

May 1, 2012

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

SUBJECT: Case Nos. 12-523-EL-RDR
89-6008-EL-TRF

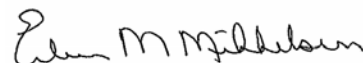
Dear Ms. McCauley:

In accordance with the Commission Order in The Toledo Edison Company's most recent Electric Security Plan proceeding, please file the attached schedules, bill impacts, and tariff page on behalf of The Toledo Edison Company. The attached schedules demonstrate that the revenue requirement is 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 Toledo Edison Company's most recent Electric Security Plan 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 Capital Recovery Rider charges effective on April 1, 2012 and the Delivery Capital Recovery Rider (DCR) charges commencing on July 1, 2012.

Finally, attached is a tariff page that reflects the quarterly pricing update of Rider DCR. Please file one copy of the tariffs in each of the above mentioned Case Nos. 12-523-EL-RDR and 89-6008-EL-TRF, and distribute two copies to the Staff. Thank you.

Sincerely,



Eileen M. Mikkelsen
Director, Rates & Regulatory Affairs

Enclosures

The Toledo Edison Company
Delivery Capital Recovery Rider (DCR)
Quarterly Filing
May 1, 2012

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**Rider DCR
Q3 2012
Revenue Requirement Summary**
(\$ millions)

Calculation of Annual Revenue Requirement Based on Estimated 6/30/2012 Rate Base

Line No.	Description	Source	CEI	OE	TE	TOTAL
1	Annual Revenue Requirement Based on Actual 3/31/2012 Rate Base	4/30/2012 Compliance Filing; Page 2; Column (f) Lines 36-39	\$58.0	\$52.5	\$12.9	\$123.5
2	Incremental Revenue Requirement Based on Estimated 6/30/2012 Rate Base	Calculation: 5/1/2012 Compliance Filing (Page 27, Column (f) Lines 36-39) minus Line 1	\$2.9	\$2.9	\$0.9	\$6.8
3	Annual Revenue Requirement Based on 6/30/2012 Rate Base	Calculation: SUM [Line 1 through Line 2]	\$60.9	\$55.5	\$13.9	\$130.3

(\$ millions)

	(A)	(B)	(C) = (B) - (A)	(D)
Gross Plant	5/31/2007*	3/31/2012	Incremental	Source of Column (B)
CEI	1,927.1	2,496.4	569.4	Sch B2.1 Line 45
OE	2,074.0	2,734.0	660.0	Sch B2.1 Line 47
TE	771.5	1,006.8	235.4	Sch B2.1 Line 44
Total	4,772.5	6,237.2	1,464.7	Sum: [(1) through (3)]

Accumulated Reserve				
CEI	(773.0)	(1,045.0)	(272.0)	-Sch B3 Line 45
OE	(803.0)	(1,088.8)	(285.8)	-Sch B3 Line 47
TE	(376.8)	(503.9)	(127.1)	-Sch B3 Line 44
Total	(1,952.8)	(2,637.7)	(684.9)	Sum: [(5) through (7)]

Net Plant In Service				
CEI	1,154.0	1,451.4	297.3	(1) + (5)
OE	1,271.0	1,645.2	374.2	(2) + (6)
TE	394.7	502.9	108.2	(3) + (7)
Total	2,819.7	3,599.5	779.8	Sum: [(9) through (11)]

ADIT				
CEI	(246.4)	(384.3)	(137.9)	- DIT Balances Line 3
OE	(197.1)	(429.5)	(232.4)	- DIT Balances Line 3
TE	(10.3)	(118.8)	(108.5)	- DIT Balances Line 3
Total	(453.8)	(932.6)	(478.8)	Sum: [(13) through (15)]

Rate Base				
CEI	907.7	1,067.1	159.4	(9) + (13)
OE	1,073.9	1,215.7	141.8	(10) + (14)
TE	384.4	384.1	(0.2)	(11) + (15)
Total	2,366.0	2,666.9	301.0	Sum: [(17) through (19)]

Depreciation Exp				
CEI	60.0	79.0	19.0	Sch B-3.2 Line 44
OE	62.0	79.9	17.9	Sch B-3.2 Line 46
TE	24.5	32.1	7.5	Sch B-3.2 Line 43
Total	146.5	190.9	44.4	Sum: [(21) through (23)]

Property Tax Exp				
CEI	65.0	85.7	20.7	Sch C-3.10a Line 4
OE	57.4	75.8	18.4	Sch C-3.10a Line 4
TE	20.1	25.5	5.4	Sch C-3.10a Line 4
Total	142.4	186.9	44.5	Sum: [(25) through (27)]

Revenue Requirement	Rate Base	Return 8.48%	Deprec	Prop Tax	Rev. Req.
CEI	159.4	13.5	19.0	20.7	53.2
OE	141.8	12.0	17.9	18.4	48.3
TE	(0.2)	(0.0)	7.5	5.4	12.9
Total	301.0	25.5	44.4	44.5	114.4

Capital Structure & Returns			
	% mix	rate	wtd rate
Debt	51%	6.54%	3.3%
Equity	49%	10.50%	5.1%
			8.48%

	(a)	(b)	(c)	(d)	(e)	(f)
Revenue Requirement with Tax	Equity Return	Tax Rate	Income Tax	CAT 0.26%	Taxes	Rev. Req. + Tax
CEI	8.2	36.14%	4.6	0.2	4.8	58.0
OE	7.3	35.88%	4.1	0.1	4.2	52.5
TE	(0.0)	35.74%	(0.0)	0.0	0.0	12.9
Total	15.5		8.7	0.3	9.0	123.5

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

The Toledo Edison Company
3/31/2012 Actual Plant in Service by Accounts and Subaccounts

Schedule B-2.1
Page 1 of 4

NOTE: Column A contains actual plant in service balances as of 3/31/20112, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting. Column 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.

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	\$17,348,214	100%	\$17,348,214	(\$15,628,800)	\$1,719,414
2	352	Structures & Improvements	218,363	100%	\$218,363		\$218,363
3	353	Station Equipment	9,352,138	100%	\$9,352,138		\$9,352,138
4	354	Towers & Fixtures	34,264	100%	\$34,264		\$34,264
5	355	Poles & Fixtures	3,005,832	100%	\$3,005,832		\$3,005,832
6	356	Overhead Conductors & Devices	5,317,588	100%	\$5,317,588		\$5,317,588
7	357	Underground Conduit	372,898	100%	\$372,898		\$372,898
8	358	Underground Conductors & Devices	386,079	100%	\$386,079		\$386,079
9	359	Roads & Trails	0	100%	\$0		\$0
10		Total Transmission Plant	\$36,035,378	100%	\$36,035,378	(\$15,628,800)	\$20,406,578

The Toledo Edison Company
3/31/2012 Actual Plant in Service by Accounts and Subaccounts

Schedule B-2.1
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NOTE: Column A contains actual plant in service balances as of 3/31/2012, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting. Column 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.

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	\$4,966,395	100%	\$4,966,395		\$4,966,395
12	361	Structures & Improvements	5,892,288	100%	5,892,288		5,892,288
13	362	Station Equipment	87,773,923	100%	87,773,923		87,773,923
14	364	Poles, Towers & Fixtures	145,170,175	100%	145,170,175		145,170,175
15	365	Overhead Conductors & Devices	180,687,887	100%	180,687,887		180,687,887
16	366	Underground Conduit	12,235,981	100%	12,235,981		12,235,981
17	367	Underground Conductors & Devices	110,287,894	100%	110,287,894		110,287,894
18	368	Line Transformers	144,438,885	100%	144,438,885		144,438,885
19	369	Services	66,321,633	100%	66,321,633		66,321,633
20	370	Meters	36,926,148	100%	36,926,148		36,926,148
21	371	Installation on Customer Premises	6,169,265	100%	6,169,265		6,169,265
22	373	Street Lighting & Signal Systems	52,453,962	100%	52,453,962		52,453,962
23	374	Asset Retirement Costs for Distribution Plant	7,901	100%	7,901		7,901
24		Total Distribution Plant	\$853,332,336	100%	\$853,332,336	\$0	\$853,332,336

The Toledo Edison Company
3/31/2012 Actual Plant in Service by Accounts and Subaccounts

Schedule B-2.1
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NOTE: Column A contains actual plant in service balances as of 3/31/2012, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting. Column 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.

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	\$1,826,097	100%	\$1,826,097		\$1,826,097
26	390	Structures & Improvements	47,322,564	100%	\$47,322,564		\$47,322,564
27	391.1	Office Furniture & Equipment	2,551,397	100%	\$2,551,397		\$2,551,397
28	391.2	Data Processing Equipment	8,649,227	100%	\$8,649,227		\$8,649,227
29	392	Transportation Equipment	1,126,890	100%	\$1,126,890		\$1,126,890
30	393	Stores Equipment	671,990	100%	\$671,990		\$671,990
31	394	Tools, Shop & Garage Equipment	4,897,449	100%	\$4,897,449		\$4,897,449
32	395	Laboratory Equipment	1,841,025	100%	\$1,841,025		\$1,841,025
33	396	Power Operated Equipment	1,037,367	100%	\$1,037,367		\$1,037,367
34	397	Communication Equipment	7,789,133	100%	\$7,789,133		\$7,789,133
35	398	Miscellaneous Equipment	474,507	100%	\$474,507		\$474,507
36	399.1	Asset Retirement Costs for General Plant	<u>264,831</u>	100%	<u>\$264,831</u>		<u>\$264,831</u>
37		Total General Plant	\$78,452,476	100%	\$78,452,476	\$0	\$78,452,476

The Toledo Edison Company
3/31/2012 Actual Plant in Service by Accounts and Subaccounts

Schedule B-2.1
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NOTE: Column A contains actual plant in service balances as of 3/31/2012, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting. Column 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.

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>							
38	303	Intangible Software	\$23,231,843	100%	\$23,231,843		\$23,231,843
39	303	Intangible FAS 109 Transmission	\$54,210	100%	\$54,210		\$54,210
40	303	Intangible FAS 109 Distribution	\$240,093	100%	\$240,093		\$240,093
41		Total Other Plant	\$23,526,146		\$23,526,146	\$0	\$23,526,146
42		Company Total Plant	<u>\$991,346,336</u>	100%	<u>\$991,346,336</u>	<u>(\$15,628,800)</u>	<u>\$975,717,536</u>
43		Service Company Plant Allocated*					\$31,123,391
44		Grand Total Plant (42 + 43)					<u>\$1,006,840,927</u>

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

The Toledo Edison Company
3/31/2012 Actual Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3

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NOTE: Column B contains actual reserve for accumulated depreciation balances as of 3/31/2012, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting. 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 workpaper.

Line No.	Account No.	Account Title	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>TRANSMISSION PLANT</u>								
1	350	Land & Land Rights	\$1,719,414	\$0	100%	\$0		\$0
2	352	Structures & Improvements	\$218,363	183,414	100%	183,414		183,414
3	353	Station Equipment	\$9,352,138	4,239,619	100%	4,239,619		4,239,619
4	354	Towers & Fixtures	\$34,264	40,543	100%	40,543		40,543
5	355	Poles & Fixtures	\$3,005,832	2,591,880	100%	2,591,880		2,591,880
6	356	Overhead Conductors & Devices	\$5,317,588	2,934,749	100%	2,934,749		2,934,749
7	357	Underground Conduit	\$372,898	141,231	100%	141,231		141,231
8	358	Underground Conductors & Devices	\$386,079	137,966	100%	137,966		137,966
9	359	Roads & Trails	\$0	0	100%	0		0
10		Total Transmission Plant	\$20,406,578	\$10,269,402	100%	\$10,269,402	\$0	\$10,269,402

The Toledo Edison Company
3/31/2012 Actual Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3

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NOTE: Column B contains actual reserve for accumulated depreciation balances as of 3/31/2012, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting. 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 workpaper.

Line No.	Account No.	Account Title	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>DISTRIBUTION PLANT</u>								
11	360	Land & Land Rights	\$4,966,395	\$0	100%	\$0		\$0
12	361	Structures & Improvements	\$5,892,288	1,543,913	100%	1,543,913		1,543,913
13	362	Station Equipment	\$87,773,923	28,742,184	100%	28,742,184		28,742,184
14	364	Poles, Towers & Fixtures	\$145,170,175	97,088,972	100%	97,088,972		97,088,972
15	365	Overhead Conductors & Devices	\$180,687,887	83,132,852	100%	83,132,852		83,132,852
16	366	Underground Conduit	\$12,235,981	6,893,196	100%	6,893,196		6,893,196
17	367	Underground Conductors & Devices	\$110,287,894	37,193,675	100%	37,193,675		37,193,675
18	368	Line Transformers	\$144,438,885	61,446,836	100%	61,446,836		61,446,836
19	369	Services	\$66,321,633	59,902,568	100%	59,902,568		59,902,568
20	370	Meters	\$36,926,148	19,768,695	100%	19,768,695		19,768,695
21	371	Installation on Customer Premises	\$6,169,265	3,380,259	100%	3,380,259		3,380,259
22	373	Street Lighting & Signal Systems	\$52,453,962	32,639,527	100%	32,639,527		32,639,527
23	374	Asset Retirement Costs for Distribution Plant	\$7,901	4,428	100%	4,428		4,428
24		Total Distribution Plant	\$853,332,336	\$431,737,106	100%	\$431,737,106	\$0	\$431,737,106

The Toledo Edison Company
3/31/2012 Actual Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3

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NOTE: Column B contains actual reserve for accumulated depreciation balances as of 3/31/2012, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting. 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 workpaper.

Line No.	Account No.	Account Title	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>GENERAL PLANT</u>								
25	389	Land & Land Rights	\$1,826,097	\$0	100%	\$0		\$0
26	390	Structures & Improvements	\$47,322,564	18,132,747	100%	\$18,132,747		\$18,132,747
27	391.1	Office Furniture & Equipment	\$2,551,397	\$2,125,028	100%	\$2,125,028		\$2,125,028
28	391.2	Data Processing Equipment	\$8,649,227	\$3,229,194	100%	\$3,229,194		\$3,229,194
29	392	Transportation Equipment	\$1,126,890	\$1,010,915	100%	\$1,010,915		\$1,010,915
30	393	Stores Equipment	\$671,990	\$380,766	100%	\$380,766		\$380,766
31	394	Tools, Shop & Garage Equipment	\$4,897,449	\$1,880,947	100%	\$1,880,947		\$1,880,947
32	395	Laboratory Equipment	\$1,841,025	\$1,054,511	100%	\$1,054,511		\$1,054,511
33	396	Power Operated Equipment	\$1,037,367	\$824,581	100%	\$824,581		\$824,581
34	397	Communication Equipment	\$7,789,133	\$6,754,062	100%	\$6,754,062		\$6,754,062
35	398	Miscellaneous Equipment	\$474,507	\$157,410	100%	\$157,410		\$157,410
36	399.1	Asset Retirement Costs for General Plant	\$264,831	128,927	100%	\$128,927		\$128,927
37		Total General Plant Plant	\$78,452,476	\$35,679,088	100%	\$35,679,088	\$0	\$35,679,088

The Toledo Edison Company
3/31/2012 Actual Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3

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NOTE: Column B contains actual reserve for accumulated depreciation balances as of 3/31/2012, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting. 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 workpaper.

Line No.	Account No.	Account Title	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>								
38	303	Intangible Software	\$23,231,843	\$15,621,303	100%	\$15,621,303		\$15,621,303
39	303	Intangible FAS 109 Transmission	\$54,210	\$44,759	100%	\$44,759		\$44,759
40	303	Intangible FAS 109 Distribution	\$240,093	\$214,632	100%	\$214,632		\$214,632
41		Total Other Plant	\$23,526,146	\$15,880,694		\$15,880,694	\$0	\$15,880,694
42		Company Total Plant (Reserve)	\$975,717,536	\$493,566,290	100%	\$493,566,290	\$0	\$493,566,290
43		Service Company Reserve Allocated*						\$10,344,362
44		Grand Total Plant (Reserve) (42 + 43)						\$503,910,651

* 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. 3/31/12*	374,492,320	417,598,700	113,549,289	69,031,791
(2) Service Company Allocated ADIT**	\$9,809,417	\$11,887,274	\$5,232,610	
(3) Grand Total ADIT Balance***	<u>\$384,301,737</u>	<u>\$429,485,974</u>	<u>\$118,781,898</u>	

*Source: Actual 3/31/12 balances.

** Line 4 on Service Company Allocations workpaper

*** Calculation : Line 1 + Line 2

The Toledo Edison Company
Depreciation Accrual Rates and 3/31/2012 Actual Jurisdictional Reserve Balances by Accounts and Subaccounts

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	Calculated Depr. Expense
			Plant Investment Sch. B-2.1 (D)	Reserve Balance Sch. B-3 (E)		
(A)	(B)	(C)	(D)	(E)	(F)	(G=DxF)
<u>TRANSMISSION PLANT</u>						
1	350	Land & Land Rights	\$1,719,414	\$0	0.00%	\$0
2	352	Structures & Improvements	\$218,363	\$183,414	2.50%	\$5,459
3	353	Station Equipment	\$9,352,138	\$4,239,619	1.80%	\$168,338
4	354	Towers & Fixtures	\$34,264	\$40,543	1.85%	\$634
5	355	Poles & Fixtures	\$3,005,832	\$2,591,880	3.75%	\$112,719
6	356	Overhead Conductors & Devices	\$5,317,588	\$2,934,749	2.67%	\$141,980
7	357	Underground Conduit	\$372,898	\$141,231	2.00%	\$7,458
8	358	Underground Conductors & Devices	\$386,079	\$137,966	2.86%	\$11,042
9	359	Roads & Trails	\$0	\$0		\$0
10		Total Transmission	\$20,406,578	\$10,269,402		\$447,630

The Toledo Edison Company
Depreciation Accrual Rates and 3/31/2012 Actual Jurisdictional Reserve Balances by Accounts and Subaccounts

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

Line No.	Account No.	Account Title	Adjusted Jurisdiction		Current Accrual Rate	Calculated Depr. Expense
			Plant Investment Sch. B-2.1 (D)	Reserve Balance Sch. B-3 (E)		
(A)	(B)	(C)	(D)	(E)	(F)	(G=DxF)
<u>DISTRIBUTION PLANT</u>						
11	360	Land & Land Rights	\$4,966,395	\$0	0.00%	\$0
12	361	Structures & Improvements	\$5,892,288	\$1,543,913	2.50%	147,307
13	362	Station Equipment	\$87,773,923	\$28,742,184	2.25%	1,974,913
14	364	Poles, Towers & Fixtures	\$145,170,175	\$97,088,972	3.78%	5,487,433
15	365	Overhead Conductors & Devices	\$180,687,887	\$83,132,852	3.75%	6,775,796
16	366	Underground Conduit	\$12,235,981	\$6,893,196	2.08%	254,508
17	367	Underground Conductors & Devices	\$110,287,894	\$37,193,675	2.20%	2,426,334
18	368	Line Transformers	\$144,438,885	\$61,446,836	2.62%	3,784,299
19	369	Services	\$66,321,633	\$59,902,568	3.17%	2,102,396
20	370	Meters	\$36,926,148	\$19,768,695	3.43%	1,266,567
21	371	Installation on Customer Premises	\$6,169,265	\$3,380,259	4.00%	246,771
22	373	Street Lighting & Signal Systems	\$52,453,962	\$32,639,527	3.93%	2,061,441
23	374	Asset Retirement Costs for Distribution Plant	\$7,901	\$4,428	0.00%	0
24		Total Distribution	\$853,332,336	\$431,737,106		\$26,527,765

The Toledo Edison Company
Depreciation Accrual Rates and 3/31/2012 Actual Jurisdictional Reserve Balances by Accounts and Subaccounts

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	Calculated Depr. Expense
			Plant Investment Sch. B-2.1 (D)	Reserve Balance Sch. B-3 (E)		
(A)	(B)	(C)	(D)	(E)	(F)	(G=DxF)
<u>GENERAL PLANT</u>						
25	389	Land & Land Rights	\$1,826,097	\$0	0.00%	\$0
26	390	Structures & Improvements	\$47,322,564	\$18,132,747	2.20%	\$1,041,096
27	391.1	Office Furniture & Equipment	\$2,551,397	\$2,125,028	3.80%	\$96,953
28	391.2	Data Processing Equipment	\$8,649,227	\$3,229,194	9.50%	\$821,677
29	392	Transportation Equipment	\$1,126,890	\$1,010,915	6.92%	\$77,981
30	393	Stores Equipment	\$671,990	\$380,766	3.13%	\$21,033
31	394	Tools, Shop & Garage Equipment	\$4,897,449	\$1,880,947	3.33%	\$163,085
32	395	Laboratory Equipment	\$1,841,025	\$1,054,511	2.86%	\$52,653
33	396	Power Operated Equipment	\$1,037,367	\$824,581	5.28%	\$54,773
34	397	Communication Equipment	\$7,789,133	\$6,754,062	5.88%	\$458,001
35	398	Miscellaneous Equipment	\$474,507	\$157,410	3.33%	\$15,801
36	399.1	Asset Retirement Costs for General Plant	\$264,831	\$128,927	0.00%	\$0
37		Total General	\$78,452,476	\$35,679,088		\$2,803,053

The Toledo Edison Company
Depreciation Accrual Rates and 3/31/2012 Actual Jurisdictional Reserve Balances by Accounts and Subaccounts

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	Calculated Depr. Expense (G=DxF)
			Plant Investment	Reserve Balance		
(A)	(B)	(C)	(D)	(E)	(F)	(G=DxF)
<u>OTHER PLANT</u>						
38	303	Intangible Software	\$23,231,843	\$15,621,303	14.29%	**
39	303	Intangible FAS 109 Transmission	\$54,210	\$44,759	2.37%	**
40	303	Intangible FAS 109 Distribution	\$240,093	\$214,632	3.10%	**
41		Total Other	\$23,526,146	\$15,880,694		\$1,826,799
42		Incremental Depreciation Associated with Allocated Service Company Plant ***	31,123,391	10,344,362		466,887
43		GRAND TOTAL	\$1,006,840,927	\$503,910,651		\$32,072,134

** Please see 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 Toledo Edison Company

Annual Property Tax Expense on Actual Plant Balances as of March 31, 2012

Schedule C-3.10a
Page 1 of 1

Line No.	Description	Jurisdictional Amount
1	Personal Property Taxes (See Schedule C-3.10a1)	\$24,602,108
2	Real Property Taxes (See Schedule C-3.10a2)	850,954
3	Incremental Property Tax Associated with Allocated Service Company Plant *	<u>30,889</u>
4	Total Property Taxes (1 + 2 + 3)	<u><u>\$25,483,951</u></u>
* Source: Line 7 of workpaper "Service Company Allocation Summary".		

The Toledo Edison Company

Annual Personal Property Tax Expense on Actual Plant Balances as of March 31, 2012

Schedule C-3.10a1

Page 1 of 1

Line No.	Description	Jurisdictional Amount		
		Transmission Plant	Distribution Plant	General Plant
1	Jurisdictional Plant in Service (a)	\$20,406,578	\$853,332,336	\$78,452,476
2	Jurisdictional Real Property (b)	1,937,777	10,858,682	49,148,661
3	Jurisdictional Personal Property (1 - 2)	18,468,801	842,473,654	29,303,816
4	Purchase Accounting Adjustment (f)	(12,705,341)	(471,389,010)	0
5	Adjusted Jurisdictional Personal Property (3 + 4)	5,763,459	371,084,643	29,303,816
<u>Exclusions and Exemptions</u>				
6	Capitalized Asset Retirement Costs (a)	0	7,901	264,831
7	Exempt Facilities (c)	0	0	0
8	Licensed Motor Vehicles (c)	0	0	1,421,787
9	Capitalized Interest (c)	346,868	2,355,866	0
10	Total Exclusions and Exemptions (6 thru 9)	346,868	2,363,767	1,686,618
11	Net Cost of Taxable Personal Property (5 - 10)	\$5,416,591	\$368,720,876	\$27,617,198
12	True Value Percentage (c)	79.5548%	79.0620%	30.7135%
13	True Value of Taxable Personal Property (11 x 12)	\$4,309,157	\$291,517,991	\$8,482,195
14	Assessment Percentage (d)	85.00%	85.00%	24.00%
15	Assessment Value (13 x 14)	\$3,662,783	\$247,790,292	\$2,035,727
16	Personal Property Tax Rate (e)	8.4499%	8.4499%	8.4499%
17	Personal Property Tax (15 x 16)	\$309,502	\$20,938,032	172,017
18	Purchase Accounting Adjustment (f)	163,644	\$3,018,913	0
19	Total Personal Property Tax (17 + 18)			\$24,602,108

(a) Schedule B-2.1

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

(c) Source: TE's 2011 Ohio annual property tax filing.

(d) Statutory Assessment for Personal Property

(e) Estimated tax rate for Personal Property based on 2011 Ohio Annual Property Tax return filing

(f) Adjustment made as a result of the merger between Ohio Edison and Centenor

The Toledo Edison Company

Annual Real Property Tax Expense on Actual Plant Balances as of March 31, 2012

Schedule C-3.10a2
Page 1 of 1

Line No.	Description	Jurisdictional Amount		
		Transmission Plant	Distribution Plant	General Plant
1	Jurisdictional Real Property (a)	\$1,937,777	\$10,858,682	\$49,148,661
2	True Value Percentage (b)	51.65%	51.65%	51.65%
3	True Value of Taxable Real Property (1 x 2)	\$1,000,793	\$5,608,123	\$25,383,535
4	Assessment Percentage (c)	35.00%	35.00%	35.00%
5	Assessment Value (3 x 4)	\$350,278	\$1,962,843	\$8,884,237
6	Real Property Tax Rate (d)	7.5996%	7.5996%	7.5996%
7	Real Property Tax (5 x 6)	\$26,620	\$149,168	\$675,166
8	Total Real Property Tax (Sum of 7)			\$850,954

(a) Schedule C-3.10a1

(b) Calculated as follows:

(1) Real Property Assessed Value

13,375,990

Source: TE's 2011 Property Tax return filing

(2) Assessment Percentage

35.00%

Statutory Assessment for Real Property

(3) Real Property True Value

38,217,114

Calculation: (1) / (2)

(4) Real Property Capitalized Cost

73,997,572

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

51.65%

Calculation: (3) / (4)

(c) Statutory Assessment for Real Property

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

**Summary of Exclusions per Case No. 10-388-EL-SSO
Actual 3/31/2012 Plant in Service Balances**

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 Only CEI has an AMI project so this exclusion does not impact OE or TE.
Source: 3/31/2012 Actual Plant Balances
Exclusions related to Rider AMI are determined by specific depreciation groups in PowerPlant and WBS CE-004000

FERC Account	CEI	
	Gross	Reserve
362	\$203,929	\$10,871
364	\$201,472	\$11,705
365	\$1,889,590	\$63,399
368	\$13,704	\$252
370	\$245,080	\$20,816
Grand Total	\$2,553,774	\$107,043

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 As of 3/31/2012, there is no plant in service 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	\$410,598,822	\$58,346,093	\$70,705,117	\$31,123,391	\$160,174,600
(3) Reserve	\$136,469,152	\$19,392,267	\$23,499,988	\$10,344,362	\$53,236,616
(4) ADIT	\$69,031,791	\$9,809,417	\$11,887,274	\$5,232,610	\$26,929,302
(5) Rate Base		\$29,144,409	\$35,317,855	\$15,546,419	\$80,008,682
(6) Depreciation Expense (Incremental)		\$875,259	\$1,060,659	\$466,887	\$2,402,804
(7) Property Tax Expense (Incremental)		\$57,907	\$70,173	\$30,889	\$158,968
(8) Total Expenses		\$933,166	\$1,130,831	\$497,776	\$2,561,773

- (2) Gross Plant = Actual Service Company General and Intangible plant in-service as of 3/31/12
- (3) Reserve = Actual Service Company General and Intangible Plant depreciation reserve as of 3/31/12.
- (4) ADIT: Actual ADIT Balances as of 3/31/12.
- (5) Rate Base = Gross Plant - Reserve - ADIT
- (6) Estimated incremental depreciation expense. Additional details provided on "Incremental Depreciation and Property Tax Associated with Service Company Plant"
- (7) Estimated incremental property tax expense. Additional details provided on "Incremental Depreciation and Property Tax Associated with Service Company Plant"
- (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%	
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 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 Actual Service Company Plant as of March 31, 2012

Line No.	(A) Account	(B) Account Description	(C) 3/31/12 Actual 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 *	\$40,482,987	\$11,767,979	\$28,715,009	2.20%	2.50%	2.20%	2.33%	\$944,236
32	390.3	Struct Imprv, Leasehold Imp **	\$14,068,908	\$3,446,083	\$10,622,825	22.34%	20.78%	0.00%	21.49%	\$3,022,747
33	391.1	Office Furn., Mech. Equip.	\$16,797,448	\$9,088,199	\$7,709,249	7.60%	3.80%	3.80%	5.18%	\$870,815
34	391.2	Data Processing Equipment	\$108,021,647	\$26,696,008	\$81,325,639	10.56%	17.00%	9.50%	13.20%	\$14,255,413
35	392	Transportation Equipment	\$27,535	\$19,427	\$8,108	6.07%	7.31%	6.92%	6.78%	\$1,868
36	393	Stores Equipment	\$16,773	\$4,141	\$12,632	6.67%	2.56%	3.13%	4.17%	\$699
37	394	Tools, Shop, Garage Equip.	\$227,515	\$10,299	\$217,216	4.62%	3.17%	3.33%	3.73%	\$8,485
38	395	Laboratory Equipment	\$118,259	\$20,424	\$97,835	2.31%	3.80%	2.86%	3.07%	\$3,636
39	396	Power Operated Equipment	\$41,518	\$18,560	\$22,958	4.47%	3.48%	5.28%	4.19%	\$1,740
40	397	Communication Equipment ***	\$78,606,104	\$11,899,105	\$66,706,999	7.50%	5.00%	5.88%	6.08%	\$4,780,553
41	398	Misc. Equipment	\$3,217,158	\$386,712	\$2,830,446	6.67%	4.00%	3.33%	4.84%	\$155,788
42	399.1	ARC General Plant	\$40,721	\$21,432	\$19,289	0.00%	0.00%	0.00%	0.00%	\$0
43			\$261,897,521	\$63,378,368	\$198,519,153					\$24,045,979
INTANGIBLE PLANT										
44	303	FECO 101/6-303 Intangibles	\$2,752,298	\$1,732,318	\$1,019,979	14.29%	14.29%	14.29%	14.29%	\$393,303
45	301	FECO 101/6-301 Organization Fst	\$49,344	\$49,344	\$0	0.00%	0.00%	0.00%	0.00%	\$0
46	303	FECO 101/6-303 2003 Software	\$24,400,196	\$24,400,196	\$0	14.29%	14.29%	14.29%	14.29%	\$0
47	303	FECO 101/6-303 2004 Software	\$12,676,215	\$12,676,215	\$0	14.29%	14.29%	14.29%	14.29%	\$0
48	303	FECO 101/6-303 2005 Software	\$1,086,776	\$1,064,292	\$22,484	14.29%	14.29%	14.29%	14.29%	\$22,484
49	303	FECO 101/6-303 2006 Software	\$5,455,678	\$4,487,142	\$968,536	14.29%	14.29%	14.29%	14.29%	\$779,616
50	303	FECO 101/6-303 2007 Software	\$7,245,250	\$6,319,972	\$925,278	14.29%	14.29%	14.29%	14.29%	\$925,278
51	303	FECO 101/6-303 2008 Software	\$7,404,178	\$5,537,235	\$1,866,943	14.29%	14.29%	14.29%	14.29%	\$1,058,057
52	303	FECO 101/6-303 2009 Software	\$15,968,197	\$6,175,938	\$9,792,259	14.29%	14.29%	14.29%	14.29%	\$2,281,855
53	303	FECO 101/6-303 2010 Software	\$20,145,859	\$5,720,314	\$14,425,545	14.29%	14.29%	14.29%	14.29%	\$2,878,843
54	303	FECO 101/6-303 2011 Software	\$51,517,310	\$4,927,818	\$46,589,492	14.29%	14.29%	14.29%	14.29%	\$7,361,824
55			\$148,701,301	\$73,090,784	\$75,610,516					\$15,701,261
56	TOTAL - GENERAL & INTANGIBLE		\$410,598,822	\$136,469,152	\$274,129,670				9.68%	\$39,747,239

NOTES

(C) - (E) Service Company plant balances as of March 31, 2012.

(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 equal to the weighted average of the three operating companies.

(J) Estimated depreciation expense associated with Service Company plant as of 3/31/12. 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 Actual General Plant as of March 31, 2012 *

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 Actual General Plant as of March 31, 2012

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%	\$40,482,987	\$618,309
32	390.3	Struct Imprv, Leasehold Imp	Real	1.53%	\$14,068,908	\$214,879
33	391.1	Office Furn., Mech. Equip.	Personal		\$16,797,448	\$0
34	391.2	Data Processing Equipment	Personal		\$108,021,647	\$0
35	392	Transportation Equipment	Personal		\$27,535	\$0
36	393	Stores Equipment	Personal		\$16,773	\$0
37	394	Tools, Shop, Garage Equip.	Personal		\$227,515	\$0
38	395	Laboratory Equipment	Personal		\$118,259	\$0
39	396	Power Operated Equipment	Personal		\$41,518	\$0
40	397	Communication Equipment	Personal		\$78,606,104	\$0
41	398	Misc. Equipment	Personal		\$3,217,158	\$0
42	399.1	ARC General Plant	Personal		\$40,721	\$0
43	TOTAL - GENERAL PLANT				\$261,897,521	\$836,714
44	TOTAL - INTANGIBLE PLANT				\$148,701,301	\$0
45	TOTAL - GENERAL & INTANGIBLE PLANT				\$410,598,822	\$836,714
46	Average Effective Real Property Tax Rate					0.20%

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) Service Company General gross plant balances as of 3/31/12.
- (F) Calculation: Column D x Column E

Incremental Depreciation and Property Tax Associated with Service Company Plant
Case No. 07-551-EL-AIR vs. Actual 3/31/12 Balances

I. Allocated Service Company Plant and Related Expenses as of March 31, 2012

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	\$410,598,822	\$58,346,093	\$70,705,117	\$31,123,391	\$160,174,600	Service Co. Depreciation Rate, Line 56 x Line 1
3	Accum. Reserve	(\$136,469,152)	(\$19,392,267)	(\$23,499,988)	(\$10,344,362)	(\$53,236,616)	Service Co. Depreciation Rate, Line 56 x Line 1
4	Net Plant	<u>\$274,129,670</u>	<u>\$38,953,826</u>	<u>\$47,205,129</u>	<u>\$20,779,029</u>	<u>\$106,937,984</u>	Line 2 + Line 3
5	Depreciation *	9.68%	\$5,648,083	\$6,844,475	\$3,012,841	\$15,505,398	Average Rate x Line 2
6	Property Tax *	0.20%	\$118,897	\$144,082	\$63,423	\$326,402	Average Rate x Line 2
7	Total Expenses		<u>\$5,766,980</u>	<u>\$6,988,557</u>	<u>\$3,076,264</u>	<u>\$15,831,800</u>	

* Effective Depreciation and Property Tax rates based on weighted averages across companies over General and Intangible plant, as of 3/31/12.
See line 56 on workpaper "Service Co. Depreciation Rate" and line 46 on workpaper "Service Co. Property Tax Rate" for more details.

II. 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

* 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.

III. Incremental Expenses Associated with Allocated Service Company Plant *

Line	Rate Base	Service Co.	CEI	OE	TE	TOTAL	Source / Notes
15	Depreciation	-1.00%	\$875,259	\$1,060,659	\$466,887	\$2,402,804	Line 5 - Line 12
16	Property Tax	0.07%	\$57,907	\$70,173	\$30,889	\$158,968	Line 6 - Line 13
17	Total Expenses		<u>\$933,166</u>	<u>\$1,130,831</u>	<u>\$497,776</u>	<u>\$2,561,773</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 estimated expenses incurred based on actual Service Company plant balances as of March 31, 2012. The incremental expenses calculated on Line 17 above are added to the Rider DCR revenue requirements.

Intangible Depreciation Expense Calculation
Actual 3/31/2012 Balances

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 software related sub-accounts that are not fully amortized yet. All other accounts are calculated by applying the approved accrual rate to the Gross Plant balances.

Company (A)	Utility Account (B)	Function (C)	Gross Plant Mar-12 (D)	Reserve Mar-12 (E)	Net Plant Mar-12 (F)	Accrual Rates (G)	Depreciation Expense (H)
			Source: Actual Balances as of 3/31/2012			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 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 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 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 2005 Software	Intangible Plant	1,219,861.54	1,177,304.04	42,557.50	14.29%	\$42,557.50
CECO The Illuminating Co.	CECO 101/6-303 2006 Software	Intangible Plant	1,808,777.88	1,491,517.75	317,260.13	14.29%	\$258,474.36
CECO The Illuminating Co.	CECO 101/6-303 2007 Software	Intangible Plant	5,870,455.85	3,910,626.71	1,959,829.14	14.29%	\$838,888.14
CECO The Illuminating Co.	CECO 101/6-303 2008 Software	Intangible Plant	2,852,517.24	1,575,567.99	1,276,949.25	14.29%	\$407,624.71
CECO The Illuminating Co.	CECO 101/6-303 2009 Software	Intangible Plant	3,238,317.74	1,032,103.82	2,206,213.92	14.29%	\$462,755.61
CECO The Illuminating Co.	CECO 101/6-303 2010 Software	Intangible Plant	2,716,031.14	744,205.43	1,971,825.71	14.29%	\$388,120.85
CECO The Illuminating Co.	CECO 101/6-303 2011 Software	Intangible Plant	7,662,997.14	447,702.71	7,215,294.43	14.29%	\$1,095,042.29
CECO The Illuminating Co.	CECO 101/6-303 FAS109 Distribution	Intangible Plant	2,001,380.25	1,931,954.17	69,426.08	3.18%	\$63,643.89
CECO The Illuminating Co.	CECO 101/6-303 FAS109 Transmission	Intangible Plant	1,176,339.38	962,592.12	213,747.26	2.15%	\$25,291.30
CECO The Illuminating Co.	CECO 101/6-303 Software	Intangible Plant	1,073,927.70	144,863.87	929,063.83	14.29%	\$153,464.27
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			49,945,204.52	33,743,037.27	16,202,167.25		\$3,735,862.92
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 101/6-303 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 2003 Software	Intangible Plant	17,568,726.13	17,568,726.13	0.00	14.29%	\$0.00
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 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 2006 Software	Intangible Plant	2,754,123.71	2,758,345.62	(4,221.91)	14.29%	\$0.00
OECO Ohio Edison Co.	OECO 101/6-303 2007 Software	Intangible Plant	7,208,211.44	6,552,605.58	655,605.86	14.29%	\$655,605.86
OECO Ohio Edison Co.	OECO 101/6-303 2008 Software	Intangible Plant	3,495,653.48	3,103,046.92	392,606.56	14.29%	\$392,606.56
OECO Ohio Edison Co.	OECO 101/6-303 2009 Software	Intangible Plant	4,771,510.65	1,696,785.79	3,074,724.86	14.29%	\$681,848.87
OECO Ohio Edison Co.	OECO 101/6-303 2010 Software	Intangible Plant	3,645,397.53	1,022,705.56	2,622,691.97	14.29%	\$520,927.31
OECO Ohio Edison Co.	OECO 101/6-303 2011 Software	Intangible Plant	7,632,266.26	446,094.67	7,186,171.59	14.29%	\$1,090,650.85
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 101/6-303 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 FAS109 G/P Land	Intangible Plant	7,778.00	0.00	7,778.00	3.87%	\$0.00
OECO Ohio Edison Co.	OECO 101/6-303 FAS109 General Plant	Intangible Plant	191,313.37	159,206.17	32,107.20	3.87%	\$7,403.83
OECO Ohio Edison Co.	OECO 101/6-303 FAS109 Transm 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 FAS109 Transmission	Intangible Plant	697,049.00	697,049.00	0.00	2.33%	\$0.00
OECO Ohio Edison Co.	OECO 101/6-303 Software	Intangible Plant	2,323,723.86	132,524.40	2,191,199.46	14.29%	\$332,060.14
Total			62,988,889.71	45,377,168.66	17,611,721.05		\$3,681,103.41
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 2003 Software	Intangible Plant	7,446,711.94	7,446,711.94	0.00	14.29%	\$0.00
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 2005 Software	Intangible Plant	670,679.46	646,648.67	24,030.79	14.29%	\$24,030.79
TECO Toledo Edison Co.	TECO 101/6-303 2006 Software	Intangible Plant	834,729.01	686,293.14	148,435.87	14.29%	\$119,282.78
TECO Toledo Edison Co.	TECO 101/6-303 2007 Software	Intangible Plant	3,095,001.76	2,053,668.76	1,041,333.00	14.29%	\$442,275.75
TECO Toledo Edison Co.	TECO 101/6-303 2008 Software	Intangible Plant	1,445,575.18	873,324.79	572,250.39	14.29%	\$206,572.69
TECO Toledo Edison Co.	TECO 101/6-303 2009 Software	Intangible Plant	2,063,024.71	687,217.49	1,375,807.22	14.29%	\$294,806.23
TECO Toledo Edison Co.	TECO 101/6-303 2010 Software	Intangible Plant	1,589,514.04	442,985.30	1,146,528.74	14.29%	\$227,141.56
TECO Toledo Edison Co.	TECO 101/6-303 2011 Software	Intangible Plant	3,191,925.46	183,467.41	3,008,458.05	14.29%	\$456,126.15
TECO Toledo Edison Co.	TECO 101/6-303 FAS109 Distribution	Intangible Plant	240,093.46	214,632.47	25,460.99	3.10%	\$7,442.90
TECO Toledo Edison Co.	TECO 101/6-303 FAS109 Transmission	Intangible Plant	54,210.29	44,758.85	9,451.44	2.37%	\$1,284.78
TECO Toledo Edison Co.	TECO 101/6-303 Software	Intangible Plant	334,746.43	41,050.88	293,695.55	14.29%	\$47,835.26
Total			23,526,146.30	15,880,694.26	7,645,452.04		\$1,826,798.89

(\$ 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*	6/30/2012	Incremental	Source of Column (B)
(1)	CEI	1,927.1	2,524.1	597.0	Sch B2.1 Line 45
(2)	OE	2,074.0	2,770.3	696.3	Sch B2.1 Line 47
(3)	TE	771.5	1,018.1	246.6	Sch B2.1 Line 44
(4)	Total	4,772.5	6,312.5	1,540.0	Sum: [(1) through (3)]
	Accumulated Reserve				
(5)	CEI	(773.0)	(1,063.1)	(290.1)	-Sch B3 Line 45
(6)	OE	(803.0)	(1,106.6)	(303.5)	-Sch B3 Line 47
(7)	TE	(376.8)	(510.9)	(134.1)	-Sch B3 Line 44
(8)	Total	(1,952.8)	(2,680.5)	(727.7)	Sum: [(5) through (7)]
	Net Plant In Service				
(9)	CEI	1,154.0	1,461.0	306.9	(1) + (5)
(10)	OE	1,271.0	1,663.7	392.8	(2) + (6)
(11)	TE	394.7	507.3	112.6	(3) + (7)
(12)	Total	2,819.7	3,632.0	812.3	Sum: [(9) through (11)]
	ADIT				
(13)	CEI	(246.4)	(394.5)	(148.1)	- DIT Balances Line 3
(14)	OE	(197.1)	(443.9)	(246.8)	- DIT Balances Line 3
(15)	TE	(10.3)	(124.2)	(113.8)	- DIT Balances Line 3
(16)	Total	(453.8)	(962.5)	(508.7)	Sum: [(13) through (15)]
	Rate Base				
(17)	CEI	907.7	1,066.5	158.9	(9) + (13)
(18)	OE	1,073.9	1,219.9	146.0	(10) + (14)
(19)	TE	384.4	383.1	(1.3)	(11) + (15)
(20)	Total	2,366.0	2,669.5	303.6	Sum: [(17) through (19)]
	Depreciation Exp				
(21)	CEI	60.0	80.6	20.6	Sch B-3.2 Line 44
(22)	OE	62.0	81.5	19.5	Sch B-3.2 Line 46
(23)	TE	24.5	32.7	8.2	Sch B-3.2 Line 44
(24)	Total	146.5	194.7	48.2	Sum: [(21) through (23)]
	Property Tax Exp				
(25)	CEI	65.0	87.0	22.1	Sch C-3.10a Line 4
(26)	OE	57.4	76.6	19.3	Sch C-3.10a Line 4
(27)	TE	20.1	25.9	5.8	Sch C-3.10a Line 4
(28)	Total	142.4	189.6	47.2	Sum: [(25) through (27)]

	Revenue Requirement	Rate Base	Return 8.48%	Deprec	Prop Tax	Rev. Req.
(29)	CEI	158.9	13.5	20.6	22.1	56.1
(30)	OE	146.0	12.4	19.5	19.3	51.1
(31)	TE	(1.3)	(0.1)	8.2	5.8	13.9
(32)	Total	303.6	25.7	48.2	47.2	121.1

Capital Structure & Returns				
		% mix	rate	wtd rate
(33)	Debt	51%	6.54%	3.3%
(34)	Equity	49%	10.50%	5.1%
(35)				8.48%

		(a)	(b)	(c)	(d)	(e)	(f)
	Revenue Requirement with Tax	Equity Return	Tax Rate	Income Tax	CAT 0.26%	Taxes	Rev. Req. + Tax
(36)	CEI	8.2	36.14%	4.6	0.2	4.8	60.9
(37)	OE	7.5	35.88%	4.2	0.1	4.3	55.5
(38)	TE	(0.1)	35.74%	(0.0)	0.0	(0.0)	13.9
(39)	Total	15.6		8.8	0.3		130.3

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

$$(d) = (\text{Rev. Req.} + (c)) \times (1 / (1 - .26\%)) - 1$$

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

The Toledo Edison Company
6/30/2012 Estimated Plant in Service by Accounts and Subaccounts

Schedule B-2.1
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NOTE: Column A contains estimated 6/30/12 gross plant in service balances based on estimated additions from the 2012 budget version 12, adjusted to (1) include 2011 CWIP associated with a change in pension accounting that is expected to go into service during Q2 2012, (2) include the impact of a reallocation of overheads from prior periods that is expected to be recorded during Q2, and (3) to remove the cumulative pre-2007 impact of the change in pension accounting.

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	\$17,348,214	100%	\$17,348,214	(\$15,628,800)	\$1,719,414
2	352	Structures & Improvements	218,162	100%	\$218,162		\$218,162
3	353	Station Equipment	9,120,933	100%	\$9,120,933		\$9,120,933
4	354	Towers & Fixtures	34,233	100%	\$34,233		\$34,233
5	355	Poles & Fixtures	3,003,063	100%	\$3,003,063		\$3,003,063
6	356	Overhead Conductors & Devices	5,294,521	100%	\$5,294,521		\$5,294,521
7	357	Underground Conduit	372,552	100%	\$372,552		\$372,552
8	358	Underground Conductors & Devices	385,720	100%	\$385,720		\$385,720
9	359	Roads & Trails	0	100%	\$0		\$0
10		Total Transmission Plant	\$35,777,399	100%	\$35,777,399	(\$15,628,800)	\$20,148,599

The Toledo Edison Company
6/30/2012 Estimated Plant in Service by Accounts and Subaccounts

Schedule B-2.1
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NOTE: Column A contains estimated 6/30/12 gross plant in service balances based on estimated additions from the 2012 budget version 12, adjusted to (1) include 2011 CWIP associated with a change in pension accounting that is expected to go into service during Q2 2012, (2) include the impact of a reallocation of overheads from prior periods that is expected to be recorded during Q2, and (3) to remove the cumulative pre-2007 impact of the change in pension accounting.

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	\$4,966,996	100%	\$4,966,996		\$4,966,996
12	361	Structures & Improvements	5,901,047	100%	5,901,047		5,901,047
13	362	Station Equipment	89,200,283	100%	89,200,283		89,200,283
14	364	Poles, Towers & Fixtures	151,849,590	100%	151,849,590		151,849,590
15	365	Overhead Conductors & Devices	180,598,368	100%	180,598,368		180,598,368
16	366	Underground Conduit	12,204,906	100%	12,204,906		12,204,906
17	367	Underground Conductors & Devices	110,363,247	100%	110,363,247		110,363,247
18	368	Line Transformers	144,581,204	100%	144,581,204		144,581,204
19	369	Services	66,312,620	100%	66,312,620		66,312,620
20	370	Meters	36,949,208	100%	36,949,208		36,949,208
21	371	Installation on Customer Premises	6,118,888	100%	6,118,888		6,118,888
22	373	Street Lighting & Signal Systems	52,487,092	100%	52,487,092		52,487,092
23	374	Asset Retirement Costs for Distribution Plant	7,901	100%	7,901		7,901
24		Total Distribution Plant	\$861,541,351	100%	\$861,541,351	\$0	\$861,541,351

The Toledo Edison Company
6/30/2012 Estimated Plant in Service by Accounts and Subaccounts

Schedule B-2.1
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NOTE: Column A contains estimated 6/30/12 gross plant in service balances based on estimated additions from the 2012 budget version 12, adjusted to (1) include 2011 CWIP associated with a change in pension accounting that is expected to go into service during Q2 2012, (2) include the impact of a reallocation of overheads from prior periods that is expected to be recorded during Q2, and (3) to remove the cumulative pre-2007 impact of the change in pension accounting.

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	\$1,826,097	100%	\$1,826,097		\$1,826,097
26	390	Structures & Improvements	47,342,865	100%	\$47,342,865		\$47,342,865
27	391.1	Office Furniture & Equipment	2,551,397	100%	\$2,551,397		\$2,551,397
28	392.2	Data Processing Equipment	8,649,227	100%	\$8,649,227		\$8,649,227
29	392	Transportation Equipment	1,514,987	100%	\$1,514,987		\$1,514,987
30	393	Stores Equipment	671,990	100%	\$671,990		\$671,990
31	394	Tools, Shop & Garage Equipment	4,894,159	100%	\$4,894,159		\$4,894,159
32	395	Laboratory Equipment	1,841,025	100%	\$1,841,025		\$1,841,025
33	396	Power Operated Equipment	1,037,367	100%	\$1,037,367		\$1,037,367
34	397	Communication Equipment	7,789,130	100%	\$7,789,130		\$7,789,130
35	398	Miscellaneous Equipment	474,507	100%	\$474,507		\$474,507
36	399.1	Asset Retirement Costs for General Plant	<u>264,831</u>	100%	<u>\$264,831</u>		<u>\$264,831</u>
37		Total General Plant	\$78,857,582	100%	\$78,857,582	\$0	\$78,857,582

The Toledo Edison Company
6/30/2012 Estimated Plant in Service by Accounts and Subaccounts

Schedule B-2.1
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NOTE: Column A contains estimated 6/30/12 gross plant in service balances based on estimated additions from the 2012 budget version 12, adjusted to (1) include 2011 CWIP associated with a change in pension accounting that is expected to go into service during Q2 2012, (2) include the impact of a reallocation of overheads from prior periods that is expected to be recorded during Q2, and (3) to remove the cumulative pre-2007 impact of the change in pension accounting.

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>							
38	303	Intangible Software	\$23,432,205	100%	\$23,432,205		\$23,432,205
39	303	Intangible FAS 109 Transmission	\$54,210	100%	\$54,210		\$54,210
40	303	Intangible FAS 109 Distribution	\$240,093	100%	\$240,093		\$240,093
41		Total Other Plant	\$23,726,509		\$23,726,509	\$0	\$23,726,509
42		Company Total Plant Balance	\$999,902,841	100%	\$999,902,841	(\$15,628,800)	\$984,274,041
43		Service Company Plant Allocated*					\$33,833,588
44		Grand Total Plant (42 + 43)					\$1,018,107,629

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

The Toledo Edison Company
6/30/12 Estimated Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3
Page 1 of 4

NOTE: Column B contains estimated 6/30/12 reserve for accumulated depreciation balances from the 2012 Budget V12 as adjusted to reflect 2011 CWIP associated with a change in pension accounting moved to plant in- service in 1Q 2012, and to remove the pre-2007 impact of the change in pension accounting. Column C shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments Column E are provided on the Exclusions workpaper.

Line No.	Account No.	Account Title	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>TRANSMISSION PLANT</u>								
1	350	Land & Land Rights	\$1,719,414	\$0	100%	\$0		\$0
2	352	Structures & Improvements	\$218,162	183,212	100%	183,212		183,212
3	353	Station Equipment	\$9,120,933	4,102,645	100%	4,102,645		4,102,645
4	354	Towers & Fixtures	\$34,233	112,316	100%	112,316		112,316
5	355	Poles & Fixtures	\$3,003,063	2,589,106	100%	2,589,106		2,589,106
6	356	Overhead Conductors & Devices	\$5,294,521	2,947,554	100%	2,947,554		2,947,554
7	357	Underground Conduit	\$372,552	140,884	100%	140,884		140,884
8	358	Underground Conductors & Devices	\$385,720	137,607	100%	137,607		137,607
9	359	Roads & Trails	\$0	0	100%	0		0
10		Total Transmission Plant	\$20,148,599	\$10,213,324	100%	\$10,213,324	\$0	\$10,213,324

The Toledo Edison Company
6/30/12 Estimated Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3

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NOTE: Column B contains estimated 6/30/12 reserve for accumulated depreciation balances from the 2012 Budget V12 as adjusted to reflect 2011 CWIP associated with a change in pension accounting moved to plant in- service in 1Q 2012, and to remove the pre-2007 impact of the change in pension accounting. Column C shows jurisdictional allocation factors from Case No. 07-551-EL-AIR. Additional details on the adjustments Column E are provided on the Exclusions workpaper.

Line No.	Account No.	Account Title	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>DISTRIBUTION PLANT</u>								
11	360	Land & Land Rights	\$4,966,996	\$0	100%	\$0		\$0
12	361	Structures & Improvements	\$5,901,047	1,538,493	100%	1,538,493		1,538,493
13	362	Station Equipment	\$89,200,283	29,160,910	100%	29,160,910		29,160,910
14	364	Poles, Towers & Fixtures	\$151,849,590	101,895,902	100%	101,895,902		101,895,902
15	365	Overhead Conductors & Devices	\$180,598,368	83,177,867	100%	83,177,867		83,177,867
16	366	Underground Conduit	\$12,204,906	6,914,568	100%	6,914,568		6,914,568
17	367	Underground Conductors & Devices	\$110,363,247	37,146,185	100%	37,146,185		37,146,185
18	368	Line Transformers	\$144,581,204	61,332,019	100%	61,332,019		61,332,019
19	369	Services	\$66,312,620	59,862,893	100%	59,862,893		59,862,893
20	370	Meters	\$36,949,208	19,743,689	100%	19,743,689		19,743,689
21	371	Installation on Customer Premises	\$6,118,888	3,418,421	100%	3,418,421		3,418,421
22	373	Street Lighting & Signal Systems	\$52,487,092	32,597,569	100%	32,597,569		32,597,569
23	374	Asset Retirement Costs for Distribution Plant	\$7,901	4,477	100%	4,477		4,477
24		Total Distribution Plant	\$861,541,351	\$436,792,993	100%	\$436,792,993	\$0	\$436,792,993

The Toledo Edison Company
6/30/12 Estimated Reserve for Accumulated Depreciation by Accounts and Subaccounts

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NOTE: Column B contains estimated 6/30/12 reserve for accumulated depreciation balances from the 2012 Budget V12 as adjusted to reflect 2011 CWIP associated with a change in pension accounting moved to plant in- service in 1Q 2012, and to remove the pre-2007 impact of the change in pension accounting. 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 worksheet.

Line No.	Account No.	Account Title	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>GENERAL PLANT</u>								
25	389	Land & Land Rights	\$1,826,097	\$0	100%	\$0		\$0
26	390	Structures & Improvements	\$47,342,865	18,403,838	100%	\$18,403,838		\$18,403,838
27	391.1	Office Furniture & Equipment	\$2,551,397	\$2,125,028	100%	\$2,125,028		\$2,125,028
28	391.2	Data Processing Equipment	\$8,649,227	\$3,229,194	100%	\$3,229,194		\$3,229,194
29	392	Transportation Equipment	\$1,514,987	\$1,428,548	100%	\$1,428,548		\$1,428,548
30	393	Stores Equipment	\$671,990	\$380,766	100%	\$380,766		\$380,766
31	394	Tools, Shop & Garage Equipment	\$4,894,159	\$1,883,522	100%	\$1,883,522		\$1,883,522
32	395	Laboratory Equipment	\$1,841,025	\$1,054,511	100%	\$1,054,511		\$1,054,511
33	396	Power Operated Equipment	\$1,037,367	\$824,581	100%	\$824,581		\$824,581
34	397	Communication Equipment	\$7,789,130	\$6,754,064	100%	\$6,754,064		\$6,754,064
35	398	Miscellaneous Equipment	\$474,507	\$157,410	100%	\$157,410		\$157,410
36	399.1	Asset Retirement Costs for General Plant	<u>\$264,831</u>	<u>130,297</u>	100%	<u>\$130,297</u>	<u></u>	<u>\$130,297</u>
37		Total General Plant	\$78,857,582	\$36,371,760	100%	\$36,371,760	\$0	\$36,371,760

The Toledo Edison Company
6/30/12 Estimated Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3

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NOTE: Column B contains estimated 6/30/12 reserve for accumulated depreciation balances from the 2012 Budget V12 as adjusted to reflect 2011 CWIP associated with a change in pension accounting moved to plant in- service in 1Q 2012, and to remove the pre-2007 impact of the change in pension accounting. 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 worksheet.

Line No.	Account No.	Account Title	Total Company Plant Investment	Reserve Balances				
			Sch B2.1 Column E	Total Company	Allocation %	Allocated Total	Adjustments	Adjusted Jurisdiction
			(A)	(B)	(C)	(D) = (B) * (C)	(E)	(F) = (D) + (E)
<u>OTHER PLANT</u>								
38	303	Intangible Software	\$23,432,205	\$8,068,016	100%	\$8,068,016		\$8,068,016
39	303	Intangible FAS 109 Transmission	\$54,210	\$7,446,712	100%	\$7,446,712		\$7,446,712
40	303	Intangible FAS 109 Distribution	\$240,093	\$854,821	100%	\$854,821		\$854,821
41		Total Other Plant	\$23,726,509	\$16,369,548		\$16,369,548	\$0	\$16,369,548
42		Company Total Plant (Reserve)	\$984,274,041	\$499,747,626	100%	\$499,747,626	\$0	\$499,747,626
43		Service Company Reserve Allocated*						\$11,108,870
44		Grand Total Plant (Reserve) (42 + 43)						\$510,856,496

* Source: Line 3 of the Service Company Allocations worksheet.

FirstEnergy Companies
ADIT Balances (281 & 282 Property Accounts)

	<u>CEI</u>	<u>OE</u>	<u>TE</u>	<u>SC</u>
(1) Ending Bal. 6/30/12*	384,172,863	431,391,990	118,664,544	72,370,166
(2) Service Company Allocated ADIT**	\$10,283,801	\$12,462,143	\$5,485,659	
(3) Grand Total ADIT Balance***	<u>\$394,456,664</u>	<u>\$443,854,133</u>	<u>\$124,150,203</u>	

*Source: Estimated 6/30/12 balances.

** Line 4 on Service Company Allocations workpaper

*** Calculation : Line 1 + Line 2

The Toledo Edison Company
Depreciation Accrual Rates and 6/30/2012 Estimated Jurisdictional Reserve Balances by Accounts and Subaccounts

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	Calculated Depr. Expense (G=DxF)
			Plant Investment	Reserve Balance		
(A)	(B)	(C)	(D)	(E)	(F)	(G=DxF)
<u>TRANSMISSION PLANT</u>						
1	350	Land & Land Rights	\$1,719,414	\$0	0.00%	\$0
2	352	Structures & Improvements	\$218,162	183,212	2.50%	\$5,454
3	353	Station Equipment	\$9,120,933	4,102,645	1.80%	\$164,177
4	354	Towers & Fixtures	\$34,233	112,316	1.85%	\$633
5	355	Poles & Fixtures	\$3,003,063	2,589,106	3.75%	\$112,615
6	356	Overhead Conductors & Devices	\$5,294,521	2,947,554	2.67%	\$141,364
7	357	Underground Conduit	\$372,552	140,884	2.00%	\$7,451
8	358	Underground Conductors & Devices	\$385,720	137,607	2.86%	\$11,032
9	359	Roads & Trails	\$0	0		\$0
10		Total Transmission	\$20,148,599	\$10,213,324		\$442,726

The Toledo Edison Company
Depreciation Accrual Rates and 6/30/2012 Estimated Jurisdictional Reserve Balances by Accounts and Subaccounts

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	Calculated Depr. Expense (G=DxF)
			Plant Investment	Reserve Balance		
(A)	(B)	(C)	(D)	(E)	(F)	(G=DxF)
<u>DISTRIBUTION PLANT</u>						
11	360	Land & Land Rights	4,966,996	\$0	0.00%	\$0
12	361	Structures & Improvements	5,901,047	1,538,493	2.50%	147,526
13	362	Station Equipment	89,200,283	29,160,910	2.25%	2,007,006
14	364	Poles, Towers & Fixtures	151,849,590	101,895,902	3.78%	5,739,915
15	365	Overhead Conductors & Devices	180,598,368	83,177,867	3.75%	6,772,439
16	366	Underground Conduit	12,204,906	6,914,568	2.08%	253,862
17	367	Underground Conductors & Devices	110,363,247	37,146,185	2.20%	2,427,991
18	368	Line Transformers	144,581,204	61,332,019	2.62%	3,788,028
19	369	Services	66,312,620	59,862,893	3.17%	2,102,110
20	370	Meters	36,949,208	19,743,689	3.43%	1,267,358
21	371	Installation on Customer Premises	6,118,888	3,418,421	4.00%	244,756
22	373	Street Lighting & Signal Systems	52,487,092	32,597,569	3.93%	2,062,743
23	374	Asset Retirement Costs for Distribution Plant	7,901	4,477	0.00%	0
24		Total Distribution	\$861,541,351	\$436,792,993		\$26,813,734

The Toledo Edison Company
Depreciation Accrual Rates and 6/30/2012 Estimated Jurisdictional Reserve Balances by Accounts and Subaccounts

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	Calculated Depr. Expense (G=DxF)
			Plant Investment	Reserve Balance		
(A)	(B)	(C)	(D)	(E)	(F)	(G=DxF)
<u>GENERAL PLANT</u>						
26	389	Land & Land Rights	\$1,826,097	\$0	0.00%	\$0
27	390	Structures & Improvements	\$47,342,865	\$18,403,838	2.20%	\$1,041,543
28	391.1	Office Furniture & Equipment	\$2,551,397	\$2,125,028	3.80%	\$96,953
29	391.2	Data Processing Equipment	\$8,649,227	\$3,229,194	9.50%	\$821,677
30	392	Transportation Equipment	\$1,514,987	\$1,428,548	6.92%	\$104,837
31	393	Stores Equipment	\$671,990	\$380,766	3.13%	\$21,033
32	394	Tools, Shop & Garage Equipment	\$4,894,159	\$1,883,522	3.33%	\$162,976
33	395	Laboratory Equipment	\$1,841,025	\$1,054,511	2.86%	\$52,653
34	396	Power Operated Equipment	\$1,037,367	\$824,581	5.28%	\$54,773
35	397	Communication Equipment	\$7,789,130	\$6,754,064	5.88%	\$458,001
36	398	Miscellaneous Equipment	\$474,507	\$157,410	3.33%	\$15,801
37	399.1	Asset Retirement Costs for General Plant	\$264,831	\$130,297	0.00%	\$0
38		Total General	\$78,857,582	\$36,371,760		\$2,830,247

The Toledo Edison Company
Depreciation Accrual Rates and 6/30/2012 Estimated Jurisdictional Reserve Balances by Accounts and Subaccounts

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	Calculated Depr. Expense
			Plant Investment	Reserve Balance		
(A)	(B)	(C)	(D)	(E)	(F)	(G=DxF)
<u>OTHER PLANT</u>						
39	303	Intangible Software	\$23,432,205	\$8,068,016	14.29%	**
40	303	Intangible FAS 109 Transmission	\$54,210	\$7,446,712	2.37%	**
41	303	Intangible FAS 109 Distribution	\$240,093	\$854,821	3.10%	**
42			\$23,726,509	\$16,369,548		\$1,830,866
43		Incremental Depreciation Associated with Allocated Service Company Plant ***	33,833,588	11,108,870		763,882
44		GRAND TOTAL	\$1,018,107,629	\$510,856,496		\$32,681,455

** Please see 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 Toledo Edison Company

Annual Property Tax Expense on Forecasted Plant Balances as of June 30, 2012

Schedule C-3.10a
Page 1 of 1

Line No.	Description	Jurisdictional Amount
1	Personal Property Taxes	\$25,053,328
2	Real Property Taxes	851,359
3	Incremental Property Tax Associated with Allocated Service Company Plant *	<u>31,626</u>
4	Total Property Taxes (1 + 2 + 3)	<u><u>\$25,936,313</u></u>

* Source: Line 7 of workpaper "Service Company Allocation Summary".

The Toledo Edison Company

Annual Personal Property Tax Expense on Forecasted Plant Balances as of June 30, 2012

Schedule C-3.10a1

Page 1 of 1

Line No.	Description	Jurisdictional Amount		
		Transmission Plant	Distribution Plant	General Plant
1	Jurisdictional Plant in Service (a)	\$20,148,599	\$861,541,351	\$78,857,582
2	Jurisdictional Real Property (b)	1,937,576	10,868,044	49,168,962
3	Jurisdictional Personal Property (1 - 2)	18,211,023	850,673,307	29,688,620
4	Purchase Accounting Adjustment (f)	(12,705,341)	(471,389,010)	0
5	Adjusted Jurisdictional Personal Property (3 + 4)	5,505,681	379,284,297	29,688,620
<u>Exclusions and Exemptions</u>				
6	Capitalized Asset Retirement Costs (a)	0	7,901	264,831
7	Exempt Facilities (c)	0	0	0
8	Licensed Motor Vehicles (c)	0	0	1,421,787
9	Capitalized Interest (c)	331,354	2,407,922	0
10	Total Exclusions and Exemptions (6 thru 9)	331,354	2,415,823	1,686,618
11	Net Cost of Taxable Personal Property (5 - 10)	\$5,174,328	\$376,868,474	\$28,002,002
12	True Value Percentage (c)	79.5548%	79.0620%	30.7135%
13	True Value of Taxable Personal Property (11 x 12)	\$4,116,425	\$297,959,643	\$8,600,382
14	Assessment Percentage (d)	85.00%	85.00%	24.00%
15	Assessment Value (13 x 14)	\$3,498,961	\$253,265,697	\$2,064,092
16	Personal Property Tax Rate (e)	8.4499%	8.4499%	8.4499%
17	Personal Property Tax (15 x 16)	\$295,659	\$21,400,698	174,414
18	Purchase Accounting Adjustment (f)	163,644	\$3,018,913	0
19	Total Personal Property Tax (17 + 18)			\$25,053,328

(a) Schedule B-2.1

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

(c) Source: TE's 2011 Ohio annual property tax filing.

(d) Statutory Assessment for Personal Property

(e) Estimated tax rate for Personal Property based on 2011 Ohio Annual Property Tax return filing

(f) Adjustment made as a result of the merger between Ohio Edison and Centenor

The Toledo Edison Company

Annual Real Property Tax Expense on Forecasted Plant Balances as of June 30, 2012

Schedule C-3.10a2
Page 1 of 1

Line No.	Description	Jurisdictional Amount		
		Transmission Plant	Distribution Plant	General Plant
1	Jurisdictional Real Property (a)	\$1,937,576	\$10,868,044	\$49,168,962
2	True Value Percentage (b)	51.65%	51.65%	51.65%
3	True Value of Taxable Real Property (1 x 2)	\$1,000,689	\$5,612,958	\$25,394,020
4	Assessment Percentage (c)	35.00%	35.00%	35.00%
5	Assessment Value (3 x 4)	\$350,241	\$1,964,535	\$8,887,907
6	Real Property Tax Rate (d)	7.5996%	7.5996%	7.5996%
7	Real Property Tax (5 x 6)	\$26,617	\$149,297	\$675,445
8	Total Real Property Tax (Sum of 7)			\$851,359
(a)	Schedule C-3.10a1			
(b)	Calculated as follows:			
	(1) Real Property Assessed Value	13,375,990	Source: TE's 2011 Property Tax return filing Statutory Assessment for Real Property Calculation: (1) / (2) Book cost of real property used to compare to assessed value of real property to derive a true value percentage Calculation: (3) / (4)	
	(2) Assessment Percentage	35.00%		
	(3) Real Property True Value	38,217,114		
	(4) Real Property Capitalized Cost	73,997,572		
	(5) Real Property True Value Percentage	51.65%		
(c)	Statutory Assessment for Real Property			
(d)	Estimated tax rate for Real Estate based on 2011 Property Tax return filing.			

**Summary of Exclusions per Case No. 10-388-EL-SSO
Estimated 6/30/2012 Plant in Service Balances**

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 Only CEI has an AMI project so this exclusion does not impact OE or TE. Sourced from the 2012 Budget, Version 12. Exclusions related to Rider AMI are determined by specific depreciation groups in PowerPlant and WBS CE-004000

FERC Account	CEI	
	Gross	Reserve
362	\$203,929	\$16,278
364	\$1,639,305	\$121,202
365	\$1,889,590	\$63,399
368	\$13,704	\$252
370	\$245,080	\$41,392
Grand Total	\$3,991,607	\$242,524

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 no plant in service estimated for 6/30/2012 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	\$446,353,405	\$63,426,819	\$76,862,056	\$33,833,588	\$174,122,463
(3) Reserve	\$146,555,012	\$20,825,467	\$25,236,773	\$11,108,870	\$57,171,110
(4) ADIT	\$72,370,166	\$10,283,801	\$12,462,143	\$5,485,659	\$28,231,602
(5) Rate Base		\$32,317,551	\$39,163,141	\$17,239,060	\$88,719,751
(6) Depreciation Expense (Incremental)		\$1,432,027	\$1,735,363	\$763,882	\$3,931,271
(7) Property Tax Expense (Incremental)		\$59,288	\$71,847	\$31,626	\$162,762
(8) Total Expenses		\$1,491,315	\$1,807,210	\$795,508	\$4,094,033

- (2) Estimated Gross Plant = 6/30/2012 General and Intangible Plant Balances in the 2012 Budget
- (3) Estimated Reserve = 6/30/2012 General and Intangible Reserve Balances in the 2012 Budget
- (4) Estimated ADIT: See ADIT Balances
- (5) Rate Base = Gross Plant - Reserve - ADIT
- (6) Estimated incremental depreciation expense. Additional details provided on "Incremental Depreciation and Property Tax Associated with Service Company Plant"
- (7) Estimated incremental property tax expense. Additional details provided on "Incremental Depreciation and Property Tax Associated with Service Company Plant"
- (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 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 June 30, 2012

Line No.	(A) Account	(B) Account Description	(C) (D) (E) Estimated 6/30/12 Balances			(F) (G) (H) (I) 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 *	\$40,955,461	\$12,312,668	\$28,642,793	2.20%	2.50%	2.20%	2.33%	\$955,256
32	390.3	Struct Imprv, Leasehold Imp **	\$14,233,105	\$3,605,588	\$10,627,517	22.34%	20.78%	0.00%	21.49%	\$3,058,025
33	391.1	Office Furn., Mech. Equip.	\$18,523,604	\$10,132,550	\$8,391,054	7.60%	3.80%	3.80%	5.18%	\$960,302
34	391.2	Data Processing Equipment	\$119,122,272	\$29,763,721	\$89,358,551	10.56%	17.00%	9.50%	13.20%	\$15,720,341
35	392	Transportation Equipment	\$30,365	\$21,659	\$8,706	6.07%	7.31%	6.92%	6.78%	\$2,059
36	393	Stores Equipment	\$18,497	\$4,617	\$13,880	6.67%	2.56%	3.13%	4.17%	\$771
37	394	Tools, Shop, Garage Equip.	\$250,895	\$11,482	\$239,413	4.62%	3.17%	3.33%	3.73%	\$9,357
38	395	Laboratory Equipment	\$130,412	\$22,771	\$107,641	2.31%	3.80%	2.86%	3.07%	\$4,010
39	396	Power Operated Equipment	\$45,785	\$20,692	\$25,092	4.47%	3.48%	5.28%	4.19%	\$1,919
40	397	Communication Equipment ***	\$87,158,522	\$13,641,157	\$73,517,364	7.50%	5.00%	5.88%	6.08%	\$5,300,681
41	398	Misc. Equipment	\$3,547,763	\$431,150	\$3,116,613	6.67%	4.00%	3.33%	4.84%	\$171,797
42	399.1	ARC General Plant	\$40,721	\$21,664	\$19,058	0.00%	0.00%	0.00%	0.00%	\$0
43			\$284,288,347	\$69,989,719	\$214,298,628					\$26,184,519
INTANGIBLE PLANT										
44	303	FECO 101/6-303 Intangibles	\$34,209,138	\$3,108,880	\$31,100,259	14.29%	14.29%	14.29%	14.29%	\$4,888,486
45	301	FECO 101/6-301 Organization Fst	\$49,344	\$49,344	\$0	0.00%	0.00%	0.00%	0.00%	\$0
46	303	FECO 101/6-303 2003 Software	\$24,400,196	\$24,400,196	\$0	14.29%	14.29%	14.29%	14.29%	\$0
47	303	FECO 101/6-303 2004 Software	\$12,676,215	\$12,676,215	\$0	14.29%	14.29%	14.29%	14.29%	\$0
48	303	FECO 101/6-303 2005 Software	\$1,086,776	\$1,086,776	\$0	14.29%	14.29%	14.29%	14.29%	\$0
49	303	FECO 101/6-303 2006 Software	\$5,455,678	\$4,680,849	\$774,829	14.29%	14.29%	14.29%	14.29%	\$774,829
50	303	FECO 101/6-303 2007 Software	\$7,245,250	\$6,422,781	\$822,469	14.29%	14.29%	14.29%	14.29%	\$822,469
51	303	FECO 101/6-303 2008 Software	\$7,404,178	\$5,680,846	\$1,723,332	14.29%	14.29%	14.29%	14.29%	\$1,058,057
52	303	FECO 101/6-303 2009 Software	\$15,968,197	\$6,751,953	\$9,216,244	14.29%	14.29%	14.29%	14.29%	\$2,281,855
	303	FECO 101/6-303 2010 Software	\$20,145,154	\$6,407,190	\$13,737,964	14.29%	14.29%	14.29%	14.29%	\$2,878,743
53	303	FECO 101/6-303 2011 Software	\$33,424,931	\$5,300,263	\$28,124,668	14.29%	14.29%	14.29%	14.29%	\$4,776,423
54			\$162,065,058	\$76,565,293	\$85,499,765					\$17,480,861
55	TOTAL - GENERAL & INTANGIBLE		\$446,353,405	\$146,555,012	\$299,798,392				9.78%	\$43,665,380

NOTES

(C) - (E) Estimated 6/30/12 balances. Source: 2012 budget.

Note: Accounts 391.1 - 398 are aggregated together in the 2012 budget and were allocated based on March 2012 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 equal to the weighted average of the three operating companies.

(J) Estimated depreciation expense associated with Service Company plant as of 6/30/12. 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. Estimated Average Real Property Tax Rates on General Plant as of June 30, 2012 *

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 June 30, 2012

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%	\$40,955,461	\$625,525
32	390.3	Struct Imprv, Leasehold Imp	Real	1.53%	\$14,233,105	\$217,386
33	391.1	Office Furn., Mech. Equip.	Personal		\$18,523,604	\$0
34	391.2	Data Processing Equipment	Personal		\$119,122,272	\$0
35	392	Transportation Equipment	Personal		\$30,365	\$0
36	393	Stores Equipment	Personal		\$18,497	\$0
37	394	Tools, Shop, Garage Equip.	Personal		\$250,895	\$0
38	395	Laboratory Equipment	Personal		\$130,412	\$0
39	396	Power Operated Equipment	Personal		\$45,785	\$0
40	397	Communication Equipment	Personal		\$87,158,522	\$0
41	398	Misc. Equipment	Personal		\$3,547,763	\$0
42	399.1	ARC General Plant	Personal		\$40,721	\$0
43	TOTAL - GENERAL PLANT				\$284,288,347	\$846,439
44	TOTAL - INTANGIBLE PLANT				\$162,065,058	\$0
45	TOTAL - GENERAL & INTANGIBLE PLANT				\$446,353,405	\$846,439
46	Average Effective Real Property Tax Rate					0.19%

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 6/30/12. Source: 2012 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 6/30/12 Balances

I. Estimated Allocated Service Company Plant and Related Expenses as of June 30, 2012

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	\$446,353,405	\$63,426,819	\$76,862,056	\$33,833,588	\$174,122,463	Service Co. Depreciation Rate, Line 55 x Line 1
3	Accum. Reserve	(\$146,555,012)	(\$20,825,467)	(\$25,236,773)	(\$11,108,870)	(\$57,171,110)	Service Co. Depreciation Rate, Line 55 x Line 1
4	Net Plant	<u>\$299,798,392</u>	<u>\$42,601,352</u>	<u>\$51,625,283</u>	<u>\$22,724,718</u>	<u>\$116,951,353</u>	Line 2 + Line 3
5	Depreciation *	9.78%	\$6,204,851	\$7,519,178	\$3,309,836	\$17,033,865	Average Rate x Line 2
6	Property Tax *	0.19%	\$120,279	\$145,757	\$64,160	\$330,196	Average Rate x Line 2
7	Total Expenses		<u>\$6,325,129</u>	<u>\$7,664,935</u>	<u>\$3,373,996</u>	<u>\$17,364,061</u>	

* Effective Depreciation and Property Tax rates based on weighted averages across companies over General and Intangible plant, as of 6/30/12.
See line 55 on workpaper "Service Co. Depreciation Rate" and line 46 on workpaper "Service Co. Property Tax Rate" for more details.

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

* 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.

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%	\$1,432,027	\$1,735,363	\$763,882	\$3,931,271	Line 5 - Line 12
16	Property Tax	0.05%	\$59,288	\$71,847	\$31,626	\$162,762	Line 6 - Line 13
17	Total Expenses		<u>\$1,491,315</u>	<u>\$1,807,210</u>	<u>\$795,508</u>	<u>\$4,094,033</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 June 30, 2012. The incremental expenses calculated on Line 17 above are added to the Rider DCR revenue requirements.

Intangible Depreciation Expense Calculation
Estimated 6/30/2012 Balances

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 Jun-12 (D)	Reserve Jun-12 (E)	Net Plant Jun-12 (F)	Accrual Rates (G)		Depreciation Expense (H)
			Source: 2012 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 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 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 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 2005 Software	Intangible Plant	1,219,861.54	1,219,861.54	0.00	14.29%	\$0.00
CECO	The Illuminating Co.	CECO 101/6-303 2006 Software	Intangible Plant	1,808,777.88	1,554,969.77	253,808.11	14.29%	\$253,808.11
CECO	The Illuminating Co.	CECO 101/6-303 2007 Software	Intangible Plant	5,870,455.85	4,128,385.49	1,742,070.36	14.29%	\$838,888.14
CECO	The Illuminating Co.	CECO 101/6-303 2008 Software	Intangible Plant	2,852,517.24	1,673,794.86	1,178,722.38	14.29%	\$407,624.71
CECO	The Illuminating Co.	CECO 101/6-303 2009 Software	Intangible Plant	3,238,317.74	1,161,881.12	2,076,436.62	14.29%	\$462,755.61
CECO	The Illuminating Co.	CECO 101/6-303 2010 Software	Intangible Plant	2,716,031.14	838,101.89	1,877,929.25	14.29%	\$388,120.85
CECO	The Illuminating Co.	CECO 101/6-303 2011 Software	Intangible Plant	7,662,997.14	670,606.79	6,992,390.35	14.29%	\$1,095,042.29
CECO	The Illuminating Co.	CECO 101/6-303 FAS109 Dist- Forcast	Intangible Plant	2,001,380.25	1,949,166.04	52,214.21	3.18%	\$52,214.21
CECO	The Illuminating Co.	CECO 101/6-303 FAS109 Transm-FCT	Intangible Plant	1,176,339.38	969,591.33	206,748.05	2.15%	\$25,291.30
CECO	The Illuminating Co.	CECO 101/6-303 Software	Intangible Plant	1,496,424.76	271,495.75	1,224,929.01	14.29%	\$213,839.10
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			50,367,701.58	34,762,453.24	15,605,248.34			\$3,737,584.32
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 101/6-303 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 2003 Software	Intangible Plant	17,568,726.13	17,568,726.13	0.00	14.29%	\$0.00
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 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 2006 Software	Intangible Plant	2,754,123.71	2,757,501.24	(3,377.53)	14.29%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 2007 Software	Intangible Plant	7,208,211.44	6,625,450.67	582,760.77	14.29%	\$582,760.77
OECO	Ohio Edison Co.	OECO 101/6-303 2008 Software	Intangible Plant	3,495,653.48	3,133,247.42	362,406.06	14.29%	\$362,406.06
OECO	Ohio Edison Co.	OECO 101/6-303 2009 Software	Intangible Plant	4,771,510.65	1,877,651.95	2,893,858.70	14.29%	\$681,848.87
OECO	Ohio Edison Co.	OECO 101/6-303 2010 Software	Intangible Plant	3,645,397.53	1,147,595.65	2,497,801.88	14.29%	\$520,927.31
OECO	Ohio Edison Co.	OECO 101/6-303 2011 Software	Intangible Plant	7,632,266.26	745,308.26	6,886,958.00	14.29%	\$1,090,650.85
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 101/6-303 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 FAS109 General Lan	Intangible Plant	7,778.00	0.00	7,778.00	3.87%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 FAS109 General Plt	Intangible Plant	191,313.37	160,535.80	30,777.57	3.87%	\$7,403.83
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 FAS109 Transmissio	Intangible Plant	697,049.00	697,049.00	0.00	2.33%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 Intangibles	Intangible Plant	2,905,607.70	185,668.30	2,719,939.40	14.29%	\$415,211.34
Total			63,570,773.55	46,138,813.24	17,431,960.31			\$3,661,209.03
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 2003 Software	Intangible Plant	7,446,711.94	7,446,711.94	0.00	14.29%	\$0.00
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 2005 Software	Intangible Plant	670,679.46	670,679.46	0.00	14.29%	\$0.00
TECO	Toledo Edison Co.	TECO 101/6-303 2006 Software	Intangible Plant	834,729.01	715,980.31	118,748.70	14.29%	\$118,748.70
TECO	Toledo Edison Co.	TECO 101/6-303 2007 Software	Intangible Plant	3,095,001.76	2,169,372.43	925,629.33	14.29%	\$442,275.75
TECO	Toledo Edison Co.	TECO 101/6-303 2008 Software	Intangible Plant	1,445,575.18	917,344.06	528,231.12	14.29%	\$206,572.69
TECO	Toledo Edison Co.	TECO 101/6-303 2009 Software	Intangible Plant	2,063,024.71	768,147.32	1,294,877.39	14.29%	\$294,806.23
TECO	Toledo Edison Co.	TECO 101/6-303 2010 Software	Intangible Plant	1,589,514.04	497,581.91	1,091,932.13	14.29%	\$227,141.56
TECO	Toledo Edison Co.	TECO 101/6-303 2011 Software	Intangible Plant	3,191,925.46	266,893.63	2,925,031.83	14.29%	\$456,126.15
TECO	Toledo Edison Co.	TECO 101/6-303 FAS109 Distribution	Intangible Plant	240,093.46	216,745.28	23,348.18	3.10%	\$7,442.90
TECO	Toledo Edison Co.	TECO 101/6-303 FAS109 Transmission	Intangible Plant	54,210.29	45,071.90	9,138.39	2.37%	\$1,284.78
TECO	Toledo Edison Co.	TECO 101/6-303 Software	Intangible Plant	535,108.87	95,085.37	440,023.50	14.29%	\$76,467.06
Total			23,726,508.74	16,369,548.17	7,356,960.57			\$1,830,865.82

Rider Charge Calculation - Rider DCR

I. Annual Revenue Requirement For Q3 2012 Rider DCR Rates

	(A)	(B)
	Company	Rev Req 6/30/2012
(1)	CEI	\$60,918,047
(2)	OE	\$55,455,477
(3)	TE	\$13,886,233
(4)	TOTAL	\$130,259,757

NOTES

(B) Annual Revenue Requirement Based on Estimated 6/30/2012 Rate Base

II. Quarterly Revenue Requirement Additions

	(A)	(B)	(C)	(D)
	Description	CEI	OE	TE
(1)	DCR Audit Expense Recovery Q2 2012	\$28,466	\$28,466	\$28,466
(2)	Reconciliation Amount Adjusted for Q2	(\$2,421,884)	(\$1,105,678)	(\$544,876)
(3)	Property Tax Adjustment	(\$2,068)	(\$39,726)	(\$2,517)
(4)	Total Quarterly Reconciliation	(\$2,393,418)	(\$1,077,212)	(\$516,410)

SOURCES

- Line 1: Source: DCR deferral balance as of March 31, 2012
Line 2: Q2 2012 overcollection based on difference between estimated 3/31/2012 rate based on forecasted revenue requirements and the actual rate based on 3/31/2012 actual revenue requirements times Q2 2012 billing determinants.
Line 3: Property Tax adjustment for overcollection in Q1 2012 based on difference between estimated 12/31/2011 rate based on forecasted revenue requirements and the actual rate based on 12/31/2011 actual revenue requirements times the Q1 2011 billing determinants.
Line 4: Calculation: Line 1 + Line 2 + Line 3

Rider Charge Calculation - Rider DCR

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

	(A)	(B)	(C)	(D)	(E)	(F)
	Company	Rate Schedule	Annual KWH Sales		DCR Annual Rev Req Allocations	Quarterly Reconciliation
			Total	% Total		
(1)	CEI	RS	5,331,231,218	31.94%	\$19,457,250	(\$764,459)
(2)		GS, GP, GSU	11,360,140,104	68.06%	\$41,460,796	(\$1,628,959)
(3)			16,691,371,321	100.00%	\$60,918,047	(\$2,393,418)
(4)	OE	RS	9,006,892,788	46.05%	\$25,539,475	(\$496,100)
(5)		GS, GP, GSU	10,550,343,092	53.95%	\$29,916,002	(\$581,113)
(6)			19,557,235,880	100.00%	\$55,455,477	(\$1,077,212)
(7)	TE	RS	2,498,194,140	42.77%	\$5,938,758	(\$220,854)
(8)		GS, GP, GSU	3,343,180,041	57.23%	\$7,947,475	(\$295,556)
(9)			5,841,374,180	100.00%	\$13,886,233	(\$516,410)
(10)	OH	RS	16,836,318,145	40.00%	\$50,935,483	(\$1,481,413)
(11)	TOTAL	GS, GP, GSU	25,253,663,236	60.00%	\$79,324,274	(\$2,505,628)
(12)			42,089,981,382	100.00%	\$130,259,757	(\$3,987,041)

NOTES

- (C) Source: Forecast for July 2012 through June 2013 (All forecasted numbers associated with 2012 Forecast Version 3)
(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
(F) Calculation: Quarterly Reconciliation from Section II, Line 4 x Column D

Rider Charge Calculation - Rider DCR

IV. Allocation of DCR Revenue Amongst Non-RS Schedules

	(A) Company	(B) Rate Schedule	(C) Stipulation Allocation			(F) DCR Revenue Allocations	(G) Quarterly Reconciliation
			% of Total	% of Non-RS	DCR Jurisd.		
(1)	CEI	RS	47.55%	0.00%	0.00%	\$0	\$0
(2)		GS	42.23%	80.52%	90.02%	\$37,322,345	(\$1,466,363)
(3)		GP	0.63%	1.19%	1.33%	\$553,065	(\$21,729)
(4)		GSU	4.06%	7.74%	8.65%	\$3,585,386	(\$140,867)
(5)		GT	0.18%	0.35%	0.00%	\$0	\$0
(6)		STL	3.53%	6.73%	0.00%	\$0	\$0
(7)		POL	1.79%	3.41%	0.00%	\$0	\$0
(8)		TRF	0.03%	0.06%	0.00%	\$0	\$0
(9)			100.00%	100.00%	100.00%	\$41,460,796	(\$1,628,959)
(10)		Subtotal (GT, STL, POL, TRF)		10.55%			
(11)	OE	RS	62.45%	0.00%	0.00%	\$0	\$0
(12)		GS	27.10%	72.17%	81.75%	\$24,457,218	(\$475,077)
(13)		GP	5.20%	13.85%	15.69%	\$4,693,621	(\$91,173)
(14)		GSU	0.85%	2.26%	2.56%	\$765,163	(\$14,863)
(15)		GT	2.19%	5.84%	0.00%	\$0	\$0
(16)		STL	1.39%	3.70%	0.00%	\$0	\$0
(17)		POL	0.76%	2.02%	0.00%	\$0	\$0
(18)		TRF	0.06%	0.16%	0.00%	\$0	\$0
(19)			100.00%	100.00%	100.00%	\$29,916,002	(\$581,113)
(20)		Subtotal (GT, STL, POL, TRF)		11.72%			
(21)	TE	RS	57.93%	0.00%	0.00%	\$0	\$0
(22)		GS	32.13%	76.36%	86.74%	\$6,893,621	(\$256,364)
(23)		GP	4.80%	11.42%	12.97%	\$1,031,035	(\$38,343)
(24)		GSU	0.11%	0.25%	0.29%	\$22,820	(\$849)
(25)		GT	1.38%	3.29%	0.00%	\$0	\$0
(26)		STL	2.91%	6.92%	0.00%	\$0	\$0
(27)		POL	0.69%	1.64%	0.00%	\$0	\$0
(28)		TRF	0.05%	0.12%	0.00%	\$0	\$0
(29)			100.00%	100.00%	100.00%	\$7,947,475	(\$295,556)
(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 III x Column E.

(G) Calculation: Quarterly Reconciliation Allocated to Non-RS customers from Section III x Column E.

Rider Charge Calculation - Rider DCR

V. Rider DCR Charge Calculation - Rate RS

	(A)	(B)	(C)	(D)	(E)
	Company	Rate Schedule	Annual DCR Revenue	Annual KWH Sales	Annual Rev Req Charge (\$ / KWH)
(1)	CEI	RS	\$19,457,250	5,331,231,218	\$0.003650
(2)	OE	RS	\$25,539,475	9,006,892,788	\$0.002836
(3)	TE	RS	\$5,938,758	2,498,194,140	\$0.002377
(4)			\$50,935,483	16,836,318,145	

NOTES

(C) Source: Section III, Column E.

(D) Source: Forecast for July 2012 through June 2013 (All forecasted numbers associated with 2012 Forecast Version 3)

(E) Calculation: Column C / Column D.

VI. 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)	Annual DCR Charge (\$ / kW or \$ / kVa)
(1)	CEI	GS	\$37,322,345	23,676,463	\$1.5763 per kW
(2)		GP	\$553,065	772,388	\$0.7160 per kW
(3)		GSU	\$3,585,386	7,709,779	\$0.4650 per kW
(4)			\$41,460,796		
(5)	OE	GS	\$24,457,218	24,598,282	\$0.9943 per kW
(6)		GP	\$4,693,621	6,913,661	\$0.6789 per kW
(7)		GSU	\$765,163	2,739,687	\$0.2793 per kVa
(8)			\$29,916,002		
(9)	TE	GS	\$6,893,621	8,005,781	\$0.8611 per kW
(10)		GP	\$1,031,035	2,893,904	\$0.3563 per kW
(11)		GSU	\$22,820	229,991	\$0.0992 per kVa
(12)			\$7,947,475		

NOTES

(C) Source: Section IV, Column F.

(D) Source: Forecast for July 2012 through June 2013 (All forecasted numbers associated with 2012 Forecast Version 3)

(E) Calculation: Column C / Column D.

Rider Charge Calculation - Rider DCR

VII. Rider DCR Charge Calculation - Rate RS

	(A)	(B)	(C)	(D)	(E)
	Company	Rate Schedule	Quarterly DCR Revenue	Quarterly KWH Sales	Quarterly Reconciliation (\$ / KWH)
(1)	CEI	RS	(\$764,459)	1,436,849,006	(\$0.000532)
(2)	OE	RS	(\$496,100)	2,359,185,277	(\$0.000210)
(3)	TE	RS	(\$220,854)	709,965,620	(\$0.000311)
(4)			(\$1,481,413)	4,505,999,904	

NOTES

(C) Source: Section III, Column F.

(D) Source: Forecast for July 2012 through June 2013 (All forecasted numbers associated with 2012 Forecast Version 3)

(E) Calculation: Column C / Column D.

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

	(A)	(B)	(C)	(D)	(E)
	Company	Rate Schedule	Quarterly DCR Revenue	Billing Units (kW / kVa)	Quarterly Reconciliation (\$ / kW or \$ / kVa)
(1)	CEI	GS	(\$1,466,363)	5,876,740	(\$0.2495) per kW
(2)		GP	(\$21,729)	226,057	(\$0.0961) per kW
(3)		GSU	(\$140,867)	2,218,451	(\$0.0635) per kW
(4)			(\$1,628,959)		
(5)	OE	GS	(\$475,077)	6,290,571	(\$0.0755) per kW
(6)		GP	(\$91,173)	1,879,569	(\$0.0485) per kW
(7)		GSU	(\$14,863)	732,346	(\$0.0203) per kW
(8)			(\$581,113)		
(9)	TE	GS	(\$256,364)	2,094,051	(\$0.1224) per kW
(10)		GP	(\$38,343)	805,161	(\$0.0476) per kW
(11)		GSU	(\$849)	60,129	(\$0.0141) per kW
(12)			(\$295,556)		

NOTES

(C) Source: Section IV, Column G.

(D) Source: Forecast for July 2012 through June 2013 (All forecasted numbers associated with 2012 Forecast Version 3)

(E) Calculation: Column C / Column D.

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

Proposed Rider Charge Calculation - Rider DCR

IX. Rider DCR Charge Calculation

(A)		(B)	(C)		(D)		(E)	
Company		Rate Schedule	Annual DCR Charge (\$ / kW or \$ / kVa)		Quarterly Reconciliation (\$ / kW or \$ / kVa)		Proposed DCR Charge For Q3 2012	
(1)	CEI	RS	\$0.003650	per kWh	(\$0.000532)	per kWh	\$0.003118	per kWh
(2)		GS	\$1.5763	per kW	(\$0.2495)	per kW	\$1.3268	per kW
(3)		GP	\$0.7160	per kW	(\$0.0961)	per kW	\$0.6199	per kW
(4)		GSU	\$0.4650	per kW	(\$0.0635)	per kW	\$0.4015	per kW
(5)								
(6)	OE	RS	\$0.002836	per kWh	(\$0.000210)	per kWh	\$0.002625	per kWh
(7)		GS	\$0.9943	per kW	(\$0.0755)	per kW	\$0.9187	per kW
(8)		GP	\$0.6789	per kW	(\$0.0485)	per kW	\$0.6304	per kW
(9)		GSU	\$0.2793	per kW	(\$0.0203)	per kW	\$0.2590	per kW
(10)								
(11)	TE	RS	\$0.002377	per kWh	(\$0.000311)	per kWh	\$0.002066	per kWh
(12)		GS	\$0.8611	per kW	(\$0.1224)	per kW	\$0.7387	per kW
(13)		GP	\$0.3563	per kW	(\$0.0476)	per kW	\$0.3087	per kW
(14)		GSU	\$0.0992	per kW	(\$0.0141)	per kW	\$0.0851	per kW
(15)								

NOTES

(C) Source: Page 4, Column E

(D) Source: Page 5, Sections VII and VIII, Column E

(E) Calculation: Column C + Column D

Revenue To-Date

X. Revenue Through March 31, 2012

(A)	(B)
Company	Revenue Through 3/31/2012
CEI	\$16,513,316
OE	\$13,497,649
TE	\$3,262,908

Energy and Demand Forecast

Source: All forecasted numbers associated with 2012 Forecast Version 3

Annual Energy (July 2012 - June 2013) :

Source: 2012 Forecast Version 3

		<u>CEI</u>	<u>OE</u>	<u>TE</u>	<u>Total</u>
RS	kWh	5,331,231,218	9,006,892,788	2,498,194,140	16,836,318,145
GS	kWh	7,005,021,222	6,616,364,900	2,130,580,047	15,751,966,169
GP	kWh	408,678,643	2,867,281,636	1,098,814,156	4,374,774,435
GSU	kWh	3,946,440,238	1,066,696,556	113,785,838	5,126,922,633
Total		16,691,371,321	19,557,235,880	5,841,374,180	42,089,981,382

Annual Demand (July 2012 - June 2013) :

Source: 2012 Forecast Version 3

		<u>CEI</u>	<u>OE</u>	<u>TE</u>
GS	kW	23,676,463	24,598,282	8,005,781
GP	kW	772,388	6,913,661	2,893,904
GSU	kW/kVA	7,709,779	2,739,687	229,991

Q3 2012 Energy (July 2012 - Sept 2012) :

Source: 2012 Forecast Version 3

		<u>CEI</u>	<u>OE</u>	<u>TE</u>	<u>Total</u>
RS	kWh	1,436,849,006	2,359,185,277	709,965,620	4,505,999,904
GS	kWh	1,739,118,530	1,699,034,661	562,705,577	4,000,858,769
GP	kWh	119,608,874	778,569,698	308,892,791	1,207,071,363
GSU	kWh	1,103,491,029	288,851,696	28,792,207	1,421,134,933
Total		4,399,067,439	5,125,641,334	1,610,356,196	11,135,064,969

Q3 2012 Demand (July 2012 - Sept 2012) :

Source: 2012 Forecast Version 3

		<u>CEI</u>	<u>OE</u>	<u>TE</u>
GS	kW	5,876,740	6,290,571	2,094,051
GP	kW	226,057	1,879,569	805,161
GSU	kW/kVA	2,218,451	732,346	60,129

The Toledo Edison Company
Case No. 12-523-EL-RDR
Typical Bills - Comparison (DCR Q2 vs. DCR Q3)

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	\$ 35.01	\$ 34.77	\$ (0.24)	-0.7%
2	0	500	\$ 66.04	\$ 65.55	\$ (0.49)	-0.7%
3	0	750	\$ 97.01	\$ 96.28	\$ (0.73)	-0.8%
4	0	1,000	\$ 128.03	\$ 127.06	\$ (0.97)	-0.8%
5	0	1,250	\$ 159.00	\$ 157.78	\$ (1.22)	-0.8%
6	0	1,500	\$ 190.03	\$ 188.57	\$ (1.46)	-0.8%
7	0	2,000	\$ 252.00	\$ 250.05	\$ (1.95)	-0.8%
8	0	2,500	\$ 313.78	\$ 311.34	\$ (2.44)	-0.8%
9	0	3,000	\$ 375.53	\$ 372.61	\$ (2.93)	-0.8%
10	0	3,500	\$ 437.30	\$ 433.89	\$ (3.41)	-0.8%
11	0	4,000	\$ 499.04	\$ 495.14	\$ (3.90)	-0.8%
12	0	4,500	\$ 560.85	\$ 556.46	\$ (4.39)	-0.8%
13	0	5,000	\$ 622.61	\$ 617.74	\$ (4.88)	-0.8%
14	0	5,500	\$ 684.32	\$ 678.96	\$ (5.36)	-0.8%
15	0	6,000	\$ 746.09	\$ 740.24	\$ (5.85)	-0.8%
16	0	6,500	\$ 807.86	\$ 801.52	\$ (6.34)	-0.8%
17	0	7,000	\$ 869.62	\$ 862.80	\$ (6.83)	-0.8%
18	0	7,500	\$ 931.41	\$ 924.10	\$ (7.31)	-0.8%
19	0	8,000	\$ 993.12	\$ 985.32	\$ (7.80)	-0.8%
20	0	8,500	\$ 1,054.91	\$ 1,046.62	\$ (8.29)	-0.8%
21	0	9,000	\$ 1,116.65	\$ 1,107.88	\$ (8.77)	-0.8%
22	0	9,500	\$ 1,178.45	\$ 1,169.19	\$ (9.26)	-0.8%
23	0	10,000	\$ 1,240.18	\$ 1,230.43	\$ (9.75)	-0.8%
24	0	10,500	\$ 1,301.95	\$ 1,291.71	\$ (10.24)	-0.8%
25	0	11,000	\$ 1,363.71	\$ 1,352.99	\$ (10.72)	-0.8%

The Toledo Edison Company
Case No. 12-523-EL-RDR
Typical Bills - Comparison (DCR Q2 vs. DCR Q3)

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 - All-Electric (Rate RS)						
1	0	250	\$ 35.01	\$ 34.77	\$ (0.24)	-0.7%
2	0	500	\$ 66.04	\$ 65.55	\$ (0.49)	-0.7%
3	0	750	\$ 87.86	\$ 87.13	\$ (0.73)	-0.8%
4	0	1,000	\$ 109.73	\$ 108.76	\$ (0.97)	-0.9%
5	0	1,250	\$ 131.55	\$ 130.33	\$ (1.22)	-0.9%
6	0	1,500	\$ 153.43	\$ 151.97	\$ (1.46)	-1.0%
7	0	2,000	\$ 197.10	\$ 195.15	\$ (1.95)	-1.0%
8	0	2,500	\$ 225.08	\$ 222.64	\$ (2.44)	-1.1%
9	0	3,000	\$ 253.03	\$ 250.11	\$ (2.92)	-1.2%
10	0	3,500	\$ 281.00	\$ 277.59	\$ (3.41)	-1.2%
11	0	4,000	\$ 308.94	\$ 305.04	\$ (3.90)	-1.3%
12	0	4,500	\$ 336.95	\$ 332.56	\$ (4.39)	-1.3%
13	0	5,000	\$ 364.91	\$ 360.04	\$ (4.88)	-1.3%
14	0	5,500	\$ 392.82	\$ 387.46	\$ (5.36)	-1.4%
15	0	6,000	\$ 420.79	\$ 414.94	\$ (5.85)	-1.4%
16	0	6,500	\$ 448.76	\$ 442.42	\$ (6.34)	-1.4%
17	0	7,000	\$ 476.72	\$ 469.90	\$ (6.82)	-1.4%
18	0	7,500	\$ 504.71	\$ 497.40	\$ (7.31)	-1.4%
19	0	8,000	\$ 532.62	\$ 524.82	\$ (7.80)	-1.5%
20	0	8,500	\$ 560.61	\$ 552.32	\$ (8.29)	-1.5%
21	0	9,000	\$ 588.55	\$ 579.78	\$ (8.77)	-1.5%
22	0	9,500	\$ 616.55	\$ 607.29	\$ (9.26)	-1.5%
23	0	10,000	\$ 644.48	\$ 634.73	\$ (9.75)	-1.5%
24	0	10,500	\$ 672.45	\$ 662.21	\$ (10.24)	-1.5%
25	0	11,000	\$ 700.41	\$ 689.69	\$ (10.73)	-1.5%

The Toledo Edison Company
Case No. 12-523-EL-RDR
Typical Bills - Comparison (DCR Q2 vs. DCR Q3)

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 - All-Electric Apt. (Rate RS)						
1	0	250	\$ 24.81	\$ 24.57	\$ (0.24)	-1.0%
2	0	500	\$ 45.64	\$ 45.15	\$ (0.49)	-1.1%
3	0	750	\$ 57.26	\$ 56.53	\$ (0.73)	-1.3%
4	0	1,000	\$ 68.93	\$ 67.96	\$ (0.97)	-1.4%
5	0	1,250	\$ 80.55	\$ 79.33	\$ (1.22)	-1.5%
6	0	1,500	\$ 92.23	\$ 90.77	\$ (1.46)	-1.6%
7	0	2,000	\$ 115.50	\$ 113.55	\$ (1.95)	-1.7%
8	0	2,500	\$ 158.98	\$ 156.54	\$ (2.44)	-1.5%
9	0	3,000	\$ 202.43	\$ 199.51	\$ (2.92)	-1.4%
10	0	3,500	\$ 245.90	\$ 242.49	\$ (3.41)	-1.4%
11	0	4,000	\$ 289.34	\$ 285.44	\$ (3.90)	-1.3%
12	0	4,500	\$ 332.85	\$ 328.46	\$ (4.39)	-1.3%
13	0	5,000	\$ 376.31	\$ 371.44	\$ (4.88)	-1.3%
14	0	5,500	\$ 419.72	\$ 414.36	\$ (5.36)	-1.3%
15	0	6,000	\$ 463.19	\$ 457.34	\$ (5.85)	-1.3%
16	0	6,500	\$ 506.66	\$ 500.32	\$ (6.34)	-1.3%
17	0	7,000	\$ 550.12	\$ 543.30	\$ (6.83)	-1.2%
18	0	7,500	\$ 593.61	\$ 586.30	\$ (7.31)	-1.2%
19	0	8,000	\$ 637.02	\$ 629.22	\$ (7.80)	-1.2%
20	0	8,500	\$ 680.51	\$ 672.22	\$ (8.29)	-1.2%
21	0	9,000	\$ 723.95	\$ 715.18	\$ (8.77)	-1.2%
22	0	9,500	\$ 767.45	\$ 758.19	\$ (9.26)	-1.2%
23	0	10,000	\$ 810.88	\$ 801.13	\$ (9.75)	-1.2%
24	0	10,500	\$ 854.35	\$ 844.11	\$ (10.24)	-1.2%
25	0	11,000	\$ 897.81	\$ 887.09	\$ (10.73)	-1.2%

The Toledo Edison Company
Case No. 12-523-EL-RDR
Typical Bills - Comparison (DCR Q2 vs. DCR Q3)

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	\$ 35.01	\$ 34.77	\$ (0.24)	-0.7%
2	0	500	\$ 66.04	\$ 65.55	\$ (0.49)	-0.7%
3	0	750	\$ 91.36	\$ 90.63	\$ (0.73)	-0.8%
4	0	1,000	\$ 116.73	\$ 115.76	\$ (0.97)	-0.8%
5	0	1,250	\$ 142.05	\$ 140.83	\$ (1.22)	-0.9%
6	0	1,500	\$ 167.43	\$ 165.97	\$ (1.46)	-0.9%
7	0	2,000	\$ 218.10	\$ 216.15	\$ (1.95)	-0.9%
8	0	2,500	\$ 268.58	\$ 266.14	\$ (2.44)	-0.9%
9	0	3,000	\$ 319.03	\$ 316.11	\$ (2.93)	-0.9%
10	0	3,500	\$ 369.50	\$ 366.09	\$ (3.41)	-0.9%
11	0	4,000	\$ 419.94	\$ 416.04	\$ (3.90)	-0.9%
12	0	4,500	\$ 470.45	\$ 466.06	\$ (4.39)	-0.9%
13	0	5,000	\$ 520.91	\$ 516.04	\$ (4.88)	-0.9%
14	0	5,500	\$ 571.32	\$ 565.96	\$ (5.36)	-0.9%
15	0	6,000	\$ 621.79	\$ 615.94	\$ (5.85)	-0.9%
16	0	6,500	\$ 672.26	\$ 665.92	\$ (6.34)	-0.9%
17	0	7,000	\$ 722.72	\$ 715.90	\$ (6.83)	-0.9%
18	0	7,500	\$ 773.21	\$ 765.90	\$ (7.31)	-0.9%
19	0	8,000	\$ 823.62	\$ 815.82	\$ (7.80)	-0.9%
20	0	8,500	\$ 874.11	\$ 865.82	\$ (8.29)	-0.9%
21	0	9,000	\$ 924.55	\$ 915.78	\$ (8.77)	-0.9%
22	0	9,500	\$ 975.05	\$ 965.79	\$ (9.26)	-0.9%
23	0	10,000	\$ 1,025.48	\$ 1,015.73	\$ (9.75)	-1.0%
24	0	10,500	\$ 1,075.95	\$ 1,065.71	\$ (10.24)	-1.0%
25	0	11,000	\$ 1,126.41	\$ 1,115.69	\$ (10.72)	-1.0%

The Toledo Edison Company
Case No. 12-523-EL-RDR
Typical Bills - Comparison (DCR Q2 vs. DCR Q3)

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	\$ 165.02	\$ 161.05	\$ (3.97)	-2.4%
2	10	2,000	\$ 245.57	\$ 241.60	\$ (3.97)	-1.6%
3	10	3,000	\$ 325.64	\$ 321.67	\$ (3.97)	-1.2%
4	10	4,000	\$ 405.73	\$ 401.76	\$ (3.97)	-1.0%
5	10	5,000	\$ 485.83	\$ 481.86	\$ (3.97)	-0.8%
6	10	6,000	\$ 565.88	\$ 561.91	\$ (3.97)	-0.7%
7	1,000	100,000	\$ 18,590.89	\$ 18,193.99	\$ (396.90)	-2.1%
8	1,000	200,000	\$ 26,542.99	\$ 26,146.09	\$ (396.90)	-1.5%
9	1,000	300,000	\$ 34,495.08	\$ 34,098.18	\$ (396.90)	-1.2%
10	1,000	400,000	\$ 42,447.18	\$ 42,050.28	\$ (396.90)	-0.9%
11	1,000	500,000	\$ 50,399.28	\$ 50,002.38	\$ (396.90)	-0.8%
12	1,000	600,000	\$ 58,351.37	\$ 57,954.47	\$ (396.90)	-0.7%

The Toledo Edison Company
Case No. 12-523-EL-RDR

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	\$ 5,559.80	\$ 5,457.90	\$ (101.90)	-1.8%
2	500	100,000	\$ 9,200.24	\$ 9,098.34	\$ (101.90)	-1.1%
3	500	150,000	\$ 12,840.69	\$ 12,738.79	\$ (101.90)	-0.8%
4	500	200,000	\$ 16,481.14	\$ 16,379.24	\$ (101.90)	-0.6%
5	500	250,000	\$ 20,121.59	\$ 20,019.69	\$ (101.90)	-0.5%
6	500	300,000	\$ 23,762.03	\$ 23,660.13	\$ (101.90)	-0.4%
7	5,000	500,000	\$ 54,142.68	\$ 53,123.68	\$ (1,019.00)	-1.9%
8	5,000	1,000,000	\$ 89,636.26	\$ 88,617.26	\$ (1,019.00)	-1.1%
9	5,000	1,500,000	\$ 123,313.49	\$ 122,294.49	\$ (1,019.00)	-0.8%
10	5,000	2,000,000	\$ 156,990.72	\$ 155,971.72	\$ (1,019.00)	-0.6%
11	5,000	2,500,000	\$ 190,667.95	\$ 189,648.95	\$ (1,019.00)	-0.5%
12	5,000	3,000,000	\$ 224,345.18	\$ 223,326.18	\$ (1,019.00)	-0.5%

The Toledo Edison Company
Case No. 12-523-EL-RDR
Typical Bills - Comparison (DCR Q2 vs. DCR Q3)

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	\$ 9,299.79	\$ 9,210.99	\$ (88.80)	-1.0%
2	1,000	200,000	\$ 16,034.99	\$ 15,946.19	\$ (88.80)	-0.6%
3	1,000	300,000	\$ 22,770.18	\$ 22,681.38	\$ (88.80)	-0.4%
4	1,000	400,000	\$ 29,505.38	\$ 29,416.58	\$ (88.80)	-0.3%
5	1,000	500,000	\$ 36,240.58	\$ 36,151.78	\$ (88.80)	-0.2%
6	1,000	600,000	\$ 42,975.77	\$ 42,886.97	\$ (88.80)	-0.2%
7	10,000	1,000,000	\$ 90,181.76	\$ 89,293.76	\$ (888.00)	-1.0%
8	10,000	2,000,000	\$ 152,079.22	\$ 151,191.22	\$ (888.00)	-0.6%
9	10,000	3,000,000	\$ 213,976.68	\$ 213,088.68	\$ (888.00)	-0.4%
10	10,000	4,000,000	\$ 275,874.14	\$ 274,986.14	\$ (888.00)	-0.3%
11	10,000	5,000,000	\$ 337,771.61	\$ 336,883.61	\$ (888.00)	-0.3%
12	10,000	6,000,000	\$ 399,669.07	\$ 398,781.07	\$ (888.00)	-0.2%

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The following rates, rules and regulations for electric service are applicable throughout the Company's service territory except as noted.

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Filed pursuant to Order dated August 25, 2010, in Case No. 10-388-EL-SSO and Case No. 12-523-EL-RDR, before

The Public Utilities Commission of Ohio

Issued by: Charles E. Jones Jr., President

Effective: July 1, 2012

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 July 1, 2012. This Rider is not avoidable for customers who take electric generation service from a certified supplier.

RATE:

RS (all kWhs, per kWh)	0.2066¢
GS (per kW of Billing Demand)	\$0.7387
GP (per kW of Billing Demand)	\$0.3087
GSU (per kVa of Billing Demand)	\$0.0851

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

5/1/2012 3:57:44 PM

in

Case No(s). 89-6008-EL-TRF, 12-0523-EL-RDR

Summary: Tariff Quarterly pricing update of Rider DCR for The Toledo Edison Company electronically filed by Ms. Tamera J Singleton on behalf of FirstEnergy Corp and Mikkelsen, Eileen M