

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of the Ohio)	
Development Services Agency for an Order)	
Approving Adjustments to the Universal)	Case No. 14-1002-EL-USF
Service Fund Riders of Jurisdictional Ohio)	
Electric Distribution Utilities.)	

AMENDED APPLICATION

By its application in this docket of October 31, 2014, the Ohio Development Services Agency ("ODSA"), by its Director, David Goodman, petitioned the Public Utilities Commission of Ohio ("Commission"), pursuant to Section 4928.52(B), Revised Code, for an order approving adjustments to the Universal Service Fund ("USF") riders of all jurisdictional Ohio electric distribution utilities ("EDUs"). Pursuant to Rule 4901-1-06, Ohio Administrative Code, ODSA hereby moves to amend its application as set forth below. As more fully described in the supplemental testimony of Susan M. Moser submitted herewith, this amended application reflects information that was not available to ODSA at the time the original application was prepared. Accordingly, ODSA respectfully requests the Commission to accept this amended application for filing.

As its amended application, ODSA states as follows:

1. Under the legislative scheme embodied in SB 3, the 1999 legislation that restructured Ohio's electric utility industry and transferred administration of the electric percentage of income payment plan ("PIPP") program to the Ohio Department of Development ("ODOD"), now known as ODSA,¹ the USF riders replaced the EDUs' existing PIPP riders. The

¹Pursuant to SB 314, the Ohio Department of Development's name was changed to the Ohio Development Services Agency, effective September 28, 2012. To avoid confusion in this proceeding, ODSA will be referred to throughout this application even though it was actually known as ODOD during relevant periods of time.

USF riders were to be calculated so as to generate the same level of revenue as the PIPP riders they replaced,² plus an amount equal to the level of funding for low-income customer energy efficiency programs reflected in the electric rates in effect on the effective date of the statute,³ plus the amount necessary to pay the administrative costs associated with the low-income customer assistance programs and the consumer education program created by Section 4928.56, Revised Code.⁴

2. Pursuant to Section 4928.51(A), Revised Code, all USF rider revenues collected by the EDUs are remitted to ODSA for deposit in the state treasury's USF. ODSA then makes disbursements from the USF to fund the low-income customer assistance programs (including PIPP and the low-income customer energy efficiency programs) and the consumer education program, and to pay their related administrative costs.

3. Section 4928.52(B), Revised Code, provides that, if ODSA, after consultation with the Public Benefits Advisory Board ("PBAB"), determines that the revenues in the USF, together with revenues from federal and other sources of funding,⁵ will be insufficient to cover the cost of the low-income customer assistance and consumer education programs and their related administrative costs, ODSA shall file a petition with the Commission for an increase in the USF rider rates. The statute further provides that, after providing reasonable notice and opportunity for hearing, the Commission may adjust the USF rider by the minimum amount

² See Section 4928.52(A)(1), Revised Code.

³ See Section 4928.52(A)(2), Revised Code.

⁴ See Section 4928.52(A)(3), Revised Code.

⁵ Section 4928.52(B), Revised Code specifically identifies the Ohio Energy Credit Program as a funding source. However, this program was discontinued as of July 1, 2003.

necessary to generate the additional revenues required; provided, however, that the Commission may not decrease a USF rider without the approval of the ODSA Director, after consultation by the Director with the PBAB.

4. Unlike traditional ratemaking, where the objective is to establish rates that will provide the applicant utility with a reasonable earnings opportunity, the USF riders must actually generate sufficient revenues during the collection period to enable ODSA to meet its USF-related statutory and contractual obligations on an ongoing basis. In recognition of this fact, the stipulations adopted by the Commission in all prior USF rider rate adjustment proceedings have required that ODSA file a Section 4928.52(B), Revised Code, application with the Commission each year, proposing such adjustments to the USF rider rates as may be necessary to assure, to the extent possible, that each EDU's rider will generate its associated revenue requirement — but not more than its associated revenue requirement — during the annual collection period following Commission approval of such adjustments. This is the fourteenth annual USF rider adjustment application filed pursuant to this statute since the establishment of the initial USF riders in the electric transition plan proceedings initiated by applications filed by the EDUs pursuant to SB 3.

5. By its opinion and order of December 18, 2013 in Case No. 13-1296-EL-USF, this Commission granted ODSA's 2013 application for approval of adjustments to the USF riders of all Ohio EDUs based on its acceptance of a stipulation and recommendation submitted jointly by a majority of the parties to that proceeding. The new USF riders replaced the USF riders approved by the Commission in Case No. 12-1719-EL-USF, and became effective on a bills-rendered basis with the January 2014 EDU billing cycles.

6. The Commission's opinion and order of December 18, 2013 in Case No. 13-1296-

EL-USF provided for the continuation of the notice of intent ("NOI") process first approved by the Commission in Case No. 04-1616-EL-UNC. Under this process, ODSA was required to make a preliminary filing by May 31 setting out the methodology it would employ in developing the USF rider revenue requirements and rate design for its subsequent annual USF rider adjustment application. The purpose of this procedure is to permit the Commission to resolve any issues relating to methodology prior to the preparation and filing of the application itself, so as to limit the number of potential issues in the second phase of the case and thereby permit the Commission to act on the application in time for the new USF rider rates to take effect on January 1 of the following year. ODSA filed its NOI in this case on May 30, 2014. The Commission, consistent with the terms of a stipulation jointly submitted by a majority of the parties to the proceeding, approved the methodology proposed by ODSA in the NOI by its opinion and order of September 25, 2014 (the "*NOI Order*").

7. Based on its analysis of the annual pro forma revenue generated by applying the current USF rider rates to test-period sales volumes, and utilizing the USF rider revenue requirement methodology approved in the *NOI Order* as described below, ODSA has determined that, on an aggregated basis, the total pro forma annual revenue generated by the current USF riders will fall short, by some \$52,167,190, of the annual revenue required to fulfill the objectives identified in Section 4928.52(A), Revised Code, during the 2015 collection period. On an EDU-specific basis, ODSA's analysis shows that the pro forma revenue that would be generated by the current USF riders of Ohio Power Company ("OP"),⁶ and the Dayton

⁶ The AEP Ohio operating companies, Columbus Southern Power Company ("CSP") and Ohio Power Company ("OP") merged, effective December 31, 2011, with OP as the surviving entity. However, the former CSP customers continue to be subject to separate rate schedules, including a separate USF rider, as are the customers that were served by OP prior to the merger. For ease of reference, ODSA refers herein to CSP as if it were an EDU, but it is understood that these references actually relate to the CSP Rate Zone and that references to OP actually relate to the OP Rate Zone.

Power and Light Company ("DPL") would exceed their indicated revenue targets, while the pro forma revenue that would be generated by the current Columbus Southern Power Company ("CSP"), Duke Energy Ohio ("Duke"), The Cleveland Electric Illuminating Company ("CEI"), Ohio Edison Company ("OE"), and Toledo Edison Company ("TE") USF riders would fall short of their indicated revenue targets. Accordingly, ODSA, having consulted with the PBAB, proposes that the OP and DPL USF rider rates be reduced so as to generate the required annual revenue indicated in the following table and that the CSP, Duke, CEI, OE, and TE USF rider rates be increased so as to generate their respective indicated revenue targets.

Company	Test Period USF Rider Collections	Required USF Rider Revenue	USF Rider Surplus/Deficiency
CSP	\$72,909,728	\$81,265,147	(\$8,355,419)
OP	\$113,873,679	\$103,268,952	\$10,604,727
DPL	\$48,440,999	\$27,627,552	\$20,813,447
DUKE	\$18,756,733	\$34,555,304	(\$15,798,571)
CEI	\$24,921,943	\$51,391,537	(\$26,469,594)
OE	\$41,961,577	\$60,860,005	(\$18,898,428)
TE	\$10,267,899	\$24,331,251	(\$14,063,352)
Totals	\$331,132,558	\$383,299,748	(\$52,167,190)

8. As described in further detail in the written testimony of ODSA witness Susan M. Moser filed with this application, the revenue requirement that the proposed USF riders are designed to generate consists of the elements identified below.

a. Cost of PIPP. The cost of PIPP component of the USF rider revenue requirement is intended to reflect the total cost of electricity consumed by the EDU's PIPP customers for the 12-month period January 2014 through December 2014 (the "test period"), plus pre-PIPP balances, less the monthly installment payments billed to PIPP

customers, less payments made by or on behalf of PIPP customers, including agency payments, to the extent that these payments are applied to outstanding PIPP arrearages over the same period. Because actual data for October through December 2014 was not available at the time the application was prepared, information from the corresponding months of 2013 was combined with actual data from January through September of 2014 to determine the test-period cost of PIPP for each EDU as displayed in Exhibit A hereto. As explained in ODSA witness Moser's written testimony, and consistent with the *NOI Order*, ODSA adjusted the test-period cost of PIPP to recognize the impact of Commission-approved EDU rate changes that took effect during the 2014 test period and to annualize the impact of Commission-approved EDU rate changes that will take effect in 2015. The calculations of these adjustments are shown in attached Exhibits A.1.a through A.1.d. The net impact of these adjustments is shown in Exhibit A.1. As explained in Ms. Moser's testimony, and consistent with the *NOI Order*, the totals shown in Exhibit A.1 were then adjusted to reflect the projected increase in PIPP enrollments during the 2015 collection period. The projections are shown in attached Exhibit A.2. The cumulative effect of the foregoing adjustments is shown in the Total Adjusted Test-Period Cost of PIPP column (Column F) in Exhibit A.2.

b. Electric Partnership Program and Consumer Education Program Costs.

This element of the USF rider revenue requirement reflects the cost of the low-income customer energy efficiency programs and the consumer education program, referred to collectively by ODSA as the "Electric Partnership Program" ("EPP"), and their associated administrative costs, which are recovered through the USF riders pursuant to Section 4928.52(A)(2) and (3), Revised Code. ODSA's proposed \$14,946,196 allowance

for these items is identical to the allowance accepted by the Commission in all previous USF riders rate adjustment proceedings and is supported by the analysis submitted by ODSA as Exhibit A to the NOI. Consistent with the *NOI Order*, which again approved this allowance, this component of the USF rider revenue requirement is allocated to the EDUs based on the ratio of their respective costs of PIPP to the total cost of PIPP. The results of the allocation are shown in attached Exhibit B.

c. Administrative Costs. This USF rider revenue requirement element represents an allowance for the costs ODSA incurs in connection with its administration of the PIPP program and is included as a revenue requirement component pursuant to Section 4928.52(A)(3), Revised Code. As explained in the testimony of ODSA witness Randall Hunt filed with the application, the proposed allowance for administrative costs of \$4,777,725 has been determined in accordance with the standard approved by the Commission in the *NOI Order*. The requested allowance for administrative costs has been allocated to the EDUs based on the number of PIPP customer accounts as of April 2014, the test-period month exhibiting the highest PIPP customer account totals. The results of the allocation are shown in attached Exhibit C.

d. December 31, 2014 USF PIPP Account Balances. Because the USF rider rate is based on historical sales and historical PIPP enrollment patterns, the cost of PIPP component of an EDU's USF rider rate will, in actual practice, either over-recover or under-recover its associated annual revenue requirement over the collection period. Over-recovery creates a positive USF PIPP account balance for the company in question, thereby reducing the amount needed on a forward-going basis to satisfy the USF rider

revenue requirement. Conversely, where under-recovery has created a negative USF PIPP account balance as of the effective date of the new riders, there will be a shortfall in the cash available to ODSA, which will impair its ability to make the PIPP reimbursement payments due the EDUs on a timely basis. Thus, the amount of any existing positive USF PIPP account balance must be deducted in determining the target revenue level the adjusted USF rider is to generate, while the deficit represented by a negative USF PIPP account balance must be added to the associated revenue requirement. In this case, ODSA is requesting that its proposed USF riders be implemented on a bills-rendered basis effective January 1, 2015. Accordingly, the USF rider revenue requirement of each EDU has been adjusted by the amount of the EDU's projected December 31, 2014 USF PIPP account balance so as to synchronize the new riders with the EDU's USF PIPP account balance as of their effective date. This conforms to the methodology approved by the Commission in the *NOI Order*. The adjusted projected December 31, 2014 USF PIPP account balance for each EDU is shown in the final column of Exhibit D.

e. Reserve. PIPP-related cash flows can fluctuate significantly throughout the year, due, in large measure, to the weather-sensitive nature of electricity sales and PIPP enrollment patterns. As shown on the test-period graph attached hereto as Exhibit E, these fluctuations had, in the past resulted in negative USF PIPP account balances, which means that, in those months, ODSA will have insufficient cash to satisfy its reimbursement obligations to the EDUs on a timely basis. To address this problem, ODSA has included an allowance to create a cash reserve as an element of the USF rider revenue requirement, with the amount of the allowance determined based on the EDU's

highest monthly deficit during the test period. The Commission approved this methodology in its *NOI Order* in this case. The proposed reserve component for each EDU is set forth in attached Exhibit F.

f. Allowance for Undercollection. This component of the USF rider revenue requirement is an adjustment to recognize that, due to the difference between amounts billed through the USF rider and the amounts actually collected from EDU customers, the rider will not generate the target revenues. In accordance with the methodology approved by the Commission in the *NOI Order*, the allowance for undercollection for each company is based on the collection experience of that company. The allowance for undercollection for each EDU is shown in attached Exhibit G.

g. Allowance for EDU Audit Costs. In the NOI, ODSA reserved the right to request an allowance for audit costs in this application if it determined that additional audits of PIPP-related accounting and reporting should be conducted in 2015. ODSA believes that an audit is not necessary for this Application.

9. A summary schedule showing the USF rider component costs by EDU is attached as Exhibit H. ODSA proposes to recover the annual USF rider revenue requirement for each EDU through a USF rider that incorporates the same two-step declining block rate design approved by the Commission in all prior USF rider rate adjustment cases and the *NOI Order* in this proceeding. The first block of the rate applies to all monthly consumption up to and including 833,000 Kwh. The second rate block applies to all consumption above 833,000 Kwh per month. For each EDU, the rate per Kwh for the second block is set at the lower of the PIPP charge in effect in October 1999 or the per Kwh rate that would apply if the EDU's annual USF

rider revenue requirement were to be recovered through a single block per Kwh rate. The rate for the first block rate is set at the level necessary to produce the remainder of the EDU's annual USF rider revenue requirement. Thus, if the EDU's October 1999 PIPP charge exceeds the per Kwh rate that would apply if the EDU's annual USF rider revenue requirement were to be recovered through a single block per Kwh rate, a calculation shown in Exhibit I, the rate for both consumption blocks would be the same. As discussed in the testimony of ODSA witness Moser, in this case, the October 1999 PIPP charge cap has been triggered for each of the EDUs, so all the new USF rider rates proposed herein have the declining block feature. The following table compares the resulting proposed USF riders for each EDU with the EDU's current USF rider.

Company	Current 2014 USF Rider		Proposed 2015 USF Rider	
	First 833,000 Kwh	Above 833,000 Kwh	First 833,000 Kwh	Above 833,000 Kwh
CSP	\$0.0043882	\$0.0001830	\$0.0049462	\$0.0001830
OP	\$0.0072152	\$0.0001681	\$0.0061835	\$0.0001681
DPL	\$0.0039788	\$0.0005700	\$0.0022928	\$0.0005700
Duke	\$0.0010791	\$0.0004690	\$0.0020040	\$0.0004690
CEI	\$0.0015068	\$0.0005680	\$0.0031614	\$0.0005680
OE	\$0.0015843	\$0.0010461	\$0.0027121	\$0.0010461
TE	\$0.0009692	\$0.0005610	\$0.0028512	\$0.0005610

10. Consistent with Section 4928.52(B), Revised Code, the proposed USF rider rates set forth above for CSP, Duke, CEI, OE, and TE reflect the minimum increases necessary to produce the additional revenues required to satisfy the respective USF rider revenue responsibility of those companies. The proposed USF rider rates for OP and DPL, which are lower than their current rider rates, also represent the minimum rates necessary to satisfy their respective USF rider revenue responsibilities. If its application is granted, ODSA will consent

to the USF rider decreases for OP and DPL as required by Section 4928.52(B), Revised Code.

11. In calculating the USF rider revenue requirement, ODSA has relied on certain information reported by the EDUs. Although ODSA believes this information to be reliable, ODSA has not performed an audit to verify the accuracy of this information. If any party questions or wishes to challenge the accuracy of this information, ODSA requests that the Commission require such party to direct its inquiries to the EDU in question, either informally or through formal discovery.

13. ODSA requests that, as a part of its order in this proceeding, the Commission require that ODSA file its 2015 USF rider rate adjustment application no later than October 30, 2015 and provide that the NOI procedure again be used in connection with the 2015 application.

WHEREFORE, ODSA respectfully requests that the Commission, after providing such notice as it deems reasonable, affording interested parties the opportunity to be heard, and conducting a hearing, if a hearing is deemed to be required, issue an order (1) finding that USF rider rate adjustments proposed in the application represent the minimum adjustments necessary to provide the revenues necessary to satisfy the respective USF rider revenue requirements; (2) granting the application; and (3) directing the EDU's to incorporate the new USF rider rates approved herein in their filed tariffs, to be effective January 1, 2015 on a

bills-rendered basis.

Respectively submitted,

A handwritten signature in black ink, appearing to read "Dane Stinson", written over a horizontal line.

Dane Stinson (0019101)

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CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing Amended Application has been served upon the following parties by first class mail, postage prepaid, and electronic mail this 26th day of November 2014.


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Exhibit A

Test-Period Cost of PIPP

	PIPP Customer Cost		PIPP Installments Billed	Payments to PIPP Arrears	Cost of PIPP
	Electrical Service	Pre-PIPP			
	A	B	C	D	(A+B)-C-D
Columbus Southern Power	\$116,060,956	\$9,151,361	\$47,684,654	\$7,720,408	\$69,807,256
Ohio Power	\$150,211,371	\$10,130,030	\$58,176,168	\$9,465,769	\$92,699,465
Dayton Power and Light	\$70,921,556	\$3,694,213	\$28,909,843	\$2,541,440	\$43,164,486
Duke Energy	\$44,354,612	\$3,506,977	\$20,717,128	\$4,780,022	\$22,364,439
Cleveland Electric Illuminating	\$63,783,313	\$5,922,776	\$32,909,237	\$1,679,651	\$35,117,201
Ohio Edison	\$105,789,483	\$7,293,544	\$51,168,823	\$3,252,658	\$58,661,546
Toledo Edison	\$35,391,590	\$3,050,414	\$16,900,398	\$1,119,941	\$20,421,665
	\$586,512,881	\$42,749,316	\$256,466,250	\$30,559,889	\$342,236,058

Adjusted Test-Period Cost of PIPP

	Test Period Cost of PIPP	2013 EDU Rate Increases	2014 EDU Rat Increases	Adjusted Test-Period Cost of PIPP
American Electric Power - Columbus Southern Power	\$69,807,256	\$2,978,169	(\$2,080,337)	\$70,705,088
American Electric Power - Ohio Power	\$92,699,465	\$2,455,374	(\$2,215,379)	\$92,939,460
Cleveland Electric Illuminating Company	\$35,117,201	\$0	\$1,785,933	\$36,903,134
Dayton Power and Light Company	\$43,164,486	\$0	(\$1,512,990)	\$41,651,496
Duke Energy	\$22,364,439	\$0	\$376,380	\$22,740,819
Ohio Edison	\$58,661,546	\$0	\$423,158	\$59,084,704
Toledo Edison/First Energy	\$20,421,665	\$0	\$283,133	\$20,704,798
	\$342,236,058	\$5,433,543	(\$2,940,102)	\$344,729,499

Columbus Southern Power

Exhibit A.1.a

	Current	2014 4%	2015 (5%)	Total	For 2014- 2015
Oct-13	6,953,239	278,129.55	-	7,231,368.23	Oct-14
Nov-13	7,407,149	296,285.95	-	7,703,434.73	Nov-14
Dec-13	9,951,337	398,053.48	-	10,349,390.46	Dec-14
Jan-14	11,324,267	452,970.68	-	11,777,237.78	Jan-15
Feb-14	11,479,018	459,160.73	-	11,938,179.10	Feb-15
Mar-14	10,313,532	412,541.29	-	10,726,073.53	Mar-15
Apr-14	9,187,998	367,519.92	-	9,555,517.90	Apr-15
May-14	7,837,677	313,507.08	-	8,151,183.98	May-15
Jun-14	9,864,570	-	(493,228.52)	9,371,341.94	Jun-15
Jul-14	10,729,965	-	(536,498.23)	10,193,466.34	Jul-15
Aug-14	10,055,749	-	(502,787.46)	9,552,961.82	Aug-15
Sep-14	10,956,455	-	(547,822.76)	10,408,632.36	Sep-14
	116,060,956	2,978,168.68	(2,080,336.97)	116,958,788.17	

Ohio Power

	Current	2014 4%	2015 (5%)	Total	For 2014- 2015
Oct-13	8,227,080	82,270.80	-	8,309,350.37	Oct-14
Nov-13	9,772,635	97,726.35	-	9,870,361.20	Nov-14
Dec-13	14,616,187	146,161.87	-	14,762,348.47	Dec-14
Jan-14	17,415,014	174,150.14	-	17,589,164.58	Jan-15
Feb-14	18,032,974	180,329.74	-	18,213,303.67	Feb-15
Mar-14	15,947,309	159,473.09	-	16,106,781.68	Mar-15
Apr-14	13,102,156	131,021.56	-	13,233,177.48	Apr-15
May-14	10,172,952	101,729.52	-	10,274,681.48	May-15
Jun-14	10,140,405	405,616.19	(527,301.05)	10,018,720.00	Jun-15
Jul-14	11,273,039	450,921.58	(586,198.05)	11,137,762.95	Jul-15
Aug-14	10,361,893	414,475.74	(538,818.46)	10,237,550.66	Aug-15
Sep-14	11,149,728	111,497.28	(563,061.26)	10,698,163.85	Sep-15
	150,211,371	2,455,373.84	(2,215,378.81)	150,451,366.38	

Exhibit A.1.b

Dayton Power and Light

Billing Cycle End Date	Cost of Electricity
Oct-13	\$4,452,611.08
Nov-13	\$4,913,364.91
Dec-13	\$6,123,891.87
Jan-14	\$7,456,282.85
Feb-14	\$7,829,688.44
Mar-14	\$6,721,363.15
Apr-14	\$5,551,006.90
May-14	\$4,431,260.95
Jun-14	\$5,476,022.05
Jul-14	\$6,356,363.76
Aug-14	\$5,923,628.39
Sep-14	\$5,686,071.89

Total 70,921,556.24

Rate Adjustment: -0.74%

Total Adjustment: -\$1,512,990.00

Duke

Billing Cycle End Date	Cost of Electricity	Rate of adjustment	Adjustment
Oct-13	\$2,896,125.82	4.369%	\$126,531.74
Nov-13	\$3,122,508.06	4.369%	\$136,422.38
Dec-13	\$3,728,863.08	4.369%	\$162,914.03
Jan-14	\$4,317,348.41	-0.143%	(\$6,173.81)
Feb-14	\$4,307,639.16	-0.143%	(\$6,159.92)
Mar-14	\$3,929,110.12	-0.143%	(\$5,618.63)
Apr-14	\$3,270,669.52	-0.143%	(\$4,677.06)
May-14	\$2,888,229.64	-0.143%	(\$4,130.17)
Jun-14	\$3,696,133.63	-0.143%	(\$5,285.47)
Jul-14	\$4,262,151.83	-0.143%	(\$6,094.88)
Aug-14	\$3,801,908.49	-0.143%	(\$5,436.73)
Sep-14	\$4,133,924.09	-0.143%	(\$5,911.51)
	\$44,354,611.85		\$376,379.97

CEI

Billing Cycle End Date	Cost of Electricity
Oct-13	\$6,292,338.66
Nov-13	\$6,299,941.48
Dec-13	\$6,104,545.17
Jan-14	\$5,276,440.41
Feb-14	\$4,670,619.47
Mar-14	\$4,727,116.95
Apr-14	\$5,567,127.55
May-14	\$5,777,728.35
Jun-14	\$5,452,884.72
Jul-14	\$4,092,829.18
Aug-14	\$4,376,445.72
Sep-14	\$5,145,295.22

Total 63,783,312.88

Rate Adjustment: 2.80%
 Total Adjustment: \$1,785,932.76

OE

Billing Cycle End Date	Cost of Electricity
Oct-13	\$6,702,990.56
Nov-13	\$7,262,733.22
Dec-13	\$8,889,410.26
Jan-14	\$10,645,220.29
Feb-14	\$10,719,311.97
Mar-14	\$10,236,314.37
Apr-14	\$8,736,921.46
May-14	\$7,537,049.70
Jun-14	\$7,690,908.87
Jul-14	\$9,485,780.59
Aug-14	\$9,295,646.62
Sep-14	\$8,587,194.61

Total 105,789,482.52

Rate Adjustment: 0.40%
 Total Adjustment: \$423,157.93

TE

Billing Cycle End Date	Cost of Electricity
Oct-13	\$2,145,085.71
Nov-13	\$2,272,166.84
Dec-13	\$3,039,568.57
Jan-14	\$3,664,333.77
Feb-14	\$3,631,852.77
Mar-14	\$3,764,642.57
Apr-14	\$3,045,680.09
May-14	\$2,393,353.47
Jun-14	\$2,515,839.87
Jul-14	\$3,084,792.28
Aug-14	\$3,012,325.22
Sep-14	\$2,821,948.70

Total 35,391,589.86

Rate Adjustment: 0.80%
 Total Adjustment: \$283,132.72

283132.7189

Exhibit A.2

Cost of PIPP Adjustment for Projected Enrollment Increase

	Average Test Period Enrollment	Adjusted Test Period Cost of PIPP	Average Test Period Cost of PIPP (B/A)	Projected Annual Enrollment	Projected Additional Cost of PIPP (D-A)*C	Total Adjusted Cost of PIPP (B+E)
	A	B	C	D	E	F
Columbus Southern Power	67,251	\$70,705,048	\$1,051	75,382	\$8,548,613	\$79,253,660
Ohio Power	74,387	\$92,939,460	\$1,249	84,976	\$13,229,820	\$106,169,280
Dayton Power and Light	38,520	\$41,651,496	\$1,081	41,394	\$3,107,535	\$44,759,031
Duke Energy	29,113	\$22,740,819	\$781	32,865	\$2,930,537	\$25,671,356
Cleveland Electric Illuminating	59,647	\$36,903,134	\$619	61,480	\$1,134,001	\$38,037,135
Ohio Edison	82,180	\$59,084,704	\$719	84,325	\$1,542,112	\$60,626,816
Toledo Edison	27,546	\$20,704,798	\$752	28,927	\$1,037,720	\$21,742,519
	378,644	\$344,729,459		409,348	\$31,530,338	\$376,259,797

Projected Average Annual PIPP Enrollment

	CSP	OP	Duke	DPL	CEI	OE	TE
2010	42,188	42,912	23,046	31,125	52,008	74,927	23,883
2011	52,578	56,120	26,966	35,738	56,743	83,110	27,057
2012	59,220	65,308	30,272	38,310	56,408	81,098	27,440
2013	63,742	70,363	30,871	37,881	57,918	81,287	27,323
2014	67,251	74,387	29,113	38,520	59,647	82,180	27,546
2015	75,382	84,976	32,865	41,394	61,480	84,325	28,927

Allocation of Electric Partnership Program & Consumer Education Costs

	Cost of PIPP	Percent Cost of PIPP	Allocated EPP/CE
Columbus Southern Power	\$79,253,705	0.2106	\$3,148,200
Ohio Power	\$106,169,280	0.2822	\$4,217,370
Dayton Power and Light	\$44,759,031	0.1190	\$1,777,966
Duke Energy	\$25,671,356	0.0682	\$1,019,745
Cleveland Electric Illuminating	\$38,037,135	0.1011	\$1,510,952
Ohio Edison	\$60,626,816	0.1611	\$2,408,283
Toledo Edison	\$21,742,519	0.0578	\$863,680
	\$376,259,842		\$14,946,196

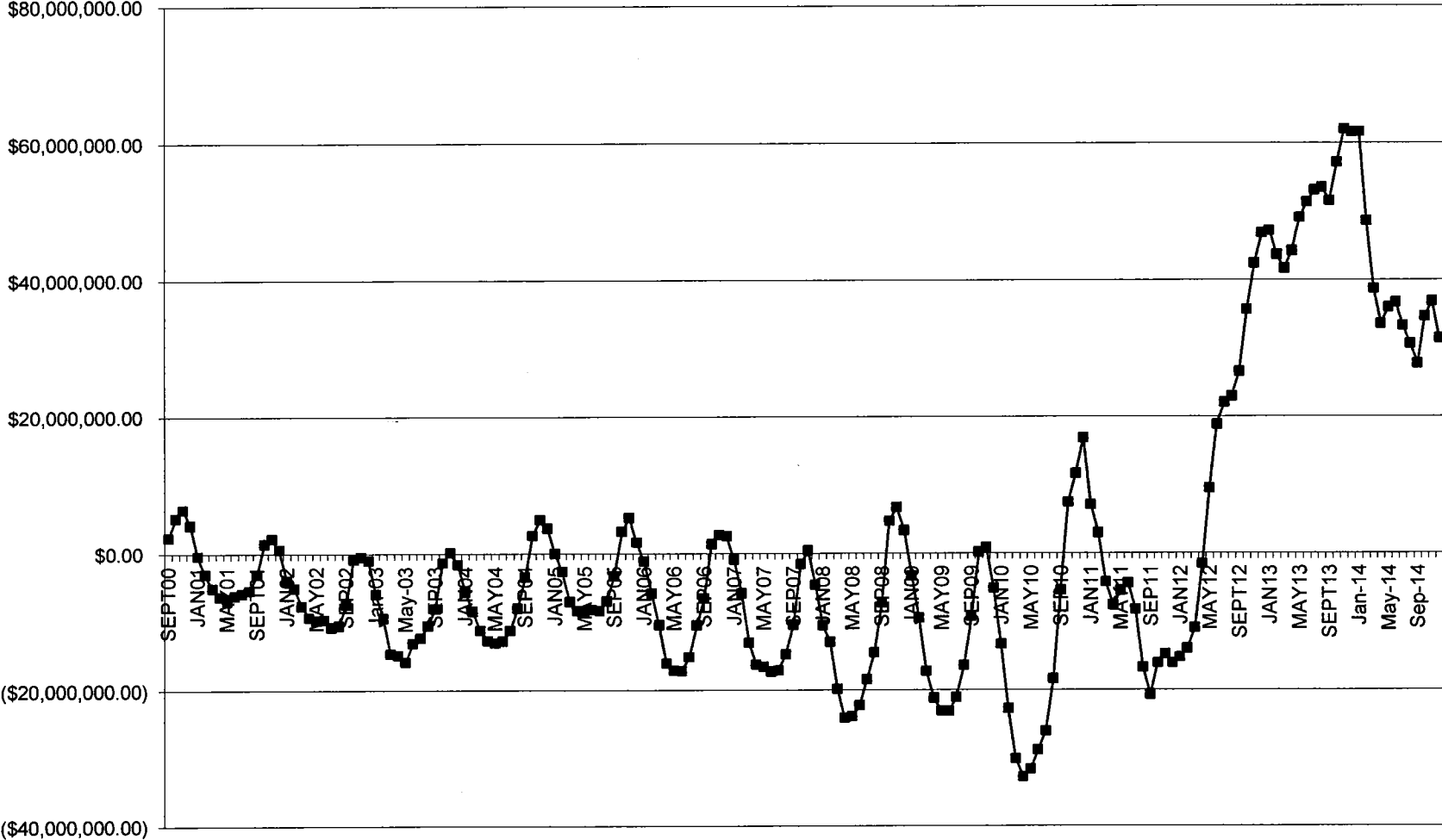
Allocation of Administrative Costs

	Customers April/2014	Adm Costs per Customer	Administrative Costs
Columbus Southern Power	68,531	\$12.35	\$846,669
Ohio Power	76,435	\$12.35	\$944,320
Dayton Power and Light	38,831	\$12.35	\$479,739
Duke Energy	29,818	\$12.35	\$368,388
Cleveland Electric Illuminating Company	60,819	\$12.35	\$751,391
Ohio Edison	83,980	\$12.35	\$1,037,535
Toledo Edison	28,304	\$12.35	\$349,683
	386,718		\$4,777,725

Universal Service Fund Account Balance

	Balance 12/31/2013	Balance 12/31/2014
CSP	\$4,809,312	\$2,796,078
OP	(\$7,910,557)	\$13,339,175
DPL	\$2,515,615	\$19,762,648
Duke	\$5,072,047	(\$3,575,131)
CEI	\$14,559,870	(\$4,740,227)
OE	\$32,760,830	\$3,821,229
TE	\$17,378,238	\$1,536
Total	\$69,185,355	\$31,405,308

Projection of Consolidated USF Account Balance



Calculation of Annual Reserve Component

Company	Largest Monthly Cash Deficit	
	Month	Deficit
CSP	NA	\$0
OP	14-Feb	(\$4,244,467)
DPL	NA	\$0
Duke	14-Dec	(\$3,575,131)
CEI	14-Dec	(\$4,740,227)
OE	NA	\$0
TE	NA	\$0
Total		(\$12,559,825)

Allowance for Undercollection

Company	Estimated Undercollection
CSP	\$ 812,651
OP	\$ 1,032,689.52
DPL	\$ 373,464.21
Duke	\$ 345,553.04
CEI	\$ 1,611,603.98
OE	\$ 608,600.00
TE	\$ 1,376,905.49
Total	\$ 6,161,467.24

Exhibit H

	CSP	OP	DPL	Duke
Cost of PIPP Plus	\$79,253,705	\$106,169,280	\$44,759,031	\$25,671,356
EPP/CE	\$3,148,200	\$4,217,370	\$1,777,966	\$1,019,745
Administration	\$846,669	\$944,320	\$479,739	\$368,388
Account Balance				
12/31	(\$2,796,078)	(\$13,339,175)	(\$19,762,648)	\$3,575,131
Reserve	\$0	\$4,244,467	\$0	\$3,575,131
Adjustment for Undercollection	\$812,651	\$1,032,690	\$373,464	\$345,553
Total	\$81,265,147	\$103,268,952	\$27,627,552	\$34,555,304

	CEI	OE	TE
Cost of PIPP Plus	\$38,037,135	\$60,626,816	\$21,742,519
EPP/CE	\$1,510,952	\$2,408,283	\$863,680
Administration	\$751,391	\$1,037,535	\$349,683
Account Balance			
12/31	\$4,740,227	(\$3,821,229)	(\$1,536)
Reserve	\$4,740,227	\$0	\$0
Adjustment for Undercollection	\$1,611,304	\$608,600	\$1,376,905
Total	\$51,391,537	\$60,860,005	\$24,331,251

Exhibit I

Uniform KWH Rate

Company	KWH Sales	Required Revenue	Indicated Costs/KWH
CSP	19,634,364,010.00	\$ 81,265,147.00	\$ 0.0041389
OP	24,327,128,546.00	\$ 103,268,951.54	\$ 0.0042450
DPL	14,024,188,982.00	\$ 27,627,552.00	\$ 0.0019700
Duke	20,432,630,685.00	\$ 34,555,304.01	\$ 0.0016912
CEI	18,866,629,567.00	\$ 51,391,536.59	\$ 0.0027239
OE	24,891,837,039.00	\$ 60,860,004.80	\$ 0.0024450
TE	10,643,916,468.00	\$ 34,331,250.86	\$ 0.0022859
Total	132,820,695,297.00	\$ 393,299,746.80	

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Case No(s). 14-1002-EL-USF

Summary: Amended Application electronically filed by Dane Stinson on behalf of Ohio Development Services Agency