

April 2, 2018

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

SUBJECT: Case Nos. 17-1919-EL-RDR
89-6001-EL-TRF

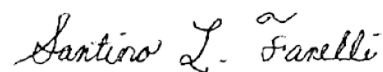
Dear Ms. McNeal:

In accordance with the Commission Order in The Cleveland Electric Illuminating Company's Case No. 14-1297-EL-SSO Electric Security Plan proceeding, 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 2018 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 Order in The Cleveland Electric Illuminating Company's Case No. 14-1297-EL-SSO Electric Security Plan proceeding.

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 June 1, 2018.

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. 17-1919-EL-RDR and 89-6001-EL-TRF, and distribute two copies to the Staff. Thank you.

Sincerely,



Santino L. Fanelli
Director, Rates & Regulatory Affairs

Enclosures

The Cleveland Electric Illuminating Company
Delivery Capital Recovery Rider (DCR)
June 2018 – August 2018 Filing
April 2, 2018

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Rider DCR
Rates for June - August 2018
Revenue Requirement Summary

(\$ millions)

Calculation of Annual Revenue Requirement Based on Estimated 5/31/2018 Rate Base

Line No.	Description	Source	CEI	OE	TE	TOTAL
1	Annual Revenue Requirement Based on Actual 2/28/2018 Rate Base	4/2/2018 Compliance Filing; Page 2; Column (f) Lines 36-39	\$ 145.8	\$ 150.3	\$ 37.8	\$ 334.0
2	Incremental Revenue Requirement Based on Estimated 5/31/2018 Rate Base	Calculation: 4/2/2018 Compliance Filing (Page 27, Column (f) Lines 36-39) minus Line 1	\$ 2.8	\$ 3.5	\$ 1.0	\$ 7.4
3	Annual Revenue Requirement Based on Estimated 5/31/2018 Rate Base	Calculation: SUM [Line 1 through Line 2]	\$ 148.6	\$ 153.9	\$ 38.9	\$ 341.4

Rider DCR
Actual Distribution Rate Base Additions as of 2/28/2018
Revenue Requirement Calculation

(\$ millions)

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

	(A)	(B)	(C) = (B) - (A)	(D)	
(1) Gross Plant	5/31/2007*	2/28/2018	Incremental	Source of Column (B)	
(1) CEI	1,927.1	3,101.8	1,174.7	Sch B2.1 (Actual) Line 45	
(2) OE	2,074.0	3,492.6	1,418.6	Sch B2.1 (Actual) Line 47	
(3) TE	771.5	1,195.5	424.0	Sch B2.1 (Actual) Line 44	
(4) Total	4,772.5	7,789.9	3,017.4	Sum: [(1) through (3)]	
Accumulated Reserve					
(5) CEI	(773.0)	(1,348.4)	(575.4)	-Sch B3 (Actual) Line 46	
(6) OE	(803.0)	(1,402.2)	(599.1)	-Sch B3 (Actual) Line 48	
(7) TE	(376.8)	(612.7)	(236.0)	-Sch B3 (Actual) Line 45	
(8) Total	(1,952.8)	(3,363.3)	(1,410.5)	Sum: [(5) through (7)]	
Net Plant In Service					
(9) CEI	1,154.0	1,753.4	599.4	(1) + (5)	
(10) OE	1,271.0	2,090.4	819.5	(2) + (6)	
(11) TE	394.7	582.8	188.1	(3) + (7)	
(12) Total	2,819.7	4,426.6	1,606.9	Sum: [(9) through (11)]	
ADIT					
(13) CEI	(246.4)	(239.4)	7.0	- ADIT Balances (Actual) Line 3	
(14) OE	(197.1)	(297.4)	(100.4)	- ADIT Balances (Actual) Line 3	
(15) TE	(10.3)	(76.2)	(65.9)	- ADIT Balances (Actual) Line 3	
(16) Total	(453.8)	(613.0)	(159.3)	Sum: [(13) through (15)]	
Rate Base					
(17) CEI	907.7	1,514.0	606.4	(9) + (13)	
(18) OE	1,073.9	1,793.0	719.1	(10) + (14)	
(19) TE	384.4	506.6	122.2	(11) + (15)	
(20) Total	2,366.0	3,813.6	1,447.6	Sum: [(17) through (19)]	
Depreciation Exp					
(21) CEI	60.0	100.2	40.2	Sch B-3.2 (Actual) Line 46	
(22) OE	62.0	105.2	43.2	Sch B-3.2 (Actual) Line 48	
(23) TE	24.5	39.2	14.7	Sch B-3.2 (Actual) Line 45	
(24) Total	146.5	244.7	98.1	Sum: [(21) through (23)]	
Property Tax Exp					
(25) CEI	65.0	109.7	44.8	Sch C-3.10a (Actual) Line 4	
(26) OE	57.4	92.7	35.3	Sch C-3.10a (Actual) Line 4	
(27) TE	20.1	31.0	10.9	Sch C-3.10a (Actual) Line 4	
(28) Total	142.4	233.4	91.0	Sum: [(25) through (27)]	
Revenue Requirement					
(29) CEI	606.4	51.4	40.2	44.8	136.4
(30) OE	719.1	61.0	43.2	35.3	139.5
(31) TE	122.2	10.4	14.7	10.9	36.0
(32) Total	1,447.6	122.8	98.1	91.0	311.9

Capital Structure & Returns			
	% mix	rate	wtd rate
(33) Debt	51%	6.54%	3.3%
(34) Equity	49%	10.50%	5.1%
(35) Total			8.48%

	(a)	(b)	(c)	(d)	(e)	(f)
Revenue Requirement with Tax	Equity Return	Tax Rate	Income Tax	CAT 0.26%	Taxes	Rev. Req. + Tax
(36) CEI	31.2	22.41%	9.0	0.4	9.4	145.8
(37) OE	37.0	22.05%	10.5	0.4	10.9	150.3
(38) TE	6.3	21.85%	1.8	0.1	1.9	37.8
(39) Total	74.5		21.2	0.9	22.1	334.0

(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: 17-1919-EL-RDR
2/28/2018 Actual Plant in Service by Accounts and Subaccounts

Schedule B-2.1 (Actual)

Page 1 of 4

NOTE: Column A contains actual plant in service balances as of 2/28/2018, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting and incorporate recommendations from the March 2013, April 2014, April 2015, April 2016, and May 2017 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. 14-1297-EL-SSO: Actual 2/28/2018 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	\$ 63,966,033	100%	\$ 63,966,033	\$ (56,405,971)	\$ 7,560,063
2	352	Structures & Improvements	\$ 18,725,007	100%	\$ 18,725,007		\$ 18,725,007
3	353	Station Equipment	\$ 177,624,147	100%	\$ 177,624,147	\$ (287)	\$ 177,623,860
4	354	Towers & Fixtures	\$ 327,942	100%	\$ 327,942		\$ 327,942
5	355	Poles & Fixtures	\$ 43,527,681	100%	\$ 43,527,681		\$ 43,527,681
6	356	Overhead Conductors & Devices	\$ 57,475,851	100%	\$ 57,475,851	\$ 4	\$ 57,475,855
7	357	Underground Conduit	\$ 31,980,367	100%	\$ 31,980,367		\$ 31,980,367
8	358	Underground Conductors & Devices	\$ 99,420,445	100%	\$ 99,420,445	\$ (164,307)	\$ 99,256,138
9	359	Roads & Trails	\$ 320,284	100%	\$ 320,284		\$ 320,284
10		Total Transmission Plant	\$ 493,367,757	100%	\$ 493,367,757	\$ (56,570,560)	\$ 436,797,197

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR
2/28/2018 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 2/28/2018, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting and incorporate recommendations from the March 2013, April 2014, April 2015, April 2016, and May 2017 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. 14-1297-EL-SSO: Actual 2/28/2018 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	\$ 7,716,855	100%	\$ 7,716,855	\$ -	\$ 7,716,855
12	361	Structures & Improvements	\$ 26,413,260	100%	\$ 26,413,260		\$ 26,413,260
13	362	Station Equipment	\$ 268,232,707	100%	\$ 268,232,707	\$ (5,345,886)	\$ 262,886,821
14	364	Poles, Towers & Fixtures	\$ 378,432,362	100%	\$ 378,432,362	\$ (132,833)	\$ 378,299,529
15	365	Overhead Conductors & Devices	\$ 497,832,532	100%	\$ 497,832,532	\$ (1,819,751)	\$ 496,012,780
16	366	Underground Conduit	\$ 75,237,109	100%	\$ 75,237,109	\$ -	\$ 75,237,109
17	367	Underground Conductors & Devices	\$ 423,954,039	100%	\$ 423,954,039	\$ (204,389)	\$ 423,749,650
18	368	Line Transformers	\$ 374,312,882	100%	\$ 374,312,882	\$ (110,965)	\$ 374,201,917
19	369	Services	\$ 74,661,444	100%	\$ 74,661,444	\$ 1,334	\$ 74,662,778
20	370	Meters	\$ 126,106,452	100%	\$ 126,106,452	\$ (17,049,057)	\$ 109,057,395
21	371	Installation on Customer Premises	\$ 25,523,649	100%	\$ 25,523,649	\$ 6,159	\$ 25,529,808
22	373	Street Lighting & Signal Systems	\$ 78,266,677	100%	\$ 78,266,677	\$ 2,721	\$ 78,269,398
23	374	Asset Retirement Costs for Distribution Plant	\$ 60,078	100%	\$ 60,078		\$ 60,078
24		Total Distribution Plant	\$ 2,356,750,047	100%	\$ 2,356,750,047	\$ (24,652,667)	\$ 2,332,097,380

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR
2/28/2018 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 2/28/2018, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting and incorporate recommendations from the March 2013, April 2014, April 2015, April 2016, and May 2017 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. 14-1297-EL-SSO: Actual 2/28/2018 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	\$ 1,720,242	100%	\$ 1,720,242		\$ 1,720,242
26	390	Structures & Improvements	\$ 78,508,470	100%	\$ 78,508,470	\$ 3,261	\$ 78,511,731
27	390.3	Leasehold Improvements	\$ 436,850	100%	\$ 436,850		\$ 436,850
28	391.1	Office Furniture & Equipment	\$ 3,629,867	100%	\$ 3,629,867		\$ 3,629,867
29	391.2	Data Processing Equipment	\$ 18,272,581	100%	\$ 18,272,581		\$ 18,272,581
30	392	Transportation Equipment	\$ 3,658,989	100%	\$ 3,658,989		\$ 3,658,989
31	393	Stores Equipment	\$ 542,295	100%	\$ 542,295		\$ 542,295
32	394	Tools, Shop & Garage Equipment	\$ 12,939,072	100%	\$ 12,939,072		\$ 12,939,072
33	395	Laboratory Equipment	\$ 4,338,725	100%	\$ 4,338,725		\$ 4,338,725
34	396	Power Operated Equipment	\$ 6,693,387	100%	\$ 6,693,387		\$ 6,693,387
35	397	Communication Equipment	\$ 37,570,692	100%	\$ 37,570,692	\$ (4,766,987)	\$ 32,803,705
36	398	Miscellaneous Equipment	\$ 74,238	100%	\$ 74,238		\$ 74,238
37	399.1	Asset Retirement Costs for General Plant	\$ 203,777	100%	\$ 203,777		\$ 203,777
38		Total General Plant	\$ 168,589,185	100%	\$ 168,589,185	\$ (4,763,726)	\$ 163,825,459

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR
2/28/2018 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 2/28/2018, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting and incorporate recommendations from the March 2013, April 2014, April 2015, April 2016, and May 2017 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. 14-1297-EL-SSO: Actual 2/28/2018 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	\$ 60,571,529	100%	\$ 60,571,529	\$ 1,159,454	\$ 61,730,983
40	303	Intangible FAS 109 Transmission	\$ 1,176,339	100%	\$ 1,176,339		\$ 1,176,339
41	303	Intangible FAS 109 Distribution	\$ 2,001,124	100%	\$ 2,001,124		\$ 2,001,124
42		Total Other Plant	\$ 63,748,992		\$ 63,748,992	\$ 1,159,454	\$ 64,908,447
43		Company Total Plant	\$ 3,082,455,982	100%	\$ 3,082,455,982	\$ (84,827,499)	\$ 2,997,628,483
44		Service Company Plant Allocated*					\$ 104,168,641
45		Grand Total Plant (43 + 44)					<u>\$ 3,101,797,124</u>

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

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR
2/28/2018 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 2/28/2018, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting and incorporate recommendations from the March 2013, April 2014, April 2015, April 2016, and May 2017 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. 14-1297-EL-SSO: Actual 2/28/2018 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 (A)	Company (B)	% (C)	Total (D) = (B) * (C)	(E)	Jurisdiction (F) = (D) + (E)
<u>TRANSMISSION PLANT</u>								
1	350	Land & Land Rights	\$ 7,560,063	\$ 34,551	100%	\$ 34,551		\$ 34,551
2	352	Structures & Improvements	\$ 18,725,007	\$ 15,869,308	100%	\$ 15,869,308		\$ 15,869,308
3	353	Station Equipment	\$ 177,623,860	\$ 73,639,393	100%	\$ 73,639,393	\$ 712	\$ 73,640,105
4	354	Towers & Fixtures	\$ 327,942	\$ 1,577,023	100%	\$ 1,577,023		\$ 1,577,023
5	355	Poles & Fixtures	\$ 43,527,681	\$ 35,370,909	100%	\$ 35,370,909		\$ 35,370,909
6	356	Overhead Conductors & Devices	\$ 57,475,855	\$ 28,244,880	100%	\$ 28,244,880	\$ (19)	\$ 28,244,861
7	357	Underground Conduit	\$ 31,980,367	\$ 30,146,759	100%	\$ 30,146,759		\$ 30,146,759
8	358	Underground Conductors & Devices	\$ 99,256,138	\$ 41,663,075	100%	\$ 41,663,075	\$ (2,774)	\$ 41,660,300
9	359	Roads & Trails	<u>\$ 320,284</u>	<u>\$ 41,619</u>	100%	<u>\$ 41,619</u>		<u>\$ 41,619</u>
10		Total Transmission Plant	\$ 436,797,197	\$ 226,587,517	100%	\$ 226,587,517	\$ (2,081)	\$ 226,585,436

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR
2/28/2018 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 2/28/2018, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting and incorporate recommendations from the March 2013, April 2014, April 2015, April 2016, and May 2017 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. 14-1297-EL-SSO: Actual 2/28/2018 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 (A)	Company (B)	% (C)	Total (D) = (B) * (C)	(E)	Jurisdiction (F) = (D) + (E)
<u>DISTRIBUTION PLANT</u>								
11	360	Land & Land Rights	\$ 7,716,855	\$ -	100%	\$ -		\$ -
12	361	Structures & Improvements	\$ 26,413,260	\$ 19,891,730	100%	\$ 19,891,730		\$ 19,891,730
13	362	Station Equipment	\$ 262,886,821	\$ 85,858,122	100%	\$ 85,858,122	\$ (1,854,700)	\$ 84,003,422
14	364	Poles, Towers & Fixtures	\$ 378,299,529	\$ 245,330,108	100%	\$ 245,330,108	\$ (52,577)	\$ 245,277,531
15	365	Overhead Conductors & Devices	\$ 496,012,780	\$ 200,796,470	100%	\$ 200,796,470	\$ (1,015,546)	\$ 199,780,923
16	366	Underground Conduit	\$ 75,237,109	\$ 46,924,929	100%	\$ 46,924,929	\$ (1,905)	\$ 46,923,024
17	367	Underground Conductors & Devices	\$ 423,749,650	\$ 112,719,626	100%	\$ 112,719,626	\$ (14,105)	\$ 112,705,522
18	368	Line Transformers	\$ 374,201,917	\$ 143,027,708	100%	\$ 143,027,708	\$ (102,169)	\$ 142,925,539
19	369	Services	\$ 74,662,778	\$ 16,987,220	100%	\$ 16,987,220	\$ 45	\$ 16,987,265
20	370	Meters	\$ 109,057,395	\$ 27,802,417	100%	\$ 27,802,417	\$ (7,394,858)	\$ 20,407,559
21	371	Installation on Customer Premises	\$ 25,529,808	\$ 9,678,889	100%	\$ 9,678,889	\$ 1,087	\$ 9,679,976
22	373	Street Lighting & Signal Systems	\$ 78,269,398	\$ 39,985,655	100%	\$ 39,985,655	\$ 516	\$ 39,986,171
23	374	Asset Retirement Costs for Distribution Plant	\$ 60,078	\$ 52,606	100%	\$ 52,606		\$ 52,606
24		Total Distribution Plant	\$ 2,332,097,380	\$ 949,055,479	100%	\$ 949,055,479	\$ (10,434,212)	\$ 938,621,267

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR
2/28/2018 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 2/28/2018, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting and incorporate recommendations from the March 2013, April 2014, April 2015, April 2016, and May 2017 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. 14-1297-EL-SSO: Actual 2/28/2018 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)								
<u>GENERAL PLANT</u>								
25	389	Land & Land Rights	\$ 1,720,242	\$ -	100%	\$ -		\$ -
26	390	Structures & Improvements	\$ 78,511,731	\$ 24,297,570	100%	\$ 24,297,570	\$ (235)	\$ 24,297,335
27	390.3	Leasehold Improvements	\$ 436,850	\$ 436,850	100%	\$ 436,850		\$ 436,850
28	391.1	Office Furniture & Equipment	\$ 3,629,867	\$ 3,457,073	100%	\$ 3,457,073		\$ 3,457,073
29	391.2	Data Processing Equipment	\$ 18,272,581	\$ 11,719,028	100%	\$ 11,719,028		\$ 11,719,028
30	392	Transportation Equipment	\$ 3,658,989	\$ 3,385,475	100%	\$ 3,385,475		\$ 3,385,475
31	393	Stores Equipment	\$ 542,295	\$ 168,720	100%	\$ 168,720		\$ 168,720
32	394	Tools, Shop & Garage Equipment	\$ 12,939,072	\$ 3,335,152	100%	\$ 3,335,152		\$ 3,335,152
33	395	Laboratory Equipment	\$ 4,338,725	\$ 1,689,390	100%	\$ 1,689,390		\$ 1,689,390
34	396	Power Operated Equipment	\$ 6,693,387	\$ 4,593,279	100%	\$ 4,593,279		\$ 4,593,279
35	397	Communication Equipment	\$ 32,803,705	\$ 25,660,884	100%	\$ 25,660,884	\$ (1,905,862)	\$ 23,755,021
36	398	Miscellaneous Equipment	\$ 74,238	\$ 74,238	100%	\$ 74,238		\$ 74,238
37	399.1	Asset Retirement Costs for General Plant	\$ 203,777	\$ 121,794	100%	\$ 121,794		\$ 121,794
38		Total General Plant	\$ 163,825,459	\$ 78,939,453	100%	\$ 78,939,453	\$ (1,906,097)	\$ 77,033,356

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR
2/28/2018 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 2/28/2018, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting and incorporate recommendations from the March 2013, April 2014, April 2015, April 2016, and May 2017 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. 14-1297-EL-SSO: Actual 2/28/2018 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	Company	%	Total		Jurisdiction
			(A)	(B)	(C)	(D) = (B) * (C)	(E)	(F) = (D) + (E)
OTHER PLANT								
39	303	Intangible Software	\$ 61,730,983	\$ 48,436,925	100%	\$ 48,436,925.15	\$ 203,252	\$ 48,640,178
40	303	Intangible FAS 109 Transmission	\$ 1,176,339	\$ 1,128,240	100%	\$ 1,128,240		\$ 1,128,240
41	303	Intangible FAS 109 Distribution	\$ 2,001,124	\$ 2,001,124	100%	\$ 2,001,124		\$ 2,001,124
42		Total Other Plant	\$ 64,908,447	\$ 51,566,289		\$ 51,566,289	\$ 203,252	\$ 51,769,542
43		Removal Work in Progress (RWIP)		\$ (550,814)	100%	\$ (550,814)		\$ (550,814)
44		Company Total Plant (Reserve)	\$ 2,997,628,483	\$ 1,305,597,924	100%	\$ 1,305,597,924	\$ (12,139,137)	\$ 1,293,458,786
45		Service Company Reserve Allocated*						\$ 54,917,497
46		Grand Total Plant (Reserve) (44 + 45)						\$ 1,348,376,283

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

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR
 Ohio Edison Company: 17-1920-EL-RDR
 The Toledo Edison Company: 17-1921-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. 2/28/2018*	234,638,754	291,706,405	73,686,495	33,337,334
(2) Service Company Allocated ADIT**	\$ 4,737,235	\$ 5,740,689	\$ 2,526,970	
(3) Grand Total ADIT Balance***	<u>\$ 239,375,989</u>	<u>\$ 297,447,094</u>	<u>\$ 76,213,465</u>	

*Source: Actual 2/28/2018 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: 17-1919-EL-RDR
Annual Depreciation Expense on Actual Plant Balances as of February 28, 2018

Schedule B-3.2 (Actual)
Page 1 of 4

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

Line No.	Account No.	Account Title	Adjusted Jurisdiction		Current Accrual Rate	Calculated Depr. Expense (G=DxF)
			Plant Investment Sch. B-2.1 (Actual) (D)	Reserve Balance Sch. B-3 (Actual) (E)		
(A)	(B)	(C)	(D)	(E)	(F)	(G=DxF)
<u>TRANSMISSION PLANT</u>						
1	350	Land & Land Rights	\$ 7,560,063	\$ 34,551	0.00%	\$ -
2	352	Structures & Improvements	\$ 18,725,007	\$ 15,869,308	2.50%	\$ 468,125
3	353	Station Equipment	\$ 177,623,860	\$ 73,640,105	1.80%	\$ 3,197,229
4	354	Towers & Fixtures	\$ 327,942	\$ 1,577,023	1.77%	\$ 5,805
5	355	Poles & Fixtures	\$ 43,527,681	\$ 35,370,909	3.00%	\$ 1,305,830
6	356	Overhead Conductors & Devices	\$ 57,475,855	\$ 28,244,861	2.78%	\$ 1,597,829
7	357	Underground Conduit	\$ 31,980,367	\$ 30,146,759	2.00%	\$ 639,607
8	358	Underground Conductors & Devices	\$ 99,256,138	\$ 41,660,300	2.00%	\$ 1,985,123
9	359	Roads & Trails*	\$ 320,284	\$ 41,619	1.33%	\$ 4,260
10		Total Transmission	\$ 436,797,197	\$ 226,585,436		\$ 9,203,808

*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: 17-1919-EL-RDR
Annual Depreciation Expense on Actual Plant Balances as of February 28, 2018

Schedule B-3.2 (Actual)
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 (F)	Calculated Depr. Expense (G=Dx F)
			Plant Investment Sch. B-2.1 (Actual) (D)	Reserve Balance Sch. B-3 (Actual) (E)		
(A)	(B)	(C)	(D)	(E)	(F)	(G=Dx F)
<u>DISTRIBUTION PLANT</u>						
11	360	Land & Land Rights	\$ 7,716,855	\$ -	0.00%	\$ -
12	361	Structures & Improvements	\$ 26,413,260	\$ 19,891,730	2.50%	\$ 660,332
13	362	Station Equipment	\$ 262,886,821	\$ 84,003,422	1.80%	\$ 4,731,963
14	364	Poles, Towers & Fixtures	\$ 378,299,529	\$ 245,277,531	4.65%	\$ 17,590,928
15	365	Overhead Conductors & Devices	\$ 496,012,780	\$ 199,780,923	3.89%	\$ 19,294,897
16	366	Underground Conduit	\$ 75,237,109	\$ 46,923,024	2.17%	\$ 1,632,645
17	367	Underground Conductors & Devices	\$ 423,749,650	\$ 112,705,522	2.44%	\$ 10,339,491
18	368	Line Transformers	\$ 374,201,917	\$ 142,925,539	2.91%	\$ 10,889,276
19	369	Services	\$ 74,662,778	\$ 16,987,265	4.33%	\$ 3,232,898
20	370	Meters	\$ 109,057,395	\$ 20,407,559	3.16%	\$ 3,446,214
21	371	Installation on Customer Premises	\$ 25,529,808	\$ 9,679,976	3.45%	\$ 880,778
22	373	Street Lighting & Signal Systems	\$ 78,269,398	\$ 39,986,171	3.70%	\$ 2,895,968
23	374	Asset Retirement Costs for Distribution Plant	\$ 60,078	\$ 52,606	0.00%	\$ -
24		Total Distribution	\$ 2,332,097,380	\$ 938,621,267		\$ 75,595,390

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR
Annual Depreciation Expense on Actual Plant Balances as of February 28, 2018

Schedule B-3.2 (Actual)
Page 3 of 4

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

Line No.	Account No.	Account Title	Adjusted Jurisdiction		Current Accrual Rate (F)	Calculated Depr. Expense (G=DxF)
			Plant Investment Sch. B-2.1 (Actual) (D)	Reserve Balance Sch. B-3 (Actual) (E)		
(A)	(B)	(C)	(D)	(E)	(F)	(G=DxF)
<u>GENERAL PLANT</u>						
25	389	Land & Land Rights	\$ 1,720,242	\$ -	0.00%	\$ -
26	390	Structures & Improvements	\$ 78,511,731	\$ 24,297,335	2.20%	\$ 1,727,258
27	390.3	Leasehold Improvements	\$ 436,850	\$ 436,850	22.34%	\$ -
28	391.1	Office Furniture & Equipment	\$ 3,629,867	\$ 3,457,073	7.60%	\$ 275,870
29	391.2	Data Processing Equipment	\$ 18,272,581	\$ 11,719,028	10.56%	\$ 1,929,585
30	392	Transportation Equipment	\$ 3,658,989	\$ 3,385,475	6.07%	\$ 222,101
31	393	Stores Equipment	\$ 542,295	\$ 168,720	6.67%	\$ 36,171
32	394	Tools, Shop & Garage Equipment	\$ 12,939,072	\$ 3,335,152	4.62%	\$ 597,785
33	395	Laboratory Equipment	\$ 4,338,725	\$ 1,689,390	2.31%	\$ 100,225
34	396	Power Operated Equipment	\$ 6,693,387	\$ 4,593,279	4.47%	\$ 299,194
35	397	Communication Equipment	\$ 32,803,705	\$ 23,755,021	7.50%	\$ 2,460,278
36	398	Miscellaneous Equipment	\$ 74,238	\$ 74,238	6.67%	\$ 4,952
37	399.1	Asset Retirement Costs for General Plant	\$ 203,777	\$ 121,794	0.00%	\$ -
38		Total General	\$ 163,825,459	\$ 77,033,356		\$ 7,653,419

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR
Annual Depreciation Expense on Actual Plant Balances as of February 28, 2018

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 Sch. B-2.1 (Actual) (D)	Reserve Balance Sch. B-3 (Actual) (E)		
(A)	(B)	(C)	(D)	(E)	(F)	(G=DxF)
<u>OTHER PLANT</u>						
39	303	Intangible Software	\$ 61,730,983	\$ 48,640,178	14.29%	**
40	303	Intangible FAS 109 Transmission	\$ 1,176,339	\$ 1,128,240	2.15%	**
41	303	Intangible FAS 109 Distribution	\$ 2,001,124	\$ 2,001,124	3.18%	**
42		Total Other	\$ 64,908,447	\$ 51,769,542		\$ 3,011,531
43		Removal Work in Progress (RWIP)		(\$550,814)		
44		Company Total Depreciation	<u>\$ 2,997,628,483</u>	<u>\$ 1,293,458,786</u>		<u>\$ 95,464,148</u>
45		Incremental Depreciation Associated with Allocated Service Company Plant ***	\$ 104,168,641	\$ 54,917,497		\$ 4,783,250
46		GRAND TOTAL (44 + 45)	<u>\$ 3,101,797,124</u>	<u>\$ 1,348,376,283</u>		<u>\$ 100,247,398</u>

** Please see the "Intangible Depreciation Expense Calculation: Actual 2/28/2018 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: 17-1919-EL-RDR

Annual Property Tax Expense on Actual Plant Balances as of February 28, 2018

Schedule C-3.10a (Actual)

Page 1 of 1

Line No.	Description	Jurisdictional Amount
1	Personal Property Taxes - See Schedule C-3.10a1 (Actual)	\$ 107,228,718
2	Real Property Taxes - See Schedule C-3.10a2 (Actual)	\$ 2,434,810
3	Incremental Property Tax Associated with Allocated Service Company Plant *	<u>\$ 56,445</u>
4	Total Property Taxes (1 + 2 + 3)	<u><u>\$ 109,719,973</u></u>

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

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR

Annual Personal Property Tax Expense on Actual Plant Balances as of February 28, 2018

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)	\$ 436,797,197	\$ 2,332,097,380	\$ 163,825,459
2	Jurisdictional Real Property (b)	\$ 26,285,070	\$ 34,130,116	\$ 80,668,823
3	Jurisdictional Personal Property (1 - 2)	\$ 410,512,127	\$ 2,297,967,265	\$ 83,156,636
4	Purchase Accounting Adjustment (f)	\$ (254,574,027)	\$ (858,022,363)	\$ -
5	Adjusted Jurisdictional Personal Property (3 + 4)	\$ 155,938,100	\$ 1,439,944,902	\$ 83,156,636
<u>Exclusions and Exemptions</u>				
6	Capitalized Asset Retirement Costs (a)	\$ -	\$ 60,078	\$ 203,777
7	Exempt Facilities (c)	\$ -	\$ -	\$ -
8	Real Property Classified As Personal Property (c)	\$ 2,280,409	\$ 124,627,939	\$ -
9	Licensed Motor Vehicles (c)	\$ -	\$ -	\$ -
10	Capitalized Interest (g)	\$ 5,847,399.03	\$ 11,544,092.75	\$ -
11	Total Exclusions and Exemptions (6 thru 10)	\$ 8,127,808	\$ 136,232,110	\$ 203,777
12	Net Cost of Taxable Personal Property (5 - 11)	\$ 147,810,292	\$ 1,303,712,791	\$ 82,952,859
13	True Value Percentage (c)	71.4819%	67.7681%	41.7896%
14	True Value of Taxable Personal Property (12 x 13)	\$ 105,657,605	\$ 883,501,388	\$ 34,665,668
15	Assessment Percentage (d)	85.00%	85.00%	24.00%
16	Assessment Value (14 x 15)	\$ 89,808,964	\$ 750,976,180	\$ 8,319,760
17	Personal Property Tax Rate (e)	11.3570000%	11.3570000%	11.3570000%
18	Personal Property Tax (16 x 17)	\$ 10,199,604	\$ 85,288,365	\$ 944,875
19	Purchase Accounting Adjustment (f)	\$ 2,161,945	\$ 8,162,898	\$ -
20	State Mandated Software Adjustment (c)	\$ -	\$ -	\$ 471,031
21	Total Personal Property Tax (18 + 19 + 20)			\$ 107,228,718
		7%	7%	1%
(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: 17-1919-EL-RDR

Annual Real Property Tax Expense on Actual Plant Balances as of February 28, 2018

Schedule C-3.10a2 (Actual)

Page 1 of 1

Line No.	Description	Jurisdictional Amount		
		Transmission Plant	Distribution Plant	General Plant
1	Jurisdictional Real Property (a)	\$ 26,285,070	\$ 34,130,116	\$ 80,668,823
2	Real Property Tax Rate (b)	<u>1.725787%</u>	<u>1.725787%</u>	<u>1.725787%</u>
3	Real Property Tax (1 x 2)	\$ 453,624	\$ 589,013	\$ 1,392,172
4	Total Real Property Tax (Sum of 3)			<u><u>\$ 2,434,810</u></u>

(a) Schedule C-3.10a1 (Actual)

(b) Estimated tax rate for Real Estate based on the most recent Ohio Annual Property Tax Return Filing.

Calculated as follows:

(1) Real Property Capitalized Cost	\$ 196,976,783	Book cost of real property used to compare to assessed value of real property to derive a true value percentage Calculation: (2) / (1)
(2) Real Property Taxes Paid	<u>\$ 3,399,400</u>	
(3) Real Property Tax Rate (Paid vs. Capital Costs)	<u><u>1.725787%</u></u>	

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR
 Ohio Edison Company: 17-1920-EL-RDR
 The Toledo Edison Company: 17-1921-EL-RDR

**Summary of Exclusions per Case No. 14-1297-EL-SSO
 Actual 2/28/2018 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	\$ 56,405,971	\$ 86,977,415	\$ 15,628,438
Reserve	\$ -	\$ -	\$ -

ESP IV Adjustments

Consistent with prior ESPs, "capital additions recovered through Riders LEX, EDR, and AMI will be identified and excluded from Rider DCR and the annual cap allowance" during ESP IV.

AMI Only CEI has an AMI project so this exclusion does not impact OE or TE.
 Source: 2/28/2018 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	\$ (1,159,454)	\$ (203,252)
362	\$ 5,384,748	\$ 1,853,382
364	\$ 169,310	\$ 60,118
365	\$ 1,839,568	\$ 1,017,850
367	\$ 11,080	\$ 3,532
368	\$ 185,568	\$ 104,367
370	\$ 17,025,060	\$ 7,393,595
397	\$ 4,766,987	\$ 1,905,862
Grand Total	\$ 28,222,866	\$ 12,135,453

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
353	\$ 287	\$ (712)
356	\$ (4)	\$ 19
358	\$ 164,307	\$ 2,774
360	\$ -	\$ -
362	\$ (38,861)	\$ 1,318
364	\$ (36,477)	\$ (7,540)
365	\$ (19,816)	\$ (2,303)
366	\$ -	\$ 1,905
367	\$ 193,309	\$ 10,573
368	\$ (74,603)	\$ (2,198)
369	\$ (1,334)	\$ (45)
370	\$ 23,996	\$ 1,263
371	\$ (6,159)	\$ (1,087)
373	\$ (2,721)	\$ (516)
390	\$ (3,261)	\$ 235
Grand Total	\$ 198,662	\$ 3,684

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR
 Ohio Edison Company: 17-1920-EL-RDR
 The Toledo Edison Company: 17-1921-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	\$ 733,065,737	\$ 104,168,641	\$ 126,233,920	\$ 55,566,383	\$ 285,968,944
(3) Reserve	\$ 386,470,775	\$ 54,917,497	\$ 66,550,267	\$ 29,294,485	\$ 150,762,249
(4) ADIT	\$ 33,337,334	\$ 4,737,235	\$ 5,740,689	\$ 2,526,970	\$ 13,004,894
(5) Rate Base		\$ 44,513,909	\$ 53,942,964	\$ 23,744,928	\$ 122,201,801
(6) Depreciation Expense (Incremental)		\$ 4,783,250	\$ 5,796,451	\$ 2,551,515	\$ 13,131,216
(7) Property Tax Expense (Incremental)		\$ 56,445	\$ 68,402	\$ 30,109	\$ 154,956
(8) Total Expenses		\$ 4,839,695	\$ 5,864,852	\$ 2,581,625	\$ 13,286,173

- (2) Gross Plant = Actual Service Company General and Intangible plant in-service as of 2/28/2018, adjusted to incorporate recommendations from the March 2013, April 2014, April 2015, April 2016, and May 2017 Rider DCR audit reports.
- (3) Reserve = Actual Service Company General and Intangible Plant depreciation reserve as of 2/28/2018, adjusted to incorporate recommendations from the March 2013, April 2014, April 2015, April 2016, and May 2017 Rider DCR audit reports.
- (4) ADIT: Actual ADIT Balances as of 2/28/2018.
- (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 2/28/2018"
- (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 2/28/2018"
- (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 2/28/2018: Revenue Requirement" worksheet.

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR
Ohio Edison Company: 17-1920-EL-RDR
The Toledo Edison Company: 17-1921-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) Account	(B) Account Description	(D) 5/31/2007			(G) Accrual Rates				(J) Depreciation Expense
			(C) Gross	(D) Reserve	(E) Net	(F) CEI	(G) OE	(H) TE	(I) Average	
1	Allocation Factors					14.21%	17.22%	7.58%	39.01%	
2	Weighted Allocation Factors					36.43%	44.14%	19.43%	100.00%	
GENERAL PLANT										
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
INTANGIBLE PLANT										
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	TOTAL - GENERAL & INTANGIBLE		\$ 314,463,678	\$ 141,912,431	\$ 172,551,247				10.68%	\$ 33,587,782

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: 17-1919-EL-RDR
Ohio Edison Company: 17-1920-EL-RDR
The Toledo Edison Company: 17-1921-EL-RDR

Depreciation Rate for Service Company Plant (Actual)

II. Estimated Depreciation Accrual Rate for Actual Service Company Plant as of 2/28/2018

Line No.	(A) Account	(B) Account Description	(C) (D) (E) 2/28/2018 Actual Balances			(F) (G) (H) (I) Accrual Rates				(J) Depreciation Expense
			Gross	Reserve	Net	CEI	OE	TE	Average	
28	Allocation Factors					14.21%	17.22%	7.58%	39.01%	
29	Weighted Allocation Factors					36.43%	44.14%	19.43%	100.00%	
GENERAL PLANT										
30	389	Fee Land & Easements	\$ 230,947	\$ -	\$ 230,947	0.00%	0.00%	0.00%	0.00%	\$ -
31	390	Structures, Improvements *	\$ 48,462,556	\$ 26,300,165	\$ 22,162,391	2.20%	2.50%	2.20%	2.33%	\$ 1,130,354
32	390.3	Struct Imprv, Leasehold Imp **	\$ 15,762,574	\$ 8,039,999	\$ 7,722,575	22.34%	20.78%	0.00%	21.49%	\$ 3,386,636
33	391.1	Office Furn., Mech. Equip.	\$ 16,948,651	\$ 10,232,442	\$ 6,716,209	7.60%	3.80%	3.80%	5.18%	\$ 878,654
34	391.2	Data Processing Equipment	\$ 149,522,428	\$ 37,833,966	\$ 111,688,462	10.56%	17.00%	9.50%	13.20%	\$ 19,732,192
35	392	Transportation Equipment	\$ 905,259	\$ 340,699	\$ 564,559	6.07%	7.31%	6.92%	6.78%	\$ 61,399
36	393	Stores Equipment	\$ 17,252	\$ 7,550	\$ 9,702	6.67%	2.56%	3.13%	4.17%	\$ 719
37	394	Tools, Shop, Garage Equip.	\$ 194,139	\$ 20,672	\$ 173,468	4.62%	3.17%	3.33%	3.73%	\$ 7,240
38	395	Laboratory Equipment	\$ 106,531	\$ 29,924	\$ 76,607	2.31%	3.80%	2.86%	3.07%	\$ 3,275
39	396	Power Operated Equipment	\$ 424,994	\$ 105,626	\$ 319,368	4.47%	3.48%	5.28%	4.19%	\$ 17,809
40	397	Communication Equipment ***	\$ 120,347,346	\$ 40,955,156	\$ 79,392,190	7.50%	5.00%	5.88%	6.08%	\$ 7,319,112
41	398	Misc. Equipment	\$ 3,213,766	\$ 1,120,736	\$ 2,093,031	6.67%	4.00%	3.33%	4.84%	\$ 155,623
42	399.1	ARC General Plant	\$ 40,721	\$ 26,921	\$ 13,800	0.00%	0.00%	0.00%	0.00%	\$ -
43			\$ 356,177,164	\$ 125,013,855	\$ 231,163,309					\$ 32,693,014
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	\$ 4,620,264	\$ 8,975,504	\$ (4,355,240)	14.29%	14.29%	14.29%	14.29%	\$ -
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	\$ 7,404,178	\$ -	14.29%	14.29%	14.29%	14.29%	\$ -
53	303	FECO 101/6-303 2009 Software	\$ 15,969,099	\$ 15,969,099	\$ -	14.29%	14.29%	14.29%	14.29%	\$ -
54	303	FECO 101/6-303 2010 Software	\$ 19,353,964	\$ 19,353,964	\$ -	14.29%	14.29%	14.29%	14.29%	\$ -
55	303	FECO 101/6-303 2011 Software	\$ 53,742,285	\$ 51,109,184	\$ 2,633,101	14.29%	14.29%	14.29%	14.29%	\$ 2,633,101
56	303	FECO 101/6-303 2012 Software	\$ 38,042,303	\$ 29,870,700	\$ 8,171,603	14.29%	14.29%	14.29%	14.29%	\$ 5,436,245
57	303	FECO 101/6-303 2013 Software	\$ 79,856,605	\$ 49,232,760	\$ 30,623,845	14.29%	14.29%	14.29%	14.29%	\$ 11,411,509
58	303	FECO 101/6-303 2014 Software	\$ 24,001,063	\$ 11,581,101	\$ 12,419,962	14.29%	14.29%	14.29%	14.29%	\$ 3,429,752
59	303	FECO 101/6-303 2015 Software	\$ 32,810,704	\$ 10,220,537	\$ 22,590,167	14.29%	14.29%	14.29%	14.29%	\$ 4,688,650
60	303	FECO 101/6-303 2016 Software	\$ 27,981,814	\$ 4,692,438	\$ 23,289,376	14.29%	14.29%	14.29%	14.29%	\$ 3,998,601
60	303	FECO 101/6-303 2017 Software	\$ 19,752,943	\$ 691,345	\$ 19,061,597	14.29%	14.29%	14.29%	14.29%	\$ 2,822,695
61	303	FECO 101/6-303 2018 Software	\$ 947,298	\$ 11,368	\$ 935,930	14.29%	14.29%	14.29%	14.29%	\$ 135,369
62			\$ 376,888,573	\$ 261,518,233	\$ 115,370,340					\$ 34,555,922
63	Removal Work in Progress (RWIP)		\$ (61,313)							
64	TOTAL - GENERAL & INTANGIBLE		\$ 733,065,737	\$ 386,470,775	\$ 346,533,649					9.17%
										\$ 67,248,936

NOTES

(C) - (E) Service Company plant balances as of February 28, 2018 adjusted to incorporate recommendations from the March 2013, April 2014, April 2015, April 2016, and May 2017 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 2/28/2018. 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: 17-1919-EL-RDR
Ohio Edison Company: 17-1920-EL-RDR
The Toledo Edison Company: 17-1921-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) Category	(B) CEI	(C) OE	(D) TE	(E) Average **	(F) Source / Calculation
1	Allocation Factors	14.21%	17.22%	7.58%	39.01%	"Service Company 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.</p> <p>Assumes that the tax rate for Service Company plant is equal to the weighted average of the three operating companies.</p>						

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

No.	(A) Account	(B) Account Description	(C) Tax Category	(D) Avg. Tax Rate	(E) Gross Plant	(F) Property Tax
7	389	Fee Land & Easements	Real	1.49%	\$ 556,979	\$ 8,294
8	390	Structures, Improvements	Real	1.49%	\$ 21,328,601	\$ 317,594
9	390.3	Struct Imprv, Leasehold Imp	Real	1.49%	\$ 6,938,688	\$ 103,321
10	391.1	Office Furn., Mech. Equip.	Personal		\$ 31,040,407	\$ -
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	TOTAL - GENERAL PLANT				\$ 234,896,167	\$ 429,208
21	TOTAL - INTANGIBLE PLANT				\$ 79,567,511	\$ -
22	TOTAL - GENERAL & INTANGIBLE PLANT				\$ 314,463,678	\$ 429,208
23	Average Effective Real Property Tax Rate					0.14%

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: 17-1919-EL-RDR
 Ohio Edison Company: 17-1920-EL-RDR
 The Toledo Edison Company: 17-1921-EL-RDR

Property Tax Rate for Service Company Plant (Actual)

III. Average Real Property Tax Rates on Actual General Plant as of February 28, 2018 *

No.	(A) Category	(B) CEI	(C) OE	(D) TE	(E) Average **	(F) Source / Calculation
24	Allocation Factors	14.21%	17.22%	7.58%	39.01%	"Service Company 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	Average Rate	1.73%	0.94%	1.24%	1.28%	Schedule C3.10a2 (Actual)
* 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.						

IV. Estimated Property Tax Rate for Service Company Actual General Plant as of February 28, 2018

No.	(A) Account	(B) Account Description	(C) Tax Category	(D) Avg. Tax Rate	(E) Gross Plant	(F) Property Tax
27	389	Fee Land & Easements	Real	1.28%	\$ 230,947	\$ 2,961
28	390	Structures, Improvements	Real	1.28%	\$ 48,462,556	\$ 621,368
29	390.3	Struct Imprv, Leasehold Imp	Real	1.28%	\$ 15,762,574	\$ 202,101
30	391.1	Office Furn., Mech. Equip.	Personal		\$ 16,948,651	\$ -
31	391.2	Data Processing Equipment	Personal		\$ 149,522,428	\$ -
32	392	Transportation Equipment	Personal		\$ 905,259	\$ -
33	393	Stores Equipment	Personal		\$ 17,252	\$ -
34	394	Tools, Shop, Garage Equip.	Personal		\$ 194,139	\$ -
35	395	Laboratory Equipment	Personal		\$ 106,531	\$ -
36	396	Power Operated Equipment	Personal		\$ 424,994	\$ -
37	397	Communication Equipment	Personal		\$ 120,347,346	\$ -
38	398	Misc. Equipment	Personal		\$ 3,213,766	\$ -
39	399.1	ARC General Plant	Personal		\$ 40,721	\$ -
40	TOTAL - GENERAL PLANT				\$ 356,177,164	\$ 826,430
41	TOTAL - INTANGIBLE PLANT				\$ 376,888,573	\$ -
42	TOTAL - GENERAL & INTANGIBLE PLANT				\$ 733,065,737	\$ 826,430
43	Average Effective Real Property Tax Rate					0.11%

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 2/28/2018 adjusted to incorporate recommendations from the March 2013, April 2014, April 2015, April 2016, and May 2017 Rider DCR audit reports.
- (F) Calculation: Column D x Column E

Incremental Depreciation and Property Tax Associated with Service Company Plant (Actual)							
Case No. 07-551-EL-AIR vs. Actual 2/28/2018 Balances							
I. Allocated Service Company Plant and Related Expenses as of February 28, 2018							
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	\$ 733,065,737	\$ 104,168,641	\$ 126,233,920	\$ 55,566,383	\$ 285,968,944	"Depreciation Rate for Service Company Plant (Actual)" workpaper, Line 64 x Line 1
3	Accum. Reserve	\$ (386,470,775)	\$ (54,917,497)	\$ (66,550,267)	\$ (29,294,485)	\$ (150,762,249)	"Depreciation Rate for Service Company Plant (Actual)" workpaper, Line 64 x Line 1
4	Net Plant	\$ 346,594,962	\$ 49,251,144	\$ 59,683,653	\$ 26,271,898	\$ 135,206,695	Line 2 + Line 3
5	Depreciation *	9.17%	\$ 9,556,074	\$ 11,580,267	\$ 5,097,469	\$ 26,233,810	Average Rate x Line 2
6	Property Tax *	0.11%	\$ 117,436	\$ 142,311	\$ 62,643	\$ 322,390	Average Rate x Line 2
7	Total Expenses		\$ 9,673,509	\$ 11,722,578	\$ 5,160,113	\$ 26,556,200	
* Effective Depreciation and Property Tax rates based on weighted averages across companies over General and Intangible plant, as of 2/28/2018. See line 64 of the "Depreciation Rate for Service Company Plant (Actual)" workpaper and line 43 of the "Property Tax Rate for Service Company Plant (Actual)" workpaper for more details.							
II. Allocated Service Company Plant and Related Expenses as of May 31, 2007							
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. 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.							
III. Incremental Expenses Associated with Allocated Service Company Plant *							
Line	Rate Base	Service Co.	CEI	OE	TE	TOTAL	Source / Notes
15	Depreciation	-1.51%	\$ 4,783,250	\$ 5,796,451	\$ 2,551,515	\$ 13,131,216	Line 5 - Line 12
16	Property Tax	-0.02%	\$ 56,445	\$ 68,402	\$ 30,109	\$ 154,956	Line 6 - Line 13
17	Total Expenses		\$ 4,839,695	\$ 5,864,852	\$ 2,581,625	\$ 13,286,173	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 February 28, 2018. The incremental expenses calculated on Line 17 above are added to the Rider DCR revenue requirements.							

Intangible Depreciation Expense Calculation
Actual 2/28/2018 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 (A)	Utility Account (B)	Function (C)	Gross Plant Feb-18 (D)	Reserve Feb-18 (E)	Net Plant Feb-18 (F)	Accrual Rates (G)	Depreciation Exp (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	\$ -	14.29%	\$ -
CECO The Illuminating Co.	CECO 101/6-303 2006 Software	Intangible Plant	\$ 1,808,778	\$ 1,808,778	\$ -	14.29%	\$ -
CECO The Illuminating Co.	CECO 101/6-303 2007 Software	Intangible Plant	\$ 5,870,456	\$ 5,870,456	\$ -	14.29%	\$ -
CECO The Illuminating Co.	CECO 101/6-303 2008 Software	Intangible Plant	\$ 1,068,042	\$ 1,068,042	\$ -	14.29%	\$ -
CECO The Illuminating Co.	CECO 101/6-303 2009 Software	Intangible Plant	\$ 3,242,050	\$ 3,242,050	\$ -	14.29%	\$ -
CECO The Illuminating Co.	CECO 101/6-303 2010 Software	Intangible Plant	\$ 2,803,986	\$ 2,803,986	\$ -	14.29%	\$ -
CECO The Illuminating Co.	CECO 101/6-303 2011 Software	Intangible Plant	\$ 5,812,975	\$ 5,539,951	\$ 273,024	14.29%	\$ 273,024
CECO The Illuminating Co.	CECO 101/6-303 2012 Software	Intangible Plant	\$ 761,398	\$ 587,995	\$ 173,403	14.29%	\$ 108,804
CECO The Illuminating Co.	CECO 101/6-303 2013 Software	Intangible Plant	\$ 2,110,538	\$ 1,496,984	\$ 613,554	14.29%	\$ 301,596
CECO The Illuminating Co.	CECO 101/6-303 2014 Software	Intangible Plant	\$ 3,333,686	\$ 1,549,283	\$ 1,784,403	14.29%	\$ 476,384
CECO The Illuminating Co.	CECO 101/6-303 2015 Software	Intangible Plant	\$ 3,766,580	\$ 722,399	\$ 3,044,181	14.29%	\$ 538,244
CECO The Illuminating Co.	CECO 101/6-303 2016 Software	Intangible Plant	\$ 5,363,987	\$ 940,233	\$ 4,423,754	14.29%	\$ 766,514
CECO The Illuminating Co.	CECO 101/6-303 2017 Software	Intangible Plant	\$ 3,402,573	\$ 193,968	\$ 3,208,605	14.29%	\$ 486,228
CECO The Illuminating Co.	CECO 101/6-303 2018 Software	Intangible Plant	\$ 248,049	\$ 2,609	\$ 245,440	14.29%	\$ 35,446
CECO The Illuminating Co.	CECO 101/6-303 FAS109 Distribution	Intangible Plant	\$ 2,001,124	\$ 2,001,124	\$ -	3.18%	\$ -
CECO The Illuminating Co.	CECO 101/6-303 FAS109 Transmission	Intangible Plant	\$ 1,176,339	\$ 1,128,240	\$ 48,099	2.15%	\$ 25,291
CECO The Illuminating Co.	CECO 101/6-303 Software	Intangible Plant	\$ 593,426	\$ 1,268,985	\$ (675,559)	14.29%	\$ -
CECO The Illuminating Co.	CECO 101/6-303 Software Evolution	Intangible Plant	\$ 12,454,403	\$ 12,454,403	\$ -	14.29%	\$ -
Total			\$ 64,908,447	\$ 51,769,542	\$ 13,138,905		\$ 3,011,531
OECO Ohio Edison Co.	OECO 101/6-301 Organization	Intangible Plant	\$ 89,746	\$ 38,805	\$ 50,942	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	\$ 1,343,335	\$ -	14.29%	\$ -
OECO Ohio Edison Co.	OECO 101/6-303 2009 Software	Intangible Plant	\$ 4,181,304	\$ 4,181,304	\$ -	14.29%	\$ -
OECO Ohio Edison Co.	OECO 101/6-303 2010 Software	Intangible Plant	\$ 3,293,501	\$ 3,293,501	\$ -	14.29%	\$ -
OECO Ohio Edison Co.	OECO 101/6-303 2011 Software	Intangible Plant	\$ 8,201,370	\$ 7,789,266	\$ 412,104	14.29%	\$ 412,104
OECO Ohio Edison Co.	OECO 101/6-303 2012 Software	Intangible Plant	\$ 984,077	\$ 777,843	\$ 206,234	14.29%	\$ 140,625
OECO Ohio Edison Co.	OECO 101/6-303 2013 Software	Intangible Plant	\$ 6,010,896	\$ 3,661,838	\$ 2,349,058	14.29%	\$ 858,957
OECO Ohio Edison Co.	OECO 101/6-303 2014 Software	Intangible Plant	\$ 5,692,636	\$ 2,647,482	\$ 3,045,155	14.29%	\$ 813,478
OECO Ohio Edison Co.	OECO 101/6-303 2015 Software	Intangible Plant	\$ 6,460,261	\$ 1,652,646	\$ 4,807,615	14.29%	\$ 923,171
OECO Ohio Edison Co.	OECO 101/6-303 2016 Software	Intangible Plant	\$ 7,805,274	\$ 1,233,872	\$ 6,571,402	14.29%	\$ 1,115,374
OECO Ohio Edison Co.	OECO 101/6-303 2017 Software	Intangible Plant	\$ 5,592,256	\$ 375,077	\$ 5,217,179	14.29%	\$ 799,133
OECO Ohio Edison Co.	OECO 101/6-303 2018 Software	Intangible Plant	\$ 317,650	\$ 3,397	\$ 314,253	14.29%	\$ 45,392
OECO Ohio Edison Co.	OECO 101/6-303 FAS109 Dist Land	Intangible Plant	\$ 35,276	\$ (1,806)	\$ 37,082	2.89%	\$ -
OECO Ohio Edison Co.	OECO 101/6-303 FAS109 Distribution	Intangible Plant	\$ 1,495,847	\$ 1,501,118	\$ (5,271)	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	\$ 190,674	\$ 639	3.87%	\$ 639
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	\$ 1,569,446	\$ 2,035,788	\$ (466,343)	14.29%	\$ -
Total			\$ 92,510,085	\$ 68,636,030	\$ 23,874,056		\$ 5,108,874
TECO Toledo Edison Co.	TECO 101/6-303 2002 Software	Intangible Plant	\$ 1,708,412	\$ 1,708,412	\$ -	14.29%	\$ -
TECO Toledo Edison Co.	TECO 101/6-303 2003 Software	Intangible Plant	\$ 7,478,386	\$ 7,478,386	\$ -	14.29%	\$ -
TECO Toledo Edison Co.	TECO 101/6-303 2004 Software	Intangible Plant	\$ 862,457	\$ 862,457	\$ -	14.29%	\$ -
TECO Toledo Edison Co.	TECO 101/6-303 2005 Software	Intangible Plant	\$ 699,602	\$ 699,602	\$ -	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	\$ 3,182,778	\$ 3,182,778	\$ -	14.29%	\$ -
TECO Toledo Edison Co.	TECO 101/6-303 2008 Software	Intangible Plant	\$ 578,266	\$ 578,266	\$ -	14.29%	\$ -
TECO Toledo Edison Co.	TECO 101/6-303 2009 Software	Intangible Plant	\$ 1,878,487	\$ 1,878,487	\$ -	14.29%	\$ -
TECO Toledo Edison Co.	TECO 101/6-303 2010 Software	Intangible Plant	\$ 1,456,633	\$ 1,456,633	\$ -	14.29%	\$ -
TECO Toledo Edison Co.	TECO 101/6-303 2011 Software	Intangible Plant	\$ 2,259,874	\$ 2,152,484	\$ 107,390	14.29%	\$ 107,390
TECO Toledo Edison Co.	TECO 101/6-303 2012 Software	Intangible Plant	\$ 554,860	\$ 421,368	\$ 133,492	14.29%	\$ 79,289
TECO Toledo Edison Co.	TECO 101/6-303 2013 Software	Intangible Plant	\$ 1,576,160	\$ 950,693	\$ 625,467	14.29%	\$ 225,233
TECO Toledo Edison Co.	TECO 101/6-303 2014 Software	Intangible Plant	\$ 1,961,451	\$ 985,114	\$ 976,336	14.29%	\$ 280,291
TECO Toledo Edison Co.	TECO 101/6-303 2015 Software	Intangible Plant	\$ 1,350,859	\$ 308,836	\$ 1,042,023	14.29%	\$ 193,038
TECO Toledo Edison Co.	TECO 101/6-303 2016 Software	Intangible Plant	\$ 1,917,690	\$ 383,686	\$ 1,534,004	14.29%	\$ 274,038
TECO Toledo Edison Co.	TECO 101/6-303 2017 Software	Intangible Plant	\$ 786,072	\$ 47,363	\$ 738,709	14.29%	\$ 112,330
TECO Toledo Edison Co.	TECO 101/6-303 2018 Software	Intangible Plant	\$ 57,098	\$ 657	\$ 56,440	14.29%	\$ 8,159
TECO Toledo Edison Co.	TECO 101/6-303 FAS109 Distribution	Intangible Plant	\$ 240,087	\$ 240,087	\$ -	3.10%	\$ -
TECO Toledo Edison Co.	TECO 101/6-303 FAS109 Transmission	Intangible Plant	\$ 54,210	\$ 52,167	\$ 2,043	2.37%	\$ 1,285
TECO Toledo Edison Co.	TECO 101/6-303 Software	Intangible Plant	\$ (176,968)	\$ 293,026	\$ (469,994)	14.29%	\$ -
Total			\$ 29,261,141	\$ 24,515,229	\$ 4,745,911		\$ 1,281,053

NOTES

(D) - (F) Source: Actual 2/28/2018 balances, adjusted to remove the cumulative pre-2007 impact of a change in pension accounting and incorporate recommendations from the March 2013, April 2014, April 2015, April 2016, and May 2017 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 DCR
Estimated Distribution Rate Base Additions as of 5/31/2018
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)	
	Gross Plant	5/31/2007*	5/31/2018	Incremental	Source of Column (B)	
(1)	CEI	1,927.1	3,130.8	1,203.8	Sch B2.1 (Estimate) Line 45	
(2)	OE	2,074.0	3,524.6	1,450.6	Sch B2.1 (Estimate) Line 47	
(3)	TE	771.5	1,207.0	435.6	Sch B2.1 (Estimate) Line 44	
(4)	Total	4,772.5	7,862.5	3,090.0	Sum: [(1) through (3)]	
	Accumulated Reserve					
(5)	CEI	(773.0)	(1,375.1)	(602.1)	-Sch B3 (Estimate) Line 46	
(6)	OE	(803.0)	(1,415.4)	(612.4)	-Sch B3 (Estimate) Line 48	
(7)	TE	(376.8)	(622.3)	(245.6)	-Sch B3 (Estimate) Line 45	
(8)	Total	(1,952.8)	(3,412.9)	(1,460.1)	Sum: [(5) through (7)]	
	Net Plant In Service					
(9)	CEI	1,154.0	1,755.7	601.7	(1) + (5)	
(10)	OE	1,271.0	2,109.2	838.2	(2) + (6)	
(11)	TE	394.7	584.7	190.0	(3) + (7)	
(12)	Total	2,819.7	4,449.6	1,629.9	Sum: [(9) through (11)]	
	ADIT					
(13)	CEI	(246.4)	(238.3)	8.1	- ADIT Balances (Estimate) Line 3	
(14)	OE	(197.1)	(298.0)	(100.9)	- ADIT Balances (Estimate) Line 3	
(15)	TE	(10.3)	(75.4)	(65.0)	- ADIT Balances (Estimate) Line 3	
(16)	Total	(453.8)	(611.6)	(157.9)	Sum: [(13) through (15)]	
	Rate Base					
(17)	CEI	907.7	1,517.5	609.8	(9) + (13)	
(18)	OE	1,073.9	1,811.2	737.3	(10) + (14)	
(19)	TE	384.4	509.3	125.0	(11) + (15)	
(20)	Total	2,366.0	3,838.0	1,472.0	Sum: [(17) through (19)]	
	Depreciation Exp					
(21)	CEI	60.0	101.1	41.1	Sch B-3.2 (Estimate) Line 46	
(22)	OE	62.0	106.1	44.1	Sch B-3.2 (Estimate) Line 48	
(23)	TE	24.5	39.4	14.9	Sch B-3.2 (Estimate) Line 45	
(24)	Total	146.5	246.7	100.1	Sum: [(21) through (23)]	
	Property Tax Exp					
(25)	CEI	65.0	111.3	46.3	Sch C-3.10a (Estimate) Line 4	
(26)	OE	57.4	93.5	36.1	Sch C-3.10a (Estimate) Line 4	
(27)	TE	20.1	31.6	11.5	Sch C-3.10a (Estimate) Line 4	
(28)	Total	142.4	236.4	93.9	Sum: [(25) through (27)]	
	Revenue Requirement	Rate Base	Return 8.48%	Deprec	Prop Tax	Rev. Req.
(29)	CEI	609.8	51.7	41.1	46.3	139.2
(30)	OE	737.3	62.5	44.1	36.1	142.8
(31)	TE	125.0	10.6	14.9	11.5	37.0
(32)	Total	1,472.0	124.8	100.1	93.9	318.9

Capital Structure & Returns				
	% mix	rate	wtd rate	
(33) Debt	51%	6.54%	3.3%	
(34) Equity	49%	10.50%	5.1%	
(35)			8.48%	

	(a)	(b)	(c)	(d)	(e)	(f)
Revenue Requirement with Tax	Equity Return	Tax Rate	Income Tax	CAT 0.26%	Taxes	Rev. Req. + Tax
(36) CEI	31.4	22.41%	9.1	0.4	9.4	148.6
(37) OE	37.9	22.05%	10.7	0.4	11.1	153.9
(38) TE	6.4	21.85%	1.8	0.1	1.9	38.9
(39) Total	75.7		21.6	0.9	22.5	341.4

(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: 17-1919-EL-RDR
5/31/2018 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 5/31/2018 from the forecast as of March 2018, adjusted to reflect current assumptions, incorporate recommendations from the March 2013, April 2014, April 2015, April 2016, and May 2017 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. 14-1297-EL-SSO: Estimated 5/31/2018 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	\$ 63,968,660	100%	\$ 63,968,660	\$ (56,405,971)	\$ 7,562,689
2	352	Structures & Improvements	\$ 18,725,007	100%	\$ 18,725,007		\$ 18,725,007
3	353	Station Equipment	\$ 178,241,987	100%	\$ 178,241,987	\$ (287)	\$ 178,241,700
4	354	Towers & Fixtures	\$ 327,942	100%	\$ 327,942		\$ 327,942
5	355	Poles & Fixtures	\$ 43,397,867	100%	\$ 43,397,867		\$ 43,397,867
6	356	Overhead Conductors & Devices	\$ 56,181,325	100%	\$ 56,181,325	\$ 4	\$ 56,181,329
7	357	Underground Conduit	\$ 32,053,673	100%	\$ 32,053,673		\$ 32,053,673
8	358	Underground Conductors & Devices	\$ 101,208,366	100%	\$ 101,208,366	\$ (164,307)	\$ 101,044,059
9	359	Roads & Trails	\$ 320,284	100%	\$ 320,284		\$ 320,284
10		Total Transmission Plant	\$ 494,425,109	100%	\$ 494,425,109	\$ (56,570,560)	\$ 437,854,549

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR
5/31/2018 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 5/31/2018 from the forecast as of March 2018, adjusted to reflect current assumptions, incorporate recommendations from the March 2013, April 2014, April 2015, April 2016, and May 2017 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. 14-1297-EL-SSO: Estimated 5/31/2018 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	\$ 7,757,676	100%	\$ 7,757,676	\$ -	\$ 7,757,676
12	361	Structures & Improvements	\$ 26,418,039	100%	\$ 26,418,039		\$ 26,418,039
13	362	Station Equipment	\$ 272,016,096	100%	\$ 272,016,096	\$ (5,345,886)	\$ 266,670,210
14	364	Poles, Towers & Fixtures	\$ 376,368,120	100%	\$ 376,368,120	\$ (132,833)	\$ 376,235,287
15	365	Overhead Conductors & Devices	\$ 502,677,631	100%	\$ 502,677,631	\$ (1,532,027)	\$ 501,145,605
16	366	Underground Conduit	\$ 74,530,191	100%	\$ 74,530,191	\$ -	\$ 74,530,191
17	367	Underground Conductors & Devices	\$ 428,901,692	100%	\$ 428,901,692	\$ (204,389)	\$ 428,697,303
18	368	Line Transformers	\$ 378,891,258	100%	\$ 378,891,258	\$ (110,965)	\$ 378,780,293
19	369	Services	\$ 75,980,239	100%	\$ 75,980,239	\$ 1,334	\$ 75,981,573
20	370	Meters	\$ 129,240,111	100%	\$ 129,240,111	\$ (17,123,598)	\$ 112,116,513
21	371	Installation on Customer Premises	\$ 25,811,729	100%	\$ 25,811,729	\$ 6,159	\$ 25,817,888
22	373	Street Lighting & Signal Systems	\$ 79,911,965	100%	\$ 79,911,965	\$ 2,721	\$ 79,914,686
23	374	Asset Retirement Costs for Distribution Plant	\$ 60,078	100%	\$ 60,078		\$ 60,078
24		Total Distribution Plant	\$ 2,378,564,827	100%	\$ 2,378,564,827	\$ (24,439,484)	\$ 2,354,125,343

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR
5/31/2018 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 5/31/2018 from the forecast as of March 2018, adjusted to reflect current assumptions, incorporate recommendations from the March 2013, April 2014, April 2015, April 2016, and May 2017 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. 14-1297-EL-SSO: Estimated 5/31/2018 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	\$ 1,720,242	100%	\$ 1,720,242		\$ 1,720,242
26	390	Structures & Improvements	\$ 80,414,841	100%	\$ 80,414,841	\$ 3,261	\$ 80,418,102
27	390.3	Leasehold Improvements	\$ 436,850	100%	\$ 436,850		\$ 436,850
28	391.1	Office Furniture & Equipment	\$ 3,629,867	100%	\$ 3,629,867		\$ 3,629,867
29	391.2	Data Processing Equipment	\$ 17,986,182	100%	\$ 17,986,182		\$ 17,986,182
30	392	Transportation Equipment	\$ 3,657,032	100%	\$ 3,657,032		\$ 3,657,032
31	393	Stores Equipment	\$ 541,001	100%	\$ 541,001		\$ 541,001
32	394	Tools, Shop & Garage Equipment	\$ 12,750,612	100%	\$ 12,750,612		\$ 12,750,612
33	395	Laboratory Equipment	\$ 4,378,260	100%	\$ 4,378,260		\$ 4,378,260
34	396	Power Operated Equipment	\$ 6,705,657	100%	\$ 6,705,657		\$ 6,705,657
35	397	Communication Equipment	\$ 39,922,974	100%	\$ 39,922,974	\$ (4,766,987)	\$ 35,155,987
36	398	Miscellaneous Equipment	\$ 74,238	100%	\$ 74,238		\$ 74,238
37	399.1	Asset Retirement Costs for General Plant	\$ 203,777	100%	\$ 203,777		\$ 203,777
38		Total General Plant	\$ 172,421,533	100%	\$ 172,421,533	\$ (4,763,726)	\$ 167,657,807

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR
5/31/2018 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 5/31/2018 from the forecast as of March 2018, adjusted to reflect current assumptions, incorporate recommendations from the March 2013, April 2014, April 2015, April 2016, and May 2017 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. 14-1297-EL-SSO: Estimated 5/31/2018 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	\$ 60,423,330	100%	\$ 60,423,330	\$ 1,800,331	\$ 62,223,662
40	303	Intangible FAS 109 Transmission	\$ 1,176,339	100%	\$ 1,176,339		\$ 1,176,339
41	303	Intangible FAS 109 Distribution	\$ 2,001,124	100%	\$ 2,001,124		\$ 2,001,124
42		Total Other Plant	\$ 63,600,794		\$ 63,600,794	\$ 1,800,331	\$ 65,401,125
43		Company Total Plant	\$ 3,109,012,264	100%	\$ 3,109,012,264	\$ (83,973,439)	\$ 3,025,038,824
44		Service Company Plant Allocated*					\$ 105,795,057
45		Grand Total Plant (43 + 44)					<u>\$ 3,130,833,882</u>

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

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR
5/31/2018 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 5/31/2018 from the forecast as of March 2018, adjusted to reflect current assumptions, incorporate recommendations from the March 2013, April 2014, April 2015, April 2016, and May 2017 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. 14-1297-EL-SSO: Estimated 5/31/2018 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 (Estimate) Column E (A)					
<u>TRANSMISSION PLANT</u>								
1	350	Land & Land Rights	\$ -	\$ 34,259	100%	\$ 34,259		\$ 34,259
2	352	Structures & Improvements	\$ 18,725,007	\$ 15,987,059	100%	\$ 15,987,059		\$ 15,987,059
3	353	Station Equipment	\$ 178,241,700	\$ 74,723,462	100%	\$ 74,723,462	\$ 711	\$ 74,724,173
4	354	Towers & Fixtures	\$ 327,942	\$ 1,577,023	100%	\$ 1,577,023		\$ 1,577,023
5	355	Poles & Fixtures	\$ 43,397,867	\$ 35,810,037	100%	\$ 35,810,037		\$ 35,810,037
6	356	Overhead Conductors & Devices	\$ 56,181,329	\$ 28,786,743	100%	\$ 28,786,743	\$ (19)	\$ 28,786,724
7	357	Underground Conduit	\$ 32,053,673	\$ 30,299,750	100%	\$ 30,299,750		\$ 30,299,750
8	358	Underground Conductors & Devices	\$ 101,044,059	\$ 41,784,067	100%	\$ 41,784,067	\$ (3,596)	\$ 41,780,471
9	359	Roads & Trails	\$ 320,284	\$ 42,710	100%	\$ 42,710		\$ 42,710
10		Total Transmission Plant	\$ 430,291,860	\$ 229,045,110	100%	\$ 229,045,110	\$ (2,904)	\$ 229,042,206

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR
5/31/2018 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 5/31/2018 from the forecast as of March 2018, adjusted to reflect current assumptions, incorporate recommendations from the March 2013, April 2014, April 2015, April 2016, and May 2017 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. 14-1297-EL-SSO: Estimated 5/31/2018 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)	
DISTRIBUTION PLANT									
11	360	Land & Land Rights	\$ 7,757,676	\$ (4,818)	100%	\$ (4,818)		\$ (4,818)	
12	361	Structures & Improvements	\$ 26,418,039	\$ 20,062,726	100%	\$ 20,062,726		\$ 20,062,726	
13	362	Station Equipment	\$ 266,670,210	\$ 86,949,232	100%	\$ 86,949,232	\$ (1,989,144)	\$ 84,960,088	
14	364	Poles, Towers & Fixtures	\$ 376,235,287	\$ 250,418,048	100%	\$ 250,418,048	\$ (56,386)	\$ 250,361,662	
15	365	Overhead Conductors & Devices	\$ 501,145,605	\$ 205,297,473	100%	\$ 205,297,473	\$ (1,046,263)	\$ 204,251,210	
16	366	Underground Conduit	\$ 74,530,191	\$ 47,275,283	100%	\$ 47,275,283	\$ (1,905)	\$ 47,273,377	
17	367	Underground Conductors & Devices	\$ 428,697,303	\$ 113,987,162	100%	\$ 113,987,162	\$ (15,561)	\$ 113,971,601	
18	368	Line Transformers	\$ 378,780,293	\$ 145,744,015	100%	\$ 145,744,015	\$ (106,265)	\$ 145,637,750	
19	369	Services	\$ 75,981,573	\$ 17,988,745	100%	\$ 17,988,745	\$ 60	\$ 17,988,804	
20	370	Meters	\$ 112,116,513	\$ 31,923,608	100%	\$ 31,923,608	\$ (7,825,824)	\$ 24,097,784	
21	371	Installation on Customer Premises	\$ 25,817,888	\$ 9,961,981	100%	\$ 9,961,981	\$ 1,140	\$ 9,963,121	
22	373	Street Lighting & Signal Systems	\$ 79,914,686	\$ 40,835,987	100%	\$ 40,835,987	\$ 541	\$ 40,836,528	
23	374	Asset Retirement Costs for Distribution Plant	\$ 60,078	\$ 52,884	100%	\$ 52,884		\$ 52,884	
24		Total Distribution Plant	\$ 2,354,125,343	\$ 970,492,324	100%	\$ 970,492,324	\$ (11,039,607)	\$ 959,452,717	

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR
5/31/2018 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 5/31/2018 from the forecast as of March 2018, adjusted to reflect current assumptions, incorporate recommendations from the March 2013, April 2014, April 2015, April 2016, and May 2017 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. 14-1297-EL-SSO: Estimated 5/31/2018 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
<u>GENERAL PLANT</u>									
25	389	Land & Land Rights	\$ 1,720,242	\$ -	100%	\$ -		\$ -	
26	390	Structures & Improvements	\$ 80,418,102	\$ 24,514,963	100%	\$ 24,514,963	\$ (217)	\$ 24,514,746	
27	390.3	Leasehold Improvements	\$ 436,850	\$ 436,850	100%	\$ 436,850		\$ 436,850	
28	391.1	Office Furniture & Equipment	\$ 3,629,867	\$ 3,457,073	100%	\$ 3,457,073		\$ 3,457,073	
29	391.2	Data Processing Equipment	\$ 17,986,182	\$ 12,190,004	100%	\$ 12,190,004		\$ 12,190,004	
30	392	Transportation Equipment	\$ 3,657,032	\$ 3,385,475	100%	\$ 3,385,475		\$ 3,385,475	
31	393	Stores Equipment	\$ 541,001	\$ 177,723	100%	\$ 177,723		\$ 177,723	
32	394	Tools, Shop & Garage Equipment	\$ 12,750,612	\$ 3,480,887	100%	\$ 3,480,887		\$ 3,480,887	
33	395	Laboratory Equipment	\$ 4,378,260	\$ 1,714,746	100%	\$ 1,714,746		\$ 1,714,746	
34	396	Power Operated Equipment	\$ 6,705,657	\$ 4,668,371	100%	\$ 4,668,371		\$ 4,668,371	
35	397	Communication Equipment	\$ 35,155,987	\$ 25,750,212	100%	\$ 25,750,212	\$ (1,995,243)	\$ 23,754,968	
36	398	Miscellaneous Equipment	\$ 74,238	\$ 74,238	100%	\$ 74,238		\$ 74,238	
37	399.1	Asset Retirement Costs for General Plant	\$ 203,777	\$ 122,825	100%	\$ 122,825		\$ 122,825	
38		Total General Plant	\$ 167,657,807	\$ 79,973,367	100%	\$ 79,973,367	\$ (1,995,460)	\$ 77,977,907	

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR
5/31/2018 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 5/31/2018 from the forecast as of March 2018, adjusted to reflect current assumptions, incorporate recommendations from the March 2013, April 2014, April 2015, April 2016, and May 2017 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. 14-1297-EL-SSO: Estimated 5/31/2018 Plant in Service Balances" workpaper.

Line No.	Account No.	Account Title	Total Company Plant Investment 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)	
OTHER PLANT									
39	303	Intangible Software	\$ 60,423,330	\$ 49,423,197	100%	\$ 49,423,197	\$ 266,953	\$ 49,690,150	
40	303	Intangible FAS 109 Transmission	\$ 1,176,339	\$ 1,135,239	100%	\$ 1,135,239		\$ 1,135,239	
41	303	Intangible FAS 109 Distribution	\$ 2,001,124	\$ 2,001,124	100%	\$ 2,001,124		\$ 2,001,124	
42		Total Other Plant	\$ 63,600,794	\$ 52,559,560		\$ 52,559,560	\$ 266,953	\$ 52,826,513	
43		Removal Work in Progress (RWIP)		\$ (1,394,770)	100%	\$ (1,394,770)		\$ (1,394,770)	
44		Company Total Plant (Reserve)	\$ 3,015,675,804	\$ 1,330,675,591	100%	\$ 1,330,675,591	\$ (12,771,018)	\$ 1,317,904,573	
45		Service Company Reserve Allocated*						\$ 57,191,323	
46		Grand Total Plant (Reserve) (44 + 45)						\$ 1,375,095,896	

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

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR
 Ohio Edison Company: 17-1920-EL-RDR
 The Toledo Edison Company: 17-1921-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. 5/31/2018*	235,229,527	294,308,658	73,729,262	21,472,721
(2) Service Company Allocated ADIT**	\$ 3,051,274	\$ 3,697,602	\$ 1,627,632	
(3) Grand Total ADIT Balance***	<u>\$ 238,280,801</u>	<u>\$ 298,006,261</u>	<u>\$ 75,356,895</u>	

*Source: Estimated 5/31/2018 ADIT balances from the forecast as of March 2018.

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

*** Calculation : Line 1 + Line 2

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR
Annual Depreciation Expense on Estimated Plant Balances as of May 31, 2018

Schedule B-3.2 (Estimate)
Page 1 of 4

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

Line No.	Account No.	Account Title	Adjusted Jurisdiction		Current Accrual Rate (F)	Calculated Depr. Expense (G=DxF)
			Plant Investment Sch. B-2.1 (Estimate) (D)	Reserve Balance Sch. B-3 (Estimate) (E)		
(A)	(B)	(C)	(D)	(E)	(F)	(G=DxF)
<u>TRANSMISSION PLANT</u>						
1	350	Land & Land Rights	\$ 7,562,689	\$ 34,259	0.00%	\$ -
2	352	Structures & Improvements	\$ 18,725,007	\$ 15,987,059	2.50%	\$ 468,125
3	353	Station Equipment	\$ 178,241,700	\$ 74,724,173	1.80%	\$ 3,208,351
4	354	Towers & Fixtures	\$ 327,942	\$ 1,577,023	1.77%	\$ 5,805
5	355	Poles & Fixtures	\$ 43,397,867	\$ 35,810,037	3.00%	\$ 1,301,936
6	356	Overhead Conductors & Devices	\$ 56,181,329	\$ 28,786,724	2.78%	\$ 1,561,841
7	357	Underground Conduit	\$ 32,053,673	\$ 30,299,750	2.00%	\$ 641,073
8	358	Underground Conductors & Devices	\$ 101,044,059	\$ 41,780,471	2.00%	\$ 2,020,881
9	359	Roads & Trails*	\$ 320,284	\$ 42,710	1.33%	\$ 4,260
10		Total Transmission	\$ 437,854,549	\$ 229,042,206		\$ 9,212,272

*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: 17-1919-EL-RDR
Annual Depreciation Expense on Estimated Plant Balances as of May 31, 2018

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 Sch. B-2.1 (Estimate) (D)	Reserve Balance Sch. B-3 (Estimate) (E)		
(A)	(B)	(C)	(D)	(E)	(F)	(G=DxF)
<u>DISTRIBUTION PLANT</u>						
11	360	Land & Land Rights	\$ 7,757,676	\$ (4,818)	0.00%	\$ -
12	361	Structures & Improvements	\$ 26,418,039	\$ 20,062,726	2.50%	\$ 660,451
13	362	Station Equipment	\$ 266,670,210	\$ 84,960,088	1.80%	\$ 4,800,064
14	364	Poles, Towers & Fixtures	\$ 376,235,287	\$ 250,361,662	4.65%	\$ 17,494,941
15	365	Overhead Conductors & Devices	\$ 501,145,605	\$ 204,251,210	3.89%	\$ 19,494,564
16	366	Underground Conduit	\$ 74,530,191	\$ 47,273,377	2.17%	\$ 1,617,305
17	367	Underground Conductors & Devices	\$ 428,697,303	\$ 113,971,601	2.44%	\$ 10,460,214
18	368	Line Transformers	\$ 378,780,293	\$ 145,637,750	2.91%	\$ 11,022,507
19	369	Services	\$ 75,981,573	\$ 17,988,804	4.33%	\$ 3,290,002
20	370	Meters	\$ 112,116,513	\$ 24,097,784	3.16%	\$ 3,542,882
21	371	Installation on Customer Premises	\$ 25,817,888	\$ 9,963,121	3.45%	\$ 890,717
22	373	Street Lighting & Signal Systems	\$ 79,914,686	\$ 40,836,528	3.70%	\$ 2,956,843
23	374	Asset Retirement Costs for Distribution Plant	\$ 60,078	\$ 52,884	0.00%	\$ -
24		Total Distribution	\$ 2,354,125,343	\$ 959,452,717		\$ 76,230,490

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR
Annual Depreciation Expense on Estimated Plant Balances as of May 31, 2018

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
			Plant Investment	Reserve Balance		
(A)	(B)	(C)	Sch. B-2.1 (Estimate)	Sch. B-3 (Estimate)	(F)	(G=DxF)
			(D)	(E)		
<u>GENERAL PLANT</u>						
25	389	Land & Land Rights	\$ 1,720,242	\$ -	0.00%	\$ -
26	390	Structures & Improvements	\$ 80,418,102	\$ 24,514,746	2.20%	\$ 1,769,198
27	390.3	Leasehold Improvements	\$ 436,850	\$ 436,850	22.34%	\$ 97,592
28	391.1	Office Furniture & Equipment	\$ 3,629,867	\$ 3,457,073	7.60%	\$ 275,870
29	391.2	Data Processing Equipment	\$ 17,986,182	\$ 12,190,004	10.56%	\$ 1,899,341
30	392	Transportation Equipment	\$ 3,657,032	\$ 3,385,475	6.07%	\$ 221,982
31	393	Stores Equipment	\$ 541,001	\$ 177,723	6.67%	\$ 36,085
32	394	Tools, Shop & Garage Equipment	\$ 12,750,612	\$ 3,480,887	4.62%	\$ 589,078
33	395	Laboratory Equipment	\$ 4,378,260	\$ 1,714,746	2.31%	\$ 101,138
34	396	Power Operated Equipment	\$ 6,705,657	\$ 4,668,371	4.47%	\$ 299,743
35	397	Communication Equipment	\$ 35,155,987	\$ 23,754,968	7.50%	\$ 2,636,699
36	398	Miscellaneous Equipment	\$ 74,238	\$ 74,238	6.67%	\$ 4,952
37	399.1	Asset Retirement Costs for General Plant	\$ 203,777	\$ 122,825	0.00%	\$ -
38		Total General	\$ 167,657,807	\$ 77,977,907		\$ 7,931,678

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR
Annual Depreciation Expense on Estimated Plant Balances as of May 31, 2018

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 (F)	Calculated Depr. Expense (G=DxF)
			Plant Investment Sch. B-2.1 (Estimate) (D)	Reserve Balance Sch. B-3 (Estimate) (E)		
(A)	(B)	(C)			(F)	(G=DxF)
<u>OTHER PLANT</u>						
39	303	Intangible Software	\$ 62,223,662	\$ 49,690,150	14.29%	**
40	303	Intangible FAS 109 Transmission	\$ 1,176,339	\$ 1,135,239	2.15%	**
41	303	Intangible FAS 109 Distribution	\$ 2,001,124	\$ 2,001,124	3.18%	**
42		Total Other	\$ 65,401,125	\$ 52,826,513		\$ 2,961,967
43		Removal Work in Progress (RWIP)		\$ (1,394,770)		
44		Total Company Depreciation	<u>\$ 3,025,038,824</u>	<u>\$ 1,317,904,573</u>		<u>\$ 96,336,407</u>
45		Incremental Depreciation Associated with Allocated Service Company Plant ***	\$ 105,795,057	\$ 57,191,323		\$ 4,807,140
46		GRAND TOTAL (44 + 45)	<u>\$ 3,130,833,882</u>	<u>\$ 1,375,095,896</u>		<u>\$ 101,143,547</u>

** Please see the "Intangible Depreciation Expense Calculation: Estimated 5/31/2018 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: 17-1919-EL-RDR

Annual Property Tax Expense on Estimated Plant Balances as of May 31, 2018

Schedule C-3.10a (Estimate)

Page 1 of 1

Line No.	Description	Jurisdictional Amount
1	Personal Property Taxes - See Schedule C-3.10a1 (Estimate)	\$ 108,761,514
2	Real Property Taxes - See Schedule C-3.10a2 (Estimate)	\$ 2,468,542
3	Incremental Property Tax Associated with Allocated Service Company Plant *	<u>\$ 66,524</u>
4	Total Property Taxes (1 + 2 + 3)	<u><u>\$ 111,296,580</u></u>

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

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR

Annual Personal Property Tax Expense on Estimated Plant Balances as of May 31, 2018

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)	\$ 437,854,549	\$ 2,354,125,343	\$ 167,657,807
2	Jurisdictional Real Property (b)	\$ 26,287,696	\$ 34,175,715	\$ 82,575,194
3	Jurisdictional Personal Property (1 - 2)	\$ 411,566,853	\$ 2,319,949,628	\$ 85,082,613
4	Purchase Accounting Adjustment (f)	\$ (254,574,027)	\$ (858,022,363)	\$ -
5	Adjusted Jurisdictional Personal Property (3 + 4)	\$ 156,992,826	\$ 1,461,927,265	\$ 85,082,613
<u>Exclusions and Exemptions</u>				
6	Capitalized Asset Retirement Costs (a)	\$ -	\$ 60,078	\$ 203,777
7	Exempt Facilities (c)	\$ -	\$ -	\$ -
8	Real Property Classified As Personal Property (c)	\$ 2,280,409	\$ 124,627,939	\$ -
9	Licensed Motor Vehicles (c)	\$ -	\$ -	\$ -
10	Capitalized Interest (g)	\$ 5,847,399.03	\$ 11,544,092.75	\$ -
11	Total Exclusions and Exemptions (6 thru 10)	\$ 8,127,808	\$ 136,232,110	\$ 203,777
12	Net Cost of Taxable Personal Property (5 - 11)	\$ 148,865,018	\$ 1,325,695,155	\$ 84,878,836
13	True Value Percentage (c)	71.4819%	67.7681%	41.7896%
14	True Value of Taxable Personal Property (12 x 13)	\$ 106,411,543	\$ 898,398,418	\$ 35,470,526
15	Assessment Percentage (d)	85.00%	85.00%	24.00%
16	Assessment Value (14 x 15)	\$ 90,449,812	\$ 763,638,655	\$ 8,512,926
17	Personal Property Tax Rate (e)	11.3570000%	11.3570000%	11.3570000%
18	Personal Property Tax (16 x 17)	\$ 10,272,385	\$ 86,726,442	\$ 966,813
19	Purchase Accounting Adjustment (f)	\$ 2,161,945	\$ 8,162,898	\$ -
20	State Mandated Software Adjustment (c)	\$ -	\$ -	\$ 471,031
21	Total Personal Property Tax (18 + 19 + 20)			\$ 108,761,514

(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: 17-1919-EL-RDR

Annual Real Property Tax Expense on Estimated Plant Balances as of May 31, 2018

Schedule C-3.10a2 (Estimate)

Page 1 of 1

Line No.	Description	Jurisdictional Amount		
		Transmission Plant	Distribution Plant	General Plant
1	Jurisdictional Real Property (a)	\$ 26,287,696	\$ 34,175,715	\$ 82,575,194
2	Real Property Tax Rate (b)	<u>1.725787%</u>	<u>1.725787%</u>	<u>1.725787%</u>
3	Real Property Tax (1 x 2)	\$ 453,670	\$ 589,800	\$ 1,425,072
4	Total Real Property Tax (Sum of 3)			<u>\$ 2,468,542</u>

(a) Schedule C-3.10a1 (Estimate)

(b) Estimated tax rate for Real Estate based on the most recent Ohio Annual Property Tax Return Filing

Calculated as follows:

(1) Real Property Capitalized Cost	\$ 196,976,783	Book cost of real property used to compare to assessed value of real property to derive a true value percentage Calculation: (2) / (1)
(2) Real Property Taxes Paid	<u>\$ 3,399,400</u>	
(3) Real Property Tax Rate (Paid vs. Capital Costs)	<u>1.725787%</u>	

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR
 Ohio Edison Company: 17-1920-EL-RDR
 The Toledo Edison Company: 17-1921-EL-RDR

**Summary of Exclusions per Case No. 14-1297-EL-SSO
 Estimated 5/31/2018 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	\$ 56,405,971	\$ 86,977,415	\$ 15,628,438
Reserve	\$ -	\$ -	\$ -

ESP IV Adjustments

Consistent with prior ESPs, "capital additions recovered through Riders LEX, EDR, and AMI will be identified and excluded from Rider DCR and the annual cap allowance" during ESP IV.

AMI Only CEI has an AMI project so this exclusion does not impact OE or TE.
 Source: Forecast as of March 2018, 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	\$ (1,800,331)	\$ (266,953)
362	\$ 5,384,748	\$ 1,988,000
364	\$ 169,310	\$ 64,350
365	\$ 1,551,843	\$ 1,048,759
367	\$ 11,080	\$ 3,809
368	\$ 185,568	\$ 109,006
370	\$ 17,099,602	\$ 7,824,372
397	\$ 4,766,987	\$ 1,995,243
Grand Total	\$ 27,368,806	\$ 12,766,587

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
353	\$ 287	\$ (711)
356	\$ (4)	\$ 19
358	\$ 164,307	\$ 3,596
360	\$ -	\$ -
362	\$ (38,861)	\$ 1,143
364	\$ (36,477)	\$ (7,964)
365	\$ (19,816)	\$ (2,496)
366	\$ -	\$ 1,905
367	\$ 193,309	\$ 11,752
368	\$ (74,603)	\$ (2,741)
369	\$ (1,334)	\$ (60)
370	\$ 23,996	\$ 1,452
371	\$ (6,159)	\$ (1,140)
373	\$ (2,721)	\$ (541)
390	\$ (3,261)	\$ 217
Grand Total	\$ 198,662	\$ 4,431

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR
 Ohio Edison Company: 17-1920-EL-RDR
 The Toledo Edison Company: 17-1921-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	\$ 744,511,310	\$ 105,795,057	\$ 128,204,848	\$ 56,433,957	\$ 290,433,862
(3) Reserve	\$ 402,472,365	\$ 57,191,323	\$ 69,305,741	\$ 30,507,405	\$ 157,004,470
(4) ADIT	\$ 21,472,721	\$ 3,051,274	\$ 3,697,602	\$ 1,627,632	\$ 8,376,508
(5) Rate Base	\$ 45,552,461	\$ 55,201,504	\$ 24,298,920	\$ 125,052,884	
(6) Depreciation Expense (Incremental)	\$ 4,807,140	\$ 5,825,401	\$ 2,564,259	\$ 13,196,800	
(7) Property Tax Expense (Incremental)	\$ 66,524	\$ 80,615	\$ 35,486	\$ 182,624	
(8) Total Expenses	\$ 4,873,664	\$ 5,906,016	\$ 2,599,745	\$ 13,379,424	

- (2) Estimated Gross Plant = 5/31/2018 General and Intangible Plant Balances in the forecast as of March 2018 adjusted to reflect current assumptions and incorporate recommendations from the March 2013, April 2014, April 2015, April 2016, and May 2017 Rider DCR audit reports
- (3) Estimated Gross Plant = 5/31/2018 General and Intangible Reserve Balances in the forecast as of March 2018 adjusted to reflect current assumptions and incorporate recommendations from the March 2013, April 2014, April 2015, April 2016, and May 2017 Rider DCR audit reports
- (4) ADIT: Estimated ADIT Balances as of 5/31/2018
- (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 5/31/2018 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 5/31/2018 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 5/31/2018: Revenue Requirement" workpaper.

Depreciation Rate for Service Company Plant (Estimate)

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

Line No.	(A) Account	(B) Account Description	(C) 5/31/2007			(F) Accrual Rates				(J) Depreciation Expense
			Gross	Reserve	Net	CEI	OE	TE	Average	
1	Allocation Factors					14.21%	17.22%	7.58%	39.01%	
2	Weighted Allocation Factors					36.43%	44.14%	19.43%	100.00%	
GENERAL PLANT										
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
INTANGIBLE PLANT										
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	TOTAL - GENERAL & INTANGIBLE		\$ 314,463,678	\$ 141,912,431	\$ 172,551,247				10.68%	\$ 33,587,782

NOTES

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

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

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

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

Assumes that the accrual rate, by account, for Service Company plant is equal to the weighted average of the three operating companies.

(J) Estimated depreciation expense associated with Service Company plant as of 5/31/07. Calculation: Column C x Column I.

* Includes accounts 390.1 and 390.2.

** Weighted average accrual rate is taken over CEI and OE only. (TE had no balance in Case No. 07-551-EL-AIR).

*** Includes accounts 397 and 397.1

Depreciation Rate for Service Company Plant (Estimate)

II. Estimated Depreciation Accrual Rate for Service Company Plant as of May 31, 2018

Line No.	(A) Account	(B) Account Description	(C) (D) (E) Estimated 5/31/2018 Balances			(F) (G) (H) (I) Accrual Rates				(J) Depreciation Expense
			Gross	Reserve	Net	CEI	OE	TE	Average	
28	Allocation Factors					14.21%	17.22%	7.58%	39.01%	
29	Weighted Allocation Factors					36.43%	44.14%	19.43%	100.00%	
GENERAL PLANT										
30	389	Fee Land & Easements	\$ 230,947	\$ -	\$ 230,947	0.00%	0.00%	0.00%	0.00%	\$ -
31	390	Structures, Improvements *	\$ 52,549,748	\$ 26,453,444	\$ 26,096,304	2.20%	2.50%	2.20%	2.33%	\$ 1,225,685
32	390.3	Struct Imprv, Leasehold Imp **	\$ 17,207,042	\$ 8,089,542	\$ 9,117,499	22.34%	20.78%	0.00%	21.49%	\$ 3,696,985
33	391.1	Office Furn., Mech. Equip.	\$ 16,365,126	\$ 10,357,567	\$ 6,007,559	7.60%	3.80%	3.80%	5.18%	\$ 848,402
34	391.2	Data Processing Equipment	\$ 162,077,287	\$ 39,964,160	\$ 122,113,127	10.56%	17.00%	9.50%	13.20%	\$ 21,389,033
35	392	Transportation Equipment	\$ 857,211	\$ 405,925	\$ 451,286	6.07%	7.31%	6.92%	6.78%	\$ 58,141
36	393	Stores Equipment	\$ 17,252	\$ 7,701	\$ 9,551	6.67%	2.56%	3.13%	4.17%	\$ 719
37	394	Tools, Shop, Garage Equip.	\$ 194,139	\$ 22,351	\$ 171,789	4.62%	3.17%	3.33%	3.73%	\$ 7,240
38	395	Laboratory Equipment	\$ 106,531	\$ 30,776	\$ 75,755	2.31%	3.80%	2.86%	3.07%	\$ 3,275
39	396	Power Operated Equipment	\$ 424,994	\$ 111,406	\$ 313,588	4.47%	3.48%	5.28%	4.19%	\$ 17,809
40	397	Communication Equipment ***	\$ 116,631,550	\$ 42,754,396	\$ 73,877,154	7.50%	5.00%	5.88%	6.08%	\$ 7,093,130
41	398	Misc. Equipment	\$ 3,135,069	\$ 1,158,771	\$ 1,976,297	6.67%	4.00%	3.33%	4.84%	\$ 151,813
42	399.1	ARC General Plant	\$ 40,721	\$ 27,153	\$ 13,569	0.00%	0.00%	0.00%	0.00%	\$ -
43			\$ 369,837,618	\$ 129,383,194	\$ 240,454,424					\$ 34,492,231
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	\$ 20,444,988	\$ 10,710,263	\$ 9,734,725	14.29%	14.29%	14.29%	14.29%	\$ 2,921,589
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	\$ 7,404,178	\$ -	14.29%	14.29%	14.29%	14.29%	\$ -
53	303	FECO 101/6-303 2009 Software	\$ 15,969,099	\$ 15,969,099	\$ -	14.29%	14.29%	14.29%	14.29%	\$ -
54	303	FECO 101/6-303 2010 Software	\$ 19,353,964	\$ 19,353,964	\$ -	14.29%	14.29%	14.29%	14.29%	\$ -
55	303	FECO 101/6-303 2011 Software	\$ 53,742,285	\$ 53,084,009	\$ 658,275	14.29%	14.29%	14.29%	14.29%	\$ 658,275
56	303	FECO 101/6-303 2012 Software	\$ 38,042,303	\$ 31,402,903	\$ 6,639,400	14.29%	14.29%	14.29%	14.29%	\$ 5,436,245
57	303	FECO 101/6-303 2013 Software	\$ 79,856,605	\$ 52,513,886	\$ 27,342,719	14.29%	14.29%	14.29%	14.29%	\$ 11,411,509
58	303	FECO 101/6-303 2014 Software	\$ 24,001,063	\$ 12,512,611	\$ 11,488,452	14.29%	14.29%	14.29%	14.29%	\$ 3,429,752
59	303	FECO 101/6-303 2015 Software	\$ 32,783,404	\$ 11,520,882	\$ 21,262,522	14.29%	14.29%	14.29%	14.29%	\$ 4,684,748
60	303	FECO 101/6-303 2016 Software	\$ 26,195,747	\$ 5,681,592	\$ 20,514,155	14.29%	14.29%	14.29%	14.29%	\$ 3,743,372
61	303	FECO 101/6-303 2017 Software	\$ 4,360,228	\$ 560,307	\$ 3,799,921	14.29%	14.29%	14.29%	14.29%	\$ 623,077
62	303	FECO 101/6-303 2018 Software	\$ 113,774	\$ 10,331	\$ 103,443	14.29%	14.29%	14.29%	14.29%	\$ 16,258
63			\$ 374,673,693	\$ 273,130,080	\$ 101,543,612					\$ 32,924,826
64	Removal Work in Progress (RWIP)		\$ (40,909)							
65	TOTAL - GENERAL & INTANGIBLE		\$ 744,511,310	\$ 402,472,365	\$ 341,998,036	9.06%				\$ 67,417,057

NOTES

(C) - (E) Estimated 5/31/2018 balances. Source: The forecast as of March 2018 adjusted to reflect current assumptions and incorporate recommendations from the March 2013, April 2014, April 2015, April 2016, May 2017 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 5/31/2018. 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: 17-1919-EL-RDR
 Ohio Edison Company: 17-1920-EL-RDR
 The Toledo Edison Company: 17-1921-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) Category	(B) CEI	(C) OE	(D) TE	(E) Average **	(F) Source / Calculation
1	Allocation Factors	14.21%	17.22%	7.58%	39.01%	"Service Company 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
<p>* Note: Effective with an Ohio tax law change in 2005, non-utilities do not pay Personal Property Tax. Accordingly, for purposes of determining the average Property Tax rate applicable to Service Company plant, only Real Property Tax is considered.</p> <p>** Weighted average based on Service Company allocation factors.</p> <p>Assumes that the tax rate for Service Company plant is equal to the weighted average of the three operating companies.</p>						

II. Estimated Property Tax Rate for Service Company General Plant as of May 31, 2007						
No.	(A) Account	(B) Account Description	(C) Tax Category	(D) Avg. Tax Rate	(E) Gross Plant	(F) Property Tax
7	389	Fee Land & Easements	Real	1.49%	\$ 556,979	\$ 8,294
8	390	Structures, Improvements	Real	1.49%	\$ 21,328,601	\$ 317,594
9	390.3	Struct Imprv, Leasehold Imp	Real	1.49%	\$ 6,938,688	\$ 103,321
10	391.1	Office Furn., Mech. Equip.	Personal		\$ 31,040,407	\$ -
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	TOTAL - GENERAL PLANT				\$ 234,896,167	\$ 429,208
21	TOTAL - INTANGIBLE PLANT				\$ 79,567,511	\$ -
22	TOTAL - GENERAL & INTANGIBLE PLANT				\$ 314,463,678	\$ 429,208
23	Average Effective Real Property Tax Rate					0.14%

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: 17-1919-EL-RDR
 Ohio Edison Company: 17-1920-EL-RDR
 The Toledo Edison Company: 17-1921-EL-RDR

Property Tax Rate for Service Company Plant (Estimate)

III. Estimated Average Real Property Tax Rates on General Plant as of May 31, 2018 *						
No.	(A) Category	(B) CEI	(C) OE	(D) TE	(E) Average **	(F) Source / Calculation
24	Allocation Factors	14.21%	17.22%	7.58%	39.01%	"Service Company 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	Average Rate	1.73%	0.94%	1.24%	1.28%	Schedule C3.10a2 (Estimate)
* 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.						

IV. Estimated Property Tax Rate for Service Company General Plant as of May 31, 2018						
No.	(A) Account	(B) Account Description	(C) Tax Category	(D) Avg. Tax Rate	(E) Gross Plant	(F) Property Tax
27	389	Fee Land & Easements	Real	1.28%	\$ 230,947	\$ 2,961
28	390	Structures, Improvements	Real	1.28%	\$ 52,549,748	\$ 673,772
29	390.3	Struct Imprv, Leasehold Imp	Real	1.28%	\$ 17,207,042	\$ 220,622
30	391.1	Office Furn., Mech. Equip.	Personal		\$ 16,365,126	\$ -
31	391.2	Data Processing Equipment	Personal		\$ 162,077,287	\$ -
32	392	Transportation Equipment	Personal		\$ 857,211	\$ -
33	393	Stores Equipment	Personal		\$ 17,252	\$ -
34	394	Tools, Shop, Garage Equip.	Personal		\$ 194,139	\$ -
35	395	Laboratory Equipment	Personal		\$ 106,531	\$ -
36	396	Power Operated Equipment	Personal		\$ 424,994	\$ -
37	397	Communication Equipment	Personal		\$ 116,631,550	\$ -
38	398	Misc. Equipment	Personal		\$ 3,135,069	\$ -
39	399.1	ARC General Plant	Personal		\$ 40,721	\$ -
40	TOTAL - GENERAL PLANT				\$ 369,837,618	\$ 897,355
41	TOTAL - INTANGIBLE PLANT				\$ 374,673,693	\$ -
42	TOTAL - GENERAL & INTANGIBLE PLANT				\$ 744,511,310	\$ 897,355
43	Average Effective Real Property Tax Rate					0.12%

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 5/31/2018. Source: The forecast as of March 2018 adjusted to reflect current assumptions and incorporate recommendations from the March 2013, April 2014, April 2015, April 2016, and May 2017 Rider DCR audit reports.
- (F) Calculation: Column D x Column E

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR
Ohio Edison Company: 17-1920-EL-RDR
The Toledo Edison Company: 17-1921-EL-RDR

Incremental Depreciation and Property Tax Associated with Service Company Plant
Case No. 07-551-EL-AIR vs. Estimated 5/31/2018 Balances

I. Estimated Allocated Service Company Plant and Related Expenses as of May 31, 2018							
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	\$ 744,511,310	\$ 105,795,057	\$ 128,204,848	\$ 56,433,957	\$ 290,433,862	"Depreciation Rate for Service Company Plant (Estimate)" workpaper, Line 64 x Line 1
3	Accum. Reserve	\$ (402,472,365)	\$ (57,191,323)	\$ (69,305,741)	\$ (30,507,405)	\$ (157,004,470)	"Depreciation Rate for Service Company Plant (Estimate)" workpaper, Line 64 x Line 1
4	Net Plant	<u>\$ 342,038,945</u>	<u>\$ 48,603,734</u>	<u>\$ 58,899,106</u>	<u>\$ 25,926,552</u>	<u>\$ 133,429,393</u>	Line 2 + Line 3
5	Depreciation *	9.06%	\$ 9,579,964	\$ 11,609,217	\$ 5,110,213	\$ 26,299,394	Average Rate x Line 2
6	Property Tax *	0.12%	\$ 127,514	\$ 154,525	\$ 68,019	\$ 350,058	Average Rate x Line 2
7	Total Expenses		\$ 9,707,478	\$ 11,763,742	\$ 5,178,232	\$ 26,649,452	
<p>* Effective Depreciation and Property Tax rates based on weighted averages across companies over General and Intangible plant, as of 5/31/2018. See line 64 of the "Depreciation Rate for Service Company Plant (Estimate)" workpaper and line 43 of the "Property Tax Rate for Service Company Plant (Estimate)" workpaper for more details.</p>							

II. Estimated Allocated Service Company Plant and Related Expenses as of May 31, 2007							
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		\$ 4,833,814	\$ 5,857,726	\$ 2,578,488	\$ 13,270,028	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. 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>							

III. Estimated Incremental Expenses Associated with Allocated Service Company Plant *							
Line	Rate Base	Service Co.	CEI	OE	TE	TOTAL	Source / Notes
15	Depreciation	-1.63%	\$ 4,807,140	\$ 5,825,401	\$ 2,564,259	\$ 13,196,800	Line 5 - Line 12
16	Property Tax	-0.02%	\$ 66,524	\$ 80,615	\$ 35,486	\$ 182,624	Line 6 - Line 13
17	Total Expenses		\$ 4,873,664	\$ 5,906,016	\$ 2,599,745	\$ 13,379,424	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 May 31, 2018. The incremental expenses calculated on Line 17 above are added to the Rider DCR revenue requirements.</p>							

Intangible Depreciation Expense Calculation
Estimated 5/31/2018 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 sub-accounts that are not fully amortized yet.

Company (A)	Utility Account (B)	Function (C)	Gross Plant May-18 (D)	Reserve May-18 (E)	Net Plant May-18 (F)	Accrual Rates (G)	Depreciation Exp (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	\$ -	14.29%	\$ -
CECO The Illuminating Co.	CECO 101/6-303 2006 Software	Intangible Plant	\$ 1,808,778	\$ 1,808,778	\$ -	14.29%	\$ -
CECO The Illuminating Co.	CECO 101/6-303 2007 Software	Intangible Plant	\$ 5,870,456	\$ 5,870,456	\$ -	14.29%	\$ -
CECO The Illuminating Co.	CECO 101/6-303 2008 Software	Intangible Plant	\$ 1,068,042	\$ 1,068,042	\$ -	14.29%	\$ -
CECO The Illuminating Co.	CECO 101/6-303 2009 Software	Intangible Plant	\$ 3,242,050	\$ 3,242,050	\$ -	14.29%	\$ -
CECO The Illuminating Co.	CECO 101/6-303 2010 Software	Intangible Plant	\$ 2,803,986	\$ 2,803,986	\$ -	14.29%	\$ -
CECO The Illuminating Co.	CECO 101/6-303 2011 Software	Intangible Plant	\$ 5,812,975	\$ 5,744,719	\$ 68,256	14.29%	\$ 68,256
CECO The Illuminating Co.	CECO 101/6-303 2012 Software	Intangible Plant	\$ 761,398	\$ 620,635	\$ 140,763	14.29%	\$ 108,804
CECO The Illuminating Co.	CECO 101/6-303 2013 Software	Intangible Plant	\$ 2,193,690	\$ 1,589,872	\$ 603,817	14.29%	\$ 313,478
CECO The Illuminating Co.	CECO 101/6-303 2014 Software	Intangible Plant	\$ 3,333,580	\$ 1,683,100	\$ 1,650,480	14.29%	\$ 476,369
CECO The Illuminating Co.	CECO 101/6-303 2015 Software	Intangible Plant	\$ 2,305,770	\$ 750,660	\$ 1,555,110	14.29%	\$ 329,495
CECO The Illuminating Co.	CECO 101/6-303 2016 Software	Intangible Plant	\$ 5,294,056	\$ 1,143,236	\$ 4,150,821	14.29%	\$ 756,521
CECO The Illuminating Co.	CECO 101/6-303 2017 Software	Intangible Plant	\$ 1,407,692	\$ 208,624	\$ 1,199,068	14.29%	\$ 201,159
CECO The Illuminating Co.	CECO 101/6-303 2018 Software	Intangible Plant	\$ 517,931	\$ 11,452	\$ 506,479	14.29%	\$ 74,012
CECO The Illuminating Co.	CECO 101/6-303 FAS109 Dist- Forcast	Intangible Plant	\$ 2,001,124	\$ 2,001,124	\$ -	3.18%	\$ -
CECO The Illuminating Co.	CECO 101/6-303 FAS109 Transm-FCT	Intangible Plant	\$ 1,176,339	\$ 1,135,239	\$ 41,100	2.15%	\$ 25,291
CECO The Illuminating Co.	CECO 101/6-303 Software	Intangible Plant	\$ 4,258,799	\$ 1,600,081	\$ 2,658,718	14.29%	\$ 608,582
CECO The Illuminating Co.	CECO 101/6-303 Software Evolution	Intangible Plant	\$ 12,454,403	\$ 12,454,403	\$ -	14.29%	\$ -
Total			\$ 65,401,125	\$ 52,826,513	\$ 12,574,612		\$ 2,961,967
OECO Ohio Edison Co.	OECO 101/6-301 Organization	Intangible Plant	\$ -	\$ -	\$ -	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	\$ 1,343,335	\$ -	14.29%	\$ -
OECO Ohio Edison Co.	OECO 101/6-303 2009 Software	Intangible Plant	\$ 4,181,304	\$ 4,181,304	\$ -	14.29%	\$ -
OECO Ohio Edison Co.	OECO 101/6-303 2010 Software	Intangible Plant	\$ 3,293,501	\$ 3,293,501	\$ -	14.29%	\$ -
OECO Ohio Edison Co.	OECO 101/6-303 2011 Software	Intangible Plant	\$ 8,201,370	\$ 8,098,344	\$ 103,026	14.29%	\$ 103,026
OECO Ohio Edison Co.	OECO 101/6-303 2012 Software	Intangible Plant	\$ 984,077	\$ 816,512	\$ 167,565	14.29%	\$ 140,625
OECO Ohio Edison Co.	OECO 101/6-303 2013 Software	Intangible Plant	\$ 5,990,992	\$ 3,909,423	\$ 2,081,568	14.29%	\$ 856,113
OECO Ohio Edison Co.	OECO 101/6-303 2014 Software	Intangible Plant	\$ 5,606,259	\$ 2,862,971	\$ 2,743,288	14.29%	\$ 801,134
OECO Ohio Edison Co.	OECO 101/6-303 2015 Software	Intangible Plant	\$ 6,461,075	\$ 1,930,088	\$ 4,530,988	14.29%	\$ 923,288
OECO Ohio Edison Co.	OECO 101/6-303 2016 Software	Intangible Plant	\$ 6,466,365	\$ 1,432,438	\$ 5,033,928	14.29%	\$ 924,044
OECO Ohio Edison Co.	OECO 101/6-303 2017 Software	Intangible Plant	\$ 3,754,362	\$ 481,301	\$ 3,273,060	14.29%	\$ 536,498
OECO Ohio Edison Co.	OECO 101/6-303 2018 Software	Intangible Plant	\$ 743,220	\$ 14,721	\$ 728,499	14.29%	\$ 106,206
OECO Ohio Edison Co.	OECO 101/6-303 FAS109 Dist Land	Intangible Plant	\$ 35,276	\$ (1,806)	\$ 37,082	2.89%	\$ -
OECO Ohio Edison Co.	OECO 101/6-303 FAS109 Distribution	Intangible Plant	\$ 1,495,847	\$ 1,501,118	\$ (5,271)	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	\$ 191,298	\$ 15	3.87%	\$ 15
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	\$ 4,988,963	\$ 2,372,825	\$ 2,616,138	14.29%	\$ 712,923
Total			\$ 92,983,157	\$ 70,339,264	\$ 22,643,893		\$ 5,103,871
TECO Toledo Edison Co.	TECO 101/6-303 2002 Software	Intangible Plant	\$ 1,708,412	\$ 1,708,412	\$ -	14.29%	\$ -
TECO Toledo Edison Co.	TECO 101/6-303 2003 Software	Intangible Plant	\$ 7,478,386	\$ 7,478,386	\$ -	14.29%	\$ -
TECO Toledo Edison Co.	TECO 101/6-303 2004 Software	Intangible Plant	\$ 862,457	\$ 862,457	\$ -	14.29%	\$ -
TECO Toledo Edison Co.	TECO 101/6-303 2005 Software	Intangible Plant	\$ 699,602	\$ 699,602	\$ -	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	\$ 3,182,778	\$ 3,182,778	\$ -	14.29%	\$ -
TECO Toledo Edison Co.	TECO 101/6-303 2008 Software	Intangible Plant	\$ 578,266	\$ 578,266	\$ -	14.29%	\$ -
TECO Toledo Edison Co.	TECO 101/6-303 2009 Software	Intangible Plant	\$ 1,878,487	\$ 1,878,487	\$ -	14.29%	\$ -
TECO Toledo Edison Co.	TECO 101/6-303 2010 Software	Intangible Plant	\$ 1,456,633	\$ 1,456,633	\$ -	14.29%	\$ -
TECO Toledo Edison Co.	TECO 101/6-303 2011 Software	Intangible Plant	\$ 2,259,874	\$ 2,233,026	\$ 26,848	14.29%	\$ 26,848
TECO Toledo Edison Co.	TECO 101/6-303 2012 Software	Intangible Plant	\$ 554,860	\$ 446,398	\$ 108,462	14.29%	\$ 79,289
TECO Toledo Edison Co.	TECO 101/6-303 2013 Software	Intangible Plant	\$ 1,576,114	\$ 1,017,699	\$ 558,415	14.29%	\$ 225,227
TECO Toledo Edison Co.	TECO 101/6-303 2014 Software	Intangible Plant	\$ 1,961,451	\$ 1,058,340	\$ 903,111	14.29%	\$ 280,291
TECO Toledo Edison Co.	TECO 101/6-303 2015 Software	Intangible Plant	\$ 1,059,804	\$ 339,610	\$ 720,195	14.29%	\$ 151,446
TECO Toledo Edison Co.	TECO 101/6-303 2016 Software	Intangible Plant	\$ 1,935,187	\$ 457,019	\$ 1,478,168	14.29%	\$ 276,538
TECO Toledo Edison Co.	TECO 101/6-303 2017 Software	Intangible Plant	\$ 393,050	\$ 56,791	\$ 336,260	14.29%	\$ 56,167
TECO Toledo Edison Co.	TECO 101/6-303 2018 Software	Intangible Plant	\$ 482,667	\$ 2,693	\$ 479,975	14.29%	\$ 68,973
TECO Toledo Edison Co.	TECO 101/6-303 FAS109 Distribution	Intangible Plant	\$ 240,087	\$ 240,085	\$ 2	3.10%	\$ 2
TECO Toledo Edison Co.	TECO 101/6-303 FAS109 Transmission	Intangible Plant	\$ 54,210	\$ 52,480	\$ 1,730	2.37%	\$ 1,285
TECO Toledo Edison Co.	TECO 101/6-303 Software	Intangible Plant	\$ 316,610	\$ 393,144	\$ (76,534)	14.29%	\$ -
Total			\$ 29,513,665	\$ 24,977,034	\$ 4,536,631		\$ 1,166,068

NOTES

- (D) - (F) Source: The forecast as of March 2018 adjusted to reflect current assumptions and incorporate recommendations from the March 2013, April 2014, April 2015, April 2016, and May 2017 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 June - August 2018 Rider DCR Rates

	(A)	(B)
	Company	Rev Req 5/31/2018
(1)	CEI	\$ 148,636,541
(2)	OE	\$ 153,886,924
(3)	TE	\$ 38,869,713
(4)	TOTAL	\$ 341,393,177

NOTES

(B) Annual Revenue Requirement based on estimated 5/31/2018 Rate Base

II. Quarterly Revenue Requirement Additions

	(A)	(B)	(C)	(D)
	Description	CEI	OE	TE
1	DCR Audit Expense Recovery	\$ 12,031	\$ 12,031	\$ 12,031
2	March 2018 - May 2018 Reconciliation Amount Adjusted for June - August 2018	\$ 1,316,421	\$ 787,064	\$ 223,072
3	Total Reconciliation	\$ 1,328,452	\$ 799,095	\$ 235,103

SOURCES

- Line 1: Source: DCR Audit Expenses to be recovered during March - May 2018.
Line 2: Source: "Quarterly Revenue Requirement Additions: Calculation of March 2018 - May 2018 Reconciliation Amount Adjusted for June - August 2018" 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	5,440,863,140	34.16%	\$ 50,767,361	\$ 453,738
(2)		GS, GP, GSU	10,488,881,239	65.84%	\$ 97,869,180	\$ 874,714
(3)			15,929,744,379	100.00%	\$ 148,636,541	\$ 1,328,452
(4)	OE	RS	8,982,400,448	47.45%	\$ 73,012,595	\$ 379,136
(5)		GS, GP, GSU	9,949,593,020	52.55%	\$ 80,874,329	\$ 419,960
(6)			18,931,993,468	100.00%	\$ 153,886,924	\$ 799,095
(7)	TE	RS	2,478,775,805	44.70%	\$ 17,374,683	\$ 105,091
(8)		GS, GP, GSU	3,066,608,886	55.30%	\$ 21,495,029	\$ 130,013
(9)			5,545,384,691	100.00%	\$ 38,869,713	\$ 235,103
(10)	OH	RS	16,902,039,392	41.83%	\$ 141,154,639	\$ 937,964
(11)	TOTAL	GS, GP, GSU	23,505,083,146	58.17%	\$ 200,238,538	\$ 1,424,686
(12)			40,407,122,538	100.00%	\$ 341,393,177	\$ 2,362,650

NOTES

- (C) Source: Forecast for June 2018 - May 2019 (All forecasted numbers associated with the forecast as of March 2018)
(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 4 x Column D

Rider Charge Calculation - Rider DCR

IV. Allocation of DCR Revenue Requirement Amongst Non-RS Schedules

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
	Company	Rate Schedule	Stipulation Allocation			Annual Rev Req Allocations	Quarterly 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%	\$ 88,100,269	\$ 787,404
(3)		GP	0.63%	1.19%	1.33%	\$ 1,305,523	\$ 11,668
(4)		GSU	4.06%	7.74%	8.65%	\$ 8,463,388	\$ 75,642
(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%	\$ 97,869,180	\$ 874,714
(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%	\$ 66,117,160	\$ 343,329
(13)		GP	5.20%	13.85%	15.69%	\$ 12,688,642	\$ 65,889
(14)		GSU	0.85%	2.26%	2.56%	\$ 2,068,526	\$ 10,741
(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%	\$ 80,874,329	\$ 419,960
(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%	\$ 18,644,736	\$ 112,773
(23)		GP	4.80%	11.42%	12.97%	\$ 2,788,575	\$ 16,867
(24)		GSU	0.11%	0.25%	0.29%	\$ 61,719	\$ 373
(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%	\$ 21,495,029	\$ 130,013
(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	\$ 50,767,361	5,440,863,140	\$ 0.009331
(2)	OE	RS	\$ 73,012,595	8,982,400,448	\$ 0.008128
(3)	TE	RS	\$ 17,374,683	2,478,775,805	\$ 0.007009
(4)			\$ 141,154,639	16,902,039,392	

NOTES

- (C) Source: Section III, Column E.
(D) Source: Forecast for June 2018 - May 2019 (All forecasted numbers associated with the forecast as of March 2018)
(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	\$ 88,100,269	20,815,842	\$ 4.2324 per kW
(2)		GP	\$ 1,305,523	895,798	\$ 1.4574 per kW
(3)		GSU	\$ 8,463,388	8,156,300	\$ 1.0377 per kW
(4)			\$ 97,869,180		
(5)	OE	GS	\$ 66,117,160	23,987,612	\$ 2.7563 per kW
(6)		GP	\$ 12,688,642	6,371,503	\$ 1.9915 per kW
(7)		GSU	\$ 2,068,526	2,494,825	\$ 0.8291 per kVa
(8)			\$ 80,874,329		
(9)	TE	GS	\$ 18,644,736	6,876,488	\$ 2.7114 per kW
(10)		GP	\$ 2,788,575	2,617,232	\$ 1.0655 per kW
(11)		GSU	\$ 61,719	219,184	\$ 0.2816 per kVa
(12)			\$ 21,495,029		

NOTES

- (C) Source: Section IV, Column F.
(D) Source: Forecast for June 2018 - May 2019 (All forecasted numbers associated with the forecast as of March 2018)
(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	\$ 453,738	1,434,181,713	\$ 0.000316
(2)	OE	RS	\$ 379,136	2,278,519,734	\$ 0.000166
(3)	TE	RS	\$ 105,091	676,792,978	\$ 0.000155
(4)			\$ 937,964	4,389,494,425	

NOTES

- (C) Source: Section III, Column F.
(D) Source: Forecast for June - August 2018 (All forecasted numbers associated with the forecast as of March 2018)
(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	\$ 787,404	5,443,011	\$ 0.1447 per kW
(2)		GP	\$ 11,668	235,094	\$ 0.0496 per kW
(3)		GSU	\$ 75,642	2,109,206	\$ 0.0359 per kW
(4)			\$ 874,714		
(5)	OE	GS	\$ 343,329	6,329,888	\$ 0.0542 per kW
(6)		GP	\$ 65,889	1,635,217	\$ 0.0403 per kW
(7)		GSU	\$ 10,741	631,322	\$ 0.0170 per kVa
(8)			\$ 419,960		
(9)	TE	GS	\$ 112,773	1,804,011	\$ 0.0625 per kW
(10)		GP	\$ 16,867	657,653	\$ 0.0256 per kW
(11)		GSU	\$ 373	53,731	\$ 0.0069 per kVa
(12)			\$ 130,013		

NOTES

- (C) Source: Section IV, Column G.
(D) Source: Forecast for June - August 2018 (All forecasted numbers associated with the forecast as of March 2018)
(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 For June - August 2018
(1)	CEI	RS	\$ 0.009331 per kWh	\$ 0.000316 per kWh	\$ 0.007883 per kWh
(2)		GS	\$ 4.2324 per kW	\$ 0.1447 per kW	\$ 3.5768 per kW
(3)		GP	\$ 1.4574 per kW	\$ 0.0496 per kW	\$ 1.2315 per kW
(4)		GSU	\$ 1.0377 per kW	\$ 0.0359 per kW	\$ 0.8772 per kW
(5)					
(6)	OE	RS	\$ 0.008128 per kWh	\$ 0.000166 per kWh	\$ 0.006778 per kWh
(7)		GS	\$ 2.7563 per kW	\$ 0.0542 per kW	\$ 2.2967 per kW
(8)		GP	\$ 1.9915 per kW	\$ 0.0403 per kW	\$ 1.6603 per kW
(9)		GSU	\$ 0.8291 per kVa	\$ 0.0170 per kVa	\$ 0.6914 per kVa
(10)					
(11)	TE	RS	\$ 0.007009 per kWh	\$ 0.000155 per kWh	\$ 0.005855 per kWh
(12)		GS	\$ 2.7114 per kW	\$ 0.0625 per kW	\$ 2.2667 per kW
(13)		GP	\$ 1.0655 per kW	\$ 0.0256 per kW	\$ 0.8916 per kW
(14)		GSU	\$ 0.2816 per kVa	\$ 0.0069 per kVa	\$ 0.2358 per kVa
(15)					

NOTES

- (C) Source: Sections V and VI, Column E
(D) Source: Sections VII and VIII, Column E
(E) The Rider DCR rates are adjusted so that the Companies' expected 2018 Rider DCR revenues equal the effective revenue cap.

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

X. Annual Rider DCR Revenue Through February 28, 2018

	(A)	(B)	(C)	(D)	(E)	(F)
Company	Annual Revenue Thru 2/28/2018	2017 Revenue vs. Revenue Cap	2018 Revenue Cap	Actual 2018 Revenue Cap	Under (Over) 2018 Revenue Cap	
CEI	\$ 21,614,539			\$ 201,323,485	\$ 179,708,946	
OE	\$ 23,287,523			\$ 143,802,489	\$ 120,514,967	
TE	\$ 5,457,012			\$ 86,281,494	\$ 80,824,481	
Total	\$ 50,359,074	\$ 104,978	\$ 287,500,000	\$ 287,604,978	\$ 237,245,905	

NOTES

- (C) The actual annual 2017 Rider DCR revenue cap was equal to \$262,783,100. Actual annual 2017 Rider DCR revenue billed was equal to \$262,678,121. Pursuant to the Stipulation in Case No. 12-1230-EL-SSO (page 23): "For any year that the Companies' spending would produce revenue in excess of that period's cap, the overage shall be recovered in the following cap period subject to such period's cap. 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." This provision was continued pursuant to Case No. 14-1297-EL-SSO.
(D) Source: Case No. 12-1230-EL-SSO and Case No. 14-1297-EL-SSO. Note that the 2016 revenue cap is calculated as the equivalent of 5 months of the June 2017 - May 2018 cap of \$270M plus the equivalent of 7 months of the June 2018 - May 2019 cap of \$300M.
(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. 12-1230-EL-SSO Stipulation (page 20). This provision was continued pursuant to Case No. 14-1297-EL-SSO.
(F) Calculation: Column E - Column B

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR
Ohio Edison Company: 17-1920-EL-RDR
The Toledo Edison Company: 17-1921-EL-RDR

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Quarterly Revenue Requirement Additions: Calculation of March 2018 - May 2018 Reconciliation Amount Adjusted for June - August 2018

I. Rider DCR March 2018 - May 2018 Rates Based on Estimated February 28, 2018 Rate Base

(A) Company	(B) Rate Schedule	(C) Allocation	(D) Annual Revenue Requirements			(E) Quarterly Reconciliation			(J) March 2018 - May 2018 Rate Estimated Rate Base
			Rev. Req	Billing Units	Rate	Rev. Req	Billing Units	Rate	
CEI	RS	34.17%	\$ 47,928,466	5,453,424,744	\$ 0.008789 per kWh	\$ (16,063)	1,269,972,414	\$ (0.000013) per kWh	\$ 0.008776 per kWh
	GS	59.26%	\$ 83,120,044	20,822,258	\$ 3.9919 per kW	\$ (27,857)	4,952,056	\$ (0.0056) per kW	\$ 3.9863 per kW
	GP	0.88%	\$ 1,231,723	899,443	\$ 1.3694 per kW	\$ (413)	219,347	\$ (0.0019) per kW	\$ 1.3675 per kW
	GSU	5.69%	\$ 7,984,961	8,191,720	\$ 0.9748 per kW	\$ (2,676)	2,085,751	\$ (0.0013) per kW	\$ 0.9735 per kW
		100.00%	\$ 140,265,193			\$ (47,009)			
OE	RS	47.54%	\$ 69,905,964	9,002,000,883	\$ 0.007766 per kWh	\$ (11,839)	2,122,822,183	\$ (0.000006) per kWh	\$ 0.007760 per kWh
	GS	42.88%	\$ 63,056,315	23,981,202	\$ 2.6294 per kW	\$ (10,679)	5,704,658	\$ (0.0019) per kW	\$ 2.6275 per kW
	GP	8.23%	\$ 12,101,231	6,341,935	\$ 1.9081 per kW	\$ (2,049)	1,553,842	\$ (0.0013) per kW	\$ 1.9068 per kW
	GSU	1.34%	\$ 1,972,765	2,482,999	\$ 0.7945 per kVa	\$ (334)	621,679	\$ (0.0005) per kVa	\$ 0.7940 per kVa
		100.00%	\$ 147,036,276			\$ (24,901)			
TE	RS	44.73%	\$ 16,488,671	2,480,414,915	\$ 0.006648 per kWh	\$ (44,153)	552,445,691	\$ (0.000080) per kWh	\$ 0.006568 per kWh
	GS	47.94%	\$ 17,670,290	6,876,548	\$ 2.5696 per kW	\$ (47,317)	1,619,066	\$ (0.0292) per kW	\$ 2.5404 per kW
	GP	7.17%	\$ 2,642,833	2,611,267	\$ 1.0121 per kW	\$ (7,077)	631,541	\$ (0.0112) per kW	\$ 1.0009 per kW
	GSU	0.16%	\$ 58,493	218,670	\$ 0.2675 per kVa	\$ (157)	55,413	\$ (0.0028) per kVa	\$ 0.2647 per kVa
		100.00%	\$ 36,860,287			\$ (98,704)			
TOTAL			\$ 324,161,756			\$ (170,614)			

Notes:

Source: See "Rider Charge Calculation - Rider DCR" worksheet from Rider DCR filing January 12, 2018.

Quarterly Revenue Requirement Additions: Calculation of March 2018 - May 2018 Reconciliation Amount Adjusted for June - August 2018

II. Rider DCR March 2018 - May 2018 Rates Based on Actual February 28, 2018 Rate Base

(A) Company	(B) Rate Schedule	(C) Allocation	(D) (E) (F) Annual Revenue Requirements			(G) (H) (I) Quarterly Reconciliation			(J) March 2018 - May 2018 Rate Actual Rate Base
			Rev. Req	Billing Units	Rate	Rev. Req	Billing Units	Rate	
CEI	RS	34.17%	\$ 49,825,294	5,453,424,744	\$ 0.009137 per kWh	\$ (16,063)	1,269,972,414	\$ (0.000013) per kWh	\$ 0.009124 per kWh
	GS	59.26%	\$ 86,409,622	20,822,258	\$ 4.1499 per kW	\$ (27,857)	4,952,056	\$ (0.0056) per kW	\$ 4.1442 per kW
	GP	0.88%	\$ 1,280,470	899,443	\$ 1.4236 per kW	\$ (413)	219,347	\$ (0.0019) per kW	\$ 1.4217 per kW
	GSU	5.69%	\$ 8,300,975	8,191,720	\$ 1.0133 per kW	\$ (2,676)	2,085,751	\$ (0.0013) per kW	\$ 1.0121 per kW
		100.00%	\$ 145,816,361			\$ (47,009)			
OE	RS	47.54%	\$ 71,480,510	9,002,000,883	\$ 0.007941 per kWh	\$ (11,839)	2,122,822,183	\$ (0.000006) per kWh	\$ 0.007935 per kWh
	GS	42.88%	\$ 64,476,582	23,981,202	\$ 2.6886 per kW	\$ (10,679)	5,704,658	\$ (0.0019) per kW	\$ 2.6868 per kW
	GP	8.23%	\$ 12,373,796	6,341,935	\$ 1.9511 per kW	\$ (2,049)	1,553,842	\$ (0.0013) per kW	\$ 1.9498 per kW
	GSU	1.34%	\$ 2,017,199	2,482,999	\$ 0.8124 per kVa	\$ (334)	621,679	\$ (0.0005) per kVa	\$ 0.8119 per kVa
		100.00%	\$ 150,348,087			\$ (24,901)			
TE	RS	44.73%	\$ 16,922,068	2,480,414,915	\$ 0.006822 per kWh	\$ (44,153)	552,445,691	\$ (0.000080) per kWh	\$ 0.006742 per kWh
	GS	47.94%	\$ 18,134,745	6,876,548	\$ 2.6372 per kW	\$ (47,317)	1,619,066	\$ (0.0292) per kW	\$ 2.6080 per kW
	GP	7.17%	\$ 2,712,299	2,611,267	\$ 1.0387 per kW	\$ (7,077)	631,541	\$ (0.0112) per kW	\$ 1.0275 per kW
	GSU	0.16%	\$ 60,031	218,670	\$ 0.2745 per kVa	\$ (157)	55,413	\$ (0.0028) per kVa	\$ 0.2717 per kVa
		100.00%	\$ 37,829,142			\$ (98,704)			
TOTAL			\$ 333,993,591			\$ (170,614)			

- (C) Source: Rider DCR filing January 12, 2018
(D) Calculation: Annual DCR Revenue Requirement based on actual 2/28/2018 Rate Base x Column C
(E) Estimated billing units for March 2018 - February 2019. Source: Rider DCR filing January 12, 2018.
(F) Calculation: Column D / Column E
(G) Source: Rider DCR filing January 12, 2018
(H) Estimated billing units for March 2018 - May 2018. Source: Rider DCR filing January 12, 2018.
(I) Calculation: Column G / Column H
(J) Calculation: Column F + Column I

Quarterly Revenue Requirement Additions: Calculation of March 2018 - May 2018 Reconciliation Amount Adjusted for June - August 2018

III. Estimated Rider DCR Reconciliation Amount for June - August 2018

(A)	(B)	(C)	(D)	(E)	(F)	(G)
Company	Rate Schedule	March 2018 - May 2018 Rate Estimated Rate Base	March 2018 - May 2018 Rate Actual Rate Base	Difference	Billing Units	Reconciliation Amount
CEI	RS	\$ 0.008776 per kWh	\$ 0.009124 per kWh	\$ 0.000348 per kWh	1,269,972,414	\$ 441,726
	GS	\$ 3.9863 per kW	\$ 4.1442 per kW	\$ 0.1580 per kW	4,952,056	\$ 782,344
	GP	\$ 1.3675 per kW	\$ 1.4217 per kW	\$ 0.0542 per kW	219,347	\$ 11,888
	GSU	\$ 0.9735 per kW	\$ 1.0121 per kW	\$ 0.0386 per kW	2,085,751	\$ 80,463
						\$ 1,316,421
OE	RS	\$ 0.007760 per kWh	\$ 0.007935 per kWh	\$ 0.000175 per kWh	2,122,822,183	\$ 371,304
	GS	\$ 2.627534 per kW	\$ 2.686758 per kW	\$ 0.0592 per kW	5,704,658	\$ 337,853
	GP	\$ 1.906810 per kW	\$ 1.949788 per kW	\$ 0.0430 per kW	1,553,842	\$ 66,781
	GSU	\$ 0.793972 per kVa	\$ 0.811867 per kVa	\$ 0.0179 per kVa	621,679	\$ 11,125
						\$ 787,064
TE	RS	\$ 0.006568 per kWh	\$ 0.006742 per kWh	\$ 0.000175 per kWh	552,445,691	\$ 96,528
	GS	\$ 2.5404 per kW	\$ 2.6080 per kW	\$ 0.0675 per kW	1,619,066	\$ 109,355
	GP	\$ 1.0009 per kW	\$ 1.0275 per kW	\$ 0.0266 per kW	631,541	\$ 16,800
	GSU	\$ 0.2647 per kVa	\$ 0.2717 per kVa	\$ 0.0070 per kVa	55,413	\$ 390
						\$ 223,072
TOTAL						\$ 2,326,558

- (C) Source: Section I, Column J.
(D) Source: Section II, Column J.
(E) Calculation: Column D - Column C
(F) Estimated billing units for March 2018 - May 2018. Source: Rider DCR filing January 12, 2018.
(G) Calculation: Column E x Column F

The Cleveland Electric Illuminating Company: 17-1919-EL-RDR
 Ohio Edison Company: 17-1920-EL-RDR
 The Toledo Edison Company: 17-1921-EL-RDR

Energy and Demand Forecast

Source: All forecasted numbers associated with the forecast as of March 2018.

Annual Energy (June 2018 - May 2019):

Source: Forecast as of March 2018.

		<u>CEI</u>	<u>OE</u>	<u>TE</u>	<u>Total</u>
RS	kWh	5,440,863,140	8,982,400,448	2,478,775,805	16,902,039,392
GS	kWh	6,396,427,368	6,595,684,827	1,909,389,965	14,901,502,160
GP	kWh	466,646,865	2,481,912,317	1,042,873,500	3,991,432,682
GSU	kWh	3,625,807,007	871,995,876	114,345,420	4,612,148,303
Total		15,929,744,379	18,931,993,468	5,545,384,691	40,407,122,538

Annual Demand (June 2018 - May 2019):

Source: Forecast as of March 2018.

		<u>CEI</u>	<u>OE</u>	<u>TE</u>
GS	kW	20,815,842	23,987,612	6,876,488
GP	kW	895,798	6,371,503	2,617,232
GSU	kW/kVA	8,156,300	2,494,825	219,184

June - August 2018 Energy:

Source: Forecast as of March 2018.

		<u>CEI</u>	<u>OE</u>	<u>TE</u>	<u>Total</u>
RS	kWh	1,434,181,713	2,278,519,734	676,792,978	4,389,494,425
GS	kWh	1,694,073,348	1,722,970,271	531,300,424	3,948,344,043
GP	kWh	121,662,328	655,406,507	272,191,622	1,049,260,457
GSU	kWh	954,674,496	226,549,602	28,806,312	1,210,030,409
Total		4,204,591,884	4,883,446,113	1,509,091,337	10,597,129,335

June - August 2018 Demand:

Source: Forecast as of March 2018.

		<u>CEI</u>	<u>OE</u>	<u>TE</u>
GS	kW	5,443,011	6,329,888	1,804,011
GP	kW	235,094	1,635,217	657,653
GSU	kW/kVA	2,109,206	631,322	53,731

The Cleveland Electric Illuminating Company
Case No. 17-1919-EL-RDR
Typical Bills - Comparison (DCR Q3 June 2018 vs. DCR Q2 April 2018)

Bill Data						
Line No.	Level of Demand (kW) (A)	Level of Usage (kWH) (B)	Bill with Current DCR (\$) (C)	Bill with Proposed DCR (\$) (D)	Dollar Increase (D)-(C) (E)	Percent Increase (E)/(C) (F)
Residential Service - Standard (Rate RS)						
1	0	250	\$ 35.83	\$ 35.86	\$ 0.03	0.1%
2	0	500	\$ 67.46	\$ 67.52	\$ 0.06	0.1%
3	0	750	\$ 99.09	\$ 99.18	\$ 0.09	0.1%
4	0	1,000	\$ 130.72	\$ 130.85	\$ 0.13	0.1%
5	0	1,250	\$ 162.33	\$ 162.49	\$ 0.16	0.1%
6	0	1,500	\$ 193.94	\$ 194.13	\$ 0.19	0.1%
7	0	2,000	\$ 257.17	\$ 257.42	\$ 0.25	0.1%
8	0	2,500	\$ 320.21	\$ 320.53	\$ 0.31	0.1%
9	0	3,000	\$ 383.22	\$ 383.60	\$ 0.38	0.1%
10	0	3,500	\$ 446.24	\$ 446.68	\$ 0.44	0.1%
11	0	4,000	\$ 509.22	\$ 509.72	\$ 0.50	0.1%
12	0	4,500	\$ 572.24	\$ 572.81	\$ 0.57	0.1%
13	0	5,000	\$ 635.31	\$ 635.94	\$ 0.63	0.1%
14	0	5,500	\$ 698.29	\$ 698.98	\$ 0.69	0.1%
15	0	6,000	\$ 761.31	\$ 762.07	\$ 0.76	0.1%
16	0	6,500	\$ 824.30	\$ 825.12	\$ 0.82	0.1%
17	0	7,000	\$ 887.33	\$ 888.21	\$ 0.88	0.1%
18	0	7,500	\$ 950.33	\$ 951.28	\$ 0.94	0.1%
19	0	8,000	\$ 1,013.34	\$ 1,014.35	\$ 1.01	0.1%
20	0	8,500	\$ 1,076.37	\$ 1,077.44	\$ 1.07	0.1%
21	0	9,000	\$ 1,139.36	\$ 1,140.49	\$ 1.13	0.1%
22	0	9,500	\$ 1,202.40	\$ 1,203.60	\$ 1.20	0.1%
23	0	10,000	\$ 1,265.39	\$ 1,266.65	\$ 1.26	0.1%
24	0	10,500	\$ 1,328.40	\$ 1,329.72	\$ 1.32	0.1%
25	0	11,000	\$ 1,391.43	\$ 1,392.82	\$ 1.39	0.1%

The Cleveland Electric Illuminating Company
Case No. 17-1919-EL-RDR
Typical Bills - Comparison (DCR Q3 June 2018 vs. DCR Q2 April 2018)

Bill Data						
Line No.	Level of Demand (kW) (A)	Level of Usage (kWH) (B)	Bill with Current DCR (\$) (C)	Bill with Proposed DCR (\$) (D)	Dollar Increase (D)-(C) (E)	Percent Increase (E)/(C) (F)
Residential Service - All-Electric (Rate RS)						
1	0	250	\$ 35.83	\$ 35.86	\$ 0.03	0.1%
2	0	500	\$ 67.46	\$ 67.52	\$ 0.06	0.1%
3	0	750	\$ 90.09	\$ 90.18	\$ 0.09	0.1%
4	0	1,000	\$ 112.72	\$ 112.85	\$ 0.13	0.1%
5	0	1,250	\$ 135.33	\$ 135.49	\$ 0.16	0.1%
6	0	1,500	\$ 157.94	\$ 158.13	\$ 0.19	0.1%
7	0	2,000	\$ 203.17	\$ 203.42	\$ 0.25	0.1%
8	0	2,500	\$ 248.21	\$ 248.53	\$ 0.31	0.1%
9	0	3,000	\$ 293.22	\$ 293.60	\$ 0.38	0.1%
10	0	3,500	\$ 338.24	\$ 338.68	\$ 0.44	0.1%
11	0	4,000	\$ 383.22	\$ 383.72	\$ 0.50	0.1%
12	0	4,500	\$ 428.24	\$ 428.81	\$ 0.57	0.1%
13	0	5,000	\$ 473.31	\$ 473.94	\$ 0.63	0.1%
14	0	5,500	\$ 518.29	\$ 518.98	\$ 0.69	0.1%
15	0	6,000	\$ 563.31	\$ 564.07	\$ 0.76	0.1%
16	0	6,500	\$ 608.30	\$ 609.12	\$ 0.82	0.1%
17	0	7,000	\$ 653.33	\$ 654.21	\$ 0.88	0.1%
18	0	7,500	\$ 698.33	\$ 699.28	\$ 0.94	0.1%
19	0	8,000	\$ 743.34	\$ 744.35	\$ 1.01	0.1%
20	0	8,500	\$ 788.37	\$ 789.44	\$ 1.07	0.1%
21	0	9,000	\$ 833.36	\$ 834.49	\$ 1.13	0.1%
22	0	9,500	\$ 878.40	\$ 879.60	\$ 1.20	0.1%
23	0	10,000	\$ 923.39	\$ 924.65	\$ 1.26	0.1%
24	0	10,500	\$ 968.40	\$ 969.72	\$ 1.32	0.1%
25	0	11,000	\$ 1,013.43	\$ 1,014.82	\$ 1.39	0.1%

The Cleveland Electric Illuminating Company
Case No. 17-1919-EL-RDR
Typical Bills - Comparison (DCR Q3 June 2018 vs. DCR Q2 April 2018)

Bill Data						
Line No.	Level of Demand (kW) (A)	Level of Usage (kWH) (B)	Bill with Current DCR (\$) (C)	Bill with Proposed DCR (\$) (D)	Dollar Increase (D)-(C) (E)	Percent Increase (E)/(C) (F)
Residential Service - Water Heating (Rate RS)						
1	0	250	\$ 35.83	\$ 35.86	\$ 0.03	0.1%
2	0	500	\$ 67.46	\$ 67.52	\$ 0.06	0.1%
3	0	750	\$ 93.59	\$ 93.68	\$ 0.09	0.1%
4	0	1,000	\$ 119.72	\$ 119.85	\$ 0.13	0.1%
5	0	1,250	\$ 145.83	\$ 145.99	\$ 0.16	0.1%
6	0	1,500	\$ 171.94	\$ 172.13	\$ 0.19	0.1%
7	0	2,000	\$ 224.17	\$ 224.42	\$ 0.25	0.1%
8	0	2,500	\$ 276.21	\$ 276.53	\$ 0.31	0.1%
9	0	3,000	\$ 328.22	\$ 328.60	\$ 0.38	0.1%
10	0	3,500	\$ 380.24	\$ 380.68	\$ 0.44	0.1%
11	0	4,000	\$ 432.22	\$ 432.72	\$ 0.50	0.1%
12	0	4,500	\$ 484.24	\$ 484.81	\$ 0.57	0.1%
13	0	5,000	\$ 536.31	\$ 536.94	\$ 0.63	0.1%
14	0	5,500	\$ 588.29	\$ 588.98	\$ 0.69	0.1%
15	0	6,000	\$ 640.31	\$ 641.07	\$ 0.76	0.1%
16	0	6,500	\$ 692.30	\$ 693.12	\$ 0.82	0.1%
17	0	7,000	\$ 744.33	\$ 745.21	\$ 0.88	0.1%
18	0	7,500	\$ 796.33	\$ 797.28	\$ 0.94	0.1%
19	0	8,000	\$ 848.34	\$ 849.35	\$ 1.01	0.1%
20	0	8,500	\$ 900.37	\$ 901.44	\$ 1.07	0.1%
21	0	9,000	\$ 952.36	\$ 953.49	\$ 1.13	0.1%
22	0	9,500	\$ 1,004.40	\$ 1,005.60	\$ 1.20	0.1%
23	0	10,000	\$ 1,056.39	\$ 1,057.65	\$ 1.26	0.1%
24	0	10,500	\$ 1,108.40	\$ 1,109.72	\$ 1.32	0.1%
25	0	11,000	\$ 1,160.43	\$ 1,161.82	\$ 1.39	0.1%

The Cleveland Electric Illuminating Company
Case No. 17-1919-EL-RDR
Typical Bills - Comparison (DCR Q3 June 2018 vs. DCR Q2 April 2018)

Bill Data						
Line No.	Level of Demand (kW) (A)	Level of Usage (kWH) (B)	Bill with Current DCR (\$) (C)	Bill with Proposed DCR (\$) (D)	Dollar Increase (D)-(C) (E)	Percent Increase (E)/(C) (F)
General Service Secondary (Rate GS)						
1	10	1,000	\$ 212.82	\$ 213.35	\$ 0.53	0.3%
2	10	2,000	\$ 281.13	\$ 281.66	\$ 0.53	0.2%
3	10	3,000	\$ 349.03	\$ 349.56	\$ 0.53	0.2%
4	10	4,000	\$ 416.88	\$ 417.41	\$ 0.53	0.1%
5	10	5,000	\$ 484.80	\$ 485.33	\$ 0.53	0.1%
6	10	6,000	\$ 552.66	\$ 553.19	\$ 0.53	0.1%
7	1,000	100,000	\$ 22,736.79	\$ 22,790.09	\$ 53.30	0.2%
8	1,000	200,000	\$ 29,468.30	\$ 29,521.60	\$ 53.30	0.2%
9	1,000	300,000	\$ 36,199.80	\$ 36,253.10	\$ 53.30	0.1%
10	1,000	400,000	\$ 42,931.31	\$ 42,984.61	\$ 53.30	0.1%
11	1,000	500,000	\$ 49,662.82	\$ 49,716.12	\$ 53.30	0.1%
12	1,000	600,000	\$ 56,394.32	\$ 56,447.62	\$ 53.30	0.1%

The Cleveland Electric Illuminating Company
Case No. 17-1919-EL-RDR
Typical Bills - Comparison (DCR Q3 June 2018 vs. DCR Q2 April 2018)

Bill Data						
Line No.	Level of Demand (kW) (A)	Level of Usage (kWH) (B)	Bill with Current DCR (\$) (C)	Bill with Proposed DCR (\$) (D)	Dollar Increase (D)-(C) (E)	Percent Increase (E)/(C) (F)
General Service Primary (Rate GP)						
1	500	50,000	\$ 9,012.00	\$ 9,023.35	\$ 11.35	0.1%
2	500	100,000	\$ 12,308.00	\$ 12,319.35	\$ 11.35	0.1%
3	500	150,000	\$ 15,604.00	\$ 15,615.35	\$ 11.35	0.1%
4	500	200,000	\$ 18,900.01	\$ 18,911.36	\$ 11.35	0.1%
5	500	250,000	\$ 22,196.01	\$ 22,207.36	\$ 11.35	0.1%
6	500	300,000	\$ 25,492.01	\$ 25,503.36	\$ 11.35	0.0%
7	5,000	500,000	\$ 88,559.88	\$ 88,673.38	\$ 113.50	0.1%
8	5,000	1,000,000	\$ 121,441.66	\$ 121,555.16	\$ 113.50	0.1%
9	5,000	1,500,000	\$ 154,167.39	\$ 154,280.89	\$ 113.50	0.1%
10	5,000	2,000,000	\$ 186,893.12	\$ 187,006.62	\$ 113.50	0.1%
11	5,000	2,500,000	\$ 219,618.85	\$ 219,732.35	\$ 113.50	0.1%
12	5,000	3,000,000	\$ 252,344.58	\$ 252,458.08	\$ 113.50	0.0%

The Cleveland Electric Illuminating Company
Case No. 17-1919-EL-RDR
Typical Bills - Comparison (DCR Q3 June 2018 vs. DCR Q2 April 2018)

Bill Data						
Line No.	Level of Demand (kW) (A)	Level of Usage (kWH) (B)	Bill with Current DCR (\$) (C)	Bill with Proposed DCR (\$) (D)	Dollar Increase (D)-(C) (E)	Percent Increase (E)/(C) (F)
General Service Subtransmission (Rate GSU)						
1	1,000	100,000	\$ 13,439.66	\$ 13,456.36	\$ 16.70	0.1%
2	1,000	200,000	\$ 19,011.17	\$ 19,027.87	\$ 16.70	0.1%
3	1,000	300,000	\$ 24,582.67	\$ 24,599.37	\$ 16.70	0.1%
4	1,000	400,000	\$ 30,154.18	\$ 30,170.88	\$ 16.70	0.1%
5	1,000	500,000	\$ 35,725.69	\$ 35,742.39	\$ 16.70	0.0%
6	1,000	600,000	\$ 41,297.19	\$ 41,313.89	\$ 16.70	0.0%
7	10,000	1,000,000	\$ 132,465.67	\$ 132,632.67	\$ 167.00	0.1%
8	10,000	2,000,000	\$ 187,712.13	\$ 187,879.13	\$ 167.00	0.1%
9	10,000	3,000,000	\$ 242,958.59	\$ 243,125.59	\$ 167.00	0.1%
10	10,000	4,000,000	\$ 298,205.05	\$ 298,372.05	\$ 167.00	0.1%
11	10,000	5,000,000	\$ 353,451.52	\$ 353,618.52	\$ 167.00	0.0%
12	10,000	6,000,000	\$ 408,697.98	\$ 408,864.98	\$ 167.00	0.0%

TABLE OF CONTENTS

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 June 1, 2018. This Rider is not avoidable for customers who take electric generation service from a certified supplier.

RATE:

RS (all kWhs, per kWh)	0.7883¢
GS (per kW of Billing Demand)	\$3.5768
GP (per kW of Billing Demand)	\$1.2315
GSU (per kW of Billing Demand)	\$0.8772

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 Rider is subject to reconciliation, including, but not limited to increases or refunds. Such reconciliation shall be based solely upon the results of audits ordered by the Commission in accordance with the August 25, 2010 Opinion and Order in Case No. 10-388-EL-SSO, the July 18, 2012 Opinion and Order in Case No. 12-1230-EL-SSO, and the March 31, 2016 Opinion and Order in Case No. 14-1297-EL-SSO and upon the Commission's orders in Case No. 18-47-AU-COI.

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Case No(s). 17-1919-EL-RDR, 89-6001-EL-TRF

Summary: Tariff Update of Rider DCR for PUCO No 13 electronically filed by Ms. Tamera J Singleton on behalf of The Cleveland Electric Illuminating Company and Fanelli, Santino L. Mr.