

November 1, 2011

Betty McCauley  
Chief of Docketing  
The Public Utilities Commission of Ohio  
180 East Broad Street  
Columbus, OH 43215

SUBJECT: Case Nos. 10-0388-EL-SSO  
89-6006-EL-TRF

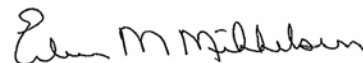
Dear Ms. McCauley:

In compliance with the Order of August 25, 2010 in the above mentioned case, please file the attached schedules, bill impacts, and tariff page on behalf of Ohio Edison Company. The attached schedules demonstrate that the revenue requirement is well below the permitted cap for 2012 and provide detailed calculations related to plant in service, accumulated depreciation reserve, income taxes, commercial activity taxes, and property taxes, rate base, depreciation expense, and the resulting revenue requirement all as contemplated by the Combined Stipulation and Order in the above-referenced proceeding.

Further, as set forth in the Combined Stipulation, there have been no net job losses at the Company, or at FirstEnergy Service Company specifically as to employees of the FirstEnergy Service Company who are located in Ohio and provide support for distribution services provided by the Company as a result of involuntary attrition as a result of the merger between FirstEnergy Corp. and Allegheny Energy, Inc. Also included with the filing are estimated bill impacts for multiple usage levels for the different rate schedules reflecting the impact of the Delivery Service Improvement Rider (DSI) charges terminating on December 31, 2011 and the Delivery Capital Recovery Rider (DCR) charges commencing on January 1, 2012.

Finally, attached is a tariff page that reflects the initial pricing of Rider DCR. The Combined Stipulation provides that the Staff and Signatory Parties' recommendations or objections must be filed within 120 days of the filing of this application. Please file one copy of the tariffs in each of the above mentioned Case Nos. 10-0388-EL-SSO and 89-6006-EL-TRF, and distribute two copies to the Staff. Thank you.

Sincerely,



Eileen M. Mikkelsen  
Director, Rates & Regulatory Affairs

Enclosures

Ohio Edison Company  
Delivery Capital Recovery Rider (DCR)  
Compliance Filing  
November 1, 2011

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**Rider DCR Projections**  
**Distribution Net Plant Additions as of 12/31/11**  
**Revenue Requirement Calculation**

(\$ millions)

\* 5/31/2007 balances refer to the jurisdictional balances approved in Case 07-551-EL-AIR. Source: PUCO Staff workpapers supporting the PUCO Opinion & Order

	(A)	(B)	(C) = (B) - (A)	(D)
<b>Gross Plant</b>	<b>5/31/2007*</b>	<b>12/31/2011</b>	<b>Incremental</b>	<b>Source of Column (B)</b>
(1) CEI	1,927.1	2,496.6	569.5	Sch B2.1 Line 45
(2) OE	2,074.0	2,655.6	581.6	Sch B2.1 Line 47
(3) TE	771.5	990.4	218.9	Sch B2.1 Line 45
(4) <b>Total</b>	<b>4,772.5</b>	<b>6,142.5</b>	<b>1,370.0</b>	<b>Sum: [ (1) through (3) ]</b>
<b>Accumulated Reserve</b>				
(5) CEI	(773.0)	(1,034.3)	(261.3)	-Sch B3 Line 45
(6) OE	(803.0)	(1,077.2)	(274.2)	-Sch B3 Line 47
(7) TE	(376.8)	(497.5)	(120.7)	-Sch B3 Line 45
(8) <b>Total</b>	<b>(1,952.8)</b>	<b>(2,608.9)</b>	<b>(656.1)</b>	<b>Sum: [ (5) through (7) ]</b>
<b>Net Plant In Service</b>				
(9) CEI	1,154.0	1,462.3	308.2	(1) + (5)
(10) OE	1,271.0	1,578.4	307.4	(2) + (6)
(11) TE	394.7	492.9	98.2	(3) + (7)
(12) <b>Total</b>	<b>2,819.7</b>	<b>3,533.6</b>	<b>713.9</b>	<b>Sum: [ (9) through (11) ]</b>
<b>ADIT</b>				
(13) CEI	(246.4)	(386.4)	(140.0)	- DIT Balances Line 3
(14) OE	(197.1)	(412.3)	(215.3)	- DIT Balances Line 3
(15) TE	(10.3)	(117.9)	(107.6)	- DIT Balances Line 3
(16) <b>Total</b>	<b>(453.8)</b>	<b>(916.6)</b>	<b>(462.8)</b>	<b>Sum: [ (13) through (15) ]</b>
<b>Rate Base</b>				
(17) CEI	907.7	1,075.9	168.2	(9) + (13)
(18) OE	1,073.9	1,166.1	92.2	(10) + (14)
(19) TE	384.4	375.0	(9.3)	(11) + (15)
(20) <b>Total</b>	<b>2,366.0</b>	<b>2,617.0</b>	<b>251.1</b>	<b>Sum: [ (17) through (19) ]</b>
<b>Depreciation Exp</b>				
(21) CEI	60.0	78.0	18.0	Sch B-3.2 Line 44
(22) OE	62.0	76.5	14.5	Sch B-3.2 Line 46
(23) TE	24.5	31.0	6.5	Sch B-3.2 Line 44
(24) <b>Total</b>	<b>146.5</b>	<b>185.5</b>	<b>39.0</b>	<b>Sum: [ (21) through (23) ]</b>
<b>Property Tax Exp</b>				
(25) CEI	65.0	86.6	21.7	Sch C-3.10a Line 4
(26) OE	57.4	73.9	16.6	Sch C-3.10a Line 4
(27) TE	20.1	24.9	4.8	Sch C-3.10a Line 4
(28) <b>Total</b>	<b>142.4</b>	<b>185.5</b>	<b>43.1</b>	<b>Sum: [ (25) through (27) ]</b>

	Rate Base	Return 8.48%	Deprec	Prop Tax	Rev. Req.
(29) CEI	168.2	14.3	18.0	21.7	53.9
(30) OE	92.2	7.8	14.5	16.6	38.9
(31) TE	(9.3)	(0.8)	6.5	4.8	10.5
(32) <b>Total</b>	<b>251.1</b>	<b>21.3</b>	<b>39.0</b>	<b>43.1</b>	<b>103.3</b>

<b>Capital Structure &amp; Returns</b>			
	% mix	rate	wtd rate
(33) Debt	51%	6.54%	3.3%
(34) Equity	49%	10.50%	5.1%
(35) <b>Total</b>			<b>8.48%</b>

	(a)	(b)	(c)	(d)	(e)	(f)
<b>Revenue Requirement with Tax</b>	<b>Equity Return</b>	<b>Tax Rate</b>	<b>Income Tax</b>	<b>CAT 0.26%</b>	<b>Taxes</b>	<b>Rev. Req. + Tax</b>
(36) CEI	8.7	36.17%	4.9	0.2	5.1	59.0
(37) OE	4.7	35.90%	2.7	0.1	2.8	41.7
(38) TE	(0.5)	35.77%	(0.3)	0.0	(0.2)	10.3
(39) <b>Total</b>	<b>12.9</b>		<b>7.3</b>	<b>0.3</b>	<b>7.6</b>	<b>110.9</b>

(a) = Weighted Cost of Equity x Rate Base  
(b) = Current composite income tax rates

(c) = (a) x (1 / (1-(b)) - 1)  
(d) = (Rev. Req. + (c)) x (1/(1-.26%) - 1)

(e) = (c) + (d)  
(f) = (e) + Rev. Req. from Lines 29-31

Ohio Edison Company  
12/31/2011 Plant in Service by Accounts and Subaccounts

Schedule B-2.1

Page 1 of 4

NOTE: Column A contains plant in service balances from 2011 budget (version 12), while Columns B shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column D are provided on the "Exclusions" workpaper / tab.

Line No.	Account No.	Account Title	Total Company (A)	Allocation % (B)	Allocated Total (C) = (A) * (B)	Adjustments (D)	Adjusted Jurisdiction (E) = (C) + (D)
<u>TRANSMISSION PLANT</u>							
1	350	Land & Land Rights	\$93,454,814	100%	\$93,454,814	(\$85,290,624)	\$8,164,190
2	352	Structures & Improvements	10,745,825	100%	10,745,825		10,745,825
3	353	Station Equipment	96,806,419	100%	96,806,419		96,806,419
4	354	Towers & Fixtures	283,904	100%	283,904		283,904
5	355	Poles & Fixtures	25,459,719	100%	25,459,719		25,459,719
6	356	Overhead Conductors & Devices	33,235,038	100%	33,235,038		33,235,038
7	357	Underground Conduit	1,463,068	100%	1,463,068		1,463,068
8	358	Underground Conductors & Devices	13,668,538	100%	13,668,538		13,668,538
9	359	Roads & Trails	0	100%	0		0
10		Total Transmission Balance 12/31/2011	\$275,117,326	100%	\$275,117,326	(\$85,290,624)	\$189,826,702

Ohio Edison Company  
12/31/2011 Plant in Service by Accounts and Subaccounts

Schedule B-2.1

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NOTE: Column A contains plant in service balances from 2011 budget (version 12), while Columns B shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column D are provided on the "Exclusions" workpaper / tab.

Line No.	Account No.	Account Title	Total Company (A)	Allocation % (B)	Allocated Total (C) = (A) * (B)	Adjustments (D)	Adjusted Jurisdiction (E) = (C) + (D)
<u>DISTRIBUTION PLANT</u>							
11	360	Land & Land Rights	\$12,981,327	100%	\$12,981,327		\$12,981,327
12	361	Structures & Improvements	9,053,357	100%	9,053,357		9,053,357
13	362	Station Equipment	204,487,151	100%	204,487,151		204,487,151
14	364	Poles, Towers & Fixtures	400,588,652	100%	400,588,652		400,588,652
15	365	Overhead Conductors & Devices	514,779,907	100%	514,779,907		514,779,907
16	366	Underground Conduit	64,711,220	100%	64,711,220		64,711,220
17	367	Underground Conductors & Devices	238,294,354	100%	238,294,354		238,294,354
18	368	Line Transformers	426,629,128	100%	426,629,128		426,629,128
19	369	Services	125,764,251	100%	125,764,251		125,764,251
20	370	Meters	129,311,191	100%	129,311,191		129,311,191
21	371	Installation on Customer Premises	22,157,204	100%	22,157,204		22,157,204
22	373	Street Lighting & Signal Systems	60,129,800	100%	60,129,800		60,129,800
23	374	Asset Retirement Costs for Distribution Plant	<u>22,272</u>	100%	<u>22,272</u>		<u>22,272</u>
24		Total Distribution Balance 12/31/2011	\$2,208,909,814	100%	\$2,208,909,814	\$0	\$2,208,909,814

Ohio Edison Company  
12/31/2011 Plant in Service by Accounts and Subaccounts

Schedule B-2.1  
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NOTE: Column A contains plant in service balances from 2011 budget (version 12), while Columns B shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column D are provided on the "Exclusions" workpaper / tab.

Line No.	Account No.	Account Title	Total Company (A)	Allocation % (B)	Allocated Total (C) = (A) * (B)	Adjustments (D)	Adjusted Jurisdiction (E) = (C) + (D)
<u>GENERAL PLANT</u>							
25	389	Land & Land Rights	\$3,332,037	100%	\$3,332,037		\$3,332,037
26	390	Structures & Improvements	70,127,138	100%	\$70,127,138		\$70,127,138
27	390.3	Leasehold Improvements	106,069	100%	\$106,069		\$106,069
28	391.1	Office Furniture & Equipment	8,056,624	100%	\$8,056,624		\$8,056,624
29	391.2	Data Processing Equipment	7,335,488	100%	\$7,335,488		\$7,335,488
30	392	Transportation Equipment	2,104,300	100%	\$2,104,300		\$2,104,300
31	393	Stores Equipment	1,477,596	100%	\$1,477,596		\$1,477,596
32	394	Tools, Shop & Garage Equipment	11,997,867	100%	\$11,997,867		\$11,997,867
33	395	Laboratory Equipment	6,814,580	100%	\$6,814,580		\$6,814,580
34	396	Power Operated Equipment	3,266,184	100%	\$3,266,184		\$3,266,184
35	397	Communication Equipment	18,562,437	100%	\$18,562,437		\$18,562,437
36	398	Miscellaneous Equipment	804,767	100%	\$804,767		\$804,767
37	399.1	Asset Retirement Costs for General Plant	303,410	100%	\$303,410		\$303,410
38		Total General Plant Balance 12/31/2011	\$134,288,497	100%	\$134,288,497	\$0	\$134,288,497

Ohio Edison Company  
12/31/2011 Plant in Service by Accounts and Subaccounts

Schedule B-2.1  
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NOTE: Column A contains plant in service balances from 2011 budget (version 12), while Columns B shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column D are provided on the "Exclusions" workpaper / tab.

Line No.	Account No.	Account Title	Total Company (A)	Allocation % (B)	Allocated Total (C) = (A) * (B)	Adjustments (D)	Adjusted Jurisdiction (E) = (C) + (D)
<u>OTHER PLANT</u>							
39	301	Organization	\$89,746	100%	89,746		89,746
40	303	Intangible Software	51,626,563	100%	51,626,563		51,626,563
41	303	Intangible FAS 109 Transmission	2,023,278	100%	2,023,278		2,023,278
42	303	Intangible FAS 109 Distribution	1,593,381	100%	1,593,381		1,593,381
43	303	Intangible FAS 109 General	199,091	100%	199,091		199,091
44			<u>55,532,060</u>		<u>55,532,060</u>	0	<u>55,532,060</u>
45		Company Total Plant Balance	<u>\$2,673,847,696</u>	100%	<u>\$2,673,847,696</u>	<u>(\$85,290,624)</u>	<u>\$2,588,557,072</u>
46		Service Company Plant Allocated*					\$67,059,733
47		Grand Total Plant Balance (45 + 46)					<u>\$2,655,616,806</u>

\* Source: Line 2 of the Service Company Allocations workpaper.

Ohio Edison Company  
Reserve for Accumulated Depreciation

Schedule B-3

Page 1 of 4

NOTE: Column B contains reserve for accumulated depreciation balances from 2011 budget (version 12), while Column C shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column E are provided on the Exclusions tab.

Line No.	Account No.	Major Property Groupings & Account Titles	Total Company Plant Investment Sch B.1 Column E (A)	Reserve Balances				
				Total Company (B)	Allocation % (C)	Allocated Total (D) = (B) * (C)	Adjustments (E)	Adjusted Jurisdiction (F) = (D) + (E)
<u>TRANSMISSION PLANT</u>								
1	350	Land & Land Rights	\$8,164,190	\$0	100%	\$0		\$0
2	352	Structures & Improvements	\$10,745,825	5,713,770	100%	5,713,770		5,713,770
3	353	Station Equipment	\$96,806,419	51,473,909	100%	51,473,909		51,473,909
4	354	Towers & Fixtures	\$283,904	159,695	100%	159,695		159,695
5	355	Poles & Fixtures	\$25,459,719	14,321,001	100%	14,321,001		14,321,001
6	356	Overhead Conductors & Devices	\$33,235,038	18,694,591	100%	18,694,591		18,694,591
7	357	Underground Conduit	\$1,463,068	822,970	100%	822,970		822,970
8	358	Underground Conductors & Devices	\$13,668,538	7,688,504	100%	7,688,504		7,688,504
9	359	Roads & Trails	\$0	0	100%	0		0
10		Total Transmission	\$189,826,702	\$98,874,440	100%	\$98,874,440	\$0	\$98,874,440



Ohio Edison Company  
Reserve for Accumulated Depreciation

Schedule B-3

Page 2 of 4

NOTE: Column B contains reserve for accumulated depreciation balances from 2011 budget (version 12), while Column C shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column E are provided on the Exclusions tab.

Line No.	Account No.	Major Property Groupings & Account Titles	Total Company		Reserve Balances			
			Sch B2.1 Column E (A)	Total Company (B)	Allocation % (C)	Allocated Total (D) = (B) * (C)	Adjustments (E)	Adjusted Jurisdiction (F) = (D) + (E)
<u>DISTRIBUTION PLANT</u>								
11	360	Land & Land Rights	\$12,981,327	\$0	100%	\$0		\$0
12	361	Structures & Improvements	\$9,053,357	3,796,637	100%	3,796,637		3,796,637
13	362	Station Equipment	\$204,487,151	85,754,218	100%	85,754,218		85,754,218
14	364	Poles, Towers & Fixtures	\$400,588,652	154,240,682	100%	154,240,682		154,240,682
15	365	Overhead Conductors & Devices	\$514,779,907	198,208,320	100%	198,208,320		198,208,320
16	366	Underground Conduit	\$64,711,220	24,916,089	100%	24,916,089		24,916,089
17	367	Underground Conductors & Devices	\$238,294,354	91,751,685	100%	91,751,685		91,751,685
18	368	Line Transformers	\$426,629,128	164,267,178	100%	164,267,178		164,267,178
19	369	Services	\$125,764,251	48,423,648	100%	48,423,648		48,423,648
20	370	Meters	\$129,311,191	49,789,344	100%	49,789,344		49,789,344
21	371	Installation on Customer Premises	\$22,157,204	8,531,301	100%	8,531,301		8,531,301
22	373	Street Lighting & Signal Systems	\$60,129,800	23,152,082	100%	23,152,082		23,152,082
23	374	Asset Retirement Costs for Distribution Plant	\$22,272	10,831	100%	10,831		10,831
24		Total Distribution	\$2,208,909,814	\$852,842,015	100%	\$852,842,015	\$0	\$852,842,015

Ohio Edison Company  
Reserve for Accumulated Depreciation

Schedule B-3

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NOTE: Column B contains reserve for accumulated depreciation balances from 2011 budget (version 12), while Column C shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column E are provided on the Exclusions tab.

Line No.	Account No.	Major Property Groupings & Account Titles	Total Company		Reserve Balances			
			Sch B2.1 Column E (A)	Total Company (B)	Allocation % (C)	Allocated Total (D) = (B) * (C)	Adjustments (E)	Adjusted Jurisdiction (F) = (D) + (E)
<u>GENERAL PLANT</u>								
25	389	Land & Land Rights	\$3,332,037	\$0	100%	\$0		\$0
26	390	Structures & Improvements	\$70,127,138	30,513,193	100%	\$30,513,193		\$30,513,193
27	390.3	Leasehold Improvements	\$106,069	46,152	100%	\$46,152		\$46,152
28	391.1	Office Furniture & Equipment	\$8,056,624	3,715,726	100%	\$3,715,726		\$3,715,726
29	391.2	Data Processing Equipment	\$7,335,488	3,383,137	100%	\$3,383,137		\$3,383,137
30	392	Transportation Equipment	\$2,104,300	970,506	100%	\$970,506		\$970,506
31	393	Stores Equipment	\$1,477,596	681,469	100%	\$681,469		\$681,469
32	394	Tools, Shop & Garage Equipment	\$11,997,867	5,533,433	100%	\$5,533,433		\$5,533,433
33	395	Laboratory Equipment	\$6,814,580	3,142,893	100%	\$3,142,893		\$3,142,893
34	396	Power Operated Equipment	\$3,266,184	1,506,369	100%	\$1,506,369		\$1,506,369
35	397	Communication Equipment	\$18,562,437	8,561,021	100%	\$8,561,021		\$8,561,021
36	398	Miscellaneous Equipment	\$804,767	371,160	100%	\$371,160		\$371,160
37	399.1	Asset Retirement Costs for General Plant	\$303,410	150,473	100%	\$150,473		\$150,473
38		Total General Plant	\$134,288,497	\$58,575,531	100%	\$58,575,531	\$0	\$58,575,531

Ohio Edison Company  
Reserve for Accumulated Depreciation

Schedule B-3

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NOTE: Column B contains reserve for accumulated depreciation balances from 2011 budget (version 12), while Column C shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments in Column E are provided on the Exclusions tab.

Line No.	Account No.	Major Property Groupings & Account Titles	Total Company Plant Investment Sch B2.1 Column E (A)	Reserve Balances				
				Total Company (B)	Allocation % (C)	Allocated Total (D) = (B) * (C)	Adjustments (E)	Adjusted Jurisdiction (F) = (D) + (E)
<u>OTHER PLANT</u>								
39	301	Organization	\$89,746	0	100%	\$0		\$0
40	303	Intangible Software	\$51,626,563	42,311,962	100%	\$42,311,962		\$42,311,962
41	303	Intangible FAS 109 Transmission	\$2,023,278	697,049	100%	\$697,049		\$697,049
42	303	Intangible FAS 109 Distribution	\$1,593,381	1,556,299	100%	\$1,556,299		\$1,556,299
43	303	Intangible FAS 109 General	\$199,091	157,877	100%	\$157,877		\$157,877
44			<u>\$55,532,060</u>	<u>44,723,187</u>		<u>44,723,187</u>	<u>0</u>	<u>44,723,187</u>
45		COMPANY TOTAL RESERVE	<u>\$2,588,557,072</u>	<u>\$1,055,015,173</u>	100%	<u>\$1,055,015,173</u>	<u>\$0</u>	<u>\$1,055,015,173</u>
46		Service Company Reserve Allocated*						\$22,219,396
47		Grand Total Reserve (45 + 46)						<u>\$1,077,234,568</u>

\* Source: Line 3 of the Service Company Allocations workpaper.

FirstEnergy Companies  
 ADIT Balances (281 & 282 Property Accounts)

	<u>CEI</u>	<u>OE</u>	<u>TE</u>	<u>SC</u>
(1) Ending Bal. 12/31/11*	378,756,968	403,075,021	113,796,104	53,707,442
(2) Service Company Allocated ADIT**	\$7,631,828	\$9,248,422	\$4,071,024	
(3) Grand Total ADIT Balance	\$386,388,796	\$412,323,442	\$117,867,128	

\*Source: Tax Department. Estimated 12/31/11 balances.

\*\* Line 4 on Service Company Allocations workpaper

Ohio Edison Company  
 Depreciation Accrual Rates and  
 Jurisdictional Reserve Balances by Accounts

Schedule B-3.2  
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NOTE: Column F is from Case No. 07-551-EL-AIR.

Line No. (A)	Account No. (B)	Account Title (C)	Adjusted Jurisdiction		Current Accrual Rate (F)	Calculated Depr. Expense (G=DxF)
			Plant Investment (D)	Reserve Balance (E)		
<u>TRANSMISSION PLANT</u>						
1	350	Land & Land Rights	8,164,190	\$0	0.00%	\$0
2	352	Structures & Improvements	10,745,825	6,995,712	2.06%	\$221,364
3	353	Station Equipment	96,806,419	50,191,967	2.20%	\$2,129,741
4	354	Towers & Fixtures	283,904	319,818	1.82%	\$5,167
5	355	Poles & Fixtures	25,459,719	19,647,600	2.98%	\$758,700
6	356	Overhead Conductors & Devices	33,235,038	17,268,164	2.55%	\$847,493
7	357	Underground Conduit	1,463,068	813,487	1.67%	\$24,433
8	358	Underground Conductors & Devices	13,668,538	3,637,692	2.00%	\$273,371
9	359	Roads & Trails	0	0	0.00%	
10		Total Transmission	\$189,826,702	\$98,874,440		\$4,260,269

Ohio Edison Company  
 Depreciation Accrual Rates and  
 Jurisdictional Reserve Balances by Accounts

Schedule B-3.2  
 Page 2 of 4

NOTE: Column F is from Case No. 07-551-EL-AIR.

Line No. (A)	Account No. (B)	Account Title (C)	Adjusted Jurisdiction		Current Accrual Rate (F)	Calculated Depr. Expense (G=DxF)
			Plant Investment (D)	Reserve Balance (E)		
<u>DISTRIBUTION PLANT</u>						
11	360	Land & Land Rights	12,981,327	\$0	0.00%	\$0
12	361	Structures & Improvements	9,053,357	4,631,603	2.45%	221,807
13	362	Station Equipment	204,487,151	84,919,252	2.55%	5,214,422
14	364	Poles, Towers & Fixtures	400,588,652	198,357,952	2.93%	11,737,247
15	365	Overhead Conductors & Devices	514,779,907	140,389,325	2.70%	13,899,057
16	366	Underground Conduit	64,711,220	20,709,368	1.50%	970,668
17	367	Underground Conductors & Devices	238,294,354	60,851,237	2.07%	4,932,693
18	368	Line Transformers	426,629,128	165,223,109	3.50%	14,932,019
19	369	Services	125,764,251	71,124,585	3.13%	3,936,421
20	370	Meters	129,311,191	56,538,948	3.24%	4,189,683
21	371	Installation on Customer Premises	22,157,204	11,490,329	4.44%	983,780
22	373	Street Lighting & Signal Systems	60,129,800	38,595,474	4.20%	2,525,452
23	374	Asset Retirement Costs for Distribution Plant	22,272	10,831	0.00%	0
24		Total Distribution	\$2,208,909,814	\$852,842,015		\$63,543,249

Ohio Edison Company  
 Depreciation Accrual Rates and  
 Jurisdictional Reserve Balances by Accounts

Schedule B-3.2  
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NOTE: Column F is from Case No. 07-551-EL-AIR.

Line No. (A)	Account No. (B)	Account Title (C)	Adjusted Jurisdiction		Current Accrual Rate (F)	Calculated Depr. Expense (G=DxF)
			Plant Investment (D)	Reserve Balance (E)		
<u>GENERAL PLANT</u>						
25	389	Land & Land Rights	3,332,037	\$0	0.00%	\$0
26	390	Structures & Improvements	70,127,138	\$30,513,193	2.50%	\$1,753,178
27	390.3	Leasehold Improvements	106,069	\$46,152	20.78%	\$22,041
28	391.1	Office Furniture & Equipment	8,056,624	\$3,715,726	3.80%	\$306,152
29	391.2	Data Processing Equipment	7,335,488	\$3,383,137	17.00%	\$1,247,033
30	392	Transportation Equipment	2,104,300	\$970,506	7.31%	\$153,824
31	393	Stores Equipment	1,477,596	\$681,469	2.56%	\$37,826
32	394	Tools, Shop & Garage Equipment	11,997,867	\$5,533,433	3.17%	\$380,332
33	395	Laboratory Equipment	6,814,580	\$3,142,893	3.80%	\$258,954
34	396	Power Operated Equipment	3,266,184	\$1,506,369	3.48%	\$113,663
35	397	Communication Equipment	18,562,437	\$8,561,021	5.00%	\$928,122
36	398	Miscellaneous Equipment	804,767	\$371,160	4.00%	\$32,191
37	399.1	Asset Retirement Costs for General Plant	303,410	\$150,473	0.00%	\$0
38		Total General	\$134,288,497	\$58,575,531		\$5,233,316

Ohio Edison Company  
 Depreciation Accrual Rates and  
 Jurisdictional Reserve Balances by Accounts

Schedule B-3.2  
 Page 4 of 4

NOTE: Column F is from Case No. 07-551-EL-AIR.

Line No. (A)	Account No. (B)	Account Title (C)	Adjusted Jurisdiction		Current Accrual Rate (F)	Calculated Depr. Expense (G=DxF)
			Plant Investment (D)	Reserve Balance (E)		
<u>OTHER PLANT</u>						
39	301	Organization	\$89,746	\$0	0.00%	**
40	303	Intangible Software	\$51,626,563	\$42,311,962	14.29%	**
41	303	Intangible FAS 109 Transmission	\$2,023,278	\$697,049	2.33%	**
42	303	Intangible FAS 109 Distribution	\$1,593,381	\$1,556,299	2.89%	**
43	303	Intangible FAS 109 General	\$199,091	\$157,877	3.87%	**
44		Total Other	<u>55,532,060</u>	<u>44,723,187</u>		<u>2,705,350</u>
45		Incremental Depreciation Associated with Allocated Service Company Plant ***	67,059,733	22,219,396		772,080
46		CURRENT RATES GRAND TOTAL PLANT	<u>\$2,655,616,806</u>	<u>\$1,077,234,568</u>		<u>\$76,514,264</u>

\*\* Please see tab / workpaper "Intangible Depreciation Expense" for more details behind the calculation of depreciation expense associated with Intangible Plant.

\*\*\* Source: Line 6 of workpaper "Service Company"



Ohio Edison Company  
Calculation of Property Taxes  
For the Twelve Months Ended December 31, 2011

Data: 12 Months Estimated

Schedule C-3.10a  
Page 1 of 1

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Line No.	Description	Jurisdictional Amount
1	Personal Property Taxes	72,439,538
2	Real Property Taxes	1,438,024
3	Incremental Property Tax Associated with Allocated Service Company Plant *	<u>69,409</u>
4	Total Property Taxes (1 + 2 + 3)	<u><u>\$73,946,971</u></u>

\* Source: Line 7 of workpaper "Service Company Allocation Summary" page 18 of filing.

Ohio Edison Company

Calculation of Personal Property Taxes  
For the Twelve Months Ended December 31, 2011

Schedule C-3.10a1  
Page 1 of 1

Data: 12 Months Estimated

Line No.	Description	Jurisdictional Amount		
		Transmission Plant	Distribution Plant	General Plant
1	Jurisdictional Plant in Service (a)	\$189,826,702	\$2,208,909,814	\$134,288,497
2	Jurisdictional Real Property (b)	18,910,015	22,034,684	73,565,245
3	Jurisdictional Personal Property (1 - 2)	170,916,687	2,186,875,130	60,723,252
	<u>Exclusions and Exemptions</u>			
4	Capitalized Asset Retirement Costs (a)	0	22,272	303,410
5	Exempt Facilities (c)	575,438	2,655,801	0
6	Licensed Motor Vehicles (c)	0	0	3,245,507
7	Capitalized Interest (c)	7,666,864	110,555,126	0
8	Total Exclusions and Exemptions (4 thru 7)	8,242,302	113,233,199	3,548,917
9	Net Cost of Taxable Personal Property (3 - 8)	\$162,674,385	\$2,073,641,931	\$57,174,335
10	True Value Percentage (c)	39.2022%	47.3338%	33.9494%
11	True Value of Taxable Personal Property (9 x 10)	\$63,771,879	\$981,534,028	\$19,410,354
12	Assessment Percentage (d)	85.00%	85.00%	24.00%
13	Assessment Value (11 x 12)	\$54,206,097	\$834,303,924	\$4,658,485
14	Personal Property Tax Rate (e)	8.1104%	8.1104%	8.1104%
15	Personal Property Tax (13 x 14)	\$4,396,331	\$67,665,385	377,822
16	Total Personal Property Tax (15)			\$72,439,538

- (a) Schedule B-2.1
- (b) Schedule B-2.1, Accounts 350, 352, 360, 361, 389, 390 and 390.3
- (c) Source: OE's 2011 Ohio annual property tax filing. See WPC-3.10a1 for additional details.
- (d) Statutory Assessment for Personal Property
- (e) Estimated 2012 tax rate for Personal Property based on 2011 Ohio Annual property Tax return filing

Ohio Edison Company

Calculation of Real Property Taxes  
For the Twelve Months Ended December 31, 2011

Schedule C-3.10a2  
Page 1 of 1

Data: 12 Months Estimated

Line No.	Description	Jurisdictional Amount		
		Transmission Plant	Distribution Plant	General Plant
1	Jurisdictional Real Property (a)	\$18,910,015	\$22,034,684	\$73,565,245
2	True Value Percentage (b)	<u>57.50%</u>	<u>57.50%</u>	<u>57.50%</u>
3	True Value of Taxable Real Property (1 x 2)	\$10,872,805	\$12,669,414	\$42,298,250
4	Assessment Percentage (c)	<u>35.00%</u>	<u>35.00%</u>	<u>35.00%</u>
5	Assessment Value (3 x 4)	\$3,805,482	\$4,434,295	\$14,804,388
6	Real Property Tax Rate (d)	<u>6.2403%</u>	<u>6.2403%</u>	<u>6.2403%</u>
7	Real Property Tax (5 x 6)	\$237,473	\$276,713	\$923,838
8	Total Real Property Tax (7)			<u><u>\$1,438,024</u></u>

(a) Schedule C-3.10a1

(b) Calculated as follows:

(1) Real Property Assessed Value	\$40,148,062	Source: OE's 2011 Property Tax return filing
(2) Assessment Percentage	<u>35.00%</u>	Statutory Assessment for Real Property
(3) Real Property True Value	\$114,708,749	Calculation: (1) / (2)
(4) Real Property Capitalized Cost	\$199,501,781	Book cost of real property used to compare to assessed value of real property to derive a true value percentage
(5) Real Property True Value Percentage	<u><u>57.50%</u></u>	Calculation: (3) / (4)

(c) Statutory Assessment for Real Property

(d) Estimated 2012 tax rate for Real Estate based on 2011 Property Tax return filing.

**Summary of Exclusions per Case No. 10-388-EL-SSO**

**General Adjustments**

ATSI Land Lease Certain amounts (summarized below) in account 350 are associated with land leased to ATSI, FirstEnergy's transmission subsidiary. Consistent with Case No. 07-551-EL-AIR, these amounts are not jurisdictional to distribution related plant in service, and have been excluded accordingly for each operating company. There is no accumulated depreciation reserve associated with land.

FERC Account 350	CEI	OE	TE
Gross Plant	\$57,266,431	\$85,290,624	\$15,628,800
Reserve	\$0	\$0	\$0

**ESP2 Adjustments**

In the ESP2 Stipulation (Case No. 10-388-EL-SSO, page 14), it says "capital additions recovered through Riders LEX, EDR, and AMI will be identified and excluded from Rider DCR and the annual cap allowance."

AMI For purposes of preparing the 2011 Budget (version 12), all plant in service associated with AMI was budgeted to FERC Account 370. The total budgeted amount was allocated among FERC accounts 362, 364, and 370 to more appropriately reflect the AMI related investment expected to be made by the Company, and to provide a more accurate calculation of depreciation expense. Only CEI has an AMI project so this exclusion does not impact OE or TE.

FERC Account	CEI	
	Gross	Reserve
362	\$9,404,760	\$470,238
364	\$3,900,592	\$195,030
370	\$3,282,555	\$168,981
Grand Total	\$16,587,908	\$834,249

<- Amounts included in account 370 in 2011 Budget, version 12

LEX As implemented by the Companies, Rider LEX will recover deferred expenses associated with lost up-front line extension payments from 2009-2011. These deferred expenses are recorded as a regulatory asset, not as plant in service, on the Companies' books. Therefore, there is no adjustment to plant in service associated with Rider LEX.

EDR There is currently no plant in service projected for 12/31/2011 associated with Rider EDR (provision g).

## Service Company Allocations to the Ohio Operating Companies

	Service Company	CEI	OE	TE	TOTAL
(1) Allocation Factors from Case 07-551		14.21%	17.22%	7.58%	
(2) Gross Plant	\$389,429,345	\$55,337,910	\$67,059,733	\$29,518,744	\$151,916,388
(3) Reserve	\$129,032,494	\$18,335,517	\$22,219,396	\$9,780,663	\$50,335,576
(4) ADIT	\$53,707,442	\$7,631,828	\$9,248,422	\$4,071,024	\$20,951,273
(5) <b>Rate Base</b>	<b>\$206,689,409</b>	<b>\$29,370,565</b>	<b>\$35,591,916</b>	<b>\$15,667,057</b>	<b>\$80,629,538</b>
(6) Depreciation Expense (Incremental)		\$637,123	\$772,080	\$339,859	\$1,749,062
(7) Property Tax Expense (Incremental)		\$57,276	\$69,409	\$30,553	\$157,238
(8) <b>Total Expenses</b>		<b>\$694,399</b>	<b>\$841,489</b>	<b>\$370,412</b>	<b>\$1,906,300</b>

- (2) Gross Plant = 12/31/2011 General and Intangible Plant Balances in the 2011 Budget
- (3) Reserve = 12/31/2011 General and Intangible Reserve Balances in the 2011 Budget
- (4) ADIT: See ADIT Balances
- (5) Rate Base = Gross Plant - Reserve - ADIT
- (6) Estimated incremental depreciation expense. Additional details provided on Service Co. Incremental
- (7) Estimated incremental property tax expense. Additional details provided on Service Co. Incremental
- (8) Total Expenses = Depreciation Expense + Property Tax Expense

All Service Company Allocations for Gross Plant and Reserve can be found on Sch B2.1 and Sch B3, respectively, in order to determine the Grand Totals shown on the Revenue Requirement Calculation sheet.

## Depreciation Rate for Service Company Plant

### I. Estimated Depreciation Accrual Rate for Service Company Plant as of May 31, 2007

Line No.	(A) Account	(B) Account Description	(C) 5/31/2007			(F) Accrual Rates				(J) Depreciation Expense
			Gross	Reserve	Net	CEI	OE	TE	Average	
1	Allocation Factors					14.21%	17.22%	7.58%	39.01%	
2	Weighted Allocation Factors					36.43%	44.14%	19.43%	100.00%	
<b>GENERAL PLANT</b>										
3	389	Fee Land & Easements	\$556,979	\$0	\$556,979	0.00%	0.00%	0.00%	0.00%	\$0
4	390	Structures, Improvements *	\$21,328,601	\$7,909,208	\$13,419,393	2.20%	2.50%	2.20%	2.33%	\$497,474
5	390.3	Struct Imprv, Leasehold Imp **	\$6,938,688	\$1,006,139	\$5,932,549	22.34%	20.78%	0.00%	21.49%	\$1,490,798
6	391.1	Office Furn., Mech. Equip.	\$31,040,407	\$24,400,266	\$6,640,141	7.60%	3.80%	3.80%	5.18%	\$1,609,200
7	391.2	Data Processing Equipment	\$117,351,991	\$26,121,795	\$91,230,196	10.56%	17.00%	9.50%	13.20%	\$15,486,721
8	392	Transportation Equipment	\$11,855	\$1,309	\$10,546	6.07%	7.31%	6.92%	6.78%	\$804
9	393	Stores Equipment	\$16,787	\$1,447	\$15,340	6.67%	2.56%	3.13%	4.17%	\$700
10	394	Tools, Shop, Garage Equip.	\$11,282	\$506	\$10,776	4.62%	3.17%	3.33%	3.73%	\$421
11	395	Laboratory Equipment	\$127,988	\$11,126	\$116,862	2.31%	3.80%	2.86%	3.07%	\$3,935
12	396	Power Operated Equipment	\$160,209	\$20,142	\$140,067	4.47%	3.48%	5.28%	4.19%	\$6,713
13	397	Communication Equipment ***	\$56,845,501	\$32,304,579	\$24,540,922	7.50%	5.00%	5.88%	6.08%	\$3,457,148
14	398	Misc. Equipment	\$465,158	\$27,982	\$437,176	6.67%	4.00%	3.33%	4.84%	\$22,525
15	399.1	ARC General Plant	\$40,721	\$16,948	\$23,773	0.00%	0.00%	0.00%	0.00%	\$0
16			\$234,896,167	\$91,821,447	\$143,074,720					\$22,576,438
<b>INTANGIBLE PLANT</b>										
17	301	Organization	\$49,344	\$49,344	\$0	0.00%	0.00%	0.00%	0.00%	\$0
18	303	Misc. Intangible Plant	\$75,721,715	\$46,532,553	\$29,189,162	14.29%	14.29%	14.29%	14.29%	\$10,820,633
19	303	Katz Software	\$1,268,271	\$1,027,642	\$240,630	14.29%	14.29%	14.29%	14.29%	\$181,236
20	303	Software 1999	\$10,658	\$4,881	\$5,777	14.29%	14.29%	14.29%	14.29%	\$1,523
21	303	Software GPU SC00	\$2,343,368	\$2,343,368	\$0	14.29%	14.29%	14.29%	14.29%	\$0
22	303	Impairment June 2000	\$77	\$77	(\$0)	14.29%	14.29%	14.29%	14.29%	\$0
23	303	3 year depreciable life	\$55,645	\$14,684	\$40,961	14.29%	14.29%	14.29%	14.29%	\$7,952
24	303	Debt Gross-up (FAS109): General	\$117,298	\$117,298	\$0	3.87%	3.87%	3.87%	3.87%	\$0
25	303	Debt Gross-up (FAS109): G/P Land	\$1,135	\$1,137	(\$2)	3.87%	3.87%	3.87%	3.87%	\$0
26			\$79,567,511	\$50,090,984	\$29,476,527					\$11,011,344
27	<b>TOTAL - GENERAL &amp; INTANGIBLE</b>		\$314,463,678	\$141,912,431	\$172,551,247				<b>10.68%</b>	<b>\$33,587,782</b>

#### NOTES

(C) - (E) Service Company plant balances as of May 31, 2007.

(F) - (H) Source: Case No. 07-551-EL-AIR. Staff workpapers, Schedule B3.2.

In Case No. 07-551-EL-AIR, CEI and TE did not have an accrual rate for Account 303 (FAS 109 - General). Assumed to be the same as OE.

(I) Weighted average of columns F through H based on Service Company allocation factors on Line 2.

Assumes that the accrual rate, by account, for Service Company plant is the equal to the weighted average of the three operating companies.

(J) Estimated depreciation expense associated with Service Company plant as of 5/31/07. Calculation: Column C x Column I.

\* Includes accounts 390.1 and 390.2.

\*\* Weighted average accrual rate is taken over CEI and OE only. (TE had no balance in Case No. 07-551-EL-AIR).

\*\*\* Includes accounts 397 and 397.1

## Depreciation Rate for Service Company Plant

### II. Estimated Depreciation Accrual Rate for Service Company Plant as of December 31, 2011

Line No.	(A) Account	(B) Account Description	(C) 12/31/11 Balances			(F) Accrual Rates				(J) Depreciation Expense
			Gross	Reserve	Net	CEI	OE	TE	Average	
28	Allocation Factors					14.21%	17.22%	7.58%	39.01%	
29	Weighted Allocation Factors					36.43%	44.14%	19.43%	100.00%	
<b>GENERAL PLANT</b>										
30	389	Fee Land & Easements	\$230,947	\$0	\$230,947	0.00%	0.00%	0.00%	0.00%	\$0
31	390	Structures, Improvements *	\$39,333,719	\$11,384,168	\$27,949,550	2.20%	2.50%	2.20%	2.33%	\$917,431
32	390.3	Struct Imprv, Leasehold Imp **	\$14,927,788	\$3,268,050	\$11,659,738	22.34%	20.78%	0.00%	21.49%	\$3,207,280
33	391.1	Office Furn., Mech. Equip.	\$20,572,121	\$8,871,602	\$11,700,519	7.60%	3.80%	3.80%	5.18%	\$1,066,502
34	391.2	Data Processing Equipment	\$124,304,233	\$27,652,566	\$96,651,667	10.56%	17.00%	9.50%	13.20%	\$16,404,195
35	392	Transportation Equipment	\$33,135	\$18,376	\$14,760	6.07%	7.31%	6.92%	6.78%	\$2,247
36	393	Stores Equipment	\$20,191	\$3,593	\$16,598	6.67%	2.56%	3.13%	4.17%	\$842
37	394	Tools, Shop, Garage Equip.	\$280,330	\$9,526	\$270,803	4.62%	3.17%	3.33%	3.73%	\$10,454
38	395	Laboratory Equipment	\$144,664	\$18,949	\$125,714	2.31%	3.80%	2.86%	3.07%	\$4,448
39	396	Power Operated Equipment	\$49,962	\$16,358	\$33,605	4.47%	3.48%	5.28%	4.19%	\$2,094
40	397	Communication Equipment ***	\$58,887,926	\$9,281,682	\$49,606,244	7.50%	5.00%	5.88%	6.08%	\$3,581,361
41	398	Misc. Equipment	\$3,871,836	\$285,247	\$3,586,589	6.67%	4.00%	3.33%	4.84%	\$187,490
42	399.1	ARC General Plant	\$40,721	\$20,195	\$20,526	0.00%	0.00%	0.00%	0.00%	\$0
43			\$262,697,574	\$60,830,313	\$201,867,261					\$25,384,343
<b>INTANGIBLE PLANT</b>										
44	301	FECO 101/6-301 Organization Fst	\$49,344	\$49,344	\$0	0.00%	0.00%	0.00%	0.00%	\$0
45	303	FECO 101/6-303 2005 Software	\$1,086,776	\$1,041,808	\$44,968	14.29%	14.29%	14.29%	14.29%	\$44,968
46	303	FECO 101/6-303 2006 Software	\$4,963,101	\$4,118,333	\$844,768	14.29%	14.29%	14.29%	14.29%	\$709,227
47	303	FECO 101/6-303 2007 Software	\$7,245,174	\$6,217,142	\$1,028,032	14.29%	14.29%	14.29%	14.29%	\$1,028,032
48	303	FECO 101/6-303 2008 Software	\$7,403,295	\$5,393,426	\$2,009,869	14.29%	14.29%	14.29%	14.29%	\$1,057,931
49	303	FECO 101/6-303 2004 Software	\$12,676,215	\$12,676,215	\$0	14.29%	14.29%	14.29%	14.29%	\$0
50	303	FECO 101/6-303 2009 Software	\$15,967,869	\$5,599,873	\$10,367,996	14.29%	14.29%	14.29%	14.29%	\$2,281,809
51	303	FECO 101/6 303 Intangibles	\$18,683,269	\$1,429,956	\$17,253,312	14.29%	14.29%	14.29%	14.29%	\$2,669,839
52	303	FECO 101/6-303 2003 Software	\$24,400,196	\$24,400,196	\$0	14.29%	14.29%	14.29%	14.29%	\$0
53	303	FECO 101/6-303 2010 Software	\$34,256,533	\$7,275,887	\$26,980,646	14.29%	14.29%	14.29%	14.29%	\$4,895,259
54			\$126,731,771	\$68,202,181	\$58,529,590					\$12,687,064
55	<b>TOTAL - GENERAL &amp; INTANGIBLE</b>		\$389,429,345	\$129,032,494	\$260,396,851				<b>9.78%</b>	<b>\$38,071,406</b>

#### NOTES

- (C) - (E) Estimated 12/31/11 balances. Source: 2011 budget.  
 Note: Accounts 391.1 - 398 are aggregated together in the 2011 budget and were allocated based on June 2011 actual balances.
- (F) - (H) Source: Schedule B3.2.
- (I) Weighted average of columns F through H based on Service Company allocation factors on Line 29.  
 Assumes that the accrual rate, by account, for Service Company plant is the equal to the weighted average of the three operating companies.
- (J) Estimated depreciation expense associated with Service Company plant as of 12/31/11. Calculation: Column C x Column I.
- \* Includes accounts 390.1 and 390.2.
- \*\* Weighted average accrual rate is taken over CEI and OE only. (TE had no balance in Case No. 07-551-EL-AIR).
- \*\*\* Includes accounts 397 and 397.1

## Property Tax Rate for Service Company Plant

<b>I. Average Real Property Tax Rates on General Plant as of May 31, 2007 *</b>						
	(A)	(B)	(C)	(D)	(E)	(F)
No.	Category	CEI	OE	TE	Average **	Source / Calculation
1	Allocation Factors	14.21%	17.22%	7.58%	39.01%	Service Company workpaper
2	Weighted Allocation Factors	36.43%	44.14%	19.43%	100.00%	Weighted Line 1
<u>Real Property Tax</u>						
3	True Value Percentage	72.69%	62.14%	49.14%	63.45%	Case No. 07-551-EL-AIR.
4	Assessment Percentage	35.00%	35.00%	35.00%	35.00%	Case No. 07-551-EL-AIR.
5	Real Property Tax Rate	7.23%	6.04%	7.23%	6.70%	Case No. 07-551-EL-AIR.
6	Average Rate	1.84%	1.31%	1.24%	1.49%	Line 3 x Line 4 x Line 5

\* Note: Effective with an Ohio tax law change in 2005, non-utilities do not pay Personal Property Tax. Accordingly, for purposes of determining the average Property Tax rate applicable to Service Company plant, only Real Property Tax is considered.

\*\* Weighted average based on Service Company allocation factors.  
Assumes that the tax rate for Service Company plant is equal to the weighted average of the three operating companies.

<b>II. Estimated Property Tax Rate for Service Company General Plant as of May 31, 2007</b>						
	(A)	(B)	(C)	(D)	(E)	(F)
No.	Account	Account Description	Tax Category	Avg. Tax Rate	Gross Plant	Property Tax
7	389	Fee Land & Easements	Real	1.49%	\$556,979	\$8,294
8	390	Structures, Improvements	Real	1.49%	\$21,328,601	\$317,594
9	390.3	Struct Imprv, Leasehold Imp	Real	1.49%	\$6,938,688	\$103,321
10	391.1	Office Furn., Mech. Equip.	Personal		\$31,040,407	\$0
11	391.2	Data Processing Equipment	Personal		\$117,351,991	\$0
12	392	Transportation Equipment	Personal		\$11,855	\$0
13	393	Stores Equipment	Personal		\$16,787	\$0
14	394	Tools, Shop, Garage Equip.	Personal		\$11,282	\$0
15	395	Laboratory Equipment	Personal		\$127,988	\$0
16	396	Power Operated Equipment	Personal		\$160,209	\$0
17	397	Communication Equipment	Personal		\$56,845,501	\$0
18	398	Misc. Equipment	Personal		\$465,158	\$0
19	399.1	ARC General Plant	Personal		\$40,721	\$0
20	<b>TOTAL - GENERAL PLANT</b>				<b>\$234,896,167</b>	<b>\$429,208</b>
21	<b>TOTAL - INTANGIBLE PLANT</b>				<b>\$79,567,511</b>	<b>\$0</b>
22	<b>TOTAL - GENERAL &amp; INTANGIBLE PLANT</b>				<b>\$314,463,678</b>	<b>\$429,208</b>
23	<b>Average Effective Real Property Tax Rate</b>					<b>0.14%</b>

### NOTES

- (C) Source: Case No. 07-551-EL-AIR, Schedule C3.10. Classification of General Plant account as Real or Personal Property
- (D) Average property tax rate across CEI, OE, and TE. See Section I above.  
Note: Effective with an Ohio tax law change in 2005, non-utilities do not pay Personal Property Tax.
- (E) Service Company General plant as of May 31, 2007.
- (F) Calculation: Column D x Column E



## Property Tax Rate for Service Company Plant

III. Average Real Property Tax Rates on General Plant as of December 31, 2011 *						
No.	(A) Category	(B) CEI	(C) OE	(D) TE	(E) Average **	(F) Source / Calculation
24	Allocation Factors	14.21%	17.22%	7.58%	39.01%	Service Company workpaper
25	Weighted Allocation Factors	36.43%	44.14%	19.43%	100.00%	Weighted Line 24
<u>Real Property Tax</u>						
26	True Value Percentage	75.38%	57.50%	51.65%	62.88%	Schedule C3.10a2
27	Assessment Percentage	35.00%	35.00%	35.00%	35.00%	Schedule C3.10a2
28	Real Property Tax Rate	7.44%	6.24%	7.60%	6.94%	Schedule C3.10a2
29	Average Rate	1.96%	1.26%	1.37%	1.53%	Line 26 x Line 27 x Line 28
* Note: Effective with an Ohio tax law change in 2005, non-utilities do not pay Personal Property Tax. Accordingly, for purposes of determining the average Property Tax rate applicable to Service Company plant, only Real Property Tax is considered.						
** Weighted average based on Service Company allocation factors. Assumes that the tax rate for Service Company plant is equal to the weighted average of the three operating companies.						

IV. Estimated Property Tax Rate for Service Company General Plant as of December 31, 2011						
No.	(A) Account	(B) Account Description	(C) Tax Category	(D) Avg. Tax Rate	(E) Gross Plant	(F) Property Tax
30	389	Fee Land & Easements	Real	1.53%	\$230,947	\$3,527
31	390	Structures, Improvements	Real	1.53%	\$39,333,719	\$600,755
32	390.3	Struct Imprv, Leasehold Imp	Real	1.53%	\$14,927,788	\$227,996
33	391.1	Office Furn., Mech. Equip.	Personal		\$20,572,121	\$0
34	391.2	Data Processing Equipment	Personal		\$124,304,233	\$0
35	392	Transportation Equipment	Personal		\$33,135	\$0
36	393	Stores Equipment	Personal		\$20,191	\$0
37	394	Tools, Shop, Garage Equip.	Personal		\$280,330	\$0
38	395	Laboratory Equipment	Personal		\$144,664	\$0
39	396	Power Operated Equipment	Personal		\$49,962	\$0
40	397	Communication Equipment	Personal		\$58,887,926	\$0
41	398	Misc. Equipment	Personal		\$3,871,836	\$0
42	399.1	ARC General Plant	Personal		\$40,721	\$0
43	<b>TOTAL - GENERAL PLANT</b>				<b>\$262,697,574</b>	<b>\$832,279</b>
44	<b>TOTAL - INTANGIBLE PLANT</b>				<b>\$126,731,771</b>	<b>\$0</b>
45	<b>TOTAL - GENERAL &amp; INTANGIBLE PLANT</b>				<b>\$389,429,345</b>	<b>\$832,279</b>
46	<b>Average Effective Real Property Tax Rate</b>					<b>0.21%</b>

### NOTES

- (C) Source: Schedule C3.10. Classification of General Plant account as Real or Personal Property
- (D) Weighted average property tax rate across CEI, OE, and TE. See Section I above.  
Note: Effective with an Ohio tax law change in 2005, non-utilities do not pay Personal Property Tax.
- (E) Estimated Service Company General gross plant balances as of 12/31/11. Source: 2011 budget.
- (F) Calculation: Column D x Column E

**Incremental Depreciation and Property Tax Associated with Service Company Plant**  
**Case No. 07-551-EL-AIR vs. Estimated 12/31/11 Balances**

<b>I. Estimated Service Company Plant and Related Expenses as of December 31, 2011</b>							
Line	Category	Service Co.	CEI	OE	TE	TOTAL	Source / Notes
1	Allocation Factor		14.21%	17.22%	7.58%	39.01%	Case No. 07-551-EL-AIR
<u>Total Plant</u>							
2	Gross Plant	\$389,429,345	\$55,337,910	\$67,059,733	\$29,518,744	\$151,916,388	Service Co. Depreciation Rate, Line 55 x Line 1
3	Accum. Reserve	(\$129,032,494)	(\$18,335,517)	(\$22,219,396)	(\$9,780,663)	(\$50,335,576)	Service Co. Depreciation Rate, Line 55 x Line 1
4	Net Plant	<u>\$260,396,851</u>	<u>\$37,002,393</u>	<u>\$44,840,338</u>	<u>\$19,738,081</u>	<u>\$101,580,812</u>	Line 2 + Line 3
5	Depreciation *	9.78%	\$5,409,947	\$6,555,896	\$2,885,813	\$14,851,656	Average Rate x Line 2
6	Property Tax *	0.21%	\$118,267	\$143,318	\$63,087	\$324,672	Average Rate x Line 2
7	Total Expenses		<u>\$5,528,214</u>	<u>\$6,699,215</u>	<u>\$2,948,899</u>	<u>\$15,176,328</u>	
* Effective Depreciation and Property Tax rates based on weighted averages across companies over General and Intangible plant, as of 12/31/11. See line 55 on workpaper "Service Co. Depreciation Rate" and line 46 on workpaper "Service Co. Property Tax Rate" for more details.							

<b>II. Estimated Allocated Service Company Plant and Related Expenses as of May 31, 2007</b>							
Line	Rate Base	Service Co.	CEI	OE	TE	TOTAL	Source / Notes
8	Allocation Factor		14.21%	17.22%	7.58%	39.01%	Case No. 07-551-EL-AIR
<u>Total Plant</u>							
9	Gross Plant	\$314,463,678	\$44,685,289	\$54,150,645	\$23,836,347	\$122,672,281	Service Co. Depreciation Rate, Line 27 x Line 8
10	Accum. Reserve	(\$141,912,431)	(\$20,165,756)	(\$24,437,321)	(\$10,756,962)	(\$55,360,039)	Service Co. Depreciation Rate, Line 27 x Line 8
11	Net Plant	<u>\$172,551,247</u>	<u>\$24,519,532</u>	<u>\$29,713,325</u>	<u>\$13,079,385</u>	<u>\$67,312,242</u>	Line 9 + Line 10
12	Depreciation *	10.68%	\$4,772,824	\$5,783,816	\$2,545,954	\$13,102,594	Average Rate x Line 9
13	Property Tax *	0.14%	\$60,990	\$73,910	\$32,534	\$167,434	Average Rate x Line 9
14	Total Expenses		<u>\$4,833,814</u>	<u>\$5,857,726</u>	<u>\$2,578,488</u>	<u>\$13,270,028</u>	Line 12 + Line 13
* Effective Depreciation and Property Tax rates based on weighted averages across companies over General and Intangible plant as of 5/31/07. See line 27 on workpaper "Service Co. Depreciation Rate" and line 23 on workpaper "Service Co. Property Tax Rate" for more details.							

<b>III. Estimated Incremental Expenses Associated with Allocated Service Company Plant *</b>							
Line	Rate Base	Service Co.	CEI	OE	TE	TOTAL	Source / Notes
15	Depreciation	-0.90%	\$637,123	\$772,080	\$339,859	\$1,749,062	Line 5 - Line 12
16	Property Tax	0.08%	\$57,276	\$69,409	\$30,553	\$157,238	Line 6 - Line 13
17	Total Expenses		<u>\$694,399</u>	<u>\$841,489</u>	<u>\$370,412</u>	<u>\$1,906,300</u>	Line 15 + Line 16
* In Case No. 07-551-EL-AIR, test year operating expenses included allocated depreciation and property tax associated with Service Company plant. This section calculates the difference between the estimated level of these expenses included in base rates and the expected expenses to be incurred based on Service Company plant balances as of December 31, 2011. The incremental expenses calculated on Line 17 above are added to the Rider DCR revenue requirements.							

**Intangible Depreciation Expense Calculation**

**NOTE**

The software accounts are amortized over a 7 year period (leading to an accrual rate of 14.29%), and many of these accounts have already been fully amortized. Therefore, applying the 14.29% accrual rate to the Gross Plant (the methodology employed for all other accounts) overstates the "depreciation expense" associated with intangible plant. This workpaper looks at each sub account within intangible plant and calculates the expense by applying the 14.29% to only those sub-accounts that are not fully amortized yet.

Company (A)	Utility Account (B)	Function (C)	Gross Plant Dec-11	Reserve Dec-11	Net Plant Dec-11	Accrual Rates	Depreciation Expense	
			(D)	(E)	(F)	(G)	(H)	
			Source: 2011 Budget, Version 12			Case # 07-551-EL-AIR	Accrual rate only applies to the gross plant of those accounts that are not fully amortized and those accounts that have reserve balances	
CECO	The Illuminating Co.	CECO 101/6-303 Software	Intangible Plant	(51,305.25)	(51,305.28)	0.03	14.29%	\$0.00
CECO	The Illuminating Co.	CECO 101/6 39030 General LH - FCT	Intangible Plant	436,850.26	430,636.46	6,213.80	14.29%	\$6,213.80
CECO	The Illuminating Co.	CECO 101/6-303 FAS109 Transm-FCT	Intangible Plant	1,176,339.38	955,592.90	220,746.48	2.15%	\$25,291.30
CECO	The Illuminating Co.	CECO 101/6-303 2005 Software	Intangible Plant	1,219,861.54	1,134,746.53	85,115.01	14.29%	\$85,115.01
CECO	The Illuminating Co.	CECO 101/6-303 2003 Software	Intangible Plant	1,307,066.95	1,307,066.95	0.00	14.29%	\$0.00
CECO	The Illuminating Co.	CECO 101/6-303 2006 Software	Intangible Plant	1,808,777.88	1,428,065.73	380,712.15	14.29%	\$258,474.36
CECO	The Illuminating Co.	CECO 101/6-303 FAS109 Dist- Forecast	Intangible Plant	2,001,380.25	1,914,742.31	86,637.94	3.18%	\$63,643.89
CECO	The Illuminating Co.	CECO 101/6-303 Intangible	Intangible Plant	2,137,564.98	12,932.29	2,124,632.69	14.29%	\$305,458.04
CECO	The Illuminating Co.	CECO 101/6-303 2008 Software	Intangible Plant	2,778,014.49	1,460,680.26	1,317,334.23	14.29%	\$396,978.27
CECO	The Illuminating Co.	CECO 101/6-303 2002 Software	Intangible Plant	2,966,784.11	2,966,784.11	0.00	14.29%	\$0.00
CECO	The Illuminating Co.	CECO 101/6-303 2010 Software	Intangible Plant	3,151,620.23	719,656.50	2,431,963.73	14.29%	\$450,366.53
CECO	The Illuminating Co.	CECO 101/6-303 2009 Software	Intangible Plant	3,231,553.65	901,226.03	2,330,327.62	14.29%	\$461,789.02
CECO	The Illuminating Co.	CECO 101/6-303 2004 Software	Intangible Plant	3,596,344.42	3,596,344.42	0.00	14.29%	\$0.00
CECO	The Illuminating Co.	CECO 101/6-303 2007 Software	Intangible Plant	5,870,455.85	3,692,867.93	2,177,587.92	14.29%	\$838,888.14
CECO	The Illuminating Co.	CECO 101/6-303 Software Evolution	Intangible Plant	12,454,403.18	12,454,403.18	0.00	14.29%	\$0.00
<b>Total</b>				<b>44,085,711.92</b>	<b>32,924,440.32</b>	<b>11,161,271.60</b>		<b>\$2,892,218.35</b>
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 General Lan	Intangible Plant	7,778.00	0.00	7,778.00	3.87%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-39730-39830 LH Equip	Intangible Plant	21,722.08	21,722.08	0.00	14.29%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 Dist Land	Intangible Plant	37,082.00	0.00	37,082.00	2.89%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-301 Organization	Intangible Plant	89,746.46	0.00	89,746.46	0.00%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-39030 LH Buildings	Intangible Plant	91,101.29	88,181.86	2,919.43	14.29%	\$2,919.43
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 General Plt	Intangible Plant	191,313.37	157,876.54	33,436.83	3.87%	\$7,403.83
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 Transmissio	Intangible Plant	697,049.00	697,049.00	0.00	2.33%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 Trans Land	Intangible Plant	1,326,229.00	0.00	1,326,229.00	2.33%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 2005 Software	Intangible Plant	1,469,370.24	1,469,370.24	0.00	14.29%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 Distribution	Intangible Plant	1,556,299.00	1,556,299.00	0.00	2.89%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 Intangibles	Intangible Plant	1,894,098.14	145,219.89	1,748,878.25	14.29%	\$270,666.62
OECO	Ohio Edison Co.	OECO 101/6-303 2006 Software	Intangible Plant	2,754,123.71	2,759,189.99	(5,066.28)	14.29%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 2008 Software	Intangible Plant	3,495,629.67	3,072,840.91	422,788.76	14.29%	\$422,788.76
OECO	Ohio Edison Co.	OECO 101/6-303 2002 Software	Intangible Plant	3,690,066.71	3,690,066.71	0.00	14.29%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 2010 Software	Intangible Plant	4,144,691.94	977,764.65	3,166,927.29	14.29%	\$592,276.48
OECO	Ohio Edison Co.	OECO 101/6-303 2004 Software	Intangible Plant	4,524,342.87	4,524,342.87	0.00	14.29%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 2009 Software	Intangible Plant	4,764,479.26	1,514,776.67	3,249,702.59	14.29%	\$680,844.09
OECO	Ohio Edison Co.	OECO 101/6-303 2007 Software	Intangible Plant	7,208,211.44	6,479,760.46	728,450.98	14.29%	\$728,450.98
OECO	Ohio Edison Co.	OECO 101/6-303 2003 Software	Intangible Plant	17,568,726.13	17,568,726.13	0.00	14.29%	\$0.00
<b>Total</b>				<b>55,532,060.31</b>	<b>44,723,187.00</b>	<b>10,808,873.31</b>		<b>\$2,705,350.19</b>
TECO	Toledo Edison Co.	TECO 101/6-303 Software	Intangible Plant	0.21	0.00	0.21	14.29%	\$0.00
TECO	Toledo Edison Co.	TECO 101/6-303 FAS109 Transmission	Intangible Plant	54,210.29	44,445.80	9,764.49	2.37%	\$1,284.78
TECO	Toledo Edison Co.	TECO 101/6-303 FAS109 Distribution	Intangible Plant	240,093.46	212,519.66	27,573.80	3.10%	\$7,442.90
TECO	Toledo Edison Co.	TECO 101/6-303 2005 Software	Intangible Plant	670,679.46	622,617.87	48,061.59	14.29%	\$48,061.59
TECO	Toledo Edison Co.	TECO 101/6-303 Intangible	Intangible Plant	770,983.39	57,593.92	713,389.47	14.29%	\$110,173.53
TECO	Toledo Edison Co.	TECO 101/6-303 2006 Software	Intangible Plant	834,729.01	656,605.98	178,123.03	14.29%	\$119,282.78
TECO	Toledo Edison Co.	TECO 101/6-303 2004 Software	Intangible Plant	854,820.65	854,820.65	0.00	14.29%	\$0.00
TECO	Toledo Edison Co.	TECO 101/6-303 2008 Software	Intangible Plant	1,445,550.32	829,299.76	616,250.56	14.29%	\$206,569.14
TECO	Toledo Edison Co.	TECO 101/6-303 2002 Software	Intangible Plant	1,705,113.91	1,705,113.91	0.00	14.29%	\$0.00
TECO	Toledo Edison Co.	TECO 101/6-303 2010 Software	Intangible Plant	1,788,976.34	420,384.70	1,368,591.64	14.29%	\$255,644.72
TECO	Toledo Edison Co.	TECO 101/6-303 2009 Software	Intangible Plant	2,059,388.78	605,696.94	1,453,691.84	14.29%	\$294,286.66
TECO	Toledo Edison Co.	TECO 101/6-303 2007 Software	Intangible Plant	3,095,001.76	1,937,965.11	1,157,036.65	14.29%	\$442,275.75
TECO	Toledo Edison Co.	TECO 101/6-303 2003 Software	Intangible Plant	7,446,711.94	7,446,711.94	0.00	14.29%	\$0.00
<b>Total</b>				<b>20,966,259.52</b>	<b>15,393,776.24</b>	<b>5,572,483.28</b>		<b>\$1,485,021.84</b>

**Rider Charge Calculation - Rider DCR**

I. Revenue Requirement Summary

	(A)	(B)	(C)	(D)
Company	Revenue Requirement		Annual KWH Sales	
	Annual \$	% Total		
(1) CEI	\$58,963,446	53.16%	19,085,906,000	
(2) OE	\$41,669,486	37.57%	24,253,180,000	
(3) TE	\$10,287,769	9.27%	10,872,515,000	
(4) TOTAL	\$110,920,701	100.00%	54,211,601,000	

NOTES

- (B) Revenue Requirement Calculations Lines 36 through 39
- (C) Percent of Total Ohio Revenue Requirements.
- (D) Source: 2012 Forecast

**Rider Charge Calculation - Rider DCR**

II. Allocation of Total DCR Revenue Requirement to RS and Non-RS (Based on Sales)

	(A)	(B)	(C)	(D)	(E)
	Company	Rate Schedule	Annual KWH Sales		DCR Revenue Allocations
			Total	% Total	
(1)	CEI	RS	5,532,391,000	32.86%	\$19,373,982
(2)		GS, GP, GSU	11,305,079,000	67.14%	\$39,589,464
(3)			16,837,470,000	100.00%	\$58,963,446
(4)	OE	RS	9,129,782,000	46.78%	\$19,494,451
(5)		GS, GP, GSU	10,385,173,000	53.22%	\$22,175,036
(6)			19,514,955,000	100.00%	\$41,669,486
(7)	TE	RS	2,504,779,000	43.14%	\$4,438,283
(8)		GS, GP, GSU	3,301,202,000	56.86%	\$5,849,486
(9)			5,805,981,000	100.00%	\$10,287,769
(10)	OH	RS	17,166,952,000	40.72%	\$43,306,716
(11)	TOTAL	GS, GP, GSU	24,991,454,000	59.28%	\$67,613,986
(12)			42,158,406,000	100.00%	\$110,920,701

**NOTES**

(C) Source: 2012 Forecast

(D) Calculation: Individual Rate Schedule Total / Total for RS, GS, GP, GSU

(E) Calculation: Annual DCR Revenue from Section I, Column B x Column D

**Rider Charge Calculation - Rider DCR**

III. Allocation of DCR Revenue Amongst Non-RS Schedules

	(A) Company	(B) Rate Schedule	(C) Stipulation Allocation			(F) DCR Revenue Allocations
			(C) % of Total	(D) % of Non-RS	(E) DCR Jurisd.	
(1)	CEI	RS	47.55%	0.00%	0.00%	\$0
(2)		GS	42.23%	80.52%	90.02%	\$35,637,802
(3)		GP	0.63%	1.19%	1.33%	\$528,102
(4)		GSU	4.06%	7.74%	8.65%	\$3,423,560
(5)		GT	0.18%	0.35%	0.00%	\$0
(6)		STL	3.53%	6.73%	0.00%	\$0
(7)		POL	1.79%	3.41%	0.00%	\$0
(8)		TRF	0.03%	0.06%	0.00%	\$0
(9)			100.00%	100.00%	100.00%	\$39,589,464
(10)		Subtotal (GT, STL, POL, TRF)		10.55%		
(11)	OE	RS	62.45%	0.00%	0.00%	\$0
(12)		GS	27.10%	72.17%	81.75%	\$18,128,749
(13)		GP	5.20%	13.85%	15.69%	\$3,479,115
(14)		GSU	0.85%	2.26%	2.56%	\$567,172
(15)		GT	2.19%	5.84%	0.00%	\$0
(16)		STL	1.39%	3.70%	0.00%	\$0
(17)		POL	0.76%	2.02%	0.00%	\$0
(18)		TRF	0.06%	0.16%	0.00%	\$0
(19)			100.00%	100.00%	100.00%	\$22,175,036
(20)		Subtotal (GT, STL, POL, TRF)		11.72%		
(21)	TE	RS	57.93%	0.00%	0.00%	\$0
(22)		GS	32.13%	76.36%	86.74%	\$5,073,830
(23)		GP	4.80%	11.42%	12.97%	\$758,860
(24)		GSU	0.11%	0.25%	0.29%	\$16,796
(25)		GT	1.38%	3.29%	0.00%	\$0
(26)		STL	2.91%	6.92%	0.00%	\$0
(27)		POL	0.69%	1.64%	0.00%	\$0
(28)		TRF	0.05%	0.12%	0.00%	\$0
(29)			100.00%	100.00%	100.00%	\$5,849,486
(30)		Subtotal (GT, STL, POL, TRF)		11.96%		

**NOTES**

- (C) Source: Stipulation in Case No. 07-551-EL-AIR.
- (D) Calculation: Individual Non-RS Rate Schedule Total from Column C / (1 - RS Total from Column C).
- (E) Besides customers taking service under Rate Schedule RS, Rider DCR is only applicable to customers taking service under Rate Schedule GS, GP, and GSU. Thus, the portion of the distribution rate increase allocated to Rate Schedules GT, STL, POL, and TRF per the Stipulation in Case No. 07-551-EL-AIR needs to be re-allocated across Rate Schedules GS, GP and GSU  
 Calculation: ((Column D) / Sum of GS, GP, GSU from Column D)
- (F) Calculation: Total DCR Revenue Allocated to Non-RS customers from Section II x Column E.

**Rider Charge Calculation - Rider DCR (Delivery Capital Recovery Rider)**

IV. Rider DCR Charge Calculation - Rate RS

	(A)	(B)	(C)	(D)	(E)
	Company	Rate Schedule	Annual DCR Revenue	Annual KWH Sales	DCR Charge (\$ / KWH)
(1)	CEI	RS	\$19,373,982	5,532,391,000	<b>\$0.003502</b>
(2)	OE	RS	\$19,494,451	9,129,782,000	<b>\$0.002135</b>
(3)	TE	RS	\$4,438,283	2,504,779,000	<b>\$0.001772</b>
(4)			<u>\$43,306,716</u>	17,166,952,000	

**NOTES**

- (C) Source: Section II.
- (D) Source: 2012 Forecast
- (E) Calculation: Column C / Column D.

V. Rider DCR Charge Calculation - Rate GS, Rate GP, Rate GSU

	(A)	(B)	(C)	(D)	(E)
	Company	Rate Schedule	Annual DCR Revenue	Billing Units (kW / kVa)	DCR Charge (\$ / kW or \$ / kVa)
(1)	CEI	GS	\$35,637,802	23,870,858	<b>\$1.4929 per kW</b>
(2)		GP	\$528,102	770,392	<b>\$0.6855 per kW</b>
(3)		GSU	<u>\$3,423,560</u>	8,270,529	<b>\$0.4139 per kW</b>
(4)			\$39,589,464		
(5)	OE	GS	\$18,128,749	23,841,092	<b>\$0.7604 per kW</b>
(6)		GP	\$3,479,115	6,435,639	<b>\$0.5406 per kW</b>
(7)		GSU	<u>\$567,172</u>	2,506,618	<b>\$0.2263 per kVa</b>
(8)			\$22,175,036		
(9)	TE	GS	\$5,073,830	7,730,519	<b>\$0.6563 per kW</b>
(10)		GP	\$758,860	2,561,889	<b>\$0.2962 per kW</b>
(11)		GSU	<u>\$16,796</u>	167,099	<b>\$0.1005 per kVa</b>
(12)			\$5,849,486		

**NOTES**

- (C) Source: Section III.
- (D) Source: 2012 Forecast
- (E) Calculation: Column C / Column D.

## 2012 Forecast, Energy and Demand

### **Energy:**

		<u>CEI</u>	<u>OE</u>	<u>TE</u>	<u>Total</u>
RS	kWh	5,532,391,000	9,129,782,000	2,504,779,000	17,166,952,000
GS	kWh	6,999,661,000	6,679,590,000	2,139,709,000	15,818,960,000
GP	kWh	408,110,000	2,701,298,000	1,051,386,000	4,160,794,000
GSU	kWh	3,897,308,000	1,004,285,000	110,107,000	5,011,700,000
GT	kWh	2,026,061,000	4,563,496,000	5,002,030,000	11,591,587,000
STL	kWh	138,420,000	25,079,000	50,001,000	213,500,000
POL	kWh	60,680,000	35,745,000	10,674,000	107,099,000
TRF	kWh	23,275,000	17,755,000	3,829,000	44,859,000
ESIP	kWh	-	96,150,000	-	96,150,000
<b>Total</b>		<b>19,085,906,000</b>	<b>24,253,180,000</b>	<b>10,872,515,000</b>	<b>54,211,601,000</b>

### **Demand:**

		<u>CEI</u>	<u>OE</u>	<u>TE</u>
GS	kW	23,870,858	23,841,092	7,730,519
GP	kW	770,392	6,435,639	2,561,889
GSU	kW/kVA	8,270,529	2,506,618	167,099



True Value Percentage & Capitalized Interest

<u>True Value Percentage</u>		Transmission	Distribution	General	Notes / Source
1	True Value of Taxable Property	61,292,885	925,652,592	19,056,298	Source: OE's 2011 property tax return filing
2	Net Cost of Taxable Property	156,350,770	1,955,583,784	56,131,443	Source: OE's 2011 property tax return filing
3	True Value Percentage	39.2022%	47.3338%	33.9494%	Calculation: Line 1 / Line 2

<u>Capitalized Interest</u>		Transmission	Distribution	Notes / Source
4	Cost of Taxable Property (Gross)	276,487,360	2,085,397,411	Source: OE's 2011 property tax return filing
5	Exemption - Land	(934,942)	(12,509,462)	Source: OE's 2011 property tax return filing
6	Exemption - Structures	(10,804,908)	(8,514,844)	Source: OE's 2011 property tax return filing
7	Exemption - Land - 105 Acct.	(2,742,986)		Source: OE's 2011 property tax return filing
8	Exemption - Land - 121 Acct.	(7,950)	(1,859,272)	Source: OE's 2011 property tax return filing
9	Exemption - Structure - 105 Acct.	(363)		Source: OE's 2011 property tax return filing
10	Net Cost of Taxable Property (b/f Int.)	261,996,211	2,062,513,833	Calculation: Sum (lines 4-9)
11	Capitalized Interest	11,752,447	104,268,174	Source: OE's 2011 property tax return filing
12	Capitalized Interest Percentage	4.4857%	5.0554%	Calculation: Line 11 / Line 10
13	Personal Property Bal. 12/31/11	170,916,687	2,186,875,130	Source: Schedule C-3.10a1, Line 3
14	Capitalized Interest on 12/31/11 Bal.	7,666,864	110,555,126	Calculation: Line 12 x Line 13

Ohio Edison Company  
Case No. 10-388-EL-SSO  
Typical Bills - Comparison (DCR vs. DSI)

Bill Data						
Line No.	Level of Demand (kW) (A)	Level of Usage (kWH) (B)	Current Winter Bill (\$) (C)	Proposed Winter Bill (\$) (D)	Dollar Increase (D)-(C) (E)	Percent Increase (E)/(C) (F)
Residential Service - Standard (Rate RS)						
1	0	250	\$ 34.33	\$ 34.22	\$ (0.11)	-0.3%
2	0	500	\$ 64.56	\$ 64.34	\$ (0.22)	-0.3%
3	0	750	\$ 94.48	\$ 94.15	\$ (0.33)	-0.3%
4	0	1,000	\$ 124.48	\$ 124.04	\$ (0.44)	-0.4%
5	0	1,250	\$ 154.45	\$ 153.91	\$ (0.55)	-0.4%
6	0	1,500	\$ 184.44	\$ 183.79	\$ (0.65)	-0.4%
7	0	2,000	\$ 244.33	\$ 243.46	\$ (0.87)	-0.4%
8	0	2,500	\$ 304.10	\$ 303.01	\$ (1.09)	-0.4%
9	0	3,000	\$ 363.80	\$ 362.49	\$ (1.31)	-0.4%
10	0	3,500	\$ 423.52	\$ 421.99	\$ (1.53)	-0.4%
11	0	4,000	\$ 483.22	\$ 481.48	\$ (1.74)	-0.4%
12	0	4,500	\$ 542.93	\$ 540.97	\$ (1.96)	-0.4%
13	0	5,000	\$ 602.67	\$ 600.49	\$ (2.18)	-0.4%
14	0	5,500	\$ 662.37	\$ 659.97	\$ (2.40)	-0.4%
15	0	6,000	\$ 722.06	\$ 719.44	\$ (2.62)	-0.4%
16	0	6,500	\$ 781.79	\$ 778.96	\$ (2.83)	-0.4%
17	0	7,000	\$ 841.50	\$ 838.45	\$ (3.05)	-0.4%
18	0	7,500	\$ 901.24	\$ 897.97	\$ (3.27)	-0.4%
19	0	8,000	\$ 960.93	\$ 957.44	\$ (3.49)	-0.4%
20	0	8,500	\$ 1,020.64	\$ 1,016.93	\$ (3.71)	-0.4%
21	0	9,000	\$ 1,080.36	\$ 1,076.44	\$ (3.92)	-0.4%
22	0	9,500	\$ 1,140.07	\$ 1,135.93	\$ (4.14)	-0.4%
23	0	10,000	\$ 1,199.76	\$ 1,195.40	\$ (4.36)	-0.4%
24	0	10,500	\$ 1,259.51	\$ 1,254.93	\$ (4.58)	-0.4%
25	0	11,000	\$ 1,319.20	\$ 1,314.40	\$ (4.80)	-0.4%

Ohio Edison Company  
Case No. 10-388-EL-SSO  
Typical Bills - Comparison (DCR vs. DSI)

Line No.	Bill Data					
	Level of Demand	Level of Usage	Current Winter Bill	Proposed Winter Bill	Dollar Increase	Percent Increase
	(kW) (A)	(kWH) (B)	(\$) (C)	(\$) (D)	(D)-(C) (E)	(E)/(C) (F)
Residential Service - All-Electric (Rate RS)						
1	0	250	\$ 34.33	\$ 34.22	\$ (0.11)	-0.3%
2	0	500	\$ 64.56	\$ 64.34	\$ (0.22)	-0.3%
3	0	750	\$ 85.30	\$ 84.97	\$ (0.33)	-0.4%
4	0	1,000	\$ 106.13	\$ 105.69	\$ (0.44)	-0.4%
5	0	1,250	\$ 126.92	\$ 126.38	\$ (0.55)	-0.4%
6	0	1,500	\$ 138.81	\$ 138.16	\$ (0.65)	-0.5%
7	0	2,000	\$ 162.50	\$ 161.63	\$ (0.87)	-0.5%
8	0	2,500	\$ 186.07	\$ 184.98	\$ (1.09)	-0.6%
9	0	3,000	\$ 209.57	\$ 208.26	\$ (1.31)	-0.6%
10	0	3,500	\$ 233.09	\$ 231.56	\$ (1.53)	-0.7%
11	0	4,000	\$ 256.59	\$ 254.85	\$ (1.74)	-0.7%
12	0	4,500	\$ 280.10	\$ 278.14	\$ (1.96)	-0.7%
13	0	5,000	\$ 303.64	\$ 301.46	\$ (2.18)	-0.7%
14	0	5,500	\$ 327.14	\$ 324.74	\$ (2.40)	-0.7%
15	0	6,000	\$ 350.63	\$ 348.01	\$ (2.62)	-0.7%
16	0	6,500	\$ 374.16	\$ 371.33	\$ (2.83)	-0.8%
17	0	7,000	\$ 397.67	\$ 394.62	\$ (3.05)	-0.8%
18	0	7,500	\$ 421.21	\$ 417.94	\$ (3.27)	-0.8%
19	0	8,000	\$ 444.70	\$ 441.21	\$ (3.49)	-0.8%
20	0	8,500	\$ 468.21	\$ 464.50	\$ (3.71)	-0.8%
21	0	9,000	\$ 491.73	\$ 487.81	\$ (3.92)	-0.8%
22	0	9,500	\$ 515.24	\$ 511.10	\$ (4.14)	-0.8%
23	0	10,000	\$ 538.73	\$ 534.37	\$ (4.36)	-0.8%
24	0	10,500	\$ 562.28	\$ 557.70	\$ (4.58)	-0.8%
25	0	11,000	\$ 585.77	\$ 580.97	\$ (4.80)	-0.8%

Ohio Edison Company  
Case No. 10-388-EL-SSO  
Typical Bills - Comparison (DCR vs. DSI)

Bill Data						
Line No.	Level of Demand (kW) (A)	Level of Usage (kWH) (B)	Current Winter Bill (\$) (C)	Proposed Winter Bill (\$) (D)	Dollar Increase (D)-(C) (E)	Percent Increase (E)/(C) (F)
Residential Service - Water Heating (Rate RS)						
1	0	250	\$ 34.33	\$ 34.22	\$ (0.11)	-0.3%
2	0	500	\$ 64.56	\$ 64.34	\$ (0.22)	-0.3%
3	0	750	\$ 90.05	\$ 89.72	\$ (0.33)	-0.4%
4	0	1,000	\$ 115.63	\$ 115.19	\$ (0.44)	-0.4%
5	0	1,250	\$ 141.17	\$ 140.63	\$ (0.55)	-0.4%
6	0	1,500	\$ 166.74	\$ 166.09	\$ (0.65)	-0.4%
7	0	2,000	\$ 217.78	\$ 216.91	\$ (0.87)	-0.4%
8	0	2,500	\$ 268.70	\$ 267.61	\$ (1.09)	-0.4%
9	0	3,000	\$ 319.55	\$ 318.24	\$ (1.31)	-0.4%
10	0	3,500	\$ 370.42	\$ 368.89	\$ (1.53)	-0.4%
11	0	4,000	\$ 421.27	\$ 419.53	\$ (1.74)	-0.4%
12	0	4,500	\$ 472.13	\$ 470.17	\$ (1.96)	-0.4%
13	0	5,000	\$ 523.02	\$ 520.84	\$ (2.18)	-0.4%
14	0	5,500	\$ 573.87	\$ 571.47	\$ (2.40)	-0.4%
15	0	6,000	\$ 624.71	\$ 622.09	\$ (2.62)	-0.4%
16	0	6,500	\$ 675.59	\$ 672.76	\$ (2.83)	-0.4%
17	0	7,000	\$ 726.45	\$ 723.40	\$ (3.05)	-0.4%
18	0	7,500	\$ 777.34	\$ 774.07	\$ (3.27)	-0.4%
19	0	8,000	\$ 828.18	\$ 824.69	\$ (3.49)	-0.4%
20	0	8,500	\$ 879.04	\$ 875.33	\$ (3.71)	-0.4%
21	0	9,000	\$ 929.91	\$ 925.99	\$ (3.92)	-0.4%
22	0	9,500	\$ 980.77	\$ 976.63	\$ (4.14)	-0.4%
23	0	10,000	\$ 1,031.61	\$ 1,027.25	\$ (4.36)	-0.4%
24	0	10,500	\$ 1,082.51	\$ 1,077.93	\$ (4.58)	-0.4%
25	0	11,000	\$ 1,133.35	\$ 1,128.55	\$ (4.80)	-0.4%

Ohio Edison Company  
Case No. 10-388-EL-SSO  
Typical Bills - Comparison (DCR vs. DSI)

Bill Data						
Line No.	Level of Demand (kW) (A)	Level of Usage (kWH) (B)	Current Winter Bill (\$) (C)	Proposed Winter Bill (\$) (D)	Dollar Increase (D)-(C) (E)	Percent Increase (E)/(C) (F)
General Service Secondary (Rate GS)						
1	10	1,000	\$ 144.27	\$ 143.00	\$ (1.27)	-0.9%
2	10	2,000	\$ 220.15	\$ 218.88	\$ (1.27)	-0.6%
3	10	3,000	\$ 295.64	\$ 294.37	\$ (1.27)	-0.4%
4	10	4,000	\$ 371.07	\$ 369.80	\$ (1.27)	-0.3%
5	10	5,000	\$ 446.53	\$ 445.26	\$ (1.27)	-0.3%
6	10	6,000	\$ 521.97	\$ 520.70	\$ (1.27)	-0.2%
7	1,000	100,000	\$ 15,049.89	\$ 14,922.99	\$ (126.90)	-0.8%
8	1,000	200,000	\$ 22,538.38	\$ 22,411.48	\$ (126.90)	-0.6%
9	1,000	300,000	\$ 30,026.86	\$ 29,899.96	\$ (126.90)	-0.4%
10	1,000	400,000	\$ 37,515.35	\$ 37,388.45	\$ (126.90)	-0.3%
11	1,000	500,000	\$ 45,003.84	\$ 44,876.94	\$ (126.90)	-0.3%
12	1,000	600,000	\$ 52,492.32	\$ 52,365.42	\$ (126.90)	-0.2%

Ohio Edison Company  
Case No. 10-388-EL-SSO  
Typical Bills - Comparison (DCR vs. DSI)

Bill Data						
Line No.	Level of Demand (kW) (A)	Level of Usage (kWH) (B)	Current Winter Bill (\$) (C)	Proposed Winter Bill (\$) (D)	Dollar Increase (D)-(C) (E)	Percent Increase (E)/(C) (F)
General Service Primary (Rate GP)						
1	500	50,000	\$ 5,923.41	\$ 5,890.01	\$ (33.40)	-0.6%
2	500	100,000	\$ 9,540.40	\$ 9,507.00	\$ (33.40)	-0.4%
3	500	150,000	\$ 13,157.39	\$ 13,123.99	\$ (33.40)	-0.3%
4	500	200,000	\$ 16,774.39	\$ 16,740.99	\$ (33.40)	-0.2%
5	500	250,000	\$ 20,391.38	\$ 20,357.98	\$ (33.40)	-0.2%
6	500	300,000	\$ 24,008.37	\$ 23,974.97	\$ (33.40)	-0.1%
7	5,000	500,000	\$ 57,762.90	\$ 57,428.90	\$ (334.00)	-0.6%
8	5,000	1,000,000	\$ 93,824.23	\$ 93,490.23	\$ (334.00)	-0.4%
9	5,000	1,500,000	\$ 129,669.01	\$ 129,335.01	\$ (334.00)	-0.3%
10	5,000	2,000,000	\$ 165,513.79	\$ 165,179.79	\$ (334.00)	-0.2%
11	5,000	2,500,000	\$ 201,358.57	\$ 201,024.57	\$ (334.00)	-0.2%
12	5,000	3,000,000	\$ 237,203.35	\$ 236,869.35	\$ (334.00)	-0.1%

Ohio Edison Company  
Case No. 10-388-EL-SSO  
Typical Bills - Comparison (DCR vs. DSI)

Bill Data						
Line No.	Level of Demand (kVa) (A)	Level of Usage (kWH) (B)	Current Winter Bill (\$) (C)	Proposed Winter Bill (\$) (D)	Dollar Increase (D)-(C) (E)	Percent Increase (E)/(C) (F)
General Service Subtransmission (Rate GSU)						
1	1,000	100,000	\$ 9,339.66	\$ 9,248.46	\$ (91.20)	-1.0%
2	1,000	200,000	\$ 16,120.75	\$ 16,029.55	\$ (91.20)	-0.6%
3	1,000	300,000	\$ 22,901.83	\$ 22,810.63	\$ (91.20)	-0.4%
4	1,000	400,000	\$ 29,682.92	\$ 29,591.72	\$ (91.20)	-0.3%
5	1,000	500,000	\$ 36,464.01	\$ 36,372.81	\$ (91.20)	-0.3%
6	1,000	600,000	\$ 43,245.09	\$ 43,153.89	\$ (91.20)	-0.2%
7	10,000	1,000,000	\$ 91,365.84	\$ 90,453.84	\$ (912.00)	-1.0%
8	10,000	2,000,000	\$ 158,526.40	\$ 157,614.40	\$ (912.00)	-0.6%
9	10,000	3,000,000	\$ 225,686.96	\$ 224,774.96	\$ (912.00)	-0.4%
10	10,000	4,000,000	\$ 292,847.52	\$ 291,935.52	\$ (912.00)	-0.3%
11	10,000	5,000,000	\$ 360,008.09	\$ 359,096.09	\$ (912.00)	-0.3%
12	10,000	6,000,000	\$ 427,168.65	\$ 426,256.65	\$ (912.00)	-0.2%

**RIDER DCR**  
**Delivery Capital Recovery Rider**

**APPLICABILITY:**

Applicable to any customer who receives electric service under the Company's rate schedules set forth below. The Delivery Capital Recovery Rider (DCR) charges will apply, by rate schedule, effective for bills rendered beginning January 1, 2012. This Rider is not avoidable for customers who take electric generation service from a certified supplier.

**RATE:**

RS (all kWhs, per kWh)	0.2135¢
GS (per kW of Billing Demand)	\$ 0.7604
GP (per kW of Billing Demand)	\$ 0.5406
GSU (per kVa of Billing Demand)	\$ 0.2263

**PROVISIONS:**

The charges set forth in this Rider recover costs associated with delivery plant investments made since the date certain in Case No. 07-551-EL-AIR, exclusive of any delivery plant investments being recovered elsewhere.

**RIDER UPDATES:**

The charges contained in this Rider shall be updated on a quarterly basis. No later than October 31st, January 31st, April 30th and July 30th of each year, the Company will file with the PUCO a request for approval of the Rider charges which, unless otherwise ordered by the PUCO, shall become effective on a bills rendered basis on January 1st, April 1st, July 1st and October 1st of each year.



**This foregoing document was electronically filed with the Public Utilities**

**Commission of Ohio Docketing Information System on**

**11/1/2011 5:28:32 PM**

**in**

**Case No(s). 10-0388-EL-SSO, 89-6006-EL-TRF**

Summary: Tariff Compliance filing for 2012 Rider DCR for Ohio Edison Company electronically filed by Ms. Meghan C. Moreland on behalf of FirstEnergy and Mikkelsen, Eileen M. Ms.