

PUCO EXHIBIT FILING

Date of Hearing: 12/3/2012

Case No. 12-1719-EL-USF

PUCO Case Caption: In the Matter of the Application of the Ohio Development Services Agency for an Order Approving Adjustments to the Universal Service Fund Riders of Jurisdictional Ohio Electric Distribution Utilities

List of exhibits being filed:

ODSA Ex. 1A - Corrected USF Rider Revenue Surplus/Deficiency Table

ODSA Ex. 3A - Errata to Testimony of OSDA Witness Susan M. Moser

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Reporter's Signature: Carolyn M. Burke
Date Submitted: 12/13/2012

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Ohio Development Services Agency
Case No. 12-1719-EL-USF

Corrected USF Rider Revenue Surplus/Deficiency Table
(ODSA Application, Page 5)

Company	Test-Period USF Rider Revenue	Required Annual USF Rider Revenue	USF Rider Revenue Surplus/Deficiency
CEI	\$ 52,172,929	\$ 25,977,825	\$ 26,195,104
CSP	\$ 46,839,298	\$ 75,834,919	(\$ 28,995,621)
DPL	\$ 58,625,969	\$ 56,157,101	\$ 2,468,868
DUKE	\$ 21,308,925	\$ 14,334,900	\$6,974.025
OE	\$ 83,509,705	\$ 55,913,908	\$27,595.797
OP	\$ 41,016,985	\$ 94,072,808	(\$ 53,055,823)
TE	\$ 33,713,362	\$ 14,427,460	\$19,285.902
TOTALS	\$ 337,187,173	\$ 336,718,920	\$ 468,253

Ohio Development Services Agency
Case No. 12-1719-EL-USF

Corrected USF Rider Rate Table
(ODSA Application, Page 11)

Company	Current USF Rider		Proposed USF Rider	
	First 833,000 Kwh	Above 833,000 Kwh	First 833,000 Kwh	Above 833,000 Kwh
CEI	\$0.0033760	\$0.0005680	\$0.0016007	\$ 0.0005680
CSP	\$0.0028680	\$ 0.0001830	\$0.0046813	\$ 0.0001830
DPL	\$0.0050775	\$ 0.0005700	\$0.0048579	\$ 0.0005700
DUKE	\$0.0012231	\$ 0.0004690	\$0.0007860	\$ 0.0004690
OE	\$0.0041799	\$ 0.0010461	\$0.0026872	\$ 0.0010461
OP	\$0.0024169	\$ 0.0001681	\$0.0056727	\$ 0.0001681
TE	\$0.0060155	\$ 0.0005610	\$0.0022377	\$ 0.0005610

Errata To
Testimony of ODSA Witness Susan M. Moser

(Pages 3-4, Redline)

11 Q. Why is it necessary for ODSA to seek adjustments to the USF riders at this time?

12 A. The stipulation that resolved Case No. 11-3223-EL-USF required ODOD to file, not later than October 31, 2012, an application for approval of such adjustments to the riders as are necessary to assure, to the extent possible, that each EDU's rider will generate its associated revenue requirement – but not more than its associated revenue requirement – during 2013 collection period. (For reasons explained in the Notice of Revised Filing Date filed in this docket on October 31, 2012, the application in this case was filed November 7, 2012.) As indicated in the application, ODSA has determined that, on an aggregated basis, the total pro forma annual revenue that the current USF riders would generate ~~will be insufficient~~ would be sufficient to provide adequate funding for the low-income customer assistance and consumer education programs and to cover their associated administrative costs during the 2013 collection period. ~~However, Although~~ although ODSA's analysis indicates that the current USF riders of The Cleveland Electric Illuminating Company ("CEI") The Dayton Power and Light Company ("DPL"), Duke Energy Ohio ("Duke"), Ohio Edison Company ("OE"), and Toledo Edison Company ("TE") and would over-recover their respective indicated revenue responsibility during the collection year, ODSA has determined that the pro forma revenues that would be generated by the current USF riders of Columbus Southern Power Company ("CSP") and

Ohio Power Company (“OP”) would fall short of their respective 2013 USF rider revenue targets. ODSA’s analysis indicates that the current USF riders of The Cleveland Electric Illuminating Company (“CEI”), The Dayton Power and Light Company (“DPL”), Duke Energy Ohio (“Duke”), Ohio Edison Company (“OE”), and Toledo Edison Company (“TE”) and would over-recover their respective indicated revenue responsibility during the collection year. By its application, ODSA seeks an order from the Commission directing each EDU to adjust its USF rider rate accordingly.

(Pages 3-4, Clean)

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(Page 25, Redline)

9 Q. How does the total USF rider revenue requirement proposed in this case compare to
10 total USF rider revenue requirement approved in Case No. 11-3223-EL-USF?

11 A. The aggregated revenue requirement of \$336,718,920 proposed in this proceeding is
12 below the \$343,969,466 total revenue requirement approved in last year's case. On an
13 individual EDU basis, the USF rider revenue requirements of most of the EDUs are well
14 below the revenue requirements approved in Case No. 11-3223-EL-USF. However, the
15 revenue requirements of CSP and OP have increased substantially.

(Page 25, Redline)

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**Two-Tiered Rider
Toledo Edison**

Proposal

First Block 833,000 kWh (10,000,000 per Year) (18)	\$ 0.0022377
Over 833,000 kWh [Lower of 10/99 Rate (1) or Uniform per Kwh rate	\$ 0.0005610

Calculation

1	10/99 USF Rider	\$ 0.0005610
2	USF Rider Revenue Requirement	\$ 14,427,460.34
3	Total kWh Used in Calculation	10,459,909,359
4	Uniform per Kwh rate	\$ 0.0013793
5	Accounts with Annual kWh Greater than 10,000,000 kWh	71
6	Total Kwh of Accounts Over 10,000,000 kWh Annually	6,064,885,417
7	First Block Annual kWh (833,334 Monthly)	10,000,000
8	Total kWh in First Block (5) x (6)	710,000,000
9	Revenue First Block Rate x (8)	\$ 1,588,747.19
10	Total Second Block kWh (6) - (8)	5,354,885,417
11	Lower of 10/99 Rate (1) or Uniform per Kwh rate	\$ 0.0005610
12	Second Block Revenue (11) x (10)	\$ 3,004,090.72
13	Total First and Second Block Revenue (9) + (12)	\$ 4,592,837.91
14	Revenue @ ODOD Proposed Rate (6) x (4)	\$ 8,365,358.70
15	Revenue shortfall (13) - (14)	\$ (3,772,520.80)

Adjustment to Calculation

16	Adjusted Cost (2) - (9) - (12)	\$ 9,834,622.43
17	Adjusted kWh (3) - (6)	4,395,023,942
18	Adjusted First Block Rate (16)/(17)	\$ 0.0022377
19	Change (18) - (4)	\$ 0.0008584
20	% Change	62.2%
21	<u>Annual</u> Cost to Consumer Using 792 kWh per Month (19) x 792 x 12	\$ 8.16