,445
Oct-07	857,952,666
Nov-07	820,418,367
Dec-07	868,397,715
_	10,484,503,044

### Two-Tiered Rider <u>CSP</u>

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<b>Proposa</b>	al		
	First Block 833,000 kWh (10,000,000 per Year ) (18) Over 833,000 kWh [Lower of 10/99 Rate (1) or Uniform per Kwh rate (4)]	\$ \$	0.0013130 0.0001830
Calcula	tion		
1	10/99 USF Rider	\$	0.0001830
2	USF Rider Revenue Requirement	\$	22,985,870.04
3	Total kWh Used in Calculation	2	2, <b>427,367,6</b> 11
4	Uniform per Kwh rate	\$	0.0010249
5	Accounts with Annual kWh Greater than 10,000,000 kWh		126
6	Total Kwh of Accounts Over 10,000,000 kWh Annually	[	6,977,424,681
7	First Block Annual kWh (833,334 Monthly)		10,000,000
8	Total kWh in First Block (5) x (7)		1,260,000,000
9	Revenue First Block Rate x (8)	\$	1,654,336.74
10	Total Second Block KWh (6) - (8)	!	5,717,424,681
11	Lower of 10/99 Rate (1) or Uniform per Kwh rate	\$	0.0001830
12	Second Block Revenue (11) x (10)	\$	1,046,288.72
13	Total First and Second Block Revenue (9) + (12)	\$	2,700,625.45
14	Revenue @ ODOD Proposed Rate (6) x (4)	\$	7,151,181.53
15	Revenue shortfall (13) - (14)	\$	(4,450,556.07)
Adjustmen	t to Calculation		
16	Adjusted Cost (2) - (9) - (12)	\$2	20,285,244.58
17	Adjusted kWh (3) - (6)	15	5,449,942,930
18	Adjusted First Block Rate (16)/(17)		<b>\$0</b> .0013130
19	Change (18) - (4)	\$	0.0002881
20	% Change		28.1%
21	Annual Cost to Consumer Using 918 kWh per Month (19) x 918 x 12	\$	3.17

#### Two-Tiered Rider Ohio Power

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Propos			
	First Block 833,000 kWh (10,000,000 per Year ) (18)	\$	0.0010601
	Over 833,000 kvvn (Lower of 10/99 Rate (1) or Uniform per Kwn fate (4)]	\$	0.0001681
Calcula	tion		
1	10/99 USF Rider	\$	0.0001681
2	USF Rider Revenue Requirement	\$	20,263,229.48
3	Total kWh Used in Calculation	2	8,221,046,671
4	Uniform per Kwh rate	\$	0.0007180
5	Accounts with Annual kWh Greater than 10,000,000 kWh		197
6	Total Kwh of Accounts Over 10,000,000 kWh Annually	1	2,791,996,246
7	First Block Annual kWh (833,334 Monthly)		10,000,000
8	Total kWh in First Block (5) x (7)		1,970,000,000
9	Revenue First Block Rate x (8)	\$	2,088,319.84
10	Total Second Block kWh (6) - (8)	1	0,821,996,246
11	Lower of 10/99 Rate (1) or Uniform per Kwh rate	\$	0.0001681
12	Second Block Revenue (11) x (10)	\$	1,819,177.57
13	Total First and Second Block Revenue (9) + (12)	\$	3,907,497.41
14	Revenue @ ODOD Proposed Rate (6) x (4)	\$	9,184,888.09
15	Revenue shortfall (13) - (14)	\$	(5,277,390.68)
Adjustme	nt to Calculation		
16	Adjusted Cost (2) - (9) - (12)	\$	16,355,732.07
17	Adjusted kWh (3) - (6)	1	<b>5,429,0</b> 50, <b>42</b> 5
18	Adjusted First Block Rate (16)/(17)	\$	0.0010601
19	Change (18) - (4)	\$	0.0003420
20	% Change		47.6%
21	Annual Cost to Consumer Using 986 kWh per Month (19) x 986 x 12	\$	4.05

### Two-Tiered Rider Duke

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<u>Propo</u>	sal		
	First Block 833,000 kWh (10,000,000 per Year ) (18) Over 833,000 kWh [Lower of 10/99 Rate (1) or Uniform per Kwh Rate	\$ \$	0.0010857 0.0004690
Calcul	ation		
1	10/99 USF Rider	\$	0.0004690
2	USF Rider Revenue Requirement	\$ 20	386,646.58
Э	Total kWh Used in Calculation	21,3	09,240,995
4	Uniform per Kwh Rate (2) / (3)	\$	0.0009567
5	Accounts with Annual kWh Greater than 10,000,000 kWh		142
6	Total Kwh of Accounts Over 10,000,000 KWh Annually	5,8	77,523,147
7	First Block Annual KWh (833,000 Monthly)		10,000,000
8	Total kWh in First Block (5) x (6)	1,4	20,000,000
9	Revenue First Block Rate x (8)	\$ 1,	541,707.33
10	Total Second Block KWh (6) - (8)	4,4	57,523,147
11	Lower of 10/99 Rate (1) or Uniform Per Kwh Rate (4)	\$	0.0004690
12	Second Block Revenue (11) x (10)	<b>\$</b> 2,	090,578.36
13	Total First and Second Block Revenue (9) + (12)	\$3,	632,285.68
14	Revenue @ Uniform per Kwh Rate (6) x (4)	\$5,	623,052.80
15	Reduction in Total Revenue (13) - (14)	\$ (1,	990,767.11)
Adjustme	ent to Calculation		
16	Adjusted Cost (2) - (9) - (12)	\$ 16,	754,360.89
17	Adjusted kWh (3) - (6)	15,4	31,717,848
18	Adjusted USF (16)/(17)	\$	0.0010857
19	Change (18) - (4)	\$	0.0001290
20	% Change		13,5%
21	Annual Cost to Consumer Using 989 kWh per Month (19) x 989 x 12	\$	1.53

#### Two-Tiered Rider DPL

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Propos	sai		
	First Block 833,000 kWh (10,000,000 per Year ) (18) Over 833,000 kWh [Lower of 10/99 Rate (1) or Uniform per Kwh Rate	\$ \$	0.0014757 0.0005700
Calcul	ation		
1	10/99 USF Rider	\$	0.0005700
2	USF Rider Revenue Requirement		\$19,198,559.97
3	Total kWh Used in Calculation		14,897,618,324
4	Uniform per Kwh Rate (2) / (3)	\$	0.0012887
5	Accounts with Annual kWh Greater than 10,000,000 kWh		106
6	Total Kwh of Accounts Over 10,000,000 kWh Annually		4,135,693,202
7	First Block Annual kWh (833,000 Monthly)		10,000,000
8	Total kWh in First Block (5) x (6)		1,060,000,000
9	Revenue First Block Rate x (8)	\$	1,564,224.06
10	Total Second Block kWh (6) - (8)		3,075,693,202
11	Lower of 10/99 Rate (1) or Uniform Per Kwh Rate (4)	\$	0.0005700
12	Second Block Revenue (11) x (10)	\$	1,753,145.13
13	Total First and Second Block Revenue (9) + (12)	\$	3,317,369.19
14	Revenue @ Uniform per Kwh Rate (6) x (4)	\$	5,329,667.62
15	Reduction in Total Revenue (13) - (14)	\$	(2,012,298.43)
Adjustme	ent to Calculation		
16	Adjusted Cost (2) - (9) - (12)	\$	1 <b>5,881,19</b> 0.79
17	Adjusted kWh (3) - (6)		10,761,925,122
18	Adjusted USF (16)/(17)	\$	0.0014757
19	Change (18) - (4)	\$	0.0001870
20	% Change		14.5%
21	Annual Cost to Consumer Using 1010 kWh per Month (19) x 1010 x 12	\$	2.27