



Duquesne Light

Nuclear Construction Division
Robinson Plaza, Building 2, Suite 210
Pittsburgh, PA 15205

2NRC-5-142
(412) 787-5141
(412) 923-1960
Telecopy (412) 787-2629
October 24, 1985

United States Nuclear Regulatory Commission
Washington, DC 20555

ATTENTION: Mr. Harold R. Denton
Office of Nuclear Reactor Regulation

SUBJECT: Beaver Valley Power Station - Unit No. 2
Docket No. 50-412
Updated Information for Antitrust Review for Operating License

REFERENCE: (a) 2NRC-2-045, dated December 15, 1982
(b) letter to J. J. Carey from Donald P. Cleary, dated July 9, 1985

Gentlemen:

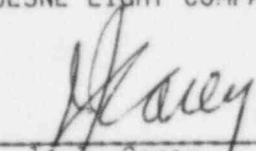
Duquesne Light Company, acting on its own behalf and as agent for Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company, is filing herewith three (3) signed originals and twenty (20) copies of Revision 1 to the "Information for Antitrust Review for Operating License" for the Beaver Valley Power Station - Unit No. 2 (Attachment 1).

This submittal updates the responses to the questions in U.S. NRC Regulatory Guide 9.3 as applicable to the above-named companies as requested in Reference (b) above.

Please complete the attached Receipt of Acknowledgement Form (Attachment 2), and return it to the address identified on the form. If you should have any questions, please call Mr. T. J. Zoglmann at (412) 787-5141.

DUQUESNE LIGHT COMPANY

By


J. J. Carey
Vice President

TJZ/wjs
Attachments

cc: Mr. B. K. Singh, Project Manager (w/o)
Mr. D. Cleary, NRC (w/o)
Mr. W. Lambe, NRC (w/o)

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CONTROLLED DOCUMENT TRANSMITTAL DUQUESNE LIGHT COMPANY NUCLEAR CONSTRUCTION DIVISION								015	D.C.P.	FOR:	<input type="checkbox"/> USE	PAGE 1 OF 1		
								130	O.F.E.		<input type="checkbox"/> INFORMATION ONLY			
								103	C.O.		<input type="checkbox"/> HISTORICAL FILE			

DOCUMENT NUMBER	REVISION NO. OR DATE	DOCUMENT SUPERSEDED	DESCRIPTION
N/A	10-17-85	N/A	<p><u>ANTITRUST REVIEW</u></p> <p>UPDATE TO ANTITRUST REVIEW OF OPERATING LICENSE APPLICATIONS FOR NUCLEAR POWER PLANTS.</p> <p><u>NOTE:</u> PLEASE INDICATE YOUR CONTROL COPY NO., SIGN, DATE AND RETURN TO THE ADDRESS BELOW.</p>

CONTROL COPY NO. _____

NAME AND LOCATION OF MANUAL HOLDER: _____

This document is to be returned within 15 days of receipt, to:

Duquesne Light Company
Robinson Plaza Building No. 2
Suite 210
Pittsburgh, PA 15206
Attn: DOCUMENT CONTROL SUPERVISOR

NOTE: Superseded documents should be removed from your files and destroyed.

Issued By: Basil J. Romano B. J. ROMANODate: 10-25-85

The above listed documents were received in good condition and superseded documents have been voided or destroyed.

Received by: _____

Date: _____

Application for an
Operating License for
Beaver Valley Power Station - Unit No. 2

INFORMATION REQUESTED BY THE
NUCLEAR REGULATORY COMMISSION FOR
ANTITRUST REVIEW ANSWERS OF THE
DUQUESNE LIGHT COMPANY

A F F I D A V I T

STATE OF PENNSYLVANIA)
COUNTY OF Allegheny } SS:

On October 21, 1985, before me, a Notary Public in and for the State and County aforesaid, personally appeared Mr. J. J. Carey, who, after being duly sworn according to law, deposed and said that he is Vice President - Nuclear Group of DUQUESNE LIGHT COMPANY, a corporation; that in such capacity he is authorized to make this Affidavit; and that the within Answers of DUQUESNE LIGHT COMPANY to the Information Requested by the Attorney General for Antitrust Review are true and correct to the best of his knowledge, information, and belief.

J. J. Carey
J. J. Carey - Vice President
Nuclear Group

Sworn to and subscribed before me the day and year aforesaid.

Anita Elaine Reiter
Notary Public

ANITA ELAINE REITER, NOTARY PUBLIC
ROBINSON TOWNSHIP, ALLEGHENY COUNTY
MY COMMISSION EXPIRES OCTOBER 20, 1986

DUQUESNE LIGHT COMPANY

Nuclear Regulatory Commission
(10CFR Part 50)
Licensing of Production and Utilization Facilities

BEAVER VALLEY UNIT NO. 2

Information Needed by the Nuclear Regulatory Commission for Antitrust
Review of Operating License Applications for Nuclear Power Plants
as detailed in Regulatory Guide 9.3

Response of Duquesne Light Company to Regulatory Guide 9.3

B. Information Needed by the NRC Staff in Connection with Its Antitrust Review of Operating License Applications for Nuclear Power Plants.

Item 1.a - Anticipated Excess of Shortage in Generating Capacity Resources Not Expected at the Construction Permit Stage

During 1972, application for a construction permit was made for Beaver Valley Unit No. 2. Following were the OPEC oil embargo, as well as a period of economic uncertainty which still continues. This economic uncertainty, coupled with unexpected energy conservation, resulted in lower growth in electric peak loads and energy consumption than forecasted in the early and middle seventies. Ensuing forecasts of peak loads and energy consumption were revised downward, and starting in the middle seventies, the CAPCO Companies (Duquesne Light Company, The Cleveland Electric Illuminating Company, Ohio Edison Company, Pennsylvania Power Company, and The Toledo Edison Company) made several reviews and revisions of the construction schedules for future CAPCO generating capacity.

In January 1980, a major revision in the CAPCO construction schedule was made. The CAPCO Companies decided to cancel four planned nuclear generating units (Davis-Besse Units Nos. 2 and 3 and Erie Units Nos. 1 and 2) and delay completion of Beaver Valley No. 2 and Perry Units Nos. 1 and 2 for 12 to 36 months. Growing political and regulatory uncertainties affecting the future of nuclear power resulting from the Three Mile Island accident, financial constraints and reduced need for future capacity were the primary reasons for the decision.

Additionally, as will be discussed in Item 1.b, in September 1980, the CAPCO Companies agreed to a termination of certain agreements, including the Memorandum of Understanding, that resulted in the discontinuation of joint planning among the CAPCO Companies with respect to future generating capacity.

The national economic recession of the early 1980's hit the Pittsburgh District hard in the spring of 1982. Output of the basic steel industry and related industries turned downward as did their use of electric power and energy supplied by Duquesne Light Company, hereafter referred to as Duquesne. Industrial customers decreased demand on the Duquesne system approximately 500 MW during 1982. A portion of this industrial load returned during periods of 1983 and 1984. During the same period, 1982-1985, sales to other utilities by Duquesne increased dramatically. The affect of both these changes can be seen in the table presented on page 3.

The projected capability changes for Duquesne for the period 1984 through 1991 are shown in Table 1. The total generating capacity at the beginning of 1984 was 3,173 MW NDC (not demonstrated capability - winter rating). The major capability changes projected for Duquesne are: the completion of Perry Unit No. 1 on or about July 1986, Beaver Valley Unit No. 2 on or about December 1987 and Perry Unit No. 2 on or about December 1990, for increases in NDC of 165 MW, 114 MW and 165 MW, respectively. The resulting total NDC capability for Duquesne at the beginning of 1991 is 3,574 MW. Duquesne has not committed to any generating capacity additions beyond 1991.

Changes in Duquesne generating capacity have been made since the antitrust review at the construction permit stage. One of these changes was the

reordering of the sequence for completion of the three nuclear units now under construction; from Beaver Valley Unit No. 2 followed by Perry Units Nos. 1 and 2, to the present order, Perry Unit No. 1, Beaver Valley Unit No. 2 and Perry Unit No. 2. Another change was the construction of a third 800 MW class coal unit at the Mansfield Power Plant located near the Beaver Valley Plant. Also, reratings of most generating units were made in early 1980 based on newly adopted ECAR (East Central Area Reliability Coordination Agreement) generating unit rating criteria. The final change was the shutdown of Shippingport Atomic Plant by the U.S. Department of Energy on October 1, 1982, for decommissioning.

In light of the above discussion, the analysis of the anticipated excess or shortage in generating capacity resources for Duquesne will be based on the current outlook on forecasted load growth and on projected capability changes.

The latest annual peak load and energy forecasts for Duquesne are shown in Table 2 for the period 1985 through 1995. The peak load is projected to occur each year during the month of July. The actual 1981-1985 system conditions, including off-system sales were as follows:

Year	System Summer Peak Load (MW)	Off System Sales At Peak Load Hour (MW)	Generation At Peak Load Hour (MW)	Peak Generation During Year (MW)	Annual Net Energy For Internal Load (GWH/Yr.)
1981	2,522	(338)	2,184	2,500	14,324
1982	2,031	273	2,304	2,428	11,662
1983	2,184	153	2,337	2,337	11,736
1984	2,172	246	2,418	2,532	12,180
1985	2,127	303	2,430	2,589*	**

*As of September 15, 1985

**Year not over

The system peak load is forecasted to grow to 2,330 MW by 1991 with the annual net energy for internal load to be 13,200 million KWH. And, the system peak load is forecasted to grow to 2,560 MW by 1995 with annual net energy for internal load to be 14,080 million KWH.

The projected installed capacity for supplying the forecasted system peak loads is also shown on Table 2. Even though the installed capacity exceeds the peak load by a given amount, on a probability basis, a deficiency in generating capacity can occur at any time during the year due to random unit-forced outages occurring. These deficiencies can be in varying amounts, from one MW up to 1000 MW, and will cause a dependence on outside generating capacity resources. An estimate of such dependence on outside resources in days per year is shown in Table 2 for the Duquesne system. This projected dependence on outside resources varies from a maximum of 1.4 days in 1986, the year Perry Unit No. 1 will be commercial, to a minimum of 0.2 days in 1988, the first full year Beaver Valley Unit No. 2 will be commercial. Also shown in Table 2 is the estimated maximum amount of purchased power required periodically to reduce this dependence on outside resources to 0.1 and 1.0 day per year levels. The purchases required to reduce such dependence on outside resources to either a 0.1 or a 1.0 day per year level is now generally in amounts of no more than 300 MW and 50 MW, respectively. Duquesne expects that purchases will be available over the interconnections in the amounts required and when needed so that major load curtailment will not be necessary. The analysis presented in Table 2 and discussed above does not include the effects on reliability by potential power sales to other utilities as Duquesne was able to make during the 1982-1985 period.

Comparison between the forecasted system summer and winter peak loads and the projected installed generating capacity during these periods is made in Table 1. Also shown in Table 1 is the projected installed capacity reserve on peak, both in MW and percent. After 1985, the smallest reserve on summer peak is projected at 1,014 MW or 31.5% of the projected generating capability and 45.9% of the forecasted summer peak load for 1987, prior to commercial operation of Beaver Valley Unit No. 2. The largest reserve on summer peak is projected at 1,149 MW or 33.0% of the projected generating capability and 49.3% of the forecasted summer peak load for 1991, following the commercial operation date for Perry Unit No. 2. The analysis shown in Table 1 and discussed above does not include the effects on reserve by potential power sales to other utilities as Duquesne was able to make during the 1982-1985 period.

Item 1.b - New Power Pools or Coordinating Groups or Changes in Structure, Activities, Policies, Practices or Membership of Power Pools or Coordinating Groups, in which the licensee was, is or will be a Participant.

In January 1980, fundamental changes in the CAPCO arrangements were made which affected both the capacity planning and operating procedures.

Joint capacity planning and commitments for jointly owned generating units as has been practiced in the past implies an ability on the part of each Party to finance and provide its share of capital funds associated with a joint construction program. Prior to 1979, each of the CAPCO Parties, at one time or another, experienced considerable difficulty in financing on a reasonable basis its portion of the total requirements so that program adjustments were necessary as an accommodation.

In the latter part of 1979 and early 1980, the financing problem became more critical requiring further substantial adjustments, including cancellation of four units, in the generating capacity program. To minimize the problem in the future the CAPCO Companies agreed in January 1980 to abandon the "one system" concept applicable to future capacity planning and authorization of additional generating units, so that each Party is now responsible for establishing its own level of reserve, as well as to determine its own generating capacity program beyond those jointly owned generating units now under construction. Future joint construction would be possible through negotiations between two or more parties, but not under the CAPCO concepts.

Consistent with the above described changes, changes in the Operating Agreement were made. Since each Party would now determine its own level of reserve generating capacity, the previous capacity adjustments among the Parties associated with the CAPCO Buy/Sells were eliminated as no longer appropriate. This previous arrangement entitled each Party to utilize as required the full amount of emergency capacity and energy available within the Pool, and further provided that such capacity would be made available at no capacity charge with the energy being banked. Here again, allowing each Party to establish its own level of reserve made this prior arrangement inequitable. As a result, the obligation to supply emergency capacity and energy was modified and the banking of energy was eliminated.

The revised Operating Agreement provides two forms of emergency capacity and energy identified collectively as CAPCO Back-Up Power. The first, identified as CAPCO Unit Back-Up Power, provides that in the event of the forced or scheduled outage of any CAPCO jointly owned generating unit in commercial

operation, each party agrees to provide or shall have the right to receive, as the case may be, CAPCO Unit Back-Up Power, in the amount equal to the difference between such Party's ownership share in the CAPCO unit out of service and a value determined by multiplying the capability of the CAPCO unit out of service by the percentage ownership share of such party of all of the CAPCO jointly owned generating units in commercial operation.

The second, identified as CAPCO System Back-Up Power, provided that in the event any party, after giving effect to CAPCO Unit Back-Up Power, required additional capacity, such Party shall be entitled to receive CAPCO System Back-Up Power up to 100 MW from each of the other CAPCO Parties. The provisions relating to CAPCO System Back-Up Power were scheduled to terminate on August 31, 1982, unless extended. A review of this provision at that time resulted in the Parties agreeing not to extend these provisions and in lieu thereof, agreed to broaden the rights and obligations of the parties relating to the delivery of Emergency Power under the Basic Operating Agreement. Upon request, each party is now obligated to only deliver Emergency Power up to 100 MW for a period not exceeding 48 consecutive hours. The CAPCO Unit Back-Up Power provision of the Basic Operating Agreement, as Amended September 1, 1980, remains in effect. However, associated with CAPCO Back-Up Power now is a daily capacity charge in addition to appropriate charges for energy.

Item 1.c.(1) - Changes in Transmission With Respect to the Beaver Valley
Plant

Since the completion of the antitrust review at the construction permit stage for Beaver Valley Unit No. 2, a decision has been made to make two changes to

the transmission arrangements in the area of the Beaver Valley and Mansfield Power Plants. These transmission rearrangements will be required with the cut in of Beaver Valley Unit No. 2 at the end of 1987 as the fifth unit in the Beaver Valley-Mansfield complex, as opposed to being the fourth and last unit as proposed at the time of the antitrust review at the construction permit stage.

The Beaver Valley Power Station is operated by Duquesne Light Company. The Mansfield Power Station is operated by Pennsylvania Power Company, a wholly owned subsidiary of Ohio Edison company. These two power plants are interconnected by the Beaver Valley-Mansfield 345 kV circuit, having a length of less than two miles. The existing Mansfield-Hanna 345 kV transmission circuit, which extends from the Mansfield Power Station to Beaver Valley where it crosses the Ohio River and continues onward to the Hanna Substation of Ohio Edison Company, will be cut and looped into the 345 kV substation at Beaver Valley. This rearrangement will create both a Beaver Valley-Hanna and a second Beaver Valley-Mansfield 345 kV circuit. The direct connection between the Mansfield Power Plant and the Hanna Substation will be eliminated.

The filing for the construction permit only indicated a Beaver Valley-Hanna 345 kV circuit addition. The need for a second Beaver Valley-Mansfield 345 kV circuit was indicated during load flow testing for contingency conditions, and was primarily due to the fact that the third 800 MW Mansfield unit has been added in the area.

The second change to the transmission arrangements will be the installation of a 345 kV transmission circuit between Beaver Valley Power Station and the

Crescent Substation of Duquesne, a distance of approximately 15.8 miles.

The need for a Beaver Valley-Crescent 345 kV circuit surfaced during stability testing at both Beaver Valley and Mansfield Plants. Without the Beaver Valley-Crescent 345 kV circuit, instability could occur either at Beaver Valley or at Mansfield for certain fault conditions that required second zone clearing times at either plant. With the addition of the circuit, stability can be maintained.

The transmission arrangement in the Beaver Valley-Mansfield generating complex is shown in Figure 1, as it will be at the cut-in of Beaver Valley Unit No. 2 at the end of 1987.

Item 1.c.(2) - Changes in Transmission With Respect to Interconnections

Detailed in Item 1.c.(1) above is the rearrangement that will create a Beaver Valley-Hanna and the second Beaver Valley-Mansfield 345 kV circuit. These two circuits will provide new interconnections between Duquesne and Ohio Edison Company and between Duquesne and Pennsylvania Power Company, respectively.

Item 1.c.(3) - Changes in Transmission With Respect to Connections to
Wholesale Customers

At the time of the antitrust review at the construction permit stage, Pitcairn Borough was receiving emergency service from a 23 kV subtransmission circuit via pole-mounted transformers. Monthly peak loads were in the range

of 500 kW to 700 kW. This emergency service was required due to failure of portions of Pitcairn's generating capacity. During 1973, a permanent service at 23 kV was furnished from the 23 kV subtransmission system. During the 1981-1985 period, monthly peak loads were in the range of 1,500 kW to 2,300 kW.

Item 1.d - Changes in Ownership or Contractual Allocation of the Output of
the Nuclear Facility

At the time of the antitrust review at the construction permit stage, division of ownership in the Beaver Valley Unit No. 2 among the CAPCO Parties had not been decided. Only a preliminary allocation of the capacity had been made. Shortly thereafter, ownership allocations among the Parties were determined. During 1978, however, there was an adjustment in ownership allocation between the Ohio Edison Company and its wholly-owned subsidiary, the Pennsylvania Power Company, with the parent company assuming ownership of its subsidiary's share. The initial and final allocation of ownership on a percentage basis are tabulated below.

Division of Ownership in
Beaver Valley Unit No. 2 (%)

	<u>Initial</u>	<u>Final</u>
CEI	24.47	24.47
DL	13.74	13.74
OE	35.60	41.88
PP	6.28	---
TE	19.91	19.91

Item 1.e - Changes in Design, Provisions or Conditions of Rate Schedules
and Reasons for Such Changes

Duquesne Light Company provides service to municipalities for resale at retail under Rate Schedule F.P.C. No. 11. Currently, Duquesne serves only the Borough of Pitcairn under this rate schedule. The Terms and Charges of Supplement No. 7 to Rate Schedule F.P.C. No. 11 was in effect until April 2, 1985. At that time, the Terms and Charges of Supplement No. 8 to Rate Schedule F.P.C. No. 11 went into effect pending resolution of rate proceedings and subject to refund. The Fuel Cost Adjustment Clause of Supplement No. 7 to Rate Schedule No. 11 remains in effect.

The Terms and Charges of Supplement No. 8 to Rate Schedule No. 11, a copy of which is included after the tables, increased the customer charge, capacity charge and energy charge. The objectives of the design of the changed rate were to reflect costs and to provide a return comparable to the system return. The minimum charge provision was revised to reflect the capacity charge plus the customer charge. The parties have since agreed upon a settlement rate which is set forth in the attached Terms and Charges of Supplement No. 9 to Rate Schedule F.P.C. No. 11.

Item 1.f.(1) - Lists of All New Wholesale Customers

Duquesne Light Company has acquired no new wholesale customers.

Item 1.f.(2) - Transfers from One Rate Schedule to Another.

Duquesne Light Company has had no transfers from one F.P.C. rate schedule to another.

Item 1.f.(3) - Changes in Licensees Service Areas.

Duquesne Light Company has had no change in its service area.

Item 1.f.(4) - Licensees, Acquisition or Mergers

Duquesne Light Company has not participated in any acquisition or merger.

Item 1.g - Generating Capacity Additions Committed for Operation After the Nuclear Facility including Ownership Rights or Power Output Allocations.

Duquesne Light Company has not authorized any generating capacity additions beyond Perry Unit No. 1 in 1986, Beaver Valley Unit No. 2 in 1987, and Perry Unit No. 2 in 1990. See Table 1.

Item 1.h - Summary of Requests or Indications of Interest by Other Electric Power Wholesale or Retail Distributors and Licensees's Response for any Type of Electric Service or Cooperative Venture or Study.

By letter, dated December 29, 1978, Attorneys Robert A. Jablon and David R.

Strauss gave notice to the CAPCO Companies, including Duquesne Light Company, of a general intent of the wholesale customers of Ohio Edison Company and the Ohio municipal customers of The Toledo Edison Company to obtain access to the Davis-Besse and Perry Units. By letter dated January 16, 1979, Duquesne responded and asked Attorney Jablon when he wanted to meet. By letter dated March 26, 1979, Attorneys Jablon and Strauss wrote to the CAPCO Companies, including Duquesne, and asked them to suggest a date and site for a meeting. By letter to Attorney Jablon dated April 18, 1979, Duquesne suggested that the parties meet in Pittsburgh and requested that Attorney Jablon send an agenda in advance. To date, Duquesne has received no response to its April 18, 1979 letter and no specific meeting date has been requested or scheduled by Attorneys Jablon and Strauss.

In a letter to Duquesne, dated April 30, 1979, Joseph V. Santangelo of the Borough of Ellwood City expressed an interest in buying power from Duquesne. In a letter, dated May 14, 1979, Duquesne responded that it did not have an appropriate tariff of general application for sale of electricity to a municipality for resale, but was prepared to meet in Pittsburgh to discuss the request at a mutually convenient time. To date, neither Mr. Santangelo nor any official of the Borough of Ellwood City has responded to Duquesne's May 14, 1979 invitation.

By letter dated March 19, 1985, the Borough of Pitcairn, Duquesne's only full-requirements, wholesale customer, requested Duquesne furnish the Borough with Duquesne's rates for the transmission of electric capacity and energy from an alternate supplier to the Borough. Duquesne has given the Borough an approximation of the rate for such service and is presently developing a more

definitive rate for the Borough. As of this time, the Borough has not advised Duquesne of the identity of any alternate supplier of capacity and energy to the Borough.

Item 2 - List and Discuss Those Actions or Policies Which Have Been Implemented in Accordance With Construction Permit Conditions Pertaining to Antitrust Aspects.

There are not antitrust license conditions attached to Beaver Valley Unit No. 2 construction permit. With respect to Davis Besse Unit No. 1 and Perry Units No. 1 and 2, antitrust license conditions are attached to their respective construction permits. It is the policy of Duquesne Light Company to comply with all license conditions. See Item 1.h. above.

DUQUESNE LIGHT COMPANY GENERATING CAPACITY PROGRAM 1984-1991

Based on 1985 Load Forecast Dated 9-16-85

DLCo. Generating Changes Year/Description	July MW Change	Summer Capacity, Load and Reserves ¹						Winter Capacity, Load and Reserves ²				
		July Capacity MW	Summer Load MW	Installed Reserves ¹			January MW Change	January Capacity MW	Winter Load MW	Installed Reserves ²		
				MW	% Based On Capacity	Load				MW	% Based On Capacity	Load
1984 St. Joe ⁴ - Remove (on 1-1-85)	0	3,088	2,172 ⁵	916	29.7	42.2	- 25 ⁶	3,173 ³ 3,148	1,970 ⁵	1,178	37.4	59.8
1985 No Generation Changes	- 25 ⁶	3,063	2,127 ⁵	936	30.6	44.0	0	3,148	1,920	1,228	39.0	64.0
1986 Perry #1 1205/165 (on or about 7-86)	+161	3,224	2,170	1,054	32.7	48.6	+165	3,313	1,960	1,353	40.8	69.0
1987 Beaver Valley #2 833/114 (on or about 12-87)	0	3,224	2,210	1,014	31.5	45.9	+114 ⁷ - 18 ⁸ + 94	3,427 3,409	1,990	1,419	41.6	71.3
1988 Eastlake #5 Derate (on 1-1-88)	+112 ⁷ - 18 ⁸ + 94	3,336 3,318	2,230	1,088	32.8	48.8	0	3,409	2,010	1,399	41.0	69.6
1989 No Generation Changes	0	3,318	2,260	1,058	31.9	46.8	0	3,409	2,040	1,369	40.2	67.1
1990 Perry #2 1205/165 (on or about 12-31-90)	0	3,318	2,290	1,028	31.0	44.9	+161 ⁹	3,574	2,100	1,474	41.2	70.2
1991 No Generation Changes	+161 ⁹	3,479	2,330	1,149	33.0	49.3	0	3,574	2,110	1,464	41.0	69.4

¹ Based on DL lowest total NSC summer value occurring in July; summer peak load could occur in June, July, August, or September; assumed to be July. Does not include effect of potential off-system sales on reserves.

² Based on DL January NSC; winter peak load could occur in December of a given year or in January or February of the following year; assumed to be January. Does not include effect of potential off-system sales on reserves.

³ January 1984 value shown.

⁴ Industrial capacity available to Duquesne; but no longer treated as if owned by Duquesne.

⁵ Actual seasonal peak loads.

⁶ St. Joe removed effective 1-1-85.

⁷ Beaver Valley #2 effective on or about 12-87.

⁸ Eastlake 5 derate effective 1-1-88.

⁹ Perry #2 effective on or about 12-31-90.

System Planning Department
Bulk Power Section
September 25, 1985

TABLE 1

DUQUESNE LIGHT COMPANY

PROJECTED CAPACITY PROGRAM AND RESERVE ANALYSIS
1986-1995
DEPENDENCE ON OUTSIDE RESOURCES

Year	Annual Net Energy for Load Millions of KWH ¹	System Peak Load (July-MW) ¹	Installed Capacity (July-MW)	Installed Capacity Reserve on Peak ²			Dependence On Outside Resources In Days ^{2,3}	Maximum Purchase Required To Reduce The Dependence On Outside Resources To ^{2,4}	
				MW	% Based On			0.1 Day	1.0 Day
					Capacity	Load			
1986	11,860	2,170	3,224	1,054	32.7	48.6	1.4	325	45
1987	12,200	2,210	3,224	1,014	31.5	45.9	0.7	220	-55
1988	12,430	2,230	3,318	1,088	32.8	48.8	0.2	85	-200
1989	12,660	2,260	3,318	1,058	31.9	46.8	0.5	195	-90
1990	12,870	2,290	3,318	1,028	31.0	44.9	0.5	185	-95
1991	13,200	2,330	3,479	1,149	33.0	49.3	0.2	100	-185
1992	13,220	2,350	3,479	1,129	32.5	48.0	0.4	165	-115
1993	13,490	2,430	3,479	1,049	30.2	43.2	0.3	130	-155
1994	13,800	2,490	3,479	989	28.4	39.7	0.5	200	-90
1995	14,080	2,560	3,479	919	26.4	35.9	1.1	300	15

¹1985 load forecast dated 9-16-85.

²Does not include effect of potential off-system sales on reserves or reliability.

³Average number of days per year DL system would be deficient in generating capacity to supply load without any outside purchases.

⁴Estimated maximum amount of purchased power required periodically to reduce the dependence on outside resources to the level indicated.

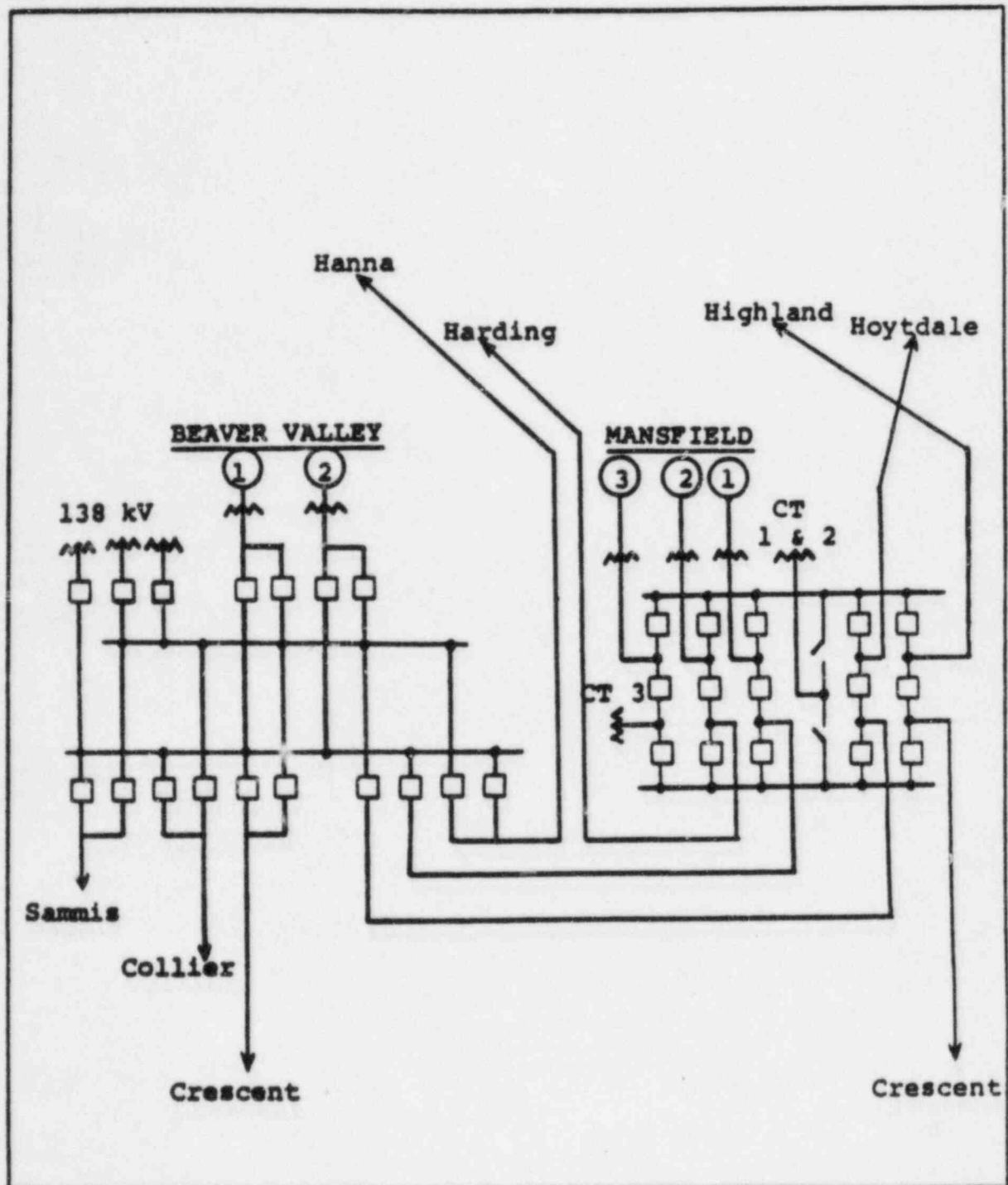
Capacity Additions

Unit	Present Schedule (on or about)	DL N.D.C. (MW)
Perry 1 (1205 MW)	7-1-86	165
BV 2 (833 MW)	12-87	114
Perry 2 (1205 MW)	12-31-90	165

System Planning Department
Bulk Power Section
September 25, 1985

TABLE 2

BEAVER VALLEY-MANSFIELD
GENERATING COMPLEX
345 KV SWITCHING DIAGRAM



TERMS AND CHARGES
MUNICIPAL RESALE SERVICE
FOR PITCAIRN

AVAILABILITY

Available to serve the municipality of Pitcairn purchasing electric service from the Company for resale at retail, subject to the terms and conditions herein.

Service: 60 Hertz, Alternating Current, Unregulated, for use other than parallel operation.

1. Monthly Rate

Customer Charge-----\$190.00

Capacity Charge

All kilowatts of Demand-----\$14.71 per kilowatt

Energy Charge

All kilowatt-hours-----2.15c per kilowatt-hour

Minimum Charge

The minimum charge shall be the Minimum Billing Demand applied to the Capacity Charge plus the Customer Charge.

Fuel Cost Adjustment

Bills rendered under this schedule are subject to the Fuel Cost Adjustment Clause included in this Tariff.

2. Untransformed Service

Where Pitcairn takes all of its electric service directly from the Company's available transmission system, and furnishes all necessary equipment to take untransformed service, a monthly reduction based upon the Billing Demand of such service shall be allowed as follows:

First 50 kilowatts at 20 cents per kilowatt.
Next 550 kilowatts at 13 cents per kilowatt.
Excess over 600 kilowatts at 7 cents per kilowatt.

3. Late Payment Charge

Bills will be calculated on the rate stated herein, and are due and payable on or before thirty days from the date of mailing of the bill to the ratepayers. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the bill. The Charge shall be calculated on the overdue portions of the bill and shall not be charged against any sum that falls due during a current billing period.

4. Determination of Billing Demand

Individual Demand will be the average kilowatts during the fifteen-minute period of greatest kilowatt-hour use during the month. Individual Demands will be adjusted for power factor by multiplying by

$0.8 + (0.6 \frac{\text{Reactive Kilovolt-ampere hours}}{\text{Kilowatt-hours}})$, where such multiplier will be not less than 1.00 nor more than 2.00.

The Billing Demand will not be less than 60% of the highest Individual Demand of the last 11 months nor less than 60% of the Contract Demand whichever is greater.

Billing Demand is referred to in the Monthly Rate as Demand.

DUQUESNE LIGHT COMPANY
RATE SCHEDULE F.P.C. No. 11
FIRST REVISED APPENDIX I

Supplement No. 9 to Rate Schedule
FPC No. 11
Page 1 of 2

TERMS AND CHARGES
MUNICIPAL RESALE SERVICE
FOR PITCAIRN

AVAILABILITY

Available to serve the municipality of Pitcairn purchasing electric service from the Company for resale at retail, subject to the terms and conditions herein.

Service: 60 Hertz, Alternating Current, Unregulated, for use other than parallel operation.

1. Monthly Rate

Customer Charge-----\$190.00

Capacity Charge

All kilowatts of Demand-----\$14.03 per kilowatt

Energy Charge

All kilowatt-hours-----2.15¢ per kilowatt-hour

Minimum Charge

The minimum charge shall be the Minimum Billing Demand applied to the Capacity Charge plus the Customer Charge.

Fuel Cost Adjustment

Bills rendered under this schedule are subject to the Fuel Cost Adjustment Clause included in this Tariff.

2. Untransformed Service

Where Pitcairn takes all of its electric service directly from the Company's available transmission system, and furnishes all necessary equipment to take untransformed service, a monthly reduction based upon the Billing Demand of such service shall be allowed as follows:

First 50 kilowatts at 20 cents per kilowatt.
Next 550 kilowatts at 13 cents per kilowatt.
Excess over 600 kilowatts at 7 cents per kilowatt.

3. Late Payment Charge

Bills will be calculated on the rate stated herein, and are due and payable on or before thirty days from the date of mailing of the bill to the ratepayers. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the bill. The Charge shall be calculated on the overdue portions of the bill and shall not be charged against any sum that falls due during a current billing period.

4. Determination of Billing Demand

Individual Demand will be the average kilowatts during the fifteen-minute period of greatest kilowatt-hour use during the month. Individual Demands will be adjusted for power factor by multiplying by

$0.8 + (0.6 \frac{\text{Reactive Kilovolt-ampere hours}}{\text{Kilowatt-hours}})$, where such multiplier will be not less than 1.00 nor more than 2.00.

The Billing Demand will not be less than 60% of the highest Individual Demand of the last 11 months nor less than 60% of the Contract Demand whichever is greater.

Billing Demand is referred to in the Monthly Rate as Demand.

INFORMATION REQUESTED BY THE
NUCLEAR REGULATORY COMMISSION
FOR ANTITRUST REVIEW

ANSWER OF OHIO EDISON COMPANY

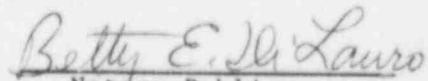
A F F I D A V I T

STATE OF OHIO)
) SS:
SUMMIT COUNTY)

On October 8, 1985 before me, a Notary Public in and for the State and County aforesaid, personally appeared Justin T. Rogers, who, after being duly sworn according to law, deposed and said that he is President of OHIO EDISON COMPANY, an Ohio corporation, that in such capacity he is authorized to make this Affidavit; and that the within Answer of OHIO EDISON COMPANY to the Information Requested by the Nuclear Regulatory Commission for Antitrust Review are true and correct to the best of his knowledge, information and belief.


Justin T. Rogers

Sworn to and subscribed before me the day and year aforesaid.


Notary Public
BETTY E. DILAURO
Notary Public, State of Ohio
Resident of Summit County
My Commission Expires Aug. 15, 1988

OHIO EDISON COMPANY

Nuclear Regulatory Commission
(10CFR Part 50)
Licensing of Production and Utilization Facilities

BEAVER VALLEY POWER STATION

UNIT 2

Information Needed by the Nuclear Regulatory Com-
mission for Antitrust Review of Operating License
Applications for Nuclear Power Plants as detailed
in Regulatory Guide 9.3

RESPONSE OF OHIO EDISON COMPANY

Item 1.a

- 1) Anticipated excess or shortage in generating capacity resources not expected at the construction permit stage. Reasons for the excess or shortage along with data on how the excess will be allocated, distributed, or otherwise utilized or how the shortage will be obtained.

For purposes of this response, Ohio Edison System (which in this section, includes Ohio Edison Company and Pennsylvania Power Company, a wholly owned subsidiary) has interpreted an "excess or shortage" in generating capacity resources to mean any anticipated difference between total capability and peak load requirements. When this difference is an excess, usually referred to as reserves, it provides for unforeseen capacity resource outages, planned outages of capacity resources and other deratings. The reserve therefore permits supplying peak load requirements in a reliable manner. All information and calculations which follow are premised upon this definition.

RESULTS

Information regarding the Ohio Edison System's capability, peak load and margin forecasts is summarized in Tables 1 through 5. Tables 1 and 2 present current 1985 estimates of these for the summer and winter periods, respectively, for the years 1985-1988. The estimates anticipate the completion of Beaver Valley Unit 2 in 1987. Tables 3 and 4 present corresponding construction stage 1972 forecasts for the summer and winter periods, respectively, for the years 1972-1978. In these projections, Beaver Valley Unit 2 completion was scheduled for 1978. For each year projected, total capability was determined to exceed anticipated load requirements, thereby resulting in reserves.

Table 5 represents a comparison between the current forecast and the forecast made at the construction permit stage. The comparison contrasts load, capability, and margin data for the years in which the unit was scheduled to commence operation. Since current total load projections (including off-system sales) are lower than those formerly made, the current peak load forecast (including off-system sales) for 1987 and 1988 is lower than the 1972 load projection for 1978. On the other hand, the change in the Beaver Valley Unit 2 in-service date from 1978 to 1987 precipitated a change in the in-service date of other generating units. This capacity change together with the rerating of Ohio Edison System generating capacity has resulted in approximately the same capability forecast for 1987-1988 as compared to the 1972 capability estimates made for 1978. As a result of these two factors, there is a net increase in projected reserve capacity for the year of completion. As Table 5 indicates, the margin of reserves currently forecast for 1987 and 1988 represents an increase over the margin forecast in 1972 for 1978 of 1002 MW at the time of projected summer peak load and 842 MW at the time of projected winter peak load.

REASONS FOR CHANGE IN EXCESS CAPACITY (RESERVES)

Prior to 1973, times were relatively untroubled and uncomplicated in the electric industry. Sales and peak demand had been going up rapidly and consistently. One could, up to that time, lay a ruler along a trend line of growth and produce an accurate prediction of future growth.

In mid-1973, however, this situation began to change significantly. The Arab Oil Embargo of late 1973 and early 1974 forced Amercia to face fuel shortages for the first time in many years. Public attitudes began to shift toward conservation, and government policy reflected and ever increasing desire to reduce dependency upon outside resources.

The result for Ohio Edison was erratic short term load growth which ultimately developed into lower long term growth. Higher inflation rates accompanied this, limiting construction funds which were already stretched by inflation. Since 1974, five schedule revisions of generating capacity entailing individual unit delays of up to 97 months, and in total averaging almost 6 years, were made.

On January 22, 1980, increased uncertainty about nuclear viability, topped off by the adverse effects of Three Mile Island, combined with financial difficulties, resulted in a decision of the CAPCO Companies to terminate their last 4 nuclear units (Davis-Besse 2 and 3 and Erie 1 and 2). In order to further improve its financial position, Ohio Edison System agreed to reallocate 80 MW of its ownership in each of the Perry units to CEI. As part of the agreement, Ohio Edison System will purchase 80 MW of power from CEI for an 18-month period following the in-service date of Perry 1.

Further capacity reductions resulted from the rerating of all generating units within the Ohio Edison System. The reratings represent the testing of units under more stringent conditions, as established by the East Central Area Reliability Council (ECAR). Although Ohio Edison's participation in this program was voluntary, the Company adopted its use in an effort to standardize capability ratings with other utilities and in the belief that the new ratings better reflect the actual capacity to be expected from a given unit.

Although the CAPCO members have extensively reduced the proposed capacity program, including the termination of 4 units representing approximately 4200 MW, their reserve margins have increased. This is attributable to the substantial reduction in projected load growth which has declined at a rate outpacing the capacity reductions.

- 4 -

USE OF RESERVES

Ohio Edison capacity in excess of peak load requirements is to be utilized as capacity reserves for the Ohio Edison System.

The need for adequate reserves in capacity planning has long been established. Because electricity cannot be stored in quantities needed for power supply purposes, supply and demand must be in continuous balance, instant by instant. This, in turn, requires that generating facilities must be in place and must be in operation in anticipation of the load to be served.

Physical limitations on the generating equipment also require reserves. Generating units must be taken out of service periodically for lengthy periods to undergo positive preventative maintenance and overhaul. Nuclear-fueled units require down time for refueling. All units are subject to total or partial outages and/or derating due to such factors as equipment failure, normal wear, and seasonal variation in ambient air and water conditions.

When a deficiency in capacity persists for a long period, considerable problems are likely to occur. Inevitably, a deficiency degrades reliability with insidious and subtle consequences long before customer service is actually curtailed. The deficiency would tend to interfere with scheduled preventive maintenance. If preventive maintenance cannot be performed, forced outages and capacity curtailments will increase.

In addition to being used as capacity reserves, some of the Ohio Edison capacity in excess of peak load requirements can be utilized for power sales to other utilities. Such sales would take place only to the extent that Ohio Edison would maintain adequate system reliability. The extent of any power sales would also of course depend on the needs of other utilities to purchase power. Power purchases by other utilities have been made to replace power generated using high cost imported oil, or to replace power plants which were cancelled or damaged.

Currently the Ohio Edison System has three major power sales agreements with several eastern utilities. These include long term sales of 150 MW to Potomac Electric Power Company and 200 MW to General Public Utilities. In addition, the system is a supplier of 200 MW - 700 MW to the Allegheny Power System for resale, on a weekly basis, to several members of the Pennsylvania-Jersey-Maryland Interconnection Group. These power sales have been reflected in Tables 1, 2 and 5.

Table 1

Ohio Edison System
Current Projections
Loads, Capabilities & Margins
For the Years 1985-1988
Summer (MW)

Beaver Valley 2 scheduled for completion in Winter, 1987-1988.

	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>
Net Demonstrated Capability	5402	5905+	5905+	6176
Season Derating	67	76	76	81
Net Seasonal Capability	5335	5829	5829	6095
OE Service Area REC's	65	65	65	65
Share of OVEC Avail. Cap.	135	155	142	89
WCDE Purchase	74	76	76	76
Total Capability	<u>5609</u>	<u>6125</u>	<u>6112</u>	<u>6325</u>
Projected Peak Load	4190	4250	4110	4100
Off-System Sales	550	350	350	350
Margin	869	1525	1652	1875

* Includes 80 MW purchase from CEI, less seasonal derating.

Table 2

Ohio Edison System
Current Projections
Loads, Capabilities & Margins
For the Years 1985-1988
Winter (MW)

Beaver Valley 2 scheduled for completion in Winter, 1987-1988.

	<u>1985-1986</u>	<u>1986-1987</u>	<u>1987-1988</u>
Net Demonstrated Capability	5827	5907+	6176
Seasonal Derating	0	0	0
Net Seasonal Capability	5827	5907	6176
OE Service Area REC's	105	105	110
Share of OVEC Avail. Cap.	169	156	103
Total Capability	<u>6101</u>	<u>6168</u>	<u>6389</u>
Projected Peak Load	4145	4105	4125
Off-System Sales	350	350	350
Margin	1606	1713	1914

+ Includes 80 MW purchase from CEI, less seasonal derating.

Table 3

Ohio Edison System
1972 Projections (Data Package 3)
Loads, Capabilities & Margins
For the Years 1972-1978
Summer (MW)

Beaver Valley 2 scheduled for completion in Summer, 1978

	<u>1972</u>	<u>1973</u>	<u>1974</u>	<u>1975</u>
Net Seasonal Capability	3886	4019	4129	5175
OE Service Area REC's	40	42	45	48
Share of OVEC Avail. Cap.	206	206	206	105
Total Capability	<u>4132</u>	<u>4267</u>	<u>4380</u>	<u>5328</u>
Projected Peak Load	3580	3805	4045	4300
Margin	552	462	335	1028

	<u>1976</u>	<u>1977</u>	<u>1978</u>
Net Seasonal Capability	5531	5531	5881
OE Service Area REC's	50	54	57
Share of OVEC Avail. Cap.	105	105	105
Total Capability	<u>5686</u>	<u>5690</u>	<u>6043</u>
Projected Peak Load	4575	4860	5170
Margin	1111	830	873

Table 4

Ohio Edison System
1972 Projections (Data Package 3)
Loads, Capabilities & Margins
Winter (MW)

Beaver Valley 2 scheduled for completion in Summer, 1978

	<u>1972</u>	<u>1973</u>	<u>1974</u>	<u>1975</u>
Net Seasonal Capability	3966	4146	5051	5306
OE Service Area REC's	65	69	74	78
Share of OVEC Avail. Cap.	221	221	221	119
Total Capability	<u>4252</u>	<u>4436</u>	<u>5346</u>	<u>5503</u>
Projected Peak Load	3520	3755	4010	4285
Margin	732	681	1336	1218

	<u>1976</u>	<u>1977</u>	<u>1978</u>
Net Seasonal Capability	5671	5671	6029
OE Service Area REC's	82	88	94
Share of OVEC Avail. Cap.	119	119	119
Total Capability	<u>5872</u>	<u>5878</u>	<u>6242</u>
Projected Peak Load	4575	4860	5170
Margin	1297	1018	1072

Table 5

Ohio Edison System
Data Comparison
Beaver Valley 2 Completion Dates
(MW)

Beaver Valley 2

Original Forecast of Summer 1978 Completion.
Current Forecast of Winter 1987-1988 Completion.

<u>Summer</u>	<u>1978</u>	<u>1988</u>	<u>Change</u>
Total Capability	6043	6325	282
Projected Peak Load*	5170	4450	-720
Margin	873	1875	1002

<u>Winter</u>	<u>1978-1979</u>	<u>1987-1988</u>	<u>Change</u>
Total Capability	6242	6389	147
Projected Peak Load*	5170	4475	-695
Margin	1072	1914	842

* Includes off-system sales.

Item 1.b.

New power pools or coordinating groups or changes in structure, activities policies, practices, or membership of power pools or coordinating groups in which the licensee was, is, or will be a participant.

Ohio Edison Company and its subsidiary, Pennsylvania Power Company, are members of the Central Area Power Coordinating Group ("CAPCO") which was formed in September of 1967, but which has changed or agreed to change certain of their activities, policies, and practices since the antitrust review at the construction permit stage. These changes are more fully described in the prior responses of applicants.

On June 25, 1985, the Toledo Edison Company and the Cleveland Electric Illuminating Company announced plans to form a new holding company that would provide the overall management, and planning of central staff support for the two utilities. They have agreed to mutually develop, as soon as practical an equitable program of generating capacity rationalization and joint economic distribution. These programs can be more fully described by those utilities involved.

Item 1.c.

Changes in transmission with respect to (1) the nuclear plant, (2) interconnections, or (3) connections to wholesale customers.

In this section, CEI refers to The Cleveland Electric Illuminating Company, DL to Duquesne Light Company, OES to Ohio Edison System, OP to Ohio Power Company and TE to The Toledo Edison.

- 1) The following changes in transmission with respect to the nuclear plant have been made since completion of the antitrust review at the construction permit stage:
 - a. The 345 kV Beaver Valley (DL) to Hanna (OES) circuit, originally submitted as an addition with Beaver Valley Unit 2, was subsequently revised as an addition to Mansfield Power Plant (OES) to form a Mansfield Power Plant to Hanna Substation circuit.
 - b. The Mansfield Power Plant (OES) to Hanna (OES) 345 kV line noted above passes near the Beaver Valley Power Station, and is scheduled to be looped into the Beaver Valley Power Station in 1986, thus forming a second Beaver Valley-Mansfield Power Plant circuit and a Beaver Valley (DL)-Hanna (OES) circuit.
 - c. Also in 1986, in connection with the addition of Beaver Valley Unit 2 (now scheduled for 1987), a 345 kV transmission circuit is scheduled to be put in service extending between the Beaver Valley Power Station (DL) and Crescent Substation (DL).
- 2) The following changes in interconnections, referred to in this section as interconnection circuits, have occurred or will occur within the Ohio Edison System (OES) since the completion of the antitrust review at the construction permit stage:

- a. A 345 kV transmission interconnection with Duquesne Light Company was placed in service in 1972. The circuit extended between the Beaver Valley Power Station (DL) and the Shenango Substation (OES).
- b. A 345 kV transmission interconnection with The Cleveland Electric Illuminating Company (CEI) and Ohio Power Company (OP) was placed in service in 1972. This single interconnection point was established by looping the then existing Canton Central (OP)-Juniper (CEI) 345 kV circuit into a newly developed Hanna (OES) Substation.
- c. A 138 kV transmission interconnection with CEI was placed in service in 1974. The circuit extends between the Johnson Substation (OES) and the Lorain Switching Station (CEI), thus constituting a second circuit between these two points.
- d. A 345 kV transmission interconnection with Toledo Edison (TE) was placed in service in 1975. The circuit extends between the Davis Besse Nuclear Power Plant (TE) and the Beaver Substation (OES).
- e. The 345 kV Beaver Valley-Shenango (OES) interconnection with Duquesne Light Company was replaced by two 345 kV interconnections with Duquesne Light Company in 1975.
- f. A 345 kV transmission interconnection with CEI was placed in service in 1981. The circuit extends between the Avon Power Plant (CEI) and the Beaver Substation (OES). This constitutes the second circuit between these two points.

- g. A 345 kV transmission interconnection with CEI is scheduled to be put into service in 1985. This circuit will extend between the Mansfield Power Plant (OES) and the Harding Substation (CEI).
- h. The 345 kV Ohio Edison Mansfield-Hanna line, which currently passes near Duquesne Light's Beaver Valley Power Station is scheduled for modification in 1986. The line will be changed to form a second Beaver Valley (DL)-Mansfield (OES) 345 kV interconnection (the first discussed in item e. above) and a Beaver Valley (DL)-Hanna (OES) 345 kV interconnection.
- i. Two 345 kV and one 138 kV transmission interconnections with Ohio Power Company (OP) are scheduled to be put into service in 1987. The 345 kV interconnections include the Hyatt (OP)-Tangy (OES) and the Marysville (OP)-Tangy (OES) circuits and the 138 kV interconnection will extend between Cloverdale Substation (OES) and East Wooster Substation (OP).

These changes are reflected in the following table:

Ohio Edison System Interconnection Circuits (In Service and Planned)

<u>Year</u>	<u>345 kV</u>	<u>138 kV</u>	<u>69 kV</u>	<u>34.5 kV</u>	<u>Total</u>
1971	8	13	4	2	27
1972	10	13	5	1	29
1974	10	14	5	1	30
1975	13	14	5	1	33
1981	14	14	5	1	34
1985	15	14	5	1	35
1986	17	14	5	1	37
1987	19	15	5	1	40

3) Two changes have occurred in Ohio Edison's wholesale customers' connections between 1972 and 1982. They are:

- a. The City of Newton Falls, previously generating its own power, was added as a wholesale customer in 1977. The City is served via the Newton Falls Substation at 69 kV.
- b. The City of Niles, previously served at a voltage of 23 kV, is now served at 138 kV. The first phase of this change was completed in December, 1977, and the second phase was completed in April, 1978.

The Cuyahoga Falls power system, currently being served at 23 kV, may be changed to 138 kV service at some time in the future. The exact date has not yet been determined.

Item 1.d.

Changes in the ownership or contractual allocation of the output of the nuclear facility. Reasons and basis for such changes should be included.

On May 1, 1977, the CAPCO Companies agreed that Ohio Edison Company (OEC) would increase its ownership share in Beaver Valley Unit 2 from 35.60% to 41.88% while Pennsylvania Power Company (PPC) would reduce its ownership share in the unit from 6.28% to zero. This reallocation of ownership shares in Beaver Valley Unit 2 between OEC and PPC was made to improve the balance between the respective needs and capabilities of those two companies. There was no change in the other CAPCO Companies' ownership shares in the unit.

The ownership shares of the CAPCO Companies in Beaver Valley Unit 2 before and after the May 1, 1977, reallocation are as follows:

	<u>Percent Ownership Before 5/1/77 Reallocation</u>	<u>Percent Ownership After 5/1/77 Reallocation</u>
The Cleveland Electric Illuminating Company	24.47	24.47
Duquesne Light Company	13.74	13.74
Ohio Edison Company	35.60	41.88
Pennsylvania Power Company	6.28	0.00
The Toledo Edison Company	<u>19.91</u>	<u>19.91</u>
	100.00	100.00

Item 1.e.

Changes in design, provisions or conditions of rate schedules and reasons for such changes. Rate increases or decreases are not necessary.

Ohio Edison Company has combined its two smaller general service rates into a more equitable rate for both classes of customers. General Services-Small and General Service Medium have been combined to form General Service-Secondary Voltages. (See Rate Schedules marked as Attachment 1 hereto).

For many years we had 21 municipal customers that individually bought power from us under a wholesale rate and resold this power retail to their customers. This procedure continued until 1977 when the Company was required to wheel power to the municipals from third party sources as a condition of nuclear licensing procedures before the NRC.

A Partial Requirement Rate became available to wholesale customers, negotiated relative to Docket No. ER77-530 and established in Docket No. ER80-361, on April 1, 1981.

Thereafter the municipals bought a small amount of power from Buckeye Power, but on the whole generally remained individual full requirement customers. In 1983, the Company was advised that the municipals had banded together to purchase power, as a group from AMP-Ohio, who would be their agent for dealing with the Company. At this point we no longer had a municipal resale class of customers. Our dealings were to be with AMP-Ohio as an independent power system who could buy power from the lowest bidder anywhere within or outside Ohio and the Company would simply be asked to wheel this power to our former municipal customers.

Through a long negotiating process, we finally agreed effective October 1, 1983, to our current service contract with AMP-Ohio. AMP-Ohio agreed to buy 105 megawatts from us at an off-system competitive market rate, which is referred to as "base power" in the contract. AMP-Ohio retained the option

to buy 480 megawatt months of power per year from other sources if it could find a cheaper source. The 105 megawatt base power is increased by 3 megawatts each year of the contract which runs through September, 1988. For the balance of the contract load, which is referred to as "regulation power", AMP-Ohio agreed to pay us at a rate which is tied to the level of our General Service-Large, Rate No. 53.

GENERAL SERVICE - SMALL

SECONDARY VOLTAGES

Availability:

Available to general service installations requiring secondary voltage service, where billing loads are generally less than 50 KW or where seasonal service is involved.

Both single and three phase service will be metered through one meter and so billed unless circumstances not under the control of the Company make it impractical or not feasible to do so.

Service:

Alternating current, 60 Hz, at nominal voltages of 120/240 or 120/208 or 277 single phase, or 120/208 or 240 or 277/480 three phase, as may be available from suitable facilities of adequate capacity adjacent to the premises to be served. Other voltages may be obtained from available distribution facilities provided the customer owns, operates and maintains all necessary transforming, controlling, regulating and protective equipment, in which case service will be metered at the Company's supply voltage.

The Company designs and operates its electrical system to provide service voltages within the limits specified in American National Standard Voltage Ratings for Electric Power Systems and Equipment (60 Hz) C84.1-1970.

Rate:

The net monthly charge per customer shall be:

Customer Charge: \$10.52

Energy Charge:

First 150 KWH per KW of billing demand, per KWH 10.63¢

Next 100 KWH per KW of billing demand, per KWH 4.09¢

Over 250 KWH per KW of billing demand, per KWH 0.80¢

Minimum Charge:

\$10.52 plus \$4.00 per KW of billing demand in excess of 5 KW plus applicable fuel adjustment charge. The minimum charge shall not be less than \$11.52 for three phase service.

Billing Demand in KW:

The billing demand for the month shall be the greatest of:

- (1) The highest measured 30-minute KW demand during the month
- (2) 5.0 KW
- (3) The contract demand

When metering capable of measuring on-peak and off-peak demands is in use, the customer's measured demand shall be the greater of the on-peak demand or 25 percent of the off-peak demand. Where a customer has the capability of moving a deferrable demand to an off-peak period and desires to do so, the Company will provide the metering capability to measure demands occurring during on-peak and off-peak periods upon payment by the customer of an amount equal to the additional cost of a time-of-day meter. These installations are not available to seasonal customers.

On-peak periods are from 8:00 A.M. to 9:00 P.M. local time Monday through Friday, except for the following legal holidays observed during these periods: New Years Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. These observed legal holidays and all other periods shall be off-peak.

(Continued)

(Continued)

The Company shall not be required to increase the capacity of any service facilities in order to furnish off-peak demands. The Company reserves the right, upon 30 days notice to customers affected, to change the time or times during which on-peak demands may be established.

Fuel Adjustment:

The energy charge shall be adjusted in accordance with the Electric Fuel Component Rider shown on Sheet No. 42-1.

Tax Adjustment:

Bills shall be adjusted in accordance with the Interim Ohio Gross Receipts Tax Surcharge Rider shown on Sheet No. 41.

Adjustment for Primary Metering:

Where a transformer installation (regardless of ownership) is utilized solely to furnish service to a single customer, the Company may meter the service on the primary side of the transformers, and in such case the load and energy registrations shall each be reduced 2%.

Terms of Payment:

The net amount billed is due and payable within fifteen days after the date of mailing of the bill. If the net amount is not paid on or before the date shown on the bill for payment of net amount, the gross amount which is 3% more than the net amount is due and payable.

Power Factor Correction:

The Company may, at its option, test or meter the power factor of the customer's load and for either a leading or lagging power factor of less than eighty-five hundredths (0.85) the measured load shall be adjusted by multiplying the measured load by the ratio of 0.85 divided by the power factor of the load. No correction will be made where the power factor is found to be greater than 0.85.

Auxiliary or Stand-by Service:

When auxiliary or standby-service is furnished, a contract demand shall be established by mutual agreement and shall be specified in the service contract. No reduction in contract demand shall be permitted during the term of the contract. In re-contracting for auxiliary or stand-by service, the new contract demand shall not be less than 60% of the highest billing demand during the last eleven months of the previous contract term.

Seasonal or Temporary Discontinuance of Service:

Where service has been discontinued at customer's request because of seasonal occupancy of the premises or where service has been discontinued at customer's request because the customer's occupancy is to be temporarily discontinued for at least two months, the minimum charge as above provided shall not be applicable during such discontinuance of service, but in lieu thereof a charge of \$25.00 will be made when service is re-established.

Contract:

An application is required. When the service is re-established for the benefit of the same customer at the same location within a period of less than twelve months from the date when service was discontinued, all of the conditions in the previous contract period applicable to billing shall apply and the billing load shall not be less than 60% of the highest billing load during the last eleven months of the previous contract term.

Rules and Regulations:

The Company's Standard Rules and Regulations shall apply to the installation and use of electric service.

GENERAL SERVICE

SECONDARY VOLTAGES

Availability:

Available to general service installations requiring secondary voltage service.

Both single and three phase service will be metered through one meter and so billed unless circumstances not under the control of the Company make it impractical or not feasible to do so.

Service:

Alternating current, 60 Hz, at nominal voltages of 120/240 or 120/208 or 277 single phase, or 120/208 or 277/480 three phase, as may be available from suitable distribution facilities of adequate capacity adjacent to the premises to be served. Other secondary voltages or service from primary or transmission facilities may be obtained from available facilities provided the customer owns, operates and maintains all necessary transforming, controlling, regulating and protective equipment.

The Company designs and operates its electrical system to provide service voltages within the limits specified in American National Standard Voltage Ratings for Electric Power Systems and Equipment (60 Hz) C84.1-1970.

Rate:

The net monthly charge per customer shall be:

Customer Charge: \$13.15

Demand and Energy Charges:

The lesser of (a) or (b):

(a) Demand Charge:

First 100 KW, per KW \$14.90
Over 100 KW, per KW \$13.86

Energy Charge:

First 250 KWH per KW of billing demand, per KWH 2.09¢
Over 250 KWH per KW of billing demand, per KWH 0.82¢

(b) Fixed Energy Charge per KWH: 11.00¢

Minimum Charge:

\$13.15 plus \$4.50 per KW of billing demand in excess of 5 KW plus applicable fuel adjustment charge.

Recreation Lighting:

Billing for separately metered non-profit outdoor public recreation facilities shall exclude the application of the minimum charge.

Billing Demand in KW:

The billing demand for the month shall be the greatest of:

- (1) The highest measured 30-minute KW demand during the month
- (2) 5.0 KW
- (3) The contract demand

When metering capable of measuring on-peak and off-peak demands is in use, the customer's measured demand shall be the greater of the on-peak demand or 25 percent of the off-peak demand. Where a customer has the capability of moving a deferrable demand to an off-peak period and desires to do so, the Company will provide the metering capability to measure demands occurring during on-peak and off-peak periods upon payment by the customer of an amount equal to the additional cost of a time-of-day meter. These installations are not available to seasonal customers.

(Continued)

Filed under the authority of Order No. 83-1130-EL-AIR. Issued by The Public Utilities Commission of Ohio

(Continued)

On-peak periods are from 8:00 A.M. to 9:00 P.M. local time Monday through Friday, except for the following legal holidays observed during these periods: New Years Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. These observed legal holidays and all other periods shall be off-peak.

The Company shall not be required to increase the capacity of any service facilities in order to furnish off-peak demands. The Company reserves the right, upon 30 days notice to customers affected, to change the time or times during which on-peak demands may be established.

Fuel Adjustment:

The energy charge shall be adjusted in accordance with the Electric Fuel Component Rider shown on Sheet No. 42-1.

Adjustment for Primary Metering:

Where a transformer installation (regardless of ownership) is utilized solely to furnish service to a single customer, the Company may meter the service on the primary side of the transformers, and in such case the demand and energy registrations shall each be reduced 2%.

Terms of Payment:

If the amount billed is not paid by the next scheduled meter reading date shown on the bill, an additional amount equal to 1.5% shall be charged on any unpaid balance existing after this date.

Power Factor Correction:

The Company may, at its option, test or meter the power factor of the customer's load and for either a leading or lagging power factor of less than eighty-five hundredths (0.85) the measured load shall be adjusted by multiplying the measured load by the ratio of 0.85 divided by the power factor of the load. No correction will be made where the power factor is found to be greater than 0.85.

Auxiliary or Stand-by Service:

When auxiliary or standby-service is furnished, a contract demand shall be established by mutual agreement and shall be specified in the service contract. No reduction in contract demand shall be permitted during the term of the contract. In re-contracting for auxiliary or stand-by service, the new contract demand shall not be less than 60% of the highest billing demand during the last eleven months of the previous contract term.

Seasonal or Temporary Discontinuance of Distribution Service:

Where distribution service has been discontinued at customer's request because of seasonal occupancy of the premises or where distribution service has been discontinued at customer's request because the customer's occupancy is to be temporarily discontinued, the minimum charge as above provided shall not be applicable during such discontinuance of service, but in lieu thereof a charge of \$25.00 will be made when service is re-established.

Contract:

An application is required.

Rules and Regulations:

The Company's Standard Rules and Regulations shall apply to the installation and use of electric service.

GENERAL SERVICE - MEDIUM

SECONDARY VOLTAGES

Availability:

Available to general service installations requiring secondary voltage service, where billing loads are generally in excess of 50 KW.

Both single and three phase service will be metered through one meter and so billed unless circumstances not under the control of the Company make it impractical or not feasible to do so.

Service:

Alternating current, 60 Hz, at nominal voltages of 120/240 or 120/208 or 277 single phase, or 120/208 or 240 or 277/480 three phase, as available from suitable facilities of adequate capacity adjacent to the premises to be served. Other voltages may be obtained from available distribution facilities provided the customer owns, operates and maintains all necessary transforming, controlling, regulating and protective equipment, in which case service may be metered at the Company's supply voltage.

The Company designs and operates its electrical system to provide service voltages within the limits specified in American National Standard Voltage Ratings for Electric Power Systems and Equipment (60 Hz) C 84.1-1970.

Rate:

The net monthly charge per customer shall be:

Capacity Charge:

First 100 KW of billing demand, per KW \$13.48
Additional KW of billing demand, per KW \$12.16

Energy Charge:

First 250 KWH per KW of billing demand, per KWH .. 1.93¢
Over 250 KWH per KW of billing demand, per KWH ... 0.80¢

Minimum Charge:

The minimum monthly charge shall be the capacity charge.

Billing Demand in KW:

The billing demand for the month shall be the greatest of:

- (1) The highest measured 30-minute KW demand during the month
- (2) 60% of the highest billing demand during the preceding eleven months
- (3) 50 KW
- (4) The contract demand

When metering capable of measuring on-peak and off-peak demands is in use, the customer's measured demand shall be the greater of the on-peak demand or 25 percent of the off-peak demand. Where the customer has the capability of moving a deferrable demand to an off-peak period and desires to do so, the Company will provide the metering capability to measure demands occurring during on-peak and off-peak periods upon payment by the customer of an amount equal to the additional cost of a time-of-day meter.

On-peak periods are from 8:00 A.M. to 9:00 P.M. local time Monday through Friday, except for the following legal holidays observed during these periods: New Years Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. These observed legal holidays and all other periods shall be off-peak.

Where it has been demonstrated that through load management equipment or other procedures a customer has shifted 40% of his load to the off-peak period on an on-going basis and such change of load will cause the 60% billing demand ratchet provision to be used in billing the account, the customer may be allowed to re-establish his maximum demand for billing purposes.

(Continued)

Ohio Edison Company
Akron, Ohio

P.U.C.O. No. 10

Fourteenth Revised Sheet No. 52
Cancelling Thirteenth Revised Sheet No. 52
Continued

(Continued)

Billing Demand in KW: (Continued)

The Company shall not be required to increase the capacity of any service facilities in order to furnish off-peak demands. The Company reserves the right, upon 30 days notice to customers affected, to change the time or times during which on-peak demands may be established.

Fuel Adjustment:

The energy charge shall be adjusted in accordance with the Electric Fuel Component Rider shown on Sheet No. 42-1.

Tax Adjustment:

Bills shall be adjusted in accordance with the Interim Ohio Gross Receipts Tax Surcharge Rider shown on Sheet No. 41.

Adjustment for Primary Metering:

Where a transformer installation (regardless of ownership) is utilized solely to furnish service to a single customer, the Company may meter the service on the primary side of the transformers, and in such case the demand and energy registrations shall each be reduced 2%.

Terms of Payment:

The net amount billed is due and payable within fifteen days after the date of mailing of the bill. If the net amount is not paid on or before the date shown on the bill for payment of net amount, the gross amount which is 3% more than the net amount is due and payable.

Power Factor Correction:

The Company may, at its option, test or meter the power factor of the customer's load and for either a leading or lagging power factor of less than eighty-five hundredths (0.85) the measured load shall be adjusted by multiplying the measured load by the ratio of 0.85 divided by the power factor of the load. No correction will be made where the power factor is found to be greater than 0.85.

Auxiliary or Stand-by Service:

When auxiliary or stand-by service is furnished, a contract demand shall be established by mutual agreement and shall be specified in the service contract.

No reduction in contract demand shall be permitted during the term of the contract. In re-contracting for auxiliary or stand-by service, the new contract demand shall not be less than 60% of the highest billing demand during the last eleven months of the previous contract term.

Contract:

An application is required. Electric service hereunder will be furnished for a minimum period of one year and shall continue thereafter from year to year unless either party shall give to the other not less than 60 days notice in writing prior to the expiration date of any yearly period that the service is to be terminated.

A written contract will be required for auxiliary or stand-by service or when a contract demand is required.

When the service is re-established for the benefit of the same customer at the same location within a period of less than twelve months from the date when service was discontinued, all of the conditions during the previous contract period applicable to billing shall apply and the billing demand shall not be less than 60% of the highest billing demand during the last eleven months of the previous contract period.

Rules and Regulations:

The Company's Standard Rules and Regulations shall apply to the installation and use of electric service.

Filed under the authority of Order No. 82-1025-EL-AIR, issued by The Public Utilities Commission of Ohio

Issued by J. T. Rogers, Jr., President
RES83/084

Effective: December 2, 1983

Item 1.f.

List of all (1) new wholesale customers, (2) transfers from one rate schedule to another, including copies of schedules not previously furnished, (3) changes in licensee's service area, and (4) licensee's acquisitions or merger.

- 1) Ohio Edison Company has no new wholesale customers.
- 2) All twenty-one of the partial requirement wholesale customers of Ohio Edison Company have joined AMP-Ohio and are currently receiving their power from them. Two of Pennsylvania Power Company's previously full requirements wholesale customers have commenced taking partial requirements under a recently approved rate response.
- 3) House Bill 577 has caused the service area boundaries of Ohio Edison to become strictly defined, but it did not change the service area significantly.
- 4) Ohio Edison Company has not participated in any acquisition or merger.

Item 1.g.

List of those generating capacity additions committed for operation after the nuclear facility, including ownership rights or power output allocations.

There is one generating capacity addition committed for operation after Beaver Valley Unit 2 which will be partially owned by Ohio Edison. This facility is Perry Nuclear Power Plant Unit 2, which will be operated by The Cleveland Electric Illuminating Company. All options with respect to the completion and timing of this unit are being evaluated. The expected total generating capacity of this unit is 1205 MW.

The ownership allocation of the generating capacity to be installed at Perry Nuclear Power Plant Unit 2 is as follows:

	<u>Percent</u>
The Cleveland Electric Illuminating Co.	31.11
Duquesne Light Company	13.74
Ohio Edison Company	30.00
Pennsylvania Power Company	5.24
The Toledo Edison Company	<u>19.91</u>
	100.00

Item 1.h.

Summary of requests or indications of interest by other electric power wholesale or retail distributors, and licensee's response, for any type of electric service or cooperative venture or study.

On December 29, 1978 twenty-one wholesale customers of Ohio Edison Company and the four municipal wholesale customers of The Toledo Edison Company gave notice of a general intent to obtain access to the Davis-Besse 1, 2 and 3 and the Perry 1 and 2 nuclear units.

By letter dated March 26, 1979, attorneys for the wholesale customers requested a meeting between representatives of the municipalities and representatives of each of the CAPCO Companies to exchange views and information. Such a meeting was held in Cleveland, Ohio, on June 1, 1979. During the meeting the representatives discussed the then proposed establishment of an Ohio Municipal Electric Authority to be set up as a financing tool to be used on behalf on all 83 municipalities which had electrical distribution facilities on January 1, 1979. The establishment of such an authority required an amendment to the Ohio constitution which was eventually defeated by the Ohio voters on June 3, 1980. No further action has been taken by the requesting entities to obtain access to the units (two of which have since been cancelled).

During the 116th General Assembly H.B. 225 and S.B. 140 having virtually identical language was introduced to create the Ohio Municipal Wholesale Electric Authority ("Authority") without the benefit of a constitutional amendment. Under the bills the authority would sell electric power to its municipal members and others could act as a broker between municipal utilities and other suppliers of electric power, and would have the ability to issue tax exempt bonds and make loans in order to buy into or build generating and transmission facilities. Neither bill has been passed by the General Assembly.

Item 2

Licensees whose construction permits include conditions pertaining to antitrust aspects should list and discuss those actions or policies which have been implemented in accordance with such conditions.

There are no antitrust license conditions attached to BVPS-Unit 2 Construction Permit. Such conditions are attached to Perry Nuclear Power Plant Units No. 1 and 2. Ohio Edison Company is committed to and has complied with all applicable license conditions. (See Response l.e. and l.h. hereto).

Application for
an Operating License for
Beaver Valley Unit No. 2
ANSWERS OF THE CLEVELAND ELECTRIC ILLUMINATING COMPANY
TO THE INFORMATION REQUESTED BY THE ATTORNEY GENERAL
FOR ANTITRUST REVIEW

A F F I D A V I T

STATE OF OHIO)
)
COUNTY OF CUYAHOGA) SS:

On October 10, 1985, before me, a Notary Public in and for
the State and County aforesaid, personally appeared Mr. Murray R.
Edelman, who after being duly sworn according to law, deposed
and said that he is Vice President - Nuclear of THE CLEVELAND
ELECTRIC ILLUMINATING COMPANY, a corporation; that in such
capacity he is authorized to make this Affidavit; and that the
within Answers of THE CLEVELAND ELECTRIC ILLUMINATING COMPANY to
the Information Requested by the Attorney General for Antitrust
Review are true and correct to the best of his knowledge,
information and belief.

Murray R. Edelman
Murray R. Edelman
Vice President - Nuclear

Sworn to and subscribed before me the day and year aforesaid.

David G. Burke
Notary Public
MY COMMISSION DOES NOT EXPIRE

Addendum response of The Cleveland Electric Illuminating Company for the period from December 15, 1982 through July 1, 1985 to Regulatory Guide 9.3

B. INFORMATION NEEDED BY THE NRC REGULATORY STAFF IN CONNECTION WITH ITS ANTI-TRUST REVIEW OF OPERATING LICENSE APPLICATIONS FOR NUCLEAR POWER PLANTS

1. To assist the regulatory staff in its review, an Applicant for a license to operate a commercial nuclear power plant should consider the following items and any related changes that have occurred or are planned to occur since submission of the construction permit application:

- a. Anticipated excess or shortage in generating capacity resources not expected at the construction permit stage. Reasons for the excess or shortage along with data on how the excess will be allocated, distributed or otherwise utilized or how the shortage will be obtained.

The Cleveland Electric Illuminating Company's generating capability, peak load and margin forecasts are updated in Tables 1a, 2a, 2b and 3a to show 1985 projections. Table 1a presents current (1985) estimates for the summer and winter periods for the years 1985-1991. Table 2a presents summer comparisons using the 1972 projections vs. the 1985 projections showing a ten year offset. Table 2b presents winter comparisons using the 1972 projections vs. the 1985 projections showing a ten year offset. Table 3a is a comparison between the 1985 forecast and that made at the construction stage. The 1985 load and capability projections are lower than the corresponding 1972 estimates. Since load forecasts have declined more than capabilities, an increase in the margin resulted.

TABLE 1a

THE CLEVELAND ELECTRIC ILLUMINATING COMPANY
1985 PROJECTIONS
LOAD, CAPABILITIES & MARGINS
FOR THE YEARS 1985-1991

Summer

	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>
NDC	4279	4638	4538	4583	4410 to 4583
Seasonal Derating	57	65	65	64	61 to 64
NSC	4222	4573	4473	4519	4349 to 4519
Proj. Peak Load	3410	3528*	3500	3540	3560
Margin (MW)	812	1045	973	979	789 to 959

19901991

NDC	4261 to 4607	4189 to 4707
Seasonal Derating	57 to 64	54 to 64
NSC	4204 to 4543	4135 to 4643
Proj. Peak Load	3590	3690
Margin (MW)	614 to 953	445 to 953

Winter

	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>
NDC	4638	4538	4583	4410 to 4583	4261 to 4607
Seasonal Derating	0	0	0	0	0
NSC	4638	4538	4583	4410 to 4583	4261 to 4607
Proj. Peak Load	3110**	3150**	3110	3130	3150
Margin (MW)	1528	1388	1473	1280 to 1453	1111 to 1457

19901991

NDC	4189 to 4707	4164 to 4707
Seasonal Derating	0	0
NSC	4189 to 4707	4164 to 4707
Proj. Peak Load	3240	3330
Margin (MW)	949 to 1467	834 to 1377

* Includes 78 MW committed sales

**Includes 80 MW committed sales.

TABLE 2a

THE CLEVELAND ELECTRIC ILLUMINATING COMPANY
PROJECTION COMPARISON
1972 vs. 1985
(10 YEAR OFFSET)

SUMMER

<u>1972 Projection</u>	<u>1975</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>
NDC	4292	4550	4550	4821	5140	5467
Seasonal Derating	80	85	85	93	93	93
NSC	4212	4465	4465	4728	5047	5374
Projected Peak Load	3470	3670	3890	4120	4360	4620
Margin (MW)	742	795	575	608	687	754

<u>1985 Projection</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>
NDC	4279	4638	4538	4583	4410 to 4583	4261 to 4607
Seasonal Derating	57	65	65	64	61 to 64	57 to 64
NSC	4222	4573	4473	4519	4349 to 4519	4204 to 4543
Projected Peak Load	3410	3528*	3500	3540	3560	3590
Margin (MW)	812	1045	973	979	789 to 959	614 to 953

*Includes 78 MW committed sales.

TABLE 2b

THE CLEVELAND ELECTRIC ILLUMINATING COMPANY
PROJECTION COMPARISON
1972 vs. 1985
(10 YEAR OFFSET)

WINTER

<u>1972 Projection</u>	<u>1975</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>
NDC	4292	4550	4550	4821
Seasonal Derating	0	0	0	0
NSC	4292	4550	4550	4821
Projected Peak Load	3220	3410	3600	3800
Margin (MW)	1072	1140	950	1021

	<u>1979</u>	<u>1980</u>
NDC	5148	5467
Seasonal Derating	0	0
NSC	5148	5467
Projected Peak Load	4020	4250
Margin (MW)	1128	1217

<u>1985 Projection</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>
NDC	4638	4538	4583	4410 to 4583
Seasonal Derating	0	0	0	0
NSC	4638	4538	4583	4410 to 4583
Projected Peak Load	3110*	3150*	3110	3130
Margin (MW)	1528	1388	1473	1280 to 1453

	<u>1989</u>	<u>1990</u>
NDC	4261 to 4607	4189 to 4707
Seasonal Derating	0	0
NSC	4261 to 4607	4189 to 4707
Projected Peak Load	3150	3240
Margin (MW)	1111 to 1457	949 to 1467

*Includes 80 MW committed sales.

TABLE 3a

THE CLEVELAND ELECTRIC ILLUMINATING COMPANY
DATA COMPARISON
BEAVER VALLEY UNIT NO. 2 COMPLETION DATES

Beaver Valley Unit No. 2 Original Completion Forecast of 1978
 Current Completion Forecast of 1987

<u>Summer</u>	<u>1978</u>	<u>1987</u>	<u>Change</u>
Total Capability (NSC)	4728	4473	-255
Projected Peak Load	4120	3500	-620
Margin	608	973	+375

<u>Winter</u>	<u>1978</u>	<u>1987</u>	<u>Change</u>
Total Capability (NSC)	4821	4583	-238
Projected Peak Load	3800	3110	-690
Margin	1021	1473	+452

b. New power pools or coordinating groups or changes in structure, activities, policies, practices or membership of power pools or coordinating groups in which the licensee was, is or will be a participant.

4) The applicant companies amended the CAPCO Basic Operating Agreement as amended September 1, 1980 in a number of respects as of July 1, 1984.

The Amendment dated July 1, 1984 allows for the CAPCO Coordinating Office to be the responsibility of Ohio Edison for administrative purposes.

The Amendment also amends article 6 of the Agreement so that CAPCO Unit Back-Up Power shall not be available for a CAPCO Unit when such CAPCO Unit is out of service because a CAPCO company having an ownership interest in such CAPCO Unit fails to supply its share of Uranium for enrichment. The Amendment establishes Schedule I, Replacement Power, to be made available to CAPCO company's failure to supply the required Uranium. The CAPCO companies can not withdraw from the provisions of the Agreement covering Schedule I.

The Amendment also provides for a different billing procedure, a revised interest charge on any unpaid amounts, and a different payment schedule for monies due and owing as the result of a non-CAPCO company's system's failure to make payment for transaction under the Agreement.

The Amendment also modifies the charges of the Agreement under Schedule A, CAPCO Back-up Power; Schedule B, Short Term Power; and Schedule C, Non-Displacement Power.

(See Addendum Attachment 1 - Amendment No. 3 to CAPCO Basic Operating Agreement as amended September 1, 1980.)

- c. Changes in transmission with respect to 1) the nuclear plant,
2) interconnections, or 3) connections to wholesale customers.
 - 2) The following changes have been made or are planned for interconnections with The Cleveland Electric Illuminating Company system:
 - e) A 345 kV interconnection with the Ohio Edison system, from Perry Plant (CEI) to Hanna Substation (OE) is under review.
 - 3) No changes in wholesale customers' connections have occurred between December 15, 1982 and July 1, 1985.

f. List all 1) new wholesale customers, 2) transfers from one rate schedule to another, including copies of schedules not previously furnished, 3) changes in licensee's service area, and 4) licensee's acquisition or merger.

- 2) Transfers from one rate schedule to another, including copies of schedules not previously furnished:

Applicant wheels power to the City of Painesville and municipalities represented by American Municipal Power-Ohio (AMP-O) from the Power Authority of the State of New York under a transmission tariff designated FERC Electric Tariff, Volume 1.

As the result of indications of interest initiated by the City of Cleveland for the transmission of bulk power from The Toledo Edison Company of Toledo, Ohio, from Ontario Hydro of Ontario, Canada, and from the Big Rivers Electric Cooperative of Kentucky, the Applicant has agreed for the purchase and sale of such power under the Applicant's Short-Term Service Schedule (Addendum Attachment 3).

The Company has also established a Limited Term Schedule with the City of Cleveland (Addendum Attachment 4).

- 4) Licensee's acquisitions or mergers:

On June 25, 1985, the Applicant and The Toledo Edison Company announced their intention to affiliate under a holding company.

- e. Changes in design, provisions, or conditions of rate schedules and reasons for such changes. Rate increases or decreases are not necessary.

On June 16, 1983, an order was issued by FERC regarding the changes the Applicant proposed in wholesale sales to the City of Cleveland. The Applicant's Emergency Service Schedule A (Addendum Attachment 2) was modified to eliminate Class II (short-term) and Class III (limited-term) emergencies. In conjunction with the elimination of these two sections of the Emergency Schedule, the Applicant agreed to separately provide for short and limited term service. These two new schedules, Schedule C for Short Term Power (Addendum Attachment 3) and Schedule D for Limited Term Power (Addendum Attachment 4) are now in effect between the Applicant and this wholesale customer.

The Applicant's Schedule B for Firm Power was modified to include a 50 per cent demand ratchet, based on the peak monthly usage during the previous 12 months. This replaced the 70 per cent minimum billing demand provision that was in effect. The basis for this change was that the ratchet's benefit to Applicant and other customers on the Applicant's system outweighed any possible detriment to this wholesale customer (Addendum Attachment 5).

- g. List of those capacity additions committed for operation after the nuclear facility, including ownership rights or power output allocations.

Perry Nuclear Power Plant, Unit No. 2, exclusive of its common facilities, is about 44% complete. The CAPCO Group companies are reviewing several alternatives with respect to Perry Unit No. 2, including resumption of full scale construction, with a revised estimated cost and completion date, mothballing or cancellation. It is uncertain when this review will be completed. In the meantime, the only significant work being performed on Perry Unit No. 2 is that necessary to place Perry Unit No. 1 in service. Ownership rights and power output allocations for Perry Unit No. 2 remain unchanged from the initial response.

h. Summary of requests or indications of interest by other electric power wholesale or retail distributors, and licensee's response, for any type of electric service or cooperative venture or study.

3) As the result of indications of interest initiated by the Public Utilities Companies of the PJM Group for the transmission of bulk power from Ohio Edison, the Applicant company entered into agreements for the purchase and sale of such power effective July 1, 1983 (Addendum Attachments 6 and 7).

AMENDMENT NO. 3

TO

CAPCO BASIC OPERATING AGREEMENT

AS AMENDED SEPTEMBER 1, 1980

THIS AGREEMENT entered into as of the 1st day of July, 1984, by and among The Cleveland Electric Illuminating Company, an Ohio corporation ("CEI"); Duquesne Light Company, a Pennsylvania corporation ("DL"); Ohio Edison Company, an Ohio corporation; Pennsylvania Power Company, a Pennsylvania corporation and a wholly-owned subsidiary of Ohio Edison Company which company and its said subsidiary, except as otherwise provided herein, are considered as a single party for the purposes of this Amendment No. 3 and referred to as ("OE"); and The Toledo Edison Company, an Ohio corporation ("TE"), each of which is sometimes referred to as a Party and collectively referred to as the Parties or CAPCO Companies.

WITNESSETH

WHEREAS, the Parties entered into the CAPCO Basic Operating Agreement, as amended September 1, 1980, as further amended by Amendment No. 1 thereto dated August 1, 1981, and as further amended by Amendment No. 2 thereto dated September 1, 1982 (said CAPCO Basic Operating Agreement, as so amended, being herein called the "Agreement"), and it has now become desirable to further amend the Agreement to reflect certain understandings;

Addendum Attachment 1

WHEREAS, Article 4, Section 4.04, of the Agreement provides that the employees of the CAPCO Coordinating Office ("Office") for administration purposes be carried on the payroll of CEI and that CEI shall be responsible for fiscal administration of the Office;

WHEREAS, the Executive Committee of the CAPCO Companies determined that the Office shall for administrative purposes be the responsibility of Ohio Edison Company;

WHEREAS, the CAPCO Coordinating Office Agreement dated as of May 1, 1971, as amended July 30, 1975 has been superseded by the Agreement;

WHEREAS, Article 6, Section 6.02 of the Agreement provides that each Party shall have an entitlement to receive or an obligation to provide operating capacity or operating capacity and associated energy in the form of CAPCO Unit Back-Up Power, in accordance with the terms of Schedule A of the Agreement, when a CAPCO Unit is out of service;

WHEREAS, to effectuate the determination of the Executive Committee that each Party shall thereafter manage and be responsible for supplying nuclear fuel to any CAPCO Unit in which it has an ownership interest, Article 6 of the Agreement should be amended so that CAPCO Unit Back-Up Power shall not be available for a CAPCO Unit when such CAPCO Unit is out of service for the reasons set forth in Schedule I but that instead Replacement Capacity and Replacement Energy should be available when such CAPCO Unit is out of service;

WHEREAS, Article 13, Section 13.02 of the Agreement provides that all billing statements shall be due and payable on the 25th day of the month in which presented or on the 15th day following receipt, whichever date is later, and for the imposition of an interest charge of 1% per month on all unpaid amounts;

WHEREAS, the Parties desire to amend Article 13 of the Agreement to provide a different billing procedure, a revised interest charge on any unpaid amounts, and a different payment schedule for monies due and owing as the result of a non-CAPCO party's system's failure to make payment for transactions under the Agreement, all of which are hereafter set forth; and

WHEREAS, the Parties desire to further modify the Agreement, as hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein set forth, the Parties agree as follows:

Section 1. Section 4.04 is hereby amended to read as follows:

4.04 For administration purposes all regular personnel of the Office shall be carried on the payroll of Ohio Edison Company at compensation which shall be as extended to Ohio Edison Company employees similarly situated, and such other monetary or non-monetary benefits as may be required by law. Such compensation shall include benefits identical to those extended to Ohio Edison Company employees similarly situated. The Operating Committee shall be advised of changes in compensation levels and in benefits of all regular personnel of the Office. Ohio Edison Company shall be responsible for fiscal administration, physical maintenance and servicing of the Office.

Section 2. Section 4.06 is hereby amended to read as follows:

4.06 The Party or Parties incurring expenses associated with the establishment, construction, expense and operation of the Office shall bill the Office monthly for such expenses incurred. The Office through Ohio Edison Company shall (a) allocate such expenses in accordance with Section 4.05, (b) to the extent practicable, offset or reduce to a net basis such expenses in order to provide a minimum practicable number of payments among the Parties, and (c) render appropriate itemized billing statements to each Party, payable to the Party or Parties incurring such expenses within fifteen days after the mailing date of any such statement. Such billing statements may be rendered on an estimated basis subject to corrective adjustments in subsequent statements. Billing statements to Ohio Edison shall be divided between Ohio Edison Company and Pennsylvania Power Company as directed by them.

Section 3. Section 4.07 is hereby amended to read as follows:

4.07 Ohio Edison Company shall, with the approval of the Operating Committee, procure and maintain any insurance deemed appropriate in respect of the ownership, operation and maintenance of the Office, and the premium cost thereof shall be deemed an operating expense to be shared by the Parties in accordance with Section 4.05.

Section 4. Section 6.02 is hereby amended to read as follows:

6.02 In order to provide back-up for CAPCO Unit outages, each Party shall have an entitlement to receive or an obligation to provide operating capacity and associated energy in the form of CAPCO Back-Up Power. CAPCO Back-Up Power shall be calculated according to paragraph 6.021 and shall be compensated for in accordance with Schedule A of this Agreement; provided, however, such CAPCO Unit Back-Up Power shall not be available for any nuclear CAPCO Unit during those periods in which such CAPCO Unit is out of service for the reasons set forth in Schedule I.

Section 5.

Section 8.01 of the Agreement as amended by Amendment No. 1 thereto dated August 1, 1981 is hereby further amended by inserting as the fifteenth line of the Section: "Schedule I - Replacement Power".

Section 6.

Schedule I - Replacement Power, attached hereto as Exhibit "A", is hereby incorporated into the Agreement.

Section 7. Section 13.02 is hereby amended to read as follows:

Billing statements rendered pursuant to Section 13.01 shall be due and payable within fifteen days after the mailing date of any such statement. The billing statement date shall be the same as the mailing date. Interest on any unpaid amount shall accrue from the due date of such unpaid amount and shall be paid for each month or part

thereof at the higher of (a) 1% or (b) the monthly equivalent of the current Chase Manhattan Bank Prime Rate, as published quarterly in the CAPCO Accounting and Procedure Manual, in effect during the period in which such amount remains unpaid. Notwithstanding the foregoing, any billing statement shall not be due and payable to the extent that (1) any non-CAPCO party system fails to compensate a Party for amounts owed hereunder in which event such Party shall exercise its best efforts to collect such compensation from such non-CAPCO party system and will not compromise or settle any claim for such compensation without prior consent of all other affected Parties, or (2) any non-CAPCO party system's payment date is later than the fifteen days stated above in which case such billing statement shall be due and payable on the same date as that of the non-CAPCO party system's payment date. To the extent that any non-CAPCO party system compensates a Party in an amount less than the amount the non-CAPCO party system owes the Parties under the Party's billing statement for amounts owed hereunder, each Party shall be entitled to be first compensated for Out-Of-Pocket Costs associated with the transaction hereunder and so much of the balance as will result in a sharing of the remainder among the Parties in proportion to the amounts owed to such Parties for their respective unpaid charges.

Section 8. Section 21.02 is hereby amended to read as follows:

21.02 Any Party may withdraw from this Agreement by giving one year's advance notice in writing to the members of the Executive Committee of the other Parties, provided that in the event of such withdrawal, the provisions of this Agreement relating to coordinated maintenance of CAPCO Units, CAPCO Unit Back-Up Power, CAPCO Coordinating Office and CAPCO Replacement Power shall continue in effect until such time as all CAPCO Units are retired.

Section 9. Subsection 3.2 of Section 3 of Schedule A - CAPCO Back-Up Power, of the Agreement is hereby amended to read as follows:

"3.2 Operating Charge

CAPCO Back-Up Power shall be compensated for by the payment of the Out-Of-Pocket Cost of providing the operating capacity or the operating capacity and energy; plus Up to an amount of 10% of the Out-Of-Pocket Cost or \$2.00 per mW-hr, whichever is less, for CAPCO Back-Up Power provided from the supplying CEI, DL and OE systems; and up to an amount of \$2.00 per mW-hr for CAPCO Back-Up Power provided from the supplying TE system; plus Up to an amount of \$1.00 per mW-hr for CAPCO Back-Up Power purchased from a Party or a non-CAPCO party system."

Section 10. Subsection 2.11 and 2.13 of Section 2 of Schedule B - Short Term Power, of the Agreement are hereby amended to read as follows:

"2.11 For any week that Short Term Power is reserved, a demand charge in an amount up to \$850 per mW reserved for that week, less one-sixth of such demand charge per mW of reduction for each day (other than Sunday) during any part of which the amount of such Short Term Power is reduced by the supplying Party; or for any period less than a week but not less than a day that Short Term Power is reserved, a demand charge in an amount up to \$150 per mW per day, less such demand charge per mW of reduction for each day during any part of which the amount of such Short Term Power is reduced by the supplying Party; plus"

"2.13 The supplying Party's Out-Of-Pocket Cost of providing operating capacity or operating capacity and energy; plus

Up to an amount of 10% of the Out-Of-Pocket Cost for Short Term Power provided from the supplying Party's system; plus

Up to an amount of \$1.00 per mW-hr for Short Term Power purchased from a Party or a non-CAPCO party system."

Section 11. Subsection 2.1 of Section 2 of Schedule C - Non-Displacement Power, of the Agreement is hereby amended to read as follows:

"2.1 Non-Displacement Power shall be compensated for by return-in-kind or at the option of the supplying Party by payment of the Out-of-Pocket Cost of providing operating capacity or operating capacity and energy, plus any demand charge paid to a non-CAPCO party system for power delivered hereunder; plus

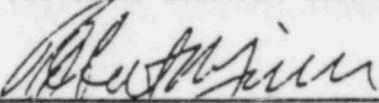
Up to an amount of 10% of the Out-Of-Pocket Cost for Non-Displacement Power provided from the supplying Party's system; plus

Up to an amount of \$1.00 per mW-hr for Non-Displacement Power purchased from a Party or a non-CAPCO party system."

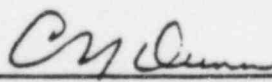
Section 12. Except as hereinabove amended, all of the terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment No. 3 to be executed by their duly authorized officers.

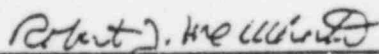
THE CLEVELAND ELECTRIC ILLUMINATING COMPANY

By 
Chairman of the Board and CEO
Legal form approved.
2/26 3-27-85

DUQUESNE LIGHT COMPANY

By 
VICE PRESIDENT

OHIO EDISON COMPANY

By 
SENIOR VICE PRESIDENT

PENNSYLVANIA POWER COMPANY

H.A.F.

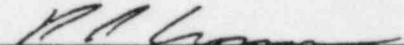
By



VICE PRESIDENT

THE TOLEDO EDISON COMPANY

By



VICE PRESIDENT, NUCLEAR

CAPCO BASIC OPERATING AGREEMENT

SCHEDULE I

REPLACEMENT POWER

Section 1. Applicability

The Parties recognize the possibility that the start-up of a nuclear CAPCO Unit may be delayed and such CAPCO Unit may be out of service due to the failure of a Party having an ownership interest in such CAPCO Unit to supply its required share of natural uranium in the form of U_3O_8 or UF_6 ("Uranium") for such CAPCO Unit for delivery in a timely manner and in a tenant-in-common form of ownership to the United States Department of Energy or other enrichment contractor for enrichment. This Schedule I is applicable to the provision of replacement power in any such limited circumstances where a Party having an ownership interest in a CAPCO Unit fails to so supply its share of Uranium for enrichment.

Section 2. Services To Be Rendered

2.1 In the event that any Party(s) ("supplying Party") fails to supply its required share of Uranium for a CAPCO Unit, then any Party(s) ("receiving Party"), which is unable to receive its entitlement of operating capacity and associated energy from such CAPCO Unit as the direct result of such supplying Party's failure to supply the required Uranium, may during the period that the start-up of such CAPCO Unit is delayed and such Unit is out of service, at such receiving Party's sole option, either (1) arrange for replacement capacity ("Replacement Capacity") and replacement energy ("Replacement Energy") or (2) permit the supplying Party which failed to supply the

Uranium to provide such Replacement Capacity and Replacement Energy. The amount of such Replacement Capacity on an hourly basis will be up to, at the option of each such receiving Party, an amount equal to such receiving Party's ownership interest in such CAPCO Unit times the effective average capacity factor achieved by such CAPCO Unit during the last fuel cycle (excluding refueling) prior to such CAPCO Unit being out of service. Any amount of Replacement Energy may be scheduled by such receiving Party out of such Replacement Capacity. If such CAPCO Unit has not yet attained sufficient operating experience to establish such effective average capacity factor, then such effective average capacity factor shall be deemed to be the same as the most recent comparable experience of any like CAPCO Unit at such CAPCO Unit site. Such transactions shall be arranged weekly in advance between the receiving Party and supplying Party and shall specify the amount of Replacement Capacity and Replacement Energy to be provided, if any, and the hours it is to be provided.

2.2 Replacement Capacity and Replacement Energy provided under this Schedule I will be made available to receiving Parties in proportion to their entitlements and from supplying Parties in proportion to their obligations. Replacement Capacity and Replacement Energy obligations not reserved by the receiving Party shall be deemed released by the receiving Party for that week.

Section 3. Compensation

3.1 If the supplying Party supplies such Replacement Capacity and Replacement Energy hereunder from its system, the supplying Party shall be compensated at a rate equal to the receiving Party's average actual fuel cost of generation from the subject CAPCO Unit (in dollars per net mW-hr) during the last fuel cycle prior to such CAPCO Unit being out of service calculated in accordance with the operating agreement for such CAPCO Unit. If such CAPCO Unit has not yet attained sufficient operating experience to establish such average actual fuel cost of generation, then such average actual fuel cost of generation shall be deemed to be the same as the most recent fuel cycle experienced at any like CAPCO Unit at such CAPCO Unit site. It is understood that no additional operating capacity payments are to be made other than as included in the fuel cost (per net mW-hr) stated above.

3.2 If the receiving Party arranges such Replacement Capacity and Replacement Energy from other than the supplying Party, the supplying Party shall compensate the receiving Party an amount for any demand charge and Out-Of-Pocket costs incurred by such receiving Party in the purchase of such Replacement Capacity or Replacement Capacity and Replacement Energy in excess of the average actual fuel cost provided for under Section 3.1 above.

SERVICE SCHEDULE A

EMERGENCY SERVICE

Under Agreement dated April 17, 1975

Between

The Cleveland Electric Illuminating Company

and

The City of Cleveland, Department of Public Utilities

SECTION 1 - DURATION

- 1.1 This Service Schedule, a part of an Agreement dated April 17, 1975, (Agreement) between The Cleveland Electric Illuminating Company and the City of Cleveland, shall become effective upon filing and approval hereof and shall remain in effect until five years after notice of cancellation shall have been given by either Party.
- 1.2 This Schedule shall be subject to the jurisdiction of the governmental bodies have jurisdiction. This Schedule, the services to be rendered, compensation and the terms, conditions and rates included herein are subject to being superseded, changed or modified either in whole or in part, made from time to time by a legally effective filing of CEI with or by order of the regulatory authority having jurisdiction, and both CEI and the City shall have the right at any time to seek unilaterally superseding services, compensation, terms, conditions and rates from such authority.

SECTION 2 - SERVICES TO BE RENDERED

- 2.1 In the event of a breakdown or other emergency in or on the system of either party involving either sources of power or transmission facilities or both, which impairs or jeopardizes the ability of the Party suffering the emergency to meet the loads of its system, the other Party shall deliver to such Party electric service in amounts up to and including 100 MVA, which 100 MVA is hereby designated and herein called Emergency Capacity. Such capacity limitations may be changed from time to time as the capacity of the interconnection may be increased pursuant to determination of the Operating Committee established by Article 3.
- 2.2 The Parties recognize that the delivery of electric service up to and including the Emergency Capacity as provided for in Subsection 2.1 of this Section 2 is subject to two conditions which preclude the delivery of the total energy requested: (1) the system of a Party may be suffering an emergency in or on its own system as described in said Subsection 2.1, or (2) the system of a Party may be delivering electric energy, under a mutual emergency interchange agreement, to the system of another interconnection company which is suffering an emergency in or on its system. Under conditions as cited under (1) above, neither party shall be considered to be in default hereunder if it is unable to comply with the provisions of said Subsection 2.1 provided that the

aforesaid interconnected company has suffered said emergency in or on its system prior to and within forty-eight hours of that of the other Party hereto and that if requested by said other Party, such delivery of electric energy to said interconnected company shall be discontinued within forty-eight hours following the start of such delivery, except to the extent precluded by the terms of a mutual emergency interchange agreement entered into prior to the date of this agreement, and a subsequent delivery shall be made to said other Party in accordance with the provisions of said Subsection 2.1.

SECTION 3 - BILLING

3.1 Billing of and compensation for service under this agreement shall be based on scheduled deliveries of power, unless actual deliveries exceed scheduled deliveries, in which case actual metered deliveries shall provide the basis for billing and compensation, or unless the Party is unable to provide the amounts scheduled, in which case actual deliveries shall be the basis for billing and compensation. Billing of the compensation for energy charges shall be based upon actual metered quantities except as provided for in Article 4.3.2 of the Agreement.

- 3.2 When the City buys emergency power from CEI, the amount of the Ohio Excise Tax that CEI is required to pay resulting from such sales to the City shall be governed by the provisions of Article 12 of the Agreement of which this Service Schedule is a part.
- 3.3 Each separately identified emergency shall be communicated to the other Party under the rules and procedures established by the Operating Committee and shall be treated as a separate emergency and billed accordingly.

SECTION 4 - EMERGENCY ENERGY

- 4.1 An Emergency transaction is a scheduled transaction wherein one Party supplies energy to the other Party which said Party cannot supply because of a breakdown or other emergency in or on the system of either Party involving either sources of power or transmission facilities or both, which impairs or jeopardizes the ability of the Party suffering the emergency to meet the loads of its system.
- 4.2 For supply of Emergency Energy, the receiving Party shall pay to the supplying Party the sum of the following:
- 4.2.1 For Emergency Energy provided on the supplying Party's own system:
- a. the cost of generating such energy; plus
 - b. \$1.40 per megawatthour for any such energy supplied; plus

4.2.2 For Emergency Energy obtained for this purpose from other systems not a party to this Agreement:

- a. the amount paid therefor by the supplying Party;
plus
- b. \$0.50 per megawatthour for any such energy supplied.

SECTION 5 - EXTENDED EMERGENCY SERVICE

5.1 Extended Emergency Service is provided whenever Emergency Energy is supplied by one Party to the other Party on two or more consecutive days.

5.2 Except for the first day on which Extended Emergency Service begins, the Party receiving such service shall pay the supplying Party the sum of the following charges in addition to those described in Section 4 above:

5.2.1 An extended Emergency Generation Charge of \$5.00 per megawatthour of Emergency Energy provided on the supplying Party's own system; plus

5.2.2 An extended Emergency Transmission Service Charge of \$1.20 per megawatthour of Emergency Energy obtained by a Party from other systems not party to this agreement for supply to the other Party.

5.3 Any Emergency Energy supplied by one Party to the other which is scheduled for delivery to a system not a Party to this agreement shall be considered to be Extended Emergency

Service and the above mentioned additional charges shall be applied on the first day of such supply and all subsequent days thereafter.

SERVICE SCHEDULE C

SHORT TERM POWER

Under Agreement Dated April 17, 1975

Between

The Cleveland Electric Illuminating Company

and

The City of Cleveland, Department of Public Utilities

SECTION 1 - DURATION

- 1.1 This Service Schedule, a part of an Agreement dated April 17, 1975, (Agreement) between The Cleveland Electric Illuminating Company and the City of Cleveland shall become effective upon the filing and approval hereof and shall remain in effect until five years after notice of cancellation shall have been given by either party.
- 1.2 This Schedule shall be subject to the jurisdiction of the governmental bodies having regulatory authority over services rendered hereunder. This Schedule, the services to be rendered, compensation and the terms, conditions and rates included herein are subject to being superseded, changed or modified either in whole or in part, made from time to time by a legally effective filing of CEI with or by order of the governmental regulatory authority having jurisdiction and both CEI and the City shall have the right at any time to seek unilaterally superseding services,

compensation, terms and conditions, and rates from such regulatory authority.

SECTION 2 - SERVICES TO BE RENDERED

2.1 Either party may arrange to reserve from the other party, (a) electric power ("Weekly Short Term Power") for periods of one or more weeks or (b) electric power ("Daily Short Term Power") for periods of one or more days whenever such power is reasonably available. No preference shall be given to any potential Weekly or Daily Short Term Power customer with respect to any other potential Weekly or Daily Short Term Power customer. No preference shall be given to any potential Weekly or Daily Short Term Power customer with respect to any retail customer; which means in part that (1) the supplying party will not be required to curtail an ongoing service to any other customer in order to initiate Weekly or Daily Short Term Power service under this Service Schedule C; and (2) Weekly or Daily Short Term Power service hereunder will not be given indefinite curtailment preference over service to the supplying party's retail interruptible customers; rather, the supplying party shall have the right during periods of extended curtailment, upon reasonable notice to the reserving party, to curtail Weekly or Daily Short Term Power service hereunder in order to resume service to its retail interruptible customers; provided that, any curtailment of Weekly or Daily Short Term

Power Service hereunder in order to permit service to the supplying party's retail interruptible customers shall be applied uniformly and equitably to all the supplying party's Weekly and Daily Short Term Power customers. As used herein the term "week" shall mean any seven consecutive calendar days, and the term "day" shall mean a twenty-four hour period commencing at 12 o'clock midnight and ending at the next following 12 o'clock midnight. In the event (1) the party requested to supply Weekly or Daily Short Term Power advises the reserving party that such power is not available, or (2) the supplying party curtails an ongoing transaction, then the supplying party shall promptly, upon request, furnish in writing to the reserving or purchasing party, estimates of loads, capacities and other relevant data by means of which the reserving or purchasing party can assess the availability of such power or need for curtailment.

- 2.11 Sales of Weekly or Daily Short Term Power hereunder shall be scheduled and dispatched in the same manner as that applicable to other purchasers of such service from the supplying party. Prior to each reservation of Weekly or Daily Short Term Power, the number of kilowatts to be reserved, the period of the reservation, and the source of such power if the supplying party is in turn reserving such power from another interconnected system ("Third Party"),

shall be determined by the parties. Pursuant to Section 5.1 of this Service Schedule C, the reserving party shall furnish to the supplying party a written confirmation of the reservation and the schedule delineating the quantities of power to be delivered during the period of the reservation if requested by the supplying party. The supplying party shall dispatch the scheduled quantities; however, in accordance with Section 5.2 of this Service Schedule C, the reserving party can revise the schedule up to the reserved amount with sufficient notice to the supplying party. The right of the reserving party to request power at any time and the right of the reserving party to revise a written schedule are not intended as substitutes for good faith observance of established multilateral procedures by which potential power purchasers communicate with potential power sellers to buy and sell power on a nondiscriminatory basis. If, during a reservation period, conditions arise that could not have been reasonably foreseen at the time of the reservation and cause the reservation to be burdensome to the supplying party or its system, such party may by oral notice to the reserving party, such oral notice to be later confirmed in writing if requested by either party, reduce the number of kilowatts reserved by such amount and for such time as it shall specify in such notice, but kilowatts reserved hereunder that the supplying party is in turn

reserving from another system may be reduced only to the extent they are reduced by such other system or when during such period conditions arise that could not have been reasonably foreseen at the time of the reservation and cause the transmission to be burdensome to the supplying party's system.

- 2.12 During each period that Weekly or Daily Short Term Power has been reserved, the party that has agreed to supply such power shall upon call by the reserving party deliver associated electric energy ("Weekly or Daily Short Term Energy" to the reserving party at a rate during each hour of up to and including the number of kilowatts reserved.

SECTION 3 - COMPENSATION

- 3.1 The reserving party of Weekly or Daily Short Term Power shall pay the supplying party Demand Charges for such Short Term Power at the following rates:

3.11 Weekly Short Term Power

3.111 When the City is the supplying party at the rate of \$1.25 per kilowatt reserved per such week.

3.112 When CEI is the supplying party at the rate of \$0.85 per kilowatt reserved per such week.

3.113 In the event the amount of Weekly Short Term Power taken is reduced upon request of the supplying party, the demand charge for each (other than Sunday) during which any reduction

is in effect shall be reduced by one-sixth ($1/6$) of the aforesaid supplying party's weekly demand rate per kilowatt of reduction.

3.12 Daily Short Term Power

3.121 For any day that Daily Short Term Power is reserved by either party, the daily demand rate shall be equal to the rate one-fifth ($1/5$) of the supplying party's Weekly Short Term Power demand rate.

3.122 In the event the amount of Daily Short Term Power taken is reduced upon request of the supplying party, the demand charge for each day during which such reduction is made shall be reduced by one-fifth ($1/5$) of the above weekly demand rate per kilowatt of reduction.

3.13 Third Party Weekly Short Term Power

3.131 When the City is the supply party:

For any week that Weekly Short Term Power is reserved from a Third Party at the rate of \$0.35 per kilowatt reserved per week plus the demand charge paid therefore by the supplying party to the Third Party.

3.132 When CEI is the supplying party:

For any week that Weekly Short Term Power is reserved from a Third Party at the rate of \$0.24

per kilowatt reserved per week plus the demand charge paid therefor by the supplying party to the Third Party.

3.133 In the event the amount of Weekly Third Party Short Term Power taken is reduced upon the request of Third Party, the demand charge for each day (other than Sunday) during which such reduction is in effect shall be reduced by one-sixth ($1/6$) of the total weekly charge in Subsections 3.131 and 3.132 above per kilowatt of the reduction.

3.14 Third Party Daily Short Term Power

3.141 When the City is the supplying party:

For any day that Short Term Power is reserved from a Third Party at the rate of \$0.070 per kilowatt reserved per day plus the demand charge paid therefor by the supplying party to the Third Party.

3.142 When CEI is the supplying party:

for any day that Short Term Power is reserved from a Third Party at the rate of \$0.048 per kilowatt reserved per day plus the demand charge paid therefore by the supplying party to the Third Party.

3.2 The reserving party shall pay the supplying party Energy charges at the following rates for all Short Term Energy delivered pursuant to Subsection 2.12 above:

3.21 When the City is the supplying party:

- (a) for each kilowatthour that is generated by the supplying party's system 110% of the out-of-pocket costs (including all operating, maintenance, tax, transmission losses and other expenses incurred that would not have been incurred if the energy had not been supplied) of supplying Short Term Energy called for during such period; plus
- (b) for each kilowatthour purchased by the supplying party from a Third Party to supply the Short Term Energy called for during such period, 100% of the amount of the energy charge paid therefor by the supplying party plus 1 mill plus any transmission losses, taxes and other expenses incurred that would not have been incurred if such purchase had not been made.

3.22 When CEI is the supplying party:

- (a) for each kilowatthour that is generated by the supplying party's system, 100% of the out-of-pocket cost (including all operating, maintenance, tax, transmission losses and other expenses incurred that would not have been incurred if the

energy had not been supplied) of supplying Short Term Energy called for during such period plus 1.1 mills per kilowatthour; plus

- (b) for each kilowatthour purchased by the supplying party from a Third Party to supply the Short Term Energy called for during such period, 100% of the amount paid therefor by the supplying party plus 0.5 mills plus taxes, and other expenses incurred that would not have been incurred if such purchases had not been made.

- 3.3 Payment shall be based on scheduled quantities unless curtailed by the supplying party; provided, however, that if the reserving party changes the quantity of energy scheduled in any hour pursuant to Section 5.2 of this Service Schedule C, the buyer shall pay for the amount of power delivered if it is greater than the amount of power initially scheduled.

SECTION 4 - OHIO EXCISE TAX

- 4.1 In addition to the rates provided herein, the City shall pay to CEI the amount of Ohio Excise Tax that CEI is required to pay for receipts from sales of power and energy to the City. In the event it is determined that CEI is not legally required to pay such tax, CEI shall within 30 days from the date of such determination file rate schedules to eliminate such taxes on receipts from all power and energy transactions including interest.

SECTION 5 - OTHER PROVISIONS

- 5.1 In conformance with accepted industry practices, the reserving party will notify the supplying party of its desire to purchase Weekly or Daily Short Term Power. Within a reasonable time thereafter, and with due regard for its other responsibilities at the time, the supplying party will make known to the reserving party the reasonable availability of Weekly or Daily Short Term Power, the estimated price of such power and any conditions for such power. It is recognized that the length of time required by CEI to respond to any request by the City for Weekly or Daily Short Term Power Service is dependent in part upon the magnitude and duration of the proposed transaction and conditions existing on CEI's system, and that approval of certain transactions may require authorization by an officer of the Company. The reserving party will orally confirm the Weekly or Daily Short Term Power purchase and, if requested, shall further confirm such purchase at least but not limited to three days before the start of a Weekly Short Term Power arrangement and at least but not limited to one day before the start of a Daily Short Term Power arrangement.
- 5.2 In conformance with accepted industry practices concerning the scheduling and dispatching of the reserving party's schedule, such schedule to have been received by the supplying party as set forth in Paragraph 5.1, the supplying

party shall schedule sufficient power to meet system requirements including Weekly and/or Daily Short Term Power schedules in effect. In the event cost estimates change materially, the supplying party will notify the receiving party of such estimated cost changes. The reserving party can occasionally, because of unusual circumstances, change the schedule and should provide at least one-day notice for such schedule change up to the reserved amount.

- 5.3 In the event the supplying party receives requests for Weekly or Daily Short Term Power in excess of the quantity of power reasonably available for sale as Weekly or Daily Short Term Power, the supplying party shall have the right to allocate available power equitably among all prospective purchasers in conformance with accepted industry practices and consistent with the exercise of its sound business judgment. The supplying party may consider any factors it deems to be relevant, including, but not limited to, the time the respective requests were received, the amount of power requested, the duration of the request, alternatives available to particular purchasers, and the likelihood that a particular purchaser may be able to provide reciprocal assistance to the seller at some point in the future, in making such allocation.
- 5.4 In conformance with accepted industry practices, in the event Weekly or Daily Short Term Power needs to be curtailed

by the supplying party, the supplying party will give the reserving party as much advance oral notice of such curtailment as possible. Such advance notice may include but not be limited to (1) the reason for curtailment (2) the amount of power to be curtailed, and (3) the estimated length of time for such curtailment.

5.5 Except as specifically set forth, nothing contained herein shall require either party to maintain records not otherwise needed for the conduct of its operations, or to provide reports or records to the other party which are not normally provided to other entities with which it exchanges Short Term Power.

5.6 All transactions under this Service Schedule C - Short Term Power shall conform to accepted industry practices and shall be implemented by the supplying party on a nondiscriminatory basis. Any uncertainties with respect to the administration of this Service Schedule C - Short Term Power shall be resolved by the Administration Committee or the Operating Committee established pursuant to Section 3.0 of the Agreement.

by the supplying party, the supplying party will give the reserving party as much advance oral notice of such curtailment as possible. Such advance notice may include but not be limited to (1) the reason for curtailment (2) the amount of power to be curtailed, and (3) the estimated length of time for such curtailment.

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party shall schedule sufficient power to meet system requirements including Weekly and/or Daily Short Term Power schedules in effect. In the event cost estimates change materially, the supplying party will notify the receiving party of such estimated cost changes. The reserving party can occasionally, because of unusual circumstances, change the schedule and should provide at least one-day notice for such schedule change up to the reserved amount.

- 5.3 In the event the supplying party receives requests for Weekly or Daily Short Term Power in excess of the quantity of power reasonably available for sale as Weekly or Daily Short Term Power, the supplying party shall have the right to allocate available power equitably among all prospective purchasers in conformance with accepted industry practices and consistent with the exercise of its sound business judgment. The supplying party may consider any factors it deems to be relevant, including, but not limited to, the time the respective requests were received, the amount of power requested, the duration of the request, alternatives available to particular purchasers, and the likelihood that a particular purchaser may be able to provide reciprocal assistance to the seller at some point in the future, in making such allocation.
- 5.4 In conformance with accepted industry practices, in the event Weekly or Daily Short Term Power needs to be curtailed

party shall schedule sufficient power to meet system requirements including Weekly and/or Daily Short Term Power schedules in effect. In the event cost estimates change materially, the supplying party will notify the receiving party of such estimated cost changes. The reserving party can occasionally, because of unusual circumstances, change the schedule and should provide at least one-day notice for such schedule change up to the reserved amount.

- 5.3 In the event the supplying party receives requests for Weekly or Daily Short Term Power in excess of the quantity of power reasonably available for sale as Weekly or Daily Short Term Power, the supplying party shall have the right to allocate available power equitably among all prospective purchasers in conformance with accepted industry practices and consistent with the exercise of its sound business judgment. The supplying party may consider any factors it deems to be relevant, including, but not limited to, the time the respective requests were received, the amount of power requested, the duration of the request, alternatives available to particular purchasers, and the likelihood that a particular purchaser may be able to provide reciprocal assistance to the seller at some point in the future, in making such allocation.
- 5.4 In conformance with accepted industry practices, in the event Weekly or Daily Short Term Power needs to be curtailed

SECTION 5 - OTHER PROVISIONS

- 5.1 In conformance with accepted industry practices, the reserving party will notify the supplying party of its desire to purchase Weekly or Daily Short Term Power. Within a reasonable time thereafter, and with due regard for its other responsibilities at the time, the supplying party will make known to the reserving party the reasonable availability of Weekly or Daily Short Term Power, the estimated price of such power and any conditions for such power. It is recognized that the length of time required by CEI to respond to any request by the City for Weekly or Daily Short Term Power Service is dependent in part upon the magnitude and duration of the proposed transaction and conditions existing on CEI's system, and that approval of certain transactions may require authorization by an officer of the Company. The reserving party will orally confirm the Weekly or Daily Short Term Power purchase and, if requested, shall further confirm such purchase at least but not limited to three days before the start of a Weekly Short Term Power arrangement and at least but not limited to one day before the start of a Daily Short Term Power arrangement.
- 5.2 In conformance with accepted industry practices concerning the scheduling and dispatching of the reserving party's schedule, such schedule to have been received by the supplying party as set forth in Paragraph 5.1, the supplying

SECTION 5 - OTHER PROVISIONS

- 5.1 In conformance with accepted industry practices, the reserving party will notify the supplying party of its desire to purchase Weekly or Daily Short Term Power. Within a reasonable time thereafter, and with due regard for its other responsibilities at the time, the supplying party will make known to the reserving party the reasonable availability of Weekly or Daily Short Term Power, the estimated price of such power and any conditions for such power. It is recognized that the length of time required by CEI to respond to any request by the City for Weekly or Daily Short Term Power Service is dependent in part upon the magnitude and duration of the proposed transaction and conditions existing on CEI's system, and that approval of certain transactions may require authorization by an officer of the Company. The reserving party will orally confirm the Weekly or Daily Short Term Power purchase and, if requested, shall further confirm such purchase at least but not limited to three days before the start of a Weekly Short Term Power arrangement and at least but not limited to one day before the start of a Daily Short Term Power arrangement.
- 5.2 In conformance with accepted industry practices concerning the scheduling and dispatching of the reserving party's schedule, such schedule to have been received by the supplying party as set forth in Paragraph 5.1, the supplying

SERVICE SCHEDULE D

LIMITED TERM POWER

Under Agreement Dated April 17, 1975

Between

The Cleveland Electric Illuminating Company

and

The City of Cleveland, Department of Public Utilities

SECTION 1 - DURATION

- 1.1 This Service Schedule, a part of an Agreement dated April 17, 1975, (Agreement) between The Cleveland Electric Illuminating Company and the City of Cleveland shall become effective upon the filing and approval hereof and shall remain in effect until five years after notice of cancellation shall have been given by either party.
- 1.2 This Schedule shall be subject to the jurisdiction of the governmental bodies having regulatory authority over service rendered hereunder. This Schedule, the services to be rendered, compensation and the terms, conditions and rates included herein are subject to being superseded, changed or modified either in whole or in part, made from time to time be a legally effective filing of CEI with or by order of the governmental regulatory authority having jurisdiction and

both CEI and the City shall have the right at any time to seek unilaterally superseding services, compensation, terms and conditions, and rates from such regulatory authority.

SECTION 2 - SERVICES TO BE RENDERED

2.1 Either party may arrange to reserve from the other party, for periods of not less than one or more than 12 months, such electric power ("Limited Term Power") whenever such power is reasonably available. No preference shall be given to any potential Limited Term Power customer with respect to any other potential Limited Term Power customer. No preference shall be given to any potential Limited Term Power customer with respect to any retail customer; which means in part that (1) the supplying party will not be required to curtail an ongoing service to any customer in order to initiate Limited Term Power service under this Service Schedule D; and (2) Limited Term Power service hereunder will not be given indefinite curtailment preference over service to the supplying party's retail interruptible customers; rather, the supplying party shall have the right during periods of extended curtailment, upon reasonable notice to the reserving party, to curtail Limited Term Power service hereunder in order to resume service to its retail interruptible customers; provided, that any curtailment of Limited Term Power service hereunder in order to permit service to the supplying party's retail

interruptible customers shall be applied uniformly and equitably to all the supplying party's Limited Term Power customers. In the event (1) the party requested to supply Limited Term Power advises the reserving party that such power is not available, or (2) the supplying party curtails an ongoing transaction, then the supplying party shall promptly, upon request, furnish in writing to the reserving or purchasing party, estimates of loads, capacities and other relevant data by means of which the reserving or purchasing party can assess the availability of such power or need for curtailment.

2.11 Sales of Limited Term Power hereunder shall be scheduled and dispatched in the same manner as that applicable to other purchasers of such service from the supplying party. Prior to each reservation of Limited Term Power, the number of kilowatts to be reserved, the period of the reservation, and the source of such power if the supplying party is in turn reserving such power from another interconnected system ("Third Party"), shall be determined by the parties. Pursuant to Section 5.1 of this Service Schedule D, the reserving party shall furnish to the supplying party a written confirmation of the reservation and the schedule delineating the quantities of power to be delivered during the period

of the reservation if requested by the supplying party. The supplying party shall dispatch the scheduled quantities; however, in accordance with Section 5.2 of this Service Schedule D, the reserving party can revise the schedule up to the reserved amount with sufficient notice to the supplying party. The right of the requesting party to request power at any time and the right of the reserving party to revise a written schedule are not intended as substitutes for good faith observance of the established multilateral procedure by which potential power purchasers communicate with potential power sellers to buy and sell power on a nondiscriminatory basis. If, during a reservation period, conditions arise that could not have been reasonably foreseen at the time of the reservation and cause the reservation to be burdensome to the supplying party or its system, such party may by oral notice to the reserving party, such oral notice to be later confirmed in writing if requested by either party, reduce the number of kilowatts reserved by such amount and for such time as it shall specify in such notice, but kilowatts reserved hereunder that the supplying party is in turn reserving from another system may be reduced only to the extent they are reduced by such other system or

when during such period, conditions arise that could not have been reasonably foreseen at the time of the reservation and cause the transmission to be burdensome to the supplying party's system.

- 2.12 During each period that Limited Term Power has been reserved, the party that has agreed to supply such power shall upon call by the reserving party deliver associated electric energy ("Limited Term Energy") to the reserving party at a rate during each hour of up to and including the number of kilowatts reserved.

SECTION 3 - COMPENSATION

- 3.1 When the City is the supplying party and CEI is the reserving party, then CEI shall pay the City:

- 3.11 for any month that Limited Term Power is reserved \$5.50 per kilowatt reserved; plus

- 3.12 for each kilowatt of the reserved Limited Term Power that is purchased by the supplying party from another system, (a) the excess, if any, of the amount paid therefore by the supplying party over the charge therefore under Subsection 3.21 of this Schedule (or, if such amount is less than such charge, minus the deficiency) plus (b) for each month such Limited Term Power is reserved, \$1.50 per kilowatt; plus

- 3.13 110% of the out-of-pocket cost (including all operating, maintenance, tax, transmission losses and other expenses incurred that would not have been incurred if the energy had not been supplied) of supplying Limited Term Energy called for during such period that is generated by the supplying party's system; plus
- 3.14 for each kilowatt hour purchased by the supplying party from another interconnected system to supply Limited Term Energy called for during such period, 100% of the amount paid therefore by the supplying party plus 1 mill plus transmission losses and taxes incurred.
- 3.2 When CEI is the supplying party and the City is the reserving party, then the City shall pay:
- 3.21 for any month that Limited Term Power is reserved \$4.50 per kilowatt reserved; plus
- 3.22 for each kilowatt of the reserved Limited Term Power that is purchased by the supplying party from another system, (a) the excess, if any, of the amount paid therefore by the supplying party over the charge therefore under Subsection 3.11 of this Schedule (or, if such amount is less than such charge, minus the deficiency) plus (b) for each month such Limited Term Power is reserved, \$1.00 per kilowatt; plus

3.23 100% of the out-of-pocket cost (including all operating, maintenance, tax, transmission losses and other expenses incurred that would not have been incurred if the energy had not been supplied) of supplying Limited Term Energy called for during such period that is generated by the supplying party's system plus 1.1 mills per kilowatthour; plus

3.24 for each kilowatthour purchased by the supplying party from another interconnected system to supply Limited Term Energy called for during such period, 100% of the amount paid therefore by the supplying party plus 0.5 mills plus taxes incurred.

3.3 Payment shall be based on scheduled quantities unless curtailed by the supplying party; provided, however, that if the reserving party changes the quantity of energy scheduled in any hour pursuant to Section 5.2 of this Service Schedule C, the buyer shall pay for the amount of power delivered if it is greater than the amount of power initially scheduled.

SECTION 4 - OHIO EXCISE TAX

4.1 In addition to the rates provided herein, the City shall pay to CEI the amount of Ohio Excise Tax that CEI is required to pay for receipts from sales of power and energy to the City. In the event it is determined that CEI is not legally required to pay such tax, CEI shall within 30 days from the

date of such determination file rate schedules to eliminate such taxes on receipts from all power and energy transactions including interest.

SECTION 5 - OTHER PROVISIONS

5.1 In conformance with accepted industry practices the reserving party will notify the supplying party of its desire to purchase Limited Term Power. Within a reasonable time thereafter, and with due regard for its other responsibilities at the time, the supplying party will make known to the reserving party the reasonable availability of Limited Term Power, the estimated price of such power and any conditions for such power. It is recognized that the length of time required by CEI to respond to any request by the City for Limited Term Power Service is dependent in part upon the magnitude and duration of the proposed transaction and conditions existing on CEI's system, and that approval of certain transactions may require authorization by an officer of the Company. The reserving party will orally confirm the Limited Term Power purchase and, if requested, shall further confirm such purchase with a letter of reservation and preliminary schedule for such purchase at least but not limited to three days before the start of a Limited Term Power arrangement.

- 5.2 In conformance with accepted industry practice concerning the scheduling and dispatching of the reserving party's schedule, such schedule to have been received by the supplying party as set forth in Section 5.1, the supplying party shall schedule sufficient power to meet system requirements including Limited Term Power schedules in effect. In the event cost estimates change materially, the supplying party will notify the receiving party of such estimated cost changes. The reserving party can occasionally, because of unusual circumstances, change the schedule and should provide at least one-day notice for such schedule change up to the reserved amount.
- 5.3 In the event the supplying party receives requests for Limited Term Power in excess of the quantity of power reasonably available for sale as Limited Term Power, the supplying party shall have the right to allocate available power equitably among all prospective purchasers in conformance with accepted industry practices and consistent with the exercise of its sound business judgment. The supplying party may consider any factors it deems to be relevant, including, but not limited to, the time the respective requests were received, the amount of power requested, the duration of the request, alternatives available to particular purchasers, and the likelihood that

a particular purchaser may be able to provide reciprocal assistance to the seller at some point in the future, in making such allocation.

- 5.4 In conformance with accepted industry practices, in the event Limited Term Power needs to be curtailed by the supplying party, the supplying party will give the reserving party as much advance oral notice of such curtailment as possible. Such advance notice may include but not be limited to (1) the reason for curtailment, (2) the amount of power to be curtailed, and (3) the estimated length of time for such curtailment.
- 5.5 Except as specifically set forth, nothing contained herein shall require either party to maintain records not otherwise needed for the conduct of its operations, or to provide reports or records to the other party which are not normally provided to other entities with which it exchanges Limited Term Power.
- 5.6 All transactions under this Service Schedule D - Limited Power shall conform to accepted industry practices and shall be implemented by the supplying party on a nondiscriminatory basis. Any uncertainties with respect to the administration of this Service Schedule D - Limited Power shall be resolved by the Administration Committee established pursuant to Section 3.0 of the Agreement.

SERVICE SCHEDULE B

FIRM POWER SERVICE

Under Agreement dated April 17, 1975

Between

The Cleveland Electric Illuminating Company

and

The City of Cleveland, Department of Public Utilities

SECTION 1 - DURATION

- 1.1 This Service Schedule, a part of an Agreement dated April 17, 1975 (Agreement) between The Cleveland Electric Illuminating Company and the City of Cleveland, shall become effective upon the filing and approval hereof and shall remain in effect until five years after notice of cancellation shall have been given by either Party.
- 1.2 This Schedule shall be subject to the jurisdiction of the governmental bodies having regulatory authority over services rendered hereunder. This Schedule, the services to be rendered, compensation and the terms, conditions and rates included herein are subject to being superseded, changed or modified either in whole or in part, made from time to time by a legally effective filing of CEI with or by order of the governmental regulatory authority having jurisdiction, and

both CEI and the City shall have the right at any time to seek unilaterally superseding services, compensation, terms and conditions and rates from such regulatory authority.

SECTION 2 - SERVICES TO BE RENDERED

- 2.1 CEI shall be obligated to provide and the City shall be entitled to receive and be obligated to pay for on the terms and conditions set forth in this Service Schedule B electric power (Firm Power) and associated electric energy (Firm Energy). Throughout the duration of this Service Schedule B, CEI shall stand ready to provide Firm Power and deliver Firm Energy to the City subject to the provisions of this Service Schedule B, in any amount desired by the City up to a maximum rate of delivery of 100 MW.
- 2.2 The number of kilowatthours of Firm Energy to be delivered to the City and the time of delivery thereof, subject to the rate of delivery limit specified in Paragraph 2.1 of this Service Schedule B, shall be scheduled by the City pursuant to rules and procedures agreed upon by the Operating Committee, established under Article 3.2 of the Agreement dated April 17, 1975. Each of the Parties shall exercise due diligence and reasonable care and foresight in arranging for and operating their respective power sources so that amounts of Firm Energy shall be delivered and taken in accordance with the delivery schedules.

2.3 For purposes of this Service Schedule B, Firm Power shall be defined as power which shall be made available to the City by CEI unless CEI finds it necessary to curtail or interrupt delivery of power to its firm retail customers, in which case the delivery to the City under this Service Schedule B may be curtailed to the same degree as are deliveries to CEI's firm retail customers. An inability to continue the delivery to the City may result from the loss of production or transmission capacity or area restrictions. In the event of curtailment of service hereunder, the City will be required to curtail service to its own firm retail customers by a like amount if its own dependable generating capacity or purchase of power from others is not sufficient to meet the electric power and energy requirements of the City's retail customers.

SECTION 3 - COMPENSATION - RATE

3.1 The rates for electrical power and energy supplied hereunder shall be as follows:

MONTHLY RATES

3.1.1 DEMAND CHARGE

For each kilowatt of Billing Demand	\$12.96
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3.1.2 ENERGY CHARGE

For each kilowatthour of Firm Energy	2.36¢
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3.1.3 FUEL ADJUSTMENT

- (a) The energy charge shall be increased or decreased by an adjustment amount per kilowatt-hour of sales (to the nearest .001¢) equal to the difference between the fuel cost per kilowatthour of sales in the most recent calendar month preceding the billing date and the base fuel cost of 2.126¢ per kilowatthour.
- (b) Fuel costs shall be the cost of:
 - (i) Fossil and nuclear fuel consumed in CEI's own plants, and CEI's share of fossil and nuclear fuel consumed in jointly owned or leased plants; plus
 - (ii) The actual identifiable fossil and nuclear fuel costs associated with energy purchased for reasons other than identified in Paragraph (b)(iii) below; plus
 - (iii) The net energy cost of energy purchases, exclusive of capacity or demand charges (irrespective of the designation assigned to such transaction) when such energy is purchased on an economic dispatch basis. Included therein may be such costs as the charges for economy energy purchases and the charges as a result of scheduled out-

age, all such kinds of energy being purchased by CEI to substitute for its own higher cost energy; and less

- (iv) The cost of fossil and nuclear fuel recovered through intersystem sales including the fuel costs related to economy energy sales and other energy sold on an economic dispatch basis.
- (c) Sales shall be all kWh's sold, excluding intersystem sales. Sales shall be equated to the sum of (i) generation, (ii) purchases, (iii) interchange-in, less (iv) energy associated with pumped storage operations, less (v) intersystem sales referred to in Paragraph (b)(iv) above, less (vi) total system losses.
- (d) The total system losses referred to in Paragraph (c) above, shall be modified to reflect the level of losses associated only with wholesale sales for resale.
- (e) The adjustment factor developed according to this procedure will be further modified to allow the recovery of gross receipts and other similar revenue based tax charges occasioned by the fuel adjustment revenues.

(f) The cost of fossil fuel shall include no items other than those listed in Account 151 of the Commission's Uniform System of Accounts for Public Utilities and Licensees. The cost of nuclear fuel shall be that as shown in Account 518, except that if Account 518 also contains any expense for fossil fuel which has already been included in the cost of fossil fuel, it shall be deducted from this Account.

3.1.4 FIRM KILOWATT BILLING DEMAND

The Firm Kilowatt Billing Demand in any billing period is the maximum Firm Demand under this Service Schedule B which occurs in the Billing Period. The Firm Demand for each hour equals the 60-minute integrated demand supplied over the interconnections with the City less the amount of power, adjusted for losses, scheduled to be wheeled to the City in the same hour or scheduled by the City under other Schedules.

3.1.5 FIRM ENERGY

Subject to the limitation in Paragraph 2.1 hereof, the Firm Energy delivered in any hour shall be equal to the kilowatthours delivered to the City under this Service Schedule B.

3.1.6 MINIMUM BILLING DEMAND

For billing purposes, the Minimum Kilowatt Billing Demand in any month shall not be less than 50 percent of the highest Firm Kilowatt Billing Demand incurred during the previous twelve months.

PP-CEI POWER SUPPLY AGREEMENT

POWER SUPPLY AGREEMENT dated as of July 1, 1983 by and among Pennsylvania Power Company, a Pennsylvania corporation (herein referred to as "Penn Power") and The Cleveland Electric Illuminating Company, an Ohio corporation (herein referred to as "CEI").

W I T N E S S E T H:

WHEREAS, Penn Power and Ohio Edison Company (herein referred to as "Ohio Edison") are the members of the integrated electric utility system known as the Ohio Edison System, and

WHEREAS, CEI is directly interconnected with the Ohio Edison System and the Pennsylvania Electric Company, a Pennsylvania Corporation which together with Jersey Central Power & Light Company, a New Jersey corporation, and Metropolitan Edison Company, a Pennsylvania corporation, comprise the "GPU System", and are herein sometimes referred to collectively as the "GPU Parties", and

WHEREAS, Penn Power, on its own behalf and as agent for Ohio Edison, and CEI intend hereby to make available from the Ohio Edison System to the GPU Parties certain amounts of long-term capacity and associated energy, and

WHEREAS, CEI intends to execute and deliver a Power Resale Agreement with the GPU Parties (the "CEI-GPU Power Resale Agreement") in the form simultaneously delivered herewith to Penn Power and Ohio Edison,

NOW, THEREFORE, in consideration of the premises and mutual covenants herein set forth, the parties agree as follows:

ARTICLE I
SERVICES TO BE RENDERED

1.1 Throughout the duration of this Agreement, Penn Power shall stand ready, subject to the provisions contained herein, to deliver to CEI for resale by CEI to the GPU Parties pursuant to the CEI-GPU Power Resale Agreement and the GPU Parties shall take, except only as provided in subsection 3.13 of this Agreement, 200 megawatthours ("MWH") per hour ("Contract Amount") of long-term capacity ("Capacity") and long-term energy ("Energy") described herein.

1.2 The number of megawatthours of Energy from zero to 200 MWH per hour at any time which CEI intends to deliver to the GPU Parties and the time of delivery thereof, subject to the conditions of delivery provided for in this Agreement, shall be provided on a weekly basis by CEI and the GPU Parties in consultation with the Ohio Edison System. Thereafter, during each week, these Energy receipts can be actually scheduled on an hourly basis variable within the hour. Penn Power may request the GPU Parties through CEI to schedule a minimum take of from zero to no higher than 100 MWH per hour as determined by Penn Power at the time of delivery based on current unit operations. Procedures for such scheduling are to be established by the Operating Committee provided for under Article 8. The aggregate number of megawatthours of Energy actually scheduled for any month shall be used for the purpose of effecting billings for such Energy and payments under this Agreement for such month. Each of the parties shall

exercise due diligence and reasonable care and foresight in arranging for and in operating their respective power sources so that amounts of Energy shall be delivered and taken in accordance with such delivery schedules.

1.3 When the GPU Parties are unable to reserve any portion of the Contract Amount due to transmission limitations as stated in subsection 3.13, the GPU Parties will make the portion not reserved available to other companies with advance notice no less than that provided to CEI and Penn Power as described in subsection 3.13. The GPU Parties will make every reasonable effort, by making this power available, to exceed the minimum demand revenue amounts as described in subsection 2.4.

1.4 For the years 1983 through 1986, if either Penn Power or Ohio Edison make arrangements with other electric utilities, with CEI and the GPU Parties being intermediary parties, CEI agrees to cooperate with the Ohio Edison System in consummating such arrangements and the GPU Parties agree to enter into additional contracts with the Ohio Edison System to aid in transmitting 200 megawatts of power from the Ohio Edison System to such other electric utilities. This amount of power is in addition to the amount in subsection 1.1. All terms, conditions and compensation rates in such contracts will be as stated in the contract with the receiving electric utilities.

1.5 During the term of this Agreement, Penn Power and Ohio Edison shall have the option to sell such Capacity and Energy not reserved for any period within the Contract term by the GPU Parties.

1.6 The Ohio Edison System shall cause its units to be operated and maintained in a manner consistent with safe, prudent and efficient operating practice.

ARTICLE 2

TERMINATION

2.1 In the event that the CEI-GPU Power Resale Agreement should be terminated, this Agreement shall be simultaneously terminated; however the contracts contemplated in subsection 1.4 shall not be affected.

2.2 CEI recognizes that upon mutual agreement of Penn Power and the GPU Parties, this Agreement as well as the CEI-GPU Power Resale Agreement will be terminated by a joint notice of such termination from Penn Power and the GPU Parties to CEI.

2.3 Penn Power reserves the right to terminate this Agreement if any bill under this Agreement is not paid within forty-five (45) days of its receipt.

2.4 Penn Power reserves the right to terminate this Agreement upon a six-calendar month prior notification to CEI and the GPU Parties if during any calendar year period Penn Power receives demand charge revenues as defined in subsection 3.1 of less than the following amounts:

\$1,325,000 during 1983*
\$3,720,000 during 1984*
\$4,880,000 during 1985*
\$6,150,000 during 1986
\$8,610,000 during 1987
\$10,175,000 during 1988
\$10,680,000 during 1989
\$11,210,000 during 1990
\$11,770,000 during 1991
\$12,355,000 during 1992
\$5,405,000 during 1993

* To the extent Penn Power receives more than the above-stated minimum demand revenues hereunder in any of the three identified given years, (*) such excess demand revenues above the stated minimum amount received by Penn Power shall be

credited towards the minimum amounts in the succeeding years through 1986 but in no event will such credits reduce the minimum required demand charge revenues to less than \$2,790,000, \$2,930,000 and \$3,070,000 in the calendar years 1984, 1985 and 1986 respectively. No credits shall apply to calendar year 1987 and beyond.

2.5 In the event federal legislation is enacted during the term of this Agreement concerning environmental matters so as to require either Ohio Edison or Penn Power to make significant capital expenditures to modify generating facilities or to procure coal of different quality specifications than presently being procured in order to comply with such federal legislation, Penn Power may propose modification to the rates and charges provided for under Article 3. If a mutually satisfactory agreement cannot be reached, including the concurrence of the GPU Parties within sixty days of the proposed modification, Penn Power may terminate this Agreement on two year's notice.

ARTICLE 3

COMPENSATION

3.1 Payment shall be made each month by CEI to Penn Power for reserving the Contract Amount, according to the following rates and charges:

3.11 A monthly demand charge during each year as follows:

\$3685/MW/MO during the year 1983
\$3870/MW/MO during the year 1984
\$4065/MW/MO during the year 1985
\$4270/MW/MO during the year 1986
\$4485/MW/MO during the year 1987
\$4710/MW/MO during the year 1988
\$4945/MW/MO during the year 1989
\$5190/MW/MO during the year 1990
\$5450/MW/MO during the year 1991
\$5720/MW/MO during the year 1992
\$6005/MW/MO during the year 1993

3.12 If Penn Power cannot provide to CEI the Contract Amount during any portion of a day (for any reason, including without limitation as set forth in subsections 4.2, 12.1 and 13.1) or if CEI cannot deliver the Contract Amount during any portion of a day (for any reason, including without limitation as set forth in subsections 4.2, 12.1 and 13.1), Penn Power shall reduce on an hourly pro rata basis the demand charge otherwise due, provided the GPU Parties have not given the notice as contemplated by subsection 3.13, in accordance with the following daily rates for portions of a day, further provided in no case shall Penn Power be obligated to rebate in a calendar month more than the monthly demand charges in subsection 3.11:

\$121.15/MW/DA during the year 1983
\$126.89/MW/DA during the year 1984
\$133.64/MW/DA during the year 1985
\$140.38/MW/DA during the year 1986
\$147.48/MW/DA during the year 1987
\$154.43/MW/DA during the year 1988
\$162.58/MW/DA during the year 1989
\$170.63/MW/DA during the year 1990
\$179.18/MW/DA during the year 1991
\$187.54/MW/DA during the year 1992
\$197.42/MW/DA during the year 1993

3.13 If the GPU Parties give notice to CEI and CEI notifies Penn Power prior to Wednesday noon of the week preceding that it cannot receive the Contract Amount for a period or periods commencing Monday of the following week due to physical or contractual transmission limitations, then the demand charge shall be reduced by Penn Power as described in subsection 3.12 for the period for which advance notification has been given. In the event the physical or contractual transmission limitations contemplated hereunder are relieved, the GPU Parties shall reinstate a reservation request for the fullest amount possible up to 200 MW.

3.14 Transmission limitations as used in subsection 3.13 are defined to mean only those which arise due to the GPU Parties limited import capability established by the PJM Interconnection Office and after giving consideration to the previously committed long term purchases from American Electric Power System, St. Joe

Resources, Detroit Edison and the services contemplated in the CEI-GPU Power Resale Agreement and this Agreement.

3.2 Payment for megawatthours actually scheduled shall be made each month by CEI to Penn Power according to the following rates:

3.21 The rate per megawatthour (MWH) shall be \$2.00, plus the monthly incremental replacement cost of fuel, for the categories includable in Acct. No. 501 of the FERC Uniform System of Accounts, expressed in dollars per MWH, used to generate the megawatthours during the billing month. The incremental replacement cost of fuel under this subsection is defined to mean the cost of fuel to replace the fuel consumed to generate the megawatthours and shall be the first increment of energy generated above the energy required by the Ohio Edison System to supply Penn Power's and Ohio Edison's system load. For purposes of this subsection, system load is defined to mean the firm customer load which includes only the load of the retail customers, the contract requirements of the municipal and rural electric cooperative customers for resale to ultimate retail customers, and the prior contract requirements of the Ohio Edison System under the OE-APS Power Supply Agreement of May 2, 1983. If however, GPU gives notice as described in subsection 3.13 and after such notice reinstates a request for up to 200 MW, the energy shall be priced after all sales committed to by the Ohio Edison System after the initial notice pursuant to subsection 3.13 was given.

3.22 If at any time during the term of the Agreement, Penn Power or Ohio Edison are formally notified by any State or Federal agency that any fees, taxes or surcharges are imposed on

transactions pursuant to this Agreement, Penn Power shall add the charges to bills rendered under this Agreement.

3.3 Costs associated with this Agreement shall be subject to audit and shall be determined according to generally accepted accounting principles.

ARTICLE 4

SERVICE CONDITIONS

Avoidance of Burdens

4.1 Each party shall have facilities or contractual arrangements adequate to serve its own load and shall exercise reasonable care to design, construct, maintain, and operate its facilities, in accordance with good utility operating practice. Any party may install and operate on its system such relays, disconnecting devices, and other equipment as it may deem appropriate for the protection of its system.

Other Interruptions of Service

4.2 In addition to the other terms of this Agreement, any service being provided under this Agreement may be interrupted or reduced in accordance with the following (a) by operation of automatic equipment installed for power system protection, (b) after consultation with the affected parties if practicable, at any time that a party deems it desirable for installation, maintenance, inspection, repairs, or replacements of equipment, or (c) at any time that in the judgment of the interrupting party such action is necessary to preserve the integrity of, or to prevent or limit any instability on its system. Otherwise each party shall exercise reasonable care to maintain the continuity of all service provided under this Agreement.

Control of Reactive Power Exchange

4.3 No party shall be obligated to deliver reactive power for the benefit of any other party. No party shall be obligated to receive reactive power when to do so might introduce objectionable operating conditions on its system. Subject to the foregoing, the parties shall establish from time to time (a) voltage levels to be maintained and (b) operating procedures for establishing and maintaining an equitable distribution of reactive power generation.

Control of Unscheduled Energy

4.4 The parties shall endeavor to minimize, to the extent practicable, unscheduled deliveries and receipts of electric energy. The parties recognize, however, that despite their best efforts to prevent it, unscheduled flows of energy may occur. Electric energy delivered or received in such event shall be settled for by procedures established by the Operating Committee.

Operating Responsibilities

4.5 Operating arrangements under this Agreement shall be between operating personnel of the Ohio Edison System Dispatching Office and the personnel of the CEI System Operation Center.

ARTICLE 5

DELIVERY POINTS

5.1 All electric Energy delivered under this Agreement shall be of the character commonly known as three-phase sixty Hz energy and shall be delivered at the interconnection points of CEI and the Ohio Edison System, at standard nominal voltage and at such other delivery points and voltages as may be agreed upon by the parties.

ARTICLE 6

RECORDS

6.1 The parties shall keep such records as may be needed to afford a clear history of all transactions under this Agreement. The originals of all such records shall be retained by the party keeping the records for a minimum of two years plus the current year and copies shall be delivered to other parties to this Agreement upon request.

ARTICLE 7

BILLING AND PAYMENT

7.1 Unless otherwise agreed upon, the calendar month shall be the standard period for all settlements under this Agreement. As soon as practicable after the end of each billing period, the parties shall cause to be prepared a statement showing the transactions during such period in such detail as may be needed for settlement under this Agreement.

7.2 Unless otherwise agreed upon, each monthly bill for charges under this Agreement shall be rendered by the fifth working day in the month following the calendar month in which the charges were incurred and unless otherwise agreed upon, payment of each bill shall be made by electronic transfer or such other means as shall cause payment to be available for the use of the payee on the first banking day common to the parties hereto following the nineteenth day of the month in which the bill was rendered. Interest on unpaid amounts shall accrue daily at the then current prime interest rate per annum of Manufacturers Hanover Trust Company from the due date of such unpaid amount and until the date paid. Other than as required by law or regulatory action, bill adjustments must be made within six (6)

months of the rendition of the bill for which the adjustment is to be calculated.

7.5 CEI shall be under no obligation to Penn Power with respect to amounts owed by CEI pursuant to Article 3 hereunder to the extent that the GPU Parties fails to compensate CEI for amounts owed for the purchase of energy and associated operating capacity under the CEI-GPU Power Resale Agreement. In such event, CEI shall exercise their best efforts to collect such compensation from the GPU Parties and shall not compromise or settle any claim for such compensations without the prior consent of Penn Power. To the extent that the GPU Parties compensates CEI in an amount less than the amount billed, CEI shall pay Penn Power so much of said amount (after deduction of expenses incurred in the collection of such amount) as will result in a sharing of the remainder in proportion to the out-of-pocket costs incurred by CEI and Penn Power as a result of the underlying transaction with the balance, if any, shared in proportion to the amounts owed to CEI and Penn Power for their respective unpaid charges.

ARTICLE 8

OPERATING COMMITTEE

8.1 To coordinate operations in order to carry out the terms of this Agreement and the CEI-GPU Power Resale Agreement the parties shall appoint an Operating Committee consisting of three members, one of whom shall be appointed by Penn Power, one by CEI, and one by the GPU Parties. The parties of each system by notice to those of the other system shall appoint their member and an alternate to act in such member's absence and may change either by similar notice. The unanimous agreement of its members shall be required for all decisions of the Operating Committee.

ARTICLE 9

INDEMNITY

9.1 Each party shall save harmless the other parties from any and all claims, liability, and expenses arising out of any bodily injury, death or damage to property (other than bodily injury, death, or damage to property proximately caused by any other such party or its servants or employees) resulting from the operation by such indemnifying party of its own facilities, except that each party shall be responsible for all claims of its own employees, agents, and servants under any worker's compensation law or similar law.

ARTICLE 10

TERM

10.1 This Agreement shall become effective on July 1, 1983 and shall remain in effect until May 31, 1993 or terminated as provided in Article 2 hereof.

ARTICLE 11

REGULATORY AUTHORITIES

11.1 This Agreement is made pursuant to the Federal Power Act. Notwithstanding any other provisions of this Agreement, the rates and terms of service specified herein shall remain in effect for the term set forth in Article 10, and shall not be subject to change through application to the Federal Energy Regulatory Commission pursuant to the provisions of Section 205 of the Federal Power Act absent the agreement of Penn Power, CEI and the GPU Parties.

ARTICLE 12

FORCE MAJEURE

12.1 No party shall be in default in respect of any obligation hereunder if prevented from fulfilling such obligation by reason of any cause beyond its reasonable control, including without limitation strikes and labor disputes, and restraints by Court order or public authority and action or non-action by or inability to obtain the necessary authorizations or approval from any governmental agency or authority. A party unable to fulfill any obligation by reason of any cause beyond its control shall use diligence to remove such disability with reasonable dispatch. If such disability is not able to be removed the contract may be terminated upon a two year notification by either CEI or Penn Power.

ARTICLE 13

GENERAL

13.1 Uncontrollable forces may also cause Pennsylvania Power or Ohio Edison to invoke its Emergency Electrical Procedures ("Procedures") presently on file with its respective Public Utilities Commission or as may be amended in the future. Therefore, Penn Power reserves the right to make reductions in amount of Capacity and Energy being made available under this Agreement as set forth below. The Ohio Edison System shall give both CEI and GPU Parties prompt advance notice, if possible, when either Pennsylvania Power or Ohio Edison expect reductions under this provision. The reductions shall be as follows:

13.11 Up to 25% during periods of capacity shortages whenever the Procedures require voluntary curtailment of electric use by customers.

13.12 100% during periods of capacity shortages whenever the Procedures require manual load shedding.

13.13 25% during periods of fuel shortages whenever fuel supplies are decreasing and are sufficient for not more than 40 normal burn days as defined under the Procedures.

13.14 100% during periods of fuel shortages whenever fuel supplies are decreasing and are sufficient for not more than 30 normal burn days as defined under the Procedures.

13.15 Penn Power and Ohio Edison agree to incorporate a similar provision in any similar power supply agreement entered into during the effective term of this Agreement.

13.2 Any waiver at any time of any rights as to any default or other matter arising hereunder shall not be deemed a waiver as to any subsequent default or matter. Any delay, short of the statutory period of limitation, in asserting or enforcing any right hereunder shall not be deemed a waiver of such right.

13.3 No party shall be liable for the failure of any other party to perform its obligations hereunder.

13.4 Neither Penn Power nor Ohio Edison shall have any obligation to the other, under this Agreement, all obligations between these parties are governed by other agreements, except that the demand revenue referred to in subsection 3.1 shall be initially shared by the Ohio Edison System at a nominal 86% to Ohio Edison and 14% to Pennsylvania Power.

13.5 All notices under this Agreement shall be given to the party for whom it is intended in care of Penn Power at its general office, in the case of the Ohio Edison System, and in care of CEI at its general office, in the case of CEI, or at such other address as such party shall theretofore

have designated to the other, with a copy to the GPU Parties at the GPU Service Corporation's general office. ✓

ARTICLE 14

ASSIGNMENT

14.1 This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties. This Agreement shall not be assigned by any party without the written consent of the others.

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be duly executed.

PENNSYLVANIA POWER COMPANY

By

[Signature]
VICE PRESIDENT

THE CLEVELAND ELECTRIC ILLUMINATING COMPANY

By

[Signature]
VICE PRESIDENT

Concurred to:

GPU SERVICE CORPORATION, AS AGENT FOR

METROPOLITAN EDISON COMPANY,

PENNSYLVANIA ELECTRIC COMPANY AND

JERSEY CENTRAL POWER & LIGHT COMPANY

By

[Signature]
VICE PRESIDENT

Ohio Edison Company

By

[Signature]
SENIOR VICE PRESIDENT

LGL83/022

CEI-GPU POWER RESALE AGREEMENT

POWER RESALE AGREEMENT dated as of July 1, 1983 by and among The Cleveland Electric Illuminating Company, an Ohio corporation ("CEI"), and the GPU Service Corporation, a New Jersey corporation as agent for Jersey Central Power & Light Company, a New Jersey corporation ("Jersey Central"), Metropolitan Edison Company, a Pennsylvania corporation ("Met Ed") and Pennsylvania Electric Company, a Pennsylvania corporation ("Penelec").

W I T N E S S E T H:

WHEREAS, Jersey Central, Met Ed and Penelec are the members of an integrated electric utility system (the "GPU System") and are herein sometimes referred to collectively as the "GPU Parties", and

WHEREAS, CEI is directly interconnected with the GPU System and the integrated electric utility system known as the Ohio Edison System comprised of Pennsylvania Power Company, a Pennsylvania corporation (herein referred to as "Penn Power") and Ohio Edison Company, an Ohio corporation (herein referred to as "Ohio Edison"), and

WHEREAS, CEI and the members of the GPU System are signatories to an Agreement dated September 20, 1965 as amended and supplemented, known as the "CEI-PJM Interconnection Agreement," and

WHEREAS, Penn Power and CEI intend to make available to the GPU Parties long-term capacity and associated energy pursuant to a Power Supply Agreement (the "PP-CEI Power Supply Agreement") in the form simultaneously delivered herewith to the GPU Parties,

NOW, THEREFORE, in consideration of the premises and mutual covenants herein set forth and to induce CEI to execute and deliver the PP-CEI Power Supply Agreement, the parties agree as follows:

ARTICLE 1

SERVICES TO BE RENDERED

1.1 Throughout the duration of this Agreement, CEI shall stand ready, subject to the provisions contained herein, to resell and deliver to the GPU Parties 200 megawatthours ("MWH") per hour ("Contract Amount") of long term capacity ("Capacity") and long-term energy ("Energy") supplied by Penn Power to CEI pursuant to the PP-CEI Power Supply Agreement and the GPU Parties shall take the Contract Amount except only as provided in subsection 1.4 of the CEI-GPU Power Resale Agreement.

1.2 The number of megawatthours of Energy from zero to 200 MWH per hour at any time which the GPU Parties intend to take and the time of delivery thereof, subject to the conditions of delivery provided for in this Agreement, shall be provided on a weekly basis by the GPU Parties in consultation with CEI and the Ohio Edison System. Thereafter, during each week, these Energy receipts can be actually scheduled on an hourly basis variable within the hour. Penn Power may request the GPU Parties through CEI to schedule a minimum take of from zero to no higher than 100 MWH per hour as determined by Penn Power at the time of delivery based on current unit operations. Procedures for such scheduling are to be established by the Operating Committee provided for under Article 8. The aggregate number of megawatthours of Energy actually scheduled for any month shall be used

for the purpose of effecting billings for such Energy and payments under this Agreement for such month. Each of the parties shall exercise due diligence and reasonable care and foresight in arranging for and in operating their respective power sources so that amounts of Energy shall be delivered and taken in accordance with such delivery schedules.

1.3 The GPU Parties agree that the supply of Capacity and Energy hereunder may be interrupted or reduced as a result of actions by Penn Power pursuant to the PP-CEI Power Supply Agreement. CEI in addition may interrupt or reduce deliveries in accordance with subsections 4.2 and 12.1 hereunder and in its discretion as appropriate to serve the requirements of retail and firm wholesale municipal or rural cooperative customers of CEI, but in no event shall such interruption or reduction of deliveries be for economic replacement of the arrangements contemplated under this Agreement or the PP-CEI Power Supply Agreement.

1.4 If the GPU Parties give notice to CEI and CEI notifies Penn Power prior to Wednesday noon of the week preceding that they cannot receive any portion of the Contract Amount for a period or periods commencing Monday of the following week due to physical or contractual transmission limitations, then the demand charge shall be reduced by Penn Power as described in subsection 3.12 of the PP-CEI Power Supply Agreement for the period in which advance notification has been given. In the event the physical or contractual transmission limitations contemplated hereunder are relieved, the GPU Parties shall reinstate a reservation request for the fullest amount possible up to 200 MW.

1.5 Transmission limitations as used in subsection 1.4 are defined to mean only those which arise due to the GPU Parties limited import capability established by the PJM Interconnection Office and after giving

consideration to the previously committed long term purchases from American Electric Power System, St. Joe Resources, Detroit Edison and the services contemplated in the PP-CEI Power Supply Agreement and this Agreement.

1.6 To the extent the GPU Parties are unable to reserve any portion of the Contract Amount due to transmission limitations, the GPU Parties will make the portion not reserved available to other companies, with advance notice no less than that provided to CEI and Penn Power as described in subsection 1.4. The GPU Parties will make every reasonable effort, by making this power available, to exceed the minimum demand revenue amounts as described in subsection 2.4 of the PP-CEI Power Supply Agreement.

1.7 During the term of this Agreement, the GPU Parties through CEI agree to exercise every reasonable effort to make available for sale to potential purchasers, power not taken pursuant to subsection 1.5 and additional power pursuant to subsection 1.8, such power to be offered at fair market value by the Ohio Edison System.

1.8 For the years 1983 through 1986, if either Penn Power or Ohio Edison make arrangements with other electric utilities, with CEI and the GPU Parties being intermediary parties, CEI agrees to cooperate with the Ohio Edison System in consummating such arrangements and the GPU Parties agree to enter into additional contracts with the Ohio Edison System to aid in transmitting 200 megawatts of power from the Ohio Edison System to such other electric utilities. This amount of power is in addition to the amount in subsection 1.1. All terms, conditions and compensation rates in such contracts will be as stated in the contract with the receiving electric utilities.

1.9 CEI and the GPU Parties shall cause their facilities to be operated and maintained in a manner consistent with safe, prudent and efficient operating practice.

ARTICLE 2

TERMINATION

2.1 In the event that the PP-CEI Power Supply Agreement should be terminated, this Agreement shall be simultaneously terminated; however, the contracts contemplated in subsection 1.8 shall not be affected.

2.2 CEI recognizes that upon mutual agreement of Penn Power and the GPU Parties, this Agreement as well as the PP-CEI Power Supply Agreement will be terminated by a joint notice of such termination from Penn Power and GPU Parties to CEI.

2.3 CEI reserves the right to terminate this Agreement if any bill under this Agreement is not paid within forty-five (45) days of its receipt.

2.4 This Agreement shall terminate immediately without notice or other action in the event that any of the parties hereto shall commence a voluntary case under the Federal Bankruptcy Code or successor law or shall consent to an order for relief in an involuntary case under such law.

2.5 CEI reserves the right to terminate this Agreement upon a six-calendar month prior notification if during any calendar year period after 1986 CEI receives transmission demand charges in an amount less than the charges for 1,440 MW-months of transmission service.

ARTICLE 3
COMPENSATION

3.1 Payment shall be made each month by the GPU Parties to CEI, for reserving the Contract Amount according to the following charges:

3.11 The monthly demand charge determined pursuant to Article 3 of the PP-CEI Power Supply Agreement, plus

3.12 A transmission demand charge of \$1040/MW/MO. applied to the same respective megawatts for which payment is made pursuant to subsection 3.11.

3.13 If CEI cannot provide to the GPU Parties the Contract Amount during any hour, CEI shall reduce the transmission demand charge otherwise due at the rate of \$1.43/MW/Hr. provided the GPU Parties have not given the notice as contemplated by section 1.4, further provided that in no case shall CEI be obligated to rebate in a calendar month more than the monthly demand charges in subsection 3.12.

3.2 Payment for megawatthours actually scheduled shall be made each month by the GPU Parties to CEI according to the following charges:

3.21 The Energy charges determined pursuant to Article 3 of the PP-CEI Power Supply Agreement, plus

3.22 \$0.5 per MWH of such Energy.

3.3 Costs associated with this Agreement shall be subject to audit and shall be determined according to generally accepted accounting principles in the industry. Any fees, taxes or surcharges imposed by any regulatory or governmental agencies on CEI on any capacity and energy delivered hereunder shall be added to the charges for service.

ARTICLE 4

SERVICE CONDITIONS

Avoidance of Burdens

4.1 Each party shall have facilities or contractual arrangements adequate to serve its own load and shall exercise reasonable care to design, construct, maintain, and operate its facilities, in accordance with good utility operating practice. Any party may install or install and operate on its system such relays, disconnecting devices, and other equipment as it may deem appropriate for the protection of its system.

Interruptions of Service

4.2 In addition to the other terms of this Agreement any service being provided under this Agreement may be interrupted or reduced in accordance with the following; (a) by operation of automatic equipment installed for power system protection, (b) after consultation with the affected parties if practicable, at any time that a party deems it desirable for installation, maintenance, inspection, repairs, or replacements of equipment, (c) at any time that in the judgment of the interrupting party such action is necessary to preserve the integrity of, or to prevent or limit any instability on its system, or (d) if such interruption or curtailment will permit the starting and operation of the Seneca Plant in the pumping mode, which starting and operation could not otherwise be accomplished, provided however CEI has interrupted or curtailed similar transactions arranged after the effective date of this Agreement. Otherwise each party shall exercise reasonable care to maintain the continuity of all service provided under this Agreement.

Control of Reactive Power Exchange

4.3 No party shall be obligated to deliver reactive power for the benefit of any other party. No party shall be obligated to receive reactive power when to do so might introduce objectionable operating conditions on its system. Subject to the foregoing, the parties shall establish from time to time (a) voltage levels to be maintained and (b) operating procedures for establishing and maintaining an equitable distribution of reactive power generation.

Control of Unscheduled Energy

4.4 The parties shall endeavor to minimize, to the extent practicable, unscheduled deliveries and receipts of electric energy. The parties recognize, however, that despite their best efforts to prevent it, unscheduled flows of energy may occur. Electric energy delivered or received in such event shall be settled for by procedures established by the Operating Committee.

Operating Responsibilities

4.5 Operating arrangements under this Agreement shall be between operating personnel of the GPU Power Control Center and the personnel of the CEI System Operating Center.

ARTICLE 5

DELIVERY POINT

5.1 All electric energy delivered hereunder shall be of the character commonly known as three phase 60 HZ energy and shall be delivered at the interconnection point between CEI and Penelec, at standard nominal voltage and at such other delivery points and voltages as may be agreed upon by the parties.

ARTICLE 6

RECORDS

6.1 The parties shall keep such records as may be needed to afford a clear history of all transactions under this Agreement. The originals of all such records shall be retained by the party keeping the records for minimum of two years plus the current year and copies shall be delivered to other parties to this Agreement upon request.

ARTICLE 7

BILLING AND PAYMENT

7.1 Unless otherwise agreed upon, the calendar month shall be the standard period for all settlements under this Agreement. As soon as practicable after the end of each billing period, the parties shall cause to be prepared a statement showing the transactions during such period in such detail as may be needed for settlements under this Agreement.

7.2 Unless otherwise agreed upon, each monthly bill for charges under this agreement shall be rendered by the fifth working day in the month following the calendar month in which the charges were incurred and unless otherwise agreed upon, payment of each bill shall be made by electronic

transfer or other means as shall cause payment to be available for the use of the payee on the first banking day common to the parties hereto following the nineteenth day of the month in which the bill was rendered. Interest on unpaid amounts shall accrue daily at the then current prime interest rate per annum of Manufacturers Hanover Trust Company from the due date of such unpaid amount and until the date paid. Other than as required by law or regulatory action, bill adjustments must be made within six (6) months of the rendition of the bill for which the adjustment is to be calculated.

ARTICLE 8

OPERATING COMMITTEE

8.1 To coordinate operations in order to carry out the terms of this Agreement the parties shall appoint an Operating Committee consisting of the same three members, comprising the Operating Committee in Article 8 of the PP-CEI Power Supply Agreement. The parties of each system by notice to those of the other system shall appoint their member and an alternate to act in such member's absence and may change either by similar notice. The unanimous agreement of its members shall be required for all decisions of the Operating Committee.

ARTICLE 9

INDEMNITY

9.1 Each party shall save harmless the other parties from any and all claims, liability, and expenses arising out of any bodily injury, death, or damage to property (other than bodily injury, death, or damage to property proximately caused by any such other party or its servants or employees) resulting from the operation by such indemnifying party of its

own facilities, except that each party shall be responsible for all claims of its own employees, agents, and servants under any worker's compensation law or similar law.

ARTICLE 10

TERM

10.1 This Agreement shall become effective on July 1, 1983 and shall remain in effect until May 31, 1993 unless terminated as provided in Article 2 of this Agreement.

ARTICLE 11

REGULATORY AUTHORITIES

11.1 This Agreement is made pursuant to the Federal Power Act. Notwithstanding any other provision of this Agreement, the rates and terms of service specified herein shall remain in effect for the term set forth in Article 10, and shall not be subject to change through application to the Federal Energy Regulatory Commission pursuant to the provisions of Section 205 of the Federal Power Act absent the agreement of Penn Power, CEI and the GPU Parties; provided that nothing contained herein shall be construed as affecting in any way the right of CEI to unilaterally make application to the FERC under Section 205 of the Federal Power Act for a change in the rate set forth in Section 3.12, in which event CEI shall provide to the GPU Parties and the Ohio Edison System written notice of the projected increases in the rate hereunder that will be filed with the FERC. Such notice shall be given not less than 90 days in advance of the proposed effective date of the proposed increase.

ARTICLE 12

GENERAL

12.1 No party shall be in default in respect of any obligation hereunder if prevented from fulfilling such obligation by reason of any cause beyond its reasonable control, including without limitation strikes and labor disputes. A party unable to fulfill any obligation by reason of any cause beyond its control shall use diligence to remove such disability with reasonable dispatch.

12.2 Any waiver at any time of any rights as to any default or other matter arising hereunder shall not be deemed a waiver as to any subsequent default or matter. Any delay, short of the statutory period of limitation, in asserting or enforcing any right hereunder shall not be deemed a waiver of such right.

12.3 No party shall be liable for the failure of any other party to perform its obligations hereunder.

12.4 No GPU Party shall have any obligation to any other GPU Party, under this Agreement, all obligations between parties of the same System being governed by other agreements.

12.5 All notices under this Agreement shall be given to the party for whom it is intended in care of GPU Service Corporation at GPU Service Corporation's general office, in the case of the GPU Party, and in care of CEI at its general office, in the case of CEI, or at such other address as such party shall theretofore have designated to the other, with a copy to Penn Power at Penn Power's general office.

ARTICLE 13

ASSIGNMENT

13.1 This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties. This Agreement shall not be assigned by any party without the written consent of the others.

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be duly executed.

THE CLEVELAND ELECTRIC ILLUMINATING COMPANY

By

Harold L. Williams

EXECUTIVE VICE PRESIDENT

GPU SERVICE CORPORATION, as agent for

METROPOLITAN EDISON COMPANY,

PENNSYLVANIA ELECTRIC COMPANY AND

JERSEY CENTRAL POWER & LIGHT COMPANY

By

R. C. Knight

VICE PRESIDENT

Concurred to:

PENNSYLVANIA POWER COMPANY

By

J. V. Edwards

VICE PRESIDENT

OHIO EDISON COMPANY

By

R. J. McQuinn WOTY
TAC

LGL83/023 SENIOR VICE PRESIDENT

Update of the
Operating License for
Beaver Valley Nuclear Power Station, Unit No. 2

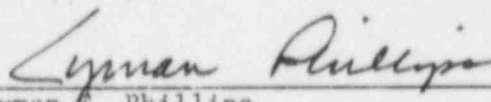
INFORMATION REQUESTED BY THE NUCLEAR REGULATORY
COMMISSION IN CONNECTION WITH ITS ANTITRUST REVIEW

ANSWERS OF THE TOLEDO EDISON COMPANY

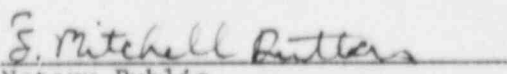
A F F I D A V I T

State of Ohio)
) SS:
County of Lucas)

On October 8, 1985, before me, a Notary Public in and for the State and County aforesaid, personally appeared Lyman C. Phillips, who, after being duly sworn according to law, deposed and said that he is Senior Vice President, Administration of THE TOLEDO EDISON COMPANY, a corporation; that in such capacity he is authorized to make this Affidavit; and that the within Answers of THE TOLEDO EDISON COMPANY to the Information Requested by the Nuclear Regulatory Commission in connection with its Antitrust Review Update for Beaver Valley Nuclear Power Station, Unit No. 2 are true and correct to the best of his knowledge, information and belief.


Lyman C. Phillips

Sworn to and subscribed before me the day and year aforesaid.


Notary Public

E. MITCHELL DUTTON
Attorney at Law
Notary Public, State of Ohio
My Commission has no expiration date
Section O.R.C. 147.03

THE TOLEDO EDISON COMPANY
Response to
NRC Regulatory Guide 9.3

Question 1a:

Anticipated excess or shortage in generating capacity resources not expected at the construction permit stage. Reasons for the excess or shortage along with data on how the excess will be allocated, distributed, or otherwise utilized or how the shortage will be obtained.

Answer:

The Toledo Edison Company's (Toledo Edison) current forecast of installed generating capability, shown below in Table I, results in capacity margins deemed adequate to maintain acceptable system reliability under normal operating conditions for the period indicated. Capacity margins increase after the addition of new generating units, however, these margins decline in the respective subsequent years as a consequence of normal load growth. Also, while these units are expected to be declared commercial in the respective years indicated in Table I, for planning purposes Toledo Edison does not anticipate that these units will be fully available at all times during the first year of commercial operation due to start-up testing requirements and the normal initial start-up difficulties associated with new nuclear units.

Since the construction permit stage, Toledo Edison's forecast of system peak loads has been substantially reduced. This reduced forecast is occasioned by the dramatically different social, economic, and energy outlook today than was foreseen at the time the original projections were made during the construction permit period for the unit. Higher energy costs which have tended to suppress load growth, generally lower economic growth prospects, and a new energy conservation ethic have all contributed to this lower forecast. In response thereto, the scheduled start-up date for Beaver Valley Unit No. 2 has been delayed from April 1977 to December 1987. Similarly, the start-up date for Perry Unit No. 1 has been delayed from the original date of April 1979 to late December 1985. Perry Unit No. 2, originally scheduled for in-service April 1980, is currently under review and is in a minimal construction expenditure mode. Additionally, four nuclear units were terminated by the CAPCO Group in 1980 (Erie Unit Nos. 1 and 2 and Davis-Besse Unit Nos. 2 and 3).

Adequate generating capacity reserves are imperative in order to maintain economical electric service to our customers without unnecessary dependence on capacity from other sources. Reserves are required so

THE TOLEDO EDISON COMPANY
Response to
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that generating equipment can be taken out of service to perform scheduled maintenance and, in the case of nuclear units, for refueling operations. Reserves are also required for unplanned outages due to equipment failures, fuel shortages, unforeseeable extreme weather conditions, and unit derating as a result of regulations affecting the construction and operation of generating facilities.

Toledo Edison believes that the generating capacity shown in Table I will be adequate to meet presently expected load growth. However, future capacity requirements and plans are subject to ongoing review and may be modified.

TABLE I

Toledo Edison's Projected Capacity, Load, and Reserve Situation
At Time of Annual Peak (in MW)*

<u>Year</u>	<u>System Peak Load</u>	<u>Net Seasonal Capability</u>	<u>Projected Reserves</u>	<u>Capacity Margin</u>
1985	1360	1719	359	20.9
1986	1420	1924	504	26.2
1987	1440	1921	481	25.0
1988	1460	2071	611	29.5
1989	1490	2059	569	27.6
1990	1520	2059	539	26.2
1991	1550	2059	509	24.7
1992	1580	2059	479	23.3
1993	1610	2059	449	21.8
1994	1640	2059	419	20.3

Committed Capacity Additions

<u>Unit</u>	<u>Scheduled In-Service</u>	<u>Toledo Edison Share (in NDC MW)</u>
Perry Unit No. 1 (1205 MW)	12/85	240
Beaver Valley Unit No. 2 (833 (MW))	12/87	166
Perry Unit No. 2 (1205 MW)	Under Review	240

*Information as reported in Toledo Edison's 1985 Long Term Forecast Report to the Ohio Department of Development, Division of Energy.

Question 1b: New Power pools or coordinating groups or changes in structure, activities, policies, practices, or membership

THE TOLEDO EDISON COMPANY
Response to
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of power pools or coordinating groups in which the licensee was, is, or will be a participant.

Answer:

Toledo Edison and Cleveland Electric Illuminating entered into a definitive agreement on June 25, 1985 to affiliate the companies under a newly formed holding company which will provide overall management, planning and policy making for the two electric utilities. Under the affiliation, each utility will retain its local identity and considerable autonomy. The agreement calls for the development and implementation for the mutual benefit of the customers of both companies of an equitable program of capacity rationalization and joint economic dispatch designed to achieve substantial balance of the relative capacity responsibilities of the companies, financial parity as to capacity costs per sales unit and availability to all customers of both companies of the lowest cost available energy on their combined systems.

Terms of the agreement call for holders of Toledo Edison common stock to receive one share of common stock of the new holding company in exchange for each share held. Holders of Cleveland Electric Illuminating common stock will receive 1.11 shares of the holding company stock in exchange for each Cleveland Electric Illuminating share held. Other than common stock, no other securities or financial obligations of the two companies will be affected.

Although the companies hope to effect the affiliation by the end of 1985, the affiliation is subject to the approval of the Securities and Exchange Commission ("Commission") pursuant to the Public Utility Holding Company Act of 1935 (the "1935 Act"). The holding company filed an application on August 8, 1985 for approval of the affiliation by the Commission under the 1935 Act and that application is currently pending. The Ohio Consumers' Counsel has moved to intervene in the proceeding and has requested the Commission to hold hearings to determine whether or not Toledo Edison and Cleveland Electric Illuminating have met the statutory standards for the affiliation under the 1935 Act. Western Reserve Alliance has moved to intervene to oppose the affiliation and the City of Toledo has moved to intervene to participate if hearings are held. The Commission has received letters from Ohio Edison Company ("OE") and American Municipal Power-Ohio, Inc. ("AMP-O") raising questions whether certain aspects of the affiliation meet the requirements of the 1935 Act. OE stated

THE TOLEDO EDISON COMPANY
Response to
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that it affirmatively supports the affiliation, but AMP-O has indicated that it would oppose an unconditioned Commission approval of the affiliation.

Toledo Edison and Cleveland Electric Illuminating believe that the affiliation satisfies the requirements of the 1935 Act. It is not possible at this time to predict when the Commission will act on the holding company's application.

Question 1c:

Changes in transmission with respect to (1) the nuclear plant, (2) interconnections, or (3) connections to wholesale customers.

Answer:

The Toledo Edison's transmission system, with respect to the nuclear plant, interconnections, and connections to wholesale customers has not changed since this information was provided with the license application data submitted on December 15, 1982.

Question 1d:

Changes in the ownership or contractual allocation of the output of the nuclear facility. Reasons and basis for such changes should be included.

Answer:

There has been no change in Toledo Edison's ownership or contractual allocation of Beaver Valley Unit No. 2 since this information was provided with the license application data submitted on December 15, 1982.

Question 1e:

Changes in design, provisions, or conditions of rate schedules and reasons for such changes. Rate increases or decreases are not necessary.

Answer:

Since the initial antitrust review as reflected in the information provided by Toledo Edison in the December 15, 1982 license application data, the retail tariffs as filed with the Public Utilities Commission of Ohio have not undergone major design changes, although there have been several increases in level. The Company has entered into several contracts for service with some industrial customers which are designed to encourage industrial development.

Design changes in rates under which service is offered to Toledo Edison's wholesale customers were approved by the Commission in Docket No. ER84-164 (March 1, 1984) and Docket No. ER84-165 (February 1, 1984). Under the contract approved in Docket No. ER84-165, Toledo Edison sells to American Municipal Power-Ohio, which allocates

THE TOLEDO EDISON COMPANY

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the power among the municipalities. American Municipal Power-Ohio (AMP-Ohio) is an organization of Ohio's municipal electric utilities created to provide bulk power supplies to members on a nonprofit basis. The tariff for partial requirements service approved under Docket No. ER84-164 is presently not being utilized by any customers.

Attached hereto as Exhibit I are copies of Toledo Edison's current retail rate schedules.

Question 1f:

List of all (1) new wholesale customers, (2) transfers from one rate schedule to another, including copies of schedules not previously furnished, (3) changes in licensee's service area, and (4) licensee's acquisitions or mergers.

Answer: (1) & (2)

Wholesale municipal customers which previously contracted directly with Toledo Edison for wholesale service under filed tariffs now receive Toledo Edison service through AMP-Ohio, a nonprofit association of municipal electric systems which acts as a power broker on behalf of its members. Attached hereto as Exhibit II are copies of Toledo Edison's current wholesale and partial requirements tariffs as filed with the Federal Energy Regulatory Commission.

(3) None.

(4) None.

Question 1g:

List of those generating capacity additions committed for operation after the nuclear facility, including ownership rights or power output allocations.

Answer:

Toledo Edison has a 19.91% ownership share of the committed Perry Unit No. 2. This CAPCO unit is currently under review and is in a minimal construction expenditure mode.

Question 1h:

Summary of requests or indications of interests by other electric power wholesale or retail distributors, and licensee's response, for any type of electric service or cooperative venture or study.

Answer:

(1) One major electrical system in the East is actively pursuing a large purchase arrangement beginning in the early 1990s conditioned upon the construction of a major new transmission line. Presently, limited transmission

THE TOLEDO EDISON COMPANY
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line availability in the East has blocked potential sales to that region. If built, a new transmission line would probably have sufficient capacity to facilitate additional transactions by which the load growth in the East could be supplied by Midwestern coal and nuclear capacity. Toledo Edison and other CAPCO companies have been involved in extensive discussions regarding participation in this potentially significant transaction. These discussions are necessarily highly confidential at this stage.

- (2) Toledo Edison has been engaged in negotiations and discussions with AMP-Ohio for some time regarding the possibility of a transaction in which Toledo Edison would make available to AMP-Ohio the capacity to meet AMP-Ohio's load growth in forthcoming years. Tentative terms have been developed which could prove mutually advantageous if state legislative and state constitutional restrictions can be overcome.
- (3) In November, 1984 Toledo Edison was contacted by AMP-Ohio about the interest and ability of Toledo Edison to supply the supplemental needs of the AMP-Ohio municipalities in Toledo Edison's service area for December, 1984. Toledo Edison offered to supply the power, but AMP-Ohio elected to receive the power from another utility. Toledo Edison agreed to wheel this power to these municipalities. This arrangement was extended to January, 1985.
- (4) In May, 1985 Toledo Edison was again contacted by AMP-Ohio regarding Toledo Edison's interest and ability to supply up to 100 MW of the supplemental needs of AMP-Ohio during the months of June, July and August, 1985 on a month-to-month basis. The Company indicated a willingness to supply up to 50 MW at a quoted price in June with the value for future months to be determined subsequently. The offer was accepted, a contract entered into and filed with Federal Energy Regulatory Commission (Docket No. ER85-549-000; accepted July 8, 1985). Of the total amount, 21 MW went to municipals in the Toledo Edison area, 19 MW to Ohio Edison area municipals and 10 MW to Cleveland Municipal Power. Due to higher prices and lowered reserves resulting from the Davis-Besse Station unplanned outage that commenced on June 9, 1985, there were no transactions of this type during July and August. A copy of the supplemental rate schedule as accepted by Federal Energy Regulatory Commission is attached hereto as Exhibit III.

THE TOLEDO EDISON COMPANY
Response to
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- (5) In late 1983, Toledo Edison had informal discussions with representatives of the City of Bryan municipal electric system regarding alternatives for service restoration in the event of an outage on the Bryan transmission feed from another Ohio utility. These discussions encompassed the economic and engineering feasibility of Toledo Edison providing a backup power supply to the City of Bryan, the type of potential backup which could be provided, and the costing factors pertinent to such a potential backup. No concrete proposal has yet been developed. Toledo Edison has, however, indicated its willingness to provide a backup power supply to the City of Bryan.

Question 2:

Licensees whose construction permits include conditions pertaining to antitrust aspects should list and discuss those actions or policies which may have been implemented in accordance with such conditions.

Answer:

It is the policy of Toledo Edison to comply with all of the License Conditions.

Actions or policies implemented subsequent to and in accordance with the License Conditions are listed below:

License Condition 3

An agreement between Toledo Edison and its wholesale customers has been reached under which Toledo Edison has agreed to sell to and wheel power for AMP-Ohio or any other wholesale power supplier to wholesale customers within Toledo Edison's service territory. (See Item 1h).

License Condition 9

Negotiations between AMP-Ohio and Toledo Edison on the possibility of a transaction in which Toledo Edison would make capacity available to AMP-Ohio for future load growth have been conducted. (See Item 1h).

License Condition 10

Toledo Edison sells wholesale power to all requesting entities within its service territory.

Update of the
Operating License for
Beaver Valley Nuclear Power Station, Unit No. 2

INFORMATION REQUESTED BY THE NUCLEAR REGULATORY
COMMISSION IN CONNECTION WITH ITS ANTITRUST REVIEW
ANSWERS OF THE TOLEDO EDISON COMPANY

Toledo Edison's Current Retail Rate Schedules

THE TOLEDO EDISON COMPANY
Toledo, Ohio

P.U.C.O. No. 7

Original Sheet No. 40

RESIDENTIAL RATE "R-01"

APPLICABILITY:

This rate is applicable to a single family residence, a single occupancy apartment, a mobile housing unit or any other single family residential unit.

This rate does not apply to commercial or industrial service. If a residential unit is used for both residential and commercial purposes, the appropriate general service rate shall apply unless the wiring is so arranged that the residential usage can be metered separately. The hallways and other common facilities of an apartment building or apartment complex are to be billed on the appropriate general service rate.

MONTHLY RATE:

	SUMMER	WINTER
(1) Customer Charge		
Single-Phase Service	\$4.25	\$4.25
Three-Phase Service	\$8.25	\$8.25
(2) Energy Charge		
First 1000 KWH, per KWH	7.54¢	7.00¢
All Additional KWH, per KWH	6.69¢	5.36¢

SEASONAL PERIODS:

The Summer period shall be the billing months of May through September and the Winter period shall be the billing months of October through April.

MINIMUM:

The minimum bill shall be the monthly customer charge.

TERMS OF PAYMENT:

The net amount of the bill is due within fourteen days as shown on the bill. If not paid within that time, a late payment service charge of five percent (5%) will also be due, based on current charges only. Such late payment service charge will not be assessed prior to one full day following the due date and will not be compounded for future delinquencies. The late payment service charge will be assessed only when there is more than one late payment in a twelve month period. The late payment service charge will not be imposed in any month in which the payments exceed the current charges.

ELECTRIC FUEL COMPONENT:

The energy charge shall be adjusted to include the current cost of fuel consumed to produce electric energy in compliance with Rule 4901:1-11 of the Ohio Administrative Code, as reflected in Rider No. 1 - Electric Fuel Component Rate of this tariff.

ACCOUNT ACTIVATION:

The initial bill for a new customer or a customer at a new location shall include an account activation charge of \$6.00.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

Continued on Sheet No. 41

Issued: April 29, 1985

Issued by John P. Williamson
Chairman
Edison Plaza, Toledo, Ohio

Effective: April 29, 1985

THE TOLEDO EDISON COMPANY
Toledo, Ohio

P.U.C.O. No. 7

Original Sheet No. 41

RESIDENTIAL RATE "R-01"

TYPE OF SERVICE:

The type of service available includes alternating current, 60 hertz, single phase at the Company's secondary voltages, overhead or underground as available at the specific customer location. The customer may elect three-phase service where this can be made available without additional construction cost.

TERMS AND CONDITIONS:

- (1) Service under this rate is supplied in accordance with the Rules and Regulations of the Company and is subject to the jurisdiction of the Public Utilities Commission of Ohio.

INTERIM SURCHARGE:

A surcharge of 5.52 percent shall be applied to the total billing amount exclusive of the Electric Fuel Component rate in Rider No. 1 of this tariff filed in compliance with Rule 4901:1-11 of the Ohio Administrative Code.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

Issued: April 29, 1985

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Chairman
Edison Plaza, Toledo, Ohio

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THE TOLEDO EDISON COMPANY
Toledo, Ohio

P.U.C.O. No. 7

Original Sheet No. 42

RESIDENTIAL OPTIONAL HEATING RATE "R-06"

APPLICABILITY:

This rate is available on an optional basis to a high usage single family residence utilizing a permanently installed electric space heating system as a substantial source of the space heating requirements, and applying also to a single occupancy apartment, a mobile housing unit or any other single family residential unit meeting the utilization requirements. Not less than 75 percent of the customer's connected load must be within the dwelling unit.

This rate does not apply to commercial or industrial service. If a residential unit is used for both residential and commercial purposes, the appropriate general service rate shall apply unless the wiring is so arranged that the residential usage can be metered separately. The hallways and other common facilities of an apartment building or apartment complex are to be billed on the appropriate general service rate.

MONTHLY RATE:

	SUMMER	WINTER
(1) Customer Charge		
Single-Phase Service	\$ 6.25	\$ 6.25
Three-Phase Service	\$10.50	\$10.50
(2) Energy Charge		
First 125 KWH per KW Demand		
First 1000 KWH, per KWH	7.34¢	6.80¢
All Additional KWH, per KWH	6.69¢	5.36¢
All Energy in Excess of		
125 KWH per KW Demand, per KWH	2.94¢	2.19¢

SEASONAL PERIODS:

The Summer period shall be the billing months of May through September and the Winter period shall be the billing months of October through April.

MINIMUM:

The minimum bill shall be the monthly customer charge. The minimum demand shall be 8 kilowatts.

TERMS OF PAYMENT:

The net amount of the bill is due within fourteen days as shown on the bill. If not paid within that time, a late payment service charge of five percent (5%) will also be due, based on current charges only. Such late payment service charge will not be assessed prior to one full day following the due date and will not be compounded for future delinquencies. The late payment service charge will be assessed only when there is more than one late payment in a twelve month period. The late payment service charge will not be imposed in any month in which the payments exceed the current charges.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

Continued on Sheet No. 43

Issued: April 29, 1985

Issued by John P. Williamson
Chairman
Edison Plaza, Toledo, Ohio

Effective: April 29, 1985

RESIDENTIAL OPTIONAL HEATING RATE "R-06"

ELECTRIC FUEL COMPONENT:

The energy charge shall be adjusted to include the current cost of fuel consumed to produce electric energy in compliance with Rule 4901:1-11 of the Ohio Administrative Code, as reflected in Rider No. 1 - Electric Fuel Component Rate of this tariff.

ACCOUNT ACTIVATION:

The initial bill for a new customer or a customer at a new location shall include an account activation charge of \$6.00.

TYPE OF SERVICE:

The type of service available includes alternating current, 60 hertz, single phase at the Company's secondary voltages, overhead or underground as available at the specific customer location. The customer may elect three-phase service where this can be made available without additional construction cost.

DEMAND DETERMINATION:

The Monthly Billing Demand will be the highest recorded demand during the billing month, but not less than 8 KW. Demand readings will be determined to the nearest whole KW. The demand meter provided will be an indicating meter with a fifteen-minute integrating interval or, at the option of the Company, a suitable thermal-type demand meter.

TERMS AND CONDITIONS:

- (1) Service under this rate is supplied in accordance with the Rules and Regulations of the Company and is subject to the jurisdiction of the Public Utilities Commission of Ohio.
- (2) Customer must be a high usage customer and must have permanently installed, and in operation, electric space heating equipment supplying a substantial portion of the heating requirements of the residence, as determined by the Company.
- (3) The term of contract shall be for one year from the start of service under this rate and thereafter until terminated by notice by the Customer, except as otherwise provided in the Company's rules and regulations. Termination by the customer during the first year shall only be by mutual agreement of the Company.

INTERIM SURCHARGE:

A surcharge of 5.52 percent shall be applied to the total billing amount exclusive of the Electric Fuel Component Rate in Rider No. 1 of this tariff filed in compliance with Rule 4901:1-11 of the Ohio Administrative Code.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

THE TOLEDO EDISON COMPANY
Toledo, Ohio

P.U.C.O. No. 7

Original Sheet No. 44

RESIDENTIAL HOT WATER RATE "R-04"

APPLICABILITY:

This rate is available only to those customers being served under the rate as of August 1, 1975, or who have contracted for the purchase or installation of electric water heating prior to that date. This rate is available on an optional basis to a single family residence utilizing electricity as the primary source of energy for water heating, and applies also to a single occupancy apartment, a mobile housing unit or any other single family residential unit meeting the utilization requirements.

This rate does not apply to commercial or industrial service. If a residential unit is used for both residential and commercial purposes, the appropriate general service rate shall apply unless the wiring is so arranged that the residential usage can be metered separately. The hallways and other common facilities of an apartment building or apartment complex are to be billed on the appropriate general service rate.

MONTHLY RATE:

	SUMMER	WINTER
(1) Customer Charge		
Single-Phase Service	\$4.25	\$4.25
Three-Phase Service	\$8.25	\$8.25
(2) Energy Charge		
First 1000 KWH, per KWH	6.94¢	6.35¢
All Additional KWH, per KWH	6.31¢	5.16¢

SEASONAL PERIODS:

The Summer period shall be the billing months of May through September and the Winter period shall be the billing months of October through April.

MINIMUM:

The minimum bill shall be the monthly customer charge.

TERMS OF PAYMENT:

The net amount of the bill is due within fourteen days as shown on the bill. If not paid within that time, a late payment service charge of five percent (5%) will also be due, based on current charges only. Such late payment service charge will not be assessed prior to one full day following the due date and will not be compounded for future delinquencies. The late payment service charge will be assessed only when there is more than one late payment in a twelve month period. The late payment service charge will not be imposed in any month in which the payments exceed the current charges.

ELECTRIC FUEL COMPONENT:

The energy charge shall be adjusted to include the current cost of the fuel consumed to produce electric energy in compliance with Rule 4901:1-11 of the Ohio Administrative Code, as reflected in Rider No. 1 - Electric Fuel Component Rate of this tariff.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

Continued on Sheet No. 45

Issued: April 29, 1985

Issued by John P. Williamson
Chairman
Edison Plaza, Toledo, Ohio

Effective: April 29, 1985

RESIDENTIAL HOT WATER RATE "R-04"

TYPE OF SERVICE:

The type of service available includes alternating current, 60 hertz, single phase at the Company's secondary voltages, overhead or underground as available to the specific customer location. The customer may elect three-phase service where this can be made available without additional construction cost.

TERMS AND CONDITIONS:

- (1) Service under this rate is supplied in accordance with the General Service Rules and Regulations of the Company and is subject to the jurisdiction of the Public Utilities Commission of Ohio.
- (2) Customer must have permanently installed, and in operation, electric water heating equipment, approved by the Company, supplying the entire requirement for domestic hot water. The maximum electric water heating element rating shall be 5500 watts. Two element water heaters with non-interlocked elements have a permissible total element wattage of 7000 watts. In order to assure satisfactory hot water service, the Company recommends that the water heating equipment in residences have minimum total tank capacity of 40 gallons.
- (3) Continued applicability of this rate to a customer is contingent upon their participation in a positive load control program involving the installation of load controls on electric water heating and central air conditioning should the Company so request.

INTERIM SURCHARGE:

A surcharge of 5.52 percent shall be applied to the total billing amount exclusive of the Electric Fuel Component Rate in Rider No. 1 of this tariff filed in compliance with Rule 4901:1-11 of the Ohio Administrative Code.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

RESIDENTIAL HEATING RATE "R-07"

APPLICABILITY.

This rate is available only to those customers being served under the rate as of August 1, 1975, or who have contracted for electric space heating prior to that date. This rate is available on an optional basis to a single family residence utilizing electricity as the primary source of energy for space heating and water heating, and applying also to a single occupancy apartment, a mobile housing unit or any other single family residential unit meeting the utilization requirements.

This rate does not apply to commercial or industrial service. If a residential unit is used for both residential and commercial purposes, the appropriate general service rate shall apply unless the wiring is so arranged that the residential usage can be metered separately. The hallways and other common facilities of an apartment building or apartment complex are to be billed on the appropriate general service rate.

MONTHLY RATE:

	SUMMER	WINTER
(1) Customer Charge		
Single-Phase Service	\$4.25	\$4.25
Three-Phase Service	\$8.25	\$8.25
(2) Energy Charge		
First 1000 KWH, per KWH	6.94¢	6.02¢
All Additional KWH, per KWH	6.31¢	4.32¢

SEASONAL PERIODS:

The Summer period shall be the billing months of May through September and the Winter period shall be the billing months of October through April.

MINIMUM:

The minimum bill shall be the monthly customer charge.

TERMS OF PAYMENT:

The net amount of the bill is due within fourteen days as shown on the bill. If not paid within that time, a late payment service charge of five percent (5%) will also be due, based on current charges only. Such late payment service charge will not be assessed prior to one full day following the due date and will not be compounded for future delinquencies. The late payment service charge will be assessed only when there is more than one late payment in a twelve month period. The late payment service charge will not be imposed in any month in which the payments exceed the current charges.

ELECTRIC FUEL COMPONENT:

The energy charge shall be adjusted to include the current cost of fuel consumed to produce electric energy in compliance with Rule 4901:1-11 of the Ohio Administrative Code, as reflected in Rider No. 1 - Electric Fuel Component Rate of this tariff.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

Continued on Sheet No. 47

RESIDENTIAL HEATING RATE "R-07"

TYPE OF SERVICE:

The type of service available includes alternating current, 60 hertz, single phase at the Company's secondary voltages, overhead or underground as available at the specific customer location. The customer may elect three-phase service where this can be made available without additional construction cost.

TERMS AND CONDITIONS:

- (1) Service under this rate is supplied in accordance with the Rules and Regulations of the Company and is subject to the jurisdiction of the Public Utilities Commission of Ohio.
- (2) Customer must have permanently installed and in operation, electric space heating equipment supplying the total heating requirements of his residence.
- (3) Customer must have permanently installed and in operation, electric water heating equipment, approved by the Company, supplying the entire requirement for domestic hot water. The maximum electric water heating element rating shall be 5500 watts. Two element water heaters with non-interlocked elements have a permissible total element wattage of 7000 watts. In order to assure satisfactory hot water service, the Company recommends that the water heating equipment in residences have minimum total tank capacity of 40 gallons.
- (4) Continued applicability of this rate to a customer is contingent upon their participation in a positive load control program involving the installation of load controls on electric water heating and central air conditioning should the Company so request.

INTERIM SURCHARGE:

A surcharge of 5.52 percent shall be applied to the total billing amount exclusive of the Electric Fuel Component Rate in Rider No. 1 of this tariff filed in compliance with Rule 4901:1-11 of the Ohio Administrative Code.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

THE TOLEDO EDISON COMPANY
Toledo, Ohio

P.U.C.O. No. 7

Original Sheet No. 48

EXPERIMENTAL RESIDENTIAL ENERGY STORAGE RATE "R-08"

APPLICABILITY:

This rate is available to residential customers on an experimental basis to provide off-peak energy for space conditioning and water heating through the use of customer-owned, permanently wired energy storage devices. This rate shall be available to no more than fifty customers who obtain their other electrical service through one of the Company's standard residential rates. Eligibility for this rate will be determined by the Company with consideration of the unique nature of the energy storage devices, the economic viability of the energy storage system, and determination that the operation of the customer's system will have no detrimental affect upon the operation of Company distribution facilities, nor require additional capital investment for such facilities.

CHARACTER OF SERVICE:

The purpose of this rate is to encourage research and development of energy storage systems in order to make possible efficiency improvements in the utilization of the Company's electrical system. Electrical service for energy storage purposes will be available only during off-peak hours through separately metered circuits supplied with the same electrical characteristics as the customer's other service. For this rate, the off-peak hours will be from 10:00 p.m. to 8:00 a.m. Eastern Standard Time each day. Although these hours are subject to change from time to time at the Company's option, energy will be provided for a minimum of 10 hours each day. The Company will provide a time clock or other device to control the energy storage circuits through Company approved customer-owned disconnect switches.

MONTHLY RATE:

(1) Customer Charge	
Single-Phase Service	\$ 6.25
Three-Phase Service	\$10.50
(2) Demand Charge, per KW	\$ 1.69
(3) Energy Charge, per KWH	1.29¢

MINIMUM:

The minimum bill shall be the monthly customer charge plus the applicable demand charge.

TERMS OF PAYMENT:

The net amount of the bill is due within fourteen days as shown on the bill. If not paid within that time, a late payment service charge of five percent (5%) will also be due, based on current charges only. Such late payment service charge will not be assessed prior to one full day following the due date and will not be compounded for future delinquencies. The late payment service charge will be assessed only when there is more than one late payment in a twelve month period. The late payment service charge will not be imposed in any month in which the payments exceed the current charges.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

Continued on Sheet No. 49

Issued: April 29, 1985

Issued by John P. Williamson
Chairman
Edison Plaza, Toledo, Ohio

Effective: April 29, 1985

EXPERIMENTAL RESIDENTIAL ENERGY STORAGE RATE "R-08"

ELECTRIC FUEL COMPONENT:

The energy charge shall be adjusted to include the current cost of fuel consumed to produce electric energy in compliance with Rule 4901:1-11 of the Ohio Administrative Code, as reflected in Rider No. 1 - Electric Fuel Component Rate of this tariff.

ACCOUNT ACTIVATION:

The initial bill for a new customer or a customer at a new location shall include an account activation charge of \$6.00.

DEMAND DETERMINATION:

The Monthly Billing Demand will be the highest recorded demand during the billing month. Demand readings will be determined to the nearest whole KW. The demand meter provided will be an indicating meter with a fifteen-minute integrating interval or, at the option of the Company, a suitable thermal-type demand meter.

TERMS AND CONDITIONS:

- (1) Service under this rate is supplied in accordance with the Rules and Regulations of the Company and is subject to the jurisdiction of the Public Utilities Commission of Ohio.
- (2) In order to obtain the maximum benefit from this experimental offering and to determine that there is no detrimental effect upon distribution facilities, the Company reserves the right to inspect the customers equipment at reasonable times and to use metering and test equipment deemed proper.
- (3) Service under this rate will initially be limited to single phase, 3 wire, 120/240 Volt or three phase, 4 wire, 120/208 Volt. Maximum load to be served will be limited to a 200 Ampere capacity.

INTERIM SURCHARGE:

A surcharge of 5.52 percent shall be applied to the total billing amount exclusive of the Electric Fuel Component Rate in Rider No. 1 of this tariff filed in compliance with Rule 4901:1-11 of the Ohio Administrative Code.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-CL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

RESIDENTIAL CONSERVATION SERVICE PROGRAM

Service Description:

- (1) Upon request of an "eligible customer" as defined by Section 456.105(d), the Company shall provide certain services as prescribed by the National Energy Conservation Policy Act of 1978 (Public Law 95-619), 10CFR Part 456 as amended by the Energy Security Act of 1980 (Section 544, Public Law 96-294), and the Ohio State Plan as approved by the United States Department of Energy. Prior to the Company providing requested services, the customer shall remit the amounts corresponding to the specific service(s):

Class A Energy Audit	\$15.00
Duplicate Audits	All Direct Costs

- (2) In case of duplicate audits, the customer shall be provided an estimate of those direct costs which the utility intends to assess.
- (3) The total charges directly recovered from a residential customer shall not exceed \$15.00 per dwelling unit.
- (4) If the service(s) requested by the customer is (are) not performed, all monies remitted by the customer for any RCS Program services shall be refunded to such customer.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

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Chairman
Edison Plaza, Toledo, Ohio

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THE TOLEDO EDISON COMPANY
Toledo, Ohio

P.U.C.O. No. 7

Original Sheet No. 51

SMALL GENERAL SERVICE RATE "GS-16"

APPLICABILITY:

Available to any customer on the lines of the Company for service for commercial, industrial, or other general use that does not specifically qualify for another rate.

MONTHLY NET RATE:	SUMMER	WINTER
WITH DEMAND METER INSTALLED:		
(1) Demand Charge:		
First 50 KW of Monthly Billing Demand, per KW	\$ 6.80	\$ 6.15
All Additional KW of Monthly Billing Demand, per KW	\$ 6.22	\$ 5.57
(2) Energy Charge:		
First 150 KWH per KW of Monthly Billing Demand, per KWH	6.52¢	5.96¢
Next 150 KWH per KW of Monthly Billing Demand, per KWH	4.75¢	3.56¢
All Additional KWH, per KWH	4.25¢	3.32¢
(3) Customer Charge (per month):		
For Single Phase Service	\$ 6.00	\$ 6.00
For Three Phase Service	\$12.00	\$12.00
WITHOUT DEMAND METER INSTALLED:		
(1) Demand Charge:		
For All KWH, per KWH	4.58¢	4.00¢
(2) Energy Charge:		
First 1000 KWH, per KWH	7.42¢	6.86¢
For All Additional KWH, per KWH	6.52¢	5.96¢
(3) Customer Charge (per month):		
For Single Phase Service	\$ 6.00	\$ 6.00
For Three Phase Service	\$12.00	\$12.00

SEASONAL PERIODS:

The Summer period shall be the billing months of May through September and the Winter period shall be the billing months of October through April.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

Continued on Sheet No. 52

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Chairman
Edison Plaza, Toledo, Ohio

Effective: April 29, 1985

SMALL GENERAL SERVICE RATE "GS-16"

MINIMUM:

The net minimum charge per month shall be the customer charge plus the applicable demand charge applied to the monthly billing demand.

TERMS OF PAYMENT:

The net amount of the bill is due within fourteen days as shown on the bill. If not paid within that time, a late payment service charge of five percent (5%) will also be due, based on current charges only. Such late payment service charge will not be assessed prior to one full day following the due date and will not be compounded for future delinquencies. The late payment service charge will not be imposed in any month in which the payments exceed the current charges.

ELECTRIC FUEL COMPONENT:

The energy charge shall be adjusted to include the current cost of fuel consumed to produce electric energy in compliance with Rule 4901:1-11 of the Ohio Administrative Code, as reflected in Rider No. 1 - Electric Fuel Component Rate of this tariff.

ACCOUNT ACTIVATION:

The initial bill for a new customer or a customer at a new location shall include an account activation charge of \$6.00.

DETERMINATION OF MONTHLY BILLING DEMAND:

The Company will install a demand meter to determine the maximum integrated fifteen minute demand attained at any time during the month only when the customer's monthly usage has exceeded 3,000 KWH for three consecutive months, or the customer's switch capacity is greater than 225 amperes. The Monthly Demand thus established, but not less than fifty percent of the maximum Monthly Demand within the four month period ending with the month under consideration, shall be taken as the Monthly Billing Demand for that month, provided that said demand shall not be less than 5 kilowatts. Once a demand meter has been installed, it shall continue to be utilized unless the maximum monthly demand has been below 10 kilowatts and the monthly energy consumption has been less than 3,000 KWH for twelve consecutive months and the customer's switch capacity is 225 amperes or smaller.

In the event the characteristics of the customer's load are highly fluctuating as in the case of elevators, hoists, cranes and similar equipment, the Monthly Billing Demand in kilowatts shall be sixty percent of the horsepower nameplate rating of the equipment, less fifteen kilowatts.

In the event the Company, in order to prevent voltage fluctuations or disturbances on its system, requires the customer to install a separate transformer or transformers to provide service for X-ray machines, welders, and other equipment having similar characteristics, such service shall be metered and billed separately from the customer's other service. The Monthly Billing Demand in kilowatts for such separate service shall be seventy percent of the kilovolt-ampere nameplate rating of the Company's standard size transformers required, less fifteen kilowatts.

Service under this rate without a demand meter installed is available to churches which qualify by having the primary use of the electric service for public religious services and related activities during off-peak hours.

This sheet filed pursuant to the Finding and Order in Case No. 85-506-EL-ATA of the Public Utilities Commission of Ohio dated July 23, 1985.

Continued on Sheet No. 53

SMALL GENERAL SERVICE RATE "GS-16"

The Company may, at its option, test or meter the power factor of the customer's load. A lagging power factor of less than eight tenths (0.8) shall be adjusted by multiplying the demand by the ratio that 0.8 bears to the actual power factor of the load. No adjustment will be made where the power factor is found to be greater than 0.8 lagging, or for a leading power factor.

Monthly Billing Demand shall be computed to the closest kilowatt.

TEMPORARY SERVICE:

Service for less than one year will be supplied under this provision of this rate with each monthly bill for the first three months increased by 30%, provided the Company has sufficient capacity available and such service will not be detrimental to the Company's service to other customers.

In applying for temporary service, the customer shall pay the Company for the cost of meter setting and removal, service connections, line construction and other special costs incurred by the Company to supply him.

UNMETERED SERVICE:

Unmetered service is available to customers for commercial purposes consisting of continuous fixed electric loads not exceeding 15 kilowatts which can be served by a standard service drop from the Company's existing secondary distribution system.

Kilowatt-hours shall be determined for each month by taking the product of 730 times the rated or measured load in kilowatts.

Each separate point of delivery of service shall be considered as one customer and billed separately.

The customer shall notify the Company in advance of every change in connected load, and the Company reserves the right to inspect the customer's equipment at any time to verify or measure the actual load. In the event the customer fails to notify the Company of an increase in load, the Company shall be entitled to render an adjusted bill on the basis of the increased load for the full period such load was connected and further reserves the right to refuse to provide unmetered service at the delivery point thereafter.

TERMS AND CONDITIONS:

- (1) Service under this rate is supplied in accordance with the Rules and Regulations of the Company and is subject to the jurisdiction of the Public Utilities Commission of Ohio.
- (2) Service under this rate shall be alternating current, 60 Hertz, single and three phase at the Company's standard voltages.
- (3) Customers who desire combined light and power service on this rate, as such service becomes available, shall make such changes in their wiring and/or equipment as may be necessary to receive all service from the Company's four wire secondary system.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

Continued on Sheet No. 54

THE TOLEDO EDISON COMPANY
Toledo, Ohio

P.U.C.O. No. 7

Original Sheet No. 54

SMALL GENERAL SERVICE RATE "GS-16"

- (4) The term of contract shall be for one year from date of application and thereafter until terminated by ten days written notice from the customer to the Company, except as otherwise provided in the temporary service clause of this rate or in the Company's rules and regulations.

INTERIM SURCHARGE:

A surcharge of 5.52 percent shall be applied to the total billing amount exclusive of the Electric Fuel Component Rate in Rider No. 1 of this tariff filed in compliance with Rule 4901:1-11 of the Ohio Administrative Code.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

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Chairman
Edison Plaza, Toledo, Ohio

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THE TOLEDO EDISON COMPANY
Toledo, Ohio

P.U.C.O. No. 7

Original Sheet No. 55

LARGE GENERAL SERVICE RATE "GS-12"

APPLICABILITY:

Available to any customer on the lines of the Company applying for permanent service for commercial or industrial uses who will guarantee a Monthly Billing Demand of at least one hundred fifty (150) kilovolt-amperes.

MONTHLY NET RATE (Three Parts):

	SUMMER	WINTER
(1) Demand Charge:		
First 200 KVA or Less of Monthly Billing Demand, per KVA	\$ 9.65	\$ 8.85
All Additional KVA Over 200 KVA of Monthly Billing Demand, per KVA	\$ 9.15	\$ 8.31
(2) Energy Charge:		
First 300 KWh per KVA of Monthly Billing Demand, per KWh	3.57¢	3.13¢
All Additional KWh, per KWh	1.39¢	1.39¢
(3) Customer Charge:		
The Monthly Customer Charge Shall Be	\$150.00	\$150.00

SEASONAL PERIODS:

The Summer period shall be the billing months of May through September and the Winter period shall be the billing months of October through April.

MINIMUM:

The net minimum charge per month shall be the customer charge plus the applicable demand charge applied to the monthly billing demand, including applicable adjustment charges or credits.

TERMS OF PAYMENT:

The net amount of the bill is due within fourteen days as shown on the bill. If not paid within that time, a late payment service charge of five percent (5%) will also be due, based on current charges only. Such late payment service charge will not be assessed prior to one full day following the due date and will not be compounded for future delinquencies. The late payment service charge will not be imposed in any month in which the payments exceed the current charges.

ORDER OF BILLING:

All charges and discounts shall be billed in the order in which they are presented in this tariff.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

Continued on Sheet No. 56

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LARGE GENERAL SERVICE RATE "GS-12"

ELECTRIC FUEL COMPONENT:

The energy charge shall be adjusted to include the current cost of fuel consumed to produce electric energy in compliance with Rule 4901:1-11 of the Ohio Administrative Code, as reflected in Rider No. 1 - Electric Fuel Component Rate of this tariff.

MONTHLY BILLING DEMAND:

The customer's monthly demand shall be the highest fifteen (15) minute kilovolt-ampere demand determined by dividing the highest kilowatt demand attained during the month by the average monthly power factor. Any leading power factor shall be considered as unity.

(1) Off-Peak Option:

A customer may request the installation of appropriate metering and time-based recording equipment so that the Monthly Billing Demand may be determined under this optional provision. Such customer shall pay the added cost of the new metering and recording system in excess of the cost of a standard metering system for a similar customer of this rate class. There shall also be an additional Customer Charge of \$25.00 per month. Election of this option shall be for a minimum term of one year.

Under this option the maximum monthly demand shall be subject to redetermination as follows:

If the customer's actual maximum monthly demand occurs during off-peak hours, the customer's maximum monthly demand for billing purposes will be the actual maximum monthly demand less one-half ($\frac{1}{2}$) of the difference between the actual maximum monthly demand and the highest demand attained during the on-peak hours of the same month. For purposes of this calculation, off-peak hours are all hours in each day, except the hours between 0800 hours (8:00 a.m.) and 2200 hours (10:00 p.m.), Monday thru Friday, excluding legal holidays specified as exempt by the Company. These holidays are New Years Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day, and Mondays which are legally designated as a day of observance in lieu of the above holidays when they occur on weekend days.

(2) Minimum Billing Demands:

The Minimum Monthly Billing Demand shall be the monthly demand but not less than:

- (a) Fifty percent (50%) of the highest monthly demand experienced within the six months period ending with the month under consideration; or
- (b) One hundred fifty (150) kilovolt-amperes; or
- (c) Forty-five (45) KVA or one hundred fifteen (115) KVA for those customers having demands less than one hundred fifty (150) KVA and who are receiving service at 4000 volts and higher on the effective date of this rate; corresponding to 40 KW and 100 KW as was in effect for them at the time of the signing of their contract on this rate's predecessors.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

Continued on Sheet No. 57

LARGE GENERAL SERVICE RATE "GS-12"

- (3) In the event the characteristics of the customer's load are highly fluctuating as in the case of elevators, hoists, cranes and similar equipment, the Monthly Billing Demand in kilovolt-amperes shall be sixty percent (60%) of the horsepower nameplate rating of the equipment.
- (4) The Company may, at its option, determine the demand and/or power factor continuously, monthly or at other regular intervals.
- (5) In the event the Company, in order to prevent voltage fluctuations or disturbances on its system, requires the customer to install a separate transformer or transformers to provide service for X-ray machines, welders, and other equipment having similar characteristics, such service shall be metered and billed separately from the customer's other service. The Monthly Billing Demand in kilovolt-amperes for such separate service shall be seventy percent (70%) of the kilovolt-ampere nameplate rating of the Company's standard size transformers required.

TRANSFORMER DISCOUNT:

A discount on the demand charge of thirty-five cents (35 cents) per month per kilovolt-ampere of Monthly Billing Demand will be made to any customer taking service at 4000 volts or higher who furnishes all transformer equipment. Any customer whether served at secondary or primary voltage and receiving a discount as of the effective date of this rate for having installed his own transformers will continue receiving this discount.

PRIMARY SERVICE DISCOUNT:

A discount on the net bill, excluding fuel charges, of three and one-half percent (3½%) will be made to any customer receiving primary service and owning the substation, in compliance with the Terms and Conditions section of this rate.

NON-STANDARD FREQUENCY CHARGE:

The total bill shall be increased by 25% for the remaining customer being served at 25 Hertz.

DELIVERY VOLTAGE:

(1) Secondary Service:

This service covers the supply of three phase, 60 Hertz alternating current, at the Company's standard secondary voltages, and those who, as of the effective date of this rate, are served at 4000 volts or higher primary but are not supplying their own substations.

(2) Primary Service:

This service covers the supply of three phase, 60 Hertz alternating current at no less than 4000 volts for customers owning the substation. Customer receiving service at 25 Hertz will continue to be serviced as long as such supply is available but no additional 25 Hertz service will be provided. No additional installations at 4160 volts in the Company's present underground district or any extension thereof, will be served at this rate.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

Continued on Sheet No. 58

LARGE GENERAL SERVICE RATE "GS-12"

All current on this service will be measured at the service voltage of 4000 volts or higher. The Company shall have the option of metering at secondary voltage and adjusting to a primary metering basis by the use of compensating meters or by estimate based on the rated transformer losses.

TERMS AND CONDITIONS:

- (1) Service under this rate is supplied in accordance with the Rules and Regulations of the Company and is subject to the jurisdiction of the Public Utilities Commission of Ohio.
- (2) The Company will construct the primary voltage line to the customer's property line and will furnish and install the first span of conductors on the customer's property to the customer's structure.

In the event that more than one span of primary voltage circuit is required on the customer's property, the customer will furnish, install, own and maintain the necessary structures, conductors, and related primary voltage line equipment.

The design and construction of all such facilities shall be subject to the Company's approval.

- (3) Substation facilities necessary for utilization of power as delivered to the customer's premises shall be the responsibility of the customer. Such facilities shall include (but shall not be limited to) protective fences, supporting structures, line voltage bus, transformers, switchgear, protective devices, voltage regulators, etc., required to receive, transform and deliver service to the customer's utilization equipment.

The design and construction of the substation and the rating and specifications of the electrical equipment shall be subject to approval by the Company.

When, in the judgment of the Company, circuit breakers are required in the customer's substation for assuring the continuity of service to the customer or for the protection of service to other customers, the customer shall furnish, install, own and maintain such circuit breakers with rating as specified by the Company.

- (4) The customer shall provide, without charge to the Company, the necessary space, structure and foundations for the Company's metering equipment and instruments.
- (5) The Company shall have access to the premises at all times. All equipment furnished by the Company shall be and remain the property of the Company.
- (6) The customer shall provide all equipment necessary to regulate his operations so that the Company's primary voltage shall not be subject to excessive variation.
- (7) For the protection of the Company's facilities, the customer may be required to furnish, install, and maintain a load limiting device approved by and under the sole control of the Company.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

Continued on Sheet No. 59

LARGE GENERAL SERVICE RATE "GS-12"

- (8) Where the customer desires lighting service incidental to his power requirements such service may be purchased under this rate provided the customer furnishes the additional transformers and all other equipment necessary. All such incidental lighting shall be metered through the power meter.
- (9) The customer shall use extraordinary care in so designing his circuits that the loads on the individual phases shall be practically balanced at all times.

TERMS OF SERVICE & CONTRACT:

Service shall be supplied at the legal rates in effect at the time service is rendered for the following terms with a self-renewal provision for successive periods of one year each until either party shall give at least ninety days written notice to the other of its intention to discontinue at the end of any period.

Contract Capacity		Term of Contract
Up to	150 kilovolt-amperes	1 Year
150 to	1000 kilovolt-amperes	2 Years
Over	1000 kilovolt-amperes	3 Years

INTERIM SURCHARGE:

A surcharge of 5.52 percent shall be applied to the total billing amount exclusive of the Electric Fuel Component Rate in Rider No. 1 of this tariff filed in compliance with Rule 4901:1-11 of the Ohio Administrative Code.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

THE TOLEDO EDISON COMPANY
Toledo, Ohio

P.U.C.O. No. 7

Original Sheet No. 60

GENERAL SERVICE HEATING RATE "GS-17"

APPLICABILITY:

THIS RATE IS AVAILABLE ONLY TO THOSE CUSTOMERS RECEIVING SERVICE HEREUNDER AS OF AUGUST 1, 1975 AND THOSE POTENTIAL CUSTOMERS WHO CAN DEMONSTRATE TO THE COMPANY THAT THEY HAD CONTRACTED FOR THE PURCHASE OR INSTALLATION OF ELECTRIC SPACE HEATING PRIOR TO AUGUST 1, 1975.

Available as an optional rate to any commercial customer on the lines of the Company applying for permanent service for commercial uses including lighting, space heating, uncontrolled water heating and incidental uses.

MONTHLY NET RATE:

	SUMMER	WINTER
(1) Demand Charge:		
First 50 KW of Monthly Billing Demand, per KW	\$ 6.80	\$ 6.15
All Additional KW of Monthly Billing Demand, per KW	\$ 6.22	\$ 5.57
(2) Energy Charge:		
First 150 KWH per KW of Monthly Billing Demand, per KWH	6.52¢	5.25¢
Next 150 KWH per KW of Monthly Billing Demand, per KWH	4.75¢	3.32¢
All Additional KWH, per KWH	4.25¢	3.32¢
(3) Customer Charge (per month):		
For Single Phase Service	\$ 6.00	\$ 6.00
For Three Phase Service	\$12.00	\$12.00

WITHOUT DEMAND METER INSTALLED:

(1) Demand Charge:		
For All KWH, per KWH	4.58¢	4.00¢
(2) Energy Charge:		
First 1000 KWH, per KWH	7.42¢	6.15¢
For All Additional KWH, per KWH	6.52¢	5.25¢
(3) Customer Charge (per month):		
For Single Phase Service	\$ 6.00	\$ 6.00
For Three Phase Service	\$12.00	\$12.00

SEASONAL PERIODS:

The Summer period shall be the billing months of May through September and the Winter period shall be the billing months of October through April.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

Continued on Sheet No. 61

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Chairman
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GENERAL SERVICE HEATING RATE "GS-17"

MINIMUM:

The net minimum charge per month shall be the customer charge plus the applicable demand charge applied to the monthly billing demand.

TERMS OF PAYMENT:

The net amount of the bill is due within fourteen days as shown on the bill. If not paid within that time, a late payment service charge of five percent (5%) will also be due, based on current charges only. Such late payment service charge will not be assessed prior to one full day following the due date and will not be compounded for future delinquencies. The late payment service charge will not be imposed in any month in which the payments exceed the current charges.

ELECTRIC FUEL COMPONENT:

The energy charge shall be adjusted to include the current cost of fuel consumed to produce electric energy in compliance with Rule 4901:1-11 of the Ohio Administrative Code, as reflected in Rider No. 1 - Electric Fuel Component Rate of this tariff.

TRANSFORMER DISCOUNT:

A discount on the demand charge of twenty-five cents (\$.25) per month per kilowatt of Monthly Billing Demand will be made to any customer meeting the primary service qualifications as stated in Terms and Conditions (Rule number 7).

POWER FACTOR ADJUSTMENT:

The above rate is based on the maintenance by the Company of a power factor of not less than eighty-five percent (85%). For any month when the lagging power factor is less than eighty-five percent (85%), the Company shall make an additional charge of one percent (1%) of the total bill for each five percent (5%) difference between the lagging power factor and eighty-five percent (85%). The Company may, at its option, test the power factor continuously, monthly or at intervals.

DETERMINATION OF MONTHLY BILLING DEMAND:

The Company will install a demand meter to determine the maximum integrated fifteen minute demand attained at any time during the month only when the customer's monthly usage has exceeded 3,000 KWH for three consecutive months, or the customer's switch capacity is greater than 225 amperes. The Monthly Demand thus established shall be taken as the Monthly Billing Demand for that month, provided that said demand shall not be less than 5 kilowatts. Once a demand meter has been installed, it shall continue to be utilized unless the maximum monthly demand has been below 10 kilowatts and the monthly energy consumption has been less than 3,000 KWH for twelve consecutive months and the customer's switch capacity is 225 amperes or smaller.

Service under this rate is available to public schools, parochial schools, or churches which qualify. The Monthly Demand Charge for schools shall be reduced by 50%. The Monthly Demand Charge shall not apply to churches.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

Continued on Sheet No. 62

GENERAL SERVICE HEATING RATE "GS-17"

The Company may, at its option, test or meter the power factor of the customer's load. A lagging power factor of less than eight tenths (0.8) shall be adjusted by multiplying the demand by the ratio that 0.8 bears to the actual power factor of the load. No adjustment will be made where the power factor is found to be greater than 0.8 lagging, or for a leading power factor.

Monthly Billing Demands shall be computed to the closest kilowatt.

TERMS AND CONDITIONS:

- (1) Service under this rate is supplied in accordance with the Rules and Regulations of the Company and is subject to the jurisdiction of the Public Utilities Commission of Ohio.
- (2) In order to qualify for this rate the customer must meet the following conditions:
 - (a) Electricity shall be the sole source of energy for space heating, water heating, air conditioning, lighting, and power applications.
 - (b) At least 50% of the connected load shall be located inside of buildings that are electrically heated.
 - (c) Size and electrical characteristics of water heating equipment to be used must be approved by the Company.
- (3) Service under this rate shall be alternating current, 60 cycles, single and three phase at the Company's standard voltages. Direct current or 25 cycle service shall not be supplied at this rate.
- (4) Electricity for incidental power applications may be supplied under this rate.
- (5) For connected loads of less than 300 kilowatts, the term of contract shall be for one year from date of application and thereafter until terminated by ten (10) days written notice from the customer to the Company, except as otherwise provided in the Company's rules and regulations.
- (6) For connected loads of more than 300 kilowatts, the term of the contract shall be for three years from date of application, and thereafter until terminated by sixty (60) days written notice from the customer to the Company, except as otherwise provided in the Company's rules and regulations.
- (7) The Company reserves the right to refuse to install transformers, substation equipment, etc., for installations of over 300 kilowatts in which case the Company will supply primary service and the customer will install his own transformers, substation equipment, etc. When a customer supplies his own transformers, substation equipment, etc., and is served at 4160 volts or higher, he shall be entitled to the Transformer Discount.
- (8) When service is supplied at primary voltage the Company may, at its option, meter at the primary voltage; or, at secondary voltage with compensation to a primary basis.
- (9) The customer shall use extraordinary care in so designing his circuits that the load on the individual phases shall be practically balanced at all times.

INTERIM SURCHARGE:

A surcharge of 5.2 percent shall be applied to the total billing amount exclusive of the Electric Fuel Component Rate in Rider No. 1 of this tariff filed in compliance with Rule 4901:1-11 of the Ohio Administrative Code.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

THE TOLEDO EDISON COMPANY
Toledo, Ohio

P.U.C.O. No. 7

Original Sheet No. 63

CONTROLLED WATER HEATING RATE "GS-19"

APPLICABILITY:

Available to any customer on the lines of the Company, receiving service at secondary voltages, applying for permanent electric service for water heating, in electric water heaters or as a supplemental source for solar water heating systems.

MONTHLY NET RATES (Two Parts):

(1) Customer Charge	\$2.05
(2) Energy Charge Per Kilowatt-Hour	2.28¢

MINIMUM:

The minimum bill shall be the monthly customer charge.

TERMS OF PAYMENT:

The net amount of the bill is due within fourteen days as shown on the bill. If not paid within that time, a late payment service charge of five percent will also be due. Such late payment service charge will not be assessed prior to one full day following the due date.

ELECTRIC FUEL COMPONENT:

The energy charge shall be adjusted to include the current cost of fuel consumed to produce electric energy in compliance with Rule 4901:1-11 of the Ohio Administrative Code, as reflected in Rider No. 1 - Electric Fuel Component Rate of this tariff.

EXCISE TAX SURCHARGE ADJUSTMENT:

Monthly charges under this schedule shall be adjusted in accordance with the surcharge for recovery of increased Ohio Gross Receipts Excise Tax as set forth in Rider No. 2 of this tariff.

TERMS AND CONDITIONS:

- (1) Service under this rate is supplied in accordance with the Rules and Regulations of the Company and is subject to the jurisdiction of the Public Utilities Commission of Ohio.
- (2) The service supplying electric energy for water heating under this rate shall be controlled by the Company and the hours during which service shall be supplied may be changed from time to time, consistent with changes in the Company's load conditions. Service shall be supplied hereunder for a period of not less than twelve (12) hours in each twenty-four (24) hours.

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Continued on Sheet No. 64

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THE TOLEDO EDISON COMPANY
Toledo, Ohio

P.U.C.O. No. 7

Original Sheet No. 64

CONTROLLED WATER HEATING RATE "GS-19"

- (3) The Company reserves the right to refuse service to water heating equipment which it considers unable to render satisfactory service when operated in accordance with the requirements of this schedule. The Company does not warrant satisfactory service, operation or installation of non-Company supplied equipment.

INTERIM SURCHARGE:

A surcharge of 5.52 percent shall be applied to the total billing amount exclusive of the Electric Fuel Component Rate in Rider No. 1 of this tariff filed in compliance with Rule 4901:1-11 of the Ohio Administrative Code.

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THE TOLEDO EDISON COMPANY
Toledo, Ohio

P.U.C.O. No. 7

Original Sheet No. 65

PARTIAL SERVICE RATE "CS-15"

APPLICABILITY:

Available to any customer on the lines of the Company applying for service for only a portion of his requirements of electrical energy including service for auxiliary, standby, breakdown and for excitation purposes who shall guarantee at least one hundred fifty (150) kilowatts of Contract Demand.

MONTHLY NET RATE (Three Parts):

(1) Capacity charge:

Per KW of Contract Demand, Per Year	\$ 64.80
(Payable in equal monthly installments)	

(2) Energy charge:

First 300 KWH per KW of Contract Demand,	5.46¢
per KWH	
All Additional KWH, per KWH	3.76¢

(3) Customer charge:

The Monthly Customer Charge shall be	\$150.00
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MINIMUM:

The net minimum charge per month shall be the customer charge plus \$5.40 per month for each KW of Contract Demand (one twelfth of the annual capacity charge) but not less than \$960.00 per month or any fraction of a month.

TERMS OF PAYMENT:

The net amount of the bill is due within fourteen days as shown on the bill. If not paid within that time, a late payment service charge of five percent (5%) will also be due, based on current charges only. Such late payment service charge will not be assessed prior to one full day following the due date and will not be compounded for future delinquencies. The late payment service charge will not be imposed in any month in which the payments exceed the current charges.

ELECTRIC FUEL COMPONENT:

The energy charge shall be adjusted to include the current cost of fuel consumed to produce electric energy in compliance with Rule 4901:1-11 of the Ohio Administrative Code, as reflected in Rider No. 1 - Electric Fuel Component Rate of this tariff.

DETERMINATION OF CONTRACT DEMAND:

The Contract Demand shall be the total connected load in kilowatts of the largest motor or piece of electrical equipment connected, plus seventy-five percent (75%) of all other connected load served through one meter, and such Contract Demand when determined shall, unless additional equipment is connected by the customer, continue for the succeeding twelve months and subsequent twelve-month periods. In the event the customer should connect additional equipment, a new Contract Demand will be determined by the same method as hereinabove provided, and such new Contract Demand shall continue for the twelve succeeding months. The customer,

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Continued on Sheet No. 66

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PARTIAL SERVICE RATE "GS-15"

thirty days prior to the expiration of any twelve-month periods of use of Contract Demand, shall have the right to notify the Company of his intention to discontinue or increase any connected load for a new contract period. Unless such notice is received, the contract shall be continued and self-renewing for additional periods of twelve months. In no event shall the Contract Demand be less than one hundred and fifty (150) kilowatts.

The Company, at its option, may furnish, maintain and operate the necessary equipment whereby the customer's actual demand can be limited to the Contract Demand.

TERMS AND CONDITIONS:

- (1) Service under this rate is supplied in accordance with the Rules and Regulations of the Company and is subject to the jurisdiction of the Public Utilities Commission of Ohio. Special attention is directed to Sections 18, 19, and 20 of the "Rules and Regulations Regarding Customers' Wiring and Installation".
- (2) The voltage, cycle and phase of energy furnished shall be entirely at the option of the Company.
- (3) Where primary service (4160 volts and over) is available, it shall be supplied to any customer.
 - (a) In the event a customer is served directly from the lines of the Company at 4000 volts or higher and said customer furnishes all of his transforming and substation equipment, a discount will be made of \$4.20 per kilowatt of Contract Demand per year (payable in equal monthly installments).
 - (b) Customers using primary service (4160 volts or higher) shall be entitled to a discount amounting to ten percent (10%) of their total monthly bill.
- (4) The Company reserves the right to refuse to install transformers, substation equipment, etc., in which case the customer will install his own equipment and transformers and be entitled to the special discount set forth under (a) of rule 3 above.
- (5) The Company shall not be required to provide service to any customer having a power factor of less than eighty percent (80%) as determined by the Company's test at any time.
- (6) The term of contract shall be for one (1) year from date of application and thereafter shall be governed by the provisions set forth herein under "Determination of Contract Demand", except as otherwise provided in the Company's rules and regulations.

INTERIM SURCHARGE:

A surcharge of 5.52 percent shall be applied to the total billing amount exclusive of the Electric Fuel Component Rate in Rider No. 1 of this tariff filed in compliance with Rule 4901:1-11 of the Ohio Administrative Code.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

THE TOLEDO EDISON COMPANY
Toledo, Ohio

P.U.C.O. No. 7

Original Sheet No. 67

OUTDOOR NIGHT LIGHTING RATE "GS-13"

APPLICABILITY:

Available to any customer on the lines of the Company applying for outdoor night lighting service only, for race tracks and athletic fields of all kinds who shall contract for a definite quantity of electrical capacity in kilowatts, subject to the specific conditions set forth herein.

MONTHLY NET RATE (Two Parts):

(1) Customer Charge	\$10.00
(2) Energy Charge Per Kilowatt-Hour	4.85¢

MINIMUM:

The minimum bill shall be the monthly customer charge.

TERMS OF PAYMENT:

The net amount of the bill is due within fourteen days as shown on the bill. If not paid within that time, a late payment service charge of five percent will also be due. Such late payment service charge will not be assessed prior to one full day following the due date.

ELECTRIC FUEL COMPONENT:

The energy charge shall be adjusted to include the current cost of fuel consumed to produce electric energy in compliance with Rule 4901:1-11 of the Ohio Administrative Code, as reflected in Rider No. 1 - Electric Fuel Component Rate of this tariff.

EXCISE TAX SURCHARGE ADJUSTMENT:

Monthly charges under this schedule shall be adjusted in accordance with the surcharge for recovery of increased Ohio Gross Receipts Excise Tax as set forth in Rider No. 2 of this tariff.

ACCOUNT ACTIVATION:

The initial bill for a new customer or a customer at a new location shall include an account activation charge of \$6.00.

TERMS AND CONDITIONS:

- (1) Service under this rate is supplied in accordance with the Rules and Regulations of the Company and is subject to the jurisdiction of the Public Utilities Commission of Ohio.
- (2) Service shall be supplied only where sufficient capacity is available without added Company expense and only between the hours of 6 P.M. to 6 A.M. except that the time restriction shall be waived on Saturdays, Sundays, and Holidays.
- (3) The Company shall provide service at primary voltages (approximately 4000 volts or higher) except in small installations where the Company may elect to provide service at secondary voltages.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

Continued on Sheet No. 68

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Issued by John P. Williamson
Chairman
Edison Plaza, Toledo, Ohio

Effective: April 29, 1985

OUTDOOR NIGHT LIGHTING RATE "GS-13"

- (4) When in the opinion of the Company it is necessary to provide three phase service, the customer shall use extraordinary care in so designing his circuits that the loads on the individual phases shall be practically balanced at all times. No monthly minimum bill for such three phase service shall be less than \$16.00.
- (5) The Company shall have the right to meter all service used at either primary or secondary voltages, or to estimate the kilowatt hours used by metering a part of the service and multiplying the metered record of that part by a factor determined by dividing the total connected load by the connected load of the part that has been metered. In the event that total or partial metering is at secondary voltage five percent (5%) shall be added to the kilowatt-hours to compensate for additional transformer and line losses.
- (6) The customer shall own, operate, and maintain all pole lines and all other equipment on private right-of-way, together with all transformers, oil circuit breakers, and all lighting and incidental equipment necessary to render the service. The customer shall maintain a power factor of not less than ninety percent (90%).
- (7) The term of contract shall be for a period of not less than two consecutive months (60 days) from date of application and thereafter until terminated by the customer, except as otherwise provided in the Company's rules and regulations.

INTERIM SURCHARGE:

A surcharge of 5.52 percent shall be applied to the total billing amount exclusive of the Electric Fuel Component Rate in Rider No. 1 of this tariff filed in compliance with Rule 4901:1-11 of the Ohio Administrative Code.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

THE TOLEDO EDISON COMPANY
Toledo, Ohio

P.U.C.O. No. 7

Original Sheet No. 69

OUTDOOR SECURITY LIGHTING RATE "CS-18"

APPLICABILITY:

Available to any customer on the lines of the Company receiving service for general uses at secondary voltages applying for all-night outdoor lighting service on private property.

Complete lighting service will be furnished by the Company using vapor lighting units connected to available supply circuits. The Company will supply the electrical energy for operation of the light and will furnish, install and maintain the lighting fixture, bracket, control unit, lamps, wiring and all other necessary materials and equipment.

NET RATE (Per Month):

- (1) Service consisting of a standard 175 watt mercury lighting unit on a standard wood pole with overhead wiring:

For installations prior to January 1, 1974 on existing pole with secondary voltage supply available, per light	\$ 5.94
For installations after January 1, 1974 secondary voltage supply available, per light	\$ 7.47
- (2) Service consisting of a 400 watt mercury or a 200 watt sodium floodlighting unit on a standard wood pole with overhead wiring:

For installation on existing pole with secondary voltage supply available, per light	\$13.51
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- (3) Service consisting of a 400 watt sodium floodlighting unit on a standard wood pole with overhead wiring:

For installation on existing pole with secondary voltage supply available, per light	\$17.52
--	---------
- (4) No new services for 1000 watt mercury floodlighting units on standard wood poles with overhead wiring will be installed:

For existing installations on existing pole with secondary voltage supply available, per light	\$25.44
--	---------
- (5) For installations prior to January 1, 1974
requiring an additional pole and span of
overhead circuit, an additional charge
per pole

	\$ 2.36
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For installations after January 1, 1974 requiring an additional pole and span of overhead circuit, an additional charge per pole	\$ 4.63
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This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

Continued on Sheet No. 70

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Chairman
Edison Plaza, Toledo, Ohio

Effective: April 29, 1985

OUTDOOR SECURITY LIGHTING RATE "GS-18"

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|--|---------|
| (6) For installations on existing poles but requiring an extension of the secondary supply circuit, an additional charge per overhead span | \$ 1.04 |
| (7) Service consisting of a standard 175 watt mercury lighting unit on a standard wood pole with underground wiring: | |
| For installation on a wood pole within fifty feet of existing secondary voltage supply, per light | \$14.51 |
| For installation of underground wiring in excess of fifty feet, per twenty-five foot increment | \$.72 |
| (8) No new service for a 175 watt decorative post-top mercury lighting unit with underground wiring will be installed: | |
| For existing installations on a decorative pole within fifty feet of existing secondary voltage supply, per light | \$11.87 |
| For existing installations of underground wiring in excess of fifty feet, per twenty-five foot increment | \$.72 |

TERMS OF PAYMENT:

The net amount of the bill is due within fourteen days as shown on the bill. If not paid within that time, a late payment service charge of five percent (5%) will also be due, based on current charges only. Such late payment service charge will not be assessed prior to one full day following the due date and will not be compounded for future delinquencies. The late payment service charge will not be imposed in any month in which the payments exceed the current charges.

Billing for service under this rate is to be made part of the bill for other electric service furnished the customer.

TERMS AND CONDITIONS:

- (1) Service under this rate is supplied in accordance with the Rules and Regulations of the Company and is subject to the jurisdiction of the Public Utilities Commission of Ohio.
- (2) All facilities necessary for lighting service shall be and remain the property of the Company. Materials used and equipment styles shall be as determined by the Company.
- (3) When units with underground wiring are to be installed, the customer shall be responsible for paying the cost of any conduit required as well as any excess costs of trenching resulting from rock or other adverse soil conditions.
- (4) Lights provided under this rate shall operate from dusk to dawn every night, operating approximately 4200 hours annually.

This sheet filed pursuant to the Finding and Order in Case No. 85-506-EL-ATA of the Public Utilities Commission of Ohio dated July 23, 1985.

Continued on Sheet No. 71

OUTDOOR SECURITY LIGHTING RATE "GS-18"

- (5) All service, re-lamping and maintenance will be performed only during the regular scheduled working hours. Re-lamping and maintenance will normally be completed within 48 hours after notification by the customer.
- (6) Terms of contract for service under this rate shall be three (3) years and thereafter for units with overhead wiring, and five (5) years and thereafter for units with underground wiring until terminated by ten (10) days written notice from the customer to the Company, except as otherwise provided in the Company's rules and regulations.
- (7) The service supplied under this rate is offered for lighting of private property and is not available for public thoroughfare lighting by municipalities or other political subdivisions.
- (8) Upon the request of a customer for the installation of eight or more lights to be served from a single source, the Company will extend an existing primary voltage supply circuit and install appropriate transformer equipment. In such cases the customer will pay to the Company in advance a contribution in aid of construction equal to the total cost of the installation of the primary voltage supply circuit including poles, conductor, transformers and associated equipment.

INTERIM SURCHARGE:

A surcharge of 5.52 percent shall be applied to the total billing amount exclusive of the Electric Fuel Component Rate in Rider No. 1 of this tariff filed in compliance with Rule 4901:1-11 of the Ohio Administrative Code.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

THE TOLEDO EDISON COMPANY
Toledo, Ohio

P.U.C.O. No. 7

Original Sheet No. 72

LARGE POWER RATE "PV-44"

APPLICABILITY:

Available to any customer on the lines of the Company applying for permanent service who shall contract for not less than six hundred fifty (650) KVA of capacity at a nominal voltage level of four thousand one hundred sixty (4160) volts or more.

MONTHLY NET RATE (Three Parts):

	Nominal service voltage-kilovolts		
	(Primary) 4.16-12.47	(Sub-Trans.) 23-34.5-69	(Bulk) 138
(1) Demand Charge:	Per KVA of Monthly Billing Demand		
First 1000 KVA	\$ 11.53	\$ 11.18	\$ 10.61
Next 29000 KVA	\$ 11.38	\$ 10.97	\$ 10.53
Additional KVA	\$ 10.56	\$ 10.20	\$ 9.73
(2) Energy Charge:	Per KWH		
First 300 KWH per KVA of Monthly Actual Demand	2.143¢	2.064¢	1.816¢
Next 150 KWH per KVA of Monthly Actual Demand	.876¢	.779¢	.730¢
Over 450 KWH per KVA of Monthly Actual Demand	.501¢	.434¢	.418¢
(3) Customer Charge:	Per Month		
	\$250.00	\$1,500.00	\$3,000.00

MINIMUM:

The net minimum charge per month shall be the customer charge plus the applicable demand charge applied to the monthly billing demand, including applicable adjustment charges or credits.

TERMS OF PAYMENT:

The net amount of the bill is due within fourteen days as shown on the bill. If not paid within that time, a late payment service charge of five percent (5%) will also be due, based on current charges only. Such late payment service charge will not be assessed prior to one full day following the due date and will not be compounded for future delinquencies. The late payment service charge will not be imposed in any month in which the payments exceed the current charges.

ORDER OF BILLING:

All charges and discounts shall be billed in the order in which they are presented in this tariff.

ELECTRIC FUEL COMPONENT:

The energy charge shall be adjusted to include the current cost of fuel consumed to produce electric energy in compliance with Rule 4901:1-11 of the Ohio Administrative Code, as reflected in Rider No. 1 - Electric Fuel Component Rate of this tariff.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

Continued on Sheet No. 73

Issued: April 29, 1985

Issued by John P. Williamson
Chairman
Edison Plaza, Toledo, Ohio

Effective: April 29, 1985

LARGE POWER RATE "PV-44"

POWER FACTOR ADJUSTMENT:

The above Rate is based on the maintenance by the customer at all times during the month of a power factor not less than the power factor at the time of maximum monthly demand. For any month when the average lagging power factor is less than eighty-five percent (85%), the Company shall make an additional charge of one percent (1.0%) of the total bill for each five percent (5%) difference between the average lagging power factor and eighty-five percent (85%). The average lagging power factor shall be determined from the kilowatt-hours and the lagging reactive kilovolt-ampere-hours supplied to the customer during the month.

MONTHLY BILLING DEMAND:

The customer's monthly demand shall be the highest thirty (30) minute integrated kilovolt-ampere demand attained during the month. Any leading power factor shall be considered as unity.

(1) Off-Peak Use:

If the customer's monthly demand occurs during off-peak hours, the customer's Monthly Billing Demand will be the monthly demand less two-thirds (2/3) of the difference between the monthly demand and the highest demand attained during the on-peak hours of the same month.

For purposes of this calculation, off-peak hours are all hours in each day, except the hours between 0800 hours (8:00 a.m.) and 2200 hours (10:00 p.m.), Monday thru Friday, excluding legal holidays specified as exempt by the Company. These holidays are New Years Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day, and Mondays which are legally designated as a day of observance in lieu of the above holidays when they occur on weekend days.

(2) Minimum Billing Demands:

The Monthly Billing Demand shall be the monthly demand but not less than:

- (a) Sixty-five percent (65%) of the highest monthly demand experienced during on-peak hours within the most recent October, November, December, January, February, March or April; or
- (b) Seventy-five percent (75%) of the highest monthly demand experienced during on-peak hours within the most recent May, June, July, August or September; or
- (c) Six hundred fifty (650) kilovolt-amperes.

TRANSFORMER CHARGE:

In the past, the Company has agreed to provide standard primary transformers and protective equipment to the customer on an optional basis for an additional charge of thirty-five cents (35¢) per month per KVA of billing demand. This provision continues to be available for all customers receiving such service on the effective date of this rate but such provision will not be available to any additional customers.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

Continued on Sheet No. 74

LARGE POWER RATE "PV-44"

SUBSTATION CHARGE:

The Company is willing to furnish the substation electrical equipment sufficient to supply the customer's contract capacity. The said substation equipment shall be of the Company's standard rating and specifications to make one voltage transformation. The Company will own and maintain the substation equipment for the customer for a monthly charge computed at 1.50% of the Company's total investment in the installation.

If the customer elects to have the Company furnish such facilities, the customer shall provide the necessary site and furnish, install and maintain the foundations, structures and fences. The customer shall reimburse the Company for costs of installation of electrical equipment furnished by the Company.

The monthly charges as provided for herein shall commence with the completion of equipment installation by the Company.

In the event that the amount of the Company's investment in such substation electrical facilities is increased or decreased due to change in amount of capacity provided or to other causes, the monthly charges shall be adjusted to reflect such change in the amount of the Company's investment.

If the customer shall subsequently desire to purchase such substation electrical equipment, the Company will sell the equipment at the depreciated market value at such time.

DELIVERY VOLTAGE:

Delivery voltage will be specified by the Company predicated upon the availability of lines in the vicinity of the customer's premises and commensurate with the size of the customer's load. Customers with demands in excess of twenty-five hundred (2,500) KVA will generally be served at twenty-three thousand (23,000) volts or higher, while customers with demands in excess of thirty thousand (30,000) KVA will generally be served at sixty-nine thousand (69,000) volts or higher.

If changing conditions on the Company's electrical system make continuation of established voltage to the customer impractical, the Company will offer the customer the alternatives of constructing his own facilities so as to continue receiving service at the previous voltage, so long as it does not adversely affect the integrity of the Company's system, or, accept service at the new voltage.

TERMS AND CONDITIONS:

- (1) Service under this rate is supplied in accordance with the Rules and Regulations of the Company and is subject to the jurisdiction of the Public Utilities Commission of Ohio.
- (2) This rate covers the supply of three phase, 60 Hertz alternating current at not less than four thousand (4,000) volts.

All energy at this rate will be measured at the service voltage of four thousand (4,000) volts or higher except in such cases where the Company elects to measure at secondary voltage. If energy is measured at a secondary voltage, the Company may, at its option, adjust the reading to a primary metering basis by the use of compensating meters or by an estimate based on the rated transformer losses.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

Continued on Sheet No. 75

LARGE POWER RATE "PV-44"

- (3) The Company will construct the transmission or distribution line to the customer's property line and will furnish and install the first span of conductors on the customer's property to the customer's structure.

In the event that more than one span of line is required on the customer's property, the customer will furnish, install, own and maintain the necessary structures, conductors and related line equipment.

The design and construction of all such facilities shall be subject to the Company's approval.

- (4) Substation facilities necessary for utilization of power as delivered to the customer's premises shall be the responsibility of the customer. Such facilities shall include (but shall not be limited to) protective fences, supporting structures, line voltage bus, transformers, switchgear, protective devices, voltage regulators, etc. required to receive, transform and deliver service to the customer's utilization equipment.

The design and construction of the substation and the rating and specifications of the electrical equipment shall be subject to approval by the Company.

When, in the judgment of the Company, circuit breakers are required in the customer's substation for assuring the continuity of service to the customer or for the protection of service to other customers, the customer shall furnish, install, own and maintain such circuit breakers with rating as specified by the Company.

In order to provide for the orderly upgrading and improving of the Company's transmission system as additional loads dictate, the Company may require the customer to design and construct the substation so as to facilitate conversion to higher delivery voltages designated by the Company.

- (5) The customer is responsible for cleaning and maintaining substation equipment according to reasonable standards commensurate with safe operation, and the Company may refuse to deliver service to the customer's facilities if this is not done.
- (6) The customer shall provide, without charge to the Company, the necessary space, structure and foundations for the Company's metering equipment and instruments and shall permit the Company to have access to the premises at all times.
- (7) The Company shall have access to the premises at all times. All equipment furnished by the Company shall be and remain the property of the Company.
- (8) The customer shall provide all equipment necessary to regulate his operations so that the Company's primary voltage shall not be subject to excessive variation.
- (9) For the protection of the Company's facilities, the customer may be required to furnish, install, and maintain a load limiting device approved by and under the sole control of the Company.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

Continued on Sheet No. 76

THE TOLEDO EDISON COMPANY
Toledo, Ohio

P.U.C.O. No. 7

Original Sheet No. 76

LARGE POWER RATE "PV-44"

- (10) Where the customer desires lighting service incidental to his power requirements such service may be purchased under this rate, provided the customer furnishes the additional transformers and all other equipment necessary. All such incidental lighting shall be metered through the power meter.
- (11) The customer shall use extraordinary care in so designing his circuits that the loads on the individual phases shall be practically balanced at all times.

TERMS OF SERVICE AND CONTRACT:

Service and contract under this schedule shall be for a period of four years with a self-renewal provision for successive periods of one year each unless written notice of termination is given ninety days before expiration of the four year period, or any one year renewal period.

The customer shall contract for capacity equal to the estimated maximum demand of his load. The Company will supply capacity in excess of that contracted for when such capacity is available, but reserves the right to refuse to supply such additional capacity when in the judgment of the Company to do so would jeopardize the quality or continuity of service to other customers.

INTERIM SURCHARGE:

A surcharge of 5.52 percent shall be applied to the total billing amount exclusive of the Electric Fuel Component Rate in Rider No. 1 of this tariff filed in compliance with Rule 4901:1-11 of the Ohio Administrative Code.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

Issued: April 29, 1985

Issued by John P. Williamson
Chairman
Edison Plaza, Toledo, Ohio

Effective: April 29, 1985

LARGE POWER RATE PV-44
TEMPORARY MINIMUM BILLING DEMAND RIDER

Upon written application by the customer accepted by the Company, increases in the customer's Monthly Billing Demand occurring in June, 1983 through December, 1985, above the level that prevailed in May, 1983, resulting from non-seasonally cyclical increases in the level of the customer's operations, shall be exempted from application of the demand ratchet provision during the subsequent twelve month period. In any event, the Monthly Billing Demand shall not be less than six hundred fifty (650) kilovolt-amperes.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

THE TOLEDO EDISON COMPANY
Toledo, Ohio

P.U.C.O. No. 7

Original Sheet No. 78

INTERRUPTIBLE POWER RATE "PV-46"

APPLICABILITY:

THIS RATE IS TEMPORARILY CLOSED TO NEW CUSTOMERS, subject to yearly review by the Company and the Public Utilities Commission of Ohio. This temporary closing does not apply to those customers receiving service under this rate schedule as of September 30, 1983. This rate was available prior to that date to any industrial customer located adjacent to the Company's transmission lines, who contracted for not less than four thousand (4000) kilovolt amperes of billing demand at a nominal voltage level of sixty-nine thousand (69,000) volts or higher. The Company is the sole judge of the capacity which may be made available to customers under this rate schedule, and service under this rate schedule is provided only to those customers who agree to the conditions of services specified herein, and only when, in the judgment of the Company, such service will not jeopardize the quality or continuity of service to other customers.

MONTHLY NET RATE (Three Parts):

(1) Demand Charge:

Per KVA of Monthly Billing Demand	\$ 6.70
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(2) Energy Charge:

First 300 KWH per KVA of Monthly Billing Demand, per KWH	1.613¢
Next 150 KWH per KVA of Monthly Billing Demand, per KWH	.779¢
Over 450 KWH per KVA of Monthly Billing Demand, per KWH	.434¢

(3) Customer Charge:

The Monthly Customer Charge Shall Be	\$1,500.00
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MINIMUM:

The net minimum charge per month shall be the customer charge plus the applicable demand charge applied to the monthly billing demand, including applicable adjustment charges or credits.

TERMS OF PAYMENT:

The net amount of the bill is due within fourteen days as shown on the bill. If not paid within that time, a late payment service charge of five percent (5%) will also be due, based on current charges only. Such late payment service charge will not be assessed prior to one full day following the due date and will not be compounded for future delinquencies. The late payment service charge will not be imposed in any month in which the payments exceed the current charges.

ORDER OF BILLING:

All charges and discounts shall be billed in the order in which they are presented in this tariff.

ADJUSTMENT OF DEMAND CHARGE:

If the Company is unable during any month to make available to the Customer capacity equal to the Monthly Billing Demand for at least 550 hours, the demand charge above will be reduced 1.22 cents/KVA of Monthly Billing Demand for each hour of such deficiency below 550 hours.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

Continued on Sheet No. 79

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Chairman
Edison Plaza, Toledo, Ohio

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INTERRUPTIBLE POWER RATE "PV-46"

ELECTRIC FUEL COMPONENT:

The energy charge shall be adjusted to include the current cost of fuel consumed to produce electric energy in compliance with Rule 4901:1-11 of the Ohio Administrative Code, as reflected in Rider No. 1 Electric Fuel Component Rate of this tariff.

POWER FACTOR ADJUSTMENT:

The above Rate is based on the maintenance by the customer at all times during the month of a power factor not less than the power factor at the time of maximum monthly demand. For any month when the average lagging power factor is less than eighty-five percent (85%) the Company shall make an additional charge of one percent (1.0%) of the total bill for each five percent (5%) difference between the average lagging power factor and eighty-five (85%). The average lagging power factor shall be determined from the kilowatthours and the lagging reactive kilovolt-ampere-hour supplied to the customer during the month.

MONTHLY BILLING DEMAND:

The customer's monthly demand shall be the highest thirty (30) minute integrated kilovolt-ampere demand attained during the month. Any leading power factor shall be considered as unity.

The Monthly Billing Demand shall be the monthly demand but not less than:

- (a) Sixty-five percent (65%) of the highest monthly demand experienced during the most recent October, November, December, January, February, March or April; or
- (b) Seventy-five percent (75%) of the highest monthly demand experienced during the most recent May, June, July, August, or September; or
- (c) Four thousand (4,000) kilovolt-amperes.

SUBSTATION CHARGE:

The Company is willing to furnish and install the substation electrical equipment sufficient to supply the customer's contract capacity. The said substation equipment shall be of the Company's standard rating and specifications to make one voltage transformation. The Company will own and maintain the substation equipment for the customer for a monthly charge computed at 1.50% of the Company's total investment in the installation.

If the customer elects to have the Company furnish such facilities, the customer shall provide the necessary site and furnish, install and maintain the foundations, structures and fence. The customer shall reimburse the Company for costs of installation of electrical equipment furnished by the Company.

The Company shall have access to the premises at all times. All equipment furnished by the Company shall be and remain the property of the Company.

The monthly charges as provided for herein shall commence with the completion of equipment installation by the Company.

In the event that the amount of the Company's investment in such substation electrical facilities is increased or decreased due to change in the amount of capacity provided or to other causes, the monthly charges shall be adjusted to reflect such change in the amount of the Company's investment.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

Continued on Sheet No. 80

THE TOLEDO EDISON COMPANY
Toledo, Ohio

P.U.C.O. No. 7

Original Sheet No. 80

INTERRUPTIBLE POWER RATE "PV-46"

If the customer shall subsequently desire to purchase such substation electrical equipment, the Company will sell the equipment at the depreciated market value at such time.

SPECIAL RULES:

- (1) Power will be supplied to a customer contracting for service under this rate schedule during hours determined solely by the Company. Supervisory controlled circuit breakers or circuit switchers required for interruption will be provided by the customer and will be under the direct control of the Company's load dispatching personnel at all times.
- (2) Where in the Company's judgment the period of interruption may be for more than one week, the Company will, upon request, seek to obtain from other sources, temporary power supplies equal to the amount of capacity interrupted. If such supply is available, the Company will advise customer of the cost and the terms and conditions under which it will be available. If such an offer is acceptable, the Company will permit the Customer to resume use of power under those terms and conditions and at a rate representing the additional costs associated with obtaining such power.
- (3) The Company will endeavor to provide the full contract capacity requirements of the customer for not less than 550 hours each month and not less than 7500 hours during each calendar year. The Company will also endeavor to provide as much advance notice as possible of the interruptions of service to be made hereunder, but reserves the right to interrupt service without notice whenever emergencies or other operating conditions, in the judgment of the Company, require the interruption of the customer's service.
- (4) The customer, to the extent practicable, shall advise the Company of planned curtailments of his capacity requirements.
- (5) The firm power requirements of the Customer will be supplied thru a separate service and meter under the provisions of a rate schedule applicable to the service rendered. If the Company is required to provide firm service to the customer's entire load by order of a Government agency with proper authority to order such service, the service rendered under such an order will be billed to the Customer at the appropriate firm service rate.

TERMS AND CONDITIONS:

- (1) Service under this rate is supplied in accordance with the Rules and Regulations of the Company and is subject to the jurisdiction of the Public Utilities Commission of Ohio.
- (2) This schedule covers the supply of three phase, 60 Hertz, primary current from the Company's overhead transmission circuits delivered at approximately sixty-nine thousand (69,000) volts or higher with a ten percent (10%) allowable voltage variation.
- (3) The customer shall contract for capacity equal to the estimated maximum demand of his load. The Company will supply capacity in excess of that contracted for which such capacity is available, but reserves the right to refuse to supply such additional capacity when in the judgment of the Company to do so would jeopardize the quality of continuity of service to other customers.
- (4) The Company will construct the transmission line to the customer's property line and will furnish and install the first span of conductors on the customer's property to the customer's structure.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

Continued on Sheet No. 81

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Chairman
Edison Plaza, Toledo, Ohio

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INTERRUPTIBLE POWER RATE "PV-46"

In the event that more than one span of transmission circuit is required on the customer's property, the customer will furnish, install, own and maintain the necessary structures, conductors and related transmission line equipment.

The design and construction of all such facilities shall be subject to the Company's approval.

- (5) The substation, including the site, structures, foundations, fence, electrical equipment and all other necessary facilities shall be furnished, installed, owned and maintained by the customer.

The design and construction of the substation and the rating and specifications of the electrical equipment including circuit breakers or circuit switchers shall be subject to approval by the Company.

The customer shall provide, without charge to the Company, the necessary space, structure and foundations for the Company's metering equipment and instruments and shall permit the Company to have access to the premises at all times.

- (6) The customer shall use extraordinary care in so designing his circuits that the loads on the individual phases shall be practically balanced at all times.
- (7) The customer shall provide all equipment necessary to regulate his operations so that the Company's transmission voltage shall not be subject to excessive variation.
- (8) For the protection of the Company's facilities, the Customer may be required to furnish, install and maintain a load limiting device approved by and under the sole control of the Company.

TERM OF SERVICE AND CONTRACT:

Service and contract under this schedule shall be for a period of four years with a self-renewal provision for successive periods of one year each. Written notice of contract termination by either party must be provided at least one hundred eighty days prior to the expiration of the four year period or any one year renewal period.

The customer may at his option terminate service under this schedule at the end of any contract period upon ninety (90) days notice and contract for firm service for his entire load under the provisions of the appropriate tariff for firm service.

INTERIM SURCHARGE:

A surcharge of 5.52 percent shall be applied to the total billing amount exclusive of the Electric Fuel Component Rate in Rider No. 1 of this tariff filed in compliance with Rule 4901:1-11 of the Ohio Administrative Code.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

COGENERATION AND SMALL
POWER PRODUCER RATE CO-1.

APPLICABILITY:

Available to any qualifying facility (QF) on the lines of Toledo Edison Company (The Company) with a design capacity of 100 KW or less for the sale of electricity to the Company at a single interconnection point. A QF shall be defined by and meet the requirements of the Public Utility Regulatory Policies Act of 1978, Title 18 Code of Federal Regulations Section 292.

MONTHLY RATE:

(a) Energy

- (1) Kilowatt-Hour Meter. When a kilowatt-hour meter is used, the energy supplied by the QF shall be purchased by the Company at the avoided energy cost calculated by the Company for the appropriate off-peak period.
- (2) Time of Day Meter. When time of day metering is used, energy supplied by a QF shall be purchased by the Company at the avoided energy cost for the time period in which the energy was supplied.
- (3) Rates. The rates for avoided energy based on on-peak delivery time shall be 2.43¢/KWH in the Summer, 2.90¢/KWH in the Winter, and 3.05¢/KWH in the Spring-Fall. That based on off-peak delivery time shall be 1.34¢/KWH in the Summer; 1.68¢/KWH in the Winter; and 1.71¢/KWH in the Spring-Fall. On-peak hours are 8 a.m. to 10 p.m., weekdays. Off-peak hours are 10 p.m. to 8 a.m. weekdays plus all hours on weekend days and holidays. Summer includes June, July and August. Winter includes January, February and December.

(b) Reactive Power

The Company may, at its option, test or meter the reactive power used or produced by the QF. The maximum RKVA used shall be billed to the customer at \$.20 per RKVA per month.

(c) Customer Charge

- (1) Kilowatt-Hour Meter. When a kilowatt-hour meter is used, the monthly customer charge shall be \$12.00.
- (2) Time of Day Meter. When a time of day meter is used, the monthly customer charge shall be \$37.00.

INTERCONNECTION CHARGE:

The QF shall pay the costs of connection, switching, metering, transmission, distribution, safety provisions and administrative costs incurred by the electric utility directly related to the installation and maintenance of the physical facilities necessary to permit interconnected operations with qualifying facility, to the extent such costs are in excess of the corresponding costs which the electric utility would have incurred if it had not engaged in interconnected operations.

A QF, at its option, may reimburse the Company for interconnection costs over a period not to exceed thirty-six months including interest computed at 1.5% monthly on the unpaid balance.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

Continued on Sheet No. 83

COGENERATION AND SMALL
POWER PRODUCER RATE CO-1

ANCILLARY SERVICES:

Supplementary power, back-up power, interruptible power and maintenance power shall be supplied to a QF under the Company's standard rate schedules now on file with the Public Utilities Commission of Ohio, unless the use of these schedules impairs the electric utility's ability to render adequate service or places an undue burden on the electric utility.

DEFINITIONS:

(a) Time Periods

- (1) On-Peak Periods. The on-peak periods shall be the hours from 8:00 a.m. to 10:00 p.m. on weekdays, except holidays.
- (2) Off-Peak Periods. The off-peak periods shall be the hours from 10:00 p.m. to 8:00 a.m. on weekdays, plus all hours on weekends and holidays.
- (3) Time periods will be determined by clock time (standard or daylight) in effect in the Eastern Time Zone.
- (4) Holidays. Holidays are New Years Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, and Mondays which are legally designated as a day of observance in lieu of the above holidays when they occur on weekend days.

(b) Avoided Energy Costs

Avoided energy costs means the incremental cost to the Company of generating electric energy or purchasing electric energy from another source that was avoided due to the purchase from qualifying facilities. Incremental cost includes fuel, fuel and ash handling and incremental maintenance costs.

(c) Ancillary Services

- (1) "Supplementary Power" means electric energy or capacity supplied by an electric utility, regularly used by a qualifying facility in addition to that which the facility generates itself.
- (2) "Back-up Power" means electric energy or capacity supplied by an electric utility to replace energy ordinarily generated by a facility's own generation equipment during an unscheduled outage of the facility.
- (3) "Interruptible Power" means electric energy or capacity supplied by an electric utility subject to interruption by the electric utility under specified conditions.
- (4) "Maintenance Power" means electric energy or capacity supplied by an electric utility during scheduled outages of the qualifying facility.

TERMS AND CONDITIONS:

All QFs shall comply with applicable, national, state and local electric codes. All QFs shall comply with Company rules and regulations listed in this tariff as well as general service rules and regulations on file with the Public Utilities Commission of Ohio.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

Continued on Sheet No. 84

COGENERATION AND SMALL
POWER PRODUCER RATE CO-1

At the delivery point, a disconnect switch shall be installed by the customer and operated by the Company to permit isolation of the QF from the Company's system during periods of abnormal operation. All protective equipment is installed, owned and maintained by the customer. Although design of the QF and its protective devices is not the responsibility of the Company, the Company reserves the right to inspect the facilities and their operation. If, in the judgment of the Company, the QF does not conform to rules and regulations, does not provide adequate safety to Company personnel, interferes with the supply of electric service to others, or produces undesirable harmonics or wave distortions, the Company reserves the right to refuse or terminate parallel operation of the QF with the Company's system until such condition is corrected. Parallel operation must cease immediately and automatically during system outages and other emergency conditions specified by the Company.

The Company's consent for the QF to operate in parallel with the Company's system is on the condition that the QF protects its facilities and the Company's system from damage and upon the further condition that the Company shall not be liable to the QF for any loss, cost, damage or expense which the QF may suffer by reason of damage to or destruction of any property, including the loss of use thereof arising out of, or in any manner connected with such parallel operation, unless such loss, cost, damage or expense is caused by the sole negligence of the Company, its agents, or employees. The QF will defend, indemnify and hold the Company harmless from any and all claims or actions by third parties, including attorneys' fees, resulting from the operation of a QF.

TERM OF CONTRACT:

The term of the contract shall be one year from the date of application and thereafter until terminated by ten days written notice from the customer to the Company. Any interconnection costs owed to the Company will become payable in full at the time of termination.

This sheet filed pursuant to the Finding and Order in Case No. 85-375-EL-ATA of the Public Utilities Commission of Ohio dated April 23, 1985.

Issued: April 29, 1985

Issued by John P. Williamson
Chairman
Edison Plaza, Toledo, Ohio

Effective: April 29, 1985

Update of the
Operating License for
Beaver Valley Nuclear Power Station, Unit No. 2

INFORMATION REQUESTED BY THE NUCLEAR REGULATORY
COMMISSION IN CONNECTION WITH ITS ANTITRUST REVIEW
ANSWERS OF THE TOLEDO EDISON COMPANY

Toledo Edison Municipal Resale Service Rate Agreement with AMP-Ohio
and Partial Requirements Tariff

THE TOLEDO EDISON COMPANY
Municipal Resale Service Rate Agreement

THIS AGREEMENT, made and entered into as of the 1st day of June, 1983, by and between The Toledo Edison Company, an Ohio corporation having its principal business office at 300 Madison Avenue, Toledo, Ohio, hereinafter referred to as the "Company" and American Municipal Power-Ohio, Inc., an Ohio corporation, hereinafter referred to as "AMP-Ohio";

WITNESSETH:

WHEREAS, AMP-Ohio is an Ohio corporation not for profit organized to own and operate and contract for facilities for the generation, transmission or distribution of electric power and energy and to furnish technical service on a nonprofit basis for the mutual benefit of its Customers, such Customers being, and to be electric systems owned and operated by municipal corporations in the State of Ohio; and

WHEREAS, AMP-Ohio desires to coordinate and develop power supply and interchange arrangements for its municipal electric system Customers and to purchase electric power and energy for service to its Customers; and

WHEREAS, the Company is interconnected with and delivers electricity to Customers which are municipal corporations owning and operating electrical systems; and

WHEREAS, the Customers desire to purchase electric power and energy for resale and distribution to the retail users of their electrical distribution system in the future from AMP-Ohio; and

WHEREAS, AMP-Ohio has entered into or will enter into separate agreements with the Customers for the sale of such power and energy; and

WHEREAS, the Company is willing and able to supply such power and energy upon the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

I. Definitions

- (1) Monthly Maximum Noncoincident Peak Demand -- The highest sixty (60) minute integrated kilowatt demand obtained during the billing month.
- (2) Delivery Point -- A presently existing metered connection of the Company's transmission or distribution system with the Customer's transmission or distribution system as set forth in Exhibit A (the City of Bowling Green's existing delivery points are treated as one) or a new connection as AMP-Ohio may request and the Company is willing to provide in the future.
- (3) Delivery Voltage Loss Level -- The factor applied to the energy charge at the delivery point necessary to compensate for line losses.
- (4) Month/Monthly -- The period between any two (2) consecutive readings of the Company's meters at approximately thirty (30) day intervals.
- (5) Customer -- Ohio municipal corporation owning and operating an electrical distribution system in the State of Ohio which has an agreement with AMP-Ohio for the purchase of electric power and energy pursuant to terms and conditions consistent with those hereinafter set forth.
- (6) Company Supplied Energy -- Energy produced or purchased by the Company.
- (7) Company Supplied Capacity -- Capacity produced or purchased by the Company.

II. Availability of Rate

- (1) AMP-Ohio shall provide in Exhibit A the total estimated maximum demand of all of the Customers' distribution systems on the Company's system. Such maximum demand may be increased by AMP-Ohio not more frequently than annually with the Company's consent. The Company will supply such maximum demand; furthermore, energy in excess of the total estimated maximum demand will be supplied when such capacity is available, but the Company reserves the right to refuse such excess when to do so would jeopardize the quality or continuity of service to others.
- (2) AMP-Ohio agrees that service is available on this rate only if the Customers listed in Exhibit A limit their purchases of electrical energy and capacity other than under this

Agreement to a maximum of 160 megawatt-months annually and 27 megawatts in any month in 1983 and to a maximum of 216 megawatt-months annually and 30 megawatts in any month during the year 1984. Such maximums shall increase by 12 megawatt-months annually and 1 megawatt in any month each year thereafter. In the event that less than all of the municipal electric systems presently receiving wholesale electric service under the Company's FERC Electric Tariff, Original Volume No. 1 become Customers listed in Appendix A, the maximum purchases of electrical energy and capacity which may be purchased by AMP-Ohio other than under this Agreement for resale to such Customers shall be a fraction of the quantities specified above, the numerator of which is the total metered megawatt-month demands for the year 1982 for all municipal customers listed in Appendix A and the denominator of which is the total metered megawatt-month demands for the year 1982 for all municipal customers presently receiving service under the Company's FERC electric tariff, all quantities to be rounded to the nearest megawatt-month.

- (3) In July of each year for those Customers on the lines of the Company, AMP-Ohio will provide to the Company a monthly schedule, in whole megawatts, of the projected maximum demands and total energy to be supplied to these Customers from sources other than the Company for the following year, together with estimates of the same data for the succeeding two years. In December of any year, AMP-Ohio may reduce the monthly scheduled demands and energy to be supplied from sources other than the Company for the following year. In December of each year, for the following year, AMP-Ohio shall provide hourly coincident demands for any month in which the monthly load factor of power supplied from sources outside the Company is scheduled to be less than 100%. In no event shall the maximum demands and energy to be supplied as reflected in said schedule exceed the maximums set forth in II(2) above.
- (4) Additional Customers proposed by AMP-Ohio but not initially listed in Exhibit A may be served under this Agreement on such terms and conditions as may be acceptable to the Company.
- (5) If the scheduled deliveries of power from sources of electrical supply permitted pursuant to paragraph II (2) above exceed the actual hourly requirements of those Customers receiving the supply or exceed the maximum permitted pursuant to II(2) above, the Company may retain the electricity at no cost.

III. Pricing of Rate

(1) Demand Charges

a. Rate

Production Capacity \$4.00/KW/Month

Transmission Capacity \$2.25/KW/Month

Distribution Capacity \$1.25/KW/Month

Reactive Capacity \$.20/KVAR/Month

b. Calculation

For the purposes of calculating the demand charges at the rates set forth above, the following definitions will apply:

Production Capacity -- Company Supplied Capacity delivered to each Customer, as measured at the time of the monthly maximum noncoincident peak demand at each Customer Delivery Point.

Transmission Capacity -- Except as provided in subsection (c) of this section, the sum of Company Supplied Capacity and capacity purchased under Section II(2) delivered to each Customer, as measured at the time of the monthly maximum noncoincident peak demand at each Customer Delivery Point.

Distribution Capacity -- Except as provided in subsection (c) of this section, the sum of Company Supplied Capacity and capacity purchased under Section II(2) delivered to each Customer, as measured at each Customer Delivery Point at the time of the monthly maximum coincident peak demand where the service voltage at the Delivery Point is twelve kilovolts (12KV) or lower.

Reactive Capacity -- The reactive requirements of the Customer at the Delivery Point at the time of the monthly maximum noncoincident peak demand for production capacity.

c. Buckeye Power, Inc. Supplemental Seasonal Power

It is agreed that the transmission of supplemental seasonal power made available by Buckeye Power, Inc. pursuant to the rate schedule established in FERC

Docket No. ER81-518 (Feb. 1, 1982) as amended or revised is subject to the final determination of the issues raised in Buckeye Power, Inc. v. The Cincinnati Gas & Electric Company, Docket No. EL79-20. If it is finally determined in that proceeding that a party to the Power Delivery Agreement dated January 1, 1968 with Buckeye Power, Inc. is obligated to transmit power generated by Buckeye Power, Inc. to municipal electric systems within Ohio under the rates, terms and conditions set forth in such Power Delivery Agreement, the Company shall provide such transmission service pursuant to the provisions of the Power Delivery Agreement and shall make appropriate refunds. If it is finally determined that a party to the Power Delivery Agreement is not so obligated, the transmission of supplemental seasonal power made available by Buckeye Power, Inc. shall be pursuant to the provisions of this Agreement, at the rate set forth in Section III(1)(a) as Transmission Capacity and Distribution Capacity (if applicable), in lieu of those contained in the rate schedule established in ER81-518, as amended or revised.

During the pendency of any judicial proceeding to resolve the issues discussed above, or settlement thereof, the parties agree that supplemental seasonal power made available by Buckeye Power, Inc. shall be pursuant to the rate schedule established, subject to refund, in ER81-518, as amended or revised. Furthermore, beginning with the effective date of this Agreement, the parties agree that Buckeye Power, Inc. payments to the Company for the transmission of said supplemental seasonal power is reasonably reflected by a credit to the rate schedule charges of \$1.00 per KW of Demand per Month for transmission capacity and \$1.40 per KW of Demand per Month for distribution capacity. The parties further agree that charges for the delivery of power made available by Buckeye Power, Inc., shall be billed to and paid for by AMP-Ohio.

(2) Energy Charges

a. Rate

Nuclear Energy Charge -- The nuclear energy charge shall be the result of the multiplication of the nuclear portion of energy supplied by the nuclear energy rate.

Fossil Energy Charge -- The fossil energy charge shall be the result of the multiplication of the Customer's

total energy consumption minus the nuclear portion by the fossil energy rate.

b. Calculation

For the purposes of calculating the energy charge rates above, the following definitions will apply:

The nuclear portion of energy is the sum total of all Company Supplied Energy measured at each Delivery Point multiplied by the nuclear energy ratio.

The nuclear energy ratio is the Company's share of net nuclear energy generation for the current billing month divided by the Company's net energy generation, including purchased power energy, supplied to the Company's transmission and distribution system for the same billing month.

1. The nuclear energy rate is a per kilowatt hour charge derived from the summation of the following monthly costs:
 - (1) nuclear fuel expense as accounted for in the Federal Energy Regulatory Commission Uniform System of Accounts (hereinafter "FERC Accounts") 518,
 - (2) interim and permanent spent nuclear fuel disposal expense as accounted for in FERC Account 518,
 - (3) unit of production depreciation expense as accounted for in FERC Account 403,
 - (4) ten percent (10%) of the sum of (1), (2) and (3),
 - (5) Delivery Voltage Loss Level factor of 2.5% for Customers receiving service above 12KV and 6% for Customers receiving service at 12KV or below, and
 - (6) excise taxes.
11. The fossil energy rate is a per kilowatt hour charge for Company Supplied Energy derived from the summation of the following:
 - (1) Energy Cost derived as the average cost for the billing month of (a) incremental fuel expense as reflected in FERC Accounts 501 and 547 based upon the hourly usage of the Customers as a group; (b) operation and maintenance expenses based upon an average of the previous twelve months of historical data as reflected in FERC Accounts 500, 502-507, 510-514, 546, 548-550 and 551-554; and (c) incremental purchased power energy expense as reflected in FERC Account 555 based upon the

hourly usage of the Customers as a group. The Energy Cost shall be based on the highest cost unit or units then being operated or purchases being made to satisfy the needs of the Customers as the final increment of the Company's native load;

- (2) ten percent (10%) of the Energy Cost calculated in (1);
- (3) Delivery Voltage Loss Level factor of 2.5% for Customers receiving service above 12KV and 6% for Customers receiving service at 12KV or below; and
- (4) excise tax.

(3) Customer Charge

Customer Charge \$800/Month/Delivery Point

(4) Transformer Ownership Charge

a. Rate

Transformer Ownership Charge \$.30/KVA/Month

b. Calculation

When the Company agrees to own and maintain the substation transformer and related equipment under this Agreement, the charge shall be calculated on the amount of transformer capacity.

(5) Rate Changes

Nothing contained herein shall be construed as affecting in any way the right of the Company furnishing service under this rate to unilaterally make application to the Federal Energy Regulatory Commission for a change in rates under section 205 of the Federal Power Act and pursuant to the Commission's Rules and Regulations promulgated thereunder. The Company, in so doing, will not request an increase which in total effect is greater than six and one-half percent (6.5%) per year compounded annually on charges set forth in section III, paragraphs (1), (3) and (4), concerning demand, customer and transformer ownership, respectively. The energy charges, set forth in section III(2), are not subject to this limitation, although the multiplier set forth in III(2)(b)(i)(4) and (ii)(2) will remain constant at ten percent (10%); and the method for calculating the rate shall not be changed.

IV. Term of Contract

Subject to the Company's right to terminate, the term of this Agreement shall be for a period of three (3) years from its effective date and shall continue thereafter unless a written notice to the contrary is given by AMP-Ohio to the Company at least two (2) years prior to the expiration of the original term or any continuation thereof. The Company shall have the right to terminate this Agreement at any time upon one (1) year written notice to AMP-Ohio with copies to the Customers. If the Company notifies the parties of its intention to terminate this Agreement, AMP-Ohio or any Customer has the right at any time during the notice period to immediately cancel its obligations hereunder.

Prior to exercising any right to terminate this Agreement, the Company agrees to have on file with the Federal Energy Regulatory Commission a partial requirement tariff which will be available to the Customers or to AMP-Ohio on behalf of some or all of the Customers on a nondiscriminatory basis. Under the terms of the partial requirement tariff to be filed, the monthly maximum noncoincident peak demand for generation capacity billing purposes shall not be less than (1) 35% of the highest monthly maximum noncoincident peak demand from Company supplied capacity during the preceding twelve months if the Customer or AMP-Ohio chooses to terminate this Agreement, or (2) 0% if the Company unilaterally terminates this Agreement.

V. Metering

- (1) All energy will be measured at the service voltage at the Delivery Point. In cases where the Company elects to measure at a secondary voltage, the Company may at its option, adjust the reading to a primary basis by the use of compensating meters.
- (2) The Company shall install suitable kilowatt hour meters for the purpose of determining the amount of electric energy consumed by the Customer and suitable demand meters for the purpose of determining the maximum noncoincident peak demand experienced by the Customer. The Customer will provide space for the Company's meters and metering equipment without charge to the Company. All meters and metering equipment are and shall remain property of the Company.
- (3) Meters shall be tested and calibrated by the Company by comparison to accurate standards at intervals of not more than 18 months. If a meter shall be found incorrect or inaccurate, it shall be restored to an accurate condition or a new meter substituted. The Customer or AMP-Ohio shall

have the right to require a special meter test at any time. If such a test discloses that the meter tested is registering within 2% of normal, the Customer or AMP-Ohio shall bear the expense of such test. The expense of all other tests shall be borne by the Company.

- (4) Any meter tested and found not more than 2% above or below normal shall be considered to be correct and accurate insofar as correction of billing is concerned. If any meter is found to be more than 2% above or below normal, then the readings of such meter taken for billing purposes shall be corrected according to the percentage of inaccuracy so found, but no correction shall extend beyond thirty (30) days previous to the day on which inaccuracy is discovered by test. Meters shall be adjusted as nearly as practical to 100.0% at the time of any meter test and the Company shall furnish a copy of the meter test results when requested by the Customer or AMP-Ohio.
- (5) For any period that a meter is found to have failed wholly or in part to register, it shall be assumed that the demand established or energy delivered as the case may be, during said period, is the same as that for a period of like operation during which such meter was in service and operating.

VI. Delivery Point Equipment

- (1) The substation, including the site, structures, foundations, fence, electrical equipment and all other necessary facilities shall be furnished, installed, owned and maintained by the Customer.

The design and construction of the substation and the rating and specifications of the electrical equipment shall be subject to approval by the Company, which approval shall not be unreasonably withheld.

When, in the reasonable judgment of the Company, transmission circuit breakers are required in the Customer's substation for assuring the continuity of service to the Customer or for the protection of service to other Customers, the Customer shall furnish, own and maintain such circuit breakers with rating as specified by the Company.

The Customer or AMP-Ohio shall provide, without charge to the Company, the necessary space, structure and foundations for the Company's metering equipment and instruments and shall permit the Company to have access to the premises at all times.

- (2) The Company may agree to install, own and maintain transformers and primary protective equipment for a customer who receives service at a primary voltage. Said equipment shall be of the Company's standard rating and specifications to make one voltage transformation. If the Company agrees to provide said equipment in lieu of paragraph (1) above, the Customer shall pay the Transformer Ownership Charge as provided in the rate schedule.
- (3) The Company shall have access to the premises at all times. All equipment furnished by the Company shall be and remain the property of the Company.

VII. Service Continuity

- (1) The Company Supplied Energy shall be three phase, 60 Hertz, primary current from the Company's overhead transmission circuits delivered at approximately twelve kilovolts (12KV) or higher with a ten percent (10%) allowable voltage variation.
- (2) The Company in furnishing electric service does not contract or warrant against service interruptions, phase failure, phase reversal, or variations in service characteristics and the Company shall not be liable because of the occurrences of any or all of the foregoing. However, the Company will use reasonable diligence in providing the usual safeguards for its essential equipment and make every reasonable effort to restore normal service promptly.
- (3) The Customer shall make every reasonable effort to maintain at all times practically balanced loads on the individual phases of the supply circuit or circuits at the metering location of the Company.
- (4) The Customer shall provide all equipment necessary for the operation of its system so that the Company's supply voltage shall not be subject to excessive variation as the result of the Customer's requirements.

VIII. Billing and Payment

- (1) The Company shall each month render to AMP-Ohio, with a duplicate copy thereof to the Customer involved, a statement for amounts due under this Agreement for service at each Delivery Point and AMP-Ohio shall pay such amounts within twenty (20) days after the date of the statement to AMP-Ohio. In the event of the nonpayment of any amounts due hereunder to the Company from AMP-Ohio for a period of thirty (30)

days after the same is due and payable, then the Company shall have the right to discontinue deliveries of electric power and energy hereunder forthwith to the Delivery Point(s) involved. It is understood and agreed, however, that such discontinuation of delivery shall not constitute a breach of this Agreement by the Company nor work a forfeiture of any rights of the Company hereunder. Any expense the Company may reasonably incur by reason of such default and discontinuation of delivery shall be borne by AMP-Ohio. AMP-Ohio shall pay interest on any overdue payments hereunder after such termination date at the rate of one percent (1%) per month for the period of default and until all overdue amounts have been paid in full.

- (2) If either party hereto fails to carry out any of its obligations hereunder for a period of sixty (60) days after written notice of such failure is delivered to such party by the other party hereto, the party giving such notice shall have the option of terminating this Agreement and recovering payment from the other party for any losses or damages resulting from such failure of performance.
- (3) In order to assure the Company that all payments made by the Customers to AMP-Ohio for service from the Company under this Agreement flow to the Company and that its Customers meet all the obligations under said Agreement, AMP-Ohio hereby assigns and pledges to the Company all sums paid or payable to AMP-Ohio by its Customer for the power and energy supplied by the Company to AMP-Ohio under this Agreement as well as all rights of AMP-Ohio to receive such payments under their arrangement with its Customers for said services and to require the performance of all terms and conditions of this Agreement which affect the Customer. AMP-Ohio agrees to take all action necessary including the execution of documents and delivery of notices in order to implement and carry into effect this assignment and pledge.

IX. Terms of Payment

The net amount billed is due and payable within a period of twenty (20) days. If the full net amount is not paid on or before the twentieth (20th) day after the bill for payment is rendered, the gross amount which is five percent (5%) more than the net amount is due and payable as to any unpaid amount.

In the event a dispute arises as to any billed amount, the term of this section shall apply, provided however, that upon resolution of the dispute the difference, if any, between the amount finally determined to be owing and any amount paid shall be credited to the customer along with interest from the date of

payment at the rate prescribed in Part 35.19(a) of the Rules and Regulations of the Federal Energy Regulatory Commission.

X. AMP-Ohio/Customer Agreement

AMP-Ohio agrees to take appropriate action by agreement or otherwise with its Customers receiving service under this rate to satisfy its obligations under this Agreement.

XI. Operation of Facilities

AMP-Ohio and its Customer(s) agree that no Delivery Point will be operated in parallel with any other Delivery Point except in cases of emergency with prior notification to the Company. The Customer may, during an emergency, parallel two Delivery Points under this Agreement for purposes of switching so that they may avoid interruption of service. During such emergency operation for convenience of the Customer, the Company will not be responsible for any damages which might result from such operation, and the Customer and AMP-Ohio shall hold Company harmless against any and all claims for damages which might result from said operations.

XII. Arbitration

Any controversy, claim, counterclaim, defense, dispute, difference or misunderstanding arising out of or relating to this Agreement or breach thereof, shall be settled by arbitration before three arbitrators; one of whom shall be named by AMP-Ohio, one of whom shall be named by the Company and the third of whom shall be named by the two arbitrators appointed by AMP-Ohio and the Company, respectively, or the American Arbitration Association if they cannot agree. The arbitration shall be conducted in accordance with rules of the American Arbitration Association then in effect and judgment upon any award rendered by the arbitrators may be entered in any court having jurisdiction thereof. This provision shall survive the termination of this Agreement. The parties expressly agree that this provision shall constitute a condition precedent to the institution of any proceedings in any court relating to the subject matter thereof.

XIII. Liability

The Company and the Customer shall each save the other harmless against liability for injuries or damages resulting in any manner from the negligent construction, location, operation or maintenance of its own lines and facilities.

XIV. Notices

It is understood and agreed that all notices given by the parties under this Agreement shall be made by Certified Mail, in envelopes securely sealed, with sufficient postage thereon. Notices to the Company shall be directed to the Rate Director, Toledo Edison Company, 300 Madison Avenue, Toledo, Ohio 43652; all notices given by the Company to AMP-Ohio shall be directed to American Municipal Power-Ohio, Inc., Attention: Executive Manager, P.O. Box 21315, Columbus, Ohio 43221. Notice shall be deemed given when certified and deposited in a Post Office in Ohio, in a properly stamped, addressed and sealed envelope.

XV. Assignment of Agreement

It is understood that this Agreement shall be binding upon and inure to the benefit of the successors or legal representatives of the respective parties hereto, but no assignment by either party hereto shall be binding upon the other party hereto, unless agreed to in writing by such other party, which will not be unreasonably withheld.

XVI. Waivers

Any waiver at any time by either party hereto of its right with respect to a default under this Agreement, or with respect to any other matter arising in connection with this Agreement shall not be deemed a waiver with respect to any subsequent default or matter. Any delay, short of the statutory period of limitation, in asserting or enforcing any right under this Agreement shall not be deemed a waiver of such right.

XVII. Effective Date

This Agreement shall become effective as of the date first above written. It shall be subject to the rules and regulations of any regulatory body having jurisdiction. However, it is the agreement of the parties that the sale of power to AMP-Ohio hereunder shall commence on the first day of the first month following FERC's acceptance of this agreement for filing and that power and energy shall be billed to Toledo Edison's municipal customers and paid for by them at the presently effective rates until such time. They further agree that the intent and purpose of the June 1, 1983, effective date of this agreement shall be fulfilled by Toledo Edison's refunding to each of its municipal customers listed in Exhibit A the difference between: (a) the amounts each paid for power and energy between June 1, 1983 and the commencement of deliveries to AMP-Ohio hereunder and (b) the

amounts which AMP-Ohio would have paid for such power and energy had this agreement been in effect beginning June 1, 1983.

IN TESTIMONY WHEREOF, witness signature for AMP-Ohio in the presence of the undersigned competent witnesses as of the day and date first above mentioned.

WITNESSES:

AMERICAN MUNICIPAL POWER-OHIO, INC.

By _____

IN TESTIMONY WHEREOF, witness signature of the Company in the presence of undersigned competent witnesses as of the day and date first above mentioned.

WITNESSES

THE TOLEDO EDISON COMPANY

By _____

PRESIDENT

Norma B. Indell

TOLEDO EDISON CO.		
APPROVED		
DEPT.	NAME	DATE
LEGAL	<i>FMJ</i>	<i>11/15/82</i>
RATE	<i>DR</i>	<i>11/24/82</i>
	<i>OMS</i>	<i>12/1/83</i>
	<i>12/1</i>	<i>12/2/83</i>
	<i>12</i>	

Municipal Resale Service
Partial Requirements Rate

AVAILABILITY:

Available to municipal corporations served at transmission or distribution primary voltage and to non-profit corporations purchasing electricity on behalf of a municipal corporation or corporations, purchasing part of their electric service from The Toledo Edison Company.

Monthly Rate:

(1) Demand Charge:

Generation Capacity Billing Charge	
Base KW of Demand per KW	\$16.00
Excess KW of Demand per KW	18.00
Transmission Capacity Billing Charge per KW	\$ 2.25
Distribution Capacity Billing Charge per KW	1.25
Reactive Demand Charge per KVAR	\$ 0.20

(2) Energy Charge:

All KWH per KWH	\$.01966
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(3) Customer Charge:

The monthly customer charge per delivery point shall be \$800.00.

FUEL COST ADJUSTMENT:

The charges for all kilowatt hours billed in any billing period shall be increased or decreased by a fuel adjustment charge or credit computed in accordance with the following formula:

$$\text{Fuel Adjustment per KWH} = \frac{F}{S} - \frac{.017536}{1 - T}$$

(Continued)

Where: .017536 is the fuel cost per KWH of sales in the base period, "F" is the fuel expense for the calendar month preceding the billing month, "S" is the KWH sales for same period, and "T" is the effective tax rate as defined below:

"F" shall be the net sum of:

- (a) The cost of fossil and nuclear fuel consumed in the Company's own generating plants, including the Company's share of the cost of fuel consumed in jointly owned plants, leased plants and plants which supply energy to the Company under unit purchase agreements;
- (b) The identifiable fossil and nuclear fuel costs associated with energy purchased for reasons other than identified in (c) below;
- (c) The net energy cost, exclusive of capacity or demand charges, of all energy purchased on an economic dispatch basis, energy purchased as a result of a scheduled outage and other energy purchased as a substitute for the Company's own higher cost generation; and less
- (d) The cost of fossil and nuclear fuel recovered through inter-system sales including all sales made on an economic dispatch basis.

"S" shall be the net sum of:

- (a) Net generation, including net receipts from jointly owned plants, leased plants and plants which supply energy to the Company under unit purchase agreements;
- (b) Purchases;
- (c) Interchange-in; less
- (d) Inter-system sales; and less
- (e) Total system transmission losses to the level of wholesale sales for resale delivery level.

(Continued)

"T" shall be the sum of all State Excise Taxes and other revenue based taxes applicable to these fuel adjustment revenues expressed as the effective percentage rate.

MONTHLY GENERATION CAPACITY BILLING DEMAND:

Determination of Generation Capacity Billing Demand:

Base Generation Capacity Billing Demand in kilowatts for the month shall be the highest 60-minute load at Customer's delivery point less outside purchases adjusted for losses, with the following limitations:

1. The Base Generation Capacity Billing Demand shall not be less than:
 - (a) 3000 KW if served at transmission voltage or 200 KW if served at distribution voltage; or
 - (b) 70% of Customer's estimated 60-minute demand from Company sources for that month as provided for in Customer's current three-year Demand Schedule; or
 - (c) 65% of the highest Generation Capacity Billing Demand during the preceding twelve months; or
 - (d) Notwithstanding (c) above, if a customer takes service under this Partial Requirements Rate, after having previously purchased its requirements from American Municipal Power-Ohio under a contract executed in accordance with the Municipal Resale Service Rate Agreement dated as of June 1, 1983 between American Municipal Power-Ohio and the Company, the Base Generation Capacity Billing Demand during the first twelve months of service under this Partial Requirements Rate shall be not less than 35% of the highest Generation Capacity Billing Demand calculated as if the customer had been receiving service under this Partial Requirements Rate as of the date it becomes effective for such customer choosing to terminate the Municipal Resale Service Rate Agreement, or 0% if such customer transfers to the Partial Requirements Rate as a result of the Company terminating the Municipal Resale Service Rate Agreement.
2. The Base Generation Capacity Billing Demand shall not be more than 120% of Customer's highest estimated 60-minute demand from Company sources for that year as provided for in Customer's current three-year Demand Schedule.

(Continued)

Issued by: John P. Williamson
Chairman and Chief Executive Officer
Issued on: March 1, 1984

Effective: March 1, 1984
Pursuant to F.E.R.C. Docket
No. ER84-164-000 dated
January 31, 1984

Excess Generation Capacity Billing Demand in kilowatts for the month shall be the difference, if any, obtained by subtracting from the highest 60-minute demand on the Company during the month the product of Customer's highest estimated 60-minute demand from Company sources for that year as provided for in the Customer's current three-year Demand Schedule times 120%.

MONTHLY TRANSMISSION CAPACITY BILLING DEMAND:

Transmission Capacity Billing Demand in kilowatts for the month of transmission and distribution level customers shall be the highest of:

1. 3000 KW if served at transmission level or 200 KW if served at distribution voltage; or
2. The highest measured 60-minute load at Customer's delivery point; or
3. 60% of the highest Transmission Capacity Billing Demand during the preceding twelve months.

MONTHLY DISTRIBUTION CAPACITY BILLING DEMAND:

Distribution Capacity Billing Demand in kilowatts for the month shall be the highest of:

1. 200 KW; or
2. The highest measured 60-minute load at Customer's delivery point; or
3. 60% of the highest Distribution Capacity Billing Demand during the preceding twelve months.

The Distribution Capacity Billing Demand shall be zero KW if the Customer is served at 23 KV or above.

MONTHLY REACTIVE BILLING DEMAND:

The monthly reactive billing demand shall be the maximum 60-minute demand in kilovars furnished during the month.

MONTHLY BILLING KWH:

The Energy Charge shall be based upon the total KWH metered less scheduled energy received from non-Company sources adjusted for losses.

(Continued)

TAX ADJUSTMENT:

The net amounts of the monthly bills for electric service at the rates herein, exclusive of Fuel Cost Adjustment, shall be changed by a percentage equal to the change from four and three-quarters percent (4.75%) in the aggregate percentage of excise taxes in effect as imposed by any taxing authorities and applicable to revenues received by the Company plus a pro-rate portion of any new tax which may be imposed by any taxing authority that is based upon gross revenue, number of customers, number of bills, net income or any other basis related to purchase, sales or promotion.

The adjustment for any such new tax shall be determined by computing what the dollar amount of taxes would have been for the most recently available 12 months which would have resulted from all such tax impositions and changes which have occurred since January 1, 1983, and dividing such dollar amount by the total electric operating revenue during such 12 month period. The quotient so obtained, expressed to five decimal places, i.e., .00000, shall represent the adjusting factor by which the customer's net monthly bill shall be multiplied to determine the amount of adjustment that such tax imposition or change will add to or subtract from said net monthly bill, until such time as another such new tax is enacted or any rate change is made in any such tax.

TRANSFORMER OWNERSHIP ADJUSTMENT:

When the Company agrees to own and maintain the substation transformer and related equipment under this rate schedule, an additional monthly charge of thirty-five cents (35c) per KW of Monthly Distribution Capacity Billing Demand will be made.

MONTHLY MINIMUM CHARGE:

The net minimum charge for any month shall be the Customer Charge plus the Generation Capacity, Transmission Capacity, and Distribution Capacity charges for the month plus applicable adjustment charges.

TERMS OF PAYMENT:

The net amount billed is due and payable within a period of fifteen days. If the net amount is not paid on or before the

(Continued)

Issued by: John P. Williamson
Chairman and Chief Executive Officer
Issued on: March 1, 1984

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date shown on the bill for payment of due amount, the gross amount which is five percent more than the net amount is due and payable. In the event a dispute arises as to any billed amount, the terms of this section shall apply, provided however, that upon resolution of the dispute the difference if any between the amount finally determined to be owing and any amount paid shall be credited to the customer along with interest from the date of payment at the rate prescribed in Part 35.19 (a) of the rules and regulations of the Federal Energy Regulatory Commission.

TERM OF CONTRACT:

Except as may be agreed in the Service Agreement to be signed by the Customer or otherwise, the term shall be not less than four years and shall be self renewing for increments of two years except that the Company may require a new Service Agreement for at least four years when additional capacity is installed as a result of the Customer's requirements. Either party may terminate the service upon two years' written notice given after the end of the second year. Nothing contained herein shall be construed as affecting in any way the right of the Company furnishing service under this rate to unilaterally make application to the Federal Energy Regulatory Commission for a change in rates under section 205 of the Federal Power Act and pursuant to the Commission's Rules and Regulations promulgated thereunder.

DEMAND SCHEDULE:

By July 1 of each year the customer shall provide a schedule of the highest estimated 60-minute demand from Company sources for each month for the following three calendar years in 100 kilowatt increments. In the following July, the first two years of the new schedule shall be the same as previously indicated for those calendar years unless the Company agrees to an increase in the amount.

OUTSIDE PURCHASES:

All purchases from non-Company sources must be scheduled one week in advance in increments of whole megawatts and must be contracted for on a firm basis for periods of not less than one month. Scheduled amounts may vary between on-peak and off-peak periods. The on-peak

(Continued)

Issued by: John P. Williamson
Chairman and Chief Executive Officer
Issued on: March 1, 1984

Effective: March 1, 1984
Pursuant to F.E.R.C. Docket
No. ER84-164-000 dated
January 31, 1984

period shall be the hours of 8 a.m. to 10 p.m. weekdays excluding holidays. The remainder of the time shall be the off-peak period. Amounts scheduled in excess of the customer's needs, on an hour by hour basis, may be retained by the Company at no cost.

SPECIAL RULES:

- (1) This schedule covers the supply of three phase, 60 Hertz, primary current from the Company's overhead transmission circuits or distribution circuits not less than four thousand (4000) volts. The bill for any customer receiving service under this Partial Requirements Rate which was previously purchasing its full requirements from the Company at multiple delivery points under more than one other rate schedule of the Company shall be determined by totalizing the demand separately for the delivery point(s) to which each such other rate schedule applied, but only one customer charge will be imposed.
- (2) All energy will be measured at the service voltage. In cases where the Company elects to measure at a secondary voltage, the Company may at its option, adjust the reading to a primary basis by the use of compensating meters.
- (3) The substation, including the site, structures, foundations, fence, electrical equipment and all other necessary facilities shall be furnished, installed, owned and maintained by the customer.

The design and construction of the substation and the rating and specifications of the electrical equipment shall be subject to approval by the Company, which approval shall not be unreasonably withheld.

When, in the reasonable judgment of the Company, transmission circuit breakers are required in the customer's substation for assuring the continuity of service to the customer or for the protection of service to other customers, the customer shall furnish, own and maintain such circuit breakers with rating as specified by the Company.

(Continued)

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The customer shall provide, without charge to the Company, the necessary space, structure and foundations for the Company's metering equipment and instruments and shall permit the Company to have access to the premises at all times.

- (4) The Company may agree to install, own and maintain transformers and primary protection equipment for a customer who receives service at a primary distribution voltage. Said equipment shall be of the Company's standard rating and specifications to make one voltage transformation. If the Company agrees to provide said equipment in lieu of Rule (3) above, the customer shall pay the Transformer Ownership Charge as provided in the rate schedule.

The customer shall provide the necessary site and furnish, install and maintain the foundations, structures and fence.

The Company shall have access to the premises at all times. All equipment furnished by the Company shall be and remain the property of the Company.

- (5) Nothing to the contrary withstanding, the minimum base generation capacity billing demand and transmission capacity billing demand for the following municipalities shall not be less than:

Pemberville	200 KW/Month
Montpelier	1000 KW/Month
Bowling Green	4000 KW/Month

Update of the
Operating License for
Beaver Valley Nuclear Power Station, Unit No. 2

INFORMATION REQUESTED BY THE NUCLEAR REGULATORY
COMMISSION IN CONNECTION WITH ITS ANTITRUST REVIEW
ANSWERS OF THE TOLEDO EDISON COMPANY

Toledo Edison Supplemental Wholesale Rate Schedule

THE TOLEDO EDISON COMPANY
Supplemental Resale Service Rate Agreement

THIS AGREEMENT, made and entered into as of the 1st day of June, 1985, by and between The Toledo Edison Company, an Ohio corporation having its principal business office at 300 Madison Avenue, Toledo, Ohio, hereinafter referred to as the "Company" and American Municipal Power-Ohio, Inc., an Ohio Corporation, hereinafter referred to as "AMP-Ohio";

WITNESSETH:

WHEREAS, AMP-Ohio is an Ohio corporation not for profit organized to own and operate and contract for facilities for the generation, transmission or distribution of electric power and energy and to furnish technical service on a nonprofit basis for the mutual benefit of its Customers, such Customers being, and to be electric systems owned and operated by municipal corporations in the State of Ohio; and

WHEREAS, the Customers have contracted to purchase electric power and energy needed for resale and distribution to the retail users of their electrical distribution systems from AMP-Ohio; and

WHEREAS, the Company and AMP-Ohio are parties to a Municipal Resale Service Rate Agreement dated as of June 1, 1983 (Toledo Edison Rate Schedule FERC No. 31), pursuant to which the Company has agreed to supply a portion of the power and energy required by AMP-Ohio to serve the needs of its customers; and

WHEREAS, AMP-Ohio has offered the Company an opportunity to supply additional amounts of power and energy required to serve the needs of its Customers during the Summer of 1985; and

WHEREAS, conditions on the Company's system are such as to make this sale of additional amounts of power and energy upon the terms and conditions hereinafter set forth beneficial to both the Company and AMP-Ohio;

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements herein contained, the parties agree as follows:

1. During the period June 1, 1985 through August 31, 1985, the Company shall provide power and energy in excess of the minimum amount specified in Article II of the Municipal Resale Service Rate Agreement required by AMP-Ohio to serve the needs of its customers (Supplemental Power or Short-Term Power hereinafter referred to as "Supplemental Power"). Such purchases of Supplemental Power, insofar as deliveries are made to customers served under the Municipal Resale Service Rate Agreement, shall be considered as part of AMP-Ohio's entitlement to purchase electrical energy and capacity other than under the Agreement of June 1, 1983.

2. No later than five working days prior to the commencement of each month, AMP-Ohio and the Company shall mutually agree upon the number of megawatts of Supplemental Power to be reserved during such month. Said agreement is to be evidenced by the exchange of a Service Specification document identifying pertinent information as to amounts reserved, scheduling, delivery arrangements, pricing, etc. If, during the month in which Supplemental Power has been reserved, conditions arise that could not have been reasonably foreseen at the time of reservation and cause the reservation to be burdensome to the Company, the Company may, upon 48-hour notice to AMP-Ohio, subsequently confirmed in writing, reduce the number of megawatts to be reserved by such amount and for such times as it shall specify in such notice. Prior to such reduction the Company shall provide AMP-Ohio with the option of participating in any outside purchase being made to reduce said burden. If the reduction occurs, the demand charges payable under Section 4 shall be reduced in proportion to the number of days and number of megawatts such reduction was in effect. In the event AMP-Ohio determines it will meet the needs of its Customers identified in Exhibit A of the June, 1983 Agreement by taking additional deliveries under that Agreement, the Company agrees to a pro-ration of the resulting Demand Charges.

3. During each month that Supplemental Power has been reserved, the Company shall upon call provide Supplemental Power up to and including the number of megawatts reserved for that month and deliver associated energy to AMP-Ohio, as scheduled by AMP-Ohio, in an amount during each hour up to and including the number of megawatts of Supplemental Power then being provided.

4. AMP-Ohio shall pay the Company the following demand charges for all Supplemental Power it purchases from the Company in any month, determined pursuant to Paragraph 2 above:

\$3.50/kw/month	for all Supplemental Power delivered to AMP-Ohio where the service voltage of the Delivery Point is higher than twelve kilovolts.
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\$4.83/kw/month	for all Supplemental Power delivered to AMP-Ohio where the service voltage at the delivery point is twelve kilovolts (12 kv) or lower.
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For Supplemental Power being supplied to AMP-Ohio for its customers served under the Municipal Resale Service Rate Agreement as identified in the Exhibits A to the June, 1983 Agreement, the Delivery Points shall be as indicated in said Exhibits. For Supplemental Power being supplied to AMP-Ohio for utilization by municipal electric systems located on the facilities of a third utility system, the Delivery Points shall be the points of inter-connection between Toledo Edison and a third utility system with whom AMP-Ohio has made arrangements for the transmission of such power.

5. In addition to the demand charge, AMP-Ohio shall pay an energy charge for all energy associated with Supplemental Power scheduled by AMP-Ohio and delivered to it pursuant to Paragraph 3 above. The energy charge applicable in any month shall be mutually agreed upon by the Company and AMP-Ohio at the time the reservation of Supplemental Power is made; provided, however, that the maximum energy charge for such energy shall not exceed 110% of the anticipated incremental out-of-pocket cost (including all operating, maintenance, tax, transmission losses and other expenses incurred that would not have been incurred if the energy had not been supplied) of providing such energy from the Company's own generation during such month.

6. If the delivery of Supplemental Power to any Customer involves transmission directly or indirectly on the facilities of a third utility system, AMP-Ohio will make all necessary arrangements for use of these facilities directly with that third system, and the Company shall not be obliged to commence delivery of Supplemental Power to such Customers until such arrangements have been made. AMP-Ohio expressly agrees to indemnify and save harmless and defend Company against all claims, demands, costs, or expenses by any third party in connection with the delivery of power to such third system for AMP-Ohio's account.

7. The following provisions of the Municipal Resale Service Rate Agreement between the Company and AMP-Ohio hereby incorporated in this Agreement and are equally applicable as if set forth in full unless otherwise provided in the Service Specifications document:

Article VII	-	Service Continuity
Article VIII	-	Billing and Payment
Article IX	-	Terms of Payment
Article X	-	AMP-Ohio/Customer Agreement
Article XI	-	Operation of Facilities
Article XII	-	Arbitration
Article XIII	-	Liability
Article XIV	-	Notices
Article XV	-	Assignment of Agreement
Article XVI	-	Waivers

8. This agreement shall become effective as of June 1, 1985. This agreement is subject to the provisions of the Federal Power Act, and to all rules and regulations of the Federal Energy Regulatory Commission thereunder.

IN TESTIMONY WHEREOF, witness signature for AMP-Ohio in the presence of the undersigned competent witnesses as of the 24 day of May, 1985.

WITNESSES:

AMERICAN MUNICIPAL POWER-OHIO, INC.

[Signature]
[Signature]

By [Signature] Pres.

IN TESTIMONY WHEREOF, witness signature of the Company in the presence of undersigned competent witnesses as of the 24 day of May, 1985.

WITNESSES:

THE TOLEDO EDISON COMPANY

[Signature]
[Signature]

By [Signature]
Sec. V.P.

The Toledo Edison Company
Sale of Supplemental Power to
American Municipal Power - Ohio pursuant
to Agreement of June 1, 1985

Service Specifications

1. For the period: June, 1985
2. Amount to be reserved: 50 Megawatts
3. Anticipated energy delivery: 100% Load Factor = 36,000,000 KWH
4. Allocation of purchases:
 - 21 MW within Toledo Edison service area
 - 17,392 KW at transmission voltage
 - 3,608 KW at distribution voltage
 - 19 MW via Ohio Edison transmission to various municipal systems
 - 10 MW via CEI transmission to the City of Cleveland system (to be invoiced through CEI)
5. Projected Revenue:

Demand Charges:	46,392 KW @ \$3.50	=	\$162,372.00
	3,608 KW @ 4.83	=	17,426.64
Energy Charge:	36,000,000 KWH @ \$.02	=	720,000.00
			<u>\$899,798.64</u>

6. Offered for Toledo Edison Co. by:

Clarence A. Liebow
5/24/85

7. Accepted for American Municipal Power-Ohio
by:

James C. Hill
5/28/85