

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
89-6001-EL-TRF

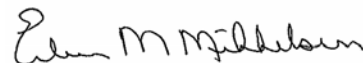
Dear Ms. McCauley:

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 The Cleveland Electric Illuminating 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 89-6001-EL-TRF, and distribute two copies to the Staff. Thank you.

Sincerely,



Eileen M. Mikkelsen
Director, Rates & Regulatory Affairs

Enclosures

The Cleveland Electric Illuminating Company
Delivery Capital Recovery Rider (DCR)
Compliance Filing
November 1, 2011

Page Name	Page
DCR Revenue Requirement Calculation	1
Plant In Service	2
Reserve for Accumulated Depreciation	6
ADIT Balances	10
Depreciation Accrual Rates	11
Property Tax Calculations	15
Summary of Exclusions	18
Service Company Allocation Summary	19
Service Company Depreciation Accrual Rates	20
Service Company Property Tax Rate	22
Incremental Service Company Depreciation and Property Tax Expense	24
Intangible Depreciation Expense	25
Rider DCR - Rate Design	26
2012 Billing Units	30
True Value Percentage & Capitalized Interest Workpaper	31
Typical Bill Comparisons	32
Rider DCR Tariff	38

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)
Gross Plant	5/31/2007*	12/31/2011	Incremental	Source of Column (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) Total	4,772.5	6,142.5	1,370.0	Sum: [(1) through (3)]
Accumulated Reserve				
(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) Total	(1,952.8)	(2,608.9)	(656.1)	Sum: [(5) through (7)]
Net Plant In Service				
(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) Total	2,819.7	3,533.6	713.9	Sum: [(9) through (11)]
ADIT				
(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) Total	(453.8)	(916.6)	(462.8)	Sum: [(13) through (15)]
Rate Base				
(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) Total	2,366.0	2,617.0	251.1	Sum: [(17) through (19)]
Depreciation Exp				
(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) Total	146.5	185.5	39.0	Sum: [(21) through (23)]
Property Tax Exp				
(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) Total	142.4	185.5	43.1	Sum: [(25) through (27)]

	Revenue Requirement	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) Total		251.1	21.3	39.0	43.1	103.3

	Capital Structure & Returns		
(33)	Debt	% mix	rate
(34)	Equity	51%	6.54%
(35)		49%	10.50%
			8.48%

	(a)	(b)	(c)	(d)	(e)	(f)
	Equity Return	Tax Rate	Income Tax	CAT 0.26%	Taxes	Rev. Req. + Tax
(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) Total	12.9		7.3	0.3	7.6	110.9

(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

The Cleveland Electric Illuminating 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" worksheet / 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	65,438,522	100%	65,438,522	(\$57,266,431)	8,172,091
2	352	Structures & Improvements	17,740,374	100%	17,740,374		17,740,374
3	353	Station Equipment	143,526,291	100%	143,526,291		143,526,291
4	354	Towers & Fixtures	329,086	100%	329,086		329,086
5	355	Poles & Fixtures	40,902,798	100%	40,902,798		40,902,798
6	356	Overhead Conductors & Devices	48,830,992	100%	48,830,992		48,830,992
7	357	Underground Conduit	31,660,009	100%	31,660,009		31,660,009
8	358	Underground Conductors & Devices	91,349,064	100%	91,349,064		91,349,064
9	359	Roads & Trails	318,242	100%	318,242		318,242
10		Total Transmission Balance 12/31/2011	\$440,095,377	100%	\$440,095,377	(\$57,266,431)	\$382,828,946

The Cleveland Electric Illuminating Company
12/31/2011 Plant in Service by Accounts and Subaccounts

Schedule B-2.1

Page 2 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" worksheet / 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	\$6,766,948	100%	\$6,766,948		\$6,766,948
12	361	Structures & Improvements	23,000,502	100%	23,000,502		23,000,502
13	362	Station Equipment	234,654,509	100%	234,654,509	(9,404,760)	225,249,749
14	364	Poles, Towers & Fixtures	294,962,469	100%	294,962,469	(3,900,592)	291,061,877
15	365	Overhead Conductors & Devices	354,319,518	100%	354,319,518		354,319,518
16	366	Underground Conduit	71,419,509	100%	71,419,509		71,419,509
17	367	Underground Conductors & Devices	315,760,259	100%	315,760,259		315,760,259
18	368	Line Transformers	351,657,470	100%	351,657,470		351,657,470
19	369	Services	76,623,148	100%	76,623,148		76,623,148
20	370	Meters	101,695,057	100%	101,695,057	(3,282,555)	98,412,501
21	371	Installation on Customer Premises	24,942,998	100%	24,942,998		24,942,998
22	373	Street Lighting & Signal Systems	70,899,865	100%	70,899,865		70,899,865
23	374	Asset Retirement Costs for Distribution Plant	60,078	100%	60,078		60,078
24		Total Distribution Balance 12/31/2011	\$1,926,762,331	100%	\$1,926,762,331	(\$16,587,908)	\$1,910,174,422

The Cleveland Electric Illuminating Company
12/31/2011 Plant in Service by Accounts and Subaccounts

Schedule B-2.1

Page 3 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" worksheet / 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	\$1,557,505	100%	\$1,557,505		\$1,557,505
26	390	Structures & Improvements	43,487,019	100%	43,487,019		43,487,019
27	390.3	Leasehold Improvements	446,135	100%	446,135		446,135
28	391.1	Office Furniture & Equipment	4,256,450	100%	4,256,450		4,256,450
29	391.2	Data Processing Equipment	12,000,865	100%	12,000,865		12,000,865
30	392	Transportation Equipment	3,659,595	100%	3,659,595		3,659,595
31	393	Stores Equipment	722,060	100%	722,060		722,060
32	394	Tools, Shop & Garage Equipment	10,786,094	100%	10,786,094		10,786,094
33	395	Laboratory Equipment	5,020,854	100%	5,020,854		5,020,854
34	396	Power Operated Equipment	5,089,135	100%	5,089,135		5,089,135
35	397	Communication Equipment	16,831,918	100%	16,831,918		16,831,918
36	398	Miscellaneous Equipment	68,873	100%	68,873		68,873
37	399.1	Asset Retirement Costs for General Plant	203,777	100%	203,777		203,777
38		Total General Balance 12/31/2011	\$104,130,280	100%	\$104,130,280	\$0	\$104,130,280

The Cleveland Electric Illuminating Company
12/31/2011 Plant in Service by Accounts and Subaccounts

Schedule B-2.1

Page 4 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" worksheet / 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	303	Intangible Software	\$40,907,992	100%	\$40,907,992		\$40,907,992
40	303	Intangible FAS 109 Transmission	\$1,176,339	100%	\$1,176,339		\$1,176,339
41	303	Intangible FAS 109 Distribution	\$2,001,380	100%	\$2,001,380		\$2,001,380
42			<u>\$44,085,712</u>		<u>\$44,085,712</u>	<u>\$0</u>	<u>\$44,085,712</u>
43		Company Total Plant Balance	\$2,515,073,699	100%	\$2,515,073,699	(\$73,854,339)	\$2,441,219,360
44		Service Company Plant Allocated*					\$55,337,910
45		Grand Total Plant Balance (43 + 44)					<u><u>\$2,496,557,270</u></u>

* Source: Line 2 of the Service Company Allocations worksheet.

The Cleveland Electric Illuminating 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	Reserve Balances				
			Plant Investment	Total	Allocation	Allocated	Adjustments	Adjusted
			Sch B2.1 Column E (A)	Company (B)	% (C)	Total (D) = (B) * (C)	(E)	Jurisdiction (F) = (D) + (E)
<u>TRANSMISSION PLANT</u>								
1	350	Land & Land Rights	\$8,172,091	\$0	100%	\$0		\$0
2	352	Structures & Improvements	\$17,740,374	8,336,593	100%	8,336,593		8,336,593
3	353	Station Equipment	\$143,526,291	67,305,917	100%	67,305,917		67,305,917
4	354	Towers & Fixtures	\$329,086	177,062	100%	177,062		177,062
5	355	Poles & Fixtures	\$40,902,798	22,007,353	100%	22,007,353		22,007,353
6	356	Overhead Conductors & Devices	\$48,830,992	26,273,041	100%	26,273,041		26,273,041
7	357	Underground Conduit	\$31,660,009	17,034,360	100%	17,034,360		17,034,360
8	358	Underground Conductors & Devices	\$91,349,064	49,149,477	100%	49,149,477		49,149,477
9	359	Roads & Trails	\$318,242	171,227	100%	171,227		171,227
10		Total Transmission	\$382,828,946	\$190,455,029	100%	\$190,455,029	\$0	\$190,455,029

The Cleveland Electric Illuminating 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				
			Plant Investment	Total	Allocation	Allocated	Adjustments	Adjusted
			Sch B2.1 Column E (A)	Company (B)	% (C)	Total (D) = (B) * (C)	(E)	Jurisdiction (F) = (D) + (E)
<u>DISTRIBUTION PLANT</u>								
11	360	Land & Land Rights	\$6,766,948	\$0	100%	\$0		\$0
12	361	Structures & Improvements	\$23,000,502	7,701,941	100%	7,701,941		7,701,941
13	362	Station Equipment	\$225,249,749	75,897,301	100%	75,897,301	(470,238)	75,427,063
14	364	Poles, Towers & Fixtures	\$291,061,877	116,146,060	100%	116,146,060	(195,030)	115,951,030
15	365	Overhead Conductors & Devices	\$354,319,518	141,151,131	100%	141,151,131		141,151,131
16	366	Underground Conduit	\$71,419,509	28,451,564	100%	28,451,564		28,451,564
17	367	Underground Conductors & Devices	\$315,760,259	125,790,185	100%	125,790,185		125,790,185
18	368	Line Transformers	\$351,657,470	140,090,645	100%	140,090,645		140,090,645
19	369	Services	\$76,623,148	30,524,550	100%	30,524,550		30,524,550
20	370	Meters	\$98,412,501	39,373,809	100%	39,373,809	(168,981)	39,204,828
21	371	Installation on Customer Premises	\$24,942,998	9,936,603	100%	9,936,603		9,936,603
22	373	Street Lighting & Signal Systems	\$70,899,865	28,244,552	100%	28,244,552		28,244,552
23	374	Asset Retirement Costs for Distribution Plant	\$60,078	38,499	100%	38,499		38,499
24		Total Distribution	\$1,910,174,422	\$743,346,843	100%	\$743,346,843	(\$834,249)	\$742,512,594

The Cleveland Electric Illuminating Company
Reserve for Accumulated Depreciation

Schedule B-3

Page 3 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				
			Plant Investment	Total	Allocation	Allocated	Adjustments	Adjusted
			Sch B2.1 Column E (A)	Company (B)	% (C)	Total (D) = (B) * (C)	(E)	Jurisdiction (F) = (D) + (E)
<u>GENERAL PLANT</u>								
25	389	Land & Land Rights	\$1,557,505	\$0	100%	\$0		\$0
26	390	Structures & Improvements	\$43,487,019	16,282,619	100%	\$16,282,619		\$16,282,619
27	390.3	Leasehold Improvements	\$446,135	167,044	100%	\$167,044		\$167,044
28	391.1	Office Furniture & Equipment	\$4,256,450	2,439,385	100%	\$2,439,385		\$2,439,385
29	391.2	Data Processing Equipment	\$12,000,865	6,877,733	100%	\$6,877,733		\$6,877,733
30	392	Transportation Equipment	\$3,659,595	2,097,325	100%	\$2,097,325		\$2,097,325
31	393	Stores Equipment	\$722,060	413,815	100%	\$413,815		\$413,815
32	394	Tools, Shop & Garage Equipment	\$10,786,094	6,181,544	100%	\$6,181,544		\$6,181,544
33	395	Laboratory Equipment	\$5,020,854	2,877,467	100%	\$2,877,467		\$2,877,467
34	396	Power Operated Equipment	\$5,089,135	2,916,599	100%	\$2,916,599		\$2,916,599
35	397	Communication Equipment	\$16,831,918	9,646,424	100%	\$9,646,424		\$9,646,424
36	398	Miscellaneous Equipment	\$68,873	39,471	100%	\$39,471		\$39,471
37	399.1	Asset Retirement Costs for General Plant	\$203,777	91,888	100%	\$91,888		\$91,888
38		Total General Plant	\$104,130,280	\$50,031,314	100%	\$50,031,314	\$0	\$50,031,314

The Cleveland Electric Illuminating Company
Reserve for Accumulated Depreciation

Schedule B-3

Page 4 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				
			Plant Investment	Total	Allocation	Allocated	Adjustments	Adjusted
			Sch B2.1 Column E	Company	%	Total		Jurisdiction
			(A)	(B)	(C)	(D) = (B) * (C)	(E)	(F) = (D) + (E)
<u>OTHER PLANT</u>								
39	303	Intangible Software	\$40,907,992	\$30,054,105	100%	\$30,054,105		\$30,054,105
40	303	Intangible FAS 109 Transmission	\$1,176,339	\$955,593	100%	\$955,593		\$955,593
41	303	Intangible FAS 109 Distribution	\$2,001,380	\$1,914,742	100%	\$1,914,742		\$1,914,742
42			\$44,085,712	\$32,924,440		\$32,924,440	0	\$32,924,440
43		COMPANY TOTAL RESERVE	\$2,441,219,360	\$1,016,757,626	100%	\$1,016,757,626	(\$834,249)	\$1,015,923,377
44		Service Company Reserve Allocated*						\$18,335,517
45		Grand Total Reserve (43 + 44)						\$1,034,258,894

* 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	<u>\$386,388,796</u>	<u>\$412,323,442</u>	<u>\$117,867,128</u>	

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

** Line 4 on Service Company Allocations workpaper

The Cleveland Electric Illuminating Company
Depreciation Accrual Rates and
Jurisdictional Reserve Balances by Accounts

Schedule B-3.2
Page 1 of 4

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

Line No.	Account No.	Account Title	Adjusted Jurisdiction		Current Accrual Rate (F)	Calculated Depr. Expense (G=DxF)
			Plant Investment Sch. B-2.1 (D)	Reserve Balance Sch. B-3 (E)		
(A)	(B)	(C)				
<u>TRANSMISSION PLANT</u>						
1	350	Land & Land Rights	\$8,172,091	\$0	0.00%	\$0
2	352	Structures & Improvements	\$17,740,374	8,336,593	2.50%	443,509
3	353	Station Equipment	\$143,526,291	67,305,917	1.80%	2,583,473
4	354	Towers & Fixtures	\$329,086	177,062	1.77%	5,825
5	355	Poles & Fixtures	\$40,902,798	22,007,353	3.00%	1,227,084
6	356	Overhead Conductors & Devices	\$48,830,992	26,273,041	2.78%	1,357,502
7	357	Underground Conduit	\$31,660,009	17,034,360	2.00%	633,200
8	358	Underground Conductors & Devices	\$91,349,064	49,149,477	2.00%	1,826,981
9	359	Roads & Trails*	\$318,242	171,227	1.33%	4,233
10		Total Transmission	\$382,828,946	\$190,455,029		\$8,081,807

*NOTE: There weren't any balances in this account in Case No. 07-551-EL-AIR, so this accrual rate has been added since the case

The Cleveland Electric Illuminating 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.	Account No.	Account Title	Adjusted Jurisdiction		Current Accrual Rate (F)	Calculated Depr. Expense (G=DxF)
			Plant Investment Sch. B-2.1 (D)	Reserve Balance Sch. B-3 (E)		
(A)	(B)	(C)				
<u>DISTRIBUTION PLANT</u>						
11	360	Land & Land Rights	\$6,766,948	\$0	0.00%	\$0
12	361	Structures & Improvements	\$23,000,502	7,701,941	2.50%	575,013
13	362	Station Equipment	\$225,249,749	75,427,063	1.80%	4,054,495
14	364	Poles, Towers & Fixtures	\$291,061,877	115,951,030	4.65%	13,534,377
15	365	Overhead Conductors & Devices	\$354,319,518	141,151,131	3.89%	13,783,029
16	366	Underground Conduit	\$71,419,509	28,451,564	2.17%	1,549,803
17	367	Underground Conductors & Devices	\$315,760,259	125,790,185	2.44%	7,704,550
18	368	Line Transformers	\$351,657,470	140,090,645	2.91%	10,233,232
19	369	Services	\$76,623,148	30,524,550	4.33%	3,317,782
20	370	Meters	\$98,412,501	39,204,828	3.16%	3,109,835
21	371	Installation on Customer Premises	\$24,942,998	9,936,603	3.45%	860,533
22	373	Street Lighting & Signal Systems	\$70,899,865	28,244,552	3.70%	2,623,295
23	374	Asset Retirement Costs for Distribution Plant	\$60,078	\$38,499	0.00%	0
24		Total Distribution	\$1,910,174,422	\$742,512,594		\$61,345,944

The Cleveland Electric Illuminating Company
Depreciation Accrual Rates and
Jurisdictional Reserve Balances by Accounts

Schedule B-3.2
Page 3 of 4

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

Line No.	Account No.	Account Title	Adjusted Jurisdiction		Current Accrual Rate (F)	Calculated Depr. Expense (G=DxF)
			Plant Investment Sch. B-2.1 (D)	Reserve Balance Sch. B-3 (E)		
(A)	(B)	(C)				
<u>GENERAL PLANT</u>						
25	389	Land & Land Rights	\$1,557,505	\$0	0.00%	\$0
26	390	Structures & Improvements	\$43,487,019	\$16,282,619	2.20%	\$956,714
27	390.3	Leasehold Improvements	\$446,135	\$167,044	22.34%	\$99,666
28	391.1	Office Furniture & Equipment	\$4,256,450	\$2,439,385	7.60%	\$323,490
29	391.2	Data Processing Equipment	\$12,000,865	\$6,877,733	10.56%	\$1,267,291
30	392	Transportation Equipment	\$3,659,595	\$2,097,325	6.07%	\$222,137
31	393	Stores Equipment	\$722,060	\$413,815	6.67%	\$48,161
32	394	Tools, Shop & Garage Equipment	\$10,786,094	\$6,181,544	4.62%	\$498,318
33	395	Laboratory Equipment	\$5,020,854	\$2,877,467	2.31%	\$115,982
34	396	Power Operated Equipment	\$5,089,135	\$2,916,599	4.47%	\$227,484
35	397	Communication Equipment	\$16,831,918	\$9,646,424	7.50%	\$1,262,394
36	398	Miscellaneous Equipment	\$68,873	\$39,471	6.67%	\$4,594
37	399.1	Asset Retirement Costs for General Plant	\$203,777	\$91,888	0.00%	\$0
38		Total General	\$104,130,280	\$50,031,314		\$5,026,231

The Cleveland Electric Illuminating 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.	Account No.	Account Title	Adjusted Jurisdiction		Current Accrual Rate (F)	Calculated Depr. Expense (G=DxF)
			Plant Investment Sch. B-2.1 (D)	Reserve Balance Sch. B-3 (E)		
(A)	(B)	(C)				
<u>OTHER PLANT</u>						
39	303	Intangible Software	\$40,907,992	\$30,054,105	14.29%	**
40	303	Intangible FAS 109 Transmission	\$1,176,339	\$955,593	2.15%	**
41	303	Intangible FAS 109 Distribution	<u>\$2,001,380</u>	<u>\$1,914,742</u>	3.18%	<u>**</u>
42		Total Other	\$44,085,712	\$32,924,440		\$2,892,218
43		Incremental Depreciation Associated with Allocated Service Company Plant ***	\$55,337,910	\$18,335,517		\$637,123
44		CURRENT RATE GRAND TOTAL PLANT	<u><u>\$2,496,557,270</u></u>	<u><u>\$1,034,258,894</u></u>		<u><u>\$77,983,323</u></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"

The Cleveland Electric Illuminating 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

Line No.	Description	Jurisdictional Amount
1	Personal Property Taxes	84,576,513
2	Real Property Taxes	1,985,161
3	Incremental Property Tax Associated with Allocated Service Company Plant *	<u>57,276</u>
4	Total Property Taxes (1 + 2 + 3)	<u><u>\$86,618,950</u></u>
* Source: Line 7 of workpaper "Service Company Allocation Summary" page 18 of filing.		

The Cleveland Electric Illuminating 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)	\$382,828,946	\$1,910,174,422	\$104,130,280
2	Jurisdictional Real Property (b)	25,912,464	29,767,450	45,490,658
3	Jurisdictional Personal Property (1 - 2)	356,916,481	1,880,406,973	58,639,621
4	Purchase Accting Adjustment	(256,982,812)	(950,826,304)	0
5	Adjusted Jurisdictional Personal Property (3 + 4)	99,933,669	929,580,669	58,639,621
<u>Exclusions and Exemptions</u>				
6	Capitalized Asset Retirement Costs (a)	0	60,078	203,777
7	Exempt Facilities (c)	0	0	0
8	Licensed Motor Vehicles (c)	0	0	6,582,598
9	Capitalized Interest (c)	4,899,486	8,273,887	0
10	Total Exclusions and Exemptions (6 thru 9)	4,899,486	8,333,965	6,786,375
11	Net Cost of Taxable Personal Property (5 - 10)	\$95,034,183	\$921,246,703	\$51,853,246
12	True Value Percentage (c)	80.9496%	79.7860%	29.7184%
13	True Value of Taxable Personal Property (11 x 12)	\$76,929,824	\$735,026,003	\$15,409,954
14	Assessment Percentage (d)	85.00%	85.00%	24.00%
15	Assessment Value (13 x 14)	\$65,390,350	\$624,772,103	\$3,698,389
16	Personal Property Tax Rate (e)	10.3304000%	10.3304000%	10.3304000%
17	Personal Property Tax (15 x 16)	\$6,755,085	\$64,541,457	382,058
18	Purchase Accounting Adjustment	2,526,535	\$10,371,378	0
19	Total Personal Property Tax (17 + 18)			\$84,576,513

(a) Schedule B-2.1

(b) Schedule B-2.1, Accounts 350, 352, 360, 361, 389, 390 and 390.3

(c) Source: CEI'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

The Cleveland Electric Illuminating 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)	\$25,912,464	\$29,767,450	\$45,490,658
2	True Value Percentage (b)	<u>75.38%</u>	<u>75.38%</u>	<u>75.38%</u>
3	True Value of Taxable Real Property (1 x 2)	\$19,533,697	\$22,439,716	\$34,292,405
4	Assessment Percentage (c)	<u>35.00%</u>	<u>35.00%</u>	<u>35.00%</u>
5	Assessment Value (3 x 4)	\$6,836,794	\$7,853,901	\$12,002,342
6	Real Property Tax Rate (d)	<u>7.4370%</u>	<u>7.4370%</u>	<u>7.4370%</u>
7	Real Property Tax (5 x 6)	\$508,452	\$584,095	\$892,614
8	Total Real Property Tax (7)			<u><u>\$1,985,161</u></u>

(a) Schedule C-3.10a1

(b) Calculated as follows:

(1) Real Property Assessed Value	\$40,837,701	Source: CEI's 2011 Property Tax return filing
(2) Assessment Percentage	<u>35.00%</u>	Statutory Assessment for Real Property
(3) Real Property True Value	\$116,679,146	Calculation: (1) / (2)
(4) Real Property Capitalized Cost	\$154,781,003	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>75.38%</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) Rate Base	\$206,689,409	\$29,370,565	\$35,591,916	\$15,667,057	\$80,629,538
(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) Total Expenses		\$694,399	\$841,489	\$370,412	\$1,906,300

- (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

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
Line No.	Account	Account Description	5/31/2007			Accrual Rates				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%	
GENERAL PLANT										
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
INTANGIBLE PLANT										
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	TOTAL - GENERAL & INTANGIBLE		\$314,463,678	\$141,912,431	\$172,551,247				10.68%	\$33,587,782

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%	
GENERAL PLANT										
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
INTANGIBLE PLANT										
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	TOTAL - GENERAL & INTANGIBLE		\$389,429,345	\$129,032,494	\$260,396,851				9.78%	\$38,071,406

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

I. Average Real Property Tax Rates on General Plant as of May 31, 2007 *

No.	(A) Category	(B) CEI	(C) OE	(D) TE	(E) Average **	(F) 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
<p>* 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.</p> <p>** 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.</p>						

II. Estimated Property Tax Rate for Service Company General Plant as of May 31, 2007

No.	(A) Account	(B) Account Description	(C) Tax Category	(D) Avg. Tax Rate	(E) Gross Plant	(F) 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	TOTAL - GENERAL PLANT				\$234,896,167	\$429,208
21	TOTAL - INTANGIBLE PLANT				\$79,567,511	\$0
22	TOTAL - GENERAL & INTANGIBLE PLANT				\$314,463,678	\$429,208
23	Average Effective Real Property Tax Rate					0.14%

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

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	TOTAL - GENERAL PLANT				\$262,697,574	\$832,279
44	TOTAL - INTANGIBLE PLANT				\$126,731,771	\$0
45	TOTAL - GENERAL & INTANGIBLE PLANT				\$389,429,345	\$832,279
46	Average Effective Real Property Tax Rate					0.21%

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

I. Estimated Service Company Plant and Related Expenses as of December 31, 2011

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>	
<p>* 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.</p>							

II. Estimated Allocated Service Company Plant and Related Expenses as of May 31, 2007

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
<p>* 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.</p>							

III. Estimated Incremental Expenses Associated with Allocated Service Company Plant *

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
<p>* 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.</p>							

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 (D)	Reserve Dec-11 (E)	Net Plant Dec-11 (F)	Accrual Rates (G)	Depreciation Expense (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
Total			44,085,711.92	32,924,440.32	11,161,271.60		\$2,892,218.35
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
Total			55,532,060.31	44,723,187.00	10,808,873.31		\$2,705,350.19
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
Total			20,966,259.52	15,393,776.24	5,572,483.28		\$1,485,021.84

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)	(B)	(C)	(D)	(E)	(F)
	Company	Rate Schedule	Stipulation Allocation			DCR Revenue Allocations
			% of Total	% of Non-RS	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	\$0.003502
(2)	OE	RS	\$19,494,451	9,129,782,000	\$0.002135
(3)	TE	RS	\$4,438,283	2,504,779,000	\$0.001772
(4)			<u>\$43,306,716</u>	<u>17,166,952,000</u>	

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	\$1.4929 per kW
(2)		GP	\$528,102	770,392	\$0.6855 per kW
(3)		GSU	<u>\$3,423,560</u>	<u>8,270,529</u>	\$0.4139 per kW
(4)			<u>\$39,589,464</u>		
(5)	OE	GS	\$18,128,749	23,841,092	\$0.7604 per kW
(6)		GP	\$3,479,115	6,435,639	\$0.5406 per kW
(7)		GSU	<u>\$567,172</u>	<u>2,506,618</u>	\$0.2263 per kVa
(8)			<u>\$22,175,036</u>		
(9)	TE	GS	\$5,073,830	7,730,519	\$0.6563 per kW
(10)		GP	\$758,860	2,561,889	\$0.2962 per kW
(11)		GSU	<u>\$16,796</u>	<u>167,099</u>	\$0.1005 per kVa
(12)			<u>\$5,849,486</u>		

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
Total		19,085,906,000	24,253,180,000	10,872,515,000	54,211,601,000

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

The Cleveland Electric Illuminating Company
True Value Percentage & Capitalized Interest

WPC-3.10.a1

<u>True Value Percentage</u>		Transmission	Distribution	General	Notes / Source
1	True Value of Taxable Property	74,347,885	643,057,755	15,625,550	Source: CEI's 2011 property tax return filing
2	Net Cost of Taxable Property	91,844,621	805,978,066	52,578,710	Source: CEI's 2011 property tax return filing
3	True Value Percentage	80.9496%	79.7860%	29.7184%	Calculation: Line 1 / Line 2

<u>Capitalized Interest</u>		Transmission	Distribution	Notes / Source	
4	Cost of Taxable Property (Gross)	179,201,520	842,452,998	Source: CEI's 2011 property tax return filing	
5	Exemption - Land	(64,849,395)	(6,766,948)	Source: CEI's 2011 property tax return filing	
6	Exemption - Structures	(17,772,456)	(22,199,140)	Source: CEI's 2011 property tax return filing	
7	Exemption - Land - 121 Acct.		(270,678)	Source: CEI's 2011 property tax return filing	
8	Net Cost of Taxable Property (b/f Int.)	96,579,669	813,216,232	Calculation: Sum (lines 4-7)	
9	Capitalized Interest	4,735,048	7,238,166	Source: CEI's 2011 property tax return filing	
10	Capitalized Interest Percentage	4.9027%	0.8901%	Calculation: Line 9 / Line 8	
11	Personal Property Bal. 12/31/11	99,933,669	929,580,669	Source: Schedule C-3.10a1, Line 5	
12	Capitalized Interest on 12/31/11 Bal.	4,899,486	8,273,887	Calculation: Line 10 x Line 11	

The Cleveland Electric Illuminating 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 - Standard (Rate RS)						
1	0	250	\$ 34.25	\$ 34.48	\$ 0.23	0.7%
2	0	500	\$ 64.48	\$ 64.94	\$ 0.47	0.7%
3	0	750	\$ 94.60	\$ 95.30	\$ 0.70	0.7%
4	0	1,000	\$ 124.73	\$ 125.66	\$ 0.93	0.7%
5	0	1,250	\$ 154.92	\$ 156.08	\$ 1.16	0.8%
6	0	1,500	\$ 185.10	\$ 186.49	\$ 1.40	0.8%
7	0	2,000	\$ 245.35	\$ 247.21	\$ 1.86	0.8%
8	0	2,500	\$ 305.48	\$ 307.81	\$ 2.33	0.8%
9	0	3,000	\$ 365.53	\$ 368.32	\$ 2.79	0.8%
10	0	3,500	\$ 425.61	\$ 428.87	\$ 3.26	0.8%
11	0	4,000	\$ 485.69	\$ 489.41	\$ 3.72	0.8%
12	0	4,500	\$ 545.78	\$ 549.97	\$ 4.19	0.8%
13	0	5,000	\$ 605.87	\$ 610.52	\$ 4.65	0.8%
14	0	5,500	\$ 665.92	\$ 671.04	\$ 5.12	0.8%
15	0	6,000	\$ 725.97	\$ 731.55	\$ 5.59	0.8%
16	0	6,500	\$ 786.08	\$ 792.13	\$ 6.05	0.8%
17	0	7,000	\$ 846.16	\$ 852.68	\$ 6.52	0.8%
18	0	7,500	\$ 906.25	\$ 913.23	\$ 6.98	0.8%
19	0	8,000	\$ 966.29	\$ 973.74	\$ 7.45	0.8%
20	0	8,500	\$ 1,026.38	\$ 1,034.29	\$ 7.91	0.8%
21	0	9,000	\$ 1,086.49	\$ 1,094.87	\$ 8.38	0.8%
22	0	9,500	\$ 1,146.53	\$ 1,155.37	\$ 8.84	0.8%
23	0	10,000	\$ 1,206.61	\$ 1,215.92	\$ 9.31	0.8%
24	0	10,500	\$ 1,266.73	\$ 1,276.50	\$ 9.78	0.8%
25	0	11,000	\$ 1,326.74	\$ 1,336.98	\$ 10.24	0.8%

The Cleveland Electric Illuminating Company
Case No. 10-388-EL-SSO
Typical Bills - Comparison (DCR vs. DSI)

Line No.	Bill Data					
	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 - All-Electric (Rate RS)						
1	0	250	\$ 25.60	\$ 25.83	\$ 0.23	0.9%
2	0	500	\$ 47.18	\$ 47.64	\$ 0.47	1.0%
3	0	750	\$ 59.65	\$ 60.35	\$ 0.70	1.2%
4	0	1,000	\$ 72.13	\$ 73.06	\$ 0.93	1.3%
5	0	1,250	\$ 84.67	\$ 85.83	\$ 1.16	1.4%
6	0	1,500	\$ 97.20	\$ 98.59	\$ 1.40	1.4%
7	0	2,000	\$ 122.15	\$ 124.01	\$ 1.86	1.5%
8	0	2,500	\$ 146.98	\$ 149.31	\$ 2.33	1.6%
9	0	3,000	\$ 171.73	\$ 174.52	\$ 2.79	1.6%
10	0	3,500	\$ 196.51	\$ 199.77	\$ 3.26	1.7%
11	0	4,000	\$ 221.29	\$ 225.01	\$ 3.72	1.7%
12	0	4,500	\$ 246.08	\$ 250.27	\$ 4.19	1.7%
13	0	5,000	\$ 270.87	\$ 275.52	\$ 4.65	1.7%
14	0	5,500	\$ 295.62	\$ 300.74	\$ 5.12	1.7%
15	0	6,000	\$ 320.37	\$ 325.95	\$ 5.59	1.7%
16	0	6,500	\$ 345.18	\$ 351.23	\$ 6.05	1.8%
17	0	7,000	\$ 369.96	\$ 376.48	\$ 6.52	1.8%
18	0	7,500	\$ 394.75	\$ 401.73	\$ 6.98	1.8%
19	0	8,000	\$ 419.49	\$ 426.94	\$ 7.45	1.8%
20	0	8,500	\$ 444.28	\$ 452.19	\$ 7.91	1.8%
21	0	9,000	\$ 469.09	\$ 477.47	\$ 8.38	1.8%
22	0	9,500	\$ 493.83	\$ 502.67	\$ 8.84	1.8%
23	0	10,000	\$ 518.61	\$ 527.92	\$ 9.31	1.8%
24	0	10,500	\$ 543.43	\$ 553.20	\$ 9.78	1.8%
25	0	11,000	\$ 568.14	\$ 578.38	\$ 10.24	1.8%

The Cleveland Electric Illuminating 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	\$ 34.25	\$ 34.48	\$ 0.23	0.7%
2	0	500	\$ 64.48	\$ 64.94	\$ 0.47	0.7%
3	0	750	\$ 89.10	\$ 89.80	\$ 0.70	0.8%
4	0	1,000	\$ 113.73	\$ 114.66	\$ 0.93	0.8%
5	0	1,250	\$ 138.42	\$ 139.58	\$ 1.16	0.8%
6	0	1,500	\$ 163.10	\$ 164.49	\$ 1.40	0.9%
7	0	2,000	\$ 212.35	\$ 214.21	\$ 1.86	0.9%
8	0	2,500	\$ 261.48	\$ 263.81	\$ 2.33	0.9%
9	0	3,000	\$ 310.53	\$ 313.32	\$ 2.79	0.9%
10	0	3,500	\$ 359.61	\$ 362.87	\$ 3.26	0.9%
11	0	4,000	\$ 408.69	\$ 412.41	\$ 3.72	0.9%
12	0	4,500	\$ 457.78	\$ 461.97	\$ 4.19	0.9%
13	0	5,000	\$ 506.87	\$ 511.52	\$ 4.65	0.9%
14	0	5,500	\$ 555.92	\$ 561.04	\$ 5.12	0.9%
15	0	6,000	\$ 604.97	\$ 610.55	\$ 5.59	0.9%
16	0	6,500	\$ 654.08	\$ 660.13	\$ 6.05	0.9%
17	0	7,000	\$ 703.16	\$ 709.68	\$ 6.52	0.9%
18	0	7,500	\$ 752.25	\$ 759.23	\$ 6.98	0.9%
19	0	8,000	\$ 801.29	\$ 808.74	\$ 7.45	0.9%
20	0	8,500	\$ 850.38	\$ 858.29	\$ 7.91	0.9%
21	0	9,000	\$ 899.49	\$ 907.87	\$ 8.38	0.9%
22	0	9,500	\$ 948.53	\$ 957.37	\$ 8.84	0.9%
23	0	10,000	\$ 997.61	\$ 1,006.92	\$ 9.31	0.9%
24	0	10,500	\$ 1,046.73	\$ 1,056.50	\$ 9.78	0.9%
25	0	11,000	\$ 1,095.74	\$ 1,105.98	\$ 10.24	0.9%

The Cleveland Electric Illuminating 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	\$ 163.63	\$ 167.13	\$ 3.50	2.1%
2	10	2,000	\$ 246.61	\$ 250.11	\$ 3.50	1.4%
3	10	3,000	\$ 329.17	\$ 332.67	\$ 3.50	1.1%
4	10	4,000	\$ 411.70	\$ 415.20	\$ 3.50	0.9%
5	10	5,000	\$ 494.24	\$ 497.74	\$ 3.50	0.7%
6	10	6,000	\$ 576.73	\$ 580.23	\$ 3.50	0.6%
7	1,000	100,000	\$ 17,896.83	\$ 18,247.03	\$ 350.20	2.0%
8	1,000	200,000	\$ 26,093.65	\$ 26,443.85	\$ 350.20	1.3%
9	1,000	300,000	\$ 34,290.46	\$ 34,640.66	\$ 350.20	1.0%
10	1,000	400,000	\$ 42,487.28	\$ 42,837.48	\$ 350.20	0.8%
11	1,000	500,000	\$ 50,684.10	\$ 51,034.30	\$ 350.20	0.7%
12	1,000	600,000	\$ 58,880.91	\$ 59,231.11	\$ 350.20	0.6%

The Cleveland Electric Illuminating 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	\$ 5,352.48	\$ 5,494.78	\$ 142.30	2.7%
2	500	100,000	\$ 8,996.78	\$ 9,139.08	\$ 142.30	1.6%
3	500	150,000	\$ 12,641.09	\$ 12,783.39	\$ 142.30	1.1%
4	500	200,000	\$ 16,285.40	\$ 16,427.70	\$ 142.30	0.9%
5	500	250,000	\$ 19,929.71	\$ 20,072.01	\$ 142.30	0.7%
6	500	300,000	\$ 23,574.01	\$ 23,716.31	\$ 142.30	0.6%
7	5,000	500,000	\$ 52,053.55	\$ 53,476.55	\$ 1,423.00	2.7%
8	5,000	1,000,000	\$ 88,212.95	\$ 89,635.95	\$ 1,423.00	1.6%
9	5,000	1,500,000	\$ 123,806.68	\$ 125,229.68	\$ 1,423.00	1.1%
10	5,000	2,000,000	\$ 159,400.41	\$ 160,823.41	\$ 1,423.00	0.9%
11	5,000	2,500,000	\$ 194,994.14	\$ 196,417.14	\$ 1,423.00	0.7%
12	5,000	3,000,000	\$ 230,587.87	\$ 232,010.87	\$ 1,423.00	0.6%

The Cleveland Electric Illuminating 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 Subtransmission (Rate GSU)						
1	1,000	100,000	\$ 9,148.39	\$ 9,258.99	\$ 110.60	1.2%
2	1,000	200,000	\$ 16,137.61	\$ 16,248.21	\$ 110.60	0.7%
3	1,000	300,000	\$ 23,126.82	\$ 23,237.42	\$ 110.60	0.5%
4	1,000	400,000	\$ 30,116.04	\$ 30,226.64	\$ 110.60	0.4%
5	1,000	500,000	\$ 37,105.26	\$ 37,215.86	\$ 110.60	0.3%
6	1,000	600,000	\$ 44,094.47	\$ 44,205.07	\$ 110.60	0.3%
7	10,000	1,000,000	\$ 89,458.06	\$ 90,564.06	\$ 1,106.00	1.2%
8	10,000	2,000,000	\$ 157,651.52	\$ 158,757.52	\$ 1,106.00	0.7%
9	10,000	3,000,000	\$ 225,844.98	\$ 226,950.98	\$ 1,106.00	0.5%
10	10,000	4,000,000	\$ 294,038.44	\$ 295,144.44	\$ 1,106.00	0.4%
11	10,000	5,000,000	\$ 362,231.91	\$ 363,337.91	\$ 1,106.00	0.3%
12	10,000	6,000,000	\$ 430,425.37	\$ 431,531.37	\$ 1,106.00	0.3%

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)	0.3502¢
GS (per kW of Billing Demand)	\$ 1.4929
GP (per kW of Billing Demand)	\$ 0.6855
GSU (per kW of Billing Demand)	\$ 0.4139

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 5:30:01 PM

in

Case No(s). 10-0388-EL-SSO, 89-6001-EL-TRF

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