



The Public Utilities Commission of Ohio
2007 annual report



The Public Utilities Commission of Ohio

Monitoring marketplaces and enforcing rules to assure safe, adequate and reliable utility services.

Ted Strickland, Governor
Alan R. Schriber, Chairman

Commissioners

Ronda Hartman Fergus.
Valerie A. Lemmie
Paul A. Centolella
Cheryl Roberto

Dear Governor Strickland and Members of the General Assembly:

As the state agency charged with regulating Ohio's investor-owned utility services and enforcing federal safety standards for motor carriers, railroads, and natural gas pipelines, the Public Utilities Commission of Ohio (PUCO) impacts nearly every Ohioan. With an ever watchful eye on the evolving utility industries we regulate, the PUCO remains vigilant in ensuring that Ohioans receive safe, reliable and adequate utility services at fair prices.

In 2007, our focus turned toward electricity with the announcement of Governor Strickland's "Energy, Jobs and Progress" plan. The plan addresses Ohio's energy future following the expiration of the electric rate stabilization plans in 2008. The PUCO provided proponent testimony before the Ohio Senate and was pleased when Sub. Senate Bill 221 unanimously passed the Senate in October 2007. The PUCO will continue to work with the legislature and interested parties on passage of the bill in the Ohio House of Representatives in 2008.

During 2007, the PUCO approved renewable energy options for electric customers in the FirstEnergy, Duke Energy Ohio and American Electric Power-Ohio service territories. These programs provide a way for customers to support the advancement of renewable energy technologies.

In January 2007, I called upon Ohio's local natural gas distribution utility companies to survey their service territories for natural gas risers that are prone to failure. Laboratory results outlined in a November 2006 PUCO staff report noted that particular types of risers were prone to failure under certain circumstances. We have since received proposals from several local natural gas utilities that address how they plan to replace these prone to failure risers and associated service lines.

The PUCO enhanced the Minimum Telephone Service Standards (MTSS) in 2007 to ensure that the telephone service quality rules are in line with the experience of today's telephone consumer. The PUCO also took enforcement action against telephone companies that did not comply with the MTSS in 2007, resulting in forfeitures paid to the Ohio General Revenue Fund.

PUCO hazardous materials inspectors vigilantly inspected motor carrier shipments on Ohio's highways, conducting 184 inspections during a three-day annual Roadcheck event alone. These efforts resulted in 366 safety violations that placed 29 percent of the vehicles inspected out-of-service. The PUCO also administered grants for the training of local public safety personnel on hazardous material response and approved funding for the installation of flashing lights and roadway gates at 68 crossings across Ohio.

As this report highlights, 2007 brought new challenges to the PUCO and we faced those challenges with the same vigilance that we apply to our daily charge of ensuring safe and reliable utility services at fair prices. We look forward to working with you on the evolving utility issues that will develop in 2008.

Sincerely,

A handwritten signature in black ink, appearing to read "Alan R. Schriber".

Alan R. Schriber, Chairman

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The Mission of the PUCO:

To assure all residential and business customers access to adequate, safe, and reliable utility services at fair prices, while facilitating an environment that provides competitive choices.

This mission is accomplished by:

Mandating the availability of adequate, safe, and reliable utility service to all business, industrial, and residential consumers.

Ensuring financial integrity and service reliability in the Ohio utility industry.

Promoting utility infrastructure investment through appropriate regulatory policies and structures.

Regulating utilities' rates and terms of service for monopoly and non-competitive services.

Monitoring and Enforcing compliance with rules and statutory protections against deceptive, unfair, unsafe, and anti-competitive utility practices.

Safeguarding the security of Ohio's regulated motor carrier and rail operations through aggressive inspection, training, monitoring, and education programs.

Enhancing safety at all public highway-railroad grade crossings in Ohio through education and the installation of lights and gates and other safety devices.

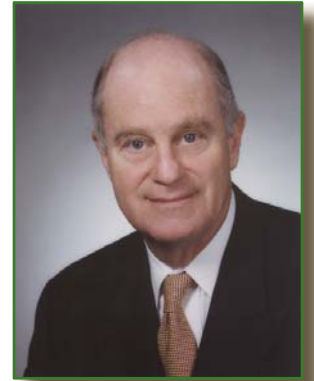
Resolving through mediation, arbitration, and adjudication disputes between utilities and residential, commercial, and industrial customers, as well as between competing utilities.

Fostering competition by establishing and enforcing a fair competitive framework for all utilities.

Utilizing advanced technology for monitoring and enforcing utility compliance, facilitating the provision of information to stakeholders, and sharing information between state and federal agencies.

Alan R. Schriber

Chairman



Dr. Alan R. Schriber currently serves as chairman of the PUCO. He was appointed chairman by Gov. Bob Taft in 1999 and reappointed by Taft in 2004 and Gov. Ted Strickland in 2007. Chairman Schriber also served as a PUCO commissioner from 1983-1989 as appointed by Gov. Richard F. Celeste.

As chairman of the PUCO, Schriber is the head of a 400-person agency that works to oversee the regulation of electric, natural gas, telecommunications, water, and commercial transportation in the state of Ohio. Additionally, Schriber is the chairman of the Ohio Power Siting Board that reviews, evaluates, and approves the siting of electric generation plants and electric and natural gas transmission lines. He was appointed by Gov. Taft to the state of Ohio Security Task Force, and was a member of the United States-Canada Power Outage Task Force that investigated the causes behind the August 2003 blackout.

Chairman Schriber regularly testifies before the Ohio General Assembly on various utility issues and legislation. He has also testified before the United States Congress on energy issues.

In addition to his service to the PUCO, Chairman Schriber has a number of other professional accomplishments. He was an assistant professor of economics at Miami University, Oxford, Ohio, from 1977-1983, owner and president of ARS Broadcasting Corp., in Cincinnati from 1989-1997, and served as a personal investments manager from 1997-1999.

Chairman Schriber earned a B.S. in economics from the University of Wisconsin, Madison, a M.S. in economics from Miami University, Oxford, and a doctorate in economics from Indiana University, Bloomington.



Ronda Hartman Fergus

Commissioner

Commissioner Ronda Hartman Fergus is serving her third term at the PUCO. She began her tenure as commissioner in 1995 with an appointment by Gov. George Voinovich and was subsequently reappointed by Gov. Bob Taft in 2000 and 2005 and Gov. Ted Strickland in 2007.

Commissioner Fergus has played an active role in the development of competitive markets in Ohio. She has advised, consulted, and participated in the regulatory and legislative agendas that brought local telephone, natural gas, and electric competition to Ohioans. Recognized especially for her expertise in telecommunications, she has served on state and national task forces to facilitate deployment and competition for e-commerce, broadband, emergency 9-1-1, and local telephony. A member of the National Association of Regulatory Utility Commissioners, Commissioner Fergus also served as an active board member of its research arm, the National Regulatory Research Institute.

No stranger to regulation prior to her first appointment as commissioner, Ms. Fergus, upon receiving her law degree, began her career at the PUCO in 1980. She served as an administrative law judge, was promoted to chief of the telecommunications staff first in the legal department and then in the utilities department, and is still the only staff person to move to the rank of commissioner since the Commission was restructured in 1983. Upon the completion of her current term in 2010, Commissioner Fergus will have 30 years of public service to Ohio in utility regulation.

A faithful alumnus of The Ohio State University, Commissioner Fergus earned both her bachelor's degree and Juris Doctor there, and continues to occasionally guest lecture on public utilities regulation to graduate students.

Donald L. Mason

Commissioner



Commissioner Donald L. Mason is currently serving his second term with the PUCO. He was first appointed to the PUCO in 1998 by Gov. George Voinovich and reappointed in 2003 by Gov. Bob Taft.

During his tenure, Commissioner Mason has been appointed to several state and national committees dealing with energy policy. He represents Ohio on the Interstate Oil and Gas Compact Commission (IOGCC) where he has chaired various positions, eventually becoming vice-chair of the committee from 2003-2004 serving with then chairman Bill Richardson, governor of New Mexico. After serving as vice-chair of the IOGCC, Commissioner Mason was appointed to the IOGCC steering committee by Gov. Frank Murkowski (Alaska).

Commissioner Mason was appointed by former U.S. Secretary of Energy Spencer Abraham and subsequently reappointed by Secretary Samuel Bodman to serve on the National Petroleum Council. He is a member of the National Association of Regulatory Utility Commissioners (NARUC) where he serves as chairman of the Gas Committee, on the board of directors, and as a member of the ad hoc committees on Electric Restructuring and Critical Infrastructure. Additionally, he is a government representative and chairman on the U.S. Department of Transportation's Technical Hazardous Liquid Pipeline Safety Committee. Commissioner Mason also serves as chairman of the Gas Technology Institute Public Interest Advisory Committee and on the American Public Gas Association Security and Integrity Foundation Board.

Mason has long been committed to public service. After graduating from college, he was elected to the Zanesville City Council in 1979 and served on the council until 1983. In 1983, Mason was elected mayor of the city of Zanesville, where he oversaw natural gas negotiations, water and sewer infrastructure development and other public works projects. Leaving local government in 1991, Mason then became Chief of the Division of Oil and Gas at the Ohio Department of Natural Resources where he supervised regulatory activities and developed environmental programs for the safe and healthy extraction of oil and gas resources, as well as the disposal activity of oil and gas by-products.

Mason graduated with a degree in political science from Muskingum College and later earned his law degree from Capital University, graduating with honors.

Update: Cheryl Roberto Appointed Commissioner

Cheryl Roberto was appointed to the PUCO by Gov. Ted Strickland in 2008. She previously served as director of the city of Columbus Public Utilities Department. Before life as a public sector executive, Roberto enforced environmental and consumer protection laws as an assistant attorney general in the state of Ohio and as an assistant general counsel in the commonwealth of Pennsylvania. She also served as legal counsel to the cities of Columbus, Ohio and Erie, Penn. and lectured in political science at Pennsylvania State University. Commissioner Roberto received her B.A. with honors from Kent State University and her Juris Doctorate from the Moritz College of Law at The Ohio State University.





Valerie A. Lemmie

Commissioner

Commissioner Valerie A. Lemmie was appointed to the PUCO by Gov. Bob Taft in 2006 and reappointed by Gov. Ted Strickland in 2007.

Prior to joining the PUCO, Commissioner Lemmie served as city manager for the cities of Cincinnati, Dayton, and Petersburg, Va., where she was responsible for the day-to-day administration of city government. In Cincinnati, Lemmie oversaw the operations of 15 city departments with more than 6,000 employees and an annual budget of \$1 billion.

Most recently, Commissioner Lemmie was a scholar-in-residence at the Kettering Foundation, a research organization focused on democracy and the strengthening of public life. Commissioner Lemmie has also served as an adjunct professor in public administration at the University of Dayton, a senior fellow at the Center for Excellence in Municipal Management at George Washington University, and an adjunct professor at Howard University. Commissioner Lemmie is the immediate past president of the National Academy of Public Administration and in February 2008 was appointed to serve on the National Civic League Council of Advisors. Commissioner Lemmie represents Ohio on the Board of Directors of the Organization of MISO (Midwest Independent Systems Operators) States where she serves as board secretary. Commissioner Lemmie is also a member of the Board of Directors of the National Regulatory Research Institute and the MISO Advisory Committee.

Commissioner Lemmie is an active community volunteer, serving on the boards of directors of numerous community and professional organizations. Her service extends internationally where she has led delegations, conducted seminars, and provided technical assistance to local government officials in Asia, Europe, the Middle East, and Africa.

A publisher, author, and speaker on public policy and state regulatory issues, Commissioner Lemmie earned a bachelor's degree in Political Science and Urban Sociology from the University of Missouri and a master's degree in Urban Affairs and Public Policy Planning from Washington University.

Paul A. Centolella

Commissioner



Paul A. Centolella was appointed to the PUCO by Gov. Ted Strickland in 2007.

Commissioner Centolella brings to the PUCO a broad range of experience in public utilities and energy law and policy. From 1992 to 2007, Commissioner Centolella worked as a Senior Economist in the Energy Solutions Group of Science Applications International Corporation (SAIC). In this capacity, he managed projects involving energy and environmental market design, electric power system operations and economic policy analysis. These projects included performing cost-benefit studies for the Midwest Independent Transmission System Operator (MISO), advising the U.S. Department of Energy on electric industry restructuring issues and leading studies to improve business management processes.

Prior to working at SAIC, Commissioner Centolella served as the Senior Energy Policy Advisor and a Senior Utility Attorney for the Office of the Ohio Consumers' Counsel (OCC) from 1982 to 1992, conducting analyses of energy policy and representing the OCC in numerous proceedings. While at OCC, he helped develop market-based approaches to environmental regulation, which accelerated emission reductions and reduced the costs of the 1990 Clean Air Act Amendments, and served on U.S. EPA's Acid Rain Advisory Committee.

He also has worked for the Ohio State Legal Services Association and practiced law in California and Washington.

Commissioner Centolella has had numerous books and articles published on public utilities regulation, electricity markets, and environmental policy.

Commissioner Centolella earned a bachelor's degree in economics from Oberlin College and a Juris Doctor from the University of Michigan Law School. He has completed post-graduate and executive education programs through the Harvard Business School, SAIC, and the Institute for Strategic Management. Commissioner Centolella is a member of the Ohio State Bar Association, the California Bar Association, the Washington State Bar Association, the American Economic Association, and the International Association for Energy Economics.

PUCO helps Ohioans stay warm

For more than 20 years, the PUCO has issued an annual Winter Reconnect Order to allow electric and natural gas customers that have been disconnected for nonpayment, or who have been threatened with disconnection to have their home heating source maintained or restored. Any Ohioan can use the Winter Reconnect Order one time during the winter heating season. Customers must make payment arrangements with their natural gas or electric company and pay \$175 plus a reconnection fee or their outstanding balance, whichever is less. During the 2006-2007 Winter Heating Season, more than 225,000 customers utilized the Winter Reconnect Order.

In addition to the Winter Reconnect Order, the PUCO took action to protect the Ohioans most at risk for losing their home heating source this winter. In December, the PUCO issued a moratorium on utility disconnections which prohibited natural gas and electric companies from disconnecting service to residential customers whose household income was at or below 175 percent of federal poverty guidelines.

The moratorium is not a forgiveness of utility bill payments. Those customers that participated were still responsible for payment of the entire amount owed their natural gas or electric company.

Consumer call center provides excellent service

The PUCO Consumer Call Center is the PUCO's direct link to the Ohio utility customers. Each day, callers from throughout the state contact PUCO representatives seeking assistance with utility issues. PUCO representatives are available to answer questions, offer suggestions to callers seeking assistance with their utility bills and mediate disputes between customers and utility companies.

In one instance, a PUCO investigator was able to save a residential customer more than \$13,000 concerning a billing dispute with a natural gas company. A commercial customer saved more than \$40,000 when a PUCO investigator helped resolve an issue with a telephone company.

In total, PUCO investigators saved Ohio consumers more than \$650,000 in 2007. The PUCO also learns a great deal from customers that call in with questions and complaints. This information is used to ensure that companies engage in fair and reasonable practices. It also helps the PUCO to formulate rules and regulations. The toll-free call center is an invaluable asset to the PUCO.



The PUCO occupies several floors in the Continental Plaza in downtown Columbus.

E-filing program

The PUCO e-filing system introduced in 2006 allows interested parties in certain types of cases to file case-related documents with the PUCO through an on-line system. This electronic process reduces paper usage and expedites the process of filing documents into the PUCO Docketing Information System. In 2007, the PUCO received 1,748 electronic filings through the e-filing program.

Reaching out across Ohio

Informing Ohio's citizens about utility-related issues is one of the many important jobs of the PUCO. In 2007, PUCO representatives travelled to more than 60 cities across the state speaking to more than 100 groups of consumers ranging from low-income families to senior citizens to professionals working in energy-related fields. The PUCO also appeared at the Ohio State Fair, the Farm Science Review, Delaware County Fair, Columbus Women's Expo and several community-sponsored events.

In addition to speaking engagements, the PUCO's Web site, www.PUCO.ohio.gov, was visited more than 770,000 times in 2007. The PUCO Web site is a great resource for customers who want to learn more about their utility services as the site provides informational pieces, updates on pending cases and the latest news from the PUCO.

The Ohio Biomass Energy Program

The Ohio Biomass Energy Program housed at the PUCO is a participant in the regional program of the Great Lakes Biomass Partnership working to encourage the use of biomass energy resources. In 2007, the Ohio Biomass Energy Program published quarterly newsletters, provided biomass updates on its Web page, and developed a list serve to communicate the latest news about alternative energy grant funding, policies, projects and events. The program actively participated in public outreach events that included engineers, farmers and renewable energy companies. The program also participated in collaborative efforts among agencies, organizations and higher education which helped spur interest and awareness of opportunities to develop alternative energy use in Ohio.

PUCO Quick Stats

- Consumer dollars saved: \$659,387
- Investigations conducted on behalf of utility consumers: 12,406
- Outreach events: 100+
- Cases filed with the PUCO: 1,201
- Roadside inspections: 3,777
- Motor carrier registration applications processed: 22,281
- Total images scanned by Docketing Division: 528,814



New Energy Plan for Ohio

In September 2007, Gov. Ted Strickland announced his “Energy, Jobs and Progress” plan in an effort to develop a comprehensive, long-term approach to the challenges of supplying reliable and affordable power and to address the approaching expiration of Rate Stabilization Plans (RSPs) established through the cooperation of the PUCO and Ohio’s electric utilities. The market development period, established in Senate Bill 3 in 1999, was intended to provide time for a competitive retail electric market to develop. However, when the market development period expired on Dec. 31, 2005, Ohio’s electric customers would have been subject to market-based pricing. Given the state of the market at that time, Ohio’s ratepayers might have experienced “sticker shock” had RSPs not been implemented.

As the expiration date for the RSPs approaches, it became evident that few competitive electric generation supply options existed at the retail level, and action was needed to secure Ohio’s energy future. Gov. Strickland proposed a plan to the Ohio General Assembly that would not close the door on market pricing, but would allow the PUCO to have a more active role in setting rates and allow companies to recoup the cost for new generation and modernization of the electric system. Gov. Strickland’s proposal also included an advanced energy portfolio that would expand Ohio’s investment in advanced energy technologies, including renewable energy and cleaner generation technologies utilizing traditional fuel sources.

In September 2007, Chairman Alan R. Schriber testified before the Senate Public Utilities and Energy Committee in support of the governor’s proposal. Sub. Senate Bill 22I passed the Ohio Senate unanimously in October 2007. The PUCO and other interested parties are aggressively working with the legislature to address this complex issue before most of the RSPs expire on Dec. 31, 2008.

Renewable energy options

Renewable energy resources have caught the attention of many utility customers during the last several years. In 2007, the PUCO approved plans for Duke Energy Ohio, FirstEnergy and American Electric Power-Ohio (AEP-Ohio) to begin offering green pricing options to their customers. Through the programs, customers may choose to purchase renewable energy credits (RECs) as a premium to their electric bill. While purchasing RECs does not guarantee that the power delivered to a customer came from a renewable resource, purchasing RECs is guaranteed to help fund the advancement of renewable technologies.

Each company’s program varies slightly, but in general, for a few dollars per month a customer can purchase enough RECs to offset a portion of their usage. These programs ensure that money collected through the purchase of RECs is channeled to approved projects, such as the development of wind power, biofuels and solar energy.

As utility customers and companies become more sensitive to issues such as global climate change and energy independence, the PUCO believes that these programs offer a way to support projects and maintain reliable utility service.

FirstEnergy files distribution rate case

In May 2007, FirstEnergy informed the PUCO that it would be seeking an increase in the rates it charges customers for delivering electricity. Following the deregulation of the electric industry in 1999, the transmission and distribution of electricity remained regulated, while the generation of electricity was deregulated.

Ohio law allows for a regulated utility to recover the costs associated with providing service, plus a return on the investments made to provide service. As the state agency tasked with regulating investor-owned utilities, the PUCO reviews the financial information presented by the utility, and takes into consideration the testimony of interested parties, including residential consumers. As part of the rate case process, the staff of the PUCO prepares a staff report for the Commission outlining the findings of the staff's analysis of the company's records. The staff issued its report to the Commission in December 2007. A decision on FirstEnergy's application is expected in 2008.

Duke demand side management program

The PUCO has always encouraged customers to actively manage their energy usage. Managing energy use is one way customers can reduce their electric bills. By replacing old appliances and equipment with newer energy efficient models, customers can reduce their usage and their utility bills. However, in addition to benefiting the customer by lowering bills, managing energy use also allows utilities better manage their need to build more generating facilities.

One principle, known as Demand Side Management (DSM), focuses on reducing the consumption of electricity and natural gas through various means. In 2007, the PUCO approved a plan that would allow Duke Energy Ohio to begin implementing 13 different DSM programs throughout their service territory. Of the 10 programs designed for residential consumers, four will provide home energy audits and others will provide incentives for using energy efficient heating and cooling equipment as well as household appliances.

Commercial and industrial customers will also have an opportunity to participate through incentives aimed at encouraging large users to replace or retrofit equipment to be more energy efficient.

Federal Filings

The PUCO submitted more than 15 filings in various docket with the Federal Energy Regulatory Commission (FERC) in 2007. Additionally, the PUCO joined comments and filings submitted by the Organization of Midwest ISO States and the Organization of PJM States. Issues covered zonal vs. license-plate transmission pricing for both existing and new systems, market monitoring independence, oversight and mitigation, wholesale market failures and flaws, reliability matters, ancillary service markets, state commission access to data, long term contracting, standards of conduct, filing requirements and transmission rights. The PUCO also joined the Ohio Power Siting Board in submitting comments to the Secretary of the U.S. Department of Energy on the National Interest Electric Transmission Corridor.

Duke Energy Ohio

Ohio Customers:	686,615
Ohio Operating Revenue:	\$2 billion
Home Office:	Cincinnati
Phone:	(800) 544-6900
Web:	www.duke-energy.com

Columbus Southern Power Division American Electric Power

Ohio Customers:	745,233
Ohio Operating Revenue:	\$1.62 billion
Home Office:	Columbus
Phone:	(800) 277-2177
Web:	www.AEP.com

Dayton Power and Light

Ohio Customers:	514,431
Ohio Operating Revenue:	\$1.5 billion
Home Office:	Dayton
Phone:	(800) 433-8500
Web:	www.waytogo.com

The Illuminating Company A FirstEnergy Company

Ohio Customers:	761,997 (2006)
Ohio Operating Revenue:	\$1.82 billion
Home Office:	Akron
Phone:	(800) 589-3101
Web:	www.firstenergycorp.com

Ohio Edison A FirstEnergy Company

Ohio Customers:	1,040,151 (2006)
Ohio Operating Revenue:	\$2.2 billion
Home Office:	Akron
Phone:	(800) 633-4766
Web:	www.firstenergycorp.com

Ohio Power Division American Electric Power

Ohio Customers:	711,509
Ohio Operating Revenue:	\$1.7 billion
Home Office:	Columbus
Phone:	(800) 277-2177
Web:	www.AEP.com

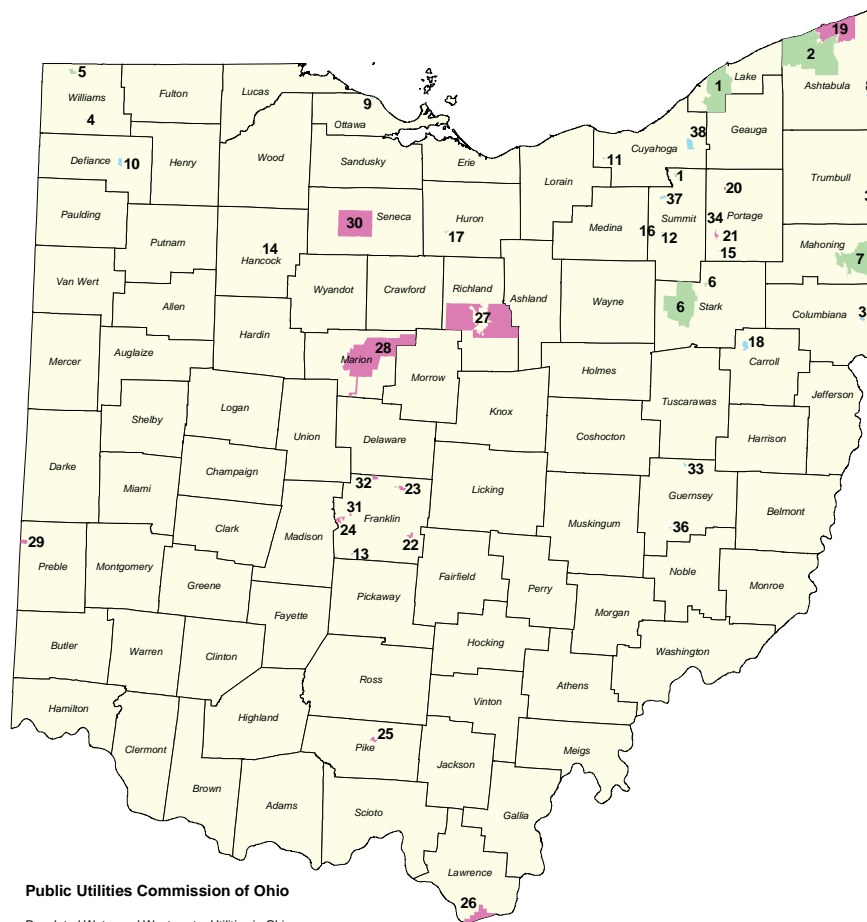
Toledo Edison A FirstEnergy Company

Ohio Customers:	313,968 (2006)
Ohio Operating Revenue:	\$964 million
Home Office:	Akron
Phone:	(800) 447-3333
Web:	www.firstenergycorp.com

Ohio American Water rate case

In March 2007, the PUCO, OCC and Ohio American Water entered into an agreement that set in motion actions to resolve water quality issues that were identified by Ohio American customers. The agreement requires the company to make certain improvements to its services and the quality of its water and allows the company to increase rates. However, in several of the service territories, certain improvements were to be made before certain increases were allowed.

During public hearings held by the PUCO in 2006, many customers of Ohio American expressed their dissatisfaction with the quality of water they were receiving. In order to address these concerns, the PUCO and other parties adopted an agreement that attempted to address the concerns of these customers. The PUCO instituted strict water quality control measures and ordered the company to meet these standards before it could begin to charge new rates for certain services. The PUCO instituted reporting requirements and conducted tests independently to ensure customers were receiving a quality utility product. The PUCO will continue to closely monitor the company's progress in improving services provided to customers.



Public Utilities Commission of Ohio
Regulated Water and Wastewater Utilities in Ohio
2007

1 AQUA OHIO - LAKE ERIE DIV.	20 OHIO AMERICAN - AURORA EAST
2 AQUA OHIO - LAKE ERIE EAST DIV.	21 OHIO AMERICAN - BEECHCREST
3 AQUA OHIO - MASURY DIV.	22 OHIO AMERICAN - BLACKLICK
4 AQUA OHIO - NORLICK PLACE DIV.	23 OHIO AMERICAN - HUBER RIDGE
5 AQUA OHIO - SENECA DIV.	24 OHIO AMERICAN - LAKE DARBY
6 AQUA OHIO - STARK REGIONAL DIV.	25 OHIO AMERICAN - LAKE WHITE
7 AQUA OHIO - STRUTHERS DIV.	26 OHIO AMERICAN - LAWRENCE COUNTY
8 CAMPLANDS WATER CO., LLC	27 OHIO AMERICAN - MANSFIELD
9 CARROL TOWNSHIP TREATMENT SERVICES	28 OHIO AMERICAN - MARION
10 CHRISTI WATER SYSTEM INC.	29 OHIO AMERICAN - PREBLE
11 COLUMBIA PARK WATER & SEWER SYSTEM	30 OHIO AMERICAN - TIFFIN
12 COPLEY SQUARE WATER/SEWER CO.	31 OHIO AMERICAN - TIMBERBROOK
13 CORDELL REGIONAL UTILITIES, INC.	32 OHIO AMERICAN - VALLEY
14 EAGLE CREEK UTILITY CO.	33 SALT FORK UTILITIES
15 FAIRLANE WATER CO.	34 SANDELWOOD WATER CO.
16 FRAZIER, LTD.	35 TOMAHAWK UTILITIES
17 HOLIDAY SERVICE CORP.	36 UTILITY OPERATORS CORP.
18 MOHAWK UTILITIES	37 WATER & SEWER LLC
19 OHIO AMERICAN - ASHTABULA	38 WOODBRAN REALTY CO.



Natural gas riser investigation

Safety is a top priority of the PUCO. The PUCO's natural gas pipeline safety inspectors check everything from natural gas transmission lines, which carry natural gas under high pressure from as far away as the Gulf of Mexico, to the distribution lines that serve neighborhoods. In any major incident where more than \$10,000 of property damage occurs, the PUCO completes a formal investigation to determine the cause.

Following the discovery of several natural gas leaks linked to a faulty piece of equipment known as a natural gas riser, which connects a customer's natural gas service line to the natural gas meter, the PUCO became concerned and opened an investigation in April 2005. The PUCO sought to determine if any specific type or types of risers were especially prone to failure and hired an independent laboratory from Akron to conduct tests on natural gas risers throughout the state.

In November 2006, PUCO staff issued a report based on the results of the laboratory testing. In the staff report, it was noted that particular types of risers were prone to failure. In January 2007, PUCO Chairman Alan R. Schriber sent a letter to Ohio's natural gas distribution companies urging them to complete a survey of the customer-owned natural gas services lines in their territories to determine how many of the risers prone to failure were currently in service. Under Ohio law, the customer is responsible for the installation and maintenance of their natural gas service line. This raised concerns about the remedy to the riser situation.

In July 2007, the PUCO approved a proposal from Columbia Gas of Ohio that, among other things, would allow the company to replace risers categorized as prone to failure, regardless of whether or not they are actually leaking. In addition, the PUCO allowed customers who had already replaced a prone-to-failure riser to apply for reimbursement from the company. Additional aspects of Columbia's proposed program were still pending before the Commission at the close of 2007.

Natural gas companies file rate cases

In 2007, five natural gas companies filed applications for an increase in rates with the PUCO. The companies include large distribution utilities Duke Energy Ohio, Vectren Energy Delivery of Ohio and Dominion East Ohio Gas, as well as smaller distribution utilities.

Natural gas utilities earn money by delivering natural gas, not by selling natural gas. By law, distribution utilities are allowed to earn a rate of return on the investments made in their operations. Generally, rate case proceedings are lengthy, and a company may go several years without requesting a rate increase.

The PUCO is aware of the delicate financial situations many customers face, but must also weigh the risk endured by a company serving as a public utility. After a thorough examination of each company's records, the PUCO Staff will make a determination and present their independent findings to the Commission. The Commission is expected to issue rulings on the pending applications in 2008.

Federal Filings

The PUCO intervened in five natural gas cases before the Federal Energy Regulatory Commission in 2007, commenting on the promotion of a more efficient capacity release market, the coordination and scheduling of natural gas transactions with regional transmission organizations. The PUCO joined the Ohio Power Siting Board in significant comments regarding the Rockies Express Pipeline.

Natural Gas Choice

Ohio has one of the most successful natural gas choice programs in the nation. More than half of Ohio's natural gas customers can choose the company that supplies their natural gas. Customers of Ohio's four largest local distribution companies, Columbia Gas of Ohio, Dominion East Ohio, Vectren Energy Delivery of Ohio and Duke Energy Ohio, can choose the company that serves their natural gas needs. The local distribution company continues to maintain pipes, read meters and bill customers.

As of September 2007, nearly half of all eligible customers in Ohio were participating in natural gas choice. The PUCO helps inform consumers about the options available to them by producing an Apples to Apples comparison chart for the service territories of each of the four distribution companies. The chart contains information from marketers currently offering natural gas to consumers and information about the local distribution company's current rate. Customers can also use the Interactive Calculator available on the PUCO Web site at www.PUCO.ohio.gov to see a comparison of what their bill would be if they switched to a marketer or stayed with the local distribution company. Customers without Internet access may have an Apples to Apples chart mailed to them by contacting the PUCO's toll-free number at (800) 686-PUCO (7826).

In addition to individual customers choosing a natural gas supplier, communities are able to form an aggregation group, which bundles all natural gas customers in a community together and allows leaders from the area to negotiate natural gas rates on their behalf. More than 100 communities across the state have formed aggregation groups.

Duke Energy Ohio

Ohio Customers:	423,570
Ohio Operating Revenue:	\$579 million
Home Office:	Cincinnati
Phone:	(800) 544-6900
Web:	www.duke-energy.com

Dominion East Ohio

Ohio Customers:	1,215,021
Ohio Operating Revenue:	\$1.1 billion
Home Office:	Cleveland
Phone:	(800) 362-7557
Web:	www.dom.com

Columbia Gas of Ohio

Ohio Customers:	1,415,489
Ohio Operating Revenue:	\$1.9 billion
Home Office:	Columbus
Phone:	(800) 344-4077
Web:	www.columbiagasohio.com

Vectren Energy Delivery of Ohio

Ohio Customers:	317,853
Ohio Operating Revenue:	\$374 million
Home Office:	Evansville, Ind.
Phone:	(800) 909-7668
Web:	www.vectren.com



Minimum Telephone Service Standards enhanced

Ohio law requires the PUCO to review service quality rules every five years. In 2007, the PUCO wrapped up an extensive review and revision of the Minimum Telephone Service Standards (MTSS), which detail the obligations telephone companies must fulfill.

Under the new MTSS, customers who are without telephone service for three days will receive credit for a full month of their regulated services. The PUCO still expects the company to respond to out-of-service situations, where the customer has no dial tone, within 24 hours of the repair request.

In addition to simplified outage crediting practices, the PUCO was also interested in ensuring customers understood the packages they were purchasing and their total cost, including surcharges and taxes. Under the new MTSS rules, when a customer signs up for service, the company must send a letter within 10 business days detailing the service options that were selected and their cost. Additionally, the customer has 30 days from the postmark of the letter to make changes to their service without incurring a fee.

Enhanced wireless 9-1-1 fund

Ohio's Wireless Enhanced 9-1-1 (E 9-1-1) Fund was created in 2005 to assist local emergency response organizations in upgrading facilities and equipment to enable them to receive information transmitted when a 9-1-1 call is made from a wireless phone. Through these enhancements, emergency responders are able to use technology that assists in locating callers that may be unable to give their exact location.

In 2007, 15 counties received approval of their wireless E 9-1-1 plans, bringing the total to 74 of Ohio's 88 counties. A total of 37 counties have implemented Phase II of E 9-1-1 service which allows emergency operators to pinpoint the location of callers using advanced technology.

More than \$40 million has been disbursed by the PUCO. The PUCO collects and disburses funds paid by wireless subscribers to individual county emergency response organizations. The PUCO and Ohio 9-1-1 Council review the expenditures submitted by each county to ensure funds are properly expended.

Buzz Telecom

In October 2006, the PUCO's Reliability and Service Analysis group recognized an increasing number of customer contacts regarding Buzz Telecom. Many customers complained that the company changed their telephone provider without permission, otherwise known as slamming, and that the company's representatives were employing deceptive sales practices during sales calls. Both of these practices are violations of Ohio's MTSS developed by the PUCO. By December 2006, the PUCO opened a formal investigation into these matters and ordered Buzz Telecom to stop marketing its services to customers in Ohio.

At a hearing in February 2007, Buzz Telecom failed to appear to present its side of the case. The PUCO attempted to remedy the situation with Buzz Telecom, but the company eventually refused to work with the PUCO. The PUCO, in October 2007, fined Buzz Telecom \$251,000 and informed former Buzz Telecom customers of the process they must follow if they feel Buzz Telecom provided them with inadequate service.

Verizon North directed to improve service quality

In May 2007, the PUCO adopted a stipulation between PUCO staff and Verizon North as a result of the company failing to meet portions of Ohio's MTSS. Verizon will pay certain forfeitures for noncompliance and must meet benchmarks to ensure compliance with required service standards.

The PUCO became aware of service quality issues in December 2005, when PUCO Call Center staff noticed an increasing number of complaints from Verizon customers about extended and repeated outages, missed repair appointments, line static and incomplete repairs. An audit conducted by PUCO Staff in November 2006 found that Verizon failed to meet provisions of the MTSS service outage standard. The staff report also confirmed Verizon did not meet MTSS requirements for out-of-service conditions, where the customer is completely without service.

The stipulated agreement between the PUCO and Verizon includes several enforcement actions, including requiring Verizon to invest \$1 million in facilities in areas where the most outages occurred, determined by PUCO staff and the company. The stipulation also states Verizon must pay \$250,000 in forfeitures to the Ohio General Revenue Fund for past violations of MTSS out-of-service requirements. Another \$250,000 was held in abeyance, pending Verizon meeting benchmarks for repairing out-of service conditions for a 12-month period starting May 1, 2007. Also, \$100,000 was held in abeyance, pending Verizon meeting benchmarks for repairing service affecting conditions within 48 hours for a 12-month period starting May 1, 2007.

The agreement also provides for customer credits where certain performance levels are not maintained, and performance benchmarks for service installations. Verizon must submit monthly reports to PUCO staff about the company's performance with service installation, out-of-service and service affecting performance for each district in the 12 months following May 2007. The PUCO is committed to ensuring service quality to Ohio's telephone customers.

AT&T Ohio to market services to Lifeline customers

The Lifeline program began several years ago under the premise of providing affordable telephone service to individuals who are income eligible. Since that time, the telephone has evolved from a device that transmits voice to one with several advanced services available, such as caller ID, three-way calling and voicemail capabilities. Additionally, pricing has evolved to the point where it is much more economical to buy these services as a package. Under the original rules of the Lifeline program, customers wishing to subscribe to these additional services had to certify that the additional features were necessary for medical or safety reasons and had to pay the full retail price of the individual features. AT&T was not permitted to market its packages to lifeline customers.

In April 2007, the PUCO allowed AT&T Ohio to begin marketing these services to Lifeline customers, without the need for the customer to certify the necessity of the service. As a safety-net provision, the Ohio minimum telephone service standards would not allow AT&T Ohio to disconnect local service from a customer that continued to pay the basic local telephone regulated charges.

This waiver was approved for a trial period, during which time AT&T Ohio must collect data so that the PUCO can monitor the company's Lifeline statistics. The goal of granting this waiver was to ensure that customers benefit by having advanced features available to them, while ensuring that their basic service remains connected.

Windstream Ohio

Total Ohio Access Lines:	108,365
Ohio Operating Revenue:	\$57.7 million
Home Office:	Little Rock, Ark.
Ohio Office:	Columbus
Phone:	(800) 347-1991
Web:	www.windstream.com

AT&T

Total Ohio Access Lines:	2,408,499
Ohio Operating Revenue:	\$1.5 billion
Home Office:	San Antonio, Texas
Ohio Office:	Cleveland
Phone:	(800) 660-1000
Web:	www.att.com

CenturyTel

Total Ohio Access Lines:	64,095
Ohio Operating Revenue:	\$47.6 million
Home Office:	Monore, La.
Ohio Office:	Lorain
Phone:	(800) 831-1733
Web:	www.centurytel.com

Chillicothe Telephone

Total Ohio Access Lines:	31,581
Ohio Operating Revenue:	\$30.8 million
Home Office:	Chillicothe
Phone:	(740) 772-8200
Web:	www.horizontal.com

Cincinnati Bell

Total Ohio Access Lines:	586,981
Ohio Operating Revenue:	\$419 million
Home Office:	Cincinnati
Phone:	(513) 565-2210
Web:	www.cincinnati-bell.com

EMBARQ

Total Ohio Access Lines:	440,121
Ohio Operating Revenue:	\$232.5 million
Home Office:	Overland Park, Kan.
Ohio Office:	Mansfield
Phone:	(888) 723-8010
Web:	www.embarq.com

Verizon

Total Ohio Access Lines:	693,224
Ohio Operating Revenue:	\$314 million
Home Office:	New York, N.Y.
Ohio Office:	Marion
Phone:	(800) 483-4000
Web:	www.verizon.com

Windstream Western Reserve

Total Ohio Access Lines:	157,594
Ohio Operating Revenue:	\$94.8 million
Home Office:	Little Rock, Ark.
Ohio Office:	Columbus
Phone:	(800) 347-1991
Web:	www.windstream.com

Roadcheck 2007

Hazardous materials travel through municipal areas in Ohio each day, often on commercial motor vehicles that pick up shipments from rail yards. When these shipments are driven on city roadways rather than on highways, their transport often goes unchecked. Efforts from PUCO hazardous materials inspectors help ensure that hazardous materials traveling through municipal areas are meeting state and federal transportation regulations.

In June 2007, 15 PUCO hazardous materials inspectors worked in Akron, Cleveland, Cincinnati, Columbus, Dayton, Toledo and Youngstown to conduct comprehensive inspections on vehicles, drivers and cargo while participating in Roadcheck 2007. Roadcheck is an annual international transportation safety and security event sponsored by the Commercial Vehicle Safety Alliance. PUCO inspectors conducted 184 inspections during the three-day Roadcheck event, finding 366 total safety violations and placing 29 percent of the vehicles out-of-service. For vehicles traveling with hazardous materials, 83 vehicle safety violations were found during Roadcheck and 102 hazardous materials violations were found, with 22 percent of hazardous materials vehicles being placed out-of-service. Thanks to the diligence of PUCO hazardous materials inspectors, these motor carriers were removed from Ohio roadways until the appropriate safety measures were taken.

While PUCO inspectors work every day to perform inspections and keep Ohio highways safe, Roadcheck highlights the combined efforts of law enforcement and the transportation industry to promote highway safety. The event has been held each year since 1988 in the United States, Canada and Mexico.



Hazmat Training Grants

The PUCO approved five hazardous materials training grants totaling \$301,374 to local government agencies and educational institutions across Ohio in 2007. The grants will be used to train public safety and emergency services personnel in the proper techniques for the management of hazardous materials transportation and spills.

The PUCO awards hazardous materials planning and training grants to local government subdivisions, educational institutions and state agencies in Ohio. Money for these grants comes from fines paid by hazardous material carriers and shippers. Grants are awarded on a reimbursement basis.

Motor Carrier Registration

In 2007, the PUCO processed more than 20,000 registration applications for general freight carriers, including approximately 2,500 hazardous materials transporters, 1,000 towing companies and 300 household goods movers in the state of Ohio. Registration duties include maintaining carrier records and collecting fees.

Changes occurred recently in the way motor carriers are registered in Ohio and across the country since Congress passed legislation that replaces the Single State Registration System (SSRS) with the new Unified Carrier Registration (UCR) system. As a result, in September 2007, the PUCO began implementing those changes.

The SSRS was a state-administered registration program covering interstate for-hire motor carriers. The UCR system distributes motor carrier registration fees and responsibilities among a broader population of registrants and entities than required under SSRS. This group includes private motor carriers, brokers, freight forwarders, leasing companies and exempt for-hire motor carriers. By including these types of carriers under the UCR system, for-hire carriers benefit with lower registration fees, while valuable commercial vehicle safety programs continue to receive funding.

The new federal legislation also redefined how states register their own intrastate operators. States are now prohibited from requiring annual intrastate renewals from interstate motor carriers. The maximum amount a state can collect from the UCR program is equal to SSRS revenue collected in year 2004 plus intrastate registration revenue from interstate operators for that year. Ohio's UCR cap is calculated at \$4.8 million.



Highway-Rail Grade crossing upgrades ordered

Ohio has more than 6,000 rail crossings throughout the state. The PUCO, along with the Ohio Rail Development Commission, is responsible for providing funding for the installation of warning devices at highway-rail grade crossings. In 2007, the PUCO approved funding for the installation of flashing lights and gates at 68 crossings and circuitry upgrades at eight crossings throughout Ohio. Additional assistance was given for vegetation removal, supplemental warning measures such as rumble strips and closing superfluous grade crossings. Many of the measures taken by the PUCO have helped reduce the number of fatal crashes at highway-rail grade crossings.

New rail mapping system

The PUCO collects volumes of data each year. With advancements in technology and the Internet, we constantly seek ways to share information with interested individuals. The PUCO's Railroad Division is responsible for inventorying each highway-rail grade crossing in the state. Citizens can gather detailed information about crossings in their communities by visiting the PUCO's Rail Crossing Information page at <http://gradecrossings.puco.ohio.gov>.

Rail inspectors photograph the crossing and collect information about the daily traffic flowing through the crossing. Other information, such as the railroad responsible for maintaining the crossing, is available as well. In addition to the Rail Crossing Information collected by PUCO inspectors, the PUCO has also compiled several maps containing railroad information. One of the newest maps allows visitors to view crash statistics for crossings that meet certain parameters. This interactive map is available through the PUCO Web site at www.PUCO.ohio.gov.

Railroad Crossing Statistics

Railroads in Ohio must submit information to the PUCO regarding the number of incidents that occur at railroad crossings. These reports help the PUCO determine where rail crossing upgrades are needed. Each year, the PUCO compiles statistics in the annual Railroad Crossing Statistics Report. In 2006, statistics showed the lowest number of fatalities recorded in one year since the information has been collected. The complete report can be accessed throughout the PUCO's Web site at www.PUCO.ohio.gov.

The PUCO employs a dedicated staff of nearly 400 professional accountants, auditors, engineers, economists, investigators and attorneys who work diligently to assist the PUCO in serving Ohio. Each day, these dedicated employees work to ensure the safety and reliability of Ohio's utility services, railroads and highways. Employees of the PUCO are committed to helping the community, participating in charitable events each year to help those who are less fortunate. In 2007, the employees also took steps to reduce energy consumption in the workplace by implementing an Energy Smart program at the PUCO.

PUCO Energy Smart Program

Following an executive order issued by Gov. Ted Strickland in January 2007 that addressed the state's energy usage, PUCO employees began work on the development of an Energy Smart program. The overall goal of the program is to reduce energy consumption by the PUCO. Since the PUCO is housed in a leased building, staff began working with building management and other tenants to establish a baseline of energy consumption for the PUCO's building facilities. Upon completion of this baseline of energy consumption, employees identified ways to have an overall reduction of 5 percent in building energy use within the first year of the program and 15 percent by the end of four fiscal years.

PUCO employees have begun implementing energy saving measures including turning off lights in rooms that are not in use, turning off printers and monitors at night and closing blinds during the day to reduce heating and cooling consumption.

PUCO Employees Participate in Combined Charitable Campaign

The PUCO annually participates in the Combined Charitable Campaign (CCC). The CCC provides employees with the opportunity to give to the charities of their choosing through payroll deductions. In 2007, PUCO employees pledged more than \$85,000, exceeding the agency goal of \$81,000. Nearly all PUCO employees participated in the CCC.

PUCO Employees of the Month

The PUCO is proud of its dedicated employees and is pleased to recognize those who exceed the expectations of their job duties. The Chuck Tingley Employee of the Month award is given to an employee who has gone above and beyond normal expectations to fulfill the mission of the PUCO with hard work, integrity and dedication to the state of Ohio. Employees are nominated by their co-workers and chosen by a panel of staff members. In 2007, the PUCO recognized the following employees for their outstanding dedication to public service: Scott Blake, Greg Hughes, George Zajack, Jerry Gibson, Jeremy Rohrer, Julie Daubenmire, Cindy Hale and Li Weng.



George Zajack receives employee of the month award

Revenue Received 2007

Assessment to the Utilities	\$	34,701,900.92
Motor Carrier Registration		3,651,343.46
Base State Registration		153,071.50
Federal - Motor Carrier Safety Program		5,753,018.05
Power Siting		403,513.43
State - Grade Crossing Protection		1,200,000.00
Biofuels/Municipal Waste		20,458.53
Wireless 9-1-1 Administrative		25,187,873.23
Hazmat & Civil Forfeitures		1,084,986.00
Federal Gas Pipeline Safety		261,218.00
Miscellaneous Revenue		67,822.56
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Total Revenue Received by PUCO	\$	72,485,205.68

Revenue Contributed to General Revenue Fund

Through Fines, Penalties & Forfeitures	\$	3,444,698.29
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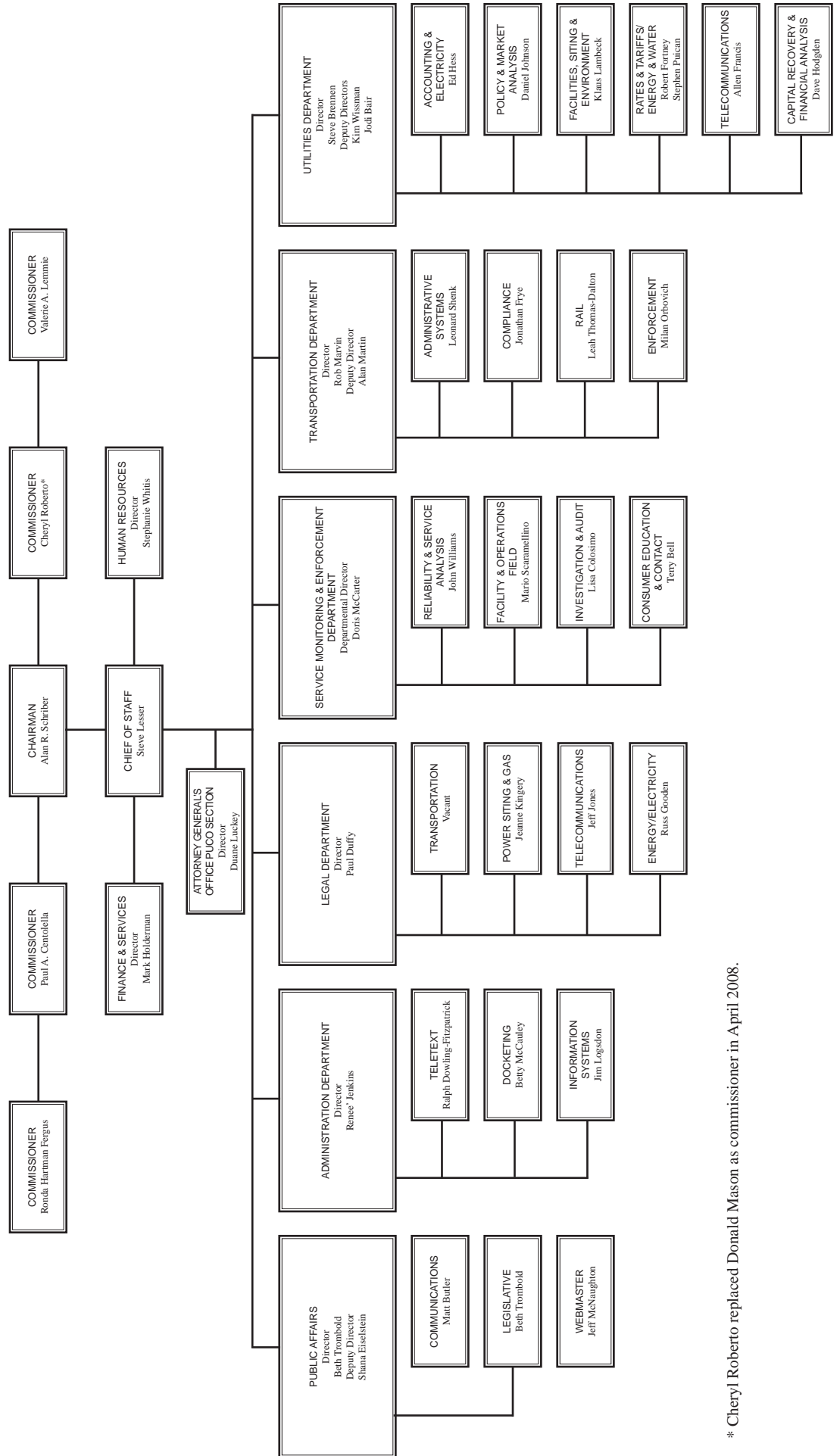
Expenditures 2007

Payments to Employees and Benefits	\$	34,244,735.11
NRRI/Base State/9-1-1/Other Transfers		28,074,394.20
Agency Operations		2,536,442.20
Building Rent		1,944,348.00
Equipment Purchase		600,456.04
Obligations		2,506,227.63
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Total Expenditures	\$	69,906,603.18

The Public Utilities Commission of Ohio

Table of Organization

July 2008



* Cheryl Roberto replaced Donald Mason as commissioner in April 2008.

9-1-1: An abbreviated dialing code that directs emergency calls to police, fire, and emergency services.

2-1-1: An abbreviated dialing code that directs callers to health and human services information and referral providers.

3-1-1: An abbreviated dialing code that directs non-emergency telephone calls to police, fire, and emergency services.

Aggregation: A practice that allows marketers and local governments to pool the electric or natural gas consumption of multiple customers, or residents as in the case of local governments, in order to purchase the electricity or natural gas at a bulk rate.

Alternative Operator Service: Services provided by a third party, which would normally be provided by the operator. The most common services are alternative methods of paying for a call, such as collect calling, charging the call to a third party or paying by credit card or telephone company calling card.

Apples-to-Apples charts: The PUCO's electric and natural gas rate comparison charts; the only comparisons in the state for which suppliers are required to provide accurate and up-to-date information about their latest offers.

Broadband: A term that refers to the ability to transmit data at high rates of speed (45Mb/s and above). Usually associated with the transmission of data, multimedia audio and video (such as high-speed Internet access), it may also be part of private networks.

Competitive retail electric service standards (CRESS) and electric service and safety standards (ESSS): PUCO rules that provide consumer protections pertaining to issues including quality of electric plant, slamming, contract information, and meter readings.

Competitive local exchange carrier (CLEC): A local telephone company that competes with the incumbent local exchange carrier (or ILEC, see next page) for the local telephone business of customers.

Compliance review: A review conducted by the PUCO to evaluate a motor carrier company's compliance with regulations. Records such as driver qualification files, records of duty status, vehicle maintenance records, and hazardous materials employee training files are reviewed for compliance with regulations.

Crossbucks: The standard "X" signage seen at highway-rail grade crossings across Ohio.

Decoupling: A rate-making formula designed to encourage natural gas distribution companies to promote conservation by unlinking revenues from volumes of natural gas delivered.

Distribution system improvement charge (DSIC): A charge assessed to water customers' bills as a means to raise capital to replace aging infrastructure.

Docketing Information System (DIS): The PUCO's online case filing system.

Energy Policy Act of 2005 (EPAAct 2005): A federal law signed in 2005. The Act was intended to establish a comprehensive, long-range energy policy. It provides incentives for traditional energy production as well as newer, more efficient energy technologies, and conservation.

Federal Communications Commission (FCC): An independent U.S. government agency charged with regulating interstate and international communications by radio, television, wire, satellite and cable.

Federal Energy Regulatory Commission (FERC): An independent U.S. government agency that regulates the interstate transmission of natural gas, oil, and electricity.

Federal Motor Carrier Safety Administration (FMCSA): A separate administration within the U.S. Department of Transportation whose mission it is to reduce crashes, injuries, and fatalities involving motor carriers.

Flashing lights and roadway gates: Active warning devices found at many highway-rail grade crossings across Ohio.

Gas cost recovery (GCR): A mechanism that provides a dollar-for-dollar recovery of costs incurred by a natural gas utility to purchase and deliver natural gas to its customers. The GCR mechanism enables the utility to correct any over or under collections of natural gas costs in previous periods.

Hazardous Materials Training and Planning Grants: Grants awarded by the PUCO to political subdivisions, educational institutions, and other state agencies for the training of public safety and emergency services personnel in the proper techniques for the management of hazardous materials spills and releases that occur during transportation.

Highway-Rail Grade Crossing: The general area where a highway and a railroad cross at the same level. Also known as a “Highway-Rail Intersection” and “Railroad Crossing.”

Highway route controlled shipment: Some shipments of radioactive waste with a high radioactivity level (e.g., spent nuclear fuel) are identified as highway route controlled quantity (HRCQ) shipments. Carriers of HRCQ shipments are required to use “preferred routing” which restricts transport to certain interstate highways and alternative routes.

Hours of Service Rules: Rules that govern how long the driver of a commercial motor vehicle is allowed to operate their vehicle in a given period of time.

Incumbent local exchange carrier (ILEC): The “traditional” local telephone company in a geographic region.

Inmate Operator Service: Allows inmates in correctional facilities to make telephone calls.

Lifeline Assistance Program: Provides income eligible customers a discount on telephone connection fees and monthly telephone bills.

Market-based standard service offer: Senate Bill 3 (SB 3) requires that each electric distribution utility provide customers within its certified territory a market-based standard service offer to maintain essential electric service following the end of the market development period.

Motor Carrier Safety Assistance Program: Provides federal grants to states to enforce federal and compatible state motor carrier safety and hazardous materials regulations.

Minimum Telephone Service Standards (MTSS): PUCO rules that assure that telephone companies provide all consumers with adequate service and treat consumers fairly.

Natural gas choice: A program that allows consumers to choose the company that supplies their natural gas. Under natural gas choice, the local natural gas utility continues to deliver the gas to consumers’ homes and businesses.

North American Electric Reliability Council (NERC): An independent organization that works to ensure that the bulk electric system in North America is reliable, adequate, and secure.

PUCO Consumer Call Center: (800) 686-PUCO (7826). The PUCO consumer call center provides Ohioans with a toll-free resource where they can have their utility concerns addressed.

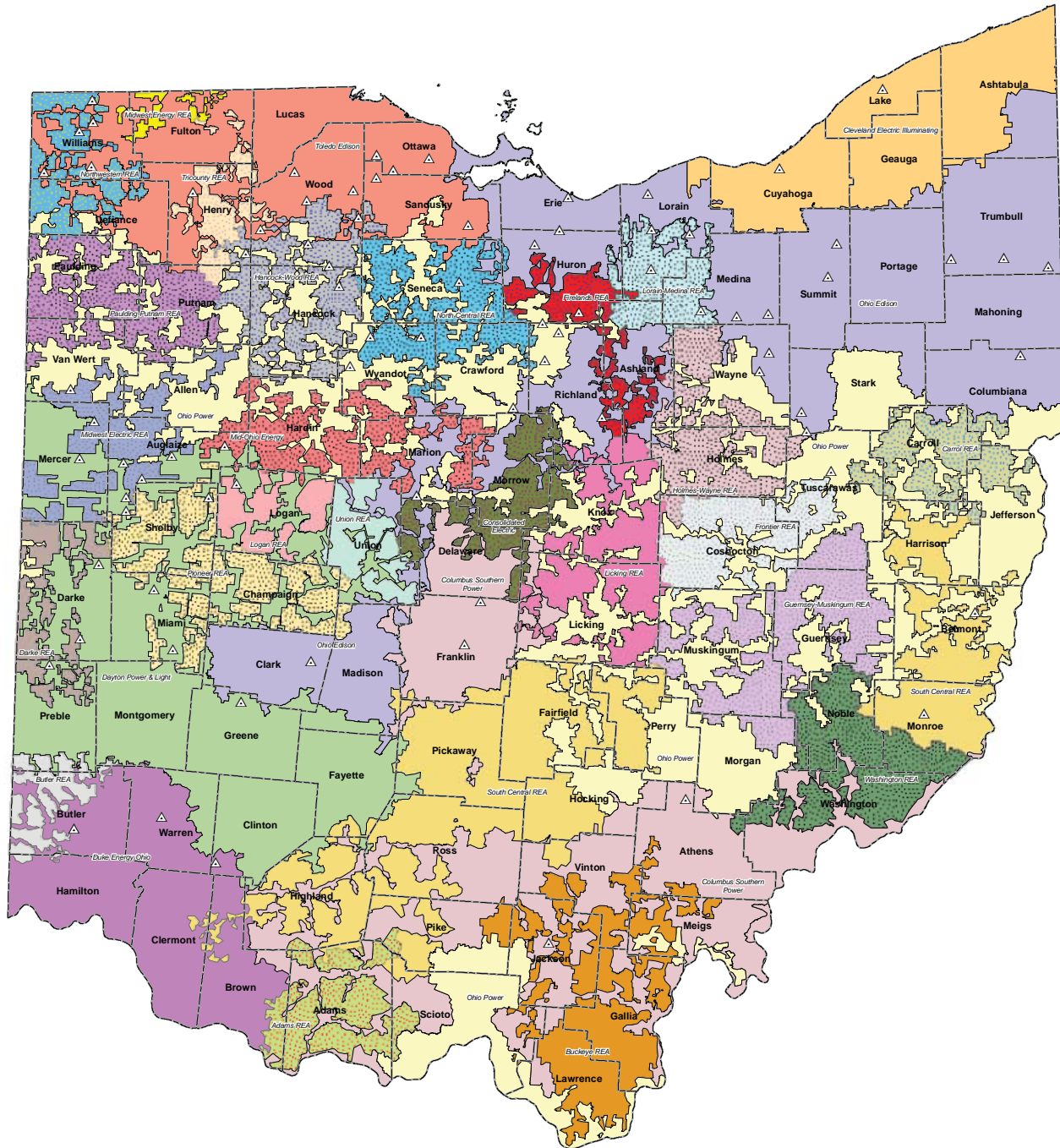
Rate stabilization plan: A plan filed to help ensure that electric consumers do not face “sticker shock” over electric rates.

Voice over Internet Protocol (VoIP): Any technology providing voice telephony services over IP.

Winter reconnect order: A PUCO decision that ensures that Ohioans who have had their natural gas or electric service disconnected, or face potential disconnection, can keep their heat on during the winter heating season.

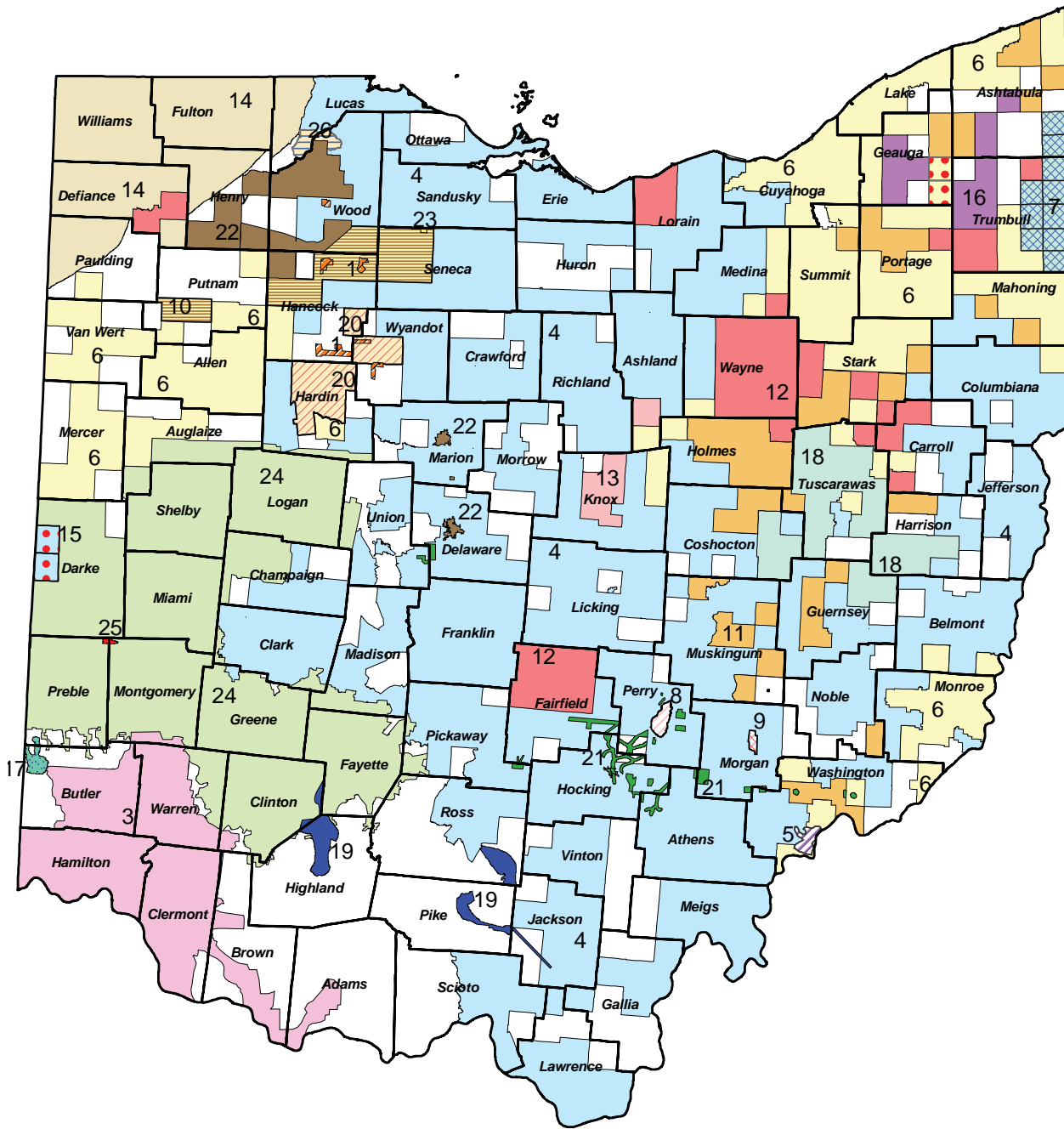
www.PUCO.ohio.gov: The PUCO Web site address and your online source for utility- and transportation-related information.

Electric Service Territories Map



- | | | | | | |
|-----------------------------|-----------------------------------|--------------------------------------|--|--|---------------------------------------|
| △ Municipal Power locations | Investor Owned Utilities | Rural Electric Associations | ■ Firelands Electric Cooperative | ■ Lorain-Medina Rural Electric Cooperative | ■ Pioneer Rural Electric Cooperative |
| ▭ County Boundaries | ■ Cleveland Electric Illuminating | ■ Adams Rural Electric Cooperative | ■ The Frontier Power Company | ■ Mid-Ohio Energy Cooperative | ■ South Central Power Company |
| | ■ Columbus Southern Power | ■ Buckeye Rural Electric Cooperative | ■ Guernsey-Muskingum Electric Cooperative | ■ Midwest Electric | ■ Tinconey Rural Electric Cooperative |
| | ■ Dayton Power & Light | ■ Butler Rural Electric Cooperative | ■ Hancock-Wood Electric Cooperative | ■ Midwest Energy Cooperative | ■ Union Rural Electric Cooperative |
| | ■ Duke Energy Ohio | ■ Carroll Electric Cooperative | ■ Holmes-Wayne Electric Cooperative | ■ North Central Electric Cooperative | ■ Washington Electric Cooperative |
| | ■ Ohio Edison | ■ Consolidated Electric Cooperative | ■ Licking Rural Electrification d/b/a The Energy Cooperative | ■ North Western Electric Cooperative | |
| | ■ Ohio Power | ■ Darke Rural Electric Cooperative | ■ Logan County Cooperative Power & Light Association | ■ Paulling-Putnam Electric Cooperative | |
| | ■ Toledo Edison | | | | |

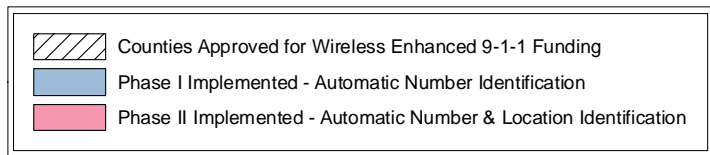
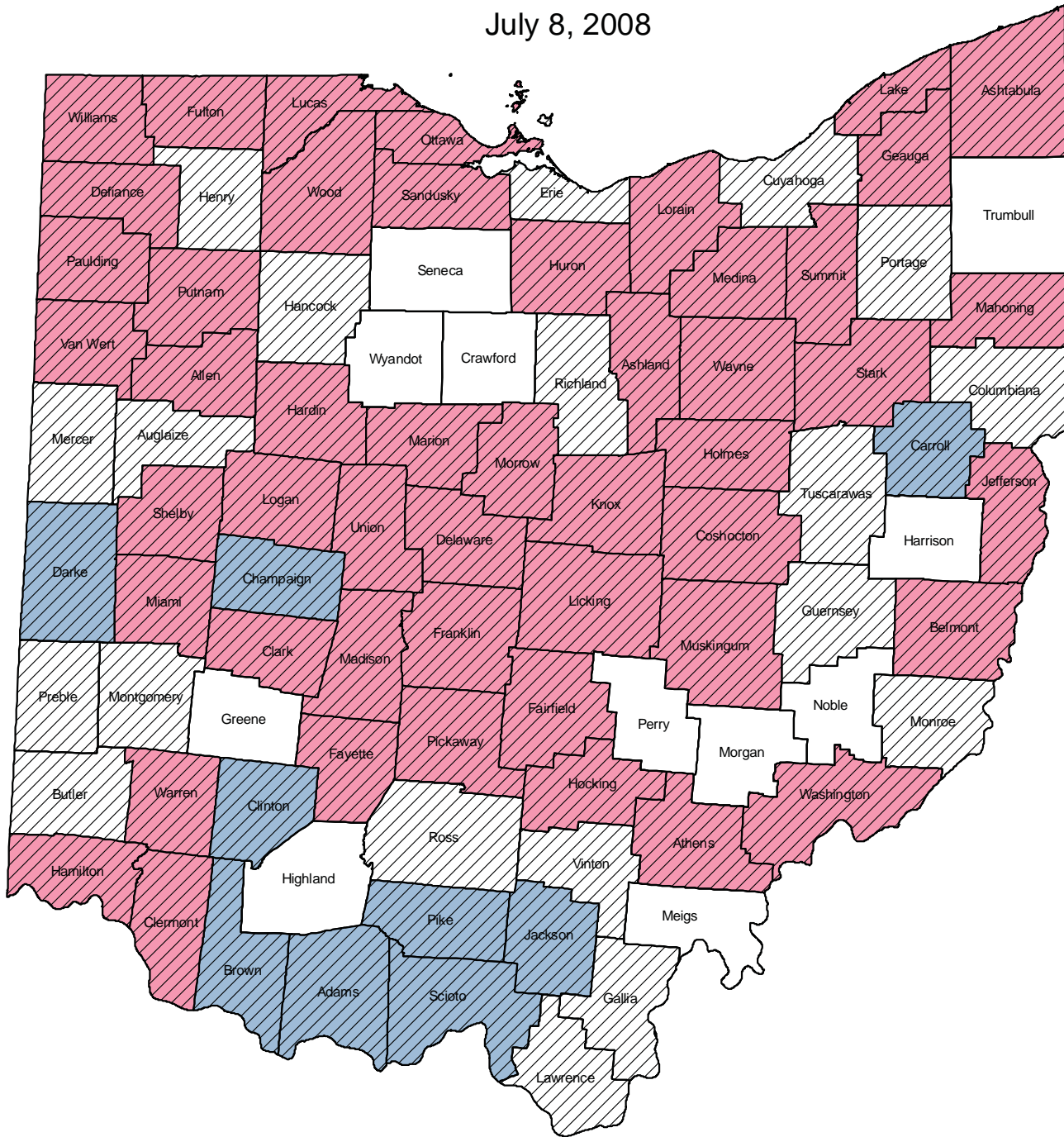
Natural Gas Service Territories



	(1) Arlington		(6) East Ohio		(11) NIED		(16) Orwell		(21) Southeast
	(2) Brainard		(7) Eastern		(12) Northeast		(17) Oxford		(22) Suburban
	(3) Duke Energy Ohio		(8) Foraker		(13) Ohio Cumberland		(18) Piedmont		(23) Swickard
	(4) Columbia		(9) Gasco		(14) Ohio Gas		(19) Pike		(24) Vectren
	(5) Constitution		(10) KNG		(15) Ohio Valley		(20) Sheldon		(25) Verona
							(26) Waterville		

Wireless 9-1-1 Service Map

July 8, 2008



The following counties do not have Land Line 9-1-1 Service: Columbiana, Harrison, Meigs, Monroe

State of Ohio
Ted Strickland, Governor

Public Utilities Commission of Ohio
Alan R. Schriber, Chairman
Ronda Hartman Fergus, Commissioner
Valerie A. Lemmie, Commissioner
Paul A. Centolella, Commissioner
Cheryl Roberto, Commissioner

www.PUCO.ohio.gov
(800) 686-PUCO (7826)

180 E. Broad Street
Columbus, Ohio 43215