

July 31, 2012

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

SUBJECT: Case Nos. 12-522-EL-RDR  
89-6006-EL-TRF

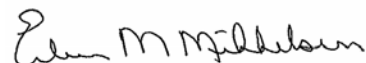
Dear Ms. McCauley:

In accordance with the Commission Order in Ohio Edison Company's Case 10-388-EL-SSO Electric Security Plan proceeding, please file the attached schedules, bill impacts, and tariff page on behalf of Ohio Edison Company. The attached schedules demonstrate that the revenue requirement is 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 Ohio 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 July 1, 2012 and the Delivery Capital Recovery Rider (DCR) charges commencing on October 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. 12-522-EL-RDR and 89- 6006-EL-TRF, and distribute two copies to the Staff. Thank you.

Sincerely,



Eileen M. Mikkelsen  
Director, Rates & Regulatory Affairs

Enclosures

Ohio Edison Company  
Delivery Capital Recovery Rider (DCR)  
Quarterly Filing  
July 31, 2012

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**Rider DCR  
Q4 2012  
Revenue Requirement Summary**  
(\$ millions)

**Calculation of Annual Revenue Requirement Based on Estimated 9/30/2012 Rate Base**

<b>Line No.</b>	<b>Description</b>	<b>Source</b>	<b>CEI</b>	<b>OE</b>	<b>TE</b>	<b>TOTAL</b>
1	Annual Revenue Requirement Based on Actual 6/30/2012 Rate Base	7/30/2012 Compliance Filing; Page 2; Column (f) Lines 36-39	\$61.1	\$58.8	\$13.4	\$133.4
2	Incremental Revenue Requirement Based on Estimated 9/30/2012 Rate Base	Calculation: 7/30/2012 Compliance Filing (Page 27, Column (f) Lines 36-39) minus Line 1	\$1.8	\$2.0	\$0.3	\$4.1
3	Annual Revenue Requirement Based on 9/30/2012 Rate Base	Calculation: SUM [ Line 1 through Line 2 ]	\$63.0	\$60.8	\$13.8	\$137.5

**Rider DCR**  
**Actual Distribution Rate Base Additions as of 6/30/12**  
**Revenue Requirement Calculation**

(\$ millions)

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

	(A)	(B)	(C) = (B) - (A)	(D)
(1) <b>Gross Plant</b>	<b>5/31/2007*</b>	<b>6/30/2012</b>	<b>Incremental</b>	<b>Source of Column (B)</b>
(2) CEI	1,927.1	2,533.8	606.7	Sch B2.1 Line 45
(3) OE	2,074.0	2,770.4	696.4	Sch B2.1 Line 47
(4) TE	771.5	1,018.9	247.4	Sch B2.1 Line 44
(4) <b>Total</b>	<b>4,772.5</b>	<b>6,323.1</b>	<b>1,550.6</b>	<b>Sum: [ (1) through (3) ]</b>
<b>Accumulated Reserve</b>				
(5) CEI	(773.0)	(1,061.2)	(288.2)	-Sch B3 Line 45
(6) OE	(803.0)	(1,105.2)	(302.1)	-Sch B3 Line 47
(7) TE	(376.8)	(510.6)	(133.8)	-Sch B3 Line 44
(8) <b>Total</b>	<b>(1,952.8)</b>	<b>(2,676.9)</b>	<b>(724.1)</b>	<b>Sum: [ (5) through (7) ]</b>
<b>Net Plant In Service</b>				
(9) CEI	1,154.0	1,472.6	318.6	(1) + (5)
(10) OE	1,271.0	1,665.3	394.3	(2) + (6)
(11) TE	394.7	508.3	113.6	(3) + (7)
(12) <b>Total</b>	<b>2,819.7</b>	<b>3,646.2</b>	<b>826.5</b>	<b>Sum: [ (9) through (11) ]</b>
<b>ADIT</b>				
(13) CEI	(246.4)	(393.5)	(147.2)	- DIT Balances Line 3
(14) OE	(197.1)	(442.9)	(245.8)	- DIT Balances Line 3
(15) TE	(10.3)	(124.5)	(114.2)	- DIT Balances Line 3
(16) <b>Total</b>	<b>(453.8)</b>	<b>(960.9)</b>	<b>(507.1)</b>	<b>Sum: [ (13) through (15) ]</b>
<b>Rate Base</b>				
(17) CEI	907.7	1,079.1	171.4	(9) + (13)
(18) OE	1,073.9	1,222.4	148.5	(10) + (14)
(19) TE	384.4	383.9	(0.5)	(11) + (15)
(20) <b>Total</b>	<b>2,366.0</b>	<b>2,685.3</b>	<b>319.4</b>	<b>Sum: [ (17) through (19) ]</b>
<b>Depreciation Exp</b>				
(21) CEI	60.0	80.5	20.5	Sch B-3.2 Line 45
(22) OE	62.0	81.3	19.3	Sch B-3.2 Line 47
(23) TE	24.5	32.6	8.1	Sch B-3.2 Line 44
(24) <b>Total</b>	<b>146.5</b>	<b>194.4</b>	<b>47.9</b>	<b>Sum: [ (21) through (23) ]</b>
<b>Property Tax Exp</b>				
(25) CEI	65.0	85.9	21.0	Sch C-3.10a Line 4
(26) OE	57.4	79.9	22.5	Sch C-3.10a Line 4
(27) TE	20.1	25.5	5.4	Sch C-3.10a Line 4
(28) <b>Total</b>	<b>142.4</b>	<b>191.3</b>	<b>48.8</b>	<b>Sum: [ (25) through (27) ]</b>
<b>Revenue Requirement</b>				
(29) CEI	Rate Base	Return 8.48%	Deprec	Prop Tax
(30) OE	171.4	14.5	20.5	Rev. Req.
(31) TE	148.5	12.6	19.3	21.0
(32) <b>Total</b>	(0.5)	(0.0)	8.1	22.5
	319.4	27.1	47.9	5.4
				123.8

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

	(a)	(b)	(c)	(d)	(e)	(f)
<b>Revenue Requirement with Tax</b>	<b>Equity Return</b>	<b>Tax Rate</b>	<b>Income Tax</b>	<b>CAT 0.26%</b>	<b>Taxes</b>	<b>Rev. Req. + Tax</b>
(36) CEI	8.8	36.14%	5.0	0.2	5.1	61.1
(37) OE	7.6	35.88%	4.3	0.2	4.4	58.8
(38) TE	(0.0)	35.74%	(0.0)	0.0	0.0	13.4
(39) <b>Total</b>	<b>16.4</b>		<b>9.3</b>	<b>0.3</b>	<b>9.6</b>	<b>133.4</b>

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

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

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

Ohio Edison Company  
6/30/2012 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 6/30/2012, 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>TRANSMISSION PLANT</u>							
1	350	Land & Land Rights	\$93,738,182	100%	\$93,738,182	(\$85,290,624)	\$8,447,558
2	352	Structures & Improvements	11,141,204	100%	11,141,204		11,141,204
3	353	Station Equipment	106,087,909	100%	106,087,909		106,087,909
4	354	Towers & Fixtures	276,919	100%	276,919		276,919
5	355	Poles & Fixtures	25,691,797	100%	25,691,797		25,691,797
6	356	Overhead Conductors & Devices	33,891,637	100%	33,891,637		33,891,637
7	357	Underground Conduit	1,548,767	100%	1,548,767		1,548,767
8	358	Underground Conductors & Devices	14,999,134	100%	14,999,134		14,999,134
9	359	Roads & Trails	0	100%	0		0
10		Total Transmission Plant	\$287,375,549	100%	\$287,375,549	(\$85,290,624)	\$202,084,925

Ohio Edison Company  
6/30/2012 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 6/30/2012, 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	\$12,513,997	100%	\$12,513,997		\$12,513,997
12	361	Structures & Improvements	9,408,679	100%	9,408,679		9,408,679
13	362	Station Equipment	204,254,462	100%	204,254,462		204,254,462
14	364	Poles, Towers & Fixtures	410,943,870	100%	410,943,870		410,943,870
15	365	Overhead Conductors & Devices	561,003,186	100%	561,003,186		561,003,186
16	366	Underground Conduit	64,724,674	100%	64,724,674		64,724,674
17	367	Underground Conductors & Devices	245,008,208	100%	245,008,208		245,008,208
18	368	Line Transformers	435,743,994	100%	435,743,994		435,743,994
19	369	Services	125,139,504	100%	125,139,504		125,139,504
20	370	Meters	134,317,427	100%	134,317,427		134,317,427
21	371	Installation on Customer Premises	22,190,194	100%	22,190,194		22,190,194
22	373	Street Lighting & Signal Systems	61,086,644	100%	61,086,644		61,086,644
23	374	Asset Retirement Costs for Distribution Plant	<u>22,272</u>	100%	<u>22,272</u>		<u>22,272</u>
24		Total Distribution Plant	\$2,286,357,112	100%	\$2,286,357,112	\$0	\$2,286,357,112

Ohio Edison Company  
6/30/2012 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 6/30/2012, 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	\$3,332,037	100%	\$3,332,037		\$3,332,037
26	390	Structures & Improvements	75,043,826	100%	\$75,043,826		\$75,043,826
27	390.3	Leasehold Improvements	108,959	100%	\$108,959		\$108,959
28	391.1	Office Furniture & Equipment	7,632,356	100%	\$7,632,356		\$7,632,356
29	391.2	Data Processing Equipment	9,630,549	100%	\$9,630,549		\$9,630,549
30	392	Transportation Equipment	2,129,670	100%	\$2,129,670		\$2,129,670
31	393	Stores Equipment	1,398,971	100%	\$1,398,971		\$1,398,971
32	394	Tools, Shop & Garage Equipment	12,729,071	100%	\$12,729,071		\$12,729,071
33	395	Laboratory Equipment	6,384,009	100%	\$6,384,009		\$6,384,009
34	396	Power Operated Equipment	3,573,083	100%	\$3,573,083		\$3,573,083
35	397	Communication Equipment	17,493,405	100%	\$17,493,405		\$17,493,405
36	398	Miscellaneous Equipment	652,140	100%	\$652,140		\$652,140
37	399.1	Asset Retirement Costs for General Plant	<u>303,410</u>	100%	<u>\$303,410</u>		<u>\$303,410</u>
38		Total General Plant	\$140,411,487	100%	\$140,411,487	\$0	\$140,411,487

Ohio Edison Company  
6/30/2012 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 6/30/2012, 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>							
39	301	Organization	\$89,746	100%	89,746		89,746
40	303	Intangible Software	59,892,416	100%	59,892,416		59,892,416
41	303	Intangible FAS 109 Transmission	2,023,278	100%	2,023,278		2,023,278
42	303	Intangible FAS 109 Distribution	1,593,381	100%	1,593,381		1,593,381
43	303	Intangible FAS 109 General	199,091	100%	199,091		199,091
44		Total Other Plant	<u>63,797,913</u>		<u>63,797,913</u>	<u>0</u>	<u>63,797,913</u>
45		Company Total Plant	<u>\$2,777,942,061</u>	100%	<u>\$2,777,942,061</u>	<u>(\$85,290,624)</u>	<u>\$2,692,651,437</u>
46		Service Company Plant Allocated*					<u>\$77,786,747</u>
47		Grand Total Plant (45 + 46)					<u>\$2,770,438,185</u>

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



Ohio Edison Company  
6/30/2012 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 6/30/2012, 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	\$8,447,558	\$0	100%	\$0		\$0
2	352	Structures & Improvements	\$11,141,204	7,187,543	100%	7,187,543		7,187,543
3	353	Station Equipment	\$106,087,909	51,151,000	100%	51,151,000		51,151,000
4	354	Towers & Fixtures	\$276,919	301,841	100%	301,841		301,841
5	355	Poles & Fixtures	\$25,691,797	19,804,719	100%	19,804,719		19,804,719
6	356	Overhead Conductors & Devices	\$33,891,637	17,762,556	100%	17,762,556		17,762,556
7	357	Underground Conduit	\$1,548,767	814,466	100%	814,466		814,466
8	358	Underground Conductors & Devices	\$14,999,134	3,952,386	100%	3,952,386		3,952,386
9	359	Roads & Trails	\$0	0	100%	0		0
10		Total Transmission Plant	\$202,084,925	\$100,974,511	100%	\$100,974,511	\$0	\$100,974,511

Ohio Edison Company  
6/30/2012 Actual Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3  
Page 2 of 4

NOTE: Column B contains actual reserve for accumulated depreciation balances as of 6/30/2012, 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	\$12,513,997	\$0	100%	\$0		\$0
12	361	Structures & Improvements	\$9,408,679	4,724,645	100%	4,724,645		4,724,645
13	362	Station Equipment	\$204,254,462	84,797,866	100%	84,797,866		84,797,866
14	364	Poles, Towers & Fixtures	\$410,943,870	201,203,646	100%	201,203,646		201,203,646
15	365	Overhead Conductors & Devices	\$561,003,186	146,538,208	100%	146,538,208		146,538,208
16	366	Underground Conduit	\$64,724,674	20,987,244	100%	20,987,244		20,987,244
17	367	Underground Conductors & Devices	\$245,008,208	64,721,110	100%	64,721,110		64,721,110
18	368	Line Transformers	\$435,743,994	172,451,673	100%	172,451,673		172,451,673
19	369	Services	\$125,139,504	71,888,277	100%	71,888,277		71,888,277
20	370	Meters	\$134,317,427	53,761,243	100%	53,761,243		53,761,243
21	371	Installation on Customer Premises	\$22,190,194	11,819,812	100%	11,819,812		11,819,812
22	373	Street Lighting & Signal Systems	\$61,086,644	35,532,370	100%	35,532,370		35,532,370
23	374	Asset Retirement Costs for Distribution Plant	\$22,272	11,616	100%	11,616		11,616
24		Total Distribution Plant	\$2,286,357,112	\$868,437,712	100%	\$868,437,712	\$0	\$868,437,712

Ohio Edison Company  
6/30/2012 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 6/30/2012, 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)
GENERAL PLANT								
25	389	Land & Land Rights	\$3,332,037	\$0	100%	\$0		\$0
26	390	Structures & Improvements	\$75,043,826	33,569,431	100%	\$33,569,431		\$33,569,431
27	390.3	Leasehold Improvements	\$108,959	107,564	100%	\$107,564		\$107,564
28	391.1	Office Furniture & Equipment	\$7,632,356	5,687,709	100%	\$5,687,709		\$5,687,709
29	391.2	Data Processing Equipment	\$9,630,549	590,809	100%	\$590,809		\$590,809
30	392	Transportation Equipment	\$2,129,670	(205,270)	100%	(\$205,270)		(\$205,270)
31	393	Stores Equipment	\$1,398,971	778,328	100%	\$778,328		\$778,328
32	394	Tools, Shop & Garage Equipment	\$12,729,071	2,338,359	100%	\$2,338,359		\$2,338,359
33	395	Laboratory Equipment	\$6,384,009	2,870,748	100%	\$2,870,748		\$2,870,748
34	396	Power Operated Equipment	\$3,573,083	2,963,456	100%	\$2,963,456		\$2,963,456
35	397	Communication Equipment	\$17,493,405	15,157,622	100%	\$15,157,622		\$15,157,622
36	398	Miscellaneous Equipment	\$652,140	523,162	100%	\$523,162		\$523,162
37	399.1	Asset Retirement Costs for General Plant	\$303,410	161,418	100%	\$161,418		\$161,418
38		Total General Plant	\$140,411,487	\$64,543,335	100%	\$64,543,335	\$0	\$64,543,335

Ohio Edison Company  
6/30/2012 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 6/30/2012, 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 (A)	Company (B)	% (C)	Total (D) = (B) * (C)		Jurisdiction (F) = (D) + (E)
<u>OTHER PLANT</u>								
39	301	Organization	\$89,746	0	100%	\$0		\$0
40	303	Intangible Software	\$59,892,416	43,757,956	100%	\$43,757,956		\$43,757,956
41	303	Intangible FAS 109 Transmission	\$2,023,278	697,049	100%	\$697,049		\$697,049
42	303	Intangible FAS 109 Distribution	\$1,593,381	1,556,299	100%	\$1,556,299		\$1,556,299
43	303	Intangible FAS 109 General	\$199,091	160,536	100%	\$160,536		\$160,536
44		Total Other Plant	\$63,797,913	46,171,840		46,171,840	\$0	46,171,840
45		Company Total Plant (Reserve)	\$2,692,651,437	\$1,080,127,398	100%	\$1,080,127,398	\$0	\$1,080,127,398
46		Service Company Reserve Allocated*						\$25,032,594
47		Grand Total Plant (Reserve) (45 + 46)						\$1,105,159,992

\* 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. 6/30/12*	383,276,123	430,445,556	118,992,385	72,262,765
(2) Service Company Allocated ADIT**	\$10,268,539	\$12,443,648	\$5,477,518	
(3) Grand Total ADIT Balance***	<u>\$393,544,662</u>	<u>\$442,889,204</u>	<u>\$124,469,903</u>	

\*Source: Actual 6/30/12 balances.

\*\* Line 4 on Service Company Allocations workpaper

\*\*\* Calculation : Line 1 + Line 2

Ohio Edison Company  
Depreciation Accrual Rates and 6/30/2012 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	8,447,558	\$0	0.00%	\$0
2	352	Structures & Improvements	11,141,204	\$7,187,543	2.06%	\$229,509
3	353	Station Equipment	106,087,909	\$51,151,000	2.20%	\$2,333,934
4	354	Towers & Fixtures	276,919	\$301,841	1.82%	\$5,040
5	355	Poles & Fixtures	25,691,797	\$19,804,719	2.98%	\$765,616
6	356	Overhead Conductors & Devices	33,891,637	\$17,762,556	2.55%	\$864,237
7	357	Underground Conduit	1,548,767	\$814,466	1.67%	\$25,864
8	358	Underground Conductors & Devices	14,999,134	\$3,952,386	2.00%	\$299,983
9	359	Roads & Trails	0	\$0	0.00%	\$0
10		Total Transmission	\$202,084,925	\$100,974,511		\$4,524,183

Ohio Edison Company  
Depreciation Accrual Rates and 6/30/2012 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	Reserve Balance Sch. B-3		
(A)	(B)	(C)	(D)	(E)	(F)	(G=DxF)
<u>DISTRIBUTION PLANT</u>						
11	360	Land & Land Rights	\$12,513,997	\$0	0.00%	\$0
12	361	Structures & Improvements	\$9,408,679	\$4,724,645	2.45%	230,513
13	362	Station Equipment	\$204,254,462	\$84,797,866	2.55%	5,208,489
14	364	Poles, Towers & Fixtures	\$410,943,870	\$201,203,646	2.93%	12,040,655
15	365	Overhead Conductors & Devices	\$561,003,186	\$146,538,208	2.70%	15,147,086
16	366	Underground Conduit	\$64,724,674	\$20,987,244	1.50%	970,870
17	367	Underground Conductors & Devices	\$245,008,208	\$64,721,110	2.07%	5,071,670
18	368	Line Transformers	\$435,743,994	\$172,451,673	3.50%	15,251,040
19	369	Services	\$125,139,504	\$71,888,277	3.13%	3,916,866
20	370	Meters	\$134,317,427	\$53,761,243	3.24%	4,351,885
21	371	Installation on Customer Premises	\$22,190,194	\$11,819,812	4.44%	985,245
22	373	Street Lighting & Signal Systems	\$61,086,644	\$35,532,370	4.20%	2,565,639
23	374	Asset Retirement Costs for Distribution Plant	\$22,272	\$11,616	0.00%	0
24		Total Distribution	\$2,286,357,112	\$868,437,712		\$65,739,958

Ohio Edison Company  
Depreciation Accrual Rates and 6/30/2012 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>GENERAL PLANT</u>						
25	389	Land & Land Rights	\$3,332,037	\$0	0.00%	\$0
26	390	Structures & Improvements	\$75,043,826	\$33,569,431	2.50%	\$1,876,096
27	390.3	Leasehold Improvements	\$108,959	\$107,564	20.78%	\$22,642
28	391.1	Office Furniture & Equipment	\$7,632,356	\$5,687,709	3.80%	\$290,030
29	391.2	Data Processing Equipment	\$9,630,549	\$590,809	17.00%	\$1,637,193
30	392	Transportation Equipment	\$2,129,670	(\$205,270)	7.31%	\$155,679
31	393	Stores Equipment	\$1,398,971	\$778,328	2.56%	\$35,814
32	394	Tools, Shop & Garage Equipment	\$12,729,071	\$2,338,359	3.17%	\$403,512
33	395	Laboratory Equipment	\$6,384,009	\$2,870,748	3.80%	\$242,592
34	396	Power Operated Equipment	\$3,573,083	\$2,963,456	3.48%	\$124,343
35	397	Communication Equipment	\$17,493,405	\$15,157,622	5.00%	\$874,670
36	398	Miscellaneous Equipment	\$652,140	\$523,162	4.00%	\$26,086
37	399.1	Asset Retirement Costs for General Plant	\$303,410	\$161,418	0.00%	\$0
38		Total General	\$140,411,487	\$64,543,335		\$5,688,657



Ohio Edison Company  
Depreciation Accrual Rates and 6/30/2012 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	Reserve Balance Sch. B-3		
(A)	(B)	(C)	(D)	(E)	(F)	(G=DxF)
<u>OTHER PLANT</u>						
39	301	Organization	\$89,746	\$0	0.00%	**
40	303	Intangible Software	\$59,892,416	\$43,757,956	14.29%	**
41	303	Intangible FAS 109 Transmission	\$2,023,278	\$697,049	2.33%	**
42	303	Intangible FAS 109 Distribution	\$1,593,381	\$1,556,299	2.89%	**
43	303	Intangible FAS 109 General	\$199,091	\$160,536	3.87%	**
44		Total Other	63,797,913	46,171,840		3,693,667
45		Company Total Depreciation	2,692,651,437	1,080,127,398		79,646,465
46		Incremental Depreciation Associated with Allocated Service Company Plant ***	77,786,747	25,032,594		1,667,577
47		GRAND TOTAL	\$2,770,438,185	\$1,105,159,992		\$81,314,042

\*\* 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"

Ohio Edison Company

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

Schedule C-3.10a

Page 1 of 1

Line No.	Description	Jurisdictional Amount
1	Personal Property Taxes (See Schedule C-3.10a1)	78,394,932
2	Real Property Taxes (See Schedule C-3.10a2)	1,364,669
3	Incremental Property Tax Associated with Allocated Service Company Plant *	<u>105,165</u>
4	Total Property Taxes (1 + 2 + 3)	<u><u>\$79,864,766</u></u>

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

## Ohio Edison Company

## Annual Personal Property Tax Expense on Actual 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)	\$202,084,925	\$2,286,357,112	\$140,411,487
2	Jurisdictional Real Property (b)	19,588,763	21,922,676	78,484,823
3	Jurisdictional Personal Property (1 - 2)	182,496,163	2,264,434,436	61,926,664
	<u>Exclusions and Exemptions</u>			
4	Capitalized Asset Retirement Costs (a)	0	22,272	303,410
5	Exempt Facilities (c)	575,438	2,655,801	0
6	Licensed Motor Vehicles (c)	0	0	3,889,004
7	Capitalized Interest (f)	13,011,976	106,881,305	0
8	Total Exclusions and Exemptions (4 thru 7)	13,587,414	109,559,379	4,192,414
9	Net Cost of Taxable Personal Property (3 - 8)	\$168,908,748	\$2,154,875,057	\$57,734,250
10	True Value Percentage (c)	41.0839%	48.7010%	32.8778%
11	True Value of Taxable Personal Property (9 x 10)	\$69,394,301	\$1,049,445,702	\$18,981,751
12	Assessment Percentage (d)	85.00%	85.00%	24.00%
13	Assessment Value (11 x 12)	\$58,985,156	\$892,028,847	\$4,555,620
14	Personal Property Tax Rate (e)	8.2040%	8.2040%	8.2040%
15	Personal Property Tax (13 x 14)	\$4,839,142	\$73,182,047	373,743
16	Total Personal Property Tax (15)			<u>\$78,394,932</u>

(a) Schedule B-2.1

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

(c) Source: OE's 2012 Ohio annual property tax filing.

(d) Statutory Assessment for Personal Property

(e) Estimated tax rate for Personal Property based on 2012 Ohio Annual Property Tax return filing

(f) Calculation: Line 3 x Percentage from 2012 annual property tax filing

## Ohio Edison Company

## Annual Real Property Tax Expense on Actual 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)	\$19,588,763	\$21,922,676	\$78,484,823
2	True Value Percentage (b)	47.93%	47.93%	47.93%
3	True Value of Taxable Real Property (1 x 2)	\$9,388,874	\$10,507,517	\$37,617,697
4	Assessment Percentage (c)	35.00%	35.00%	35.00%
5	Assessment Value (3 x 4)	\$3,286,106	\$3,677,631	\$13,166,194
6	Real Property Tax Rate (d)	6.7793%	6.7793%	6.7793%
7	Real Property Tax (5 x 6)	\$222,775	\$249,318	\$892,576
8	Total Real Property Tax (Sum of 7)			\$1,364,669
(a)	Schedule C-3.10a1			
(b)	Calculated as follows:			
	(1) Real Property Assessed Value	\$34,215,960	Source: OE's 2012 Annual Property Tax return filing	
	(2) Assessment Percentage	35.00%	Statutory Assessment for Real Property	
	(3) Real Property True Value	\$97,759,886	Calculation: (1) / (2)	
	(4) Real Property Capitalized Cost	\$203,964,336	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	47.93%	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 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. CEI's balance has decreased from the amounts listed in Case No. 07-551-EL-AIR due to some retirements (sale) of the land. There is no accumulated depreciation reserve associated with land.

FERC Account 350	CEI	OE	TE
Gross Plant	\$57,221,643	\$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: 6/30/2012 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	\$168,079	\$15,823
364	\$184,009	\$16,719
365	\$1,799,683	\$110,472
368	\$8,624	\$619
370	\$237,762	\$26,936
Grand Total	\$2,398,156	\$170,567

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 6/30/2012, 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	\$451,723,271	\$64,189,877	\$77,786,747	\$34,240,624	\$176,217,248
(3) Reserve	\$145,369,305	\$20,656,978	\$25,032,594	\$11,018,993	\$56,708,566
(4) ADIT	\$72,262,765	\$10,268,539	\$12,443,648	\$5,477,518	\$28,189,704
(5) <b>Rate Base</b>		<b>\$33,264,360</b>	<b>\$40,310,505</b>	<b>\$17,744,113</b>	<b>\$91,318,977</b>
(6) Depreciation Expense (Incremental)		\$1,376,090	\$1,667,577	\$734,044	\$3,777,710
(7) Property Tax Expense (Incremental)		\$86,782	\$105,165	\$46,292	\$238,240
(8) <b>Total Expenses</b>		<b>\$1,462,872</b>	<b>\$1,772,742</b>	<b>\$780,336</b>	<b>\$4,015,950</b>

- (2) Gross Plant = Actual Service Company General and Intangible plant in-service as of 6/30/12
- (3) Reserve = Actual Service Company General and Intangible Plant depreciation reserve as of 6/30/12.
- (4) ADIT: Actual ADIT Balances as of 6/30/12.
- (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%	
<b>GENERAL PLANT</b>										
3	389	Fee Land & Easements	\$556,979	\$0	\$556,979	0.00%	0.00%	0.00%	0.00%	\$0
4	390	Structures, Improvements *	\$21,328,601	\$7,909,208	\$13,419,393	2.20%	2.50%	2.20%	2.33%	\$497,474
5	390.3	Struct Imprv, Leasehold Imp **	\$6,938,688	\$1,006,139	\$5,932,549	22.34%	20.78%	0.00%	21.49%	\$1,490,798
6	391.1	Office Furn., Mech. Equip.	\$31,040,407	\$24,400,266	\$6,640,141	7.60%	3.80%	3.80%	5.18%	\$1,609,200
7	391.2	Data Processing Equipment	\$117,351,991	\$26,121,795	\$91,230,196	10.56%	17.00%	9.50%	13.20%	\$15,486,721
8	392	Transportation Equipment	\$11,855	\$1,309	\$10,546	6.07%	7.31%	6.92%	6.78%	\$804
9	393	Stores Equipment	\$16,787	\$1,447	\$15,340	6.67%	2.56%	3.13%	4.17%	\$700
10	394	Tools, Shop, Garage Equip.	\$11,282	\$506	\$10,776	4.62%	3.17%	3.33%	3.73%	\$421
11	395	Laboratory Equipment	\$127,988	\$11,126	\$116,862	2.31%	3.80%	2.86%	3.07%	\$3,935
12	396	Power Operated Equipment	\$160,209	\$20,142	\$140,067	4.47%	3.48%	5.28%	4.19%	\$6,713
13	397	Communication Equipment ***	\$56,845,501	\$32,304,579	\$24,540,922	7.50%	5.00%	5.88%	6.08%	\$3,457,148
14	398	Misc. Equipment	\$465,158	\$27,982	\$437,176	6.67%	4.00%	3.33%	4.84%	\$22,525
15	399.1	ARC General Plant	\$40,721	\$16,948	\$23,773	0.00%	0.00%	0.00%	0.00%	\$0
16			\$234,896,167	\$91,821,447	\$143,074,720					\$22,576,438
<b>INTANGIBLE PLANT</b>										
17	301	Organization	\$49,344	\$49,344	\$0	0.00%	0.00%	0.00%	0.00%	\$0
18	303	Misc. Intangible Plant	\$75,721,715	\$46,532,553	\$29,189,162	14.29%	14.29%	14.29%	14.29%	\$10,820,633
19	303	Katz Software	\$1,268,271	\$1,027,642	\$240,630	14.29%	14.29%	14.29%	14.29%	\$181,236
20	303	Software 1999	\$10,658	\$4,881	\$5,777	14.29%	14.29%	14.29%	14.29%	\$1,523
21	303	Software GPU SC00	\$2,343,368	\$2,343,368	\$0	14.29%	14.29%	14.29%	14.29%	\$0
22	303	Impairment June 2000	\$77	\$77	(\$0)	14.29%	14.29%	14.29%	14.29%	\$0
23	303	3 year depreciable life	\$55,645	\$14,684	\$40,961	14.29%	14.29%	14.29%	14.29%	\$7,952
24	303	Debt Gross-up (FAS109): General	\$117,298	\$117,298	\$0	3.87%	3.87%	3.87%	3.87%	\$0
25	303	Debt Gross-up (FAS109): G/P Land	\$1,135	\$1,137	(\$2)	3.87%	3.87%	3.87%	3.87%	\$0
26			\$79,567,511	\$50,090,984	\$29,476,527					\$11,011,344
27	<b>TOTAL - GENERAL &amp; INTANGIBLE</b>		\$314,463,678	\$141,912,431	\$172,551,247				<b>10.68%</b>	<b>\$33,587,782</b>

#### NOTES

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

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

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

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

Assumes that the accrual rate, by account, for Service Company plant is 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 June 30, 2012

Line No.	(A) Account	(B) Account Description	(C) 6/30/12 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%	
<b>GENERAL PLANT</b>										
30	389	Fee Land & Easements	\$230,947	\$0	\$230,947	0.00%	0.00%	0.00%	0.00%	\$0
31	390	Structures, Improvements *	\$57,333,329	\$12,404,806	\$44,928,523	2.20%	2.50%	2.20%	2.33%	\$1,337,258
32	390.3	Struct Imprv, Leasehold Imp **	\$14,068,908	\$3,596,142	\$10,472,765	22.34%	20.78%	0.00%	21.49%	\$3,022,747
33	391.1	Office Furn., Mech. Equip.	\$17,245,398	\$9,220,973	\$8,024,425	7.60%	3.80%	3.80%	5.18%	\$894,037
34	391.2	Data Processing Equipment	\$111,399,277	\$29,635,189	\$81,764,088	10.56%	17.00%	9.50%	13.20%	\$14,701,152
35	392	Transportation Equipment	\$27,535	\$19,587	\$7,948	6.07%	7.31%	6.92%	6.78%	\$1,868
36	393	Stores Equipment	\$16,773	\$4,288	\$12,485	6.67%	2.56%	3.13%	4.17%	\$699
37	394	Tools, Shop, Garage Equip.	\$227,515	\$12,267	\$215,248	4.62%	3.17%	3.33%	3.73%	\$8,485
38	395	Laboratory Equipment	\$118,259	\$21,370	\$96,889	2.31%	3.80%	2.86%	3.07%	\$3,636
39	396	Power Operated Equipment	\$41,518	\$19,124	\$22,394	4.47%	3.48%	5.28%	4.19%	\$1,740
40	397	Communication Equipment ***	\$80,183,434	\$13,074,489	\$67,108,945	7.50%	5.00%	5.88%	6.08%	\$4,876,481
41	398	Misc. Equipment	\$3,217,158	\$417,677	\$2,799,481	6.67%	4.00%	3.33%	4.84%	\$155,788
42	399.1	ARC General Plant	\$40,721	\$21,664	\$19,058	0.00%	0.00%	0.00%	0.00%	\$0
43			\$284,150,773	\$68,447,576	\$215,703,197					\$25,003,891
<b>INTANGIBLE PLANT</b>										
44	303	FECO 101/6 303 Intangibles	\$21,462,782	\$1,970,853	\$19,491,928	14.29%	14.29%	14.29%	14.29%	\$3,067,031
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	\$5,455,638	\$4,680,845	\$774,793	14.29%	14.29%	14.29%	14.29%	\$774,793
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
53	303	FECO 101/6-303 2010 Software	\$20,146,268	\$6,407,255	\$13,739,013	14.29%	14.29%	14.29%	14.29%	\$2,878,902
54	303	FECO 101/6-303 2011 Software	\$51,677,655	\$6,794,665	\$44,882,990	14.29%	14.29%	14.29%	14.29%	\$7,384,737
55			\$167,572,498	\$76,921,729	\$90,650,769					\$18,267,844
56	<b>TOTAL - GENERAL &amp; INTANGIBLE</b>		<b>\$451,723,271</b>	<b>\$145,369,305</b>	<b>\$306,353,965</b>				<b>9.58%</b>	<b>\$43,271,735</b>

#### NOTES

(C) - (E) Service Company plant balances as of June 30, 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 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
<b>Real Property Tax</b>						
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.</p> <p>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	<b>TOTAL - GENERAL PLANT</b>				\$234,896,167	<b>\$429,208</b>
21	<b>TOTAL - INTANGIBLE PLANT</b>				\$79,567,511	<b>\$0</b>
22	<b>TOTAL - GENERAL &amp; INTANGIBLE PLANT</b>				\$314,463,678	<b>\$429,208</b>
23	<b>Average Effective Real Property Tax Rate</b>					<b>0.14%</b>

#### NOTES

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

## Property Tax Rate for Service Company Plant

### III. Average Real Property Tax Rates on Actual 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	71.87%	47.93%	50.02%	57.06%	Schedule C3.10a2
27	Assessment Percentage	35.00%	35.00%	35.00%	35.00%	Schedule C3.10a2
28	Real Property Tax Rate	7.59%	6.78%	7.78%	7.27%	Schedule C3.10a2
29	Average Rate	1.91%	1.14%	1.36%	1.45%	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 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	1.45%	\$230,947	\$3,353
31	390	Structures, Improvements	Real	1.45%	\$57,333,329	\$832,327
32	390.3	Struct Imprv, Leasehold Imp	Real	1.45%	\$14,068,908	\$204,243
33	391.1	Office Furn., Mech. Equip.	Personal		\$17,245,398	\$0
34	391.2	Data Processing Equipment	Personal		\$111,399,277	\$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		\$80,183,434	\$0
41	398	Misc. Equipment	Personal		\$3,217,158	\$0
42	399.1	ARC General Plant	Personal		\$40,721	\$0
43	<b>TOTAL - GENERAL PLANT</b>				\$284,150,773	\$1,039,922
44	<b>TOTAL - INTANGIBLE PLANT</b>				\$167,572,498	\$0
45	<b>TOTAL - GENERAL &amp; INTANGIBLE PLANT</b>				\$451,723,271	\$1,039,922
46	<b>Average Effective Real Property Tax Rate</b>					<b>0.23%</b>

#### NOTES

- (C) Source: Schedule C3.10. Classification of General Plant account as Real or Personal Property
- (D) Weighted average property tax rate across CEI, OE, and TE. See Section I above.  
Note: Effective with an Ohio tax law change in 2005, non-utilities do not pay Personal Property Tax.
- (E) Service Company General gross plant balances as of 6/30/12.
- (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 6/30/12 Balances**

<b>I. Allocated Service Company Plant and Related Expenses as of June 30, 2012</b>							
Line	Category	Service Co.	CEI	OE	TE	TOTAL	Source / Notes
1	Allocation Factor		14.21%	17.22%	7.58%	39.01%	Case No. 07-551-EL-AIR
	<u>Total Plant</u>						
2	Gross Plant	\$451,723,271	\$64,189,877	\$77,786,747	\$34,240,624	\$176,217,248	Service Co. Depreciation Rate, Line 56 x Line 1
3	Accum. Reserve	(\$145,369,305)	(\$20,656,978)	(\$25,032,594)	(\$11,018,993)	(\$56,708,566)	Service Co. Depreciation Rate, Line 56 x Line 1
4	Net Plant	\$306,353,965	\$43,532,898	\$52,754,153	\$23,221,631	\$119,508,682	Line 2 + Line 3
5	Depreciation *	9.58%	\$6,148,914	\$7,451,393	\$3,279,998	\$16,880,304	Average Rate x Line 2
6	Property Tax *	0.23%	\$147,773	\$179,075	\$78,826	\$405,674	Average Rate x Line 2
7	Total Expenses		\$6,296,687	\$7,630,467	\$3,358,824	\$17,285,978	
* Effective Depreciation and Property Tax rates based on weighted averages across companies over General and Intangible plant, as of 6/30/12. See line 56 on workpaper "Service Co. Depreciation Rate" and line 46 on workpaper "Service Co. Property Tax Rate" for more details.							

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

<b>III. Incremental Expenses Associated with Allocated Service Company Plant *</b>							
Line	Rate Base	Service Co.	CEI	OE	TE	TOTAL	Source / Notes
15	Depreciation	-1.10%	\$1,376,090	\$1,667,577	\$734,044	\$3,777,710	Line 5 - Line 12
16	Property Tax	0.09%	\$86,782	\$105,165	\$46,292	\$238,240	Line 6 - Line 13
17	Total Expenses		\$1,462,872	\$1,772,742	\$780,336	\$4,015,950	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 June 30, 2012. The incremental expenses calculated on Line 17 above are added to the Rider DCR revenue requirements.							

**Intangible Depreciation Expense Calculation**  
**Actual 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 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 Jun-12 (D)	Reserve Jun-12 (E)	Net Plant Jun-12 (F)	Accrual Rates (G)	Depreciation Expense (H)	
			Source: Actual Balances as of 6/30/2012			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	1,219,861.54	0.00	14.29%	\$0.00
CECO	The Illuminating Co.	CECO 101/6-303 2006 Software	Intangible Plant	1,808,777.88	1,554,969.79	253,808.09	14.29%	\$253,808.09
CECO	The Illuminating Co.	CECO 101/6-303 2007 Software	Intangible Plant	5,870,455.85	4,128,385.51	1,742,070.34	14.29%	\$838,888.14
CECO	The Illuminating Co.	CECO 101/6-303 2008 Software	Intangible Plant	2,852,517.24	1,673,794.85	1,178,722.39	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	736,314.46	6,926,682.68	14.29%	\$1,095,042.29
CECO	The Illuminating Co.	CECO 101/6-303 FAS109 Distribution	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 Transmission	Intangible Plant	1,176,339.38	969,591.32	206,748.06	2.15%	\$25,291.30
CECO	The Illuminating Co.	CECO 101/6-303 Software	Intangible Plant	1,646,353.17	214,079.56	1,432,273.61	14.29%	\$235,263.87
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			50,517,629.99	34,770,744.74	15,746,885.25			\$3,759,009.07
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	2,757,501.23	(3,377.52)	14.29%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 2007 Software	Intangible Plant	7,208,211.44	6,625,450.61	582,760.83	14.29%	\$582,760.83
OECO	Ohio Edison Co.	OECO 101/6-303 2008 Software	Intangible Plant	3,495,653.48	3,133,247.43	362,406.05	14.29%	\$362,406.05
OECO	Ohio Edison Co.	OECO 101/6-303 2009 Software	Intangible Plant	4,771,510.65	1,877,651.97	2,893,858.68	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	7,632,058.23	733,541.00	6,898,517.23	14.29%	\$1,090,621.12
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	160,535.80	30,777.57	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	3,132,955.45	230,462.27	2,902,493.18	14.29%	\$447,699.33
Total			63,797,913.27	46,171,839.91	17,626,073.36			\$3,693,667.34
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	2,169,372.47	925,629.29	14.29%	\$442,275.75
TECO	Toledo Edison Co.	TECO 101/6-303 2008 Software	Intangible Plant	1,445,575.18	917,344.05	528,231.13	14.29%	\$206,572.69
TECO	Toledo Edison Co.	TECO 101/6-303 2009 Software	Intangible Plant	2,063,024.71	768,147.33	1,294,877.38	14.29%	\$294,806.23
TECO	Toledo Edison Co.	TECO 101/6-303 2010 Software	Intangible Plant	1,589,514.04	497,581.90	1,091,932.14	14.29%	\$227,141.56
TECO	Toledo Edison Co.	TECO 101/6-303 2011 Software	Intangible Plant	3,191,925.46	303,805.71	2,888,119.75	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	593,103.45	66,183.27	526,920.18	14.29%	\$84,754.48
Total			23,784,503.32	16,377,558.18	7,406,945.14			\$1,839,153.24

**Rider DCR**  
**Estimated Distribution Rate Base Additions as of 9/30/2012**  
**Revenue Requirement Calculation**

(\$ millions)

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

		(A)	(B)	(C) = (B) - (A)	(D)
<b>Gross Plant</b>		<b>5/31/2007*</b>	<b>9/30/2012</b>	<b>Incremental</b>	<b>Source of Column (B)</b>
(1)	CEI	1,927.1	2,554.9	627.9	Sch B2.1 Line 45
(2)	OE	2,074.0	2,800.7	726.7	Sch B2.1 Line 47
(3)	TE	771.5	1,026.2	254.7	Sch B2.1 Line 44
(4)	<b>Total</b>	<b>4,772.5</b>	<b>6,381.8</b>	<b>1,609.3</b>	<b>Sum: [ (1) through (3) ]</b>
<b>Accumulated Reserve</b>					
(5)	CEI	(773.0)	(1,080.6)	(307.6)	-Sch B3 Line 45
(6)	OE	(803.0)	(1,123.4)	(320.3)	-Sch B3 Line 47
(7)	TE	(376.8)	(518.4)	(141.6)	-Sch B3 Line 44
(8)	<b>Total</b>	<b>(1,952.8)</b>	<b>(2,722.4)</b>	<b>(769.6)</b>	<b>Sum: [ (5) through (7) ]</b>
<b>Net Plant In Service</b>					
(9)	CEI	1,154.0	1,474.3	320.3	(1) + (5)
(10)	OE	1,271.0	1,677.4	406.4	(2) + (6)
(11)	TE	394.7	507.7	113.0	(3) + (7)
(12)	<b>Total</b>	<b>2,819.7</b>	<b>3,659.4</b>	<b>839.7</b>	<b>Sum: [ (9) through (11) ]</b>
<b>ADIT</b>					
(13)	CEI	(246.4)	(398.8)	(152.4)	- DIT Balances Line 3
(14)	OE	(197.1)	(454.1)	(257.0)	- DIT Balances Line 3
(15)	TE	(10.3)	(127.0)	(116.7)	- DIT Balances Line 3
(16)	<b>Total</b>	<b>(453.8)</b>	<b>(979.9)</b>	<b>(526.1)</b>	<b>Sum: [ (13) through (15) ]</b>
<b>Rate Base</b>					
(17)	CEI	907.7	1,075.6	167.9	(9) + (13)
(18)	OE	1,073.9	1,223.3	149.4	(10) + (14)
(19)	TE	384.4	380.7	(3.7)	(11) + (15)
(20)	<b>Total</b>	<b>2,366.0</b>	<b>2,679.6</b>	<b>313.6</b>	<b>Sum: [ (17) through (19) ]</b>
<b>Depreciation Exp</b>					
(21)	CEI	60.0	81.3	21.3	Sch B-3.2 Line 45
(22)	OE	62.0	82.3	20.3	Sch B-3.2 Line 47
(23)	TE	24.5	32.9	8.4	Sch B-3.2 Line 45
(24)	<b>Total</b>	<b>146.5</b>	<b>196.6</b>	<b>50.0</b>	<b>Sum: [ (21) through (23) ]</b>
<b>Property Tax Exp</b>					
(25)	CEI	65.0	87.3	22.3	Sch C-3.10a Line 4
(26)	OE	57.4	80.8	23.4	Sch C-3.10a Line 4
(27)	TE	20.1	25.8	5.7	Sch C-3.10a Line 4
(28)	<b>Total</b>	<b>142.4</b>	<b>193.9</b>	<b>51.5</b>	<b>Sum: [ (25) through (27) ]</b>
<b>Revenue Requirement</b>		<b>Rate Base</b>	<b>Return 8.48%</b>	<b>Deprec</b>	<b>Prop Tax</b>
(29)	CEI	167.9	14.2	21.3	22.3
(30)	OE	149.4	12.7	20.3	23.4
(31)	TE	(3.7)	(0.3)	8.4	5.7
(32)	<b>Total</b>	<b>313.6</b>	<b>26.6</b>	<b>50.0</b>	<b>51.5</b>

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

	(a)	(b)	(c)	(d)	(e)	(f)
	<b>Equity Return</b>	<b>Tax Rate</b>	<b>Income Tax</b>	<b>CAT 0.26%</b>	<b>Taxes</b>	<b>Rev. Req. + Tax</b>
(36) CEI	8.6	36.14%	4.9	0.2	5.1	63.0
(37) OE	7.7	35.88%	4.3	0.2	4.5	60.8
(38) TE	(0.2)	35.74%	(0.1)	0.0	(0.1)	13.8
(39) <b>Total</b>	<b>16.1</b>		<b>9.1</b>	<b>0.4</b>	<b>9.4</b>	<b>137.5</b>

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

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

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

Ohio Edison Company  
9/30/2012 Estimated Plant in Service by Accounts and Subaccounts

Schedule B-2.1

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NOTE: Column A contains estimated 9/30/12 gross plant in service balances based on estimated additions from the 2012 Forecast Version 6, adjusted 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	\$93,784,138	100%	\$93,784,138	(\$85,290,624)	\$8,493,514
2	352	Structures & Improvements	11,141,458	100%	11,141,458		11,141,458
3	353	Station Equipment	106,090,330	100%	106,090,330		106,090,330
4	354	Towers & Fixtures	277,450	100%	277,450		277,450
5	355	Poles & Fixtures	25,741,088	100%	25,741,088		25,741,088
6	356	Overhead Conductors & Devices	33,956,616	100%	33,956,616		33,956,616
7	357	Underground Conduit	1,551,736	100%	1,551,736		1,551,736
8	358	Underground Conductors & Devices	15,027,870	100%	15,027,870		15,027,870
9	359	Roads & Trails	0	100%	0		0
10		Total Transmission Plant	\$287,570,688	100%	\$287,570,688	(\$85,290,624)	\$202,280,064

Ohio Edison Company  
9/30/2012 Estimated Plant in Service by Accounts and Subaccounts

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NOTE: Column A contains estimated 9/30/12 gross plant in service balances based on estimated additions from the 2012 Forecast Version 6, adjusted 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	\$12,513,997	100%	\$12,513,997		\$12,513,997
12	361	Structures & Improvements	9,492,704	100%	9,492,704		9,492,704
13	362	Station Equipment	206,078,270	100%	206,078,270		206,078,270
14	364	Poles, Towers & Fixtures	416,175,865	100%	416,175,865		416,175,865
15	365	Overhead Conductors & Devices	568,141,575	100%	568,141,575		568,141,575
16	366	Underground Conduit	65,548,333	100%	65,548,333		65,548,333
17	367	Underground Conductors & Devices	248,125,624	100%	248,125,624		248,125,624
18	368	Line Transformers	441,290,244	100%	441,290,244		441,290,244
19	369	Services	126,733,054	100%	126,733,054		126,733,054
20	370	Meters	136,027,081	100%	136,027,081		136,027,081
21	371	Installation on Customer Premises	22,472,737	100%	22,472,737		22,472,737
22	373	Street Lighting & Signal Systems	61,864,601	100%	61,864,601		61,864,601
23	374	Asset Retirement Costs for Distribution Plant	<u>22,272</u>	100%	<u>22,272</u>		<u>22,272</u>
24		Total Distribution Plant	\$2,314,486,356	100%	\$2,314,486,356	\$0	\$2,314,486,356

Ohio Edison Company  
9/30/2012 Estimated Plant in Service by Accounts and Subaccounts

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NOTE: Column A contains estimated 9/30/12 gross plant in service balances based on estimated additions from the 2012 Forecast Version 6, adjusted 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	\$3,332,037	100%	\$3,332,037		\$3,332,037
26	390	Structures & Improvements	74,935,025	100%	\$74,935,025		\$74,935,025
27	390.3	Leasehold Improvements	217,760	100%	\$217,760		\$217,760
28	391.1	Office Furniture & Equipment	7,521,028	100%	\$7,521,028		\$7,521,028
29	391.2	Data Processing Equipment	9,490,075	100%	\$9,490,075		\$9,490,075
30	392	Transportation Equipment	2,098,606	100%	\$2,098,606		\$2,098,606
31	393	Stores Equipment	1,378,565	100%	\$1,378,565		\$1,378,565
32	394	Tools, Shop & Garage Equipment	12,543,402	100%	\$12,543,402		\$12,543,402
33	395	Laboratory Equipment	6,290,890	100%	\$6,290,890		\$6,290,890
34	396	Power Operated Equipment	3,520,965	100%	\$3,520,965		\$3,520,965
35	397	Communication Equipment	17,268,400	100%	\$17,268,400		\$17,268,400
36	398	Miscellaneous Equipment	642,628	100%	\$642,628		\$642,628
37	399.1	Asset Retirement Costs for General Plant	303,410	100%	\$303,410		\$303,410
38		Total General Plant	\$139,542,792	100%	\$139,542,792	\$0	\$139,542,792



Ohio Edison Company  
9/30/2012 Estimated Plant in Service by Accounts and Subaccounts

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NOTE: Column A contains estimated 9/30/12 gross plant in service balances based on estimated additions from the 2012 Forecast Version 6, adjusted 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>							
39	301	Organization	\$89,746	100%	89,746		89,746
40	303	Intangible Software	59,892,416	100%	59,892,416		59,892,416
41	303	Intangible FAS 109 Transmission	2,023,278	100%	2,023,278		2,023,278
42	303	Intangible FAS 109 Distribution	1,593,381	100%	1,593,381		1,593,381
43	303	Intangible FAS 109 General	199,091	100%	199,091		199,091
44		Total Other Plant	63,797,913		63,797,913	0	63,797,913
45		Company Total Plant	<u>\$2,805,397,749</u>	100%	<u>\$2,805,397,749</u>	<u>(\$85,290,624)</u>	<u>\$2,720,107,125</u>
46		Service Company Plant Allocated*					\$80,612,695
47		Grand Total Plant (45 + 46)					<u>\$2,800,719,820</u>

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

Ohio Edison Company  
9/30/12 Estimated Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3  
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NOTE: Column B contains estimated 9/30/12 reserve for accumulated depreciation balances based on estimated Q3 activity from the 2012 Forecast Version 6, adjusted to remove the pre-2007 impact of the change in pension accounting and to correct a misreported land reserve account.

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	\$8,493,514	\$0	100%	\$0		\$0
2	352	Structures & Improvements	\$11,141,458	7,266,234	100%	7,266,234		7,266,234
3	353	Station Equipment	\$106,090,330	51,711,647	100%	51,711,647		51,711,647
4	354	Towers & Fixtures	\$277,450	305,188	100%	305,188		305,188
5	355	Poles & Fixtures	\$25,741,088	20,024,416	100%	20,024,416		20,024,416
6	356	Overhead Conductors & Devices	\$33,956,616	17,959,855	100%	17,959,855		17,959,855
7	357	Underground Conduit	\$1,551,736	823,514	100%	823,514		823,514
8	358	Underground Conductors & Devices	\$15,027,870	3,996,465	100%	3,996,465		3,996,465
9	359	Roads & Trails	\$0	0	100%	0		0
10		Total Transmission Plant	\$202,280,064	\$102,087,319	100%	\$102,087,319	\$0	\$102,087,319

Ohio Edison Company  
9/30/12 Estimated Reserve for Accumulated Depreciation by Accounts and Subaccounts

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NOTE: Column B contains estimated 9/30/12 reserve for accumulated depreciation balances based on estimated Q3 activity from the 2012 Forecast Version 6, adjusted to remove the pre-2007 impact of the change in pension accounting and to correct a misreported land reserve account.

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)
DISTRIBUTION PLANT								
11	360	Land & Land Rights	\$12,513,997	\$0	100%	\$0		\$0
12	361	Structures & Improvements	\$9,492,704	4,785,217	100%	4,785,217		4,785,217
13	362	Station Equipment	\$206,078,270	85,885,842	100%	85,885,842		85,885,842
14	364	Poles, Towers & Fixtures	\$416,175,865	204,281,182	100%	204,281,182		204,281,182
15	365	Overhead Conductors & Devices	\$568,141,575	148,787,693	100%	148,787,693		148,787,693
16	366	Underground Conduit	\$65,548,333	21,308,980	100%	21,308,980		21,308,980
17	367	Underground Conductors & Devices	\$248,125,624	65,714,707	100%	65,714,707		65,714,707
18	368	Line Transformers	\$441,290,244	175,092,179	100%	175,092,179		175,092,179
19	369	Services	\$126,733,054	72,987,205	100%	72,987,205		72,987,205
20	370	Meters	\$136,027,081	54,584,353	100%	54,584,353		54,584,353
21	371	Installation on Customer Premises	\$22,472,737	12,000,549	100%	12,000,549		12,000,549
22	373	Street Lighting & Signal Systems	\$61,864,601	36,075,467	100%	36,075,467		36,075,467
23	374	Asset Retirement Costs for Distribution Plant	\$22,272	11,740	100%	11,740		11,740
24		Total Distribution Plant	\$2,314,486,356	\$881,515,114	100%	\$881,515,114	\$0	\$881,515,114

Ohio Edison Company  
9/30/12 Estimated Reserve for Accumulated Depreciation by Accounts and Subaccounts

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NOTE: Column B contains estimated 9/30/12 reserve for accumulated depreciation balances based on estimated Q3 activity from the 2012 Forecast Version 6, adjusted to remove the pre-2007 impact of the change in pension accounting and to correct a misreported land reserve account.

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	\$3,332,037	\$0	100%	\$0		\$0
26	390	Structures & Improvements	\$74,935,025	33,929,737	100%	\$33,929,737		\$33,929,737
27	390.3	Leasehold Improvements	\$217,760	216,732	100%	\$216,732		\$216,732
28	391.1	Office Furniture & Equipment	\$7,521,028	5,875,392	100%	\$5,875,392		\$5,875,392
29	391.2	Data Processing Equipment	\$9,490,075	610,305	100%	\$610,305		\$610,305
30	392	Transportation Equipment	\$2,098,606	(212,043)	100%	(\$212,043)		(\$212,043)
31	393	Stores Equipment	\$1,378,565	804,011	100%	\$804,011		\$804,011
32	394	Tools, Shop & Garage Equipment	\$12,543,402	2,415,520	100%	\$2,415,520		\$2,415,520
33	395	Laboratory Equipment	\$6,290,890	2,965,477	100%	\$2,965,477		\$2,965,477
34	396	Power Operated Equipment	\$3,520,965	3,061,244	100%	\$3,061,244		\$3,061,244
35	397	Communication Equipment	\$17,268,400	15,687,950	100%	\$15,687,950		\$15,687,950
36	398	Miscellaneous Equipment	\$642,628	540,425	100%	\$540,425		\$540,425
37	399.1	Asset Retirement Costs for General Plant	\$303,410	163,146	100%	\$163,146		\$163,146
38		Total General Plant	\$139,542,792	\$66,057,895	100%	\$66,057,895	\$0	\$66,057,895

Ohio Edison Company  
9/30/12 Estimated Reserve for Accumulated Depreciation by Accounts and Subaccounts

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NOTE: Column B contains estimated 9/30/12 reserve for accumulated depreciation balances based on estimated Q3 activity from the 2012 Forecast Version 6, adjusted to remove the pre-2007 impact of the change in pension accounting and to correct a misreported land reserve account.

Line No.	Account No.	Account Title	Total Company	Reserve Balances				
			Plant Investment	Total	Allocation	Allocated	Adjustments	Adjusted Jurisdiction
			Sch B2.1 Column E	Company	%	Total		
			(A)	(B)	(C)	(D) = (B) * (C)	(E)	(F) = (D) + (E)
OTHER PLANT								
39	301	Organization	\$89,746	0	100%	\$0		\$0
40	303	Intangible Software	\$59,892,416	44,563,200	100%	\$44,563,200		\$44,563,200
41	303	Intangible FAS 109 Transmission	\$2,023,278	697,049	100%	\$697,049		\$697,049
42	303	Intangible FAS 109 Distribution	\$1,593,381	1,556,299	100%	\$1,556,299		\$1,556,299
43	303	Intangible FAS 109 General	\$199,091	161,865	100%	\$161,865		\$161,865
44		Total Other Plant	\$63,797,913	46,978,414		46,978,414	\$0	46,978,414
45		Company Total Plant (Reserve)	\$2,720,107,125	\$1,096,638,742	100%	\$1,096,638,742	\$0	\$1,096,638,742
46		Service Company Reserve Allocated*						\$26,719,937
47		Grand Total Plant (Reserve) (45 + 46)						\$1,123,358,680

\* 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. 9/30/12*	388,162,872	441,206,059	121,371,991	74,674,387
(2) Service Company Allocated ADIT**	\$10,611,230	\$12,858,929	\$5,660,319	
(3) Grand Total ADIT Balance***	<u>\$398,774,102</u>	<u>\$454,064,989</u>	<u>\$127,032,309</u>	

\*Source: Estimated 9/30/12 balances from the 2012 Forecast Version 6

\*\* Line 4 on Service Company Allocations workpaper

\*\*\* Calculation : Line 1 + Line 2

Ohio Edison Company  
Depreciation Accrual Rates and 9/30/2012 Estimated 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 (G=DxF)
			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	8,493,514	\$0	0.00%	\$0
2	352	Structures & Improvements	11,141,458	7,266,234	2.06%	\$229,514
3	353	Station Equipment	106,090,330	51,711,647	2.20%	\$2,333,987
4	354	Towers & Fixtures	277,450	305,188	1.82%	\$5,050
5	355	Poles & Fixtures	25,741,088	20,024,416	2.98%	\$767,084
6	356	Overhead Conductors & Devices	33,956,616	17,959,855	2.55%	\$865,894
7	357	Underground Conduit	1,551,736	823,514	1.67%	\$25,914
8	358	Underground Conductors & Devices	15,027,870	3,996,465	2.00%	\$300,557
9	359	Roads & Trails	0	0	0.00%	
10		Total Transmission	\$202,280,064	\$102,087,319		\$4,528,000

Ohio Edison Company  
Depreciation Accrual Rates and 9/30/2012 Estimated 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 (G=DxF)
			Plant Investment	Reserve Balance		
(A)	(B)	(C)	(D)	(E)	(F)	(G=DxF)
<u>DISTRIBUTION PLANT</u>						
11	360	Land & Land Rights	12,513,997	\$0	0.00%	\$0
12	361	Structures & Improvements	9,492,704	4,785,217	2.45%	232,571
13	362	Station Equipment	206,078,270	85,885,842	2.55%	5,254,996
14	364	Poles, Towers & Fixtures	416,175,865	204,281,182	2.93%	12,193,953
15	365	Overhead Conductors & Devices	568,141,575	148,787,693	2.70%	15,339,823
16	366	Underground Conduit	65,548,333	21,308,980	1.50%	983,225
17	367	Underground Conductors & Devices	248,125,624	65,714,707	2.07%	5,136,200
18	368	Line Transformers	441,290,244	175,092,179	3.50%	15,445,159
19	369	Services	126,733,054	72,987,205	3.13%	3,966,745
20	370	Meters	136,027,081	54,584,353	3.24%	4,407,277
21	371	Installation on Customer Premises	22,472,737	12,000,549	4.44%	997,790
22	373	Street Lighting & Signal Systems	61,864,601	36,075,467	4.20%	2,598,313
23	374	Asset Retirement Costs for Distribution Plant	22,272	11,740	0.00%	0
24		Total Distribution	\$2,314,486,356	\$881,515,114		\$66,556,052



Ohio Edison Company  
Depreciation Accrual Rates and 9/30/2012 Estimated 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	Calculated
			Plant Investment	Reserve Balance	Accrual Rate	Depr. Expense
(A)	(B)	(C)	(D)	(E)	(F)	(G=DxF)
<u>GENERAL PLANT</u>						
25	389	Land & Land Rights	3,332,037	\$0	0.00%	\$0
26	390	Structures & Improvements	74,935,025	\$33,929,737	2.50%	\$1,873,376
27	390.3	Leasehold Improvements	217,760	\$216,732	20.78%	\$45,251
28	391.1	Office Furniture & Equipment	7,521,028	\$5,875,392	3.80%	\$285,799
29	391.2	Data Processing Equipment	9,490,075	\$610,305	17.00%	\$1,613,313
30	392	Transportation Equipment	2,098,606	(\$212,043)	7.31%	\$153,408
31	393	Stores Equipment	1,378,565	\$804,011	2.56%	\$35,291
32	394	Tools, Shop & Garage Equipment	12,543,402	\$2,415,520	3.17%	\$397,626
33	395	Laboratory Equipment	6,290,890	\$2,965,477	3.80%	\$239,054
34	396	Power Operated Equipment	3,520,965	\$3,061,244	3.48%	\$122,530
35	397	Communication Equipment	17,268,400	\$15,687,950	5.00%	\$863,420
36	398	Miscellaneous Equipment	642,628	\$540,425	4.00%	\$25,705
37	399.1	Asset Retirement Costs for General Plant	303,410	\$163,146	0.00%	\$0
38		Total General	\$139,542,792	\$66,057,895		\$5,654,773

Ohio Edison Company  
Depreciation Accrual Rates and 9/30/2012 Estimated Jurisdictional Reserve Balances by Accounts and Subaccounts

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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 (G=DxF)
			Plant Investment	Reserve Balance		
(A)	(B)	(C)	(D)	(E)	(F)	(G=DxF)
<u>OTHER PLANT</u>						
39	301	Organization	\$89,746	\$0	0.00%	**
40	303	Intangible Software	\$59,892,416	\$44,563,200	14.29%	**
41	303	Intangible FAS 109 Transmission	\$2,023,278	\$697,049	2.33%	**
42	303	Intangible FAS 109 Distribution	\$1,593,381	\$1,556,299	2.89%	**
43	303	Intangible FAS 109 General	\$199,091	\$161,865	3.87%	**
44		Total Other	63,797,913	46,978,414		3,590,622
45		Total Company Depreciation	2,720,107,125	1,096,638,742		80,329,447
46		Incremental Depreciation Associated with Allocated Service Company Plant ***	80,612,695	26,719,937		1,979,430
47		GRAND TOTAL	\$2,800,719,820	\$1,123,358,680		\$82,308,877

\*\* 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"

Ohio Edison Company

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

Schedule C-3.10a

Page 1 of 1

Line No.	Description	Jurisdictional Amount
1	Personal Property Taxes	79,300,764
2	Real Property Taxes	1,366,150
3	Incremental Property Tax Associated with Allocated Service Company Plant *	<u>105,586</u>
4	Total Property Taxes (1 + 2 + 3)	<u><u>\$80,772,500</u></u>

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

## Ohio Edison Company

## Annual Personal Property Tax Expense on Forecasted Plant Balances as of September 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)	\$202,280,064	\$2,314,486,356	\$139,542,792
2	Jurisdictional Real Property (b)	19,634,972	22,006,701	78,484,823
3	Jurisdictional Personal Property (1 - 2)	182,645,091	2,292,479,655	61,057,969
	<u>Exclusions and Exemptions</u>			
4	Capitalized Asset Retirement Costs (a)	0	22,272	303,410
5	Exempt Facilities (c)	575,438	2,655,801	0
6	Licensed Motor Vehicles (c)	0	0	3,889,004
7	Capitalized Interest (f)	13,022,595	108,205,040	0
8	Total Exclusions and Exemptions (4 thru 7)	13,598,033	110,883,113	4,192,414
9	Net Cost of Taxable Personal Property (3 - 8)	\$169,047,058	\$2,181,596,542	\$56,865,555
10	True Value Percentage (c)	41.0839%	48.7010%	32.8778%
11	True Value of Taxable Personal Property (9 x 10)	\$69,451,124	\$1,062,459,332	\$18,696,143
12	Assessment Percentage (d)	85.00%	85.00%	24.00%
13	Assessment Value (11 x 12)	\$59,033,455	\$903,090,432	\$4,487,074
14	Personal Property Tax Rate (e)	8.2040%	8.2040%	8.2040%
15	Personal Property Tax (13 x 14)	\$4,843,105	\$74,089,539	368,120
16	Total Personal Property Tax (15)			\$79,300,764

(a) Schedule B-2.1

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

(c) Source: OE's 2012 Ohio annual property tax filing.

(d) Statutory Assessment for Personal Property

(e) Estimated tax rate for Personal Property based on 2012 Ohio Annual Property Tax return filing

(f) Calculation: Line 3 x Percentage from 2012 annual property tax filing

Ohio Edison Company

Annual Real Property Tax Expense on Forecasted Plant Balances as of September 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)	\$19,634,972	\$22,006,701	\$78,484,823
2	True Value Percentage (b)	47.93%	47.93%	47.93%
3	True Value of Taxable Real Property (1 x 2)	\$9,411,023	\$10,547,790	\$37,617,697
4	Assessment Percentage (c)	35.00%	35.00%	35.00%
5	Assessment Value (3 x 4)	\$3,293,858	\$3,691,727	\$13,166,194
6	Real Property Tax Rate (d)	6.7793%	6.7793%	6.7793%
7	Real Property Tax (5 x 6)	\$223,301	\$250,273	\$892,576
8	Total Real Property Tax (Sum of 7)			<u>\$1,366,150</u>
(a)	Schedule C-3.10a1			
(b)	Calculated as follows:			
	(1) Real Property Assessed Value	\$34,215,960	Source: OE's 2012 Annual Property Tax return filing	
	(2) Assessment Percentage	35.00%	Statutory Assessment for Real Property	
	(3) Real Property True Value	\$97,759,886	Calculation: (1) / (2)	
	(4) Real Property Capitalized Cost	\$203,964,336	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	47.93%	Calculation: (3) / (4)	
(c)	Statutory Assessment for Real Property			
(d)	Estimated tax rate for Real Estate based on 2012 Annual Property Tax return filing.			

**Summary of Exclusions per Case No. 10-388-EL-SSO  
Estimated 9/30/2012 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. CEI's balance has decreased from the amounts listed in Case No. 07-551-EL-AIR due to some retirements (sale) of the land. There is no accumulated depreciation reserve associated with land.

FERC Account 350	CEI	OE	TE
Gross Plant	\$57,221,643	\$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 Forecast Version 6. Exclusions related to Rider AMI are determined by specific depreciation groups in PowerPlant and WBS CE-004000

FERC Account	CEI	
	Gross	Reserve
362	\$2,825,014	(\$219,837)
364	\$257,114	\$14,016
365	\$1,799,683	\$155,464
368	\$8,624	\$834
370	\$237,762	\$32,880
Grand Total	\$5,128,197	(\$16,644)

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 9/30/2012 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	\$468,134,119	\$66,521,858	\$80,612,695	\$35,484,566	\$182,619,120
(3) Reserve	\$155,168,044	\$22,049,379	\$26,719,937	\$11,761,738	\$60,531,054
(4) ADIT	\$74,674,387	\$10,611,230	\$12,858,929	\$5,660,319	\$29,130,478
(5) <b>Rate Base</b>		<b>\$33,861,249</b>	<b>\$41,033,829</b>	<b>\$18,062,510</b>	<b>\$92,957,587</b>
(6) Depreciation Expense (Incremental)		\$1,633,432	\$1,979,430	\$871,317	\$4,484,179
(7) Property Tax Expense (Incremental)		\$87,130	\$105,586	\$46,477	\$239,193
(8) <b>Total Expenses</b>		<b>\$1,720,562</b>	<b>\$2,085,016</b>	<b>\$917,794</b>	<b>\$4,723,372</b>

- (2) Estimated Gross Plant = 9/30/2012 General and Intangible Plant Balances in the 2012 Forecast Version 6
- (3) Estimated Reserve = 9/30/2012 General and Intangible Reserve Balances in the 2012 Forecast Version 6
- (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

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

#### NOTES

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

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

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

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

Assumes that the accrual rate, by account, for Service Company plant is 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 September 30, 2012

Line No.	(A) Account	(B) Account Description	(C) Estimated 9/30/12 Balances			(F) Accrual Rates				(J) Depreciation Expense
			Gross	Reserve	Net	CEI	OE	TE	Average	
28	Allocation Factors					14.21%	17.22%	7.58%	39.01%	
29	Weighted Allocation Factors					36.43%	44.14%	19.43%	100.00%	
<b>GENERAL PLANT</b>										
30	389	Fee Land & Easements	\$230,947	\$0	\$230,947	0.00%	0.00%	0.00%	0.00%	\$0
31	390	Structures, Improvements *	\$57,468,547	\$13,082,770	\$44,385,777	2.20%	2.50%	2.20%	2.33%	\$1,340,412
32	390.3	Struct Imprv, Leasehold Imp **	\$14,102,089	\$3,792,684	\$10,309,405	22.34%	20.78%	0.00%	21.49%	\$3,029,876
33	391.1	Office Furn., Mech. Equip.	\$17,323,296	\$9,990,833	\$7,332,463	7.60%	3.80%	3.80%	5.18%	\$898,076
34	391.2	Data Processing Equipment	\$124,797,618	\$32,109,435	\$92,688,182	10.56%	17.00%	9.50%	13.20%	\$16,469,306
35	392	Transportation Equipment	\$27,659	\$21,222	\$6,437	6.07%	7.31%	6.92%	6.78%	\$1,876
36	393	Stores Equipment	\$16,849	\$4,646	\$12,203	6.67%	2.56%	3.13%	4.17%	\$702
37	394	Tools, Shop, Garage Equip.	\$228,543	\$13,291	\$215,252	4.62%	3.17%	3.33%	3.73%	\$8,523
38	395	Laboratory Equipment	\$118,793	\$23,154	\$95,639	2.31%	3.80%	2.86%	3.07%	\$3,652
39	396	Power Operated Equipment	\$41,706	\$20,721	\$20,985	4.47%	3.48%	5.28%	4.19%	\$1,748
40	397	Communication Equipment ***	\$81,020,249	\$14,547,810	\$66,472,439	7.50%	5.00%	5.88%	6.08%	\$4,927,373
41	398	Misc. Equipment	\$3,231,691	\$452,549	\$2,779,141	6.67%	4.00%	3.33%	4.84%	\$156,491
42	399.1	ARC General Plant	\$40,721	\$21,896	\$18,826	0.00%	0.00%	0.00%	0.00%	\$0
43			\$298,648,708	\$74,081,012	\$224,567,696					\$26,838,036
<b>INTANGIBLE PLANT</b>										
44	303	FECO 101/6 303 Intangibles	\$23,375,694	\$2,562,948	\$20,812,746	14.29%	14.29%	14.29%	14.29%	\$3,340,387
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	\$5,455,638	\$4,874,543	\$581,094	14.29%	14.29%	14.29%	14.29%	\$581,094
50	303	FECO 101/6-303 2007 Software	\$7,245,250	\$6,525,589	\$719,661	14.29%	14.29%	14.29%	14.29%	\$719,661
51	303	FECO 101/6-303 2008 Software	\$7,404,178	\$5,824,457	\$1,579,721	14.29%	14.29%	14.29%	14.29%	\$1,058,057
52	303	FECO 101/6-303 2009 Software	\$15,968,197	\$7,327,968	\$8,640,229	14.29%	14.29%	14.29%	14.29%	\$2,281,855
	303	FECO 101/6-303 2010 Software	\$20,146,268	\$7,094,206	\$13,052,062	14.29%	14.29%	14.29%	14.29%	\$2,878,902
53	303	FECO 101/6-303 2011 Software	\$51,677,655	\$8,664,790	\$43,012,865	14.29%	14.29%	14.29%	14.29%	\$7,384,737
54			\$169,485,411	\$81,087,032	\$88,398,378					\$18,244,693
55	<b>TOTAL - GENERAL &amp; INTANGIBLE</b>		\$468,134,119	\$155,168,044	\$312,966,075				<b>9.63%</b>	<b>\$45,082,728</b>

#### NOTES

(C) - (E) Estimated 9/30/12 balances. Source: 2012 Forecast Version 6.

Note: Accounts 391.1 - 398 are aggregated together in the 2012 budget and were allocated based on June 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 9/30/12. 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 \*

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

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

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

#### NOTES

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

## Property Tax Rate for Service Company Plant

### III. Estimated Average Real Property Tax Rates on General Plant as of September 30, 2012 \*

(A)		(B)	(C)	(D)	(E)	(F)
No.	Category	CEI	OE	TE	Average **	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
<b>Real Property Tax</b>						
26	True Value Percentage	71.87%	47.93%	50.02%	57.06%	Schedule C3.10a2
27	Assessment Percentage	35.00%	35.00%	35.00%	35.00%	Schedule C3.10a2
28	Real Property Tax Rate	7.59%	6.78%	7.78%	7.27%	Schedule C3.10a2
29	Average Rate	1.91%	1.14%	1.36%	1.45%	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 September 30, 2012

(A)		(B)	(C)	(D)	(E)	(F)
No.	Account	Account Description	Tax Category	Avg. Tax Rate	Gross Plant	Property Tax
30	389	Fee Land & Easements	Real	1.45%	\$230,947	\$3,353
31	390	Structures, Improvements	Real	1.45%	\$57,468,547	\$834,290
32	390.3	Struct Imprv, Leasehold Imp	Real	1.45%	\$14,102,089	\$204,725
33	391.1	Office Furn., Mech. Equip.	Personal		\$17,323,296	\$0
34	391.2	Data Processing Equipment	Personal		\$124,797,618	\$0
35	392	Transportation Equipment	Personal		\$27,659	\$0
36	393	Stores Equipment	Personal		\$16,849	\$0
37	394	Tools, Shop, Garage Equip.	Personal		\$228,543	\$0
38	395	Laboratory Equipment	Personal		\$118,793	\$0
39	396	Power Operated Equipment	Personal		\$41,706	\$0
40	397	Communication Equipment	Personal		\$81,020,249	\$0
41	398	Misc. Equipment	Personal		\$3,231,691	\$0
42	399.1	ARC General Plant	Personal		\$40,721	\$0
43	<b>TOTAL - GENERAL PLANT</b>				\$298,648,708	\$1,042,367
44	<b>TOTAL - INTANGIBLE PLANT</b>				\$169,485,411	\$0
45	<b>TOTAL - GENERAL &amp; INTANGIBLE PLANT</b>				\$468,134,119	\$1,042,367
46	<b>Average Effective Real Property Tax Rate</b>					<b>0.22%</b>

#### NOTES

- (C) Source: Schedule C3.10. Classification of General Plant account as Real or Personal Property
- (D) Weighted average property tax rate across CEI, OE, and TE. See Section I above.  
Note: Effective with an Ohio tax law change in 2005, non-utilities do not pay Personal Property Tax.
- (E) Estimated Service Company General gross plant balances as of 9/30/12. Source: 2012 Forecast Version 6.
- (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 9/30/12 Balances**

<b>I. Estimated Allocated Service Company Plant and Related Expenses as of September 30, 2012</b>							
Line	Category	Service Co.	CEI	OE	TE	TOTAL	Source / Notes
1	Allocation Factor		14.21%	17.22%	7.58%	39.01%	Case No. 07-551-EL-AIR
	<u>Total Plant</u>						
2	Gross Plant	\$468,134,119	\$66,521,858	\$80,612,695	\$35,484,566	\$182,619,120	Service Co. Depreciation Rate, Line 55 x Line 1
3	Accum. Reserve	(\$155,168,044)	(\$22,049,379)	(\$26,719,937)	(\$11,761,738)	(\$60,531,054)	Service Co. Depreciation Rate, Line 55 x Line 1
4	Net Plant	\$312,966,075	\$44,472,479	\$53,892,758	\$23,722,828	\$122,088,066	Line 2 + Line 3
5	Depreciation *	9.63%	\$6,406,256	\$7,763,246	\$3,417,271	\$17,586,772	Average Rate x Line 2
6	Property Tax *	0.22%	\$148,120	\$179,496	\$79,011	\$406,627	Average Rate x Line 2
7	Total Expenses		\$6,554,376	\$7,942,741	\$3,496,282	\$17,993,400	
* Effective Depreciation and Property Tax rates based on weighted averages across companies over General and Intangible plant, as of 9/30/12. See line 55 on workpaper "Service Co. Depreciation Rate" and line 46 on workpaper "Service Co. Property Tax Rate" for more details.							

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

<b>III. Estimated Incremental Expenses Associated with Allocated Service Company Plant *</b>							
Line	Rate Base	Service Co.	CEI	OE	TE	TOTAL	Source / Notes
15	Depreciation	-1.05%	\$1,633,432	\$1,979,430	\$871,317	\$4,484,179	Line 5 - Line 12
16	Property Tax	0.09%	\$87,130	\$105,586	\$46,477	\$239,193	Line 6 - Line 13
17	Total Expenses		\$1,720,562	\$2,085,016	\$917,794	\$4,723,372	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 September 30, 2012. The incremental expenses calculated on Line 17 above are added to the Rider DCR revenue requirements.							

**Intangible Depreciation Expense Calculation**  
**Estimated 9/30/2012 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 Sep-12 (D)	Reserve Sep-12 (E)	Net Plant Sep-12 (F)	Accrual Rates (G)		Depreciation Expense (H)
			Source: 2012 Forecast Version 6			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	1,618,421.81	190,356.07	14.29%	\$190,356.07
CECO	The Illuminating Co.	CECO 101/6-303 2007 Software	Intangible Plant	5,870,455.85	4,346,144.29	1,524,311.56	14.29%	\$838,888.14
CECO	The Illuminating Co.	CECO 101/6-303 2008 Software	Intangible Plant	2,852,517.24	1,772,021.73	1,080,495.51	14.29%	\$407,624.71
CECO	The Illuminating Co.	CECO 101/6-303 2009 Software	Intangible Plant	3,238,317.74	1,291,658.41	1,946,659.33	14.29%	\$462,755.61
CECO	The Illuminating Co.	CECO 101/6-303 2010 Software	Intangible Plant	2,716,031.14	931,998.35	1,784,032.79	14.29%	\$388,120.85
CECO	The Illuminating Co.	CECO 101/6-303 2011 Software	Intangible Plant	7,662,997.14	1,024,926.26	6,638,070.88	14.29%	\$1,095,042.29
CECO	The Illuminating Co.	CECO 101/6-303 FAS109 Dist- Forecast	Intangible Plant	2,001,380.25	1,966,377.92	35,002.33	3.18%	\$35,002.33
CECO	The Illuminating Co.	CECO 101/6-303 FAS109 Transm-FCT	Intangible Plant	1,176,339.38	976,590.53	199,748.85	2.15%	\$25,291.30
CECO	The Illuminating Co.	CECO 101/6-303 Software	Intangible Plant	1,646,353.17	290,252.53	1,356,100.64	14.29%	\$235,263.87
CECO	The Illuminating Co.	CECO 101/6-303 Software Evolution	Intangible Plant	12,454,403.18	12,454,403.18	0.00	14.29%	\$0.00
<b>Total</b>			<b>50,517,629.99</b>	<b>35,762,852.03</b>	<b>14,754,777.96</b>			<b>\$3,678,345.17</b>
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	2,756,656.85	(2,533.14)	14.29%	\$0.00
OECO	Ohio Edison Co.	OECO 101/6-303 2007 Software	Intangible Plant	7,208,211.44	6,698,295.75	509,915.69	14.29%	\$509,915.69
OECO	Ohio Edison Co.	OECO 101/6-303 2008 Software	Intangible Plant	3,495,653.48	3,163,447.93	332,205.55	14.29%	\$332,205.55
OECO	Ohio Edison Co.	OECO 101/6-303 2009 Software	Intangible Plant	4,771,510.65	2,058,518.14	2,712,992.51	14.29%	\$681,848.87
OECO	Ohio Edison Co.	OECO 101/6-303 2010 Software	Intangible Plant	3,645,397.53	1,272,485.73	2,372,911.80	14.29%	\$520,927.31
OECO	Ohio Edison Co.	OECO 101/6-303 2011 Software	Intangible Plant	7,632,058.23	1,020,979.21	6,611,079.02	14.29%	\$1,090,621.12
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	161,865.43	29,447.94	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	3,132,955.45	340,310.65	2,792,644.80	14.29%	\$447,699.33
<b>Total</b>			<b>63,797,913.27</b>	<b>46,978,413.64</b>	<b>16,819,499.63</b>			<b>\$3,590,621.70</b>
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	745,667.49	89,061.52	14.29%	\$89,061.52
TECO	Toledo Edison Co.	TECO 101/6-303 2007 Software	Intangible Plant	3,095,001.76	2,285,076.12	809,925.64	14.29%	\$442,275.75
TECO	Toledo Edison Co.	TECO 101/6-303 2008 Software	Intangible Plant	1,445,575.18	961,363.32	484,211.86	14.29%	\$206,572.69
TECO	Toledo Edison Co.	TECO 101/6-303 2009 Software	Intangible Plant	2,063,024.71	849,077.16	1,213,947.55	14.29%	\$294,806.23
TECO	Toledo Edison Co.	TECO 101/6-303 2010 Software	Intangible Plant	1,589,514.04	552,178.52	1,037,335.52	14.29%	\$227,141.56
TECO	Toledo Edison Co.	TECO 101/6-303 2011 Software	Intangible Plant	3,191,925.46	424,144.03	2,767,781.43	14.29%	\$456,126.15
TECO	Toledo Edison Co.	TECO 101/6-303 FAS109 Distribution	Intangible Plant	240,093.46	218,858.09	21,235.37	3.10%	\$7,442.90
TECO	Toledo Edison Co.	TECO 101/6-303 FAS109 Transmission	Intangible Plant	54,210.29	45,384.95	8,825.34	2.37%	\$1,284.78
TECO	Toledo Edison Co.	TECO 101/6-303 Software	Intangible Plant	593,103.45	94,116.54	498,986.91	14.29%	\$84,754.48
<b>Total</b>			<b>23,784,503.32</b>	<b>16,853,192.18</b>	<b>6,931,311.14</b>			<b>\$1,809,466.06</b>

**Rider Charge Calculation - Rider DCR**

I. Annual Revenue Requirement For Q4 2012 Rider DCR Rates

	(A)	(B)
	Company	Rev Req 9/30/2012
(1)	CEI	\$62,958,493
(2)	OE	\$60,838,054
(3)	TE	\$13,750,686
(4)	TOTAL	\$137,547,234

**NOTES**

(B) Annual Revenue Requirement Based on Estimated 9/30/2012 Rate Base

II. Quarterly Revenue Requirement Additions

	(A)	(B)	(C)	(D)
	Description	CEI	OE	TE
(1)	DCR Audit Expense Recovery Q3 2012	\$0	\$0	\$0
(2)	Reconciliation Amount Adjusted for Q4	\$59,032	\$877,029	(\$125,146)
(3)	Total Quarterly Reconciliation	\$59,032	\$877,029	(\$125,146)

**SOURCES**

- Line 1: Source: DCR deferral balance as of June 30, 2012  
 Line 2: Q3 2012 under-collection or over-collection. Calculation: difference between rates based on estimated and actual 6/30/12 rate base balances, applied to forecasted Q3 2012 billing determinants.  
 Line 3: Calculation: Line 1 + Line 2

**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	5,293,254,518	31.62%	\$19,908,849	\$18,667
(2)		GS, GP, GSU	11,445,801,308	68.38%	\$43,049,645	\$40,365
(3)			16,739,055,826	100.00%	\$62,958,493	\$59,032
(4)	OE	RS	8,978,772,352	45.82%	\$27,877,371	\$401,875
(5)		GS, GP, GSU	10,616,011,132	54.18%	\$32,960,684	\$475,155
(6)			19,594,783,484	100.00%	\$60,838,054	\$877,029
(7)	TE	RS	2,491,486,253	42.44%	\$5,836,238	(\$53,116)
(8)		GS, GP, GSU	3,378,672,796	57.56%	\$7,914,448	(\$72,030)
(9)			5,870,159,049	100.00%	\$13,750,686	(\$125,146)
(10)	OH	RS	16,763,513,123	39.72%	\$53,622,457	\$367,426
(11)	TOTAL	GS, GP, GSU	25,440,485,236	60.28%	\$83,924,777	\$443,490
(12)			42,203,998,359	100.00%	\$137,547,234	\$810,916

**NOTES**

- (C) Source: Forecast for October 2012 through September 2013 (All forecasted numbers associated with 2012 Forecast Version 6)  
(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 3 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%	\$38,752,601	\$36,336
(3)		GP	0.63%	1.19%	1.33%	\$574,259	\$538
(4)		GSU	4.06%	7.74%	8.65%	\$3,722,784	\$3,491
(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%	\$43,049,645	\$40,365
(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%	\$26,946,336	\$388,453
(13)		GP	5.20%	13.85%	15.69%	\$5,171,311	\$74,549
(14)		GSU	0.85%	2.26%	2.56%	\$843,037	\$12,153
(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%	\$32,960,684	\$475,155
(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%	\$6,864,973	(\$62,478)
(23)		GP	4.80%	11.42%	12.97%	\$1,026,750	(\$9,345)
(24)		GSU	0.11%	0.25%	0.29%	\$22,725	(\$207)
(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%	\$7,914,448	(\$72,030)
(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	\$19,908,849	5,293,254,518	\$0.003761
(2)	OE	RS	\$27,877,371	8,978,772,352	\$0.003105
(3)	TE	RS	\$5,836,238	2,491,486,253	\$0.002342
(4)			\$53,622,457	16,763,513,123	

**NOTES**

(C) Source: Section III, Column E.

(D) Source: Forecast for October 2012 through September 2013 (All forecasted numbers associated with 2012 Forecast Version 6)

(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	\$38,752,601	23,756,821	\$1.6312 per kW
(2)		GP	\$574,259	780,555	\$0.7357 per kW
(3)		GSU	\$3,722,784	7,789,956	\$0.4779 per kW
(4)			\$43,049,645		
(5)	OE	GS	\$26,946,336	24,668,942	\$1.0923 per kW
(6)		GP	\$5,171,311	6,962,439	\$0.7427 per kW
(7)		GSU	\$843,037	2,758,686	\$0.3056 per kVa
(8)			\$32,960,684		
(9)	TE	GS	\$6,864,973	8,022,138	\$0.8558 per kW
(10)		GP	\$1,026,750	2,936,597	\$0.3496 per kW
(11)		GSU	\$22,725	233,176	\$0.0975 per kVa
(12)			\$7,914,448		

**NOTES**

(C) Source: Section IV, Column F.

(D) Source: Forecast for October 2012 through September 2013 (All forecasted numbers associated with 2012 Forecast Version 6)

(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	\$18,667	1,318,003,701	<b>\$0.000014</b>
(2)	OE	RS	\$401,875	2,230,100,780	<b>\$0.000180</b>
(3)	TE	RS	(\$53,116)	597,865,435	<b>(\$0.000089)</b>
(4)			\$367,426	4,145,969,915	

**NOTES**

(C) Source: Section III, Column F.

(D) Source: Forecast for October 2012 through December 2012 (All forecasted numbers associated with 2012 Forecast Version 6)

(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	\$36,336	5,898,985	\$0.0062 per kW
(2)		GP	\$538	179,130	\$0.0030 per kW
(3)		GSU	\$3,491	1,738,215	\$0.0020 per kW
(4)			\$40,365		
(5)	OE	GS	\$388,453	6,000,745	\$0.0647 per kW
(6)		GP	\$74,549	1,645,563	\$0.0453 per kW
(7)		GSU	\$12,153	682,230	\$0.0178 per kVa
(8)			\$475,155		
(9)	TE	GS	(\$62,478)	2,053,894	(\$0.0304) per kW
(10)		GP	(\$9,345)	693,952	(\$0.0135) per kW
(11)		GSU	(\$207)	54,300	(\$0.0038) per kVa
(12)			(\$72,030)		

**NOTES**

(C) Source: Section IV, Column G.

(D) Source: Forecast for October 2012 through December 2012 (All forecasted numbers associated with 2012 Forecast Version 6)

(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 Q4 2012	
(1)	CEI	RS		\$0.003761	per kWh	\$0.000014	per kWh	\$0.003775	per kWh
(2)		GS		\$1.6312	per kW	\$0.0062	per kW	\$1.6374	per kW
(3)		GP		\$0.7357	per kW	\$0.0030	per kW	\$0.7387	per kW
(4)		GSU		\$0.4779	per kW	\$0.0020	per kW	\$0.4799	per kW
(5)									
(6)	OE	RS		\$0.003105	per kWh	\$0.000180	per kWh	\$0.003285	per kWh
(7)		GS		\$1.0923	per kW	\$0.0647	per kW	\$1.1571	per kW
(8)		GP		\$0.7427	per kW	\$0.0453	per kW	\$0.7880	per kVa
(9)		GSU		\$0.3056	per kW	\$0.0178	per kW	\$0.3234	per kVa
(10)									
(11)	TE	RS		\$0.002342	per kWh	(\$0.000089)	per kWh	\$0.002254	per kWh
(12)		GS		\$0.8558	per kW	(\$0.0304)	per kW	\$0.8253	per kW
(13)		GP		\$0.3496	per kW	(\$0.0135)	per kW	\$0.3362	per kVa
(14)		GSU		\$0.0975	per kW	(\$0.0038)	per kW	\$0.0936	per kVa
(15)									

**NOTES**

- (C) Source: Sections V and VI, Column E  
 (D) Source: Sections VII and VIII, Column E  
 (E) Calculation: Column C + Column D

**Rider DCR Revenue To-Date**

X. Rider DCR Revenue Through June 30, 2012

(A)	(B)
Company	Revenue Through 6/30/2012
CEI	\$32,243,780
OE	\$29,128,458
TE	\$7,333,277

## Energy and Demand Forecast

Source: All forecasted numbers associated with 2012 Forecast Version 6

### **Annual Energy (October 2012 - September 2013) :**

Source: 2012 Forecast Version 6

		<u>CEI</u>	<u>OE</u>	<u>TE</u>	<u>Total</u>
RS	kWh	5,293,254,518	8,978,772,352	2,491,486,253	16,763,513,123
GS	kWh	7,028,790,099	6,654,338,239	2,134,993,384	15,818,121,722
GP	kWh	430,656,636	2,887,483,346	1,128,366,990	4,446,506,972
GSU	kWh	3,986,354,573	1,074,189,548	115,312,421	5,175,856,542
Total		16,739,055,826	19,594,783,484	5,870,159,049	42,203,998,359

### **Annual Demand (October 2012 - September 2013) :**

Source: 2012 Forecast Version 6

		<u>CEI</u>	<u>OE</u>	<u>TE</u>
GS	kW	23,756,821	24,668,942	8,022,138
GP	kW	780,555	6,962,439	2,936,597
GSU	kW/kVA	7,789,956	2,758,686	233,176

### **Q4 2012 Energy (Oct 2012 - Dec 2012) :**

Source: 2012 Forecast Version 6

		<u>CEI</u>	<u>OE</u>	<u>TE</u>	<u>Total</u>
RS	kWh	1,318,003,701	2,230,100,780	597,865,435	4,145,969,915
GS	kWh	1,736,430,675	1,608,766,642	537,887,626	3,883,084,943
GP	kWh	98,842,036	673,487,601	262,414,306	1,034,743,943
GSU	kWh	914,170,382	258,190,588	26,919,153	1,199,280,123
Total		4,067,446,794	4,770,545,611	1,425,086,520	10,263,078,925

### **Q4 2012 Demand (Oct 2012 - Dec 2012) :**

Source: 2012 Forecast Version 6

		<u>CEI</u>	<u>OE</u>	<u>TE</u>
GS	kW	5,898,985	6,000,745	2,053,894
GP	kW	179,130	1,645,563	693,952
GSU	kW/kVA	1,738,215	682,230	54,300

Ohio Edison Company  
Case No. 12-522-EL-RDR  
Typical Bills - Comparison (DCR Q3 vs. DCR Q4)

Bill Data						
Line No.	Level of Demand (kW) (A)	Level of Usage (kWH) (B)	Current Summer Bill (\$) (C)	Proposed Summer Bill (\$) (D)	Dollar Increase (D)-(C) (E)	Percent Increase (E)/(C) (F)
Residential Service - Standard (Rate RS)						
1	0	250	\$ 36.72	\$ 36.89	\$ 0.17	0.4%
2	0	500	\$ 69.39	\$ 69.72	\$ 0.33	0.5%
3	0	750	\$ 102.00	\$ 102.50	\$ 0.50	0.5%
4	0	1,000	\$ 134.65	\$ 135.31	\$ 0.66	0.5%
5	0	1,250	\$ 167.28	\$ 168.11	\$ 0.83	0.5%
6	0	1,500	\$ 199.94	\$ 200.93	\$ 0.99	0.5%
7	0	2,000	\$ 265.19	\$ 266.51	\$ 1.32	0.5%
8	0	2,500	\$ 330.25	\$ 331.90	\$ 1.65	0.5%
9	0	3,000	\$ 395.28	\$ 397.26	\$ 1.98	0.5%
10	0	3,500	\$ 460.32	\$ 462.63	\$ 2.31	0.5%
11	0	4,000	\$ 525.36	\$ 528.00	\$ 2.64	0.5%
12	0	4,500	\$ 590.39	\$ 593.36	\$ 2.97	0.5%
13	0	5,000	\$ 655.47	\$ 658.77	\$ 3.30	0.5%
14	0	5,500	\$ 720.47	\$ 724.10	\$ 3.63	0.5%
15	0	6,000	\$ 785.48	\$ 789.44	\$ 3.96	0.5%
16	0	6,500	\$ 850.54	\$ 854.83	\$ 4.29	0.5%
17	0	7,000	\$ 915.58	\$ 920.20	\$ 4.62	0.5%
18	0	7,500	\$ 980.62	\$ 985.57	\$ 4.95	0.5%
19	0	8,000	\$ 1,045.64	\$ 1,050.92	\$ 5.28	0.5%
20	0	8,500	\$ 1,110.70	\$ 1,116.31	\$ 5.61	0.5%
21	0	9,000	\$ 1,175.74	\$ 1,181.68	\$ 5.94	0.5%
22	0	9,500	\$ 1,240.79	\$ 1,247.06	\$ 6.27	0.5%
23	0	10,000	\$ 1,305.80	\$ 1,312.40	\$ 6.60	0.5%
24	0	10,500	\$ 1,370.85	\$ 1,377.78	\$ 6.93	0.5%
25	0	11,000	\$ 1,435.88	\$ 1,443.14	\$ 7.26	0.5%

Ohio Edison Company  
Case No. 12-522-EL-RDR  
Typical Bills - Comparison (DCR Q3 vs. DCR Q4)

Bill Data						
Line No.	Level of Demand (kW) (A)	Level of Usage (kWH) (B)	Current Summer Bill (\$) (C)	Proposed Summer Bill (\$) (D)	Dollar Increase (D)-(C) (E)	Percent Increase (E)/(C) (F)
Residential Service - All-Electric (Rate RS)						
1	0	250	\$ 36.72	\$ 36.89	\$ 0.17	0.4%
2	0	500	\$ 69.39	\$ 69.72	\$ 0.33	0.5%
3	0	750	\$ 102.00	\$ 102.50	\$ 0.50	0.5%
4	0	1,000	\$ 134.65	\$ 135.31	\$ 0.66	0.5%
5	0	1,250	\$ 167.28	\$ 168.11	\$ 0.83	0.5%
6	0	1,500	\$ 199.94	\$ 200.93	\$ 0.99	0.5%
7	0	2,000	\$ 265.19	\$ 266.51	\$ 1.32	0.5%
8	0	2,500	\$ 330.25	\$ 331.90	\$ 1.65	0.5%
9	0	3,000	\$ 395.28	\$ 397.26	\$ 1.98	0.5%
10	0	3,500	\$ 460.32	\$ 462.63	\$ 2.31	0.5%
11	0	4,000	\$ 525.36	\$ 528.00	\$ 2.64	0.5%
12	0	4,500	\$ 590.39	\$ 593.36	\$ 2.97	0.5%
13	0	5,000	\$ 655.47	\$ 658.77	\$ 3.30	0.5%
14	0	5,500	\$ 720.47	\$ 724.10	\$ 3.63	0.5%
15	0	6,000	\$ 785.48	\$ 789.44	\$ 3.96	0.5%
16	0	6,500	\$ 850.54	\$ 854.83	\$ 4.29	0.5%
17	0	7,000	\$ 915.58	\$ 920.20	\$ 4.62	0.5%
18	0	7,500	\$ 980.62	\$ 985.57	\$ 4.95	0.5%
19	0	8,000	\$ 1,045.64	\$ 1,050.92	\$ 5.28	0.5%
20	0	8,500	\$ 1,110.70	\$ 1,116.31	\$ 5.61	0.5%
21	0	9,000	\$ 1,175.74	\$ 1,181.68	\$ 5.94	0.5%
22	0	9,500	\$ 1,240.79	\$ 1,247.06	\$ 6.27	0.5%
23	0	10,000	\$ 1,305.80	\$ 1,312.40	\$ 6.60	0.5%
24	0	10,500	\$ 1,370.85	\$ 1,377.78	\$ 6.93	0.5%
25	0	11,000	\$ 1,435.88	\$ 1,443.14	\$ 7.26	0.5%

Ohio Edison Company  
Case No. 12-522-EL-RDR  
Typical Bills - Comparison (DCR Q3 vs. DCR Q4)

Bill Data						
Line No.	Level of Demand (kW) (A)	Level of Usage (kWH) (B)	Current Summer Bill (\$) (C)	Proposed Summer Bill (\$) (D)	Dollar Increase (D)-(C) (E)	Percent Increase (E)/(C) (F)
Residential Service - Water Heating (Rate RS)						
1	0	250	\$ 36.72	\$ 36.89	\$ 0.17	0.4%
2	0	500	\$ 69.39	\$ 69.72	\$ 0.33	0.5%
3	0	750	\$ 102.00	\$ 102.50	\$ 0.50	0.5%
4	0	1,000	\$ 134.65	\$ 135.31	\$ 0.66	0.5%
5	0	1,250	\$ 167.28	\$ 168.11	\$ 0.83	0.5%
6	0	1,500	\$ 199.94	\$ 200.93	\$ 0.99	0.5%
7	0	2,000	\$ 265.19	\$ 266.51	\$ 1.32	0.5%
8	0	2,500	\$ 330.25	\$ 331.90	\$ 1.65	0.5%
9	0	3,000	\$ 395.28	\$ 397.26	\$ 1.98	0.5%
10	0	3,500	\$ 460.32	\$ 462.63	\$ 2.31	0.5%
11	0	4,000	\$ 525.36	\$ 528.00	\$ 2.64	0.5%
12	0	4,500	\$ 590.39	\$ 593.36	\$ 2.97	0.5%
13	0	5,000	\$ 655.47	\$ 658.77	\$ 3.30	0.5%
14	0	5,500	\$ 720.47	\$ 724.10	\$ 3.63	0.5%
15	0	6,000	\$ 785.48	\$ 789.44	\$ 3.96	0.5%
16	0	6,500	\$ 850.54	\$ 854.83	\$ 4.29	0.5%
17	0	7,000	\$ 915.58	\$ 920.20	\$ 4.62	0.5%
18	0	7,500	\$ 980.62	\$ 985.57	\$ 4.95	0.5%
19	0	8,000	\$ 1,045.64	\$ 1,050.92	\$ 5.28	0.5%
20	0	8,500	\$ 1,110.70	\$ 1,116.31	\$ 5.61	0.5%
21	0	9,000	\$ 1,175.74	\$ 1,181.68	\$ 5.94	0.5%
22	0	9,500	\$ 1,240.79	\$ 1,247.06	\$ 6.27	0.5%
23	0	10,000	\$ 1,305.80	\$ 1,312.40	\$ 6.60	0.5%
24	0	10,500	\$ 1,370.85	\$ 1,377.78	\$ 6.93	0.5%
25	0	11,000	\$ 1,435.88	\$ 1,443.14	\$ 7.26	0.5%

Ohio Edison Company  
Case No. 12-522-EL-RDR  
Typical Bills - Comparison (DCR Q3 vs. DCR Q4)

Bill Data						
Line No.	Level of Demand (kW) (A)	Level of Usage (kWH) (B)	Current Summer Bill (\$) (C)	Proposed Summer Bill (\$) (D)	Dollar Increase (D)-(C) (E)	Percent Increase (E)/(C) (F)
General Service Secondary (Rate GS)						
1	10	1,000	\$ 154.48	\$ 156.86	\$ 2.38	1.5%
2	10	2,000	\$ 238.68	\$ 241.06	\$ 2.38	1.0%
3	10	3,000	\$ 322.46	\$ 324.84	\$ 2.38	0.7%
4	10	4,000	\$ 406.23	\$ 408.61	\$ 2.38	0.6%
5	10	5,000	\$ 490.00	\$ 492.38	\$ 2.38	0.5%
6	10	6,000	\$ 573.69	\$ 576.07	\$ 2.38	0.4%
7	1,000	100,000	\$ 16,045.20	\$ 16,283.55	\$ 238.35	1.5%
8	1,000	200,000	\$ 24,364.54	\$ 24,602.89	\$ 238.35	1.0%
9	1,000	300,000	\$ 32,683.87	\$ 32,922.22	\$ 238.35	0.7%
10	1,000	400,000	\$ 41,003.21	\$ 41,241.56	\$ 238.35	0.6%
11	1,000	500,000	\$ 49,322.55	\$ 49,560.90	\$ 238.35	0.5%
12	1,000	600,000	\$ 57,641.88	\$ 57,880.23	\$ 238.35	0.4%



Ohio Edison Company  
Case No. 12-522-EL-RDR  
Typical Bills - Comparison (DCR Q3 vs. DCR Q4)

Bill Data						
Line No.	Level of Demand (kW) (A)	Level of Usage (kWH) (B)	Current Summer Bill (\$) (C)	Proposed Summer Bill (\$) (D)	Dollar Increase (D)-(C) (E)	Percent Increase (E)/(C) (F)
General Service Primary (Rate GP)						
1	500	50,000	\$ 6,461.01	\$ 6,539.83	\$ 78.82	1.2%
2	500	100,000	\$ 10,530.57	\$ 10,609.39	\$ 78.82	0.7%
3	500	150,000	\$ 14,600.14	\$ 14,678.96	\$ 78.82	0.5%
4	500	200,000	\$ 18,669.71	\$ 18,748.53	\$ 78.82	0.4%
5	500	250,000	\$ 22,739.28	\$ 22,818.10	\$ 78.82	0.3%
6	500	300,000	\$ 26,808.84	\$ 26,887.66	\$ 78.82	0.3%
7	5,000	500,000	\$ 63,104.02	\$ 63,892.26	\$ 788.24	1.2%
8	5,000	1,000,000	\$ 103,276.36	\$ 104,064.60	\$ 788.24	0.8%
9	5,000	1,500,000	\$ 142,405.14	\$ 143,193.38	\$ 788.24	0.6%
10	5,000	2,000,000	\$ 181,533.92	\$ 182,322.16	\$ 788.24	0.4%
11	5,000	2,500,000	\$ 220,662.70	\$ 221,450.94	\$ 788.24	0.4%
12	5,000	3,000,000	\$ 259,791.48	\$ 260,579.72	\$ 788.24	0.3%

Ohio Edison Company  
Case No. 12-522-EL-RDR  
Typical Bills - Comparison (DCR Q3 vs. DCR Q4)

Bill Data						
Line No.	Level of Demand (kVa) (A)	Level of Usage (kWH) (B)	Current Summer Bill (\$) (C)	Proposed Summer Bill (\$) (D)	Dollar Increase (D)-(C) (E)	Percent Increase (E)/(C) (F)
General Service Subtransmission (Rate GSU)						
1	1,000	100,000	\$ 10,056.91	\$ 10,121.32	\$ 64.41	0.6%
2	1,000	200,000	\$ 17,545.35	\$ 17,609.76	\$ 64.41	0.4%
3	1,000	300,000	\$ 25,033.78	\$ 25,098.19	\$ 64.41	0.3%
4	1,000	400,000	\$ 32,522.22	\$ 32,586.63	\$ 64.41	0.2%
5	1,000	500,000	\$ 40,010.66	\$ 40,075.07	\$ 64.41	0.2%
6	1,000	600,000	\$ 47,499.09	\$ 47,563.50	\$ 64.41	0.1%
7	10,000	1,000,000	\$ 98,087.60	\$ 98,731.67	\$ 644.07	0.7%
8	10,000	2,000,000	\$ 169,838.16	\$ 170,482.23	\$ 644.07	0.4%
9	10,000	3,000,000	\$ 241,588.72	\$ 242,232.79	\$ 644.07	0.3%
10	10,000	4,000,000	\$ 313,339.28	\$ 313,983.35	\$ 644.07	0.2%
11	10,000	5,000,000	\$ 385,089.85	\$ 385,733.92	\$ 644.07	0.2%
12	10,000	6,000,000	\$ 456,840.41	\$ 457,484.48	\$ 644.07	0.1%

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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. 12-522-EL-RDR,  
before

The Public Utilities Commission of Ohio

Issued by: Charles E. Jones Jr., President

Effective: October 1, 2012

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Filed pursuant to Order dated August 25, 2010, in Case No. 10-388-EL-SSO and Case No. 12-522-EL-RDR, before

The Public Utilities Commission of Ohio

Issued by: Charles E. Jones Jr., President

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

**RATE:**

RS (all kWhs, per kWh)	0.3285¢
GS (per kW of Billing Demand)	\$1.1571
GP (per kW of Billing Demand)	\$0.7880
GSU (per kVa of Billing Demand)	\$0.3234

**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**

**7/31/2012 4:15:57 PM**

**in**

**Case No(s). 12-0522-EL-RDR, 89-6006-EL-TRF**

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