



Attorney General
Betty D. Montgomery

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February 17, 2000

Mr. Scott Farkas
Attorney Examiner
Public Utilities Commission of Ohio
180 E. Broad Street
12th Floor
Columbus, OH 43215

Re: Case Nos. 99-1007-EL-EFC, and 99-1008-EL-EFC.

Dear Mr. Farkas:

Attached is the correction to the Staff Request discussed at the hearing. It is the corrected Staff Recommendation and we would ask that it be admitted as Staff Exhibit 2. Copies have been faxed to the parties in the case and we are not aware of any objection to this correction or its admission.

Thank you for your consideration in this matter.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Tom McNamee".

Thomas W. McNamee
Assistant Attorney General
Public Utilities Section
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TWM/kja

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CORRECTION TO THE ANNUAL EFC REVIEW

OF THE

**TOLEDO EDISON COMPANY
CLEVELAND ELECTRIC ILLUMINATING
COMPANY**

CASE NO. 99-1007-EL-EFC

CASE NO. 99-1008-EL-EFC



SUBMITTED BY THE STAFF

OF

THE PUBLIC UTILITIES COMMISSION OF OHIO

February 16, 2000

The Staff docketed its "Annual EFC Review" on February 7, 2000. Contained in the written report was a recommendation for the Commission to adopt the new EFC Rates calculated by the Staff. However, it was found that an incorrect number of kilowatthours was used in computing the Quarto Adjustment. The Staff obtained the correct number of kilowatthours from FirstEnergy and calculated the new EFC Rate for The Cleveland Electric Illuminating Company to be 1.3394 ¢/kWh and 1.3300 ¢/kWh for The Toledo Edison Company. The development of the proposed EFC Rates is shown below:

The Cleveland Electric Illuminating Company

Quarto Adjustment $(1.3918 - 0.0689) = 1.3229$
EFC = (FC Base x [1+GDP]) + Fixed Component
EFC = $((1.3229 \times 0.85) \times [1 + 0.0147]) + 0.1984$
EFC = 1.3394 ¢/kWh

The Toledo Edison Company

Quarto Adjustment $(1.3717 - 0.0715) = 1.3002$
EFC = (FC Base x [1+GDP]) + Fixed Component
EFC = $((1.3002 \times 0.85) \times [1 + 0.0147]) + 0.1950$
EFC = 1.3164 ¢/kWh
Deferred Revenue from September 1998 = 0.0136
EFC = 1.3300 ¢/kWh

Note: The deferred revenue from September 1998 of 0.0136 ¢/kWh was approved in Finding and Order 97-107-EL-EFC.

The impact on residential customers who use an average of 750 kWh per month will see a decrease in their electric bills of approximately 39¢ for CEI and 31¢ for TE. The Staff recommends that these EFC Rates become effective with bills rendered on March 1, 2000.

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing **CORRECTION TO THE ANNUAL EFC REVIEW** submitted on behalf of the Staff of the Public Utilities Commission of Ohio, was served by regular U.S. mail, postage prepaid, or hand-delivered, upon the following parties of record, this 17th day of February, 2000.



Thomas W. McNamee
Assistant Attorney General

PARTIES OF RECORD:

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