

ELECTRIC
INTRASTATE
ANNUAL REPORT

RECEIVED
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PUCO FISCAL

OF

THE CLEVELAND ELECTRIC ILLUMINATING COMPANY
(Exact legal name of respondent)

If name was changed during year, show also the
previous name and date of change.

55 PUBLIC SQUARE, CLEVELAND, OHIO 44113
(Address of principal business office at end of year)

TO THE
PUBLIC UTILITIES COMMISSION OF OHIO



FOR THE
YEAR ENDED DECEMBER 31, 1993

Name, title, address and telephone number (including area code) of the person to be contacted concerning this report.

PAUL G. BUSBY, CONTROLLER (216) 447-3166

P.O. BOX 94661, CLEVELAND, OHIO 44101-4661

INSTRUCTIONS

This Form of Annual Report should be filled out and two (2) copies, duly verified, returned to the Public Utilities Commission of Ohio, Columbus, Ohio, and one (1) copy returned to the Office of Consumers' Counsel, Columbus, Ohio, as required by law. The respondent should retain one copy in its files for reference in case correspondence with regard to such report becomes necessary.

Amounts on any schedule should be rounded off to the nearest whole dollar.

"Intrastate" means from one point in Ohio to another point in Ohio, or wholly within Ohio.

Attention is called to the following sections of the Revised Code of Ohio:

4905.03 (614-2 G.C.) Revised Code
4905.10 (606 - G. C.) Revised Code
4905.14 (614-48 G.C.) Revised Code
4905.56 (614-65 G.C.) Revised Code
4905.99 (614-65 G.C.) Revised Code

ELECTRIC

ACCOUNT 142.XX – PIP CUSTOMER ACCOUNTS RECEIVABLE					
Month (A)	Beginning Bal. PIP Less Than 12 Months Old (B)	Transfers from A/C 142 (C)	Transfers from A/C 144 (D)	Transfers to A/C 186 (E)	Ending Bal. PIP Less Than 12 Months Old (F) = (B+C+D-E)
January	34,662,597	992,049	---	---	35,654,646
February	35,654,646	1,147,319	---	---	36,801,965
March	36,801,965	1,257,130	---	---	38,059,095
April	38,059,095	829,336	---	---	38,888,431
May	38,888,431	540,985	---	---	39,429,416
June	39,429,416	418,113	---	---	39,847,529
July	39,847,529	225,229	---	---	40,072,758
August	40,072,758	(212,583)	---	---	39,860,175
September	39,860,175	(417,787)	---	---	39,442,388
October	39,442,388	(849,348)	---	---	38,593,040
November	38,593,040	(242,936)	---	---	38,350,104
December	38,350,104	346,383	---	---	38,696,487
Total	459,662,144	4,033,890	---	---	463,696,034

NOTE: THIS SCHEDULE IS TO BE FILLED OUT BY COMPANIES THAT CURRENTLY HAVE PIP TARIFF RIDERS IN EFFECT.

ELECTRIC

ACCOUNT 186.XX – PIP CUSTOMER DEFERRED ACCOUNTS RECEIVABLE				
Month (A)	Beginning Bal. PIP Greater Than 12 Months Old (B)	Transfers from A/C 142 (C)	Recoveries Through Tariff Rider (D)	Ending Bal. PIP Greater Than 12 Months Old (E)=(B+C-D)
January	(2,507,159)	468,719	201,471	(2,239,911)
February	(2,239,911)	456,844	225,220	(2,008,287)
March	(2,008,287)	652,991	206,192	(1,561,488)
April	(1,561,488)	609,371	210,096	(1,162,213)
May	(1,162,213)	618,634	198,514	(742,093)
June	(742,093)	502,939	175,778	(414,932)
July	(414,932)	69,814	193,194	(538,312)
August	(538,312)	63,124	222,356	(697,544)
September	(697,544)	214,319	214,319	(697,544)
October	(697,544)	(583,722)	221,760	(1,503,026)
November	(1,503,026)	(1,086)	186,274	(1,690,386)
December	(1,690,386)	870,904	192,126	(1,011,608)
Total	(15,762,895)	3,942,851	2,447,300	(14,267,344)

NOTE: THIS SCHEDULE IS TO BE FILLED OUT BY COMPANIES THAT CURRENTLY HAVE PIP TARIFF RIDERS IN EFFECT.

STATEMENT OF INTRASTATE GROSS EARNINGS
FOR OHIO AT CLOSE OF YEAR

(Intrastate means from one point in Ohio to another point in
Ohio, or wholly within Ohio.)

(For the uses and purposes designated in Revised Code
Section 4905.10, assessment for maintaining the
Public Utilities Commission of Ohio.)

Item	Total	Amount	
		Interstate	Intrastate
Electric Operating Revenues	1,751,329,576	66,167,362	1,685,162,214
Gains from Disposition of Utility Property	--	--	--
Revenue from Electric Plant Leased to Others	--	--	--
Other Utility Operating Income	--	--	--
Revenues from Merch., Jobbing & Contract Work	861,474	--	861,474
Revenue from Nonutility Operations	--	--	--
Nonoperating Rental Income	1,429,710	--	1,429,710
Equity Earnings of Subsidiary Companies	1,245,054	--	1,245,054
Interest & Dividend Income	2,730,831	--	2,730,831
Miscellaneous Nonoperating Revenue	--	--	--
Gains from Disposition of Property	19,018	--	19,018
Extraordinary Income	--	--	--
TOTAL GROSS EARNINGS	1,757,615,663	66,167,362	1,691,448,301
Earnings or Receipts from Sales to Other Public Utilities for Resale	(68,388,589)	(61,192,511)	(7,196,078)
Uncollectible Accounts Expense	(9,280,473)	--	(9,280,473)
NET GROSS EARNINGS	1,679,946,601	4,974,851	1,674,971,750

OATH

State of OHIO
County of CUYAHOGA

WE, THE UNDERSIGNED GARY R. LEIDICH, CHIEF FINANCIAL OFFICER
and PAUL G. BUSBY, CONTROLLER
of THE CLEVELAND ELECTRIC ILLUMINATING COMPANY
(Full name of respondent.)

on our oath do severally say that the foregoing return has been prepared, under our direction, from the original books, papers, and records of said Company; that we have carefully examined the same, and declare the same to be a complete and correct statement of the intrastate gross earnings of said Company in respect to each and every matter and thing therein set forth; and we further say that no deductions were made before stating the amounts herein set forth, and that the accounts and figures contained in the foregoing return embrace all of the intrastate gross earnings of said Company during the period for which said return is made, to the best of our knowledge, information, and belief.

Gary R Leidich
Chief Financial Officer
(Or other Chief Officer.)

Paul G. Busby
(Officer in charge of Accounts.)

Subscribed and Sworn to before me, this 9th day of May, 1994.

Sondra Y Clarke
(Signature of officer authorized to administer oaths.)

SONDRA Y. CLARKE
NOTARY PUBLIC, STATE OF OHIO
Recorded in Cuyahoga County
My Comm. Expires Nov. 25, 1998



Check appropriate box:

Original signed form

Conformed copy

Form Approved
OMB No. 1902-0021
(Expires 9/30/95)



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FERC Form No. 1: ANNUAL REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHERS

This report is mandatory under the Federal Power Act, Sections 3, 4(a), 304 and 309, and 18 CFR141.1. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider this report to be of a confidential nature.

Exact Legal Name of Respondent (Company)

The Cleveland Electric Illuminating Company

Year of Report

Dec. 31, 19 93



COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
UTILITY PLANT				
1	Utility Plant (101-106, 114)	200-201	6,855,382,765 *	6,492,609,577
2	Construction Work in Progress (107)	200-201	119,898,739	141,421,959
3	TOTAL Utility Plant (Enter Total of lines 2 and 3)		6,975,281,504	6,634,031,536
4	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 111, 115)	200-201	1,701,272,892 *	1,859,817,306
5	Net Utility Plant (Enter Total of line 4 less 5)	-	5,274,008,612	4,774,214,230
6	Nuclear Fuel (120.1-120.4, 120.6)	202-203	223,518,551	202,200,123
7	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	-	-
8	Net Nuclear Fuel (Enter Total of line 7 less 8)	-	223,518,551	202,200,123
9	Net Utility Plant (Enter Total of lines 6 and 9)		5,497,527,163	4,976,414,353
10	Utility Plant Adjustments (116)	122	-	-
11	Gas Stored Underground-Noncurrent (117)	-	-	-
12	OTHER PROPERTY AND INVESTMENTS			
13	Nonutility Property (121)	221	16,304,206	16,285,898
14	(Less) Accum. Prov. for Depr. and Amort. (122)	-	2,774,132	3,566,926
15	Investments in Associated Companies (123)	-	-	-
16	Investment in Subsidiary Companies (123.1)	224-225	22,511,299	23,756,352
17	(For Cost of Account 123.1, See Footnote Page 224, line 42)	-	-	-
18	Noncurrent Portion of Allowances	228-229	-	-
19	Other Investments (124)	-	-	-
20	Special Funds (125-128)	-	23,698,729	30,027,958
21	TOTAL Other Property and Investments (Total of lines 14-17,19-21)		59,740,102	66,503,282
22	CURRENT AND ACCRUED ASSETS			
23	Cash (131)	-	4,190,046	2,529,050
24	Special Deposits (132-134)	-	(57,897)	(711,454)
25	Working Funds (135)	-	170,480	172,055
26	Temporary Cash Investments (136)	-	20,571,063	65,221,693
27	Notes Receivable (141)	-	1,489,684	1,595,845
28	Customer Accounts Receivable (142)	-	135,534,492	130,299,390
29	Other Accounts Receivable (143)	-	23,534,686	23,700,186
30	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)	-	2,332,893	2,312,876
31	Notes Receivable from Associated Companies (145)	-	-	-
32	Accounts Receivable from Assoc. Companies (146)	-	10,021,563	4,947,652
33	Fuel Stock (151)	227	39,786,693	20,188,034
34	Fuel Stock Expense Undistributed (152)	227	-	-
35	Residuals (Elec) and Extracted Products (Gas) (153)	227	-	-
36	Plant Material and Operating Supplies (154)	227	83,963,566	79,848,357
37	Merchandise (155)	227	-	-
38	Other Materials and Supplies (156)	227	5,704,138	12,810,820
39	Nuclear Materials Held for Sale (157)	202-3/227	-	-
40	Allowances (158.1 and 158.2)	228-229	-	-
41	(Less) Noncurrent Portion of Allowances	-	-	-
42	Stores Expenses Undistributed (163)	227	105	-
43	Gas Stored Underground - Current (164.1)	-	-	-
44	Liquefied Natural Gas Stored & Held for Processing (164.2-164.3)	-	-	-
45	Prepayments (165)	-	57,435,092	54,558,923
46	Advances for Gas (166-167)	-	-	-
47	Interest and Dividends Receivable (171)	-	3,962	12,703
48	Rents Receivable (172)	-	107,504	197,095
49	Accrued Utility Revenues (173)	-	93,000,000	99,000,000
50	Miscellaneous Current and Accrued Assets (174)	-	122,889,452	127,557,452
51	TOTAL Current and Accrued Assets(Enter Total of lines 24 thru 51)		596,011,736	619,614,925

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IMPORTANT CHANGES DURING THE YEAR (Cont)

Westinghouse Lawsuit

In April 1991, Cleveland Electric and Toledo Edison joined with Duquesne, Ohio Edison and Pennsylvania Power in filing a lawsuit against Westinghouse in the United States District Court for the Western District of Pennsylvania. The suit alleges that six steam generators supplied by Westinghouse for Beaver Valley Units 1 and 2 contain serious defects, particularly defects causing tube corrosion and cracking. Steam generator maintenance costs have increased due to these defects and will likely continue to increase. The condition of the steam generators is being monitored closely. If the corrosion and cracking continue, replacement of the steam generators could be required earlier than their 40-year design life. The suit seeks monetary and corrective relief.

General Electric Lawsuit

On February 2, 1994, the CAPCO Group companies announced that a settlement had been reached with General Electric regarding the lawsuit filed by the CAPCO Group companies against General Electric in August 1991. In that suit which was filed in the United States District Court in Cleveland, the CAPCO Group companies as joint owners of the Perry Plant alleged that General Electric had provided defective design information relating to the containment vessels for Perry Units 1 and 2. The CAPCO Group companies also alleged that the required corrective actions caused extensive delays and costs increases in the construction of the Perry Plant.

Under the settlement agreement, General Electric will provide the CAPCO Group companies with discounts on future purchases and cash payments. The value of the settlement depends on the volume of future purchases. Because the payments will be made over a period of years and the discounts will be offered over the life of the plant, they will not have a material impact on the financial results of Centerior, Cleveland Electric and Toledo Edison in any particular year or on their financial conditions. The terms of the settlement agreement are the subject of a confidentiality agreement.

Perry Unit 2

Perry Unit 2, including its share of the facilities common with Perry Unit 1, was approximately 50% complete when construction was suspended in 1985 pending consideration of various options. These options included resumption of full construction with a revised estimated cost, conversion of a nonnuclear design, sale of all or part of our ownership share, or cancellation.

Cleveland Electric wrote off its investment in Perry Unit 2 at December 31, 1993 after it determined that Perry Unit 2 would not be completed or sold. The write-off totaled \$351 million (\$258 million after taxes) for Cleveland Electric's 44.85% ownership share of the unit.

Item 10. None.

Item 11. Not Applicable.

Item 12. Not Applicable.

IMPORTANT CHANGES DURING THE YEAR (Cont)

Water Quality Control

The Clean Water Act requires that power plants obtain permits which contain certain effluent limitations (that is, limits on discharges of pollutants into bodies of water). It also requires the states to establish water quality standards (which could result in more stringent effluent limitations than required under the Clean Water Act) and a permit system to be approved by the U.S. EPA. Violators of effluent limitations and water quality standards are subject to a civil penalty of up to \$25,000 per day for each such violation.

The Clean Water Act permits thermal effluent limitations to be established for a facility which are less stringent than those which otherwise would apply if the owner can demonstrate that such less stringent limitations are sufficient to assure the protection and propagation of aquatic and other wildlife in the affected body of water. By 1978, Cleveland Electric has submitted to the Ohio EPA such demonstrations for review with respect to their Ashtabula, Avon Lake, Eastlake and Lake Shore Plants. The Ohio EPA has taken no action on the submittals.

Cleveland Electric received National Pollutant Discharge Elimination System (NPDES) permit renewals from the Ohio EPA for all of its power plants. In those situations where a permit application is pending, the affected plant may continue to operate under the expired permit while such application is pending.

In 1990, the Ohio EPA issued revised water quality standards applicable to Lake Erie and waters of the State of Ohio. Based upon these revised water quality standards, the Ohio EPA placed additional effluent limitations in their most recent NPDES permits. The revised standards also may serve as the basis for more stringent effluent limitations in future NPDES permits. Such limitations could result in the installation of additional pollution control equipment and increased operating expenses. Cleveland Electric is monitoring discharges at its plants to support its position that additional effluent limitations are not justified.

Waste Disposal

The Comprehensive Environmental Response, Compensation and Liability Act of 1980 as amended (Superfund) established programs addressing the cleanup of hazardous waste disposal sites, emergency preparedness and other issues. Cleveland Electric has been named as a "potentially responsible party" (PRP) for three sites listed on the the Superfund National Priorities List (Superfund List) and is aware of its potential involvement in the cleanup of several other sites not on such list. The allegations that Cleveland Electric disposed of hazardous waste at these sites and the amounts involved are often unsubstantiated and subject to dispute. Superfund provides that all PRP's to a particular site can be held liable on a joint and several basis. Consequently, if Cleveland Electric were held liable for 100% of the cleanup costs of all of the sites referred to above, the cost could be as high as \$250 million. However, we believe that the actual cleanup costs will be substantially lower than \$250 million, that Cleveland Electric's share of any cleanup costs will be substantially less than 100% and that most of other PRPs are financially able to contribute their share. Cleveland Electric has accrued a liability totaling \$13 million at December 31, 1993 based on estimates of the costs of cleanup and its proportionate responsibility for such costs. Cleveland Electric believes that the ultimate outcome of these matters will not have a material adverse effect on our financial condition or results of operations.

The Resource Conservation and Recovery Act exempts certain fossil fuel combustion waste products, such as fly ash, from hazardous waste disposal requirements. Cleveland Electric is unable to predict whether Congress will choose to amend this exemption in the future or, if so, the costs relating to any required changes in the operations of the Company.

IMPORTANT CHANGES DURING THE YEAR (Cont)

of these regulatory accounting measures will be dependent upon Cleveland Electric's continuing assessment and conclusion that there will be probable recovery of such deferrals in future rates.

The regulatory accounting measures Cleveland Electric is eligible to record through December 31, 1995 include the deferral of post-in-service interest carrying charges, depreciation expenses and property taxes on assets placed in service after February 29, 1988. Amortization and recovery of these deferrals will occur over the average life of the related assets, approximately 30 years, and will commence with future rate recognition. The regulatory accounting measures also provide for the accelerated amortization of certain unrestricted investment tax credit balances and interim fuel storage accrual balances for Davis-Besse.

The Rate Stabilization program also authorized Cleveland Electric to defer and subsequently recover the incremental expenses associated with the adoption of the accounting standard for postretirement benefits other than pensions. In 1993, Cleveland Electric deferred \$60 million pursuant to this provision. Amortization and recovery of this deferral will commence prior to 1998 and is expected to be completed by no later than 2012.

Air Quality Control

Under the Clean Air Act, the Ohio Environmental Protection Agency (EPA) has adopted Ohio emission limitations for particulate matter and sulfur dioxide for each of Cleveland Electric's plants. The Clean Air Act provides for civil penalties of up to \$25,000 per day for each violation of an emission limitation. The U.S. EPA has approved the Ohio EPA's emission limitations and the related implementation plans except for some particulate matter emissions and certain sulfur dioxide emissions. The U.S. EPA has adopted separate sulfur dioxide emission limitations for each of the Cleveland Electric plants.

In 1985, the U.S. EPA issued revised regulations specifying the extent to which power plant stack height may be incorporated into the establishment of an emission limitation. Pursuant to the revised regulations, Cleveland Electric submitted to the Ohio EPA information intended to support continuation of the stack height credit received under the previous regulations for stacks at the Aven Lake and Eastlake Plants. The Ohio EPA has accepted the submissions and forwarded them to the U.S. EPA for approval. In January 1988, the District of Columbia Circuit Appeals Court remanded portions of the 1985 regulations to the U.S. EPA further consideration; however the U.S. EPA has not taken action specifically on this issue.

In November 1990, the Clean Air Act Amendments were signed into law imposing restrictions on nitrogen oxides emissions and making sulfur dioxide emission limitations significantly more severe beginning in 1995. The Clean Air Act Amendments also require studies to be conducted on the emission of certain potentially hazardous air pollutants which could lead to additional restrictions.

Centerior Energy's compliance strategy for the Operating Companies provides for compliance with both phases of the Clean Air Act Amendments through at least 2005 primarily through greater use of low-sulfur coal at some of Cleveland Electric's and Toledo Edison's units and the banking of emission allowances. The plan will require capital expenditures for Cleveland Electric over the 1994-2003 period of approximately \$165 million for nitrogen oxide control equipment, emission monitoring equipment and plant modifications. In addition, higher fuel and other operation and maintenance expenses will be incurred. Cleveland Electric may need to install sulfur emission control technology at one of its generating plants sometime after 2005 which could require additional expenditures at that time. The PUCO has approved this plan. Centerior Energy also is seeking U.S. EPA approval of the first phase of this plan.

Centerior Energy is continuing to monitor developments in new technologies that may be incorporated into its compliance strategy. If a different plan is required by the U.S. EPA, significantly higher capital expenditures could be required during the 1994-2003 period.

Congress is considering legislation to reduce emissions of gases such as those resulting from the burning of coal that are thought to cause global warming. If such legislation is adopted, the cost of operating coal-fired plants could increase significantly and coal-fired generating capacity could decrease significantly.

Intercompany Loans

The Company had loans outstanding from its parent, Centerior Energy Corporation, on 129 days during 1993 with an average daily amount outstanding during these days of \$39,799,047. At December 31, 1993, the Company had no such loans outstanding.

The Company had notes payable to its affiliate, The Toledo Edison Company, on 66 days during 1993 with an average daily balance outstanding during these days of \$19,530,303 (PUCO No. 92-2121-EL-AIS). At December 31, 1993, the Company had no such notes outstanding.

Premium Funding:

The Company had notes outstanding on 108 days during 1993 with an average daily balance outstanding during these days of \$28,060,639. At December 31, 1993, the Company had none of these notes outstanding.

Item 7. The Company's Articles of Incorporation were amended on May 28, 1993 to create 200,000 shares of Serial Preferred Stock, \$42.40 Series T.

Item 8. General wage increases were granted in 1993 pursuant to the union agreement with the Utility Workers Union of America, Local 270.

Effective date	Amount *	Year of Contract
05/01/93	\$0.35 /hr	1 of 2
11/01/93	\$0.18 /hr	1 of 2

* On the average straight time hourly rate.

Item 9. Materially important legal proceedings pending on December 31, 1993 or culminated in 1993 are as follows:

Regulatory Matters

Phase-in deferrals were recorded beginning in 1989 pursuant to the phase-in plan approved by the PUCO in a January 1989 rate order for Cleveland Electric. The phase-in plan was designed so that the projected revenues resulting from the authorized rate increases and anticipated sales growth provided for the phase-in of certain nuclear costs over a ten-year period. The plan required the deferral of a portion of the operating expenses and both interest and equity carrying charges on Cleveland Electric's deferred rate-based investments in Perry Unit 1 and Beaver Valley Unit 2 during the early years of plan. The amortization and recovery of such deferrals were scheduled to be completed by 1998.

As Cleveland Electric developed its strategic plan, the company evaluated the future recovery of its deferred charges and continued application of the regulatory accounting measures it follows pursuant to PUCO orders. Cleveland Electric concluded that projected revenues would not provide for the recovery of the phase-in deferrals as scheduled because of economic and competitive pressures. Accordingly, Cleveland Electric wrote off the cumulative balance of the phase-in deferrals. The total phase-in deferred operating expenses and carrying charges written off at December 31, 1993 by Cleveland Electric were \$117 million and \$519 million, respectively (totaling \$433 million after taxes). While recovery of its other regulatory deferrals remains probable, Cleveland Electric's current assessment of business conditions has prompted it to change its future plans. Cleveland Electric decided that, once the deferral of expenses and acceleration of benefits under its Rate Stabilization Program are completed in 1995, the company should no longer plan to use regulatory accounting measures to the extent it has in the past.

In October 1992, the PUCO approved a Rate Stabilization Program that was designed to encourage growth in Cleveland Electric's service area by freezing the company's base rates until 1996 and limiting subsequent rate increases to specified annual amounts not to exceed \$216 million over the 1996-1998 period.

As part of the Rate Stabilization Program, Cleveland Electric is allowed to defer and subsequently recover certain costs not currently recovered in rates and to accelerate amortization of certain benefits. Such regulatory accounting measures provide for rate stabilization by rescheduling the timing of rate recovery of certain costs and the amortization of certain benefits during the 1992-1995 period. The continued use

IMPORTANT CHANGES DURING THE YEAR

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none" "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration given therefor and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.

2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.

3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.

4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other conditions. State name of Commission authorizing lease and give reference to such authorization.

5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of

gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements etc.

6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.

7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.

8. State the estimated annual effect and nature of any important wage scale changes during the year.

9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.

10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on page 106, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.

11. (Reserved).

12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by instructions 1 to 11 above, such notes may be attached to this page.

Item 1. None.

Item 2. None.

Item 3. None.

Item 4. None.

Item 5. None.

Item 6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less were:

Type	Principal Amount	Public Utilities Commission of Ohio
First Mortgage Bonds (9.000% due 2023)	\$150,000,000	92-2295-EL-AIS
First Mortgage Bonds (7.375% due 2003)	\$100,000,000	93-0714-EL-AIS
First Mortgage Bonds (Fltg. Rate due 2015) (Pollution Control Refunding Bonds)	\$ 39,835,000	93-0712-EL-AIS
First Mortgage Bonds (Fltg. Rate due 2015) (Pollution Control Refunding Bonds)	\$ 72,795,000	93-0712-EL-AIS
First Mortgage Bonds (6.875% due 2023) (Pollution Control Refunding Bonds)	\$ 20,200,000	92-2287-EL-AIS
Medium Term Notes	\$ 35,000,000	92-0774-EL-AIS
Serial Preferred Stock \$42.40 Series T	\$100,000,000	93-0713-EL-AIS
Bank Loan	\$ 40,000,000	92-2294-EL-AIS

Commercial Paper:

The Company had commercial paper outstanding on 39 days during 1993 with an average daily amount outstanding during these days of \$25,156,410 (PUCO No. 92-2121-EL-AIS). At December 31, 1993, the Company had no commercial paper outstanding.

Name of Respondent
THE CLEVELAND ELECTRIC ILLUMINATING COMPANY

This Report is:
 An Original

Year of Report
Dec. 31, 1993

SECURITY HOLDERS AND VOTING POWERS (Continued)

Line No.	Name (Title) and Address of Security Holder (a)	Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
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53					

SECURITY HOLDERS AND VOTING POWERS

1. Give the names and addresses of the 10 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent, prior to the end of the year, had the highest voting powers in the respondent, and state the number of votes which each would have had the right to cast on that date if a meeting were then in order. If any such holder held in trust, give in a footnote the known particulars of the trust (whether voting trust, etc.), duration of trust, and principal holders of beneficiary interests in the trust. If the stock book was not closed or a list of stockholders was not compiled within one year prior to the end of the year, or if since the previous compilation of a list of stockholders, some other class of security has become vested with voting rights, then show such 10 security holders as of the close of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest. Show in column (a) the titles of officers and directors included in such list of 10 security holders.

2. If any security other than stock carries voting rights, explain in a supplemental statement the circumstances whereby such security became vested with voting rights and

give other important particulars (details) concerning the voting rights of such security. State whether voting rights are actual or contingent; if contingent, describe the contingency.

3. If any class or issue of security has any special privileges in the election of directors, trustees or managers, or in the determination of corporate action by any method, explain briefly in a footnote.

4. Furnish particulars (details) concerning any options, warrants, or rights outstanding at the end of the year for others to purchase securities of the respondent or any securities or other assets owned by the respondent, including prices, expiration dates, and other material information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets so entitled to be purchased by any officer, director, associated company, or any of the ten largest security holders. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the general public where the options, warrants, or rights were issued on a prorata basis.

1. Give date of the latest closing of the stock book prior to end of year, and state the purpose of such closing: N/A	2. State the total number of votes cast at the latest general meeting prior to the end of year for election of directors of the respondent and number of such votes cast by proxy. Total: N/A By proxy:	3. Give the date and place of such meeting: N/A
--	---	--

Line No.	Name (Title) and Address of Security Holder (a)	VOTING SECURITIES			
		Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
4	TOTAL votes of all voting securities	79,590,689	79,590,689	-	-
5	TOTAL number of security holders	1	1	-	-
6	TOTAL votes of security holders listed below	79,590,689	79,590,689	-	-
7					
8	Centerior Energy Corporation (100 %)	79,590,689	79,590,689		
9	6200 Oak Tree Boulevard				
10	Independence, Ohio 44131				
11					
12					
13					
14					
15					
16					
17					
18					

DIRECTORS

1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a) abbreviated titles of the directors who are officers of the respondent.

2. Designate members of the Executive Committee by an asterisk and the Chairman of the Executive Committee by a double asterisk.

Name (and Title) of Director (a)	Principal Business Address (b)
Robert J. Farling Chairman of the Board and Chief Executive Officer (July 1 - December 31, 1993)	6200 Oak Tree Boulevard Independence, Ohio 44131
(1) Lyman C. Phillips President (January 1 - October 31, 1993) and Chief Executive Officer (January 1 - June 30, 1993)	6200 Oak Tree Boulevard Independence, Ohio 44131
(2) Edgar H. Maugans Vice President and Chief Financial Officer (January 1 - June 30, 1993)	6200 Oak Tree Boulevard Independence, Ohio 44131
(3) Murray R. Edelman President (November 1 - December 31, 1993)	6200 Oak Tree Boulevard Independence, Ohio 44131
(3) Fred J. Lange Jr. Vice President	6200 Oak Tree Boulevard Independence, Ohio 44131
(1) Served as a Director January 1 - October 31, 1993.	
(2) Served as a Director January 1 - June 30, 1993.	
(3) Served as a Director July 1 - December 31, 1993.	

OFFICERS

1. Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policymaking functions.
2. If a change was made during the year in the incumbent of

any position, show name and total remuneration of the previous incumbent, and date the change in incumbency was made.
3. Utilities which are required to file the same data with the Securities and Exchange Commission, may substitute a copy of item 4 of Regulation S-K (identified as this page). The substituted page(s) should be the same size as this page.

Line No.	Title (a)	Name of Officer (b)	Salary for Year (c) (1) (2)
1	The below is in accordance with S-K		
2	Requirements (1) (2):		
3			
4	Chairman, President, and Chief Executive Officer	Robert J. Farling	361,309
5			
6	Executive Vice President	Murray R. Edelman	258,451
7			
8	Senior Vice President	Donald C. Shelton	197,044
9			
10	Senior Vice President	Fred J. Lange Jr.	186,698
11			
12	Vice President - Transmission & Distribution Operations	David L. Monseau	148,874
13			
14			
15	Executive Vice President (3)	Lyman C. Phillips	208,924
16			
17			
18			
19	(1) Includes the executive officers of Centerior Energy regardless of whether they are officers of Cleveland Electric because they are key policymakers of Cleveland Electric.		
20			
21			
22	(2) Incentive compensation, in the form of deferred incentive units, not cash, was awarded in 1993.		
23			
24			
25	(3) Retired November 1, 1993.		
26			
27			
28			
29			
30			
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34			
35			
36			
37			
38			
39			
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41			
42			
43			
44			

CORPORATIONS CONTROLLED BY RESPONDENT

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.
4. If the above required information is available from the SEC 10-K Report Form filing, a specific reference to the report form (i.e. year and company title) may be listed in column (a) provided the fiscal years for both the 10-K report and this report are compatible.

DEFINITIONS

1. See the Uniform System of Accounts for a definition of control.
2. Direct control is that which is exercised without interposition of an intermediary.
3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.
4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
Centerior Properties Company	Computes bills for office buildings and apartments and, from time to time, acquires parcels of real estate as an incident to development of business of the Company. Also owns and operates an office building.	100	
CCO Company	Dormant at year-end; held available for prospective use.	100	
Dynamic Energy Ventures, Inc.	Dormant at year-end; held available for prospective use.	100	

Name of Respondent
THE CLEVELAND ELECTRIC ILLUMINATING COMPANY

This Report Is:
 An Original

Year of Report
Dec. 31, 1993

CONTROL OVER RESPONDENT

1. If any corporation, business trust, or similar organization or combination of such organizations jointly held control over the respondent at end of year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of

trustee(s), name of beneficiary or beneficiaries for whom trust was maintained, and purpose of the trust.

2. If the above required information is available from the SEC 10K Report Form filing, a specific reference to the report form (i.e. year and company title) may be listed provided the fiscal years for both the 10-K report and this report are compatible.

Effective April 29, 1986, The Cleveland Electric Illuminating Company became a wholly owned subsidiary of Centerior Energy Corporation. The business combination was accounted for as a pooling of interests. See the 1993 annual SEC Form 10-K report for Centerior Energy Corporation, The Cleveland Electric Illuminating Company, and The Toledo Edison Company, another wholly owned subsidiary of Centerior Energy Corporation.

Name of Respondent
THE CLEVELAND ELECTRIC ILLUMINATING COMPANY

This Report Is:
 An Original

Year of Report
Dec. 31, 1993

GENERAL INFORMATION

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Paul G. Busby, Controller
6200 Oak Tree Boulevard
Independence, Ohio 44131

2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

Ohio, September 29, 1892

▲

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

None

4. State the classes of utility and other services furnished by respondent during the year in each State in which the respondent operated.

Electric - Ohio

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

(1) YES ...Enter the date when such independent accountant was initially engaged: _____.

(2) NO

Name of Respondent THE CLEVELAND ELECTRIC ILLUMINATING COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr):	Year of Report Dec. 31, 19 ⁹³
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LIST OF SCHEDULES (Electric Utility) (Continued)

Title of Schedule (a)	Reference Page No. (b)	Date Revised (c)	Remarks (d)
ELECTRIC PLANT STATISTICAL DATA (Continued)			
Transmission Line Statistics	422-423	Ed. 12-87	
Transmission Lines Added During Year	424-425	Ed. 12-86	
Substations	426-427	Ed. 12-86	
Electric Distribution Meters and Line Transformers	429	Ed. 12-88	
Environmental Protection Facilities	430	Ed. 12-88	
Environmental Protection Expenses	431	Ed. 12-88	
Footnote Data	450	Ed. 12-87	
Stockholders' Reports Check appropriate box:			
<input type="checkbox"/> Four copies will be submitted.			
<input type="checkbox"/> No annual report to stockholders is prepared.			

Name of Respondent THE CLEVELAND ELECTRIC ILLUMINATING COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 19 <u>93</u>
LIST OF SCHEDULES (Electric Utility) (Continued)			
Title of Schedule (a)	Reference Page No. (b)	Date Revised (c)	Remarks (d)
BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Other Credits) (Continued)			
Reconciliation of Reported Net Income with Taxable Income for Federal Income Taxes	261	Ed. 12-88	
Taxes Accrued, Prepaid and Charged During Year	262-263	Ed. 12-90	
Accumulated Deferred Investment Tax Credits	266-267	Ed. 12-89	
Other Deferred Credits	269	Ed. 12-88	
Accumulated Deferred Income Taxes—Accelerated Amortization Property	272-273	Ed. 12-89	
Accumulated Deferred Income Taxes—Other Property	274-275	Ed. 12-89	
Accumulated Deferred Income Taxes—Other	276-277	Ed. 12-93	
Other Regulatory Liabilities	278	New 12-93	
INCOME ACCOUNT SUPPORTING SCHEDULES			
Electric Operating Revenues	300-301	Ed. 12-90	
Sales of Electricity by Rate Schedules	304	Ed. 12-90	
Sales for Resale	310-311	Ed. 12-88	
Electric Operation and Maintenance Expenses	320-323	Rev. 12-93	
Number of Electric Department Employees	323	Ed. 12-88	
Purchased Power	326-327	Rev. 12-90	
Transmission of Electricity for Others	328-330	Rev. 12-90	
Transmission of Electricity by Others	332	Rev. 12-90	
Miscellaneous General Expenses—Electric	335	Ed. 12-87	
Depreciation and Amortization of Electric Plant	336-338	Ed. 12-88	
Particulars Concerning Certain Income Deduction and Interest Charges Accounts	340	Ed. 12-87	
COMMON SECTION			
Regulatory Commission Expenses	350-351	Ed. 12-90	
Research, Development and Demonstration Activities	352-353	Ed. 12-87	
Distribution of Salaries and Wages	354-355	Ed. 12-88	
Common Utility Plant and Expenses	356	Ed. 12-87	
ELECTRIC PLANT STATISTICAL DATA			
Electric Energy Account	401	Rev. 12-90	
Monthly Peaks and Output	401	Rev. 12-90	
Steam-Electric Generating Plant Statistics (Large Plants)	402-403	Ed. 12-89	
Hydroelectric Generating Plant Statistics (Large Plants)	406-407	Ed. 12-89	
Pumped Storage Generating Plant Statistics (Large Plants)	408-409	Ed. 12-88	
Generating Plant Statistics (Small Plants)	410-411	Ed. 12-87	

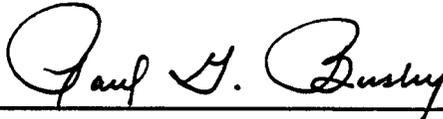
Name of Respondent THE CLEVELAND ELECTRIC ILLUMINATING COMPANY	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 19 <u>93</u>
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LIST OF SCHEDULES (Electric Utility)

Enter in column (d) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none," "not applicable," or "NA."

Title of Schedule (a)	Reference Page No. (b)	Date Revised (c)	Remarks (d)
GENERAL CORPORATE INFORMATION AND FINANCIAL STATEMENTS			
General Information	101	Ed. 12-87	
Control Over Respondent	102	Ed. 12-87	
Corporations Controlled by Respondent	103	Ed. 12-87	
Officers	104	Ed. 12-87	
Directors	105	Ed. 12-87	
Security Holders and Voting Powers	106-107	Ed. 12-87	
Important Changes During the Year	108-109	Ed. 12-90	
Comparative Balance Sheet	110-113	Rev. 12-93	
Statement of Income for the Year	114-117	Rev. 12-93	
Statement of Retained Earnings for the Year	118-119	Ed. 12-89	
Statement of Cash Flows	120-121	Rev. 12-93	
Notes to Financial Statements	122-123	Ed. 12-89	
BALANCE SHEET SUPPORTING SCHEDULES (Assets and Other Debits)			
Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization, and Depletion	200-201	Ed. 12-89	
Nuclear Fuel Materials	202-203	Ed. 12-89	
Electric Plant in Service	204-207	Ed. 12-88	
Electric Plant Leased to Others	213	Ed. 12-89	
Electric Plant Held for Future Use	214	Ed. 12-89	
Construction Work in Progress—Electric	216	Ed. 12-87	
Construction Overheads—Electric	217	Ed. 12-89	
General Description of Construction Overhead Procedure	218	Ed. 12-88	
Accumulated Provision for Depreciation of Electric Utility Plant	219	Ed. 12-88	
Nonutility Property	221	Ed. 12-87	
Investment in Subsidiary Companies	224-225	Ed. 12-89	
Materials and Supplies	227	Ed. 12-89	
Allowances	228-229	New 12-93	
Extraordinary Property Losses	230	Ed. 12-93	
Unrecovered Plant and Regulatory Study Costs	230	Ed. 12-93	
Other Regulatory Assets	232	New 12-93	
Miscellaneous Deferred Debits	233	Ed. 12-89	
Accumulated Deferred Income Taxes (Account 190)	234	Ed. 12-88	
BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Other Credits)			
Capital Stock	250-251	Ed. 12-90	
Capital Stock Subscribed, Capital Stock Liability for Conversion, Premium on Capital Stock, and Installments Received on Capital Stock	252	Ed. 12-87	
Other Paid-in Capital	253	Ed. 12-87	
Discount on Capital Stock	254	Ed. 12-87	
Capital Stock Expense	254	Ed. 12-86	
Long-Term Debt	256-257	Ed. 12-90	

**FERC FORM NO. 1:
ANNUAL REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER**

IDENTIFICATION		
01 Exact Legal Name of Respondent The Cleveland Electric Illuminating Company	02 Year of Report Dec. 31, 19 ⁹³	
03 Previous Name and Date of Change (If name changed during year)		
04 Address of Principal Office at End of Year (Street, City, State, Zip Code) P.O. Box 5000, 55 Public Square, Cleveland, Ohio 44101		
05 Name of Contact Person Paul G. Busby	06 Title of Contact Person Controller	
07 Address of Contact Person (Street, City, State, Zip Code) Centerior Energy Corporation, P. O. Box 94661, Cleveland, Ohio, 44101-4661		
08 Telephone of Contact Person, Including Area Code (216) 447-3166	09 This Report Is (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da, Yr) 4/29/94
ATTESTATION		
The undersigned officer certifies that he/she has examined the accompanying report; that to the best of his/her knowledge, information, and belief, all statements of fact contained in the accompanying report are true and the accompanying report is a correct statement of the business and affairs of the above named respondent in respect to each and every matter set forth therein during the period from and including January 1 to and including December 31 of the year of the report.		
01 Name Paul G. Busby	03 Signature 	04 Date Signed (Mo, Da, Yr) 4/29/94
02 Title Controller		
Title 18, U.S.C. 1001, makes it a crime for any person knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.		

EXCERPTS FROM THE LAW

Federal Power Act, 16 U.S.C. 791a-825r)

"Sec. 3. The words defined in this section shall have the following meanings for purposes of this Act, to wit:
... (3) 'corporation' means any corporation, joint-stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, or a receiver or receivers, trustee or trustees of any of the foregoing. It shall not include 'municipalities' as hereinafter defined;

(4) 'person' means an individual or a corporation;

(5) 'licensee' means any person, State, or municipality licensed under the provisions of section 4 of this Act, and any assignee or successor in interest thereof;

(7) 'municipality' means a city, county, irrigation district, drainage district, or other political subdivision or agency of a State competent under the laws thereof to carry on the business of developing, transmitting, utilizing, or distributing power;"

(11) 'project' means a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or forebay reservoirs directly connected therewith, the primary line or lines transmitting power therefrom to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water rights, rights-of-way, ditches, dams, reservoirs, lands, or interest in lands the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit;

"Sec. 4. The Commission is hereby authorized and empowered—

(a) To make investigations and to collect and record data concerning the utilization of the water resources of any region to be developed, the water-power industry and its relation to other industries and to interstate or foreign commerce, and concerning the location, capacity, development costs, and relation to markets of power sites, . . . to the extent the Commission may deem necessary or useful for the purposes of this Act."

"Sec. 304. (a) Every licensee and every public utility shall file with the Commission such annual and other periodic or special reports as the Commission may by rules and regulations or other prescribe as necessary or appropriate to assist the Commission in the proper administration of this Act. The Commission may prescribe the manner and form in which such reports shall be made, and require from such persons specific answers to all questions upon which the Commission may need information. The Commission may require that such reports shall include, among other things, full information as to assets and liabilities, capitalization, net investment, and reduction thereof, gross receipts, interest due and paid, depreciation, and other reserves, cost of project and other facilities, cost of maintenance and operation of the project and other facilities, cost of renewals and replacement of the project works and other facilities, depreciation, generation, transmission, distribution, delivery, use, and sale of electric energy. The Commission may require any such person to make adequate provision for currently determining such costs and other facts. Such reports shall be made under oath unless the Commission otherwise specifies."

"Sec. 309. The Commission shall have power to perform any and all acts, and to prescribe, issue, make, amend, and rescind such orders, rules and regulations as it may find necessary or appropriate to carry out the provisions of this Act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this Act; and may prescribe the form or forms of all statements, declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and the time within which they shall be filed. . . ."

GENERAL PENALTIES

"Sec. 315. (a) Any licensee or public utility which willfully fails, within the time prescribed by the Commission, to comply with any order of the Commission, to file any report required under this Act or any rule or regulation of the Commission thereunder, to submit any information or document required by the Commission in the course of an investigation conducted under this Act, . . . shall forfeit to the United States an amount not exceeding \$1,000 to be fixed by the Commission after notice and opportunity for hearing. . . ."

GENERAL INSTRUCTIONS (Continued)

- IV. For any page(s) that is not applicable to the respondent, either
- (a) Enter the words "Not Applicable" on the particular page(s), or
 - (b) Omit the page(s) and enter "NA," "NONE," or "Not Applicable" in column (d) on the List of Schedules, pages 2, 3, and 4.
- V. Complete this report by means which result in a permanent record. Complete the original copy in permanent black ink or typewriter print, if practical. The copies, however, may be carbon copies or other similar means of reproduction provided the impressions are clear and readable.
- VI. Enter the month, day, and year for all dates. Use customary abbreviations. The "Date of Report" at the top of each page is applicable only to resubmissions (see VIII. below).
- VII. Indicate negative amounts (such as decreases) by enclosing the figures in parentheses. ().
- VIII. When making revisions, resubmit only those pages that have been changed from the original submission. Submit the same number of copies as required for filing the form. Include with the resubmission the Identification and Attestation page, page 1. Mail dated resubmissions to:
- Chief Accountant
Federal Energy Regulatory Commission
825 North Capitol Street, NE.
Room 946
Washington, DC 20426
- IX. Provide a supplemental statement further explaining accounts or pages as necessary. Attach the supplemental statement (8½ by 11 inch size) to the page being supplemented. Provide the appropriate identification information, including the title(s) of the page and the page number supplemented.
- X. Do not make references to reports of previous years or to other reports in lieu of required entries, except as specifically authorized.
- XI. Wherever (schedule) pages refer to figures from a previous year, the figures reported must be based upon those shown by the annual report of the previous year, or an appropriate explanation given as to why the different figures were used.
- XII. Respondents may submit computer printed schedules (reduced to 8½ by 11) instead of the preprinted schedules if they are in substantially the same format.

DEFINITIONS

- I. Commission Authorization (Comm. Auth.)—The authorization of the Federal Energy Regulatory Commission, or any other Commission. Name the commission whose authorization was obtained and give date of the authorization.
- II. Respondent—The person, corporation, licensee, agency, authority, or other legal entity or instrumentality in whose behalf the report is made.

III. What and Where to Submit (Continued)
(c) Continued

Use the following form for the letter or report unless unusual circumstances or conditions, explained in the letter or report, demand that it be varied. Insert parenthetical phrases only when exceptions are reported.

In connection with our regular examination of the financial statement of _____ we have also reviewed schedules _____ of FERC Form No. 1 for the year filed with the Federal Energy Regulatory Commission, for conformity in all material respects with the requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Based on our review, in our opinion the accompanying schedules identified in the preceding paragraph (except as noted below) conform in all material respects with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

State in the letter or report, which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist.

(d) Federal, State and Local Governments and other authorized users may obtain additional blank copies to meet their requirements free of charge from:

Legal Reference and Records Management Branch
Federal Energy Regulatory Commission
941 North Capitol Street, NE.
Room 3100 ED-12.1
Washington, DC 20426
(202) 208-2474

IV. When to Submit:

Submit this report form on or before April 30th of the year following the year covered by this report.

V. Where to Send Comments on Public Reporting Burden.

The public reporting burden for this collection of information is estimated to average 1,215 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any aspect of this collection of information, including suggestions for reducing this burden, to the Federal Energy Regulatory Commission, 825 North Capitol Street NE., Washington, DC 20426 (Attention: Michael Miller, ED-12.3); and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission).

GENERAL INSTRUCTIONS

- I. Prepare this report in conformity with the Uniform System of Accounts (18 CFR 101) (U.S. of A.). Interpret all accounting words and phrases in accordance with the U.S. of A.
- II. Enter in whole numbers (dollars or MWH) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required.) The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting year, and use for statement of income accounts the current year's amounts.
- III. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.

**INSTRUCTIONS FOR FILING THE
FERC FORM NO. 1**

GENERAL INFORMATION

I. Purpose

This form is a regulatory support requirement (18 CFR 141.1). It is designed to collect financial and operational information from major electric utilities, licensees and others subject to the jurisdiction of the Federal Energy Regulatory Commission. This report is also secondarily considered to be a non-confidential public use form supporting a statistical publication (Financial Statistics of Selected Electric Utilities), published by the Energy Information Administration.

II. Who Must Submit

Each Major electric utility, licensee, or other, as classified in the Commission's Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject To the Provisions of The Federal Power Act (18 CFR 101), must submit this form.

Note: Major means having, in each of the three previous calendar years, sales or transmission service that exceeds one of the following:

- (1) One million megawatt hours of total annual sales,
- (2) 100 megawatt hours of annual sales for resale,
- (3) 500 megawatt hours of annual power exchanges delivered,
- (4) 500 megawatt hours of annual wheeling for others (deliveries plus losses).

III. What and Where to Submit

- (a) Submit an original and six (6) copies of this form to:

Office of the Secretary
Federal Energy Regulatory Commission
825 North Capitol Street, NE.
Room 3110
Washington, DC 20426

Retain one copy of this report for your files.

- (b) Submit immediately upon publication, four (4) copies of the latest annual report to stockholders and any *annual* financial or statistical report regularly prepared and distributed to bondholders, security analysts, or industry associations. (Do not include monthly and quarterly reports. Indicate by checking the appropriate box on Page 4, List of Schedules, if the reports to stockholders will be submitted or if no annual report to stockholders is prepared.) Mail these reports to:

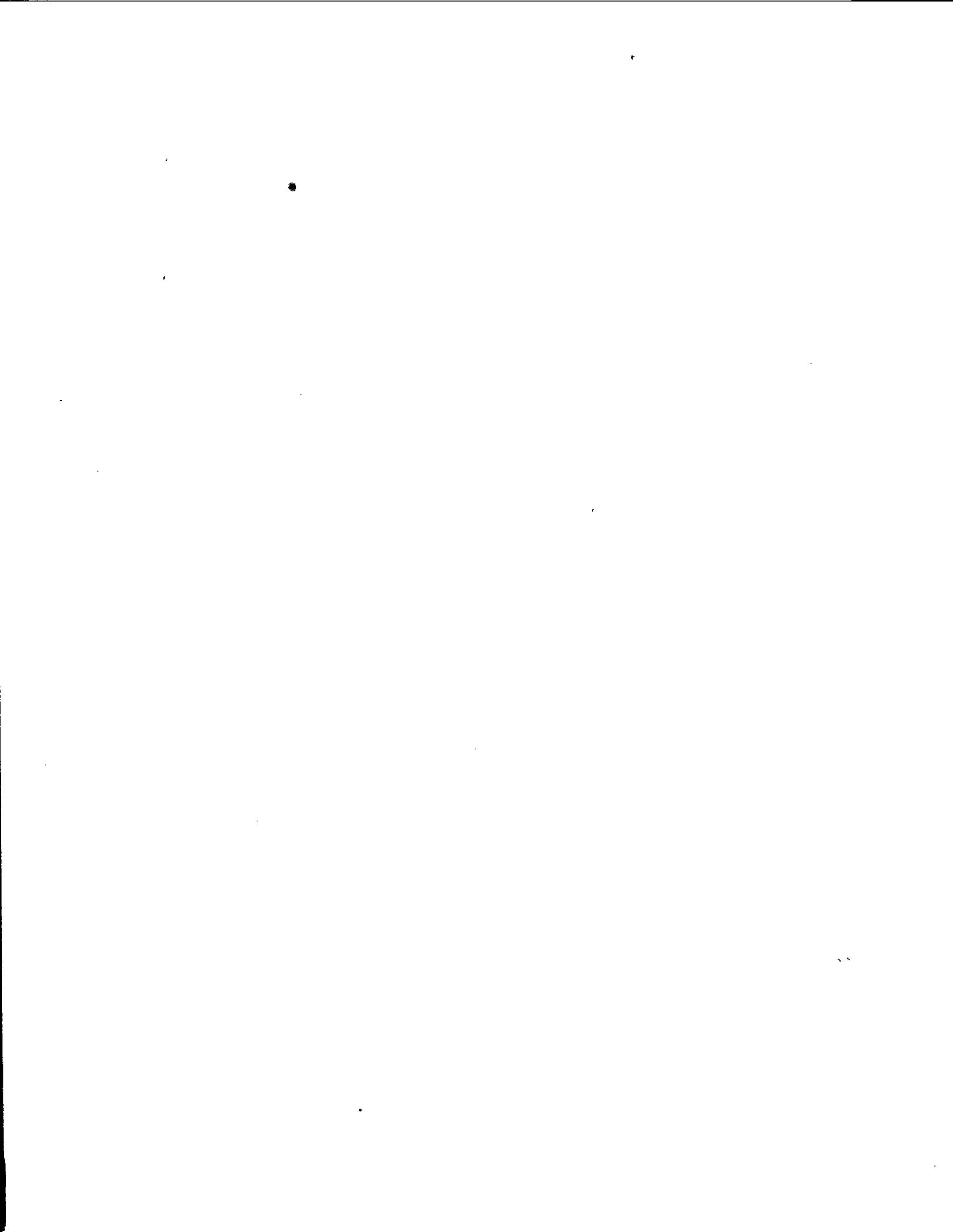
Chief Accountant
Federal Energy Regulatory Commission
825 N. Capitol St., NE.
Room 946
Washington, DC 20426

- (c) For the CPA certification, submit with the original submission, or within 30 days after the filing date for this form, a letter or report (not applicable to respondents classified as Class C or Class D prior to January 1, 1984):

- (i) Attesting to the conformity, in all material aspects, of the below listed (schedules and) pages with the Commission's applicable Uniform Systems of Accounts (including applicable notes relating thereto and the chief accountant's published accounting releases), and
- (ii) Signed by independent certified public accountants or an independent licensed public accountant, certified or licensed by a regulatory authority of a State or other political subdivision of the U.S. (See 18 CFR 41.10-41.12 for specific qualifications.)

<u>Schedules</u>	<u>Reference Pages</u>
Comparative Balance Sheet	110-113
Statement of Income	114-117
Statement of Retained Earnings	118-119
Statement of Cash Flows	120-121
Notes to Financial Statements	122-123

When accompanying this form, insert the letter or report immediately following the cover sheet. When submitting after the filing date for this form, send the letter or report to the Chief Accountant at the address indicated at III (b).



Report of Independent Public Accountants

To The Cleveland Electric Illuminating Company:

We have audited the balance sheets-regulatory basis of The Cleveland Electric Illuminating Company (an Ohio corporation and wholly-owned subsidiary of Centerior Energy Corporation) as of December 31, 1993 and 1992, and the related statements of income-regulatory basis, retained earnings-regulatory basis and cash flows-regulatory basis for the years then ended, included on Pages 110 through 123 of the accompanying Federal Energy Regulatory Commission Form 1. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

These financial statements were prepared in accordance with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities and proprietary capital of The Cleveland Electric Illuminating Company as of December 31, 1993 and 1992, and the results of its operations and cash flows for the years then ended, in accordance with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

This report is intended solely for the information and use of the board of directors and management of The Cleveland Electric Illuminating Company and for filing with the Federal Energy Regulatory Commission and should not be used for any other purpose.

Arthur Andersen & Co.

Arthur Andersen & Co.

Cleveland, Ohio
February 14, 1994

(except with respect to the matter discussed in Note 15 to the Company's Annual Report to Share Owners, as to which the date is March 25, 1994)

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)(Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
53	DEFERRED DEBITS			
54	Unamortized Debt Expenses (181)	-	23,899,821	27,049,971
55	Extraordinary Property Losses (182.1)	230	-	-
56	Unrecovered Plant and Regulatory Study Costs (182.2)	230	-	-
57	Other Regulatory Assets (182.3)	232	215,267,844 *	1,710,433,429
58	Prelim. Survey and Investigation Charges (Electric) (183)	-	18,876,037	7,512,439
59	Prelim. Sur. and Invest. Charges (Gas) (183.1, 183.2)	-	-	-
60	Clearing Accounts (184)	-	1,323,444	1,508,831
61	Temporary Facilities (185)	-	-	-
62	Miscellaneous Deferred Debits (186)	233	1,710,429,787	12,204,214
63	Def. Losses from Disposition of Utility Plt. (187)	-	-	-
64	Research, Devel. and Demonstration Expend. (188)	352-353	-	110
65	Unamortized Loss on Reacquired Debt (189)	-	63,994,780	60,292,533
66	Accumulated Deferred Income Taxes (190)	234	312,966,122	344,420,535
67	Unrecovered Purchased Gas Costs (191)	-	-	-
68	TOTAL Deferred Debits (Enter Total of lines 54 thru 67)		2,346,757,835	2,163,422,062
69	TOTAL Assets and other Debits (Enter Total of lines 10, 11, 12, 22, 52, and 68)		8,500,036,836	7,825,954,622

* Beginning of year balances for FAS 109 have been reclassified to conform with the end of year 1993 presentation.

COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	1,243,104,497	1,243,104,497
3	Preferred Stock Issued (204)	250-251	496,121,150	554,895,650
4	Capital Stock Subscribed (202, 205)	252	-	-
5	Stock Liability for Conversion (203, 206)	252	-	-
6	Premium on Capital Stock (207)	252	-	-
7	Other Paid-In Capital (208-211)	253	78,625,074	78,625,074
8	Installments Received on Capital Stock (212)	252	-	-
9	(Less) Discount on Capital Stock (213)	254	-	-
10	(Less) Capital Stock Expense (214)	254	1,863,849	2,017,882
11	Retained Earnings (215, 215.1, 216)	118-119	537,525,086	(287,459,738)
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	7,596,979	7,694,467
13	(Less) Reacquired Capital Stock (217)	250-251	-	-
14	TOTAL Proprietary Capital (Enter Total of lines 2 thru 13)		2,361,108,937	1,594,842,068
15	LONG-TERM DEBT			
16	Bonds (221)	256-257	1,857,614,000	2,018,947,000
17	(Less) Reacquired Bonds (222)	256-257	-	-
18	Advances from Associated Companies (223)	256-257	-	-
19	Other Long-Term Debt (224)	256-257	924,950,000	812,940,000
20	Unamortized Premium on Long-Term Debt (225)	-	574,149	541,821
21	(Less) Unamortized Discount on Long-Term Debt-Debit (226)	-	6,271,028	7,123,154
22	TOTAL Long-Term Debt (Enter Total of lines 16 thru 21)		2,776,867,121	2,825,305,667
23	OTHER NONCURRENT LIABILITIES			
24	Obligations Under Capital Leases - Noncurrent (227)	-	185,146,458	158,818,635
25	Accumulated Provision for Property Insurance (228.1)	-	-	-
26	Accumulated Provision for Injuries and Damages (228.2)	-	-	-
27	Accumulated Provision for Pensions and Benefits (228.3)	-	-	51,999,349
28	Accumulated Miscellaneous Operating Provisions (228.4)	-	17,699,784	15,760,361
29	Accumulated Provision for Rate Refunds (229)	-	-	-
30	TOTAL Other Noncurrent Liabilities (Enter Total of lines 24 thru 29)		202,846,242	226,578,345
31	CURRENT AND ACCRUED LIABILITIES			
32	Notes Payable (231)	-	10,000,416	-
33	Accounts Payable (232)	-	103,634,784	122,383,405
34	Notes Payable to Associated Companies (233)	-	11,000,000	-
35	Accounts Payable to Associated Companies (234)	-	39,787,379	61,334,935
36	Customer Deposits (235)	-	3,692,251	7,205,167
37	Taxes Accrued (236)	262-263	290,306,112	304,652,171
38	Interest Accrued (237)	-	55,407,514	60,375,902
39	Dividends Declared (238)	-	14,184,500	19,257,875
40	Matured Long-Term Debt (239)	-	-	-
41	Matured Interest (240)	-	-	-
42	Tax Collections Payable (241)	-	(903,361)	(1,079,787)
43	Miscellaneous Current and Accrued Liabilities (242)	-	20,319,907	26,505,996
44	Obligations Under Capital Leases-Current (243)	-	66,597,310	62,609,552
45	TOTAL Current and Accrued Liabilities (Enter Total of lines 32 thru 44)		614,026,812	663,245,216

COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS) (CONTINUED)

Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
46	DEFERRED CREDITS			
47	Customer Advances for Construction (252)	-	-	-
48	Accumulated Deferred Investment Tax Credits (255)	266-267	263,080,192	246,318,400
49	Deferred Gains from Disposition of Utility Plant (256)	-	-	-
50	Other Deferred Credits (253)	269	563,111,227	432,038,209
51	Other Regulatory Liabilities (254)	278		375,915,036
52	Unamortized Gain on Reacquired Debt (257)	-	7,580,120	7,264,856
53	Accumulated Deferred Income Taxes (281-283)	272-277	1,711,416,185	1,454,446,825
54	TOTAL Deferred Credits (Enter Total of lines 47 thru 53)		2,545,187,724	2,515,983,326
55				
56				
57				
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60				
61				
62				
63				
64				
65				
66				
67				
68	TOTAL Liabilities and Other Credits (Enter Total of lines 14,22,30 45 and 54)		8,500,036,836	7,825,954,622

STATEMENT OF INCOME FOR THE YEAR

1. Report amounts for accounts 412 and 413, Revenue and Expenses from Utility Plant Leased to Others, in another utility column (l,k,m,o) in a similar manner to a utility department. Spread the amount(s) over lines 01 thru 24 as appropriate. Include these amounts in columns (c) and (d) totals.
2. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.
3. Report data for lines 7, 9, and 10 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1, and 407.2
4. Use page 122 for important notes regarding the statement of income or any account thereof.
5. Give concise explanations concerning unsettled rate pro-

- ceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in a material refund to the utility with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power and gas purchases.
6. Give concise explanations concerning significant amounts of any refunds made or received during the year

Line No.	Account (a)	Ref. Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	300-301	1,751,329,576	1,743,168,103
3	Operating Expenses			
4	Operation Expenses (401)	320-323	963,610,960	776,360,702
5	Maintenance Expenses (402)	320-323	114,913,933	122,789,109
6	Depreciation Expense (403)	336-338	184,695,326	187,904,376
7	Amort. & Depl. of Utility Plant (404-405)	336-338	4,711,972	4,382,367
8	Amort. of Utility Plant Acq Adj (406)	336-338	35,791,715	(39,596,992)
9	Amort. of Property Losses, Unrecovered Plant and Regulatory Study Costs (407)		-	-
10	Amort. of Conversion Expenses (407)		-	-
11	Regulatory Debits (407.3)		-	-
12	(Less) Regulatory Credits (407.4)		-	-
13	Taxes Other Than Income Taxes (408.1)	262-263	221,205,956	226,393,547
14	Income Taxes - Federal (409.1)	262-263	63,792,624	46,387,838
15	- Other (409.1)	262-263	-	-
16	Provision for Deferred Income Taxes (410.1)	234,272-277	200,759,586	173,838,876
17	(Less) Provision for Deferred Income Taxes - Cr. (411.1)	234,272-277	242,869,534	130,456,340
18	Investment Tax Credit Adj. - Net (411.4)	266	(16,761,791)	(8,369,279)
19	(Less) Gains from Disp. of Utility Plant (411.6)		-	-
20	Losses from Disp. of Utility Plant (411.7)		-	-
21	(Less) Gains from Disposition of Allowances (411.8)		-	-
22	Losses from Disposition of Allowances (411.9)		-	-
23	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 22)		1,529,850,747	1,359,634,204
24	Net Utility Operating Income (Enter Total of line 2 less 23) (Carry forward to page 117, line 25)		221,478,829	383,533,899

STATEMENT OF INCOME FOR THE YEAR (Continued)

resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.

7. If any notes appearing in the report to stockholders are applicable to this Statement of Income, such notes may be attached at page 122.

8. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of

allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.

9. Explain in a footnote if the previous year's figures are different from that reported in prior reports.

10. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles, lines 1 to 23, and report the information in the blank space on page 122 or in a supplemental statement.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year (e)	Previous Year (f)	Current Year (g)	Previous Year (h)	Current Year (i)	Previous Year (j)	
1,751,329,576	1,743,168,103					1
						2
963,610,960	776,360,702					3
114,913,933	122,789,109					4
184,695,326	187,904,376					5
4,711,972	4,382,367					6
35,791,715	(39,596,992)					7
-	-					8
-	-					9
-	-					10
-	-					11
221,205,956	226,393,547					12
63,792,624	46,387,838					13
-	-					14
200,759,586	173,838,876					15
242,869,534	130,456,340					16
(16,761,791)	(6,369,279)					17
-	-					18
-	-					19
-	-					20
-	-					21
-	-					22
1,529,850,747	1,359,634,204					23
221,478,829	383,533,899					24

STATEMENT OF INCOME FOR THE YEAR (Continued)

Line No.	OTHER UTILITY		OTHER UTILITY		OTHER UTILITY	
	Current Year (k)	Previous Year (l)	Current Year (m)	Previous Year (n)	Current Year (o)	Previous Year (p)
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STATEMENT OF INCOME FOR THE YEAR (Continued)

Line No.	Account (a)	Ref. Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
25	Net Utility Operating Income (Carried forward from page 114)	-	221,478,829	383,533,899
26	Other Income and Deductions			
27	Other Income			
28	Nonutility Operating Income			
29	Revenues From Merchandising, Jobbing and Contract Work (415)		861,474	1,439,913
30	(Less) Costs and Exp. of Merchandising, Job & Contract Work (416)		3,084,595	11,899
31	Revenues From Nonutility Operations (417)		-	-
32	(Less) Expenses of Nonutility Operations (417.1)		-	-
33	Nonoperating Rental Income (418)		1,429,710	837,491
34	Equity in Earnings of Subsidiary Companies (418.1)	119	1,245,054	2,239,816
35	Interest and Dividend Income (419)		2,730,831	4,138,483
36	Allowance for Other Funds Used During Construction (419.1)		4,255,080	566,634
37	Miscellaneous Nonoperating Income (421)		(487,635,349)	59,162,465
38	Gain on Disposition of Property (421.1)		19,018	-
39	TOTAL Other Income (Enter Total of lines 29 thru 38)		(480,178,777)	68,372,903
40	Other Income Deductions			
41	Loss on Disposition of Property (421.2)		91,598	-
42	Miscellaneous Amortization (425)	340	-	-
43	Miscellaneous Income Deductions (426.1-426.5)	340	358,313,600	(189,576)
44	TOTAL Other Income Deductions (Total of lines 41 thru 43)		358,405,198	(189,576)
45	Taxes Applic. to Other Income and Deductions			
46	Taxes Other Than Income Taxes (408.2)	262-263	-	-
47	Income Taxes - Federal (409.2)	262-263	(20,113,459)	(20,341,729)
48	Income Taxes - Other (409.2)	262-263	-	-
49	Provision for Deferred Inc. Taxes (410.2)	234,272-7	22,611,128	28,719,827
50	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234,272-7	272,472,072	4,369,299
51	Investment Tax Credit Adj.- Net (411.5)		-	-
52	(Less) Investment Tax Credits (420)		-	-
53	TOTAL Taxes on Other Income and Deduct. (Total of 46 thru 52)		(269,974,403)	4,008,799
54	Net Other Income and Deductions (Enter Total of lines 39,44,53)		(568,609,572)	64,553,680
55	Interest Charges			
56	Interest on Long-Term Debt (427)		233,241,971	233,608,165
57	Amortization of Debt Disc. and Expense (428)		3,050,962	1,966,672
58	Amortization of Loss on Reacquired Debt (428.1)		4,450,862	3,854,919
59	(Less) Amort. of Premium on Debt - Credit (429)		32,328	32,328
60	(Less) Amortization of Gain on Reacquired Debt - Credit (429.1)		315,264	320,113
61	Interest on Debt to Assoc. Companies (430)	340	399,909	516,124
62	Other Interest Expense (431)	340	2,837,608	3,938,521
63	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		3,617,636	379,492
64	Net Interest Charges (Enter Total of lines 56 thru 63)		240,016,084	243,152,468
65	Income Before Extraordinary Items (Total of lines 25, 54, and 64)		(587,146,827)	204,935,111
66	Extraordinary Items			
67	Extraordinary Income (434)		-	-
68	(Less) Extraordinary Deductions (435)		-	-
69	Net Extraordinary Items (Enter Total of line 67 less line 68)		-	-
70	Income Taxes - Federal and Other (409.3)	262-263	-	-
71	Extraordinary Items After Taxes (Enter Total of line 69 less line 70)		-	-
72	Net Income (Enter Total of lines 65 and 71)		(587,146,827)	204,935,111

STATEMENT OF RETAINED EARNINGS FOR THE YEAR

1. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.
2. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436-439 inclusive). Show the contra primary account affected in column (b).
3. State the purpose and amount for each reservation or appropriation of retained earnings.
4. List first Account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
5. Show dividends for each class and series of capital stock.
6. Show separately the State and Federal income tax effect of items shown for Account 439, Adjustments to Retained Earnings.
7. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
8. If any notes appearing in the report to stockholders are applicable to this statement, attach them at page 122.

Line No.	Item (a)	Contra Primary Account Affected (b)	Amount (c)
UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance - Beginning of Year		537,525,086
2	Changes (Identify by prescribed retained earnings accounts)		
3	Adjustments to Retained Earnings (Account 439)		
4	Credit:		
5	Credit:		
6	Credit:		
7	Credit:		
8	Credit:		
9	TOTAL Credits to Retained Earnings (Account 439) (Total of lines 4 thru 8)		-
10	Debit: Preferred Stock Redemption Expenses		811,561
11	Debit:		
12	Debit:		
13	Debit:		
14	Debit:		
15	TOTAL Debits to Retained Earnings (Acct. 439) (Total of lines 10 thru 14)		811,561
16	Balance Transferred from Income (Account 433 less Account 418.1)		(587,244,317)
17	Appropriations of Retained Earnings (Account 436)		
18	For payment of Preferred and Common Stock Dividends		125,329,229
19			
20			
21			
22	TOTAL Appropriations of Retained Earnings (Acct. 436) (Total of lines 18 thru 21)		125,329,229
24	Dividends Declared - Preferred Stock (Account 437)	238	48,419,322 (A)
25			
26			
27			
28			
29	TOTAL Dividends Declared - Preferred Stock (Acct. 437) (Total of lines 24 thru 28)		48,419,322
30	Dividends Declared - Common Stock (Account 438)		
31		238	188,509,624
32			
33			
34			
35			
36	TOTAL Dividends Declared - Common Stock (Acct. 438) (Total of lines 31 thru 35)		188,509,624
37	Transfers from Acct. 216.1, Unappropriated Undistributed Subsidiary Earnings		
38	Balance - End of Year (Total of lines 01, 09, 15, 16, 22, 29, 36 and 37)		(412,788,967)

STATEMENT OF RETAINED EARNINGS FOR THE YEAR (Continued)

Line No.	Item	Amount
	(a)	(b)
	APPROPRIATED RETAINED EARNINGS (Account 215)	
	State balance and purpose of each appropriated retained earnings amount at end of year and give accounting entries for any applications of appropriated retained earnings during the year.	
39	For payment of Preferred and Common Stock Dividends	125,329,229
40		
41		
42		
43		
44		
45	TOTAL Appropriated Retained Earnings (Account 215)	125,329,229
	APPROPRIATED RETAINED EARNINGS - AMORTIZATION RESERVE, FEDERAL (Account 215.1)	
	State below the total amount set aside through appropriations of retained earnings, as of the end of the year, in compliance with the provisions of Federally granted hydroelectric project licenses held by the respondent. If any reductions or changes other than the normal annual credits hereto have been made during the year, explain such items in a footnote.	
46	TOTAL Appropriated Retained Earnings - Amortization Reserve, Federal (Account 215.1)	
47	TOTAL Appropriated Retained Earnings (Accounts 215, 215.1) (Enter Total of lines 45 and 46)	125,329,229
48	TOTAL Retained Earnings (Account 215, 215.1, 216) (Enter Total of lines 38 and 47)	(287,459,738)
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)	
49	Balance - Beginning of Year (Debit or Credit)	7,596,979
50	Equity in Earnings for Year (Credit) (Account 418.1)	97,488
51	(Less) Dividends Received (Debit)	
52	Other Changes (Explain)	
53	Balance - End of year	7,694,467

(A) NOTE TO INSTRUCTION 5:
Preferred Stock

SERIES A	\$ 7.40	\$3,700,000
SERIES B	7.56	3,402,000
SERIES C	7.35	1,120,875
SERIES E	88.00	1,914,000
SERIES L	ADJUSTABLE	3,500,000
SERIES M	ADJUSTABLE	1,750,000
SERIES N	9.125	5,132,812
SERIES P	REMARKETED	478,764
SERIES Q	91.50	6,862,500
SERIES R	88.00	4,400,000
SERIES S	90.00	8,437,500
SERIES T	42.40	7,720,871
		<u>\$48,419,322</u>

STATEMENT OF RETAINED EARNINGS FOR THE YEAR

1. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.
2. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436-439 inclusive). Show the contra primary account affected in column (b).
3. State the purpose and amount for each reservation or appropriation of retained earnings.
4. List first Account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
5. Show dividends for each class and series of capital stock.
6. Show separately the State and Federal income tax effect of items shown for Account 439, Adjustments to Retained Earnings.
7. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
8. If any notes appearing in the report to stockholders are applicable to this statement, attach them at page 122.

Line No.	Item (a)	Contra Primary Account Affected (b)	Prior Year Amount (c)
UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance - Beginning of Year		572,848,979
2	Changes (Identify by prescribed retained earnings accounts)		
3	Adjustments to Retained Earnings (Account 439)		
4	Credit:		
5	Credit:		
6	Credit:		
7	Credit:		
8	Credit:		
9	TOTAL Credits to Retained Earnings (Account 439) (Total of lines 4 thru 8)		-
10	Debit: Preferred Stock Redemption Expenses		2,576,258
11	Debit:		
12	Debit:		
13	Debit:		
14	Debit:		
15	TOTAL Debits to Retained Earnings (Acct. 439) (Total of lines 10 thru 14)		2,576,258
16	Balance Transferred from Income (Account 433 less Account 418.1)		202,695,294
17	Appropriations of Retained Earnings (Account 436)		
18			
19			
20			
21			
22	TOTAL Appropriations of Retained Earnings (Acct. 436) (Total of lines 18 thru 21)		-
23	Dividends Declared - Preferred Stock (Account 437)		
24			
25		238	40,745,911 (A)
26			
27			
28			
29	TOTAL Dividends Declared - Preferred Stock (Acct. 437) (Total of lines 24 thru 28)		40,745,911
30	Dividends Declared - Common Stock (Account 438)		
31		238	194,697,018
32			
33			
34			
35			
36	TOTAL Dividends Declared - Common Stock (Acct. 438) (Total of lines 31 thru 35)		194,697,018
37	Transfers from Acct. 216.1, Unappropriated Undistributed Subsidiary Earnings		
38	Balance - End of Year (Total of lines 01, 09, 15, 16, 22, 29, 36 and 37)		537,525,086

STATEMENT OF RETAINED EARNINGS FOR THE YEAR (Continued)

Line No.	Item (a)	Prior Year Amount (b)
	APPROPRIATED RETAINED EARNINGS (Account 215)	
	State balance and purpose of each appropriated retained earnings amount at end of year and give accounting entries for any applications of appropriated retained earnings during the year.	
39		
40		
41		
42		
43		
44		
45	TOTAL Appropriated Retained Earnings (Account 215)	
	APPROPRIATED RETAINED EARNINGS - AMORTIZATION RESERVE, FEDERAL (Account 215.1)	
	State below the total amount set aside through appropriations of retained earnings, as of the end of the year, in compliance with the provisions of Federally granted hydroelectric project licenses held by the respondent. If any reductions or changes other than the normal annual credits hereto have been made during the year, explain such items in a footnote.	
46	TOTAL Appropriated Retained Earnings - Amortization Reserve, Federal (Account 215.1)	-
47	TOTAL Appropriated Retained Earnings (Accounts 215, 215.1) (Enter Total of lines 45 and 46)	-
48	TOTAL Retained Earnings (Account 215, 215.1, 216) (Enter Total of lines 38 and 47)	537,525,086
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)	
49	Balance - Beginning of Year (Debit or Credit)	5,357,163
50	Equity in Earnings for Year (Credit) (Account 418.1)	2,239,816
51	(Less) Dividends Received (Debit)	-
52	Other Changes (Explain)	
53	Balance - End of year	7,596,979

(A) NOTE TO INSTRUCTION 5:
Preferred Stock

SERIES A	\$ 7.40	\$3,700,000
SERIES B	7.56	3,402,000
SERIES C	7.35	1,194,375
SERIES E	88.00	2,178,000
SERIES L	ADJUSTABLE	3,440,000
SERIES M	ADJUSTABLE	2,462,000
SERIES N	9.125	6,843,750
SERIES P	REMARKETED	4,913,286
SERIES Q	91.50	6,862,500
SERIES R	88.00	4,400,000
SERIES S	90.00	1,350,000

		\$40,745,911

(B) Adjustments to Retained Earnings to balance prior years' investment in subsidiary equity earnings: Dr Account 439, Cr Account 123.

STATEMENT OF CASH FLOWS

1. If the notes to the cash flow statement in the Respondents Annual Stockholders Report are applicable to this statement, such notes should be attached to page 122. Information about noncash investing and financing activities should be provided on page 122. Provide also on page 122 a reconciliation between "Cash and Cash Equivalents at End of Year" with related amounts on the balance sheet.
2. Under "Other" specify significant amounts and group others.
3. Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show on page 122 the amounts of interest paid (net of amounts capitalized) and income taxes paid.

Line No.	Description (See Instructions for Explanation of Codes)	Amounts
	(a)	(b)
1	Net Cash Flow from Operating Activities:	
2	Net Income (Line 72 (c) on page 117)	(587,146,827)
3	Noncash Charges (Credits) to Income:	
4	Depreciation and Depletion	189,407,298
5	Amortization of (Specify) Leased Nuclear Fuel	47,371,976
6	Other Noncash Items	7,805,474
7	Write-off of Perry Unit 2 and Net Noncash Early Retirement Program Expenses	475,834,544
8	Deferred Income Taxes (Net)	(291,893,422)
9	Investment Tax Credit Adjustment (Net)	(16,761,791)
10	Net (Increase) Decrease in Receivables	9,919,003
11	Net (Increase) Decrease in Inventory	16,607,186
12	Net (Increase) Decrease in Allowances Inventory	-
13	Net Increase (Decrease) in Payables and Accrued Expenses	69,133,203
14	Net (Increase) Decrease in Other Regulatory Assets	4,477,960
15	Net Increase (Decrease) in Other Regulatory Liabilities	(6,616,520)
16	(Less) Allowance for Other Funds Used During Construction [Equity]	4,255,080
17	(Less) Undistributed Earnings from Subsidiary Companies	1,245,053
18	Other: Deferred Fuel	4,289,284
19	Deferred Nuclear Operating Cost & Carrying Charges	514,407,377
20	Unbilled Revenues	(6,000,000)
21	Net (Increase) Decrease in Other Current and Accrued Assets	(1,139,744)
22	Net Cash Provided by (Used in) Operating Activities (Total of lines 2 thru 21)	424,194,868
23		
24	Cash Flows from Investment Activities:	
25	Construction and Acquisition of Plant (including land):	
26	Gross Additions to Utility Plant (less nuclear fuel)	(167,427,000)
27	Gross Additions to Nuclear Fuel *	-
28	Gross Additions to Common Utility Plant	-
29	Gross Additions to Nonutility Plant	-
30	(Less) Allowance for Other Funds Used During Construction [Borrowed]	3,617,636
31	Other:	-
32		
33		
34	Cash Outflows for Plant (Total of lines 26 thru 33)	(171,044,636)
35		
36	Acquisition of Other Noncurrent Assets (d)	-
37	Proceeds from Disposal of Noncurrent Assets (d)	-
38		
39	Investments in and Advances to Assoc. and Subsidiary Companies	-
40	Contributions and Advances from Assoc. and Subsidiary Companies	-
41	Disposition of Investment in (and Advances to)	-
42	Associated and Subsidiary Companies	-
43		
44	Purchase of Investment Securities (a)	-
45	Proceeds from Sales of Investment Securities (a)	-

* Additions under Nuclear Fuel are excluded because they are noncash capitalizations.

STATEMENT OF CASH FLOWS (Continued)

4. Investing Activities

5. Codes used:

Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed on page 122. Do not include on this statement the dollar amount of leases capitalized per US of A General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost on page 122.

- (a) Net proceeds or payments.
- (b) Bonds, debentures and other long-term debt.
- (c) Include commercial paper.
- (d) Identify separately such items as investments, fixed assets, intangibles, etc.

6. Enter on page 122 clarifications and explanations.

Line No.	Description (See Instructions for Explanation of Codes) (a)	Amounts (b)
46	Loans Made or Purchased	-
47	Collections on Loans	-
48		
49	Net (Increase) Decrease in Receivables	-
50	Net (Increase) Decrease in Inventory	-
51	Net (Increase) Decrease in	
52	Allowances Held for Speculation	-
53	Net Increase (Decrease) in Payables and Accrued Expenses	-
54	Other: Cash Deposited in Decommissioning Trusts	(7,151,378)
55	Other	9,985,487
56	Net Cash Provided by (Used in) Investing Activities	
57	(Total of lines 34 thru 55)	(168,210,527)
58		
59	Cash Flows from Financing Activities:	
60	Proceeds from Issuance of:	
61	Long-term Debt (b)	355,000,000
62	Preferred Stock	100,000,000
63	Common Stock	-
64	Other	-
65		
66	Net Increase in Short-term Debt (c)	
67	Other	-
68		
69		
70	Cash Provided by Outside Sources (Total of lines 61 thru 69)	455,000,000
71		
72	Payment for Retirement of:	
73	Long-term Debt (b)	(306,351,000)
74	Preferred Stock	(38,700,000)
75	Common Stock	-
76	Other: Premiums, Discounts and Expenses	(11,024,232)
77		
78	Net Decrease in Short-term Debt (c)	(21,000,416)
79	Nuclear Fuel Lease and Trust Obligations	(59,063,488)
80	Dividends on Preferred Stock	(43,345,947)
81	Dividends on Common Stock	(188,509,624)
82	Net Cash Provided by (Used in) Financing Activities	
83	(Total of lines 70 thru 81)	(212,994,707)
84		
85	Net Increase (Decrease) in Cash and Cash Equivalents	
86	(Total of lines 22, 57, and 83)	42,989,634
87		
88	Cash and Cash Equivalents at Beginning of Year	24,761,109
89		
90	Cash and Cash Equivalents at End of Year	67,750,743

STATEMENT OF CASH FLOWS

1. If the notes to the cash flow statement in the Respondents Annual Stockholders Report are applicable to this statement, such notes should be attached to page 122. Information about noncash investing and financing activities should be provided on page 122. Provide also on page 122 a reconciliation between "Cash and Cash Equivalents at End of Year" with related amounts on the balance sheet.
2. Under "Other" specify significant amounts and group others.
3. Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show on page 122 the amounts of interest paid (net of amounts capitalized) and income taxes paid.

Line No.	Description (See Instructions for Explanation of Codes)	Prior Year Amounts
	(a)	(b)
1	Net Cash Flow from Operating Activities:	
2	Net Income (Line 68 (c) on page 117)	204,935,111
3	Noncash Charges (Credits) to Income:	
4	Depreciation and Depletion [Amortization]	192,286,743
5	Amortization of (Specify) Leased Nuclear Fuel	70,056,700
6	Other Noncash Items	(12,278,307)
7		
8	Deferred Income Taxes (Net)	67,733,064
9	Investment Tax Credit Adjustment (Net)	(8,369,279)
10	Net (Increase) Decrease in Receivables	2,232,098
11	Net (Increase) Decrease in Inventory	(1,321,917)
12	Net (Increase) Decrease in Allowances Inventory	
13	Net Increase (Decrease) in Payables and Accrued Expenses	25,099,743
14	Net (Increase) Decrease in Other Regulatory Assets	
15	Net Increase (Decrease) in Other Regulatory Liabilities	
16	(Less) Allowance for Other Funds Used During Construction [Equity]	566,634
17	(Less) Undistributed Earnings from Subsidiary Companies	2,239,816
18	Other: Deferred Fuel	5,666,286
19	Deferred Nuclear Operating Cost & Carrying Charges	(93,833,726)
20	Deferred and Unbilled Revenue	(7,000,000)
21	Net (Increase) Decrease in Other Current and Accrued Assets	(6,992,880)
22	Net Cash Provided by (Used in) Operating Activities (Total of lines 2 thru 21)	435,407,186
23		
24	Cash Flows from Investment Activities:	
25	Construction and Acquisition of Plant (including land):	
26	Gross Additions to Utility Plant (less nuclear fuel)	(152,392,000)
27	Gross Additions to Nuclear Fuel *	-
28	Gross Additions to Common Utility Plant	-
29	Gross Additions to Nonutility Plant	-
30	(Less) Allowance for Other Funds Used During Construction [Borrowed]	379,492
31	Other: Loans to Affiliates	-
32		
33		
34	Cash Outflows for Plant (Total of lines 26 thru 33)	(152,771,492)
35		
36	Acquisition of Other Noncurrent Assets (d)	-
37	Proceeds from Disposal of Noncurrent Assets (d)	-
38		
39	Investments in and Advances to Assoc. and Subsidiary Companies	-
40	Contributions and Advances from Assoc. and Subsidiary Companies	-
41	Disposition of Investment in (and Advances to)	-
42	Associated and Subsidiary Companies	-
43		
44	Purchase of Investment Securities (a)	-
45	Proceeds from Sales of Investment Securities (a)	-

* Additions under Nuclear Fuel are excluded because they are noncash capitalizations.