

October 2, 2014

Ms. Barcy McNeal  
Commission Secretary  
The Public Utilities Commission of Ohio  
180 East Broad Street  
Columbus, OH 43215

SUBJECT: Case Nos. 14-1628-EL-RDR  
89-6001-EL-TRF

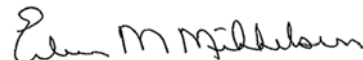
Dear Ms. McNeal:

In accordance with the Commission Orders in The Cleveland Electric Illuminating Company's Case No. 12-1230-EL-SSO and Case No. 10-388-EL-SSO Electric Security Plan proceedings, please file the attached schedules, bill impacts, and tariff pages on behalf of The Cleveland Electric Illuminating Company related to the Delivery Capital Recovery Rider (Rider DCR). The attached schedules demonstrate that the year-to-date revenue is below the permitted annual cap for 2014 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 Orders in The Cleveland Electric Illuminating Company's Case No. 12-1230-EL-SSO and Case No. 10-388-EL-SSO Electric Security Plan proceedings.

Further, as set forth in the Combined Stipulation, there have been no net job losses at the Companies and 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 Companies, 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 on current bills of the Rider DCR charges commencing on December 1, 2014.

Finally, attached is a tariff page that reflects the pricing update of Rider DCR. Please file one copy of the tariffs in each of the above mentioned Case Nos. 14-1628-EL-RDR and 89-6001-EL-TRF, and distribute two copies to the Staff. Thank you.

Sincerely,



Eileen M. Mikkelsen  
Director, Rates & Regulatory Affairs

Enclosures

The Cleveland Electric Illuminating Company  
Delivery Capital Recovery Rider (DCR)  
December 2014 - February 2015 Filing  
October 2, 2014

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**Rider DCR**  
**Rates for December 2014 - February 2015**  
**Revenue Requirement Summary**

(\$ millions)

**Calculation of Annual Revenue Requirement Based on Estimated 11/30/2014 Rate Base**

| Line No. | Description   | Source  | CEI     | OE       | TE      | TOTAL    |
|----------|---|---|---------|----------|---------|----------|
| 1        | Annual Revenue Requirement Based on Actual 8/31/2014 Rate Base          | 10/2/2014 Compliance Filing; Page 2; Column (f) Lines 36-39                             | \$ 93.8 | \$ 96.9  | \$ 26.0 | \$ 216.7 |
| 2        | Incremental Revenue Requirement Based on Estimated 11/30/2014 Rate Base | Calculation: 10/2/2014 Compliance Filing (Page 27, Column (f) Lines 36-39) minus Line 1 | \$ 3.1  | \$ 3.9   | \$ 1.7  | \$ 8.7   |
| 3        | Annual Revenue Requirement Based on Estimated 11/30/2014 Rate Base      | Calculation: SUM [ Line 1 through Line 2 ]  | \$ 97.0 | \$ 100.8 | \$ 27.7 | \$ 225.4 |

**Rider DCR**  
**Actual Distribution Rate Base Additions as of 8/31/14**  
**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>          |              |                  |                     |                |                                   |                  |
| (1)                         | CEI          | 1,927.1          | 2,746.2             | 819.1          | Sch B2.1 (Actual) Line 45         |                  |
| (2)                         | OE           | 2,074.0          | 3,049.4             | 975.4          | Sch B2.1 (Actual) Line 47         |                  |
| (3)                         | TE           | 771.5            | 1,100.8             | 329.3          | Sch B2.1 (Actual) Line 44         |                  |
| (4)                         | <b>Total</b> | <b>4,772.5</b>   | <b>6,896.4</b>      | <b>2,123.9</b> | <b>Sum: [ (1) through (3) ]</b>   |                  |
| <b>Accumulated Reserve</b>  |              |                  |                     |                |                                   |                  |
| (5)                         | CEI          | (773.0)          | (1,134.7)           | (361.6)        | -Sch B3 (Actual) Line 46          |                  |
| (6)                         | OE           | (803.0)          | (1,200.9)           | (397.8)        | -Sch B3 (Actual) Line 48          |                  |
| (7)                         | TE           | (376.8)          | (534.5)             | (157.7)        | -Sch B3 (Actual) Line 45          |                  |
| (8)                         | <b>Total</b> | <b>(1,952.8)</b> | <b>(2,870.0)</b>    | <b>(917.2)</b> | <b>Sum: [ (5) through (7) ]</b>   |                  |
| <b>Net Plant In Service</b> |              |                  |                     |                |                                   |                  |
| (9)                         | CEI          | 1,154.0          | 1,611.6             | 457.5          | (1) + (5)                         |                  |
| (10)                        | OE           | 1,271.0          | 1,848.5             | 577.5          | (2) + (6)                         |                  |
| (11)                        | TE           | 394.7            | 566.3               | 171.6          | (3) + (7)                         |                  |
| (12)                        | <b>Total</b> | <b>2,819.7</b>   | <b>4,026.4</b>      | <b>1,206.7</b> | <b>Sum: [ (9) through (11) ]</b>  |                  |
| <b>ADIT</b>                 |              |                  |                     |                |                                   |                  |
| (13)                        | CEI          | (246.4)          | (457.2)             | (210.8)        | - ADIT Balances (Actual) Line 3   |                  |
| (14)                        | OE           | (197.1)          | (468.3)             | (271.3)        | - ADIT Balances (Actual) Line 3   |                  |
| (15)                        | TE           | (10.3)           | (132.8)             | (122.5)        | - ADIT Balances (Actual) Line 3   |                  |
| (16)                        | <b>Total</b> | <b>(453.8)</b>   | <b>(1,058.3)</b>    | <b>(604.5)</b> | <b>Sum: [ (13) through (15) ]</b> |                  |
| <b>Rate Base</b>            |              |                  |                     |                |                                   |                  |
| (17)                        | CEI          | 907.7            | 1,154.4             | 246.7          | (9) + (13)                        |                  |
| (18)                        | OE           | 1,073.9          | 1,380.1             | 306.2          | (10) + (14)                       |                  |
| (19)                        | TE           | 384.4            | 433.6               | 49.2           | (11) + (15)                       |                  |
| (20)                        | <b>Total</b> | <b>2,366.0</b>   | <b>2,968.1</b>      | <b>602.2</b>   | <b>Sum: [ (17) through (19) ]</b> |                  |
| <b>Depreciation Exp</b>     |              |                  |                     |                |                                   |                  |
| (21)                        | CEI          | 60.0             | 87.4                | 27.4           | Sch B-3.2 (Actual) Line 46        |                  |
| (22)                        | OE           | 62.0             | 90.0                | 28.0           | Sch B-3.2 (Actual) Line 48        |                  |
| (23)                        | TE           | 24.5             | 35.0                | 10.5           | Sch B-3.2 (Actual) Line 45        |                  |
| (24)                        | <b>Total</b> | <b>146.5</b>     | <b>212.3</b>        | <b>65.8</b>    | <b>Sum: [ (21) through (23) ]</b> |                  |
| <b>Property Tax Exp</b>     |              |                  |                     |                |                                   |                  |
| (25)                        | CEI          | 65.0             | 103.1               | 38.1           | Sch C-3.10a (Actual) Line 4       |                  |
| (26)                        | OE           | 57.4             | 91.3                | 33.9           | Sch C-3.10a (Actual) Line 4       |                  |
| (27)                        | TE           | 20.1             | 29.9                | 9.8            | Sch C-3.10a (Actual) Line 4       |                  |
| (28)                        | <b>Total</b> | <b>142.4</b>     | <b>224.3</b>        | <b>81.9</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>                   | <b>Rev. Req.</b> |
| (29)                        | CEI          | 246.7            | 20.9                | 27.4           | 38.1                              | 86.4             |
| (30)                        | OE           | 306.2            | 26.0                | 28.0           | 33.9                              | 87.9             |
| (31)                        | TE           | 49.2             | 4.2                 | 10.5           | 9.8                               | 24.5             |
| (32)                        | <b>Total</b> | <b>602.2</b>     | <b>51.1</b>         | <b>65.8</b>    | <b>81.9</b>                       | <b>198.8</b>     |

| <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                            | 12.7                 | 36.13%          | 7.2               | 0.2              | 7.4          | 93.8                   |
| (37) OE                             | 15.8                 | 35.80%          | 8.8               | 0.3              | 9.0          | 96.9                   |
| (38) TE                             | 2.5                  | 35.68%          | 1.4               | 0.1              | 1.5          | 26.0                   |
| (39) <b>Total</b>                   | <b>31.0</b>          |                 | <b>17.4</b>       | <b>0.6</b>       | <b>17.9</b>  | <b>216.7</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

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
8/31/2014 Actual Plant in Service by Accounts and Subaccounts

Schedule B-2.1 (Actual)

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NOTE: Column A contains actual plant in service balances as of 8/31/2014, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting and incorporate recommendations from the March 2013 and April 2014 Rider DCR Audit Reports. 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 "Summary of Exclusions per Case No. 12-1230-EL-SSO: Actual 8/31/2014 Plant in Service Balances" 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               | \$ 64,784,687     | 100%             | \$ 64,784,687                   | \$ (57,224,624) | \$ 7,560,063                          |
| 2                         | 352         | Structures & Improvements        | \$ 18,582,748     | 100%             | \$ 18,582,748                   |                 | \$ 18,582,748                         |
| 3                         | 353         | Station Equipment                | \$ 159,649,124    | 100%             | \$ 159,649,124                  |                 | \$ 159,649,124                        |
| 4                         | 354         | Towers & Fixtures                | \$ 328,676        | 100%             | \$ 328,676                      |                 | \$ 328,676                            |
| 5                         | 355         | Poles & Fixtures                 | \$ 42,195,473     | 100%             | \$ 42,195,473                   |                 | \$ 42,195,473                         |
| 6                         | 356         | Overhead Conductors & Devices    | \$ 56,309,044     | 100%             | \$ 56,309,044                   |                 | \$ 56,309,044                         |
| 7                         | 357         | Underground Conduit              | \$ 31,967,934     | 100%             | \$ 31,967,934                   |                 | \$ 31,967,934                         |
| 8                         | 358         | Underground Conductors & Devices | \$ 95,479,060     | 100%             | \$ 95,479,060                   |                 | \$ 95,479,060                         |
| 9                         | 359         | Roads & Trails                   | \$ 319,646        | 100%             | \$ 319,646                      |                 | \$ 319,646                            |
| 10                        |             | Total Transmission Plant         | \$ 469,616,393    | 100%             | \$ 469,616,393                  | \$ (57,224,624) | \$ 412,391,769                        |

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
8/31/2014 Actual Plant in Service by Accounts and Subaccounts

Schedule B-2.1 (Actual)

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NOTE: Column A contains actual plant in service balances as of 8/31/2014, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting and incorporate recommendations from the March 2013 and April 2014 Rider DCR Audit Reports. 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 "Summary of Exclusions per Case No. 12-1230-EL-SSO: Actual 8/31/2014 Plant in Service Balances" worksheet.

| Line No.                  | Account No. | Account Title                                 | Total Company (A) | Allocation % (B) | Allocated Total (C) = (A) * (B) | Adjustments (D) | Adjusted Jurisdiction (E) = (C) + (D) |
|---------------------------|-------------|---|-------------------|------------------|---------------------------------|-----------------|---------------------------------------|
| <u>DISTRIBUTION PLANT</u> |             |   |                   |                  |                                 |                 |                                       |
| 11                        | 360         | Land & Land Rights                            | \$ 6,757,249      | 100%             | \$ 6,757,249                    |                 | \$ 6,757,249                          |
| 12                        | 361         | Structures & Improvements                     | \$ 23,762,750     | 100%             | \$ 23,762,750                   |                 | \$ 23,762,750                         |
| 13                        | 362         | Station Equipment                             | \$ 236,529,810    | 100%             | \$ 236,529,810                  | \$ (1,048,549)  | \$ 235,481,260                        |
| 14                        | 364         | Poles, Towers & Fixtures                      | \$ 328,638,374    | 100%             | \$ 328,638,374                  | \$ (207,471)    | \$ 328,430,903                        |
| 15                        | 365         | Overhead Conductors & Devices                 | \$ 426,304,674    | 100%             | \$ 426,304,674                  | \$ (1,491,605)  | \$ 424,813,070                        |
| 16                        | 366         | Underground Conduit                           | \$ 70,097,555     | 100%             | \$ 70,097,555                   | \$ (92,545)     | \$ 70,005,010                         |
| 17                        | 367         | Underground Conductors & Devices              | \$ 352,886,418    | 100%             | \$ 352,886,418                  | \$ (13,663)     | \$ 352,872,755                        |
| 18                        | 368         | Line Transformers                             | \$ 352,962,716    | 100%             | \$ 352,962,716                  | \$ (212,402)    | \$ 352,750,314                        |
| 19                        | 369         | Services                                      | \$ 74,432,572     | 100%             | \$ 74,432,572                   | \$ (0)          | \$ 74,432,572                         |
| 20                        | 370         | Meters  | \$ 114,178,772    | 100%             | \$ 114,178,772                  | \$ (17,953,614) | \$ 96,225,158                         |
| 21                        | 371         | Installation on Customer Premises             | \$ 24,540,966     | 100%             | \$ 24,540,966                   | \$ (0)          | \$ 24,540,966                         |
| 22                        | 373         | Street Lighting & Signal Systems              | \$ 71,695,524     | 100%             | \$ 71,695,524                   |                 | \$ 71,695,524                         |
| 23                        | 374         | Asset Retirement Costs for Distribution Plant | \$ 60,078         | 100%             | \$ 60,078                       |                 | \$ 60,078                             |
| 24                        |             | Total Distribution Plant                      | \$ 2,082,847,457  | 100%             | \$ 2,082,847,457                | \$ (21,019,848) | \$ 2,061,827,608                      |

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
8/31/2014 Actual Plant in Service by Accounts and Subaccounts

Schedule B-2.1 (Actual)

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NOTE: Column A contains actual plant in service balances as of 8/31/2014, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting and incorporate recommendations from the March 2013 and April 2014 Rider DCR Audit Reports. 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 "Summary of Exclusions per Case No. 12-1230-EL-SSO: Actual 8/31/2014 Plant in Service Balances" 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                       | \$ 2,470,389      | 100%             | \$ 2,470,389                    |                 | \$ 2,470,389                          |
| 26                   | 390         | Structures & Improvements                | \$ 73,409,141     | 100%             | \$ 73,409,141                   |                 | \$ 73,409,141                         |
| 27                   | 390.3       | Leasehold Improvements                   | \$ 436,850        | 100%             | \$ 436,850                      |                 | \$ 436,850                            |
| 28                   | 391.1       | Office Furniture & Equipment             | \$ 4,287,032      | 100%             | \$ 4,287,032                    |                 | \$ 4,287,032                          |
| 29                   | 391.2       | Data Processing Equipment                | \$ 17,022,256     | 100%             | \$ 17,022,256                   |                 | \$ 17,022,256                         |
| 30                   | 392         | Transportation Equipment                 | \$ 3,957,943      | 100%             | \$ 3,957,943                    |                 | \$ 3,957,943                          |
| 31                   | 393         | Stores Equipment                         | \$ 604,772        | 100%             | \$ 604,772                      |                 | \$ 604,772                            |
| 32                   | 394         | Tools, Shop & Garage Equipment           | \$ 12,395,264     | 100%             | \$ 12,395,264                   |                 | \$ 12,395,264                         |
| 33                   | 395         | Laboratory Equipment                     | \$ 4,656,026      | 100%             | \$ 4,656,026                    |                 | \$ 4,656,026                          |
| 34                   | 396         | Power Operated Equipment                 | \$ 6,096,240      | 100%             | \$ 6,096,240                    |                 | \$ 6,096,240                          |
| 35                   | 397         | Communication Equipment                  | \$ 19,512,717     | 100%             | \$ 19,512,717                   |                 | \$ 19,512,717                         |
| 36                   | 398         | Miscellaneous Equipment                  | \$ 87,787         | 100%             | \$ 87,787                       |                 | \$ 87,787                             |
| 37                   | 399.1       | Asset Retirement Costs for General Plant | \$ 203,777        | 100%             | \$ 203,777                      |                 | \$ 203,777                            |
| 38                   |             | Total General Plant                      | \$ 145,140,195    | 100%             | \$ 145,140,195                  | \$ -            | \$ 145,140,195                        |

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
8/31/2014 Actual Plant in Service by Accounts and Subaccounts

Schedule B-2.1 (Actual)

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NOTE: Column A contains actual plant in service balances as of 8/31/2014, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting and incorporate recommendations from the March 2013 and April 2014 Rider DCR Audit Reports. 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 "Summary of Exclusions per Case No. 12-1230-EL-SSO: Actual 8/31/2014 Plant in Service Balances" 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                 | 303         | Intangible Software              | \$ 47,287,505     | 100%             | \$ 47,287,505                   | (\$1,848,911)   | \$ 45,438,594                         |
| 40                 | 303         | Intangible FAS 109 Transmission  | \$ 1,176,339      | 100%             | \$ 1,176,339                    |                 | \$ 1,176,339                          |
| 41                 | 303         | Intangible FAS 109 Distribution  | \$ 2,001,380      | 100%             | \$ 2,001,380                    |                 | \$ 2,001,380                          |
| 42                 |             | Total Other Plant                | \$ 50,465,224     |                  | \$ 50,465,224                   | \$ (1,848,911)  | \$ 48,616,313                         |
| 43                 |             | Company Total Plant              | \$ 2,748,069,268  | 100%             | \$ 2,748,069,268                | \$ (80,093,383) | \$ 2,667,975,885                      |
| 44                 |             | Service Company Plant Allocated* |                   |                  |                                 |                 | \$ 78,229,344                         |
| 45                 |             | Grand Total Plant (43 + 44)      |                   |                  |                                 |                 | <u>\$ 2,746,205,228</u>               |

\* Source: Line 2 of the "Service Company Allocations to the Ohio Operating Companies (Actual)" workpaper



The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
8/31/2014 Actual Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3 (Actual)  
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NOTE: Column B contains actual reserve for accumulated depreciation balances as of 8/31/2014, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting and incorporate recommendations from the March 2013 and April 2014 Rider DCR Audit Reports. 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 "Summary of Exclusions per Case No. 12-1230-EL-SSO: Actual 8/31/2014 Plant in Service Balances" workpaper.

| Line No.                  | Account No. | Account Title                    | Total Company                     | Reserve Balances |            |                          |             |                                 |
|---------------------------|-------------|----------------------------------|-----------------------------------|------------------|------------|--------------------------|-------------|---------------------------------|
|                           |             |                                  | Plant Investment                  | Total            | Allocation | Allocated                | Adjustments | Adjusted                        |
|                           |             |                                  | Sch B2.1 (Actual) Column E<br>(A) | Company<br>(B)   | %<br>(C)   | Total<br>(D) = (B) * (C) | (E)         | Jurisdiction<br>(F) = (D) + (E) |
| <u>TRANSMISSION PLANT</u> |             |                                  |                                   |                  |            |                          |             |                                 |
| 1                         | 350         | Land & Land Rights               | \$ 7,560,063                      | \$ -             | 100%       | \$ -                     |             | \$ -                            |
| 2                         | 352         | Structures & Improvements        | \$ 18,582,748                     | \$ 14,240,266    | 100%       | \$ 14,240,266            |             | \$ 14,240,266                   |
| 3                         | 353         | Station Equipment                | \$ 159,649,124                    | \$ 67,156,316    | 100%       | \$ 67,156,316            |             | \$ 67,156,316                   |
| 4                         | 354         | Towers & Fixtures                | \$ 328,676                        | \$ 1,577,889     | 100%       | \$ 1,577,889             |             | \$ 1,577,889                    |
| 5                         | 355         | Poles & Fixtures                 | \$ 42,195,473                     | \$ 33,221,953    | 100%       | \$ 33,221,953            |             | \$ 33,221,953                   |
| 6                         | 356         | Overhead Conductors & Devices    | \$ 56,309,044                     | \$ 27,540,505    | 100%       | \$ 27,540,505            |             | \$ 27,540,505                   |
| 7                         | 357         | Underground Conduit              | \$ 31,967,934                     | \$ 27,885,607    | 100%       | \$ 27,885,607            |             | \$ 27,885,607                   |
| 8                         | 358         | Underground Conductors & Devices | \$ 95,479,060                     | \$ 35,678,907    | 100%       | \$ 35,678,907            |             | \$ 35,678,907                   |
| 9                         | 359         | Roads & Trails                   | <u>\$ 319,646</u>                 | <u>\$ 25,696</u> | 100%       | <u>\$ 25,696</u>         |             | <u>\$ 25,696</u>                |
| 10                        |             | Total Transmission Plant         | \$ 412,391,769                    | \$ 207,327,139   | 100%       | \$ 207,327,139           | \$ -        | \$ 207,327,139                  |

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
8/31/2014 Actual Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3 (Actual)  
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NOTE: Column B contains actual reserve for accumulated depreciation balances as of 8/31/2014, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting and incorporate recommendations from the March 2013 and April 2014 Rider DCR Audit Reports. 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 "Summary of Exclusions per Case No. 12-1230-EL-SSO: Actual 8/31/2014 Plant in Service Balances" workpaper.

| Line No.                  | Account No. | Account Title                                 | Total Company              | Reserve Balances |              |                 |                |                       |
|---------------------------|-------------|---|----------------------------|------------------|--------------|-----------------|----------------|-----------------------|
|                           |             |   | Plant Investment           | Total Company    | Allocation % | Allocated Total | Adjustments    | Adjusted Jurisdiction |
|                           |             |   | Sch B2.1 (Actual) Column E |                  |              |                 |                |                       |
|                           |             |   | (A)                        | (B)              | (C)          | (D) = (B) * (C) | (E)            | (F) = (D) + (E)       |
| <u>DISTRIBUTION PLANT</u> |             |   |                            |                  |              |                 |                |                       |
| 11                        | 360         | Land & Land Rights                            | \$ 6,757,249               | \$ -             | 100%         | \$ -            |                | \$ -                  |
| 12                        | 361         | Structures & Improvements                     | \$ 23,762,750              | \$ 18,031,320    | 100%         | \$ 18,031,320   |                | \$ 18,031,320         |
| 13                        | 362         | Station Equipment                             | \$ 235,481,260             | \$ 73,268,172    | 100%         | \$ 73,268,172   | \$ (206,473)   | \$ 73,061,699         |
| 14                        | 364         | Poles, Towers & Fixtures                      | \$ 328,430,903             | \$ 205,425,208   | 100%         | \$ 205,425,208  | \$ (67,918)    | \$ 205,357,290        |
| 15                        | 365         | Overhead Conductors & Devices                 | \$ 424,813,070             | \$ 158,482,540   | 100%         | \$ 158,482,540  | \$ (484,455)   | \$ 157,998,085        |
| 16                        | 366         | Underground Conduit                           | \$ 70,005,010              | \$ 41,441,526    | 100%         | \$ 41,441,526   | \$ (917)       | \$ 41,440,609         |
| 17                        | 367         | Underground Conductors & Devices              | \$ 352,872,755             | \$ 92,868,514    | 100%         | \$ 92,868,514   | \$ (2,263)     | \$ 92,866,251         |
| 18                        | 368         | Line Transformers                             | \$ 352,750,314             | \$ 123,741,522   | 100%         | \$ 123,741,522  | \$ (41,589)    | \$ 123,699,933        |
| 19                        | 369         | Services                                      | \$ 74,432,572              | \$ 13,633,537    | 100%         | \$ 13,633,537   | \$ (17)        | \$ 13,633,520         |
| 20                        | 370         | Meters  | \$ 96,225,158              | \$ 25,034,731    | 100%         | \$ 25,034,731   | \$ (1,741,550) | \$ 23,293,182         |
| 21                        | 371         | Installation on Customer Premises             | \$ 24,540,966              | \$ 8,747,411     | 100%         | \$ 8,747,411    | \$ (0)         | \$ 8,747,411          |
| 22                        | 373         | Street Lighting & Signal Systems              | \$ 71,695,524              | \$ 36,760,315    | 100%         | \$ 36,760,315   |                | \$ 36,760,315         |
| 23                        | 374         | Asset Retirement Costs for Distribution Plant | \$ 60,078                  | \$ 45,796        | 100%         | \$ 45,796       |                | \$ 45,796             |
| 24                        |             | Total Distribution Plant                      | \$ 2,061,827,608           | \$ 797,480,592   | 100%         | \$ 797,480,592  | \$ (2,545,181) | \$ 794,935,411        |

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
8/31/2014 Actual Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3 (Actual)  
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NOTE: Column B contains actual reserve for accumulated depreciation balances as of 8/31/2014, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting and incorporate recommendations from the March 2013 and April 2014 Rider DCR Audit Reports. 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 "Summary of Exclusions per Case No. 12-1230-EL-SSO: Actual 8/31/2014 Plant in Service Balances" workpaper.

| Line No.      | Account No. | Account Title                            | Total Company Plant Investment | Reserve Balances |              |                 |             |                       |
|---------------|-------------|--|--------------------------------|------------------|--------------|-----------------|-------------|-----------------------|
|               |             |  | Sch B2.1 (Actual) Column E     | Total Company    | Allocation % | Allocated Total | Adjustments | Adjusted Jurisdiction |
|               |             |  | (A)                            | (B)              | (C)          | (D) = (B) * (C) | (E)         | (F) = (D) + (E)       |
| GENERAL PLANT |             |  |                                |                  |              |                 |             |                       |
| 25            | 389         | Land & Land Rights                       | \$ 2,470,389                   | \$ -             | 100%         | \$ -            |             | \$ -                  |
| 26            | 390         | Structures & Improvements                | \$ 73,409,141                  | \$ 19,420,645    | 100%         | \$ 19,420,645   |             | \$ 19,420,645         |
| 27            | 390.3       | Leasehold Improvements                   | \$ 436,850                     | \$ 427,928       | 100%         | \$ 427,928      |             | \$ 427,928            |
| 28            | 391.1       | Office Furniture & Equipment             | \$ 4,287,032                   | \$ 3,967,750     | 100%         | \$ 3,967,750    |             | \$ 3,967,750          |
| 29            | 391.2       | Data Processing Equipment                | \$ 17,022,256                  | \$ 8,066,666     | 100%         | \$ 8,066,666    |             | \$ 8,066,666          |
| 30            | 392         | Transportation Equipment                 | \$ 3,957,943                   | \$ 3,466,743     | 100%         | \$ 3,466,743    |             | \$ 3,466,743          |
| 31            | 393         | Stores Equipment                         | \$ 604,772                     | \$ 111,678       | 100%         | \$ 111,678      |             | \$ 111,678            |
| 32            | 394         | Tools, Shop & Garage Equipment           | \$ 12,395,264                  | \$ 2,664,900     | 100%         | \$ 2,664,900    |             | \$ 2,664,900          |
| 33            | 395         | Laboratory Equipment                     | \$ 4,656,026                   | \$ 1,639,740     | 100%         | \$ 1,639,740    |             | \$ 1,639,740          |
| 34            | 396         | Power Operated Equipment                 | \$ 6,096,240                   | \$ 3,954,786     | 100%         | \$ 3,954,786    |             | \$ 3,954,786          |
| 35            | 397         | Communication Equipment                  | \$ 19,512,717                  | \$ 17,736,377    | 100%         | \$ 17,736,377   |             | \$ 17,736,377         |
| 36            | 398         | Miscellaneous Equipment                  | \$ 87,787                      | \$ 76,430        | 100%         | \$ 76,430       |             | \$ 76,430             |
| 37            | 399.1       | Asset Retirement Costs for General Plant | \$ 203,777                     | \$ 107,356       | 100%         | \$ 107,356      |             | \$ 107,356            |
| 38            |             | Total General Plant                      | \$ 145,140,195                 | \$ 61,641,001    | 100%         | \$ 61,641,001   | \$ -        | \$ 61,641,001         |

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
8/31/2014 Actual Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3 (Actual)  
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NOTE: Column B contains actual reserve for accumulated depreciation balances as of 8/31/2014, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting and incorporate recommendations from the March 2013 and April 2014 Rider DCR Audit Reports. 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 "Summary of Exclusions per Case No. 12-1230-EL-SSO: Actual 8/31/2014 Plant in Service Balances" workpaper.

| Line No.    | Account No. | Account Title                         | Total Company              | Reserve Balances |              |                  |                |                       |
|-------------|-------------|---------------------------------------|----------------------------|------------------|--------------|------------------|----------------|-----------------------|
|             |             |                                       | Plant Investment           | Total Company    | Allocation % | Allocated Total  | Adjustments    | Adjusted Jurisdiction |
|             |             |                                       | Sch B2.1 (Actual) Column E |                  |              |                  |                |                       |
|             |             |                                       | (A)                        | (B)              | (C)          | (D) = (B) * (C)  | (E)            | (F) = (D) + (E)       |
| OTHER PLANT |             |                                       |                            |                  |              |                  |                |                       |
| 39          | 303         | Intangible Software                   | \$ 45,438,594              | \$ 38,614,481    | 100%         | \$ 38,614,481    | \$ (626,526)   | \$ 37,987,955         |
| 40          | 303         | Intangible FAS 109 Transmission       | \$ 1,176,339               | \$ 1,030,251     | 100%         | \$ 1,030,251     |                | \$ 1,030,251          |
| 41          | 303         | Intangible FAS 109 Distribution       | \$ 2,001,380               | \$ 2,001,380     | 100%         | \$ 2,001,380     |                | \$ 2,001,380          |
| 42          |             | Total Other Plant                     | \$ 48,616,313              | \$ 41,646,112    |              | \$ 41,646,112    | \$ (626,526)   | \$ 41,019,586         |
| 43          |             | Removal Work in Progress (RWIP)       |                            | \$ (264,978)     | 100%         | \$ (264,978)     |                | \$ (264,978)          |
| 44          |             | Company Total Plant (Reserve)         | \$ 2,667,975,885           | \$ 1,107,829,865 | 100%         | \$ 1,107,829,865 | \$ (3,171,707) | \$ 1,104,658,159      |
| 45          |             | Service Company Reserve Allocated*    |                            |                  |              |                  |                | \$ 29,992,902         |
| 46          |             | Grand Total Plant (Reserve) (44 + 45) |                            |                  |              |                  |                | \$ 1,134,651,061      |

\* Source: Line 3 of the "Service Company Allocations to the Ohio Operating Companies (Actual)" workpaper.

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
 Ohio Edison Company: 14-1629-EL-RDR  
 The Toledo Edison Company: 14-1630-EL-RDR

FirstEnergy Companies  
 ADIT Balances (281 & 282 Property Accounts) - Actual

|                                      | <u>CEI</u>            | <u>OE</u>             | <u>TE</u>             | <u>SC</u>  |
|--------------------------------------|-----------------------|-----------------------|-----------------------|------------|
| (1) Ending Bal. 8/31/14*             | 444,699,852           | 453,245,297           | 126,126,633           | 87,708,541 |
| (2) Service Company Allocated ADIT** | \$ 12,463,384         | \$ 15,103,411         | \$ 6,648,307          |            |
| (3) Grand Total ADIT Balance***      | <u>\$ 457,163,236</u> | <u>\$ 468,348,708</u> | <u>\$ 132,774,940</u> |            |

\*Source: Actual 8/31/2014 balances.

\*\* Line 4 of the "Service Company Allocations to the Ohio Operating Companies (Actual)" workpaper.

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

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
Annual Depreciation Expense on Actual Plant Balances as of August 31, 2014

Schedule B-3.2 (Actual)  
Page 1 of 4

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

| Line<br>No.               | Account<br>No. | Account Title                    | Adjusted Jurisdiction                             |  | Current<br>Accrual<br>Rate | Calculated<br>Depr.<br>Expense<br>(G=DxF) |
|---------------------------|----------------|----------------------------------|---|--|----------------------------|---|
|                           |                |                                  | Plant<br>Investment<br>Sch. B-2.1 (Actual)<br>(D) | Reserve<br>Balance<br>Sch. B-3 (Actual)<br>(E) |                            |   |
| (A)                       | (B)            | (C)                              | (D)   | (E)  | (F)                        | (G=DxF)                                   |
| <u>TRANSMISSION PLANT</u> |                |                                  |   |  |                            |   |
| 1                         | 350            | Land & Land Rights               | \$ 7,560,063                                      | \$ -   | 0.00%                      | \$ -                                      |
| 2                         | 352            | Structures & Improvements        | \$ 18,582,748                                     | \$ 14,240,266                                  | 2.50%                      | \$ 464,569                                |
| 3                         | 353            | Station Equipment                | \$ 159,649,124                                    | \$ 67,156,316                                  | 1.80%                      | \$ 2,873,684                              |
| 4                         | 354            | Towers & Fixtures                | \$ 328,676  | \$ 1,577,889                                   | 1.77%                      | \$ 5,818                                  |
| 5                         | 355            | Poles & Fixtures                 | \$ 42,195,473                                     | \$ 33,221,953                                  | 3.00%                      | \$ 1,265,864                              |
| 6                         | 356            | Overhead Conductors & Devices    | \$ 56,309,044                                     | \$ 27,540,505                                  | 2.78%                      | \$ 1,565,391                              |
| 7                         | 357            | Underground Conduit              | \$ 31,967,934                                     | \$ 27,885,607                                  | 2.00%                      | \$ 639,359                                |
| 8                         | 358            | Underground Conductors & Devices | \$ 95,479,060                                     | \$ 35,678,907                                  | 2.00%                      | \$ 1,909,581                              |
| 9                         | 359            | Roads & Trails*                  | \$ 319,646  | \$ 25,696                                      | 1.33%                      | \$ 4,251                                  |
| 10                        |                | Total Transmission               | \$ 412,391,769                                    | \$ 207,327,139                                 |                            | \$ 8,728,517                              |

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

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
Annual Depreciation Expense on Actual Plant Balances as of August 31, 2014

Schedule B-3.2 (Actual)  
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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<br>Sch. B-2.1 (Actual) | Reserve Balance<br>Sch. B-3 (Actual) |                      |                          |
| (A)                       | (B)         | (C)   | (D)                                     | (E)                                  | (F)                  | (G=DxF)                  |
| <u>DISTRIBUTION PLANT</u> |             |   |   |                                      |                      |                          |
| 11                        | 360         | Land & Land Rights                            | \$ 6,757,249                            | \$ -                                 | 0.00%                | \$ -                     |
| 12                        | 361         | Structures & Improvements                     | \$ 23,762,750                           | \$ 18,031,320                        | 2.50%                | \$ 594,069               |
| 13                        | 362         | Station Equipment                             | \$ 235,481,260                          | \$ 73,061,699                        | 1.80%                | \$ 4,238,663             |
| 14                        | 364         | Poles, Towers & Fixtures                      | \$ 328,430,903                          | \$ 205,357,290                       | 4.65%                | \$ 15,272,037            |
| 15                        | 365         | Overhead Conductors & Devices                 | \$ 424,813,070                          | \$ 157,998,085                       | 3.89%                | \$ 16,525,228            |
| 16                        | 366         | Underground Conduit                           | \$ 70,005,010                           | \$ 41,440,609                        | 2.17%                | \$ 1,519,109             |
| 17                        | 367         | Underground Conductors & Devices              | \$ 352,872,755                          | \$ 92,866,251                        | 2.44%                | \$ 8,610,095             |
| 18                        | 368         | Line Transformers                             | \$ 352,750,314                          | \$ 123,699,933                       | 2.91%                | \$ 10,265,034            |
| 19                        | 369         | Services                                      | \$ 74,432,572                           | \$ 13,633,520                        | 4.33%                | \$ 3,222,930             |
| 20                        | 370         | Meters  | \$ 96,225,158                           | \$ 23,293,182                        | 3.16%                | \$ 3,040,715             |
| 21                        | 371         | Installation on Customer Premises             | \$ 24,540,966                           | \$ 8,747,411                         | 3.45%                | \$ 846,663               |
| 22                        | 373         | Street Lighting & Signal Systems              | \$ 71,695,524                           | \$ 36,760,315                        | 3.70%                | \$ 2,652,734             |
| 23                        | 374         | Asset Retirement Costs for Distribution Plant | \$ 60,078                               | \$ 45,796                            | 0.00%                | \$ -                     |
| 24                        |             | Total Distribution                            | \$ 2,061,827,608                        | \$ 794,935,411                       |                      | \$ 66,787,277            |

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
Annual Depreciation Expense on Actual Plant Balances as of August 31, 2014

Schedule B-3.2 (Actual)  
Page 3 of 4

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

| Line<br>No.          | Account<br>No. | Account Title                            | Adjusted Jurisdiction                             |  | Current<br>Accrual<br>Rate | Calculated<br>Depr.<br>Expense<br>(G=DxF) |
|----------------------|----------------|--|---|--|----------------------------|---|
|                      |                |  | Plant<br>Investment<br>Sch. B-2.1 (Actual)<br>(D) | Reserve<br>Balance<br>Sch. B-3 (Actual)<br>(E) |                            |   |
| (A)                  | (B)            | (C)                                      | (D)   | (E)  | (F)                        | (G=DxF)                                   |
| <u>GENERAL PLANT</u> |                |  |   |  |                            |   |
| 25                   | 389            | Land & Land Rights                       | \$ 2,470,389                                      | \$ -   | 0.00%                      | \$ -                                      |
| 26                   | 390            | Structures & Improvements                | \$ 73,409,141                                     | \$ 19,420,645                                  | 2.20%                      | \$ 1,615,001                              |
| 27                   | 390.3          | Leasehold Improvements                   | \$ 436,850  | \$ 427,928                                     | 22.34%                     | \$ 97,592                                 |
| 28                   | 391.1          | Office Furniture & Equipment             | \$ 4,287,032                                      | \$ 3,967,750                                   | 7.60%                      | \$ 325,814                                |
| 29                   | 391.2          | Data Processing Equipment                | \$ 17,022,256                                     | \$ 8,066,666                                   | 10.56%                     | \$ 1,797,550                              |
| 30                   | 392            | Transportation Equipment                 | \$ 3,957,943                                      | \$ 3,466,743                                   | 6.07%                      | \$ 240,247                                |
| 31                   | 393            | Stores Equipment                         | \$ 604,772  | \$ 111,678                                     | 6.67%                      | \$ 40,338                                 |
| 32                   | 394            | Tools, Shop & Garage Equipment           | \$ 12,395,264                                     | \$ 2,664,900                                   | 4.62%                      | \$ 572,661                                |
| 33                   | 395            | Laboratory Equipment                     | \$ 4,656,026                                      | \$ 1,639,740                                   | 2.31%                      | \$ 107,554                                |
| 34                   | 396            | Power Operated Equipment                 | \$ 6,096,240                                      | \$ 3,954,786                                   | 4.47%                      | \$ 272,502                                |
| 35                   | 397            | Communication Equipment                  | \$ 19,512,717                                     | \$ 17,736,377                                  | 7.50%                      | \$ 1,463,454                              |
| 36                   | 398            | Miscellaneous Equipment                  | \$ 87,787   | \$ 76,430                                      | 6.67%                      | \$ 5,855                                  |
| 37                   | 399.1          | Asset Retirement Costs for General Plant | \$ 203,777  | \$ 107,356                                     | 0.00%                      | \$ -                                      |
| 38                   |                | Total General                            | \$ 145,140,195                                    | \$ 61,641,001                                  |                            | \$ 6,538,568                              |



The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
Annual Depreciation Expense on Actual Plant Balances as of August 31, 2014

Schedule B-3.2 (Actual)  
Page 4 of 4

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

| Line No.           | Account No. | Account Title  | Adjusted Jurisdiction                          |   | Current Accrual Rate | Calculated Depr. Expense (G=DxF) |
|--------------------|-------------|--|--|---|----------------------|----------------------------------|
|                    |             |  | Plant Investment<br>Sch. B-2.1 (Actual)<br>(D) | Reserve Balance<br>Sch. B-3 (Actual)<br>(E) |                      |                                  |
| (A)                | (B)         | (C)  |  |   | (F)                  | (G=DxF)                          |
| <u>OTHER PLANT</u> |             |  |  |   |                      |                                  |
| 39                 | 303         | Intangible Software  | \$ 45,438,594                                  | \$ 37,987,955                               | 14.29%               | **                               |
| 40                 | 303         | Intangible FAS 109 Transmission  | \$ 1,176,339                                   | \$ 1,030,251                                | 2.15%                | **                               |
| 41                 | 303         | Intangible FAS 109 Distribution  | \$ 2,001,380                                   | \$ 2,001,380                                | 3.18%                | **                               |
| 42                 |             | Total Other  | \$ 48,616,313                                  | \$ 41,019,586                               |                      | \$ 2,189,778                     |
| 43                 |             | Removal Work in Progress (RWIP)  |  | (\$264,978)                                 |                      |                                  |
| 44                 |             | Company Total Depreciation   | \$ 2,667,975,885                               | \$ 1,104,658,159                            |                      | \$ 84,244,140                    |
| 45                 |             | Incremental Depreciation Associated with Allocated Service Company Plant *** | \$ 78,229,344                                  | \$ 29,992,902                               |                      | \$ 3,130,135                     |
| 46                 |             | GRAND TOTAL (44 + 45)  | \$ 2,746,205,228                               | \$ 1,134,651,061                            |                      | \$ 87,374,274                    |

\*\* Please see the "Intangible Depreciation Expense Calculation: Actual 8/31/2014 Balances" workpaper for more details behind the calculation of depreciation expense associated with Intangible Plant.

\*\*\* Source: Line 6 of the "Service Company Allocations to the Ohio Operating Companies (Actual)" workpaper.

The Cleveland Electric Illuminating Company: 14-1628-EL-RDF

Annual Property Tax Expense on Actual Plant Balances as of August 31, 2014

Schedule C-3.10a (Actual)  
Page 1 of 1

| Line<br>No.  | Description   | Jurisdictional<br>Amount     |
|--|---|------------------------------|
| 1  | Personal Property Taxes - See Schedule C-3.10a1 (Actual)                              | \$ 100,803,405               |
| 2  | Real Property Taxes - See Schedule C-3.10a2 (Actual)                                  | \$ 2,203,475                 |
| 3  | Incremental Property Tax Associated with Allocated Service Company Plant <sup>‡</sup> | <u>\$ 52,850</u>             |
| 4  | Total Property Taxes (1 + 2 + 3)  | <u><u>\$ 103,059,730</u></u> |
| * Source: Line 7 of the "Service Company Allocations to the Ohio Operating Companies (Actual)" workpaper |   |                              |

The Cleveland Electric Illuminating Company: 14-1628-EL-RDF

Annual Personal Property Tax Expense on Actual Plant Balances as of August 31, 2014

Schedule C-3.10a1 (Actual)

Page 1 of 1

| Line No.                         | Description                                       | Jurisdictional Amount |                         |                       |
|----------------------------------|---|-----------------------|-------------------------|-----------------------|
|                                  |   | Transmission Plant    | Distribution Plant      | General Plant         |
| 1                                | Jurisdictional Plant in Service (a)               | \$ 412,391,769        | \$ 2,061,827,608        | \$ 145,140,195        |
| 2                                | Jurisdictional Real Property (b)                  | \$ 26,142,810         | \$ 30,519,999           | \$ 76,316,380         |
| 3                                | Jurisdictional Personal Property (1 - 2)          | \$ 386,248,958        | \$ 2,031,307,609        | \$ 68,823,815         |
| 4                                | Purchase Accounting Adjustment (f)                | \$ (256,019,581)      | \$ (891,476,153)        | \$ -                  |
| 5                                | Adjusted Jurisdictional Personal Property (3 + 4) | <u>\$ 130,229,377</u> | <u>\$ 1,139,831,456</u> | <u>\$ 68,823,815</u>  |
| <u>Exclusions and Exemptions</u> |   |                       |                         |                       |
| 6                                | Capitalized Asset Retirement Costs (a)            | \$ -                  | \$ 60,078               | \$ 203,777            |
| 7                                | Exempt Facilities (c)                             | \$ -                  | \$ -                    | \$ -                  |
| 8                                | Licensed Motor Vehicles (c)                       | \$ -                  | \$ -                    | \$ 6,527,799          |
| 9                                | Capitalized Interest (g)                          | \$ 5,216,989          | \$ 11,204,543           | \$ -                  |
| 10                               | Total Exclusions and Exemptions (6 thru 9)        | <u>\$ 5,216,989</u>   | <u>\$ 11,264,622</u>    | <u>\$ 6,731,576</u>   |
| 11                               | Net Cost of Taxable Personal Property (5 - 10)    | \$ 125,012,388        | \$ 1,128,566,835        | \$ 62,092,239         |
| 12                               | True Value Percentage (c)                         | <u>77.0253%</u>       | <u>75.8294%</u>         | <u>37.5585%</u>       |
| 13                               | True Value of Taxable Personal Property (11 x 12) | \$ 96,291,167         | \$ 855,785,459          | \$ 23,320,913         |
| 14                               | Assessment Percentage (d)                         | <u>85.00%</u>         | <u>85.00%</u>           | <u>24.00%</u>         |
| 15                               | Assessment Value (13 x 14)                        | \$ 81,847,492         | \$ 727,417,640          | \$ 5,597,019          |
| 16                               | Personal Property Tax Rate (e)                    | <u>11.0931410%</u>    | <u>11.0931410%</u>      | <u>11.0931410%</u>    |
| 17                               | Personal Property Tax (15 x 16)                   | \$ 9,079,458          | \$ 80,693,464           | \$ 620,885            |
| 18                               | Purchase Accounting Adjustment (f)                | \$ 2,124,562          | \$ 8,285,036            | \$ -                  |
| 19                               | Total Personal Property Tax (17 + 18)             |                       |                         | <u>\$ 100,803,405</u> |

(a) Schedule B-2.1 (Actual)

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

(c) Source: CEI's most recent Ohio Annual Property Tax Return Filing.

(d) Statutory Assessment for Personal Property

(e) Estimated tax rate for Personal Property based on the most recent Ohio Annual Property Tax Return Filing

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

(g) Calculation: Line 5 x Percentage from the most recent Ohio Annual Property Tax Return Filing

The Cleveland Electric Illuminating Company: 14-1628-EL-RDF

Annual Real Property Tax Expense on Actual Plant Balances as of August 31, 2014

Schedule C-3.10a2 (Actual)

Page 1 of 1

| Line<br>No. | Description  | Jurisdictional Amount |   |                            |
|-------------|--|-----------------------|---|----------------------------|
|             |  | Transmission<br>Plant | Distribution<br>Plant   | General<br>Plant           |
| 1           | Jurisdictional Real Property (a)   | \$ 26,142,810         | \$ 30,519,999   | \$ 76,316,380              |
| 2           | True Value Percentage (b)  | <u>58.81%</u>         | <u>58.81%</u>   | <u>58.81%</u>              |
| 3           | True Value of Taxable Real Property (1 x 2)  | \$ 15,375,685         | \$ 17,950,093   | \$ 44,884,868              |
| 4           | Assessment Percentage (c)  | <u>35.00%</u>         | <u>35.00%</u>   | <u>35.00%</u>              |
| 5           | Assessment Value (3 x 4)   | \$ 5,381,490          | \$ 6,282,533  | \$ 15,709,704              |
| 6           | Real Property Tax Rate (d)   | <u>8.0496%</u>        | <u>8.0496%</u>  | <u>8.0496%</u>             |
| 7           | Real Property Tax (5 x 6)  | \$ 433,188            | \$ 505,719  | \$ 1,264,568               |
| 8           | Total Real Property Tax (Sum of 7)   |                       |   | <u><u>\$ 2,203,475</u></u> |
| (a)         | Schedule C-3.10a1 (Actual)   |                       |   |                            |
| (b)         | Calculated as follows:   |                       |   |                            |
|             | (1) Real Property Assessed Value   | \$ 38,006,649         | Source: CEI's most recent Ohio Annual Property Tax Return Filing  |                            |
|             | (2) Assessment Percentage  | <u>35.00%</u>         | Statutory Assessment for Real Property  |                            |
|             | (3) Real Property True Value   | \$ 108,590,426        | Calculation: (1) / (2)  |                            |
|             | (4) Real Property Capitalized Cost   | \$ 184,633,082        | Book cost of real property used to compare to assessed value of real property to derive a true value percentage |                            |
|             | (5) Real Property True Value Percentage  | <u><u>58.81%</u></u>  | Calculation: (3) / (4)  |                            |
| (c)         | Statutory Assessment for Real Property   |                       |   |                            |
| (d)         | Estimated tax rate for Real Estate based on the most recent Ohio Annual Property Tax Return Filing |                       |   |                            |

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
 Ohio Edison Company: 14-1629-EL-RDR  
 The Toledo Edison Company: 14-1630-EL-RDR

**Summary of Exclusions per Case No. 12-1230-EL-SSO  
 Actual 8/31/2014 Plant in Service Balances**

**General Adjustments**

**ATSI Land Lease** Certain amounts (summarized below) in account 350 are associated with land leased to ATSI, FirstEnergy's transmission subsidiary. Consistent with Case No. 07-551-EL-AIR, these amounts are not jurisdictional to distribution related plant in service, and have been excluded accordingly for each operating company. There is no accumulated depreciation reserve associated with land.

| FERC Account 350 | CEI           | OE            | TE            |
|------------------|---------------|---------------|---------------|
| Gross Plant      | \$ 57,224,624 | \$ 85,527,569 | \$ 15,628,438 |
| Reserve          | \$ -          | \$ -          | \$ -          |

**ESP3 Adjustments**

In the ESP3 Stipulation (Case No. 12-1230-EL-SSO, page 20), 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: 8/31/2014 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      |
| 303          | \$ 1,848,911  | \$ 626,526   |
| 362          | \$ 1,048,549  | \$ 206,473   |
| 364          | \$ 207,471    | \$ 67,853    |
| 365          | \$ 1,491,589  | \$ 484,390   |
| 367          | \$ 13,029     | \$ 2,442     |
| 368          | \$ 212,402    | \$ 41,535    |
| 370          | \$ 17,953,614 | \$ 1,741,550 |
| Grand Total  | \$ 22,775,566 | \$ 3,170,769 |

**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** Exclusions related to Rider EDR(g) are determined by the WBS CE-000303.

| FERC Account | CEI       |          |
|--------------|-----------|----------|
|              | Gross     | Reserve  |
| 364          | \$ 0      | \$ 64    |
| 365          | \$ 15     | \$ 66    |
| 366          | \$ 92,545 | \$ 917   |
| 367          | \$ 634    | \$ (179) |
| 368          | \$ 0      | \$ 54    |
| 369          | \$ 0      | \$ 17    |
| 371          | \$ 0      | \$ 0     |
| Grand Total  | \$ 93,194 | \$ 938   |

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
 Ohio Edison Company: 14-1629-EL-RDR  
 The Toledo Edison Company: 14-1630-EL-RDR

### Service Company Allocations to the Ohio Operating Companies (Actual)

|   | (A)             | (B)                  | (C)                  | (D)                  | (E)                  |
|---|-----------------|----------------------|----------------------|----------------------|----------------------|
|   | Service Company | CEI                  | OE                   | TE                   | TOTAL                |
| (1) Allocation Factors from Case 07-551 |                 | 14.21%               | 17.22%               | 7.58%                |                      |
| (2) Gross Plant                         | \$ 550,523,178  | \$ 78,229,344        | \$ 94,800,091        | \$ 41,729,657        | \$ 214,759,092       |
| (3) Reserve                             | \$ 211,068,983  | \$ 29,992,902        | \$ 36,346,079        | \$ 15,999,029        | \$ 82,338,010        |
| (4) ADIT                                | \$ 87,708,541   | \$ 12,463,384        | \$ 15,103,411        | \$ 6,648,307         | \$ 34,215,102        |
| (5) <b>Rate Base</b>                    |                 | <b>\$ 35,773,058</b> | <b>\$ 43,350,602</b> | <b>\$ 19,082,321</b> | <b>\$ 98,205,980</b> |
| (6) Depreciation Expense (Incremental)  |                 | \$ 3,130,135         | \$ 3,793,168         | \$ 1,669,699         | \$ 8,593,002         |
| (7) Property Tax Expense (Incremental)  |                 | \$ 52,850            | \$ 64,045            | \$ 28,192            | \$ 145,087           |
| (8) <b>Total Expenses</b>               |                 | <b>\$ 3,182,985</b>  | <b>\$ 3,857,213</b>  | <b>\$ 1,697,891</b>  | <b>\$ 8,738,088</b>  |

- (2) Gross Plant = Actual Service Company General and Intangible plant in-service as of 8/31/2014.  
 (3) Reserve = Actual Service Company General and Intangible Plant depreciation reserve as of 8/31/2014.  
 (4) ADIT: Actual ADIT Balances as of 8/31/2014.  
 (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: Case No. 07-551-EL-AIR vs. Actual 8/31/2014"  
 (7) Estimated incremental property tax expense. Additional details provided on "Incremental Depreciation and Property Tax Associated with Service Company Plant: Case No. 07-551-EL-AIR vs. Actual 8/31/2014"  
 (8) Total Expenses = Depreciation Expense + Property Tax Expense

All Service Company Allocations for Gross Plant and Reserve can be found on Sch B2.1 (Actual) and Sch B3 (Actual), respectively, in order to determine the Grand Totals shown on the "Rider DCR Actual Distribution Rate Base Additions as of 8/31/2014: Revenue Requirement" worksheet.

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
 Ohio Edison Company: 14-1629-EL-RDR  
 The Toledo Edison Company: 14-1630-EL-RDR

### Depreciation Rate for Service Company Plant (Actual)

#### I. Estimated Depreciation Accrual Rate for Service Company Plant as of May 31, 2007

| Line No.                | (A)<br>Account                          | (B)<br>Account Description       | (D)<br>5/31/2007 |                |                | (G)<br>Accrual Rates |           |           |                | (J)<br>Depreciation Expense |
|-------------------------|---|----------------------------------|------------------|----------------|----------------|----------------------|-----------|-----------|----------------|-----------------------------|
|                         |   |                                  | (C)<br>Gross     | (D)<br>Reserve | (E)<br>Net     | (F)<br>CEI           | (G)<br>OE | (H)<br>TE | (I)<br>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       | \$ -           | \$ 556,979     | 0.00%                | 0.00%     | 0.00%     | 0.00%          | \$ -                        |
| 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%          | \$ -                        |
| 16                      |   |                                  | \$ 234,896,167   | \$ 91,821,447  | \$ 143,074,720 |                      |           |           |                | \$ 22,576,438               |
| <b>INTANGIBLE PLANT</b> |   |                                  |                  |                |                |                      |           |           |                |                             |
| 17                      | 301                                     | Organization                     | \$ 49,344        | \$ 49,344      | \$ -           | 0.00%                | 0.00%     | 0.00%     | 0.00%          | \$ -                        |
| 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   | \$ -           | 14.29%               | 14.29%    | 14.29%    | 14.29%         | \$ -                        |
| 22                      | 303                                     | Impairment June 2000             | \$ 77            | \$ 77          | \$ (0)         | 14.29%               | 14.29%    | 14.29%    | 14.29%         | \$ -                        |
| 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     | \$ -           | 3.87%                | 3.87%     | 3.87%     | 3.87%          | \$ -                        |
| 25                      | 303                                     | Debt Gross-up (FAS109): G/P Land | \$ 1,135         | \$ 1,137       | \$ (2)         | 3.87%                | 3.87%     | 3.87%     | 3.87%          | \$ -                        |
| 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

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
 Ohio Edison Company: 14-1629-EL-RDR  
 The Toledo Edison Company: 14-1630-EL-RDR

### Depreciation Rate for Service Company Plant (Actual)

#### II. Estimated Depreciation Accrual Rate for Actual Service Company Plant as of August 31, 2014

| Line No. | (A)<br>Account              | (B)<br>Account Description | (C) 8/31/2014 Actual Balances |         |     | (F) Accrual Rates |        |        |         | (J)<br>Depreciation Expense |
|----------|-----------------------------|----------------------------|-------------------------------|---------|-----|-------------------|--------|--------|---------|-----------------------------|
|          |                             |                            | Gross                         | Reserve | Net | CEI               | OE     | TE     | Average |                             |
| 28       | Allocation Factors          |                            |                               |         |     | 14.21%            | 17.22% | 7.58%  | 39.01%  |                             |
| 29       | Weighted Allocation Factors |                            |                               |         |     | 36.43%            | 44.14% | 19.43% | 100.00% |                             |

#### GENERAL PLANT

|    |       |                                |                |               |                |        |        |       |        |               |
|----|-------|--------------------------------|----------------|---------------|----------------|--------|--------|-------|--------|---------------|
| 30 | 389   | Fee Land & Easements           | \$ 230,947     | \$ -          | \$ 230,947     | 0.00%  | 0.00%  | 0.00% | 0.00%  | \$ -          |
| 31 | 390   | Structures, Improvements *     | \$ 45,796,711  | \$ 17,809,451 | \$ 27,987,259  | 2.20%  | 2.50%  | 2.20% | 2.33%  | \$ 1,068,175  |
| 32 | 390.3 | Struct Imprv, Leasehold Imp ** | \$ 14,068,908  | \$ 5,224,349  | \$ 8,844,559   | 22.34% | 20.78% | 0.00% | 21.49% | \$ 3,022,747  |
| 33 | 391.1 | Office Furn., Mech. Equip.     | \$ 21,360,708  | \$ 9,474,585  | \$ 11,886,123  | 7.60%  | 3.80%  | 3.80% | 5.18%  | \$ 1,107,384  |
| 34 | 391.2 | Data Processing Equipment      | \$ 133,002,217 | \$ 27,542,037 | \$ 105,460,180 | 10.56% | 17.00% | 9.50% | 13.20% | \$ 17,552,051 |
| 35 | 392   | Transportation Equipment       | \$ 267,973     | \$ 44,997     | \$ 222,975     | 6.07%  | 7.31%  | 6.92% | 6.78%  | \$ 18,175     |
| 36 | 393   | Stores Equipment               | \$ 16,747      | \$ 5,537      | \$ 11,210      | 6.67%  | 2.56%  | 3.13% | 4.17%  | \$ 698        |
| 37 | 394   | Tools, Shop, Garage Equip.     | \$ 210,419     | \$ 12,353     | \$ 198,066     | 4.62%  | 3.17%  | 3.33% | 3.73%  | \$ 7,847      |
| 38 | 395   | Laboratory Equipment           | \$ 112,395     | \$ 23,494     | \$ 88,901      | 2.31%  | 3.80%  | 2.86% | 3.07%  | \$ 3,456      |
| 39 | 396   | Power Operated Equipment       | \$ 91,445      | \$ 62,602     | \$ 28,843      | 4.47%  | 3.48%  | 5.28% | 4.19%  | \$ 3,832      |
| 40 | 397   | Communication Equipment ***    | \$ 81,803,231  | \$ 22,526,849 | \$ 59,276,382  | 7.50%  | 5.00%  | 5.88% | 6.08%  | \$ 4,974,991  |
| 41 | 398   | Misc. Equipment                | \$ 3,215,865   | \$ 689,617    | \$ 2,526,249   | 6.67%  | 4.00%  | 3.33% | 4.84%  | \$ 155,725    |
| 42 | 399.1 | ARC General Plant              | \$ 40,721      | \$ 23,674     | \$ 17,047      | 0.00%  | 0.00%  | 0.00% | 0.00%  | \$ -          |
| 43 |       |                                | \$ 300,218,286 | \$ 83,439,545 | \$ 216,778,741 |        |        |       |        | \$ 27,915,081 |

#### INTANGIBLE PLANT

|    |     |                                 |                |                |                |        |        |        |        |               |
|----|-----|---------------------------------|----------------|----------------|----------------|--------|--------|--------|--------|---------------|
| 44 | 301 | FECO 101/6-301 Organization Fst | \$ 49,344      | \$ 49,344      | \$ -           | 0.00%  | 0.00%  | 0.00%  | 0.00%  | \$ -          |
| 45 | 303 | FECO 101/6 303 Intangibles      | \$ 21,145,745  | \$ 7,011,762   | \$ 14,133,983  | 14.29% | 14.29% | 14.29% | 14.29% | \$ 3,021,727  |
| 46 | 303 | FECO 101/6-303 Katz Software    | \$ 1,268,271   | \$ 1,268,271   | \$ -           | 14.29% | 14.29% | 14.29% | 14.29% | \$ -          |
| 47 | 303 | FECO 101/6-303 2003 Software    | \$ 24,400,196  | \$ 24,400,196  | \$ -           | 14.29% | 14.29% | 14.29% | 14.29% | \$ -          |
| 48 | 303 | FECO 101/6-303 2004 Software    | \$ 12,676,215  | \$ 12,676,215  | \$ -           | 14.29% | 14.29% | 14.29% | 14.29% | \$ -          |
| 49 | 303 | FECO 101/6-303 2005 Software    | \$ 1,086,776   | \$ 1,086,776   | \$ -           | 14.29% | 14.29% | 14.29% | 14.29% | \$ -          |
| 50 | 303 | FECO 101/6-303 2006 Software    | \$ 5,680,002   | \$ 5,680,002   | \$ -           | 14.29% | 14.29% | 14.29% | 14.29% | \$ -          |
| 51 | 303 | FECO 101/6-303 2007 Software    | \$ 7,245,250   | \$ 7,245,250   | \$ -           | 14.29% | 14.29% | 14.29% | 14.29% | \$ -          |
| 52 | 303 | FECO 101/6-303 2008 Software    | \$ 7,404,178   | \$ 6,925,475   | \$ 478,703     | 14.29% | 14.29% | 14.29% | 14.29% | \$ 478,703    |
| 53 | 303 | FECO 101/6-303 2009 Software    | \$ 15,969,099  | \$ 11,744,443  | \$ 4,224,655   | 14.29% | 14.29% | 14.29% | 14.29% | \$ 2,281,984  |
| 54 | 303 | FECO 101/6-303 2010 Software    | \$ 19,353,459  | \$ 12,112,194  | \$ 7,241,265   | 14.29% | 14.29% | 14.29% | 14.29% | \$ 2,765,609  |
| 55 | 303 | FECO 101/6-303 2011 Software    | \$ 53,523,626  | \$ 23,492,180  | \$ 30,031,446  | 14.29% | 14.29% | 14.29% | 14.29% | \$ 7,648,526  |
| 56 | 303 | FECO 101/6-303 2012 Software    | \$ 32,232,444  | \$ 9,194,654   | \$ 23,037,791  | 14.29% | 14.29% | 14.29% | 14.29% | \$ 4,606,016  |
| 57 | 303 | FECO 101/6-303 2013 Software    | \$ 47,011,297  | \$ 4,852,199   | \$ 42,159,098  | 14.29% | 14.29% | 14.29% | 14.29% | \$ 6,717,914  |
|    | 303 | FECO 101/6-303 2014 Software    | \$ 1,258,989   | \$ 47,900      | \$ 1,211,089   | 14.29% | 14.29% | 14.29% | 14.29% | \$ 179,910    |
| 58 |     |                                 | \$ 250,304,892 | \$ 127,786,862 | \$ 122,518,030 |        |        |        |        | \$ 27,700,390 |

|    |   |  |                       |                       |                       |  |  |  |               |                      |
|----|---|--|-----------------------|-----------------------|-----------------------|--|--|--|---------------|----------------------|
| 59 | Removal Work in Progress (RWIP)         |  | \$ (157,425)          |                       |                       |  |  |  |               |                      |
| 60 | <b>TOTAL - GENERAL &amp; INTANGIBLE</b> |  | <b>\$ 550,523,178</b> | <b>\$ 211,068,983</b> | <b>\$ 339,296,771</b> |  |  |  | <b>10.10%</b> | <b>\$ 55,615,472</b> |

#### NOTES

- (C) - (E) Service Company plant balances as of August 31, 2014 adjusted to incorporate recommendations from the March 2013 and April 2014 Rider DCR audit reports.
- (F) - (H) Source: Schedule B3.2 (Actual).
- (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 8/31/2014. 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



The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
 Ohio Edison Company: 14-1629-EL-RDR  
 The Toledo Edison Company: 14-1630-EL-RDR

### Property Tax Rate for Service Company Plant (Actual)

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

| No.   | (A)<br>Category             | (B)<br>CEI | (C)<br>OE | (D)<br>TE | (E)<br>Average ** | (F)<br>Source / Calculation   |
|---|-----------------------------|------------|-----------|-----------|-------------------|---|
| 1   | Allocation Factors          | 14.21%     | 17.22%    | 7.58%     | 39.01%            | "Service Company Allocations to the Ohio Operating Companies (Actual)" 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.<br/>                     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)<br>Account                                  | (B)<br>Account Description  | (C)<br>Tax Category | (D)<br>Avg. Tax Rate | (E)<br>Gross Plant    | (F)<br>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         | \$ -                |
| 11  | 391.2   | Data Processing Equipment   | Personal            |                      | \$ 117,351,991        | \$ -                |
| 12  | 392   | Transportation Equipment    | Personal            |                      | \$ 11,855             | \$ -                |
| 13  | 393   | Stores Equipment            | Personal            |                      | \$ 16,787             | \$ -                |
| 14  | 394   | Tools, Shop, Garage Equip.  | Personal            |                      | \$ 11,282             | \$ -                |
| 15  | 395   | Laboratory Equipment        | Personal            |                      | \$ 127,988            | \$ -                |
| 16  | 396   | Power Operated Equipment    | Personal            |                      | \$ 160,209            | \$ -                |
| 17  | 397   | Communication Equipment     | Personal            |                      | \$ 56,845,501         | \$ -                |
| 18  | 398   | Misc. Equipment             | Personal            |                      | \$ 465,158            | \$ -                |
| 19  | 399.1   | ARC General Plant           | Personal            |                      | \$ 40,721             | \$ -                |
| 20  | <b>TOTAL - GENERAL PLANT</b>                    |                             |                     |                      | <b>\$ 234,896,167</b> | <b>\$ 429,208</b>   |
| 21  | <b>TOTAL - INTANGIBLE PLANT</b>                 |                             |                     |                      | <b>\$ 79,567,511</b>  | <b>\$ -</b>         |
| 22  | <b>TOTAL - GENERAL &amp; INTANGIBLE PLANT</b>   |                             |                     |                      | <b>\$ 314,463,678</b> | <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

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
 Ohio Edison Company: 14-1629-EL-RDR  
 The Toledo Edison Company: 14-1630-EL-RDR

### Property Tax Rate for Service Company Plant (Actual)

| <b>III. Average Real Property Tax Rates on Actual General Plant as of August 31, 2014 *</b>  |                             |                    |                   |                   |                           |   |
|--|-----------------------------|--------------------|-------------------|-------------------|---------------------------|---|
| <b>No.</b>   | <b>(A)<br/>Category</b>     | <b>(B)<br/>CEI</b> | <b>(C)<br/>OE</b> | <b>(D)<br/>TE</b> | <b>(E)<br/>Average **</b> | <b>(F)<br/>Source / Calculation</b>   |
| 24   | Allocation Factors          | 14.21%             | 17.22%            | 7.58%             | 39.01%                    | "Service Company Allocations to the Ohio Operating Companies (Actual)" 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       | 58.81%             | 44.65%            | 44.67%            | 49.82%                    | Schedule C3.10a2 (Actual)   |
| 27   | Assessment Percentage       | 35.00%             | 35.00%            | 35.00%            | 35.00%                    | Schedule C3.10a2 (Actual)   |
| 28   | Real Property Tax Rate      | 8.05%              | 7.08%             | 8.17%             | 7.65%                     | Schedule C3.10a2 (Actual)   |
| 29   | Average Rate                | 1.66%              | 1.11%             | 1.28%             | 1.33%                     | Line 26 x Line 27 x Line 28   |
| * 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. |                             |                    |                   |                   |                           |   |
| ** Weighted average based on Service Company allocation factors.<br>Assumes that the tax rate for Service Company plant is equal to the weighted average of the three operating companies.   |                             |                    |                   |                   |                           |   |

| <b>IV. Estimated Property Tax Rate for Service Company Actual General Plant as of August 31, 2014</b> |   |                                    |                             |                              |                            |                             |
|---|---|------------------------------------|-----------------------------|------------------------------|----------------------------|-----------------------------|
| <b>No.</b>  | <b>(A)<br/>Account</b>                          | <b>(B)<br/>Account Description</b> | <b>(C)<br/>Tax Category</b> | <b>(D)<br/>Avg. Tax Rate</b> | <b>(E)<br/>Gross Plant</b> | <b>(F)<br/>Property Tax</b> |
| 30  | 389   | Fee Land & Easements               | Real                        | 1.33%                        | \$ 230,947                 | \$ 3,079                    |
| 31  | 390   | Structures, Improvements           | Real                        | 1.33%                        | \$ 45,796,711              | \$ 610,502                  |
| 32  | 390.3   | Struct Imprv, Leasehold Imp        | Real                        | 1.33%                        | \$ 14,068,908              | \$ 187,548                  |
| 33  | 391.1   | Office Furn., Mech. Equip.         | Personal                    |                              | \$ 21,360,708              | \$ -                        |
| 34  | 391.2   | Data Processing Equipment          | Personal                    |                              | \$ 133,002,217             | \$ -                        |
| 35  | 392   | Transportation Equipment           | Personal                    |                              | \$ 267,973                 | \$ -                        |
| 36  | 393   | Stores Equipment                   | Personal                    |                              | \$ 16,747                  | \$ -                        |
| 37  | 394   | Tools, Shop, Garage Equip.         | Personal                    |                              | \$ 210,419                 | \$ -                        |
| 38  | 395   | Laboratory Equipment               | Personal                    |                              | \$ 112,395                 | \$ -                        |
| 39  | 396   | Power Operated Equipment           | Personal                    |                              | \$ 91,445                  | \$ -                        |
| 40  | 397   | Communication Equipment            | Personal                    |                              | \$ 81,803,231              | \$ -                        |
| 41  | 398   | Misc. Equipment                    | Personal                    |                              | \$ 3,215,865               | \$ -                        |
| 42  | 399.1   | ARC General Plant                  | Personal                    |                              | \$ 40,721                  | \$ -                        |
| 43  | <b>TOTAL - GENERAL PLANT</b>                    |                                    |                             |                              | <b>\$ 300,218,286</b>      | <b>\$ 801,129</b>           |
| 44  | <b>TOTAL - INTANGIBLE PLANT</b>                 |                                    |                             |                              | <b>\$ 250,304,892</b>      | <b>\$ -</b>                 |
| 45  | <b>TOTAL - GENERAL &amp; INTANGIBLE PLANT</b>   |                                    |                             |                              | <b>\$ 550,523,178</b>      | <b>\$ 801,129</b>           |
| 46  | <b>Average Effective Real Property Tax Rate</b> |                                    |                             |                              |                            | <b>0.15%</b>                |

#### **NOTES**

- (C) Source: Schedule C3.10 (Actual). Classification of General Plant account as Real or Personal Property  
 (D) Weighted average property tax rate across CEI, OE, and TE. See Section III 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 8/31/2014.  
 (F) Calculation: Column D x Column E

| <b>Incremental Depreciation and Property Tax Associated with Service Company Plant (Actual)</b>   |                    |                  |                 |                 |                 |                 |  |
|---|--------------------|------------------|-----------------|-----------------|-----------------|-----------------|--|
| <b>Case No. 07-551-EL-AIR vs. Actual 8/31/2014 Balances</b>   |                    |                  |                 |                 |                 |                 |  |
| <b>I. Allocated Service Company Plant and Related Expenses as of August 31, 2014</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        | \$ 550,523,178   | \$ 78,229,344   | \$ 94,800,091   | \$ 41,729,657   | \$ 214,759,092  | "Depreciation Rate for Service Company Plant (Actual)" workpaper, Line 60 x Line 1 |
| 3   | Accum. Reserve     | \$ (211,068,983) | \$ (29,992,902) | \$ (36,346,079) | \$ (15,999,029) | \$ (82,338,010) | "Depreciation Rate for Service Company Plant (Actual)" workpaper, Line 60 x Line 1 |
| 4   | Net Plant          | \$ 339,454,196   | \$ 48,236,441   | \$ 58,454,012   | \$ 25,730,628   | \$ 132,421,082  | Line 2 + Line 3  |
| 5   | Depreciation *     | 10.10%           | \$ 7,902,959    | \$ 9,576,984    | \$ 4,215,653    | \$ 21,695,596   | Average Rate x Line 2  |
| 6   | Property Tax *     | 0.15%            | \$ 113,841      | \$ 137,954      | \$ 60,726       | \$ 312,521      | Average Rate x Line 2  |
| 7   | Total Expenses     |                  | \$ 8,016,799    | \$ 9,714,939    | \$ 4,276,378    | \$ 22,008,116   |  |
| * Effective Depreciation and Property Tax rates based on weighted averages across companies over General and Intangible plant, as of 8/31/2014.<br>See line 60 of the "Depreciation Rate for Service Company Plant (Actual)" workpaper and line 46 of the "Property Tax Rate for Service Company Plant (Actual)" workpaper 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  | "Depreciation Rate for Service Company Plant (Actual)" workpaper, Line 27 x Line 8 |
| 10  | Accum. Reserve     | \$ (141,912,431) | \$ (20,165,756) | \$ (24,437,321) | \$ (10,756,962) | \$ (55,360,039) | "Depreciation Rate for Service Company Plant (Actual)" workpaper, 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.<br>See line 27 of the "Depreciation Rate for Service Company Plant (Actual)" workpaper and line 23 of the "Property Tax Rate for Service Company Plant (Actual)" workpaper 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       | -0.58%           | \$ 3,130,135    | \$ 3,793,168    | \$ 1,669,699    | \$ 8,593,002    | Line 5 - Line 12   |
| 16  | Property Tax       | 0.01%            | \$ 52,850       | \$ 64,045       | \$ 28,192       | \$ 145,087      | Line 6 - Line 13   |
| 17  | Total Expenses     |                  | \$ 3,182,985    | \$ 3,857,213    | \$ 1,697,891    | \$ 8,738,088    | 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 August 31, 2014. The incremental expenses calculated on Line 17 above are added to the Rider DCR revenue requirements. |                    |                  |                 |                 |                 |                 |  |

**Intangible Depreciation Expense Calculation**  
**Actual 8/31/2014 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 worksheet 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<br>(A)            | Utility Account<br>(B)              | Function<br>(C)  | Gross Plant August-14<br>(D) | Reserve August-14<br>(E) | Net Plant August-14<br>(F) | Accrual Rates<br>(G) | Depreciation Exp<br>(H) |
|---------------------------|-------------------------------------|------------------|------------------------------|--------------------------|----------------------------|----------------------|-------------------------|
| CECO The Illuminating Co. | CECO 101/6-303 2002 Software        | Intangible Plant | \$ 2,966,784                 | \$ 2,966,784             | \$ -                       | 14.29%               | \$ -                    |
| CECO The Illuminating Co. | CECO 101/6-303 2003 Software        | Intangible Plant | \$ 1,307,067                 | \$ 1,307,067             | \$ -                       | 14.29%               | \$ -                    |
| CECO The Illuminating Co. | CECO 101/6-303 2004 Software        | Intangible Plant | \$ 3,596,344                 | \$ 3,596,344             | \$ -                       | 14.29%               | \$ -                    |
| CECO The Illuminating Co. | CECO 101/6-303 2005 Software        | Intangible Plant | \$ 1,219,862                 | \$ 1,219,862             | \$ 0                       | 14.29%               | \$ 0                    |
| CECO The Illuminating Co. | CECO 101/6-303 2006 Software        | Intangible Plant | \$ 1,808,778                 | \$ 1,808,778             | \$ 0                       | 14.29%               | \$ 0                    |
| CECO The Illuminating Co. | CECO 101/6-303 2007 Software        | Intangible Plant | \$ 5,870,456                 | \$ 5,870,456             | \$ 0                       | 14.29%               | \$ 0                    |
| CECO The Illuminating Co. | CECO 101/6-303 2008 Software        | Intangible Plant | \$ 1,068,042                 | \$ 1,344,831             | \$ (276,789)               | 14.29%               | \$ -                    |
| CECO The Illuminating Co. | CECO 101/6-303 2009 Software        | Intangible Plant | \$ 3,242,051                 | \$ 2,288,322             | \$ 953,728                 | 14.29%               | \$ 463,289              |
| CECO The Illuminating Co. | CECO 101/6-303 2010 Software        | Intangible Plant | \$ 2,799,717                 | \$ 1,697,508             | \$ 1,102,209               | 14.29%               | \$ 400,080              |
| CECO The Illuminating Co. | CECO 101/6-303 2011 Software        | Intangible Plant | \$ 5,812,975                 | \$ 2,650,271             | \$ 3,162,704               | 14.29%               | \$ 830,674              |
| CECO The Illuminating Co. | CECO 101/6-303 2012 Software        | Intangible Plant | \$ 688,774                   | \$ 150,186               | \$ 538,588                 | 14.29%               | \$ 98,426               |
| CECO The Illuminating Co. | CECO 101/6-303 2013 Software        | Intangible Plant | \$ 2,130,147                 | \$ 273,498               | \$ 1,856,649               | 14.29%               | \$ 304,398              |
| CECO The Illuminating Co. | CECO 101/6-303 2014 Software        | Intangible Plant | \$ 13,956                    | \$ 568                   | \$ 13,388                  | 14.29%               | \$ 1,994                |
| CECO The Illuminating Co. | CECO 101/6-303 FAS109 Distribution  | Intangible Plant | \$ 2,001,380                 | \$ 2,001,380             | \$ -                       | 3.18%                | \$ -                    |
| CECO The Illuminating Co. | CECO 101/6-303 FAS109 Transmission  | Intangible Plant | \$ 1,176,339                 | \$ 1,030,251             | \$ 146,088                 | 2.15%                | \$ 25,291               |
| CECO The Illuminating Co. | CECO 101/6-303 Software             | Intangible Plant | \$ 459,237                   | \$ 359,076               | \$ 100,162                 | 14.29%               | \$ 65,625               |
| CECO The Illuminating Co. | CECO 101/6-303 Software Evolution   | Intangible Plant | \$ 12,454,403                | \$ 12,454,403            | \$ -                       | 14.29%               | \$ -                    |
| <b>Total</b>              |                                     |                  | <b>\$ 48,616,313</b>         | <b>\$ 41,019,586</b>     | <b>\$ 7,596,727</b>        |                      | <b>\$ 2,189,778</b>     |
| OECO Ohio Edison Co.      | OECO 101/6-301 Organization         | Intangible Plant | \$ 89,746                    | \$ -                     | \$ 89,746                  | 0.00%                | \$ -                    |
| OECO Ohio Edison Co.      | OECO 101/6-303 2002 Software        | Intangible Plant | \$ 3,690,067                 | \$ 3,690,067             | \$ -                       | 14.29%               | \$ -                    |
| OECO Ohio Edison Co.      | OECO 101/6-303 2003 Software        | Intangible Plant | \$ 17,568,726                | \$ 17,568,726            | \$ -                       | 14.29%               | \$ -                    |
| OECO Ohio Edison Co.      | OECO 101/6-303 2004 Software        | Intangible Plant | \$ 4,524,343                 | \$ 4,524,343             | \$ -                       | 14.29%               | \$ -                    |
| OECO Ohio Edison Co.      | OECO 101/6-303 2005 Software        | Intangible Plant | \$ 1,469,370                 | \$ 1,469,370             | \$ -                       | 14.29%               | \$ -                    |
| OECO Ohio Edison Co.      | OECO 101/6-303 2006 Software        | Intangible Plant | \$ 2,754,124                 | \$ 2,754,124             | \$ -                       | 14.29%               | \$ -                    |
| OECO Ohio Edison Co.      | OECO 101/6-303 2007 Software        | Intangible Plant | \$ 7,208,211                 | \$ 7,208,211             | \$ -                       | 14.29%               | \$ -                    |
| OECO Ohio Edison Co.      | OECO 101/6-303 2008 Software        | Intangible Plant | \$ 1,343,335                 | \$ 1,972,691             | \$ (629,356)               | 14.29%               | \$ -                    |
| OECO Ohio Edison Co.      | OECO 101/6-303 2009 Software        | Intangible Plant | \$ 4,181,335                 | \$ 3,167,893             | \$ 1,013,442               | 14.29%               | \$ 597,513              |
| OECO Ohio Edison Co.      | OECO 101/6-303 2010 Software        | Intangible Plant | \$ 3,276,941                 | \$ 2,111,607             | \$ 1,165,334               | 14.29%               | \$ 468,275              |
| OECO Ohio Edison Co.      | OECO 101/6-303 2011 Software        | Intangible Plant | \$ 8,353,314                 | \$ 3,414,075             | \$ 4,939,239               | 14.29%               | \$ 1,193,689            |
| OECO Ohio Edison Co.      | OECO 101/6-303 2012 Software        | Intangible Plant | \$ 936,733                   | \$ 279,380               | \$ 657,353                 | 14.29%               | \$ 133,859              |
| OECO Ohio Edison Co.      | OECO 101/6-303 2013 Software        | Intangible Plant | \$ 3,145,062                 | \$ 483,111               | \$ 2,661,951               | 14.29%               | \$ 449,429              |
| OECO Ohio Edison Co.      | OECO 101/6-303 2014 Software        | Intangible Plant | \$ 25,004                    | \$ 1,017                 | \$ 23,987                  | 14.29%               | \$ 3,573                |
| OECO Ohio Edison Co.      | OECO 101/6-303 FAS109 Dist Land     | Intangible Plant | \$ 37,082                    | \$ -                     | \$ 37,082                  | 2.89%                | \$ -                    |
| OECO Ohio Edison Co.      | OECO 101/6-303 FAS109 Distribution  | Intangible Plant | \$ 1,556,299                 | \$ 1,556,299             | \$ -                       | 2.89%                | \$ -                    |
| OECO Ohio Edison Co.      | OECO 101/6-303 FAS109 G/P Land      | Intangible Plant | \$ 7,778                     | \$ -                     | \$ 7,778                   | 3.87%                | \$ -                    |
| OECO Ohio Edison Co.      | OECO 101/6-303 FAS109 General Plant | Intangible Plant | \$ 191,313                   | \$ 172,059               | \$ 19,254                  | 3.87%                | \$ 7,404                |
| OECO Ohio Edison Co.      | OECO 101/6-303 FAS109 Transm Land   | Intangible Plant | \$ 1,326,229                 | \$ -                     | \$ 1,326,229               | 2.33%                | \$ -                    |
| OECO Ohio Edison Co.      | OECO 101/6-303 FAS109 Transmission  | Intangible Plant | \$ 697,049                   | \$ 697,049               | \$ -                       | 2.33%                | \$ -                    |
| OECO Ohio Edison Co.      | OECO 101/6-303 Software             | Intangible Plant | \$ 1,344,099                 | \$ 677,200               | \$ 666,898                 | 14.29%               | \$ 192,072              |
| <b>Total</b>              |                                     |                  | <b>\$ 63,726,160</b>         | <b>\$ 51,747,222</b>     | <b>\$ 11,978,937</b>       |                      | <b>\$ 3,045,813</b>     |
| TECO Toledo Edison Co.    | TECO 101/6-303 2002 Software        | Intangible Plant | \$ 1,705,114                 | \$ 1,705,114             | \$ -                       | 14.29%               | \$ -                    |
| TECO Toledo Edison Co.    | TECO 101/6-303 2003 Software        | Intangible Plant | \$ 7,446,712                 | \$ 7,446,712             | \$ -                       | 14.29%               | \$ -                    |
| TECO Toledo Edison Co.    | TECO 101/6-303 2004 Software        | Intangible Plant | \$ 854,821                   | \$ 854,821               | \$ -                       | 14.29%               | \$ -                    |
| TECO Toledo Edison Co.    | TECO 101/6-303 2005 Software        | Intangible Plant | \$ 670,679                   | \$ 670,679               | \$ -                       | 14.29%               | \$ -                    |
| TECO Toledo Edison Co.    | TECO 101/6-303 2006 Software        | Intangible Plant | \$ 834,729                   | \$ 834,729               | \$ -                       | 14.29%               | \$ -                    |
| TECO Toledo Edison Co.    | TECO 101/6-303 2007 Software        | Intangible Plant | \$ 3,095,002                 | \$ 3,095,002             | \$ -                       | 14.29%               | \$ -                    |
| TECO Toledo Edison Co.    | TECO 101/6-303 2008 Software        | Intangible Plant | \$ 554,817                   | \$ 710,214               | \$ (155,397)               | 14.29%               | \$ -                    |
| TECO Toledo Edison Co.    | TECO 101/6-303 2009 Software        | Intangible Plant | \$ 1,800,726                 | \$ 1,346,310             | \$ 454,415                 | 14.29%               | \$ 257,324              |
| TECO Toledo Edison Co.    | TECO 101/6-303 2010 Software        | Intangible Plant | \$ 1,429,536                 | \$ 918,319               | \$ 511,216                 | 14.29%               | \$ 204,281              |
| TECO Toledo Edison Co.    | TECO 101/6-303 2011 Software        | Intangible Plant | \$ 2,123,520                 | \$ 1,026,367             | \$ 1,097,152               | 14.29%               | \$ 303,451              |
| TECO Toledo Edison Co.    | TECO 101/6-303 2012 Software        | Intangible Plant | \$ 424,922                   | \$ 82,253                | \$ 342,670                 | 14.29%               | \$ 60,721               |
| TECO Toledo Edison Co.    | TECO 101/6-303 2013 Software        | Intangible Plant | \$ 767,206                   | \$ 85,455                | \$ 681,751                 | 14.29%               | \$ 109,634              |
| TECO Toledo Edison Co.    | TECO 101/6-303 2014 Software        | Intangible Plant | \$ 8,084                     | \$ 329                   | \$ 7,755                   | 14.29%               | \$ 1,155                |
| TECO Toledo Edison Co.    | TECO 101/6-303 FAS109 Distribution  | Intangible Plant | \$ 240,093                   | \$ 235,056               | \$ 5,037                   | 3.10%                | \$ 5,037                |
| TECO Toledo Edison Co.    | TECO 101/6-303 FAS109 Transmission  | Intangible Plant | \$ 54,210                    | \$ 47,785                | \$ 6,425                   | 2.37%                | \$ 1,285                |
| TECO Toledo Edison Co.    | TECO 101/6-303 Software             | Intangible Plant | \$ 387,588                   | \$ 311,167               | \$ 76,421                  | 14.29%               | \$ 55,386               |
| <b>Total</b>              |                                     |                  | <b>\$ 22,397,759</b>         | <b>\$ 19,370,313</b>     | <b>\$ 3,027,446</b>        |                      | <b>\$ 998,274</b>       |

**NOTES**

(D) - (F) Source: Actual Balances as of 8/31/2014.

(G) Source: Case No. 07-551-EL-AIR

(H) Accrual rate only applies to the (non-land) gross plant of those accounts that are not fully amortized.

**Rider DCR**  
**Estimated Distribution Rate Base Additions as of 11/30/2014**  
**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>11/30/2014</b> | <b>Incremental</b> | <b>Source of Column (B)</b>       |
| (1) CEI                     | 1,927.1           | 2,770.5           | 843.5              | Sch B2.1 (Estimate) Line 45       |
| (2) OE                      | 2,074.0           | 3,077.0           | 1,003.0            | Sch B2.1 (Estimate) Line 47       |
| (3) TE                      | 771.5             | 1,112.3           | 340.8              | Sch B2.1 (Estimate) Line 44       |
| (4) <b>Total</b>            | <b>4,772.5</b>    | <b>6,959.8</b>    | <b>2,187.3</b>     | <b>Sum: [ (1) through (3) ]</b>   |
| <b>Accumulated Reserve</b>  |                   |                   |                    |                                   |
| (5) CEI                     | (773.0)           | (1,154.8)         | (381.8)            | -Sch B3 (Estimate) Line 46        |
| (6) OE                      | (803.0)           | (1,215.2)         | (412.2)            | -Sch B3 (Estimate) Line 48        |
| (7) TE                      | (376.8)           | (542.1)           | (165.3)            | -Sch B3 (Estimate) Line 45        |
| (8) <b>Total</b>            | <b>(1,952.8)</b>  | <b>(2,912.1)</b>  | <b>(959.3)</b>     | <b>Sum: [ (5) through (7) ]</b>   |
| <b>Net Plant In Service</b> |                   |                   |                    |                                   |
| (9) CEI                     | 1,154.0           | 1,615.7           | 461.7              | (1) + (5)                         |
| (10) OE                     | 1,271.0           | 1,861.8           | 590.8              | (2) + (6)                         |
| (11) TE                     | 394.7             | 570.2             | 175.5              | (3) + (7)                         |
| (12) <b>Total</b>           | <b>2,819.7</b>    | <b>4,047.7</b>    | <b>1,228.0</b>     | <b>Sum: [ (9) through (11) ]</b>  |
| <b>ADIT</b>                 |                   |                   |                    |                                   |
| (13) CEI                    | (246.4)           | (456.3)           | (209.9)            | - ADIT Balances (Estimate) Line 3 |
| (14) OE                     | (197.1)           | (465.6)           | (268.5)            | - ADIT Balances (Estimate) Line 3 |
| (15) TE                     | (10.3)            | (131.7)           | (121.4)            | - ADIT Balances (Estimate) Line 3 |
| (16) <b>Total</b>           | <b>(453.8)</b>    | <b>(1,053.5)</b>  | <b>(599.8)</b>     | <b>Sum: [ (13) through (15) ]</b> |
| <b>Rate Base</b>            |                   |                   |                    |                                   |
| (17) CEI                    | 907.7             | 1,159.4           | 251.8              | (9) + (13)                        |
| (18) OE                     | 1,073.9           | 1,396.2           | 322.3              | (10) + (14)                       |
| (19) TE                     | 384.4             | 438.5             | 54.1               | (11) + (15)                       |
| (20) <b>Total</b>           | <b>2,366.0</b>    | <b>2,994.2</b>    | <b>628.2</b>       | <b>Sum: [ (17) through (19) ]</b> |
| <b>Depreciation Exp</b>     |                   |                   |                    |                                   |
| (21) CEI                    | 60.0              | 88.6              | 28.6               | Sch B-3.2 (Estimate) Line 46      |
| (22) OE                     | 62.0              | 91.3              | 29.3               | Sch B-3.2 (Estimate) Line 48      |
| (23) TE                     | 24.5              | 35.7              | 11.1               | Sch B-3.2 (Estimate) Line 45      |
| (24) <b>Total</b>           | <b>146.5</b>      | <b>215.5</b>      | <b>68.9</b>        | <b>Sum: [ (21) through (23) ]</b> |
| <b>Property Tax Exp</b>     |                   |                   |                    |                                   |
| (25) CEI                    | 65.0              | 104.4             | 39.5               | Sch C-3.10a (Estimate) Line 4     |
| (26) OE                     | 57.4              | 92.0              | 34.7               | Sch C-3.10a (Estimate) Line 4     |
| (27) TE                     | 20.1              | 30.5              | 10.4               | Sch C-3.10a (Estimate) Line 4     |
| (28) <b>Total</b>           | <b>142.4</b>      | <b>226.9</b>      | <b>84.5</b>        | <b>Sum: [ (25) through (27) ]</b> |

|                   | Revenue Requirement | Rate Base    | Return 8.48% | Deprec      | Prop Tax    | Rev. Req.    |
|-------------------|---------------------|--------------|--------------|-------------|-------------|--------------|
| (29) CEI          |                     | 251.8        | 21.4         | 28.6        | 39.5        | 89.4         |
| (30) OE           |                     | 322.3        | 27.3         | 29.3        | 34.7        | 91.3         |
| (31) TE           |                     | 54.1         | 4.6          | 11.1        | 10.4        | 26.1         |
| (32) <b>Total</b> |                     | <b>628.2</b> | <b>53.3</b>  | <b>68.9</b> | <b>84.5</b> | <b>206.7</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)             |
|-------------------|---------------|----------|-------------|------------|-------------|-----------------|
|                   | Equity Return | Tax Rate | Income Tax  | CAT 0.26%  | Taxes       | Rev. Req. + Tax |
| (36) CEI          | 13.0          | 36.13%   | 7.3         | 0.3        | 7.6         | 97.0            |
| (37) OE           | 16.6          | 35.80%   | 9.2         | 0.3        | 9.5         | 100.8           |
| (38) TE           | 2.8           | 35.68%   | 1.5         | 0.1        | 1.6         | 27.7            |
| (39) <b>Total</b> | <b>32.3</b>   |          | <b>18.1</b> | <b>0.6</b> | <b>18.7</b> | <b>225.4</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

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
11/30/2014 Estimated Plant in Service by Accounts and Subaccounts

Schedule B-2.1 (Estimate)

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NOTE: Column A contains estimated plant in service balances as of 11/30/2014 from the 2014 Forecast Version 7+5, adjusted to reflect current assumptions, incorporate recommendations from the March 2013 and April 2014 Rider DCR Audit Reports, and 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 "Summary of Exclusions per Case No. 12-1230-EL-SSO: Estimated 11/30/2014 Plant in Service Balances" 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               | \$ 64,784,687     | 100%             | \$ 64,784,687                   | \$ (57,224,624) | \$ 7,560,063                          |
| 2                         | 352         | Structures & Improvements        | \$ 18,582,748     | 100%             | \$ 18,582,748                   |                 | \$ 18,582,748                         |
| 3                         | 353         | Station Equipment                | \$ 159,649,124    | 100%             | \$ 159,649,124                  |                 | \$ 159,649,124                        |
| 4                         | 354         | Towers & Fixtures                | \$ 328,676        | 100%             | \$ 328,676                      |                 | \$ 328,676                            |
| 5                         | 355         | Poles & Fixtures                 | \$ 42,195,473     | 100%             | \$ 42,195,473                   |                 | \$ 42,195,473                         |
| 6                         | 356         | Overhead Conductors & Devices    | \$ 56,309,044     | 100%             | \$ 56,309,044                   |                 | \$ 56,309,044                         |
| 7                         | 357         | Underground Conduit              | \$ 31,967,934     | 100%             | \$ 31,967,934                   |                 | \$ 31,967,934                         |
| 8                         | 358         | Underground Conductors & Devices | \$ 95,479,060     | 100%             | \$ 95,479,060                   |                 | \$ 95,479,060                         |
| 9                         | 359         | Roads & Trails                   | \$ 319,646        | 100%             | \$ 319,646                      |                 | \$ 319,646                            |
| 10                        |             | Total Transmission Plant         | \$ 469,616,393    | 100%             | \$ 469,616,393                  | \$ (57,224,624) | \$ 412,391,769                        |

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
11/30/2014 Estimated Plant in Service by Accounts and Subaccounts

Schedule B-2.1 (Estimate)

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NOTE: Column A contains estimated plant in service balances as of 11/30/2014 from the 2014 Forecast Version 7+5, adjusted to reflect current assumptions, incorporate recommendations from the March 2013 and April 2014 Rider DCR Audit Reports, and 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 "Summary of Exclusions per Case No. 12-1230-EL-SSO: Estimated 11/30/2014 Plant in Service Balances" 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                            | \$ 6,757,249      | 100%             | \$ 6,757,249                    |                 | \$ 6,757,249                          |
| 12                        | 361         | Structures & Improvements                     | \$ 23,762,750     | 100%             | \$ 23,762,750                   |                 | \$ 23,762,750                         |
| 13                        | 362         | Station Equipment                             | \$ 236,570,596    | 100%             | \$ 236,570,596                  | \$ (1,048,549)  | \$ 235,522,047                        |
| 14                        | 364         | Poles, Towers & Fixtures                      | \$ 328,638,374    | 100%             | \$ 328,638,374                  | \$ (207,471)    | \$ 328,430,903                        |
| 15                        | 365         | Overhead Conductors & Devices                 | \$ 426,304,674    | 100%             | \$ 426,304,674                  | \$ (1,491,605)  | \$ 424,813,070                        |
| 16                        | 366         | Underground Conduit                           | \$ 70,097,555     | 100%             | \$ 70,097,555                   | \$ (92,545)     | \$ 70,005,010                         |
| 17                        | 367         | Underground Conductors & Devices              | \$ 352,886,418    | 100%             | \$ 352,886,418                  | \$ (13,663)     | \$ 352,872,755                        |
| 18                        | 368         | Line Transformers                             | \$ 372,197,884    | 100%             | \$ 372,197,884                  | \$ (212,402)    | \$ 371,985,482                        |
| 19                        | 369         | Services                                      | \$ 74,432,572     | 100%             | \$ 74,432,572                   |                 | \$ 74,432,572                         |
| 20                        | 370         | Meters  | \$ 114,178,772    | 100%             | \$ 114,178,772                  | \$ (17,953,614) | \$ 96,225,158                         |
| 21                        | 371         | Installation on Customer Premises             | \$ 24,540,966     | 100%             | \$ 24,540,966                   | \$ (0)          | \$ 24,540,966                         |
| 22                        | 373         | Street Lighting & Signal Systems              | \$ 71,695,524     | 100%             | \$ 71,695,524                   |                 | \$ 71,695,524                         |
| 23                        | 374         | Asset Retirement Costs for Distribution Plant | \$ 60,078         | 100%             | \$ 60,078                       |                 | \$ 60,078                             |
| 24                        |             | Total Distribution Plant                      | \$ 2,102,123,412  | 100%             | \$ 2,102,123,412                | \$ (21,019,848) | \$ 2,081,103,564                      |

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
11/30/2014 Estimated Plant in Service by Accounts and Subaccounts

Schedule B-2.1 (Estimate)

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NOTE: Column A contains estimated plant in service balances as of 11/30/2014 from the 2014 Forecast Version 7+5, adjusted to reflect current assumptions, incorporate recommendations from the March 2013 and April 2014 Rider DCR Audit Reports, and 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 "Summary of Exclusions per Case No. 12-1230-EL-SSO: Estimated 11/30/2014 Plant in Service Balances" 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                       | \$ 2,470,389      | 100%             | \$ 2,470,389                    |                 | \$ 2,470,389                          |
| 26                   | 390         | Structures & Improvements                | \$ 73,624,415     | 100%             | \$ 73,624,415                   |                 | \$ 73,624,415                         |
| 27                   | 390.3       | Leasehold Improvements                   | \$ 436,850        | 100%             | \$ 436,850                      |                 | \$ 436,850                            |
| 28                   | 391.1       | Office Furniture & Equipment             | \$ 4,287,032      | 100%             | \$ 4,287,032                    |                 | \$ 4,287,032                          |
| 29                   | 391.2       | Data Processing Equipment                | \$ 17,022,256     | 100%             | \$ 17,022,256                   |                 | \$ 17,022,256                         |
| 30                   | 392         | Transportation Equipment                 | \$ 3,957,943      | 100%             | \$ 3,957,943                    |                 | \$ 3,957,943                          |
| 31                   | 393         | Stores Equipment                         | \$ 604,772        | 100%             | \$ 604,772                      |                 | \$ 604,772                            |
| 32                   | 394         | Tools, Shop & Garage Equipment           | \$ 12,395,264     | 100%             | \$ 12,395,264                   |                 | \$ 12,395,264                         |
| 33                   | 395         | Laboratory Equipment                     | \$ 4,656,026      | 100%             | \$ 4,656,026                    |                 | \$ 4,656,026                          |
| 34                   | 396         | Power Operated Equipment                 | \$ 6,096,240      | 100%             | \$ 6,096,240                    |                 | \$ 6,096,240                          |
| 35                   | 397         | Communication Equipment                  | \$ 20,131,164     | 100%             | \$ 20,131,164                   |                 | \$ 20,131,164                         |
| 36                   | 398         | Miscellaneous Equipment                  | \$ 87,787         | 100%             | \$ 87,787                       |                 | \$ 87,787                             |
| 37                   | 399.1       | Asset Retirement Costs for General Plant | \$ 203,777        | 100%             | \$ 203,777                      |                 | \$ 203,777                            |
| 38                   |             | Total General Plant                      | \$ 145,973,916    | 100%             | \$ 145,973,916                  | \$ -            | \$ 145,973,916                        |



The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
11/30/2014 Estimated Plant in Service by Accounts and Subaccounts

Schedule B-2.1 (Estimate)

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NOTE: Column A contains estimated plant in service balances as of 11/30/2014 from the 2014 Forecast Version 7+5, adjusted to reflect current assumptions, incorporate recommendations from the March 2013 and April 2014 Rider DCR Audit Reports, and 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 "Summary of Exclusions per Case No. 12-1230-EL-SSO: Estimated 11/30/2014 Plant in Service Balances" 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                 | 303         | Intangible Software              | \$ 47,415,104     | 100%             | \$ 47,415,104                   | \$ (1,848,911)  | \$ 45,566,193                         |
| 40                 | 303         | Intangible FAS 109 Transmission  | \$ 1,176,339      | 100%             | \$ 1,176,339                    |                 | \$ 1,176,339                          |
| 41                 | 303         | Intangible FAS 109 Distribution  | \$ 2,001,380      | 100%             | \$ 2,001,380                    |                 | \$ 2,001,380                          |
| 42                 |             | Total Other Plant                | \$ 50,592,824     |                  | \$ 50,592,824                   | \$ (1,848,911)  | \$ 48,743,913                         |
| 43                 |             | Company Total Plant              | \$ 2,768,306,545  | 100%             | \$ 2,768,306,545                | \$ (80,093,383) | \$ 2,688,213,161                      |
| 44                 |             | Service Company Plant Allocated* |                   |                  |                                 |                 | \$ 82,309,425                         |
| 45                 |             | Grand Total Plant (43 + 44)      |                   |                  |                                 |                 | <u>\$ 2,770,522,587</u>               |

\* Source: Line 2 of the "Service Company Allocations to the Ohio Operating Companies (Estimate)" workpaper.

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
11/30/2014 Estimated Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3 (Estimate)

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NOTE: Column B contains estimated reserve for accumulated depreciation balances as of 11/30/2014 from 2014 Forecast Version 7+5, adjusted to reflect current assumptions, incorporate recommendations from the March 2013 and April 2014 Rider DCR Audit Reports, and 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 "Summary of Exclusions per Case No. 12-1230-EL-SSO: Estimated 11/30/2014 Plant in Service Balances" workpaper.

| Line No.           | Account No. | Account Title                    | Sch B2.1 (Estimate) Column E (A) | Total Company Plant Investment (B) | Reserve Balances |                                 |                 |                                       |  |
|--------------------|-------------|----------------------------------|----------------------------------|------------------------------------|------------------|---------------------------------|-----------------|---------------------------------------|--|
|                    |             |                                  |                                  |                                    | Allocation % (C) | Allocated Total (D) = (B) * (C) | Adjustments (E) | Adjusted Jurisdiction (F) = (D) + (E) |  |
|                    |             |                                  |                                  |                                    |                  |                                 |                 |                                       |  |
| TRANSMISSION PLANT |             |                                  |                                  |                                    |                  |                                 |                 |                                       |  |
| 1                  | 350         | Land & Land Rights               | \$ 7,560,063                     | \$ -                               | 100%             | \$ -                            |                 | \$ -                                  |  |
| 2                  | 352         | Structures & Improvements        | \$ 18,582,748                    | \$ 14,357,871                      | 100%             | \$ 14,357,871                   |                 | \$ 14,357,871                         |  |
| 3                  | 353         | Station Equipment                | \$ 159,649,124                   | \$ 67,883,785                      | 100%             | \$ 67,883,785                   |                 | \$ 67,883,785                         |  |
| 4                  | 354         | Towers & Fixtures                | \$ 328,676                       | \$ 1,577,889                       | 100%             | \$ 1,577,889                    |                 | \$ 1,577,889                          |  |
| 5                  | 355         | Poles & Fixtures                 | \$ 42,195,473                    | \$ 33,540,500                      | 100%             | \$ 33,540,500                   |                 | \$ 33,540,500                         |  |
| 6                  | 356         | Overhead Conductors & Devices    | \$ 56,309,044                    | \$ 27,936,734                      | 100%             | \$ 27,936,734                   |                 | \$ 27,936,734                         |  |
| 7                  | 357         | Underground Conduit              | \$ 31,967,934                    | \$ 28,046,206                      | 100%             | \$ 28,046,206                   |                 | \$ 28,046,206                         |  |
| 8                  | 358         | Underground Conductors & Devices | \$ 95,479,060                    | \$ 36,165,700                      | 100%             | \$ 36,165,700                   |                 | \$ 36,165,700                         |  |
| 9                  | 359         | Roads & Trails                   | \$ 319,646                       | \$ 26,784                          | 100%             | \$ 26,784                       |                 | \$ 26,784                             |  |
| 10                 |             | Total Transmission Plant         | \$ 412,391,769                   | \$ 209,535,469                     | 100%             | \$ 209,535,469                  | \$ -            | \$ 209,535,469                        |  |

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
11/30/2014 Estimated Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3 (Estimate)

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NOTE: Column B contains estimated reserve for accumulated depreciation balances as of 11/30/2014 from 2014 Forecast Version 7+5, adjusted to reflect current assumptions, incorporate recommendations from the March 2013 and April 2014 Rider DCR Audit Reports, and 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 "Summary of Exclusions per Case No. 12-1230-EL-SSO: Estimated 11/30/2014 Plant in Service Balances" workpaper.

| Line No.           | Account No. | Account Title                                 | Sch B2.1 (Estimate) Column E (A) | Total Company (B) | Reserve Balances |                                 |                 |                                       |                                |
|--------------------|-------------|---|----------------------------------|-------------------|------------------|---------------------------------|-----------------|---------------------------------------|--------------------------------|
|                    |             |   |                                  |                   | Allocation % (C) | Allocated Total (D) = (B) * (C) | Adjustments (E) | Adjusted Jurisdiction (F) = (D) + (E) |                                |
|                    |             |   |                                  |                   |                  |                                 |                 |                                       | Total Company Plant Investment |
| DISTRIBUTION PLANT |             |   |                                  |                   |                  |                                 |                 |                                       |                                |
| 11                 | 360         | Land & Land Rights                            | \$ 6,757,249                     | \$ -              | 100%             | \$ -                            |                 | \$ -                                  |                                |
| 12                 | 361         | Structures & Improvements                     | \$ 23,762,750                    | \$ 18,178,817     | 100%             | \$ 18,178,817                   |                 | \$ 18,178,817                         |                                |
| 13                 | 362         | Station Equipment                             | \$ 235,522,047                   | \$ 74,377,482     | 100%             | \$ 74,377,482                   | \$ (238,873)    | \$ 74,138,609                         |                                |
| 14                 | 364         | Poles, Towers & Fixtures                      | \$ 328,430,903                   | \$ 209,267,307    | 100%             | \$ 209,267,307                  | \$ (73,105)     | \$ 209,194,203                        |                                |
| 15                 | 365         | Overhead Conductors & Devices                 | \$ 424,813,070                   | \$ 162,698,869    | 100%             | \$ 162,698,869                  | \$ (521,561)    | \$ 162,177,308                        |                                |
| 16                 | 366         | Underground Conduit                           | \$ 70,005,010                    | \$ 41,826,245     | 100%             | \$ 41,826,245                   | \$ (917)        | \$ 41,825,329                         |                                |
| 17                 | 367         | Underground Conductors & Devices              | \$ 352,872,755                   | \$ 95,055,331     | 100%             | \$ 95,055,331                   | \$ (2,589)      | \$ 95,052,742                         |                                |
| 18                 | 368         | Line Transformers                             | \$ 371,985,482                   | \$ 124,633,744    | 100%             | \$ 124,633,744                  | \$ (46,899)     | \$ 124,586,845                        |                                |
| 19                 | 369         | Services                                      | \$ 74,432,572                    | \$ 14,458,953     | 100%             | \$ 14,458,953                   | \$ (17)         | \$ 14,458,936                         |                                |
| 20                 | 370         | Meters  | \$ 96,225,158                    | \$ 26,246,797     | 100%             | \$ 26,246,797                   | \$ (2,179,562)  | \$ 24,067,236                         |                                |
| 21                 | 371         | Installation on Customer Premises             | \$ 24,540,966                    | \$ 8,950,427      | 100%             | \$ 8,950,427                    | \$ (0)          | \$ 8,950,427                          |                                |
| 22                 | 373         | Street Lighting & Signal Systems              | \$ 71,695,524                    | \$ 37,431,634     | 100%             | \$ 37,431,634                   |                 | \$ 37,431,634                         |                                |
| 23                 | 374         | Asset Retirement Costs for Distribution Plant | \$ 60,078                        | \$ 46,193         | 100%             | \$ 46,193                       |                 | \$ 46,193                             |                                |
| 24                 |             | Total Distribution Plant                      | \$ 2,081,103,564                 | \$ 813,171,801    | 100%             | \$ 813,171,801                  | \$ (3,063,521)  | \$ 810,108,280                        |                                |

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
11/30/2014 Estimated Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3 (Estimate)

Page 3 of 4

NOTE: Column B contains estimated reserve for accumulated depreciation balances as of 11/30/2014 from 2014 Forecast Version 7+5, adjusted to reflect current assumptions, incorporate recommendations from the March 2013 and April 2014 Rider DCR Audit Reports, and 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 "Summary of Exclusions per Case No. 12-1230-EL-SSO: Estimated 11/30/2014 Plant in Service Balances" workpaper.

| Line No.      | Account No. | Account Title                            | Total Company Plant Investment<br>Sch B2.1 (Estimate) Column E (A) | Reserve Balances  |                  |                                 |                 |                                       |
|---------------|-------------|--|--|-------------------|------------------|---------------------------------|-----------------|---------------------------------------|
|               |             |  |  | Total Company (B) | Allocation % (C) | Allocated Total (D) = (B) * (C) | Adjustments (E) | Adjusted Jurisdiction (F) = (D) + (E) |
|               |             |  |  |                   |                  |                                 |                 |                                       |
| GENERAL PLANT |             |  |  |                   |                  |                                 |                 |                                       |
| 25            | 389         | Land & Land Rights                       | \$ 2,470,389   | \$ -              | 100%             | \$ -                            |                 | \$ -                                  |
| 26            | 390         | Structures & Improvements                | \$ 73,624,415  | \$ 19,801,942     | 100%             | \$ 19,801,942                   |                 | \$ 19,801,942                         |
| 27            | 390.3       | Leasehold Improvements                   | \$ 436,850   | \$ 428,693        | 100%             | \$ 428,693                      |                 | \$ 428,693                            |
| 28            | 391.1       | Office Furniture & Equipment             | \$ 4,287,032   | \$ 4,049,204      | 100%             | \$ 4,049,204                    |                 | \$ 4,049,204                          |
| 29            | 391.2       | Data Processing Equipment                | \$ 17,022,256  | \$ 8,458,530      | 100%             | \$ 8,458,530                    |                 | \$ 8,458,530                          |
| 30            | 392         | Transportation Equipment                 | \$ 3,957,943   | \$ 3,526,773      | 100%             | \$ 3,526,773                    |                 | \$ 3,526,773                          |
| 31            | 393         | Stores Equipment                         | \$ 604,772   | \$ 121,763        | 100%             | \$ 121,763                      |                 | \$ 121,763                            |
| 32            | 394         | Tools, Shop & Garage Equipment           | \$ 12,395,264  | \$ 2,807,864      | 100%             | \$ 2,807,864                    |                 | \$ 2,807,864                          |
| 33            | 395         | Laboratory Equipment                     | \$ 4,656,026   | \$ 1,666,629      | 100%             | \$ 1,666,629                    |                 | \$ 1,666,629                          |
| 34            | 396         | Power Operated Equipment                 | \$ 6,096,240   | \$ 4,022,829      | 100%             | \$ 4,022,829                    |                 | \$ 4,022,829                          |
| 35            | 397         | Communication Equipment                  | \$ 20,131,164  | \$ 18,070,662     | 100%             | \$ 18,070,662                   |                 | \$ 18,070,662                         |
| 36            | 398         | Miscellaneous Equipment                  | \$ 87,787  | \$ 77,894         | 100%             | \$ 77,894                       |                 | \$ 77,894                             |
| 37            | 399.1       | Asset Retirement Costs for General Plant | \$ 203,777   | \$ 108,388        | 100%             | \$ 108,388                      |                 | \$ 108,388                            |
| 38            |             | Total General Plant                      | \$ 145,973,916   | \$ 63,141,169     | 100%             | \$ 63,141,169                   | \$ -            | \$ 63,141,169                         |

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
11/30/2014 Estimated Reserve for Accumulated Depreciation by Accounts and Subaccounts

Schedule B-3 (Estimate)

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NOTE: Column B contains estimated reserve for accumulated depreciation balances as of 11/30/2014 from 2014 Forecast Version 7+5, adjusted to reflect current assumptions, incorporate recommendations from the March 2013 and April 2014 Rider DCR Audit Reports, and 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 "Summary of Exclusions per Case No. 12-1230-EL-SSO: Estimated 11/30/2014 Plant in Service Balances" workpaper.

| Line No.    | Account No. | Account Title                         | Total Company Plant Investment<br>Sch B2.1 (Estimate) Column E<br>(A) | Reserve Balances     |                     |                                    |                    |  |  |
|-------------|-------------|---------------------------------------|---|----------------------|---------------------|------------------------------------|--------------------|--|--|
|             |             |                                       |   | Total Company<br>(B) | Allocation %<br>(C) | Allocated Total<br>(D) = (B) * (C) | Adjustments<br>(E) | Adjusted Jurisdiction<br>(F) = (D) + (E) |  |
| OTHER PLANT |             |                                       |   |                      |                     |                                    |                    |  |  |
| 39          | 303         | Intangible Software                   | \$ 47,415,104   | \$ 39,264,916        | 100%                | \$ 39,264,916                      | \$ (781,382)       | \$ 38,483,534                            |  |
| 40          | 303         | Intangible FAS 109 Transmission       | \$ 1,176,339  | \$ 1,037,250         | 100%                | \$ 1,037,250                       |                    | \$ 1,037,250                             |  |
| 41          | 303         | Intangible FAS 109 Distribution       | \$ 2,001,380  | \$ 2,001,380         | 100%                | \$ 2,001,380                       |                    | \$ 2,001,380                             |  |
| 42          |             | Total Other Plant                     | \$ 50,592,824   | \$ 42,303,547        |                     | \$ 42,303,547                      | \$ (781,382)       | \$ 41,522,165                            |  |
| 43          |             | Removal Work in Progress (RWIP)       |   | \$ (1,364,978)       | 100%                | \$ (1,364,978)                     |                    | \$ (1,364,978)                           |  |
| 44          |             | Company Total Plant (Reserve)         | \$ 2,690,062,073  | \$ 1,126,787,007     | 100%                | \$ 1,126,787,007                   | \$ (3,844,904)     | \$ 1,122,942,104                         |  |
| 45          |             | Service Company Reserve Allocated*    |   |                      |                     |                                    |                    | \$ 31,858,408                            |  |
| 46          |             | Grand Total Plant (Reserve) (44 + 45) |   |                      |                     |                                    |                    | \$ 1,154,800,511                         |  |

\* Source: Line 3 of the "Service Company Allocations to the Ohio Operating Companies (Estimate)" workpaper.

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
 Ohio Edison Company: 14-1629-EL-RDR  
 The Toledo Edison Company: 14-1630-EL-RDR

FirstEnergy Companies  
 ADIT Balances (281 & 282 Property Accounts) - Estimate

|                                      | <u>CEI</u>            | <u>OE</u>             | <u>TE</u>             | <u>SC</u>  |
|--------------------------------------|-----------------------|-----------------------|-----------------------|------------|
| (1) Ending Bal. 11/30/2014*          | 443,886,686           | 450,537,915           | 125,099,331           | 87,213,926 |
| (2) Service Company Allocated ADIT** | \$ 12,393,099         | \$ 15,018,238         | \$ 6,610,816          |            |
| (3) Grand Total ADIT Balance***      | <u>\$ 456,279,785</u> | <u>\$ 465,556,153</u> | <u>\$ 131,710,147</u> |            |

\*Source: Estimated 11/30/2014 ADIT balances from the forecast as of September 2014.

\*\* Line 4 of the "Service Company Allocations to the Ohio Operating Companies (Estimate)" workpaper.

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

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
Annual Depreciation Expense on Estimated Plant Balances as of November 30, 2014

Schedule B-3.2 (Estimate)  
Page 1 of 4

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

| Line<br>No.               | Account<br>No. | Account Title                    | Adjusted Jurisdiction                        |   | Current<br>Accrual<br>Rate | Calculated<br>Depr.<br>Expense<br>(G=DxF) |
|---------------------------|----------------|----------------------------------|--|---|----------------------------|---|
|                           |                |                                  | Plant<br>Investment<br>Sch. B-2.1 (Estimate) | Reserve<br>Balance<br>Sch. B-3 (Estimate) |                            |   |
| (A)                       | (B)            | (C)                              | (D)  | (E)                                       | (F)                        | (G=DxF)                                   |
| <u>TRANSMISSION PLANT</u> |                |                                  |  |   |                            |   |
| 1                         | 350            | Land & Land Rights               | \$ 7,560,063                                 | \$ -                                      | 0.00%                      | \$ -                                      |
| 2                         | 352            | Structures & Improvements        | \$ 18,582,748                                | \$ 14,357,871                             | 2.50%                      | \$ 464,569                                |
| 3                         | 353            | Station Equipment                | \$ 159,649,124                               | \$ 67,883,785                             | 1.80%                      | \$ 2,873,684                              |
| 4                         | 354            | Towers & Fixtures                | \$ 328,676                                   | \$ 1,577,889                              | 1.77%                      | \$ 5,818                                  |
| 5                         | 355            | Poles & Fixtures                 | \$ 42,195,473                                | \$ 33,540,500                             | 3.00%                      | \$ 1,265,864                              |
| 6                         | 356            | Overhead Conductors & Devices    | \$ 56,309,044                                | \$ 27,936,734                             | 2.78%                      | \$ 1,565,391                              |
| 7                         | 357            | Underground Conduit              | \$ 31,967,934                                | \$ 28,046,206                             | 2.00%                      | \$ 639,359                                |
| 8                         | 358            | Underground Conductors & Devices | \$ 95,479,060                                | \$ 36,165,700                             | 2.00%                      | \$ 1,909,581                              |
| 9                         | 359            | Roads & Trails*                  | \$ 319,646                                   | \$ 26,784                                 | 1.33%                      | \$ 4,251                                  |
| 10                        |                | Total Transmission               | \$ 412,391,769                               | \$ 209,535,469                            |                            | \$ 8,728,517                              |

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

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
Annual Depreciation Expense on Estimated Plant Balances as of November 30, 2014

Schedule B-3.2 (Estimate)  
Page 2 of 4

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

| Line No.                  | Account No. | Account Title                                 | Adjusted Jurisdiction                            |   | Current Accrual Rate | Calculated Depr. Expense (G=DxF) |
|---------------------------|-------------|---|--|---|----------------------|----------------------------------|
|                           |             |   | Plant Investment<br>Sch. B-2.1 (Estimate)<br>(D) | Reserve Balance<br>Sch. B-3 (Estimate)<br>(E) |                      |                                  |
| (A)                       | (B)         | (C)   | (D)  | (E)   | (F)                  | (G=DxF)                          |
| <u>DISTRIBUTION PLANT</u> |             |   |  |   |                      |                                  |
| 11                        | 360         | Land & Land Rights                            | \$ 6,757,249                                     | \$ -  | 0.00%                | \$ -                             |
| 12                        | 361         | Structures & Improvements                     | \$ 23,762,750                                    | \$ 18,178,817                                 | 2.50%                | \$ 594,069                       |
| 13                        | 362         | Station Equipment                             | \$ 235,522,047                                   | \$ 74,138,609                                 | 1.80%                | \$ 4,239,397                     |
| 14                        | 364         | Poles, Towers & Fixtures                      | \$ 328,430,903                                   | \$ 209,194,203                                | 4.65%                | \$ 15,272,037                    |
| 15                        | 365         | Overhead Conductors & Devices                 | \$ 424,813,070                                   | \$ 162,177,308                                | 3.89%                | \$ 16,525,228                    |
| 16                        | 366         | Underground Conduit                           | \$ 70,005,010                                    | \$ 41,825,329                                 | 2.17%                | \$ 1,519,109                     |
| 17                        | 367         | Underground Conductors & Devices              | \$ 352,872,755                                   | \$ 95,052,742                                 | 2.44%                | \$ 8,610,095                     |
| 18                        | 368         | Line Transformers                             | \$ 371,985,482                                   | \$ 124,586,845                                | 2.91%                | \$ 10,824,778                    |
| 19                        | 369         | Services                                      | \$ 74,432,572                                    | \$ 14,458,936                                 | 4.33%                | \$ 3,222,930                     |
| 20                        | 370         | Meters  | \$ 96,225,158                                    | \$ 24,067,236                                 | 3.16%                | \$ 3,040,715                     |
| 21                        | 371         | Installation on Customer Premises             | \$ 24,540,966                                    | \$ 8,950,427                                  | 3.45%                | \$ 846,663                       |
| 22                        | 373         | Street Lighting & Signal Systems              | \$ 71,695,524                                    | \$ 37,431,634                                 | 3.70%                | \$ 2,652,734                     |
| 23                        | 374         | Asset Retirement Costs for Distribution Plant | \$ 60,078  | \$ 46,193                                     | 0.00%                | \$ -                             |
| 24                        |             | Total Distribution                            | \$ 2,081,103,564                                 | \$ 810,108,280                                |                      | \$ 67,347,755                    |



The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
Annual Depreciation Expense on Estimated Plant Balances as of November 30, 2014

Schedule B-3.2 (Estimate)  
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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<br>Sch. B-2.1 (Estimate)<br>(D) | Reserve Balance<br>Sch. B-3 (Estimate)<br>(E) |                      |                                  |
| (A)                  | (B)         | (C)                                      | (D)  | (E)   | (F)                  | (G=DxF)                          |
| <u>GENERAL PLANT</u> |             |  |  |   |                      |                                  |
| 25                   | 389         | Land & Land Rights                       | \$ 2,470,389                                     | \$ -  | 0.00%                | \$ -                             |
| 26                   | 390         | Structures & Improvements                | \$ 73,624,415                                    | \$ 19,801,942                                 | 2.20%                | \$ 1,619,737                     |
| 27                   | 390.3       | Leasehold Improvements                   | \$ 436,850                                       | \$ 428,693                                    | 22.34%               | \$ 97,592                        |
| 28                   | 391.1       | Office Furniture & Equipment             | \$ 4,287,032                                     | \$ 4,049,204                                  | 7.60%                | \$ 325,814                       |
| 29                   | 391.2       | Data Processing Equipment                | \$ 17,022,256                                    | \$ 8,458,530                                  | 10.56%               | \$ 1,797,550                     |
| 30                   | 392         | Transportation Equipment                 | \$ 3,957,943                                     | \$ 3,526,773                                  | 6.07%                | \$ 240,247                       |
| 31                   | 393         | Stores Equipment                         | \$ 604,772                                       | \$ 121,763                                    | 6.67%                | \$ 40,338                        |
| 32                   | 394         | Tools, Shop & Garage Equipment           | \$ 12,395,264                                    | \$ 2,807,864                                  | 4.62%                | \$ 572,661                       |
| 33                   | 395         | Laboratory Equipment                     | \$ 4,656,026                                     | \$ 1,666,629                                  | 2.31%                | \$ 107,554                       |
| 34                   | 396         | Power Operated Equipment                 | \$ 6,096,240                                     | \$ 4,022,829                                  | 4.47%                | \$ 272,502                       |
| 35                   | 397         | Communication Equipment                  | \$ 20,131,164                                    | \$ 18,070,662                                 | 7.50%                | \$ 1,509,837                     |
| 36                   | 398         | Miscellaneous Equipment                  | \$ 87,787  | \$ 77,894                                     | 6.67%                | \$ 5,855                         |
| 37                   | 399.1       | Asset Retirement Costs for General Plant | \$ 203,777                                       | \$ 108,388                                    | 0.00%                | \$ -                             |
| 38                   |             | Total General                            | \$ 145,973,916                                   | \$ 63,141,169                                 |                      | \$ 6,589,687                     |

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
Annual Depreciation Expense on Estimated Plant Balances as of November 30, 2014

Schedule B-3.2 (Estimate)  
Page 4 of 4

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

| Line No.           | Account No. | Account Title  | Adjusted Jurisdiction                            |   | Current Accrual Rate | Calculated Depr. Expense (G=DxF) |
|--------------------|-------------|--|--|---|----------------------|----------------------------------|
|                    |             |  | Plant Investment<br>Sch. B-2.1 (Estimate)<br>(D) | Reserve Balance<br>Sch. B-3 (Estimate)<br>(E) |                      |                                  |
| (A)                | (B)         | (C)  |  |   | (F)                  |                                  |
| <u>OTHER PLANT</u> |             |  |  |   |                      |                                  |
| 39                 | 303         | Intangible Software  | \$ 45,566,193                                    | \$ 38,483,534                                 | 14.29%               | **                               |
| 40                 | 303         | Intangible FAS 109 Transmission  | \$ 1,176,339                                     | \$ 1,037,250                                  | 2.15%                | **                               |
| 41                 | 303         | Intangible FAS 109 Distribution  | \$ 2,001,380                                     | \$ 2,001,380                                  | 3.18%                | **                               |
| 42                 |             | Total Other  | \$ 48,743,913                                    | \$ 41,522,165                                 |                      | \$ 2,208,012                     |
| 43                 |             | Removal Work in Progress (RWIP)  |  | \$ (1,364,978)                                |                      |                                  |
| 44                 |             | Total Company Depreciation   | <u>\$ 2,688,213,161</u>                          | <u>\$ 1,122,942,104</u>                       |                      | <u>\$ 84,873,971</u>             |
| 45                 |             | Incremental Depreciation Associated with Allocated Service Company Plant *** | \$ 82,309,425                                    | \$ 31,858,408                                 |                      | \$ 3,682,308                     |
| 46                 |             | GRAND TOTAL (44 + 45)  | <u>\$ 2,770,522,587</u>                          | <u>\$ 1,154,800,511</u>                       |                      | <u>\$ 88,556,278</u>             |

\*\* Please see the "Intangible Depreciation Expense Calculation: Estimated 11/30/2014 Balances" workpaper for more details behind the calculation of depreciation expense associated with Intangible Plant.

\*\*\* Source: Line 6 of the "Service Company Allocations to the Ohio Operating Companies (Estimate)" workpaper.

The Cleveland Electric Illuminating Company: 14-1628-EL-RDF

Annual Property Tax Expense on Estimated Plant Balances as of November 30, 2014

Schedule C-3.10a (Estimate)

Page 1 of 1

| Line<br>No. | Description   | Jurisdictional<br>Amount     |
|-------------|---|------------------------------|
| 1           | Personal Property Taxes   | \$ 102,174,288               |
| 2           | Real Property Taxes   | \$ 2,207,042                 |
| 3           | Incremental Property Tax Associated with Allocated Service Company Plant <sup>‡</sup> | <u>\$ 53,265</u>             |
| 4           | Total Property Taxes (1 + 2 + 3)  | <u><u>\$ 104,434,595</u></u> |

\* Source: Line 7 of the "Service Company Allocations to the Ohio Operating Companies (Estimate)" workpaper

The Cleveland Electric Illuminating Company: 14-1628-EL-RDF

Annual Personal Property Tax Expense on Estimated Plant Balances as of November 30, 2014

Schedule C-3.10a1 (Estimate)

Page 1 of 1

| Line No.                         | Description                                       | Jurisdictional Amount |                    |                |
|----------------------------------|---|-----------------------|--------------------|----------------|
|                                  |   | Transmission Plant    | Distribution Plant | General Plant  |
| 1                                | Jurisdictional Plant in Service (a)               | \$ 412,391,769        | \$ 2,081,103,564   | \$ 145,973,916 |
| 2                                | Jurisdictional Real Property (b)                  | \$ 26,142,810         | \$ 30,519,999      | \$ 76,531,654  |
| 3                                | Jurisdictional Personal Property (1 - 2)          | \$ 386,248,958        | \$ 2,050,583,565   | \$ 69,442,262  |
| 4                                | Purchase Accounting Adjustment (f)                | \$ (256,019,581)      | \$ (891,476,153)   | \$ -           |
| 5                                | Adjusted Jurisdictional Personal Property (3 + 4) | \$ 130,229,377        | \$ 1,159,107,412   | \$ 69,442,262  |
| <u>Exclusions and Exemptions</u> |   |                       |                    |                |
| 6                                | Capitalized Asset Retirement Costs (a)            | \$ -                  | \$ 60,078          | \$ 203,777     |
| 7                                | Exempt Facilities (c)                             | \$ -                  | \$ -               | \$ -           |
| 8                                | Licensed Motor Vehicles (c)                       | \$ -                  | \$ -               | \$ 6,527,799   |
| 9                                | Capitalized Interest (g)                          | \$ 5,216,989          | \$ 11,394,026      | \$ -           |
| 10                               | Total Exclusions and Exemptions (6 thru 9)        | \$ 5,216,989          | \$ 11,454,104      | \$ 6,731,576   |
| 11                               | Net Cost of Taxable Personal Property (5 - 10)    | \$ 125,012,388        | \$ 1,147,653,308   | \$ 62,710,686  |
| 12                               | True Value Percentage (c)                         | 77.0253%              | 75.8294%           | 37.5585%       |
| 13                               | True Value of Taxable Personal Property (11 x 12) | \$ 96,291,167         | \$ 870,258,617     | \$ 23,553,193  |
| 14                               | Assessment Percentage (d)                         | 85.00%                | 85.00%             | 24.00%         |
| 15                               | Assessment Value (13 x 14)                        | \$ 81,847,492         | \$ 739,719,824     | \$ 5,652,766   |
| 16                               | Personal Property Tax Rate (e)                    | 11.0931410%           | 11.0931410%        | 11.0931410%    |
| 17                               | Personal Property Tax (15 x 16)                   | \$ 9,079,458          | \$ 82,058,163      | \$ 627,069     |
| 18                               | Purchase Accounting Adjustment (f)                | \$ 2,124,562          | \$ 8,285,036       | \$ -           |
| 19                               | Total Personal Property Tax (17 + 18)             |                       |                    | \$ 102,174,288 |

(a) Schedule B-2.1 (Estimate)

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

(c) Source: CEI's most recent Ohio Annual Property Tax Return Filing.

(d) Statutory Assessment for Personal Property

(e) Estimated tax rate for Personal Property based on the most recent Ohio Annual Property Tax Return Filing

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

(g) Calculation: Line 5 x Percentage from the most recent Ohio Annual Property Tax Return Filing

The Cleveland Electric Illuminating Company: 14-1628-EL-RDF

Annual Real Property Tax Expense on Estimated Plant Balances as of November 30, 2014

Schedule C-3.10a2 (Estimate)

Page 1 of 1

| Line<br>No. | Description  | Jurisdictional Amount |   |                            |
|-------------|--|-----------------------|---|----------------------------|
|             |  | Transmission<br>Plant | Distribution<br>Plant   | General<br>Plant           |
| 1           | Jurisdictional Real Property (a)   | \$ 26,142,810         | \$ 30,519,999   | \$ 76,531,654              |
| 2           | True Value Percentage (b)  | <u>58.81%</u>         | <u>58.81%</u>   | <u>58.81%</u>              |
| 3           | True Value of Taxable Real Property (1 x 2)  | \$ 15,375,685         | \$ 17,950,093   | \$ 45,011,480              |
| 4           | Assessment Percentage (c)  | <u>35.00%</u>         | <u>35.00%</u>   | <u>35.00%</u>              |
| 5           | Assessment Value (3 x 4)   | \$ 5,381,490          | \$ 6,282,533  | \$ 15,754,018              |
| 6           | Real Property Tax Rate (d)   | <u>8.0496%</u>        | <u>8.0496%</u>  | <u>8.0496%</u>             |
| 7           | Real Property Tax (5 x 6)  | \$ 433,188            | \$ 505,719  | \$ 1,268,135               |
| 8           | Total Real Property Tax (Sum of 7)   |                       |   | <u><u>\$ 2,207,042</u></u> |
| (a)         | Schedule C-3.10a1 (Actual)   |                       |   |                            |
| (b)         | Calculated as follows:   |                       |   |                            |
|             | (1) Real Property Assessed Value   | \$ 38,006,649         | Source: CEI's most recent Ohio Annual Property Tax Return Filing  |                            |
|             | (2) Assessment Percentage  | <u>35.00%</u>         | Statutory Assessment for Real Property  |                            |
|             | (3) Real Property True Value   | \$ 108,590,426        | Calculation: (1) / (2)  |                            |
|             | (4) Real Property Capitalized Cost   | \$ 184,633,082        | Book cost of real property used to compare to assessed value of real property to derive a true value percentage |                            |
|             | (5) Real Property True Value Percentage  | <u><u>58.81%</u></u>  | Calculation: (3) / (4)  |                            |
| (c)         | Statutory Assessment for Real Property   |                       |   |                            |
| (d)         | Estimated tax rate for Real Estate based on the most recent Ohio Annual Property Tax Return Filing |                       |   |                            |

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
 Ohio Edison Company: 14-1629-EL-RDR  
 The Toledo Edison Company: 14-1630-EL-RDR

**Summary of Exclusions per Case No. 12-1230-EL-SSO  
 Estimated 11/30/2014 Plant in Service Balances**

**General Adjustments**

ATSI Land Lease Certain amounts (summarized below) in account 350 are associated with land leased to ATSI, FirstEnergy's transmission subsidiary. Consistent with Case No. 07-551-EL-AIR, these amounts are not jurisdictional to distribution related plant in service, and have been excluded accordingly for each operating company. There is no accumulated depreciation reserve associated with land.

| FERC Account 350 | CEI           | OE            | TE            |
|------------------|---------------|---------------|---------------|
| Gross Plant      | \$ 57,224,624 | \$ 85,527,569 | \$ 15,628,438 |
| Reserve          | \$ -          | \$ -          | \$ -          |

**ESP3 Adjustments**

In the ESP3 Stipulation (Case No. 12-1230-EL-SSO, page 20), 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: 2014 Forecast Version 7+5, adjusted to reflect current assumptions.  
 Exclusions related to Rider AMI are determined by specific depreciation groups in PowerPlant and WBS CE-004000

| FERC Account | CEI           |              |
|--------------|---------------|--------------|
|              | Gross         | Reserve      |
| 303          | \$ 1,848,911  | \$ 781,382   |
| 362          | \$ 1,048,549  | \$ 238,873   |
| 364          | \$ 207,471    | \$ 73,040    |
| 365          | \$ 1,491,589  | \$ 521,495   |
| 367          | \$ 13,029     | \$ 2,768     |
| 368          | \$ 212,402    | \$ 46,845    |
| 370          | \$ 17,953,614 | \$ 2,179,562 |
| Grand Total  | \$ 22,775,566 | \$ 3,843,965 |

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 Exclusions related to Rider EDR(g) are determined by the WBS CE-000303.

| FERC Account | CEI       |          |
|--------------|-----------|----------|
|              | Gross     | Reserve  |
| 364          | \$ 0      | \$ 64    |
| 365          | \$ 15     | \$ 66    |
| 366          | \$ 92,545 | \$ 917   |
| 367          | \$ 634    | \$ (179) |
| 368          | \$ 0      | \$ 54    |
| 369          | \$ 0      | \$ 17    |
| 371          | \$ 0      | \$ 0     |
| Grand Total  | \$ 93,194 | \$ 938   |

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
 Ohio Edison Company: 14-1629-EL-RDR  
 The Toledo Edison Company: 14-1630-EL-RDR

### Service Company Allocations to the Ohio Operating Companies (Estimate)

|   | Service Company      | CEI                  | OE                   | TE                    | TOTAL          |
|---|----------------------|----------------------|----------------------|-----------------------|----------------|
| (1) Allocation Factors from Case 07-551 |                      | 14.21%               | 17.22%               | 7.58%                 |                |
| (2) Gross Plant                         | \$ 579,235,926       | \$ 82,309,425        | \$ 99,744,426        | \$ 43,906,083         | \$ 225,959,935 |
| (3) Reserve                             | \$ 224,197,098       | \$ 31,858,408        | \$ 38,606,740        | \$ 16,994,140         | \$ 87,459,288  |
| (4) ADIT                                | \$ 87,213,926        | \$ 12,393,099        | \$ 15,018,238        | \$ 6,610,816          | \$ 34,022,153  |
| (5) <b>Rate Base</b>                    | <b>\$ 38,057,918</b> | <b>\$ 46,119,448</b> | <b>\$ 20,301,128</b> | <b>\$ 104,478,494</b> |                |
| (6) Depreciation Expense (Incremental)  | \$ 3,682,308         | \$ 4,462,304         | \$ 1,964,243         | \$ 10,108,855         |                |
| (7) Property Tax Expense (Incremental)  | \$ 53,265            | \$ 64,548            | \$ 28,413            | \$ 146,226            |                |
| (8) <b>Total Expenses</b>               | <b>\$ 3,735,573</b>  | <b>\$ 4,526,852</b>  | <b>\$ 1,992,656</b>  | <b>\$ 10,255,081</b>  |                |

- (2) Estimated Gross Plant = 11/30/2014 General and Intangible Plant Balances in the 2014 Forecast Version 7+5 adjusted to reflect current assumptions
- (3) Estimated Reserve = 11/30/2014 General and Intangible Reserve Balances in the 2014 Forecast Version 7+5 adjusted to reflect current assumptions
- (4) ADIT: Estimated ADIT Balances as of 11/30/2014
- (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: Case No. 07-551-EL-AIR vs. Estimated 11/30/2014 Balances" workpaper.
- (7) Estimated incremental property tax expense. Additional details provided on "Incremental Depreciation and Property Tax Associated with Service Company Plant: Case No. 07-551-EL-AIR vs. Estimated 11/30/2014 Balances" workpaper.
- (8) Total Expenses = Depreciation Expense + Property Tax Expense

All Service Company Allocations for Gross Plant and Reserve can be found on Sch B2.1 (Estimate) and Sch B3 (Estimate), respectively, in order to determine the Grand Totals shown on the "Rider DCR Estimated Distribution Rate Base Additions as of 11/30/2014: Revenue Requirement" workpaper.

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
 Ohio Edison Company: 14-1629-EL-RDR  
 The Toledo Edison Company: 14-1630-EL-RDR

### Depreciation Rate for Service Company Plant (Estimate)

#### I. Estimated Depreciation Accrual Rate for Service Company Plant as of May 31, 2007

| Line No.                | (A)<br>Account                          | (B)<br>Account Description       | (D)<br>5/31/2007 |                |                | (G)<br>Accrual Rates |           |           |                | (J)<br>Depreciation Expense |
|-------------------------|---|----------------------------------|------------------|----------------|----------------|----------------------|-----------|-----------|----------------|-----------------------------|
|                         |   |                                  | (C)<br>Gross     | (D)<br>Reserve | (E)<br>Net     | (F)<br>CEI           | (G)<br>OE | (H)<br>TE | (I)<br>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       | \$ -           | \$ 556,979     | 0.00%                | 0.00%     | 0.00%     | 0.00%          | \$ -                        |
| 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%          | \$ -                        |
| 16                      |   |                                  | \$ 234,896,167   | \$ 91,821,447  | \$ 143,074,720 |                      |           |           |                | \$ 22,576,438               |
| <b>INTANGIBLE PLANT</b> |   |                                  |                  |                |                |                      |           |           |                |                             |
| 17                      | 301                                     | Organization                     | \$ 49,344        | \$ 49,344      | \$ -           | 0.00%                | 0.00%     | 0.00%     | 0.00%          | \$ -                        |
| 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   | \$ -           | 14.29%               | 14.29%    | 14.29%    | 14.29%         | \$ -                        |
| 22                      | 303                                     | Impairment June 2000             | \$ 77            | \$ 77          | \$ (0)         | 14.29%               | 14.29%    | 14.29%    | 14.29%         | \$ -                        |
| 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     | \$ -           | 3.87%                | 3.87%     | 3.87%     | 3.87%          | \$ -                        |
| 25                      | 303                                     | Debt Gross-up (FAS109): G/P Land | \$ 1,135         | \$ 1,137       | \$ (2)         | 3.87%                | 3.87%     | 3.87%     | 3.87%          | \$ -                        |
| 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



The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
Ohio Edison Company: 14-1629-EL-RDR  
The Toledo Edison Company: 14-1630-EL-RDR

### Depreciation Rate for Service Company Plant (Estimate)

#### II. Estimated Depreciation Accrual Rate for Service Company Plant as of November 30, 2014

| Line No.                | (A)<br>Account                          | (B)<br>Account Description      | (C) (D) (E)<br>Estimated 11/30/2014 Balances |                |                | (F) (G) (H) (I)<br>Accrual Rates |        |        |         | (J)<br>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                                   | \$ -           | \$ 230,947     | 0.00%                            | 0.00%  | 0.00%  | 0.00%   | \$ -                        |
| 31                      | 390                                     | Structures, Improvements *      | \$ 45,964,429                                | \$ 18,362,909  | \$ 27,601,521  | 2.20%                            | 2.50%  | 2.20%  | 2.33%   | \$ 1,072,087                |
| 32                      | 390.3                                   | Struct Imprv, Leasehold Imp **  | \$ 14,120,431                                | \$ 5,395,310   | \$ 8,725,121   | 22.34%                           | 20.78% | 0.00%  | 21.49%  | \$ 3,033,817                |
| 33                      | 391.1                                   | Office Furn., Mech. Equip.      | \$ 21,360,708                                | \$ 9,663,228   | \$ 11,697,479  | 7.60%                            | 3.80%  | 3.80%  | 5.18%   | \$ 1,107,384                |
| 34                      | 391.2                                   | Data Processing Equipment       | \$ 138,242,542                               | \$ 30,726,303  | \$ 107,516,240 | 10.56%                           | 17.00% | 9.50%  | 13.20%  | \$ 18,243,607               |
| 35                      | 392                                     | Transportation Equipment        | \$ 267,973                                   | \$ 54,015      | \$ 213,958     | 6.07%                            | 7.31%  | 6.92%  | 6.78%   | \$ 18,175                   |
| 36                      | 393                                     | Stores Equipment                | \$ 16,747                                    | \$ 5,684       | \$ 11,063      | 6.67%                            | 2.56%  | 3.13%  | 4.17%   | \$ 698                      |
| 37                      | 394                                     | Tools, Shop, Garage Equip.      | \$ 210,419                                   | \$ 14,173      | \$ 196,245     | 4.62%                            | 3.17%  | 3.33%  | 3.73%   | \$ 7,847                    |
| 38                      | 395                                     | Laboratory Equipment            | \$ 112,395                                   | \$ 24,393      | \$ 88,002      | 2.31%                            | 3.80%  | 2.86%  | 3.07%   | \$ 3,456                    |
| 39                      | 396                                     | Power Operated Equipment        | \$ 91,445                                    | \$ 63,846      | \$ 27,599      | 4.47%                            | 3.48%  | 5.28%  | 4.19%   | \$ 3,832                    |
| 40                      | 397                                     | Communication Equipment ***     | \$ 81,803,231                                | \$ 23,727,632  | \$ 58,075,599  | 7.50%                            | 5.00%  | 5.88%  | 6.08%   | \$ 4,974,991                |
| 41                      | 398                                     | Misc. Equipment                 | \$ 3,215,865                                 | \$ 720,570     | \$ 2,495,296   | 6.67%                            | 4.00%  | 3.33%  | 4.84%   | \$ 155,725                  |
| 42                      | 399.1                                   | ARC General Plant               | \$ 40,721                                    | \$ 23,906      | \$ 16,816      | 0.00%                            | 0.00%  | 0.00%  | 0.00%   | \$ -                        |
| 43                      |   |                                 | \$ 305,677,854                               | \$ 88,781,968  | \$ 216,895,886 |                                  |        |        |         | \$ 28,621,619               |
| <b>INTANGIBLE PLANT</b> |   |                                 |  |                |                |                                  |        |        |         |                             |
| 44                      | 301                                     | FECO 101/6-301 Organization Fst | \$ 49,344                                    | \$ 49,344      | \$ -           | 0.00%                            | 0.00%  | 0.00%  | 0.00%   | \$ -                        |
| 45                      | 303                                     | FECO 101/6 303 Intangibles      | \$ 44,398,925                                | \$ 8,953,519   | \$ 35,445,406  | 14.29%                           | 14.29% | 14.29% | 14.29%  | \$ 6,344,606                |
| 46                      | 303                                     | FECO 101/6 303 Katz Software    | \$ 1,268,271                                 | \$ 1,268,271   | \$ -           | 14.29%                           | 14.29% | 14.29% | 14.29%  | \$ -                        |
| 47                      | 303                                     | FECO 101/6-303 2003 Software    | \$ 24,400,196                                | \$ 24,400,196  | \$ -           | 14.29%                           | 14.29% | 14.29% | 14.29%  | \$ -                        |
| 48                      | 303                                     | FECO 101/6-303 2004 Software    | \$ 12,676,215                                | \$ 12,676,215  | \$ -           | 14.29%                           | 14.29% | 14.29% | 14.29%  | \$ -                        |
| 49                      | 303                                     | FECO 101/6-303 2005 Software    | \$ 1,086,776                                 | \$ 1,086,776   | \$ -           | 14.29%                           | 14.29% | 14.29% | 14.29%  | \$ -                        |
| 50                      | 303                                     | FECO 101/6-303 2006 Software    | \$ 5,680,002                                 | \$ 5,680,002   | \$ -           | 14.29%                           | 14.29% | 14.29% | 14.29%  | \$ -                        |
| 51                      | 303                                     | FECO 101/6-303 2007 Software    | \$ 7,245,250                                 | \$ 7,245,250   | \$ -           | 14.29%                           | 14.29% | 14.29% | 14.29%  | \$ -                        |
| 52                      | 303                                     | FECO 101/6-303 2008 Software    | \$ 7,404,178                                 | \$ 7,069,086   | \$ 335,092     | 14.29%                           | 14.29% | 14.29% | 14.29%  | \$ 335,092                  |
| 53                      | 303                                     | FECO 101/6-303 2009 Software    | \$ 15,969,099                                | \$ 12,320,533  | \$ 3,648,566   | 14.29%                           | 14.29% | 14.29% | 14.29%  | \$ 2,281,984                |
| 54                      | 303                                     | FECO 101/6-303 2010 Software    | \$ 19,353,459                                | \$ 12,751,111  | \$ 6,602,349   | 14.29%                           | 14.29% | 14.29% | 14.29%  | \$ 2,765,609                |
| 55                      | 303                                     | FECO 101/6-303 2011 Software    | \$ 53,523,626                                | \$ 25,450,753  | \$ 28,072,873  | 14.29%                           | 14.29% | 14.29% | 14.29%  | \$ 7,648,526                |
| 56                      | 303                                     | FECO 101/6-303 2012 Software    | \$ 32,232,444                                | \$ 10,386,264  | \$ 21,846,181  | 14.29%                           | 14.29% | 14.29% | 14.29%  | \$ 4,606,016                |
| 57                      | 303                                     | FECO 101/6-303 2013 Software    | \$ 47,011,297                                | \$ 6,146,645   | \$ 40,864,652  | 14.29%                           | 14.29% | 14.29% | 14.29%  | \$ 6,717,914                |
| 58                      | 303                                     | FECO 101/6-303 2014 Software    | \$ 1,258,989                                 | \$ 88,591      | \$ 1,170,398   | 14.29%                           | 14.29% | 14.29% | 14.29%  | \$ 179,910                  |
|                         |   |                                 | \$ 273,558,072                               | \$ 135,572,555 | \$ 137,985,517 |                                  |        |        |         | \$ 30,879,659               |
| 59                      | Removal Work in Progress (RWIP)         |                                 | \$ (157,425)                                 |                |                |                                  |        |        |         |                             |
| 60                      | <b>TOTAL - GENERAL &amp; INTANGIBLE</b> |                                 | \$ 579,235,926                               | \$ 224,197,098 | \$ 354,881,403 |                                  |        |        |         | <b>10.27% \$ 59,501,278</b> |

#### NOTES

(C) - (E) Estimated 11/30/2014 balances. Source: 2014 Forecast Version 7+5 adjusted to reflect current assumptions and incorporate recommendations from the March 2013 and April 2014 Rider DCR audit reports.

(F) - (H) Source: Schedule B3.2 (Estimate).

(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 11/30/2014. 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

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
 Ohio Edison Company: 14-1629-EL-RDR  
 The Toledo Edison Company: 14-1630-EL-RDR

### Property Tax Rate for Service Company Plant (Estimate)

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

| No.                      | (A)<br>Category             | (B)<br>CEI | (C)<br>OE | (D)<br>TE | (E)<br>Average ** | (F)<br>Source / Calculation  |
|--------------------------|-----------------------------|------------|-----------|-----------|-------------------|--|
| 1                        | Allocation Factors          | 14.21%     | 17.22%    | 7.58%     | 39.01%            | "Service Company Allocations to the Ohio Operating Companies (Estimate)" 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   |

\* 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.

\*\* Weighted average based on Service Company allocation factors.

Assumes that the tax rate for Service Company plant is equal to the weighted average of the three operating companies.

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

| No. | (A)<br>Account                                  | (B)<br>Account Description  | (C)<br>Tax Category | (D)<br>Avg. Tax Rate | (E)<br>Gross Plant | (F)<br>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      | \$ -                |
| 11  | 391.2   | Data Processing Equipment   | Personal            |                      | \$ 117,351,991     | \$ -                |
| 12  | 392   | Transportation Equipment    | Personal            |                      | \$ 11,855          | \$ -                |
| 13  | 393   | Stores Equipment            | Personal            |                      | \$ 16,787          | \$ -                |
| 14  | 394   | Tools, Shop, Garage Equip.  | Personal            |                      | \$ 11,282          | \$ -                |
| 15  | 395   | Laboratory Equipment        | Personal            |                      | \$ 127,988         | \$ -                |
| 16  | 396   | Power Operated Equipment    | Personal            |                      | \$ 160,209         | \$ -                |
| 17  | 397   | Communication Equipment     | Personal            |                      | \$ 56,845,501      | \$ -                |
| 18  | 398   | Misc. Equipment             | Personal            |                      | \$ 465,158         | \$ -                |
| 19  | 399.1   | ARC General Plant           | Personal            |                      | \$ 40,721          | \$ -                |
| 20  | <b>TOTAL - GENERAL PLANT</b>                    |                             |                     |                      | \$ 234,896,167     | \$ 429,208          |
| 21  | <b>TOTAL - INTANGIBLE PLANT</b>                 |                             |                     |                      | \$ 79,567,511      | \$ -                |
| 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

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
 Ohio Edison Company: 14-1629-EL-RDR  
 The Toledo Edison Company: 14-1630-EL-RDR

### Property Tax Rate for Service Company Plant (Estimate)

#### III. Estimated Average Real Property Tax Rates on General Plant as of November 30, 2014 \*

| No.   | (A)<br>Category             | (B)<br>CEI | (C)<br>OE | (D)<br>TE | (E)<br>Average ** | (F)<br>Source / Calculation  |
|---|-----------------------------|------------|-----------|-----------|-------------------|--|
| 24  | Allocation Factors          | 14.21%     | 17.22%    | 7.58%     | 39.01%            | "Service Company Allocations to the Ohio Operating Companies (Estimate)" 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       | 58.81%     | 44.65%    | 44.67%    | 49.82%            | Schedule C3.10a2 (Estimate)  |
| 27  | Assessment Percentage       | 35.00%     | 35.00%    | 35.00%    | 35.00%            | Schedule C3.10a2 (Estimate)  |
| 28  | Real Property Tax Rate      | 8.05%      | 7.08%     | 8.17%     | 7.65%             | Schedule C3.10a2 (Estimate)  |
| 29  | Average Rate                | 1.66%      | 1.11%     | 1.28%     | 1.33%             | 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 November 30, 2014

| No. | (A)<br>Account                                  | (B)<br>Account Description  | (C)<br>Tax Category | (D)<br>Avg. Tax Rate | (E)<br>Gross Plant    | (F)<br>Property Tax |
|-----|---|-----------------------------|---------------------|----------------------|-----------------------|---------------------|
| 30  | 389   | Fee Land & Easements        | Real                | 1.33%                | \$ 230,947            | \$ 3,079            |
| 31  | 390   | Structures, Improvements    | Real                | 1.33%                | \$ 45,964,429         | \$ 612,737          |
| 32  | 390.3   | Struct Imprv, Leasehold Imp | Real                | 1.33%                | \$ 14,120,431         | \$ 188,235          |
| 33  | 391.1   | Office Furn., Mech. Equip.  | Personal            |                      | \$ 21,360,708         | \$ -                |
| 34  | 391.2   | Data Processing Equipment   | Personal            |                      | \$ 138,242,542        | \$ -                |
| 35  | 392   | Transportation Equipment    | Personal            |                      | \$ 267,973            | \$ -                |
| 36  | 393   | Stores Equipment            | Personal            |                      | \$ 16,747             | \$ -                |
| 37  | 394   | Tools, Shop, Garage Equip.  | Personal            |                      | \$ 210,419            | \$ -                |
| 38  | 395   | Laboratory Equipment        | Personal            |                      | \$ 112,395            | \$ -                |
| 39  | 396   | Power Operated Equipment    | Personal            |                      | \$ 91,445             | \$ -                |
| 40  | 397   | Communication Equipment     | Personal            |                      | \$ 81,803,231         | \$ -                |
| 41  | 398   | Misc. Equipment             | Personal            |                      | \$ 3,215,865          | \$ -                |
| 42  | 399.1   | ARC General Plant           | Personal            |                      | \$ 40,721             | \$ -                |
| 43  | <b>TOTAL - GENERAL PLANT</b>                    |                             |                     |                      | <b>\$ 305,677,854</b> | <b>\$ 804,050</b>   |
| 44  | <b>TOTAL - INTANGIBLE PLANT</b>                 |                             |                     |                      | <b>\$ 273,558,072</b> | <b>\$ -</b>         |
| 45  | <b>TOTAL - GENERAL &amp; INTANGIBLE PLANT</b>   |                             |                     |                      | <b>\$ 579,235,926</b> | <b>\$ 804,050</b>   |
| 46  | <b>Average Effective Real Property Tax Rate</b> |                             |                     |                      |                       | <b>0.14%</b>        |

#### NOTES

- (C) Source: Schedule C3.10 (Estimate). Classification of General Plant account as Real or Personal Property
- (D) Weighted average property tax rate across CEI, OE, and TE. See Section III 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 11/30/2014. Source: 2014 Forecast Version 7+5 adjusted to reflect current assumptions and incorporate recommendations from the March 2013 and April 2014 Rider DCR audit reports.
- (F) Calculation: Column D x Column E

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
Ohio Edison Company: 14-1629-EL-RDR  
The Toledo Edison Company: 14-1630-EL-RDR

**Incremental Depreciation and Property Tax Associated with Service Company Plant**  
**Case No. 07-551-EL-AIR vs. Estimated 11/30/2014 Balances**

| <b>I. Estimated Allocated Service Company Plant and Related Expenses as of November 30, 2014</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        | \$ 579,235,926        | \$ 82,309,425        | \$ 99,744,426        | \$ 43,906,083        | \$ 225,959,935        | "Depreciation Rate for Service Company Plant (Estimate)" workpaper, Line 60 x Line 1 |
| 3  | Accum. Reserve     | \$ (224,197,098)      | \$ (31,858,408)      | \$ (38,606,740)      | \$ (16,994,140)      | \$ (87,459,288)       | "Depreciation Rate for Service Company Plant (Estimate)" workpaper, Line 60 x Line 1 |
| 4  | Net Plant          | <u>\$ 355,038,827</u> | <u>\$ 50,451,017</u> | <u>\$ 61,137,686</u> | <u>\$ 26,911,943</u> | <u>\$ 138,500,647</u> | Line 2 + Line 3  |
| 5  | Depreciation *     | 10.27%                | \$ 8,455,132         | \$ 10,246,120        | \$ 4,510,197         | \$ 23,211,449         | Average Rate x Line 2  |
| 6  | Property Tax *     | 0.14%                 | \$ 114,256           | \$ 138,457           | \$ 60,947            | \$ 313,660            | Average Rate x Line 2  |
| 7  | Total Expenses     |                       | <u>\$ 8,569,387</u>  | <u>\$ 10,384,578</u> | <u>\$ 4,571,144</u>  | <u>\$ 23,525,109</u>  |  |
| <p>* Effective Depreciation and Property Tax rates based on weighted averages across companies over General and Intangible plant, as of 11/30/2014.<br/> See line 60 of the "Depreciation Rate for Service Company Plant (Estimate)" workpaper and line 46 of the "Property Tax Rate for Service Company Plant (Estimate)" workpaper for more details.</p> |                    |                       |                      |                      |                      |                       |  |

| <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       | "Depreciation Rate for Service Company Plant (Estimate)" workpaper, Line 27 x Line 8 |
| 10   | Accum. Reserve     | \$ (141,912,431)      | \$ (20,165,756)      | \$ (24,437,321)      | \$ (10,756,962)      | \$ (55,360,039)      | "Depreciation Rate for Service Company Plant (Estimate)" workpaper, Line 27 x Line 8 |
| 11   | Net Plant          | <u>\$ 172,551,247</u> | <u>\$ 24,519,532</u> | <u>\$ 29,713,325</u> | <u>\$ 13,079,385</u> | <u>\$ 67,312,242</u> | Line 9 + Line 10   |
| 12   | Depreciation *     | 10.68%                | \$ 4,772,824         | \$ 5,783,816         | \$ 2,545,954         | \$ 13,102,594        | Average Rate x Line 9  |
| 13   | Property Tax *     | 0.14%                 | \$ 60,990            | \$ 73,910            | \$ 32,534            | \$ 167,434           | Average Rate x Line 9  |
| 14   | Total Expenses     |                       | <u>\$ 4,833,814</u>  | <u>\$ 5,857,726</u>  | <u>\$ 2,578,488</u>  | <u>\$ 13,270,028</u> | Line 12 + Line 13  |
| <p>* Effective Depreciation and Property Tax rates based on weighted averages across companies over General and Intangible plant as of 5/31/07.<br/> See line 27 of the "Depreciation Rate for Service Company Plant (Estimate)" workpaper and line 23 of the "Property Tax Rate for Service Company Plant (Estimate)" workpaper for more details.</p> |                    |                       |                      |                      |                      |                      |  |

| <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   | -0.41%      | \$ 3,682,308        | \$ 4,462,304        | \$ 1,964,243        | \$ 10,108,855        | Line 5 - Line 12  |
| 16   | Property Tax   | 0.00%       | \$ 53,265           | \$ 64,548           | \$ 28,413           | \$ 146,226           | Line 6 - Line 13  |
| 17   | Total Expenses |             | <u>\$ 3,735,573</u> | <u>\$ 4,526,852</u> | <u>\$ 1,992,656</u> | <u>\$ 10,255,081</u> | Line 15 + Line 16 |
| <p>* In Case No. 07-551-EL-AIR, test year operating expenses included allocated depreciation and property tax associated with Service Company plant. This section calculates the difference between the estimated level of these expenses included in base rates and the expected expenses to be incurred based on Service Company plant balances as of November 30, 2014. The incremental expenses calculated on Line 17 above are added to the Rider DCR revenue requirements.</p> |                |             |                     |                     |                     |                      |                   |

**Intangible Depreciation Expense Calculation**  
**Estimated 11/30/2014 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<br>(A)            | Utility Account<br>(B)               | Function<br>(C)  | Gross Plant Nov-14<br>(D) | Reserve Nov-14<br>(E) | Net Plant Nov-14<br>(F) | Accrual Rates<br>(G) | Depreciation Exp<br>(H) |
|---------------------------|--------------------------------------|------------------|---------------------------|-----------------------|-------------------------|----------------------|-------------------------|
| CECO The Illuminating Co. | CECO 101/6-303 2002 Software         | Intangible Plant | \$ 2,966,784              | \$ 2,966,784          | \$ -                    | 14.29%               | \$ -                    |
| CECO The Illuminating Co. | CECO 101/6-303 2003 Software         | Intangible Plant | \$ 1,307,067              | \$ 1,307,067          | \$ -                    | 14.29%               | \$ -                    |
| CECO The Illuminating Co. | CECO 101/6-303 2004 Software         | Intangible Plant | \$ 3,596,344              | \$ 3,596,344          | \$ -                    | 14.29%               | \$ -                    |
| CECO The Illuminating Co. | CECO 101/6-303 2005 Software         | Intangible Plant | \$ 1,219,862              | \$ 1,219,862          | \$ 0                    | 14.29%               | \$ 0                    |
| CECO The Illuminating Co. | CECO 101/6-303 2006 Software         | Intangible Plant | \$ 1,808,778              | \$ 1,808,778          | \$ 0                    | 14.29%               | \$ 0                    |
| CECO The Illuminating Co. | CECO 101/6-303 2007 Software         | Intangible Plant | \$ 5,870,456              | \$ 5,870,456          | \$ 0                    | 14.29%               | \$ 0                    |
| CECO The Illuminating Co. | CECO 101/6-303 2008 Software         | Intangible Plant | \$ 1,068,042              | \$ 1,261,794          | \$ (193,753)            | 14.29%               | \$ -                    |
| CECO The Illuminating Co. | CECO 101/6-303 2009 Software         | Intangible Plant | \$ 3,242,051              | \$ 2,418,376          | \$ 823,674              | 14.29%               | \$ 463,289              |
| CECO The Illuminating Co. | CECO 101/6-303 2010 Software         | Intangible Plant | \$ 2,799,717              | \$ 1,794,375          | \$ 1,005,341            | 14.29%               | \$ 400,080              |
| CECO The Illuminating Co. | CECO 101/6-303 2011 Software         | Intangible Plant | \$ 5,812,975              | \$ 2,856,534          | \$ 2,956,441            | 14.29%               | \$ 830,674              |
| CECO The Illuminating Co. | CECO 101/6-303 2012 Software         | Intangible Plant | \$ 688,774                | \$ 177,959            | \$ 510,815              | 14.29%               | \$ 98,426               |
| CECO The Illuminating Co. | CECO 101/6-303 2013 Software         | Intangible Plant | \$ 2,130,147              | \$ 357,485            | \$ 1,772,662            | 14.29%               | \$ 304,398              |
| CECO The Illuminating Co. | CECO 101/6-303 2014 Software         | Intangible Plant | \$ 13,956                 | \$ 1,058              | \$ -                    | 14.29%               | \$ 1,994                |
| CECO The Illuminating Co. | CECO 101/6-303 FAS109 Dist- Forecast | Intangible Plant | \$ 2,001,380              | \$ 2,001,380          | \$ -                    | 3.18%                | \$ -                    |
| CECO The Illuminating Co. | CECO 101/6-303 FAS109 Transm-FCT     | Intangible Plant | \$ 1,176,339              | \$ 1,037,250          | \$ 139,089              | 2.15%                | \$ 25,291               |
| CECO The Illuminating Co. | CECO 101/6-303 Software              | Intangible Plant | \$ 586,837                | \$ 392,257            | \$ 194,580              | 14.29%               | \$ 83,859               |
| CECO The Illuminating Co. | CECO 101/6-303 Software Evolution    | Intangible Plant | \$ 12,454,403             | \$ 12,454,403         | \$ -                    | 14.29%               | \$ -                    |
| <b>Total</b>              |                                      |                  | <b>\$ 48,743,913</b>      | <b>\$ 41,522,165</b>  | <b>\$ 7,208,850</b>     |                      | <b>\$ 2,208,012</b>     |
| OECO Ohio Edison Co.      | OECO 101/6-301 Organization          | Intangible Plant | \$ 89,746                 | \$ -                  | \$ 89,746               | 0.00%                | \$ -                    |
| OECO Ohio Edison Co.      | OECO 101/6-303 2002 Software         | Intangible Plant | \$ 3,690,067              | \$ 3,690,067          | \$ -                    | 14.29%               | \$ -                    |
| OECO Ohio Edison Co.      | OECO 101/6-303 2003 Software         | Intangible Plant | \$ 17,568,726             | \$ 17,568,726         | \$ -                    | 14.29%               | \$ -                    |
| OECO Ohio Edison Co.      | OECO 101/6-303 2004 Software         | Intangible Plant | \$ 4,524,343              | \$ 4,524,343          | \$ -                    | 14.29%               | \$ -                    |
| OECO Ohio Edison Co.      | OECO 101/6-303 2005 Software         | Intangible Plant | \$ 1,469,370              | \$ 1,469,370          | \$ -                    | 14.29%               | \$ -                    |
| OECO Ohio Edison Co.      | OECO 101/6-303 2006 Software         | Intangible Plant | \$ 2,754,124              | \$ 2,754,124          | \$ -                    | 14.29%               | \$ -                    |
| OECO Ohio Edison Co.      | OECO 101/6-303 2007 Software         | Intangible Plant | \$ 7,208,211              | \$ 7,208,211          | \$ -                    | 14.29%               | \$ -                    |
| OECO Ohio Edison Co.      | OECO 101/6-303 2008 Software         | Intangible Plant | \$ 1,343,335              | \$ 1,783,885          | \$ (440,549)            | 14.29%               | \$ -                    |
| OECO Ohio Edison Co.      | OECO 101/6-303 2009 Software         | Intangible Plant | \$ 4,181,335              | \$ 3,306,089          | \$ 875,246              | 14.29%               | \$ 597,513              |
| OECO Ohio Edison Co.      | OECO 101/6-303 2010 Software         | Intangible Plant | \$ 3,276,941              | \$ 2,213,730          | \$ 1,063,210            | 14.29%               | \$ 468,275              |
| OECO Ohio Edison Co.      | OECO 101/6-303 2011 Software         | Intangible Plant | \$ 8,353,314              | \$ 3,735,230          | \$ 4,618,083            | 14.29%               | \$ 1,193,689            |
| OECO Ohio Edison Co.      | OECO 101/6-303 2012 Software         | Intangible Plant | \$ 936,733                | \$ 325,686            | \$ 611,047              | 14.29%               | \$ 133,859              |
| OECO Ohio Edison Co.      | OECO 101/6-303 2013 Software         | Intangible Plant | \$ 3,145,062              | \$ 598,602            | \$ 2,546,460            | 14.29%               | \$ 449,429              |
| OECO Ohio Edison Co.      | OECO 101/6-303 2014 Software         | Intangible Plant | \$ 25,004                 | \$ 1,893              | \$ 23,111               | 14.29%               | \$ 3,573                |
| OECO Ohio Edison Co.      | OECO 101/6-303 FAS109 Dist Land      | Intangible Plant | \$ 37,082                 | \$ -                  | \$ 37,082               | 2.89%                | \$ -                    |
| OECO Ohio Edison Co.      | OECO 101/6-303 FAS109 Distribution   | Intangible Plant | \$ 1,556,299              | \$ 1,556,299          | \$ -                    | 2.89%                | \$ -                    |
| OECO Ohio Edison Co.      | OECO 101/6-303 FAS109 General Lan    | Intangible Plant | \$ 7,778                  | \$ -                  | \$ 7,778                | 3.87%                | \$ -                    |
| OECO Ohio Edison Co.      | OECO 101/6-303 FAS109 General Plt    | Intangible Plant | \$ 191,313                | \$ 173,389            | \$ 17,924               | 3.87%                | \$ 7,404                |
| OECO Ohio Edison Co.      | OECO 101/6-303 FAS109 Trans Land     | Intangible Plant | \$ 1,326,229              | \$ -                  | \$ 1,326,229            | 2.33%                | \$ -                    |
| OECO Ohio Edison Co.      | OECO 101/6-303 FAS109 Transmissio    | Intangible Plant | \$ 697,049                | \$ 697,049            | \$ -                    | 2.33%                | \$ -                    |
| OECO Ohio Edison Co.      | OECO 101/6-303 Intangibles           | Intangible Plant | \$ 1,344,099              | \$ 723,164            | \$ 620,934              | 14.29%               | \$ 192,072              |
| <b>Total</b>              |                                      |                  | <b>\$ 63,726,160</b>      | <b>\$ 52,329,857</b>  | <b>\$ 11,396,302</b>    |                      | <b>\$ 3,045,813</b>     |
| TECO Toledo Edison Co.    | TECO 101/6-303 2002 Software         | Intangible Plant | \$ 1,705,114              | \$ 1,705,114          | \$ -                    | 14.29%               | \$ -                    |
| TECO Toledo Edison Co.    | TECO 101/6-303 2003 Software         | Intangible Plant | \$ 7,446,712              | \$ 7,446,712          | \$ -                    | 14.29%               | \$ -                    |
| TECO Toledo Edison Co.    | TECO 101/6-303 2004 Software         | Intangible Plant | \$ 854,821                | \$ 854,821            | \$ -                    | 14.29%               | \$ -                    |
| TECO Toledo Edison Co.    | TECO 101/6-303 2005 Software         | Intangible Plant | \$ 670,679                | \$ 670,679            | \$ -                    | 14.29%               | \$ -                    |
| TECO Toledo Edison Co.    | TECO 101/6-303 2006 Software         | Intangible Plant | \$ 834,729                | \$ 834,729            | \$ -                    | 14.29%               | \$ -                    |
| TECO Toledo Edison Co.    | TECO 101/6-303 2007 Software         | Intangible Plant | \$ 3,095,002              | \$ 3,095,002          | \$ -                    | 14.29%               | \$ -                    |
| TECO Toledo Edison Co.    | TECO 101/6-303 2008 Software         | Intangible Plant | \$ 554,817                | \$ 663,595            | \$ (108,778)            | 14.29%               | \$ -                    |
| TECO Toledo Edison Co.    | TECO 101/6-303 2009 Software         | Intangible Plant | \$ 1,800,726              | \$ 1,408,276          | \$ 392,449              | 14.29%               | \$ 257,324              |
| TECO Toledo Edison Co.    | TECO 101/6-303 2010 Software         | Intangible Plant | \$ 1,429,536              | \$ 963,420            | \$ 466,116              | 14.29%               | \$ 204,281              |
| TECO Toledo Edison Co.    | TECO 101/6-303 2011 Software         | Intangible Plant | \$ 2,123,520              | \$ 1,097,632          | \$ 1,025,888            | 14.29%               | \$ 303,451              |
| TECO Toledo Edison Co.    | TECO 101/6-303 2012 Software         | Intangible Plant | \$ 424,922                | \$ 99,977             | \$ 324,946              | 14.29%               | \$ 60,721               |
| TECO Toledo Edison Co.    | TECO 101/6-303 2013 Software         | Intangible Plant | \$ 767,206                | \$ 102,008            | \$ 665,198              | 14.29%               | \$ 109,634              |
| TECO Toledo Edison Co.    | TECO 101/6-303 2014 Software         | Intangible Plant | \$ 8,084                  | \$ 612                | \$ 7,472                | 14.29%               | \$ 1,155                |
| TECO Toledo Edison Co.    | TECO 101/6-303 FAS109 Distribution   | Intangible Plant | \$ 240,093                | \$ 237,169            | \$ 2,924                | 3.10%                | \$ 2,924                |
| TECO Toledo Edison Co.    | TECO 101/6-303 FAS109 Transmission   | Intangible Plant | \$ 54,210                 | \$ 48,098             | \$ 6,112                | 2.37%                | \$ 1,285                |
| TECO Toledo Edison Co.    | TECO 101/6-303 Software              | Intangible Plant | \$ 444,955                | \$ 335,150            | \$ 109,805              | 14.29%               | \$ 63,584               |
| <b>Total</b>              |                                      |                  | <b>\$ 22,455,127</b>      | <b>\$ 19,562,995</b>  | <b>\$ 2,892,132</b>     |                      | <b>\$ 1,004,359</b>     |

**NOTES**

- (D) - (F) Source: 2014 Forecast Version 7+5 adjusted to reflect current assumptions and incorporate recommendations from the March 2013 and April 2014 Rider DCR audit reports.  
(G) Source: Case No. 07-551-EL-AIR  
(H) Accrual rate only applies to the (non-land) gross plant of those accounts that are not fully amortized.

Rider Charge Calculation - Rider DCR

I. Annual Revenue Requirement For December 2014 - February 2015 Rider DCR Rates

|     | (A)     | (B)                   |
|-----|---------|-----------------------|
|     | Company | Rev Req<br>11/30/2014 |
| (1) | CEI     | \$ 96,956,804         |
| (2) | OE      | \$ 100,782,377        |
| (3) | TE      | \$ 27,693,688         |
| (4) | TOTAL   | \$ 225,432,869        |

NOTES

(B) Annual Revenue Requirement based on estimated 11/30/2014 Rate Base

II. Quarterly Revenue Requirement Additions

|     | (A)  | (B)          | (C)        | (D)          |
|-----|--|--------------|------------|--------------|
|     | Description  | CEI          | OE         | TE           |
| (1) | DCR Audit Expense<br>Recovery<br>Sept - Nov 2014<br>Reconciliation | \$ -         | \$ -       | \$ -         |
| (2) | Amount Adjusted<br>for Dec 2014 - Feb<br>2015                      | \$ (487,795) | \$ 427,415 | \$ (102,132) |
| (3) | Total Reconciliation   | \$ (487,795) | \$ 427,415 | \$ (102,132) |

SOURCES

- Line 1: Source: Remaining DCR Audit Expenses to be recovered during December 2014 - February 2015.  
 Line 2: Source: "Quarterly Revenue Requirement Additions: Calculation of Sept - Nov 2014 Reconciliation Amount Adjusted for December 2014 - February 2015" workpaper, Section III, Col. G  
 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 |         | Annual Rev Req Allocations | Quarterly Reconciliation |
|      |         |               | Total            | % Total |                            |                          |
| (1)  | CEI     | RS            | 5,491,061,650    | 33.27%  | \$ 32,262,080              | \$ (162,312)             |
| (2)  |         | GS, GP, GSU   | 11,011,153,513   | 66.73%  | \$ 64,694,724              | \$ (325,482)             |
| (3)  |         |               | 16,502,215,163   | 100.00% | \$ 96,956,804              | \$ (487,795)             |
| (4)  | OE      | RS            | 9,218,442,814    | 46.73%  | \$ 47,098,980              | \$ 199,745               |
| (5)  |         | GS, GP, GSU   | 10,507,177,217   | 53.27%  | \$ 53,683,397              | \$ 227,670               |
| (6)  |         |               | 19,725,620,031   | 100.00% | \$ 100,782,377             | \$ 427,415               |
| (7)  | TE      | RS            | 2,494,281,305    | 44.33%  | \$ 12,276,917              | \$ (45,276)              |
| (8)  |         | GS, GP, GSU   | 3,132,200,430    | 55.67%  | \$ 15,416,771              | \$ (56,856)              |
| (9)  |         |               | 5,626,481,735    | 100.00% | \$ 27,693,688              | \$ (102,132)             |
| (10) | OH      | RS            | 17,203,785,769   | 41.10%  | \$ 91,637,977              | \$ (7,843)               |
| (11) | TOTAL   | GS, GP, GSU   | 24,650,531,160   | 58.90%  | \$ 133,794,892             | \$ (154,668)             |
| (12) |         |               | 41,854,316,928   | 100.00% | \$ 225,432,869             | \$ (162,511)             |

**NOTES**

- (C) Source: Forecast for December 2014 through November 2015 (All forecasted numbers associated with 2014 8+4 Forecast as of September 2014)  
(D) Calculation: Individual Rate Schedule Total / Total for RS, GS, GP, GSU  
(E) Calculation: Annual Rider DCR Revenue Requirement 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 Requirement Amongst Non-RS Schedules

|      | (A)<br>Company | (B)<br>Rate<br>Schedule      | (C)<br>Stipulation Allocation |             |             | (F)<br>Annual Rev<br>Req Allocations | (G)<br>Quarterly<br>Reconciliation |
|------|----------------|------------------------------|-------------------------------|-------------|-------------|--------------------------------------|------------------------------------|
|      |                |                              | % of Total                    | % of Non-RS | DCR Jurisd. |                                      |                                    |
| (1)  | CEI            | RS                           | 47.55%                        | 0.00%       | 0.00%       | \$ -                                 | \$ -                               |
| (2)  |                | GS                           | 42.23%                        | 80.52%      | 90.02%      | \$ 58,237,155                        | \$ (292,994)                       |
| (3)  |                | GP                           | 0.63%                         | 1.19%       | 1.33%       | \$ 862,993                           | \$ (4,342)                         |
| (4)  |                | GSU                          | 4.06%                         | 7.74%       | 8.65%       | \$ 5,594,576                         | \$ (28,147)                        |
| (5)  |                | GT                           | 0.18%                         | 0.35%       | 0.00%       | \$ -                                 | \$ -                               |
| (6)  |                | STL                          | 3.53%                         | 6.73%       | 0.00%       | \$ -                                 | \$ -                               |
| (7)  |                | POL                          | 1.79%                         | 3.41%       | 0.00%       | \$ -                                 | \$ -                               |
| (8)  |                | TRF                          | 0.03%                         | 0.06%       | 0.00%       | \$ -                                 | \$ -                               |
| (9)  |                |                              | 100.00%                       | 100.00%     | 100.00%     | \$ 64,694,724                        | \$ (325,482)                       |
| (10) |                | Subtotal (GT, STL, POL, TRF) |                               | 10.55%      |             |                                      |                                    |
| (11) | OE             | RS                           | 62.45%                        | 0.00%       | 0.00%       | \$ -                                 | \$ -                               |
| (12) |                | GS                           | 27.10%                        | 72.17%      | 81.75%      | \$ 43,887,768                        | \$ 186,127                         |
| (13) |                | GP                           | 5.20%                         | 13.85%      | 15.69%      | \$ 8,422,567                         | \$ 35,720                          |
| (14) |                | GSU                          | 0.85%                         | 2.26%       | 2.56%       | \$ 1,373,063                         | \$ 5,823                           |
| (15) |                | GT                           | 2.19%                         | 5.84%       | 0.00%       | \$ -                                 | \$ -                               |
| (16) |                | STL                          | 1.39%                         | 3.70%       | 0.00%       | \$ -                                 | \$ -                               |
| (17) |                | POL                          | 0.76%                         | 2.02%       | 0.00%       | \$ -                                 | \$ -                               |
| (18) |                | TRF                          | 0.06%                         | 0.16%       | 0.00%       | \$ -                                 | \$ -                               |
| (19) |                |                              | 100.00%                       | 100.00%     | 100.00%     | \$ 53,683,397                        | \$ 227,670                         |
| (20) |                | Subtotal (GT, STL, POL, TRF) |                               | 11.72%      |             |                                      |                                    |
| (21) | TE             | RS                           | 57.93%                        | 0.00%       | 0.00%       | \$ -                                 | \$ -                               |
| (22) |                | GS                           | 32.13%                        | 76.36%      | 86.74%      | \$ 13,372,469                        | \$ (49,316)                        |
| (23) |                | GP                           | 4.80%                         | 11.42%      | 12.97%      | \$ 2,000,035                         | \$ (7,376)                         |
| (24) |                | GSU                          | 0.11%                         | 0.25%       | 0.29%       | \$ 44,266                            | \$ (163)                           |
| (25) |                | GT                           | 1.38%                         | 3.29%       | 0.00%       | \$ -                                 | \$ -                               |
| (26) |                | STL                          | 2.91%                         | 6.92%       | 0.00%       | \$ -                                 | \$ -                               |
| (27) |                | POL                          | 0.69%                         | 1.64%       | 0.00%       | \$ -                                 | \$ -                               |
| (28) |                | TRF                          | 0.05%                         | 0.12%       | 0.00%       | \$ -                                 | \$ -                               |
| (29) |                |                              | 100.00%                       | 100.00%     | 100.00%     | \$ 15,416,771                        | \$ (56,856)                        |
| (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 Schedules 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 Annual DCR Revenue Requirement 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 - Annual Revenue Requirement - Rate RS

|     | (A)     | (B)           | (C)                | (D)              | (E)                              |
|-----|---------|---------------|--------------------|------------------|----------------------------------|
|     | Company | Rate Schedule | Annual Revenue Req | Annual KWH Sales | Annual Rev Req Charge (\$ / KWH) |
| (1) | CEI     | RS            | \$ 32,262,080      | 5,491,061,650    | \$ 0.005875                      |
| (2) | OE      | RS            | \$ 47,098,980      | 9,218,442,814    | \$ 0.005109                      |
| (3) | TE      | RS            | \$ 12,276,917      | 2,494,281,305    | \$ 0.004922                      |
| (4) |         |               | \$ 91,637,977      | 17,203,785,769   |                                  |

**NOTES**

- (C) Source: Section III, Column E.  
(D) Source: Forecast for December 2014 through November 2015 (All forecasted numbers associated with 2014 8+4 Forecast as of September 2014)  
(E) Calculation: Column C / Column D.

VI. Rider DCR Charge Calculation - Annual Revenue Requirement - Rate GS, Rate GP, Rate GSU

|      | (A)     | (B)           | (C)                | (D)                             | (E)   |
|------|---------|---------------|--------------------|---------------------------------|---|
|      | Company | Rate Schedule | Annual Revenue Req | Annual Billing Units (kW / kVa) | Annual Rev Req Charge (\$ / kW or \$ / kVa) |
| (1)  | CEI     | GS            | \$ 58,237,155      | 22,152,879                      | \$ 2.6289 per kW                            |
| (2)  |         | GP            | \$ 862,993         | 879,975                         | \$ 0.9807 per kW                            |
| (3)  |         | GSU           | \$ 5,594,576       | 8,234,817                       | \$ 0.6794 per kW                            |
| (4)  |         |               | \$ 64,694,724      |                                 |   |
| (5)  | OE      | GS            | \$ 43,887,768      | 24,210,567                      | \$ 1.8128 per kW                            |
| (6)  |         | GP            | \$ 8,422,567       | 6,877,677                       | \$ 1.2246 per kW                            |
| (7)  |         | GSU           | \$ 1,373,063       | 2,684,900                       | \$ 0.5114 per kVa                           |
| (8)  |         |               | \$ 53,683,397      |                                 |   |
| (9)  | TE      | GS            | \$ 13,372,469      | 7,422,546                       | \$ 1.8016 per kW                            |
| (10) |         | GP            | \$ 2,000,035       | 2,723,487                       | \$ 0.7344 per kW                            |
| (11) |         | GSU           | \$ 44,266          | 225,488                         | \$ 0.1963 per kVa                           |
| (12) |         |               | \$ 15,416,771      |                                 |   |

**NOTES**

- (C) Source: Section IV, Column F.  
(D) Source: Forecast for December 2014 through November 2015 (All forecasted numbers associated with 2014 8+4 Forecast as of September 2014)  
(E) Calculation: Column C / Column D.

**Rider Charge Calculation - Rider DCR**

VII. Rider DCR Charge Calculation - Quarterly Reconciliation - Rate RS

|     | (A)     | (B)           | (C)                   | (D)                 | (E)                       |
|-----|---------|---------------|-----------------------|---------------------|---------------------------|
|     | Company | Rate Schedule | Quarterly Revenue Req | Quarterly KWH Sales | Reconciliation (\$ / KWH) |
| (1) | CEI     | RS            | \$ (162,312)          | 1,547,339,605       | \$ (0.000105)             |
| (2) | OE      | RS            | \$ 199,745            | 2,682,714,612       | \$ 0.000074               |
| (3) | TE      | RS            | \$ (45,276)           | 702,027,912         | \$ (0.000064)             |
| (4) |         |               | \$ (7,843)            | 4,932,082,130       |                           |

**NOTES**

- (C) Source: Section III, Column F.  
(D) Source: Forecast for December 2014 through February 2015 (All forecasted numbers associated with 2014 8+4 Forecast as of September 2014)  
(E) Calculation: Column C / Column D.

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

|      | (A)     | (B)           | (C)                   | (D)                                | (E)                                  |
|------|---------|---------------|-----------------------|------------------------------------|--------------------------------------|
|      | Company | Rate Schedule | Quarterly Revenue Req | Quarterly Billing Units (kW / kVa) | Reconciliation (\$ / kW or \$ / kVa) |
| (1)  | CEI     | GS            | \$ (292,994)          | 5,253,258                          | \$ (0.0558) per kW                   |
| (2)  |         | GP            | \$ (4,342)            | 213,892                            | \$ (0.0203) per kW                   |
| (3)  |         | GSU           | \$ (28,147)           | 1,984,479                          | \$ (0.0142) per kW                   |
| (4)  |         |               | \$ (325,482)          |                                    |                                      |
| (5)  | OE      | GS            | \$ 186,127            | 5,689,788                          | \$ 0.0327 per kW                     |
| (6)  |         | GP            | \$ 35,720             | 1,589,876                          | \$ 0.0225 per kW                     |
| (7)  |         | GSU           | \$ 5,823              | 641,517                            | \$ 0.0091 per kVa                    |
| (8)  |         |               | \$ 227,670            |                                    |                                      |
| (9)  | TE      | GS            | \$ (49,316)           | 1,762,983                          | \$ (0.0280) per kW                   |
| (10) |         | GP            | \$ (7,376)            | 625,257                            | \$ (0.0118) per kW                   |
| (11) |         | GSU           | \$ (163)              | 51,465                             | \$ (0.0032) per kVa                  |
| (12) |         |               | \$ (56,856)           |                                    |                                      |

**NOTES**

- (C) Source: Section IV, Column G.  
(D) Source: Forecast for December 2014 through February 2015 (All forecasted numbers associated with 2014 8+4 Forecast as of September 2014)  
(E) Calculation: Column C / Column D.

**Rider Charge Calculation - Rider DCR**

IX. Rider DCR Charge Calculation

|      | (A)     | (B)           | (C)                   | (D)                      | (E)  |
|------|---------|---------------|-----------------------|--------------------------|--|
|      | Company | Rate Schedule | Annual Rev Req Charge | Quarterly Reconciliation | Proposed DCR Charge<br>For December 2014 - February 2015 |
| (1)  | CEI     | RS            | \$ 0.005875 per kWh   | \$ (0.000105) per kWh    | \$ 0.005770 per kWh                                      |
| (2)  |         | GS            | \$ 2.6289 per kW      | \$ (0.0558) per kW       | \$ 2.5731 per kW   |
| (3)  |         | GP            | \$ 0.9807 per kW      | \$ (0.0203) per kW       | \$ 0.9604 per kW   |
| (4)  |         | GSU           | \$ 0.6794 per kW      | \$ (0.0142) per kW       | \$ 0.6652 per kW   |
| (5)  |         |               |                       |                          |  |
| (6)  | OE      | RS            | \$ 0.005109 per kWh   | \$ 0.000074 per kWh      | \$ 0.004099 per kWh                                      |
| (7)  |         | GS            | \$ 1.8128 per kW      | \$ 0.0327 per kW         | \$ 1.4593 per kW   |
| (8)  |         | GP            | \$ 1.2246 per kW      | \$ 0.0225 per kW         | \$ 0.9861 per kW   |
| (9)  |         | GSU           | \$ 0.5114 per kVa     | \$ 0.0091 per kVa        | \$ 0.4116 per kVa  |
| (10) |         |               |                       |                          |  |
| (11) | TE      | RS            | \$ 0.004922 per kWh   | \$ (0.000064) per kWh    | \$ 0.004858 per kWh                                      |
| (12) |         | GS            | \$ 1.8016 per kW      | \$ (0.0280) per kW       | \$ 1.7736 per kW   |
| (13) |         | GP            | \$ 0.7344 per kW      | \$ (0.0118) per kW       | \$ 0.7226 per kW   |
| (14) |         | GSU           | \$ 0.1963 per kVa     | \$ (0.0032) per kVa      | \$ 0.1931 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. Rates for OE adjusted such that the estimated aggregated 2014 Rider DCR revenue does not exceed the annual aggregate revenue cap.

**Annual Rider DCR Revenue To-Date and Rider DCR Revenue Cap**

X. Annual Rider DCR Revenue Through August 31, 2014

|  | (A)     | (B)                              | (C)                             | (D)                 | (E)                        | (F)                              |
|--|---------|----------------------------------|---------------------------------|---------------------|----------------------------|----------------------------------|
|  | Company | Annual Revenue<br>Thru 8/31/2014 | 2013 Revenue<br>vs. Revenue Cap | 2014<br>Revenue Cap | Actual 2014<br>Revenue Cap | Under (Over) 2014<br>Revenue Cap |
|  | CEI     | \$ 61,130,984                    |                                 |                     | \$ 132,651,274             | \$ 71,520,290                    |
|  | OE      | \$ 58,456,315                    |                                 |                     | \$ 94,750,910              | \$ 36,294,595                    |
|  | TE      | \$ 16,978,843                    |                                 |                     | \$ 56,850,546              | \$ 39,871,703                    |
|  | Total   | \$ 136,566,142                   | \$ 751,820                      | \$ 188,750,000      | \$ 189,501,820             | \$ 52,935,678                    |

**NOTES**

- (C) The actual annual 2013 Rider DCR revenue cap was equal to \$186,383,747. Actual annual 2013 Rider DCR revenue billed was equal to \$185,631,927. Pursuant to the Stipulation in Case No. 10-388-EL-SSO (page 15): "For any year the revenue collected under the Companies' Rider DCR is less than the annual cap allowance, as established above, then the difference between the revenue collected and the cap shall be applied to increase the level of the subsequent period's cap."  
(D) Source: Case No. 10-388-EL-SSO Stipulation (page 14) and Case No. 12-1230-EL-SSO Stipulation (page 20). Note that the 2014 revenue cap is calculated as the January - May 2014 cap of \$75M plus the equivalent of 7 months of the June 2014 - May 2015 cap of \$195M.  
(E) Calculation: Column C + Column D. The sum of the individual company caps does not equal the total company cap. Each individual company has a cap of 50%, 70% and 30% for OE, CEI, and TE, respectively, of the total aggregate cap. Source: Case No. 10-388-EL-SSO Stipulation (page 14) and Case No. 12-1230-EL-SSO Stipulation (page 20).  
(F) Calculation: Column E - Column B

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
Ohio Edison Company: 14-1629-EL-RDR  
The Toledo Edison Company: 14-1630-EL-RDR

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**Quarterly Revenue Requirement Additions: Calculation of September - November 2014 Reconciliation Amount Adjusted for December 2014 - February 2015**

**I. Rider DCR September - November 2014 Rates Based on Estimated 8/31/14 Rate Base**

| (A)<br>Company | (B)<br>Rate<br>Schedule | (C)<br>Allocation | (D)<br>Annual Revenue Requirements |               |                     | (G)<br>Rev. Req   | (H)<br>Billing Units | (I)<br>Rate           | (J)<br>September - November 2014 Rate<br>Estimated Rate Base |
|----------------|-------------------------|-------------------|------------------------------------|---------------|---------------------|-------------------|----------------------|-----------------------|--|
|                |                         |                   | Rev. Req                           | Billing Units | Rate                |                   |                      |                       |  |
| CEI            | RS                      | 33.24%            | \$ 31,864,628                      | 5,487,350,074 | \$ 0.005807 per kWh | \$ 121,487        | 1,197,517,757        | \$ 0.000101 per kWh   | \$ 0.005908 per kWh  |
|                | GS                      | 60.09%            | \$ 57,603,965                      | 22,126,764    | \$ 2.6034 per kW    | \$ 219,621        | 5,518,783            | \$ 0.0398 per kW      | \$ 2.6432 per kW   |
|                | GP                      | 0.89%             | \$ 853,610                         | 883,345       | \$ 0.9663 per kW    | \$ 3,254          | 225,495              | \$ 0.0144 per kW      | \$ 0.9808 per kW   |
|                | GSU                     | 5.77%             | \$ 5,533,748                       | 8,265,766     | \$ 0.6695 per kW    | \$ 21,098         | 2,070,761            | \$ 0.0102 per kW      | \$ 0.6797 per kW   |
|                |                         | 100.00%           | \$ 95,855,951                      |               |                     | \$ 365,460        |                      |                       |  |
| OE             | RS                      | 46.77%            | \$ 44,468,655                      | 9,197,682,378 | \$ 0.004835 per kWh | \$ (69,233)       | 1,972,994,229        | \$ (0.000035) per kWh | \$ 0.004800 per kWh  |
|                | GS                      | 43.52%            | \$ 41,383,122                      | 24,143,175    | \$ 1.7141 per kW    | \$ (64,429)       | 6,053,612            | \$ (0.0106) per kW    | \$ 1.7034 per kW   |
|                | GP                      | 8.35%             | \$ 7,941,896                       | 6,842,293     | \$ 1.1607 per kW    | \$ (12,365)       | 1,724,532            | \$ (0.0072) per kW    | \$ 1.1535 per kW   |
|                | GSU                     | 1.36%             | \$ 1,294,703                       | 2,671,264     | \$ 0.4847 per kVa   | \$ (2,016)        | 665,644              | \$ (0.0030) per kVa   | \$ 0.4816 per kVa  |
|                |                         | 100.00%           | \$ 95,088,377                      |               |                     | \$ (148,042)      |                      |                       |  |
| TE             | RS                      | 44.27%            | \$ 11,682,603                      | 2,486,533,587 | \$ 0.004698 per kWh | \$ (21,123)       | 535,493,493          | \$ (0.000039) per kWh | \$ 0.004659 per kWh  |
|                | GS                      | 48.34%            | \$ 12,759,250                      | 7,430,990     | \$ 1.7170 per kW    | \$ (23,070)       | 1,868,387            | \$ (0.0123) per kW    | \$ 1.7047 per kW   |
|                | GP                      | 7.23%             | \$ 1,908,320                       | 2,715,284     | \$ 0.7028 per kW    | \$ (3,450)        | 681,216              | \$ (0.0051) per kW    | \$ 0.6977 per kW   |
|                | GSU                     | 0.16%             | \$ 42,236                          | 224,783       | \$ 0.1879 per kVa   | \$ (76)           | 58,556               | \$ (0.0013) per kVa   | \$ 0.1866 per kVa  |
|                |                         | 100.00%           | \$ 26,392,409                      |               |                     | \$ (47,720)       |                      |                       |  |
| <b>TOTAL</b>   |                         |                   | <b>\$ 217,336,737</b>              |               |                     | <b>\$ 169,699</b> |                      |                       |  |

**Notes:**

Source: See "Rider Charge Calculation - Rider DCR" workpaper from Rider DCR filing July 2, 2014.

Quarterly Revenue Requirement Additions: Calculation of September - November 2014 Reconciliation Amount Adjusted for December 2014 - February 2015

II. Rider DCR September - November 2014 Rates Based on Actual 8/31/14 Rate Base

| (A)<br>Company | (B)<br>Rate Schedule | (C)<br>Allocation | (D) (E) (F)<br>Annual Revenue Requirements |               |                     | (G) (H) (I)<br>Quarterly Reconciliation |               |                       | (J)<br>September - November 2014 Rate Actual Rate Base |
|----------------|----------------------|-------------------|--|---------------|---------------------|---|---------------|-----------------------|--|
|                |                      |                   | Rev. Req                                   | Billing Units | Rate                | Rev. Req                                | Billing Units | Rate                  |  |
| CEI            | RS                   | 33.24%            | \$ 31,186,632                              | 5,487,350,074 | \$ 0.005683 per kWh | \$ 121,487                              | 1,197,517,757 | \$ 0.000101 per kWh   | \$ 0.005785 per kWh                                    |
|                | GS                   | 60.09%            | \$ 56,378,305                              | 22,126,764    | \$ 2.5480 per kW    | \$ 219,621                              | 5,518,783     | \$ 0.0398 per kW      | \$ 2.5878 per kW                                       |
|                | GP                   | 0.89%             | \$ 835,448                                 | 883,345       | \$ 0.9458 per kW    | \$ 3,254                                | 225,495       | \$ 0.0144 per kW      | \$ 0.9602 per kW                                       |
|                | GSU                  | 5.77%             | \$ 5,416,005                               | 8,265,766     | \$ 0.6552 per kW    | \$ 21,098                               | 2,070,761     | \$ 0.0102 per kW      | \$ 0.6654 per kW                                       |
|                |                      | 100.00%           | \$ 93,816,389                              |               |                     | \$ 365,460                              |               |                       |  |
| OE             | RS                   | 46.77%            | \$ 45,323,283                              | 9,197,682,378 | \$ 0.004928 per kWh | \$ (69,233)                             | 1,972,994,229 | \$ (0.000035) per kWh | \$ 0.004893 per kWh                                    |
|                | GS                   | 43.52%            | \$ 42,178,450                              | 24,143,175    | \$ 1.7470 per kW    | \$ (64,429)                             | 6,053,612     | \$ (0.0106) per kW    | \$ 1.7364 per kW                                       |
|                | GP                   | 8.35%             | \$ 8,094,529                               | 6,842,293     | \$ 1.1830 per kW    | \$ (12,365)                             | 1,724,532     | \$ (0.0072) per kW    | \$ 1.1758 per kW                                       |
|                | GSU                  | 1.36%             | \$ 1,319,585                               | 2,671,264     | \$ 0.4940 per kVa   | \$ (2,016)                              | 665,644       | \$ (0.0030) per kVa   | \$ 0.4910 per kVa                                      |
|                |                      | 100.00%           | \$ 96,915,846                              |               |                     | \$ (148,042)                            |               |                       |  |
| TE             | RS                   | 44.27%            | \$ 11,490,584                              | 2,486,533,587 | \$ 0.004621 per kWh | \$ (21,123)                             | 535,493,493   | \$ (0.000039) per kWh | \$ 0.004582 per kWh                                    |
|                | GS                   | 48.34%            | \$ 12,549,535                              | 7,430,990     | \$ 1.6888 per kW    | \$ (23,070)                             | 1,868,387     | \$ (0.0123) per kW    | \$ 1.6765 per kW                                       |
|                | GP                   | 7.23%             | \$ 1,876,954                               | 2,715,284     | \$ 0.6913 per kW    | \$ (3,450)                              | 681,216       | \$ (0.0051) per kW    | \$ 0.6862 per kW                                       |
|                | GSU                  | 0.16%             | \$ 41,542                                  | 224,783       | \$ 0.1848 per kVa   | \$ (76)                                 | 58,556        | \$ (0.0013) per kVa   | \$ 0.1835 per kVa                                      |
|                |                      | 100.00%           | \$ 25,958,615                              |               |                     | \$ (47,720)                             |               |                       |  |
| <b>TOTAL</b>   |                      |                   | <b>\$ 216,690,850</b>                      |               |                     | <b>\$ 169,699</b>                       |               |                       |  |

- (C) Source: Rider DCR filing July 2, 2014  
(D) Calculation: Annual DCR Revenue Requirement based on actual 8/31/14 Rate Base x Column C  
(E) Estimated billing units for September 2014 - August 2015. Source: Rider DCR filing July 2, 2014.  
(F) Calculation: Column D / Column E  
(G) Source: Rider DCR filing July 2, 2014  
(H) Estimated billing units for September - November 2014. Source: Rider DCR filing July 2, 2014.  
(I) Calculation: Column G / Column H  
(J) Calculation: Column F + Column I

**Quarterly Revenue Requirement Additions: Calculation of September - November 2014 Reconciliation Amount Adjusted for December 2014 - February 2015**

**III. Estimated Rider DCR Reconciliation Amount for December 2014 - February 2015**

| (A)          | (B)           | (C)   | (D)  | (E)                   | (F)           | (G)                      |
|--------------|---------------|---|--|-----------------------|---------------|--------------------------|
| Company      | Rate Schedule | September - November 2014 Rate<br>Estimated Rate Base | September - November 2014 Rate<br>Actual Rate Base | Difference            | Billing Units | Reconciliation<br>Amount |
| CEI          | RS            | \$ 0.005908 per kWh                                   | \$ 0.005785 per kWh                                | \$ (0.000124) per kWh | 1,197,517,757 | \$ (147,961)             |
|              | GS            | \$ 2.6432 per kW                                      | \$ 2.5878 per kW                                   | \$ (0.0554) per kW    | 5,518,783     | \$ (305,700)             |
|              | GP            | \$ 0.9808 per kW                                      | \$ 0.9602 per kW                                   | \$ (0.0206) per kW    | 225,495       | \$ (4,636)               |
|              | GSU           | \$ 0.6797 per kW                                      | \$ 0.6654 per kW                                   | \$ (0.0142) per kW    | 2,070,761     | \$ (29,497)              |
|              |               |   |  |                       |               | \$ (487,795)             |
| OE           | RS            | \$ 0.004800 per kWh                                   | \$ 0.004893 per kWh                                | \$ 0.000093 per kWh   | 1,972,994,229 | \$ 183,326               |
|              | GS            | \$ 1.7034 per kW                                      | \$ 1.7364 per kW                                   | \$ 0.0329 per kW      | 6,053,612     | \$ 199,419               |
|              | GP            | \$ 1.1535 per kW                                      | \$ 1.1758 per kW                                   | \$ 0.0223 per kW      | 1,724,532     | \$ 38,470                |
|              | GSU           | \$ 0.4816 per kVa                                     | \$ 0.4910 per kVa                                  | \$ 0.0093 per kVa     | 665,644       | \$ 6,200                 |
|              |               |   |  |                       |               | \$ 427,415               |
| TE           | RS            | \$ 0.004659 per kWh                                   | \$ 0.004582 per kWh                                | \$ (0.000077) per kWh | 535,493,493   | \$ (41,353)              |
|              | GS            | \$ 1.7047 per kW                                      | \$ 1.6765 per kW                                   | \$ (0.0282) per kW    | 1,868,387     | \$ (52,729)              |
|              | GP            | \$ 0.6977 per kW                                      | \$ 0.6862 per kW                                   | \$ (0.0116) per kW    | 681,216       | \$ (7,869)               |
|              | GSU           | \$ 0.1866 per kVa                                     | \$ 0.1835 per kVa                                  | \$ (0.0031) per kVa   | 58,556        | \$ (181)                 |
|              |               |   |  |                       |               | \$ (102,132)             |
| <b>TOTAL</b> |               |   |  |                       |               | <b>\$ (162,511)</b>      |

(C) Source: Section I, Column J

(D) Source: Section II, Column J

(E) Calculation: Column D - Column C

(F) Estimated billing units for September - November 2014. Source: Original budget used in Rider DCR filing July 2, 2014.

(G) Calculation: Column E x Column F

The Cleveland Electric Illuminating Company: 14-1628-EL-RDR  
 Ohio Edison Company: 14-1629-EL-RDR  
 The Toledo Edison Company: 14-1630-EL-RDR

## Energy and Demand Forecast

Source: All forecasted numbers associated with 2014 8+4 Forecast as of September 2014

### **Annual Energy (December 2014 - November 2015) :**

Source: 2014 8+4 Forecast as of September 2014

|       |     | <u>CEI</u>     | <u>OE</u>      | <u>TE</u>     | <u>Total</u>   |
|-------|-----|----------------|----------------|---------------|----------------|
| RS    | kWh | 5,491,061,650  | 9,218,442,814  | 2,494,281,305 | 17,203,785,769 |
| GS    | kWh | 6,605,305,278  | 6,581,158,265  | 1,983,751,635 | 15,170,215,178 |
| GP    | kWh | 442,810,116    | 2,861,488,313  | 1,036,150,673 | 4,340,449,102  |
| GSU   | kWh | 3,963,038,119  | 1,064,530,638  | 112,298,123   | 5,139,866,880  |
| Total |     | 16,502,215,163 | 19,725,620,031 | 5,626,481,735 | 41,854,316,928 |

### **Annual Demand (December 2014 - November 2015) :**

Source: 2014 8+4 Forecast as of September 2014

|     |        | <u>CEI</u> | <u>OE</u>  | <u>TE</u> |
|-----|--------|------------|------------|-----------|
| GS  | kW     | 22,152,879 | 24,210,567 | 7,422,546 |
| GP  | kW     | 879,975    | 6,877,677  | 2,723,487 |
| GSU | kW/kVA | 8,234,817  | 2,684,900  | 225,488   |

### **December 2014 - February 2015 Energy:**

Source: 2014 8+4 Forecast as of September 2014

|       |     | <u>CEI</u>    | <u>OE</u>     | <u>TE</u>     | <u>Total</u>   |
|-------|-----|---------------|---------------|---------------|----------------|
| RS    | kWh | 1,547,339,605 | 2,682,714,612 | 702,027,912   | 4,932,082,130  |
| GS    | kWh | 1,633,640,584 | 1,612,195,695 | 478,239,253   | 3,724,075,533  |
| GP    | kWh | 104,705,618   | 662,289,115   | 242,096,311   | 1,009,091,044  |
| GSU   | kWh | 949,831,818   | 251,279,208   | 27,149,709    | 1,228,260,735  |
| Total |     | 4,235,517,626 | 5,208,478,630 | 1,449,513,185 | 10,893,509,441 |

### **December 2014 - February 2015 Demand:**

Source: 2014 8+4 Forecast as of September 2014

|     |        | <u>CEI</u> | <u>OE</u> | <u>TE</u> |
|-----|--------|------------|-----------|-----------|
| GS  | kW     | 5,253,258  | 5,689,788 | 1,762,983 |
| GP  | kW     | 213,892    | 1,589,876 | 625,257   |
| GSU | kW/kVA | 1,984,479  | 641,517   | 51,465    |

The Cleveland Electric Illuminating Company  
Case No. 14-1628-EL-RDR  
Typical Bills - Comparison (DCR November 2014 vs. DCR December 2014)

| Bill Data                                |                             |                             |                                   |                                    |                                |                                 |
|--|-----------------------------|-----------------------------|-----------------------------------|------------------------------------|--------------------------------|---------------------------------|
| Line No.                                 | Level of Demand (kW)<br>(A) | Level of Usage (kWH)<br>(B) | Bill with Current DCR (\$)<br>(C) | Bill with Proposed DCR (\$)<br>(D) | Dollar Increase (D)-(C)<br>(E) | Percent Increase (E)/(C)<br>(F) |
| Residential Service - Standard (Rate RS) |                             |                             |                                   |                                    |                                |                                 |
| 1  | 0                           | 250                         | \$ 35.15                          | \$ 35.12                           | \$ (0.03)                      | -0.1%                           |
| 2  | 0                           | 500                         | \$ 66.07                          | \$ 66.00                           | \$ (0.07)                      | -0.1%                           |
| 3  | 0                           | 750                         | \$ 97.00                          | \$ 96.90                           | \$ (0.10)                      | -0.1%                           |
| 4  | 0                           | 1,000                       | \$ 127.92                         | \$ 127.78                          | \$ (0.14)                      | -0.1%                           |
| 5  | 0                           | 1,250                       | \$ 158.86                         | \$ 158.69                          | \$ (0.17)                      | -0.1%                           |
| 6  | 0                           | 1,500                       | \$ 189.78                         | \$ 189.57                          | \$ (0.21)                      | -0.1%                           |
| 7  | 0                           | 2,000                       | \$ 251.61                         | \$ 251.33                          | \$ (0.28)                      | -0.1%                           |
| 8  | 0                           | 2,500                       | \$ 313.29                         | \$ 312.94                          | \$ (0.35)                      | -0.1%                           |
| 9  | 0                           | 3,000                       | \$ 374.87                         | \$ 374.45                          | \$ (0.42)                      | -0.1%                           |
| 10                                       | 0                           | 3,500                       | \$ 436.49                         | \$ 436.00                          | \$ (0.49)                      | -0.1%                           |
| 11                                       | 0                           | 4,000                       | \$ 498.12                         | \$ 497.56                          | \$ (0.56)                      | -0.1%                           |
| 12                                       | 0                           | 4,500                       | \$ 559.74                         | \$ 559.11                          | \$ (0.63)                      | -0.1%                           |
| 13                                       | 0                           | 5,000                       | \$ 621.38                         | \$ 620.69                          | \$ (0.69)                      | -0.1%                           |
| 14                                       | 0                           | 5,500                       | \$ 683.01                         | \$ 682.25                          | \$ (0.76)                      | -0.1%                           |
| 15                                       | 0                           | 6,000                       | \$ 744.60                         | \$ 743.77                          | \$ (0.83)                      | -0.1%                           |
| 16                                       | 0                           | 6,500                       | \$ 806.25                         | \$ 805.35                          | \$ (0.90)                      | -0.1%                           |
| 17                                       | 0                           | 7,000                       | \$ 867.85                         | \$ 866.88                          | \$ (0.97)                      | -0.1%                           |
| 18                                       | 0                           | 7,500                       | \$ 929.50                         | \$ 928.46                          | \$ (1.04)                      | -0.1%                           |
| 19                                       | 0                           | 8,000                       | \$ 991.09                         | \$ 989.98                          | \$ (1.11)                      | -0.1%                           |
| 20                                       | 0                           | 8,500                       | \$ 1,052.75                       | \$ 1,051.57                        | \$ (1.18)                      | -0.1%                           |
| 21                                       | 0                           | 9,000                       | \$ 1,114.33                       | \$ 1,113.08                        | \$ (1.25)                      | -0.1%                           |
| 22                                       | 0                           | 9,500                       | \$ 1,175.99                       | \$ 1,174.67                        | \$ (1.32)                      | -0.1%                           |
| 23                                       | 0                           | 10,000                      | \$ 1,237.58                       | \$ 1,236.19                        | \$ (1.39)                      | -0.1%                           |
| 24                                       | 0                           | 10,500                      | \$ 1,299.21                       | \$ 1,297.75                        | \$ (1.46)                      | -0.1%                           |
| 25                                       | 0                           | 11,000                      | \$ 1,360.82                       | \$ 1,359.29                        | \$ (1.53)                      | -0.1%                           |



The Cleveland Electric Illuminating Company  
Case No. 14-1628-EL-RDR  
Typical Bills - Comparison (DCR November 2014 vs. DCR December 2014)

| Bill Data                                    |                             |                             |                                   |                                    |                                |                                 |
|--|-----------------------------|-----------------------------|-----------------------------------|------------------------------------|--------------------------------|---------------------------------|
| Line No.                                     | Level of Demand (kW)<br>(A) | Level of Usage (kWH)<br>(B) | Bill with Current DCR (\$)<br>(C) | Bill with Proposed DCR (\$)<br>(D) | Dollar Increase (D)-(C)<br>(E) | Percent Increase (E)/(C)<br>(F) |
| Residential Service - All-Electric (Rate RS) |                             |                             |                                   |                                    |                                |                                 |
| 1  | 0                           | 250                         | \$ 29.90                          | \$ 29.86                           | \$ (0.03)                      | -0.1%                           |
| 2  | 0                           | 500                         | \$ 55.57                          | \$ 55.50                           | \$ (0.07)                      | -0.1%                           |
| 3  | 0                           | 750                         | \$ 72.25                          | \$ 72.14                           | \$ (0.10)                      | -0.1%                           |
| 4  | 0                           | 1,000                       | \$ 88.92                          | \$ 88.78                           | \$ (0.14)                      | -0.2%                           |
| 5  | 0                           | 1,250                       | \$ 105.61                         | \$ 105.43                          | \$ (0.17)                      | -0.2%                           |
| 6  | 0                           | 1,500                       | \$ 122.28                         | \$ 122.07                          | \$ (0.21)                      | -0.2%                           |
| 7  | 0                           | 2,000                       | \$ 155.61                         | \$ 155.33                          | \$ (0.28)                      | -0.2%                           |
| 8  | 0                           | 2,500                       | \$ 188.79                         | \$ 188.44                          | \$ (0.35)                      | -0.2%                           |
| 9  | 0                           | 3,000                       | \$ 221.87                         | \$ 221.45                          | \$ (0.42)                      | -0.2%                           |
| 10   | 0                           | 3,500                       | \$ 254.99                         | \$ 254.50                          | \$ (0.49)                      | -0.2%                           |
| 11   | 0                           | 4,000                       | \$ 288.12                         | \$ 287.56                          | \$ (0.56)                      | -0.2%                           |
| 12   | 0                           | 4,500                       | \$ 321.24                         | \$ 320.61                          | \$ (0.63)                      | -0.2%                           |
| 13   | 0                           | 5,000                       | \$ 354.38                         | \$ 353.69                          | \$ (0.69)                      | -0.2%                           |
| 14   | 0                           | 5,500                       | \$ 387.51                         | \$ 386.75                          | \$ (0.76)                      | -0.2%                           |
| 15   | 0                           | 6,000                       | \$ 420.60                         | \$ 419.77                          | \$ (0.83)                      | -0.2%                           |
| 16   | 0                           | 6,500                       | \$ 453.75                         | \$ 452.85                          | \$ (0.90)                      | -0.2%                           |
| 17   | 0                           | 7,000                       | \$ 486.85                         | \$ 485.88                          | \$ (0.97)                      | -0.2%                           |
| 18   | 0                           | 7,500                       | \$ 520.00                         | \$ 518.96                          | \$ (1.04)                      | -0.2%                           |
| 19   | 0                           | 8,000                       | \$ 553.09                         | \$ 551.98                          | \$ (1.11)                      | -0.2%                           |
| 20   | 0                           | 8,500                       | \$ 586.25                         | \$ 585.07                          | \$ (1.18)                      | -0.2%                           |
| 21   | 0                           | 9,000                       | \$ 619.33                         | \$ 618.08                          | \$ (1.25)                      | -0.2%                           |
| 22   | 0                           | 9,500                       | \$ 652.49                         | \$ 651.17                          | \$ (1.32)                      | -0.2%                           |
| 23   | 0                           | 10,000                      | \$ 685.58                         | \$ 684.19                          | \$ (1.39)                      | -0.2%                           |
| 24   | 0                           | 10,500                      | \$ 718.71                         | \$ 717.25                          | \$ (1.46)                      | -0.2%                           |
| 25   | 0                           | 11,000                      | \$ 751.82                         | \$ 750.29                          | \$ (1.53)                      | -0.2%                           |

The Cleveland Electric Illuminating Company  
Case No. 14-1628-EL-RDR  
Typical Bills - Comparison (DCR November 2014 vs. DCR December 2014)

| Bill Data                                     |                             |                             |                                   |                                    |                                |                                 |
|---|-----------------------------|-----------------------------|-----------------------------------|------------------------------------|--------------------------------|---------------------------------|
| Line No.                                      | Level of Demand (kW)<br>(A) | Level of Usage (kWH)<br>(B) | Bill with Current DCR (\$)<br>(C) | Bill with Proposed DCR (\$)<br>(D) | Dollar Increase (D)-(C)<br>(E) | Percent Increase (E)/(C)<br>(F) |
| Residential Service - Water Heating (Rate RS) |                             |                             |                                   |                                    |                                |                                 |
| 1   | 0                           | 250                         | \$ 35.15                          | \$ 35.12                           | \$ (0.03)                      | -0.1%                           |
| 2   | 0                           | 500                         | \$ 66.07                          | \$ 66.00                           | \$ (0.07)                      | -0.1%                           |
| 3   | 0                           | 750                         | \$ 91.50                          | \$ 91.40                           | \$ (0.10)                      | -0.1%                           |
| 4   | 0                           | 1,000                       | \$ 116.92                         | \$ 116.78                          | \$ (0.14)                      | -0.1%                           |
| 5   | 0                           | 1,250                       | \$ 142.36                         | \$ 142.19                          | \$ (0.17)                      | -0.1%                           |
| 6   | 0                           | 1,500                       | \$ 167.78                         | \$ 167.57                          | \$ (0.21)                      | -0.1%                           |
| 7   | 0                           | 2,000                       | \$ 218.61                         | \$ 218.33                          | \$ (0.28)                      | -0.1%                           |
| 8   | 0                           | 2,500                       | \$ 269.29                         | \$ 268.94                          | \$ (0.35)                      | -0.1%                           |
| 9   | 0                           | 3,000                       | \$ 319.87                         | \$ 319.45                          | \$ (0.42)                      | -0.1%                           |
| 10  | 0                           | 3,500                       | \$ 370.49                         | \$ 370.00                          | \$ (0.49)                      | -0.1%                           |
| 11  | 0                           | 4,000                       | \$ 421.12                         | \$ 420.56                          | \$ (0.56)                      | -0.1%                           |
| 12  | 0                           | 4,500                       | \$ 471.74                         | \$ 471.11                          | \$ (0.63)                      | -0.1%                           |
| 13  | 0                           | 5,000                       | \$ 522.38                         | \$ 521.69                          | \$ (0.69)                      | -0.1%                           |
| 14  | 0                           | 5,500                       | \$ 573.01                         | \$ 572.25                          | \$ (0.76)                      | -0.1%                           |
| 15  | 0                           | 6,000                       | \$ 623.60                         | \$ 622.77                          | \$ (0.83)                      | -0.1%                           |
| 16  | 0                           | 6,500                       | \$ 674.25                         | \$ 673.35                          | \$ (0.90)                      | -0.1%                           |
| 17  | 0                           | 7,000                       | \$ 724.85                         | \$ 723.88                          | \$ (0.97)                      | -0.1%                           |
| 18  | 0                           | 7,500                       | \$ 775.50                         | \$ 774.46                          | \$ (1.04)                      | -0.1%                           |
| 19  | 0                           | 8,000                       | \$ 826.09                         | \$ 824.98                          | \$ (1.11)                      | -0.1%                           |
| 20  | 0                           | 8,500                       | \$ 876.75                         | \$ 875.57                          | \$ (1.18)                      | -0.1%                           |
| 21  | 0                           | 9,000                       | \$ 927.33                         | \$ 926.08                          | \$ (1.25)                      | -0.1%                           |
| 22  | 0                           | 9,500                       | \$ 977.99                         | \$ 976.67                          | \$ (1.32)                      | -0.1%                           |
| 23  | 0                           | 10,000                      | \$ 1,028.58                       | \$ 1,027.19                        | \$ (1.39)                      | -0.1%                           |
| 24  | 0                           | 10,500                      | \$ 1,079.21                       | \$ 1,077.75                        | \$ (1.46)                      | -0.1%                           |
| 25  | 0                           | 11,000                      | \$ 1,129.82                       | \$ 1,128.29                        | \$ (1.53)                      | -0.1%                           |

The Cleveland Electric Illuminating Company  
Case No. 14-1628-EL-RDR  
Typical Bills - Comparison (DCR November 2014 vs. DCR December 2014)

| Bill Data                           |                             |                             |                                   |                                    |                                |                                 |
|-------------------------------------|-----------------------------|-----------------------------|-----------------------------------|------------------------------------|--------------------------------|---------------------------------|
| Line No.                            | Level of Demand (kW)<br>(A) | Level of Usage (kWH)<br>(B) | Bill with Current DCR (\$)<br>(C) | Bill with Proposed DCR (\$)<br>(D) | Dollar Increase (D)-(C)<br>(E) | Percent Increase (E)/(C)<br>(F) |
| General Service Secondary (Rate GS) |                             |                             |                                   |                                    |                                |                                 |
| 1                                   | 10                          | 1,000                       | \$ 183.21                         | \$ 182.51                          | \$ (0.70)                      | -0.4%                           |
| 2                                   | 10                          | 2,000                       | \$ 266.40                         | \$ 265.70                          | \$ (0.70)                      | -0.3%                           |
| 3                                   | 10                          | 3,000                       | \$ 349.19                         | \$ 348.49                          | \$ (0.70)                      | -0.2%                           |
| 4                                   | 10                          | 4,000                       | \$ 431.96                         | \$ 431.26                          | \$ (0.70)                      | -0.2%                           |
| 5                                   | 10                          | 5,000                       | \$ 514.72                         | \$ 514.02                          | \$ (0.70)                      | -0.1%                           |
| 6                                   | 10                          | 6,000                       | \$ 597.45                         | \$ 596.75                          | \$ (0.70)                      | -0.1%                           |
| 7                                   | 1,000                       | 100,000                     | \$ 19,775.63                      | \$ 19,705.53                       | \$ (70.10)                     | -0.4%                           |
| 8                                   | 1,000                       | 200,000                     | \$ 27,995.46                      | \$ 27,925.36                       | \$ (70.10)                     | -0.3%                           |
| 9                                   | 1,000                       | 300,000                     | \$ 36,215.28                      | \$ 36,145.18                       | \$ (70.10)                     | -0.2%                           |
| 10                                  | 1,000                       | 400,000                     | \$ 44,435.11                      | \$ 44,365.01                       | \$ (70.10)                     | -0.2%                           |
| 11                                  | 1,000                       | 500,000                     | \$ 52,654.94                      | \$ 52,584.84                       | \$ (70.10)                     | -0.1%                           |
| 12                                  | 1,000                       | 600,000                     | \$ 60,874.76                      | \$ 60,804.66                       | \$ (70.10)                     | -0.1%                           |

The Cleveland Electric Illuminating Company  
Case No. 14-1628-EL-RDR  
Typical Bills - Comparison (DCR November 2014 vs. DCR December 2014)

| Bill Data                         |                             |                             |                                   |                                    |                                |                                 |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------------|------------------------------------|--------------------------------|---------------------------------|
| Line No.                          | Level of Demand (kW)<br>(A) | Level of Usage (kWH)<br>(B) | Bill with Current DCR (\$)<br>(C) | Bill with Proposed DCR (\$)<br>(D) | Dollar Increase (D)-(C)<br>(E) | Percent Increase (E)/(C)<br>(F) |
| General Service Primary (Rate GP) |                             |                             |                                   |                                    |                                |                                 |
| 1                                 | 500                         | 50,000                      | \$ 6,668.61                       | \$ 6,658.41                        | \$ (10.20)                     | -0.2%                           |
| 2                                 | 500                         | 100,000                     | \$ 10,517.72                      | \$ 10,507.52                       | \$ (10.20)                     | -0.1%                           |
| 3                                 | 500                         | 150,000                     | \$ 14,366.83                      | \$ 14,356.63                       | \$ (10.20)                     | -0.1%                           |
| 4                                 | 500                         | 200,000                     | \$ 18,215.95                      | \$ 18,205.75                       | \$ (10.20)                     | -0.1%                           |
| 5                                 | 500                         | 250,000                     | \$ 22,065.06                      | \$ 22,054.86                       | \$ (10.20)                     | 0.0%                            |
| 6                                 | 500                         | 300,000                     | \$ 25,914.17                      | \$ 25,903.97                       | \$ (10.20)                     | 0.0%                            |
| 7                                 | 5,000                       | 500,000                     | \$ 65,116.98                      | \$ 65,014.98                       | \$ (102.00)                    | -0.2%                           |
| 8                                 | 5,000                       | 1,000,000                   | \$ 103,451.33                     | \$ 103,349.33                      | \$ (102.00)                    | -0.1%                           |
| 9                                 | 5,000                       | 1,500,000                   | \$ 141,473.06                     | \$ 141,371.06                      | \$ (102.00)                    | -0.1%                           |
| 10                                | 5,000                       | 2,000,000                   | \$ 179,494.79                     | \$ 179,392.79                      | \$ (102.00)                    | -0.1%                           |
| 11                                | 5,000                       | 2,500,000                   | \$ 217,516.52                     | \$ 217,414.52                      | \$ (102.00)                    | 0.0%                            |
| 12                                | 5,000                       | 3,000,000                   | \$ 255,538.25                     | \$ 255,436.25                      | \$ (102.00)                    | 0.0%                            |

The Cleveland Electric Illuminating Company  
Case No. 14-1628-EL-RDR  
Typical Bills - Comparison (DCR November 2014 vs. DCR December 2014)

| Bill Data                                  |                             |                             |                                   |                                    |                                |                                 |
|--|-----------------------------|-----------------------------|-----------------------------------|------------------------------------|--------------------------------|---------------------------------|
| Line No.                                   | Level of Demand (kW)<br>(A) | Level of Usage (kWH)<br>(B) | Bill with Current DCR (\$)<br>(C) | Bill with Proposed DCR (\$)<br>(D) | Dollar Increase (D)-(C)<br>(E) | Percent Increase (E)/(C)<br>(F) |
| General Service Subtransmission (Rate GSU) |                             |                             |                                   |                                    |                                |                                 |
| 1  | 1,000                       | 100,000                     | \$ 10,778.45                      | \$ 10,763.95                       | \$ (14.50)                     | -0.1%                           |
| 2  | 1,000                       | 200,000                     | \$ 18,006.28                      | \$ 17,991.78                       | \$ (14.50)                     | -0.1%                           |
| 3  | 1,000                       | 300,000                     | \$ 25,234.10                      | \$ 25,219.60                       | \$ (14.50)                     | -0.1%                           |
| 4  | 1,000                       | 400,000                     | \$ 32,461.93                      | \$ 32,447.43                       | \$ (14.50)                     | 0.0%                            |
| 5  | 1,000                       | 500,000                     | \$ 39,689.76                      | \$ 39,675.26                       | \$ (14.50)                     | 0.0%                            |
| 6  | 1,000                       | 600,000                     | \$ 46,917.58                      | \$ 46,903.08                       | \$ (14.50)                     | 0.0%                            |
| 7  | 10,000                      | 1,000,000                   | \$ 105,769.91                     | \$ 105,624.91                      | \$ (145.00)                    | -0.1%                           |
| 8  | 10,000                      | 2,000,000                   | \$ 177,109.37                     | \$ 176,964.37                      | \$ (145.00)                    | -0.1%                           |
| 9  | 10,000                      | 3,000,000                   | \$ 248,448.83                     | \$ 248,303.83                      | \$ (145.00)                    | -0.1%                           |
| 10   | 10,000                      | 4,000,000                   | \$ 319,788.29                     | \$ 319,643.29                      | \$ (145.00)                    | 0.0%                            |
| 11   | 10,000                      | 5,000,000                   | \$ 391,127.76                     | \$ 390,982.76                      | \$ (145.00)                    | 0.0%                            |
| 12   | 10,000                      | 6,000,000                   | \$ 462,467.22                     | \$ 462,322.22                      | \$ (145.00)                    | 0.0%                            |

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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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**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 December 1, 2014. This Rider is not avoidable for customers who take electric generation service from a certified supplier.

**RATE:**

|                                |          |
|--------------------------------|----------|
| RS (all kWhs, per kWh)         | 0.5770¢  |
| GS (per kW of Billing Demand)  | \$2.5731 |
| GP (per kW of Billing Demand)  | \$0.9604 |
| GSU (per kW of Billing Demand) | \$0.6652 |

**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. Effective with the filing made on or about April 20, 2014, the Company will file a request for approval of the Rider charges on or about March 31st, June 30th, September 30th and December 31st of each year. Charges, unless otherwise ordered by the PUCO, shall become effective on a bills rendered basis on June 1st, September 1st, December 1st and March 1st of each year.



**This foregoing document was electronically filed with the Public Utilities**

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**in**

**Case No(s). 14-1628-EL-RDR, 89-6001-EL-TRF**

Summary: Tariff Pricing update of Rider DCR electronically filed by Karen A Sweeney on behalf of The Cleveland Electric Illuminating Company and Mikkelsen, Eileen M Mrs.