



**VIA BPU E-FILING SYSTEM & OVERNIGHT MAIL**

June 20, 2018

In the Matter of the Provision of Basic Generation Service  
for Year Two of the Post-Transition Period  
- and -  
In the Matter of the Provision of Basic Generation Service  
for the Period Beginning June 1, 2016  
-and-  
In the Matter of the Provision of Basic Generation Service  
for the Period Beginning June 1, 2017  
-and-  
In the Matter of the Provision of Basic Generation Service  
for the Period Beginning June 1, 2018

Docket Nos. EO03050394, , ER15040482, ER16040337, ER17040335

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Compliance Tariff Filing Reflecting Changes to Schedule 12 Charges in PJM Open Access  
Transmission Tariff Docket No. \_\_\_\_\_

Aida Camacho-Welch, Secretary  
New Jersey Board of Public Utilities  
44 South Clinton Avenue, 3<sup>rd</sup> Floor, Suite 314  
Trenton, New Jersey 08625-0350

Dear Secretary Camacho-Welch:

Enclosed for filing on behalf of Jersey Central Power & Light Company (“JCP&L”), Public Service Electric and Gas Company (“PSE&G”) and Rockland Electric Company (“RECO”) (collectively, the “EDCs”) please find an original and two copies of tariff sheets and supporting exhibits proposed by each of the EDCs and revised to reflect changes to the PJM Open Access Transmission Tariff (“OATT”) made in response to: (i) the annual formula rate update filings made by PPL Electric Utilities Corporation (“PPL”) in Federal Energy Regulatory Commission (“FERC”) Docket No. ER09-1148, by Baltimore Gas and Electric Company in FERC Docket No. ER09-1100, by PECO Energy Company in FERC Docket No. ER17-1519, and by Trans-Allegheny Interstate Line Company (“TrAILCo”) in FERC Docket No. ER07-562, (ii) the

formula rate update filings made by the public utility affiliates of Pepco Holdings Inc. (“PHI”) in FERC Docket No. ER08-1423 and the respective utility affiliate compliance filings for formula rate updates made by Atlantic City Electric Company (“ACE”) in Docket No ER09-1156, Delmarva Power and Light (“Delmarva”) in Docket No. ER09-1158, and Potomac Electric Power Company (“PEPCO”) in Docket No. ER09-1159 (the filings referred to in (i) and (ii) above are collectively referred to as the “Filings”). This document has also been uploaded to the Board of Public Utilities E-Filing system.

### **Background**

In its Order dated October 22, 2003 (BPU Docket No. EO03050394), the New Jersey Board of Public Utilities (“Board”) authorized the EDCs to recover FERC-approved changes in firm transmission service-related charges. The Board has also authorized recovery of FERC-approved changes in firm transmission service-related charges in subsequent orders approving the Basic Generation Service (“BGS”) supply procurement process and the associated Supplier Master Agreements (“SMAs”). Furthermore, by subsequent Orders, the BPU has approved Section 15.9 of the Supplier Master Agreements (“SMA”) filed by the EDCs, which authorize the EDCs to increase or decrease the rates paid to suppliers for FERC-approved rates and changes to Firm Transmission Service once approved by the Board.

The Transmission Enhancement Charges (“TECs”) detailed in Schedule 12 of the PJM OATT were implemented to compensate transmission owners for the annual transmission revenue requirements for “Required Transmission Enhancements” (again, as defined in the PJM OATT) that are requested by PJM for reliability or economic purposes. TECs are recovered by PJM through an additional transmission charge in the transmission zones assigned cost responsibility for Required Transmission Enhancement projects.

In turn, the EDCs file with the Board for approval to recover costs associated with TECs from BGS customers and to pay BGS suppliers for TEC charges assigned to them by PJM for the load they serve in the respective EDC service territories.<sup>1</sup>

### **Request for Board Approval**

The EDCs request Board approval to implement the attached, revised BGS-RSCP and BGS-CIEP tariff rates effective September 1, 2018. In support of this request, the EDCs have included pro-forma tariff sheets shown in Attachment 1. The proposed BGS tariff rates have been modified in accordance with the Board-approved methodology contained in each EDC's Company-Specific Addendum in the above-referenced BGS proceedings and in conformance with each EDC's Board-approved BGS tariff sheets. The attached pro-forma tariff sheets propose

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<sup>1</sup> The EDCs pay suppliers subject to the conditions of the Board-approved Supplier Master Agreements.

an effective date of September 1, 2018 and will remain in effect until changed. The BGS-RSCP and BGS-CIEP rates included in the amended tariff sheets for each EDC are revised to reflect costs effective on June 1, 2018 for TECs resulting from all of the FERC-approved Filings. These rates are based on the FERC-approved (and PJM implemented) rates for transmission services.

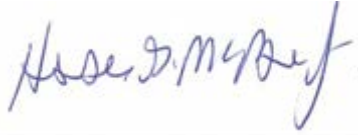
Attachment 2 shows the cost impact for the 2018/2019 period for each of the EDCs. These costs were allocated to the various transmission zones using the cost information from the formula rates for the projects covered by the Filings, as posted on the PJM website. The translation of the transmission zone rate impact to the BGS rates of each of the EDCs assuming implementation on September 1, 2018 is included as Attachment 3. Copies of the Filings and all formula rate updates are included as Attachment 4, and can also be found on the PJM website at <http://www.pjm.com/markets-and-operations/billing-settlements-and-credit/formula-rates.aspx>.

The EDCs also request that the BGS Suppliers be compensated for the changes to the OATT resulting from the implementation of the updates from formula rates effective June 1, 2018. Suppliers will be compensated subject to the terms and conditions of the applicable SMAs. Any differences between payments to BGS-RSCP and BGS-CIEP Suppliers and charges to customers will flow through BGS Reconciliation Charges. This treatment is consistent with the previously-approved mechanisms.

This filing satisfies the requirements of ¶¶ 15.9 (a)(i) and (ii) of the BGS-RSCP and BGS-CIEP SMAs, which mandate that BGS-RSCP and BGS-CIEP Suppliers be notified of rate increases for firm transmission service, and that the EDCs file for and obtain Board approval of an increase in retail rates commensurate with the FERC-implemented rate increase.

We thank the Board for all courtesies extended.

Respectfully submitted,



Attachments

cc: Stacy Peterson, NJBPU  
Stefanie Brand, Division of Rate Counsel  
Service List (Electronic)

PUBLIC SERVICE ELECTRIC AND GAS COMPANY  
BGS TRANSMISSION ENHANCEMENT CHARGE

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PUBLIC SERVICE ELECTRIC AND GAS COMPANY  
BGS TRANSMISSION ENHANCEMENT CHARGE

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PUBLIC SERVICE ELECTRIC AND GAS COMPANY  
BGS TRANSMISSION ENHANCEMENT CHARGE

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Attachment 1A  
Public Service Electric and Gas Company Tariff Sheets

Attachment 1B  
Jersey Central Power and Light Tariff Sheets

Attachment 1C  
Rockland Electric Company Tariff Sheets

**PUBLIC SERVICE ELECTRIC AND GAS COMPANY**

**XXX Revised Sheet No. 75**

**B.P.U.N.J. No. 15 ELECTRIC**

**Superseding**

**XXX Revised Sheet No. 75**

**BASIC GENERATION SERVICE – RESIDENTIAL SMALL COMMERCIAL PRICING (BGS-RSCP)  
ELECTRIC SUPPLY CHARGES**

**APPLICABLE TO:**

Default electric supply service for Rate Schedules RS, RHS, RLM, WH, WHS, HS, BPL, BPL-POF, PSAL, GLP and LPL-Secondary (less than 500 kilowatts).

**BGS ENERGY CHARGES:**

**Applicable to Rate Schedules RS, RHS, RLM, WH, WHS, HS, BPL, BPL-POF and PSAL**

**Charges per kilowatthour:**

Rate Schedule	For usage in each of the months of <u>October through May</u>		For usage in each of the months of <u>June through September</u>	
	Charges	Charges Including SUT	Charges	Charges Including SUT
	RS – first 600 kWh	\$0.111099	\$0.118459	\$0.111074
RS – in excess of 600 kWh	0.111099	0.118459	0.120170	0.128131
RHS – first 600 kWh	0.088781	0.094663	0.084176	0.089753
RHS – in excess of 600 kWh	0.088781	0.094663	0.096338	0.102720
RLM On-Peak	0.199211	0.212409	0.212038	0.226086
RLM Off-Peak	0.050399	0.053738	0.045310	0.048312
WH	0.049065	0.052316	0.046813	0.049914
WHS	0.049245	0.052507	0.046520	0.049602
HS	0.095573	0.101905	0.097495	0.103954
BPL	0.046908	0.050016	0.041926	0.044704
BPL-POF	0.046908	0.050016	0.041926	0.044704
PSAL	0.046908	0.050016	0.041926	0.044704

The above Basic Generation Service Energy Charges reflect costs for Energy, Generation Capacity, Transmission, and Ancillary Services (including PJM Interconnection, L.L.C. (PJM) Administrative Charges). The portion of these charges related to Network Integration Transmission Service, including the PJM Seams Elimination Cost Assignment Charges, the PJM Reliability Must Run Charge and PJM Transmission Enhancement Charges may be changed from time to time on the effective date of such change to the PJM rate for these charges as approved by the Federal Energy Regulatory Commission (FERC).

Kilowatt threshold noted above is based upon the customer's Peak Load Share of the overall summer peak load assigned to Public Service by the Pennsylvania-New Jersey-Maryland Office of the Interconnection (PJM). See Section 9.1, Measurement of Electric Service, of the Standard Terms and Conditions of this Tariff.

Date of Issue:

Issued by SCOTT S. JENNINGS, Vice President Finance – PSE&G  
80 Park Plaza, Newark, New Jersey 07102  
Filed pursuant to Order of Board of Public Utilities dated  
in Docket No.

Effective:



**PUBLIC SERVICE ELECTRIC AND GAS COMPANY**

**XXX Revised Sheet No. 79**

**B.P.U.N.J. No. 15 ELECTRIC**

**Superseding**

**XXX Revised Sheet No. 79**

**BASIC GENERATION SERVICE – RESIDENTIAL SMALL COMMERCIAL PRICING (BGS-RSCP)**

**ELECTRIC SUPPLY CHARGES**

**(Continued)**

**BGS CAPACITY CHARGES:**

**Applicable to Rate Schedules GLP and LPL-Sec.**

**Charges per kilowatt of Generation Obligation:**

Charge applicable in the months of June through September .....\$ 5.1628

Charge including New Jersey Sales and Use Tax (SUT) .....\$ 5.5048

Charge applicable in the months of October through May.....\$ 5.1628

Charge including New Jersey Sales and Use Tax (SUT) .....\$ 5.5048

The above charges shall recover each customer's share of the overall summer peak load assigned to the Public Service Transmission Zone by the PJM Interconnection, L.L.C. (PJM) as adjusted by PJM assigned capacity related factors and shall be in accordance with Section 9.1, Measurement of Electric Service, of the Standard Terms and Conditions.

**BGS TRANSMISSION CHARGES**

**Applicable to Rate Schedules GLP and LPL-Sec.**

**Charges per kilowatt of Transmission Obligation:**

Currently effective Annual Transmission Rate for  
Network Integration Transmission Service for the  
Public Service Transmission Zone as derived from the  
FERC Electric Tariff of the PJM Interconnection, LLC .....\$ 101,196.71 per MW per year

PJM Reallocation.....\$ 0.00 per MW per year

PJM Seams Elimination Cost Assignment Charges .....\$ 0.00 per MW per month

PJM Reliability Must Run Charge.....\$ 2.82 per MW per month

PJM Transmission Enhancements

Trans-Allegheny Interstate Line Company .....\$ 84.40 per MW per month

Virginia Electric and Power Company .....\$ 88.04 per MW per month

Potomac-Appalachian Transmission Highline L.L.C. ....(\$10.28) per MW per month

PPL Electric Utilities Corporation.....\$ 50.71 per MW per month

American Electric Power Service Corporation .....\$ 31.06 per MW per month

Atlantic City Electric Company. ....\$ 10.03 per MW per month

Delmarva Power and Light Company.....\$ 0.32 per MW per month

Potomac Electric Power Company.....\$ 2.86 per MW per month

Baltimore Gas and Electric Company.....\$ 3.61 per MW per month

Jersey Central Power and Light .....\$ 66.74 per MW per month

Mid Atlantic Interstate Transmission.....\$ 7.24 per MW per month

PECO Energy Company.....\$ 20.64 per MW per month

Above rates converted to a charge per kW of Transmission

Obligation, applicable in all months.....\$ 8.7911

Charge including New Jersey Sales and Use Tax (SUT) .....\$ 9.3735

The above charges shall recover each customer's share of the overall summer peak transmission load assigned to the Public Service Transmission Zone by the PJM Interconnection, L.L.C. (PJM) as adjusted by PJM assigned transmission capacity related factors and shall be in accordance with Section 9.1, Measurement of Electric Service, of the Standard Terms and Conditions. These charges will be changed from time to time on the effective date of such change to the PJM rate for charges for Network Integration Transmission Service, including the PJM Seams Elimination Cost Assignment Charges, the PJM Reliability Must Run Charge and PJM Transmission Enhancement Charges as approved by Federal Energy Regulatory Commission (FERC).

Date of Issue:

Issued by SCOTT S. JENNINGS, Vice President Finance – PSE&G  
80 Park Plaza, Newark, New Jersey 07102

Filed pursuant to Order of Board of Public Utilities dated  
in Docket No.

Effective:

**PUBLIC SERVICE ELECTRIC AND GAS COMPANY**

**XXX Revised Sheet No. 83**

**B.P.U.N.J. No. 15 ELECTRIC**

**Superseding**

**XXX Revised Sheet No. 83**

**BASIC GENERATION SERVICE – COMMERCIAL AND INDUSTRIAL ENERGY PRICING (CIEP)  
ELECTRIC SUPPLY CHARGES**

**(Continued)**

**BGS TRANSMISSION CHARGES**

**Charges per kilowatt of Transmission Obligation:**

Currently effective Annual Transmission Rate for Network Integration Transmission Service for the Public Service Transmission Zone as derived from the FERC Electric Tariff of the PJM Interconnection, LLC .....	\$ 101,196.71 per MW per year
PJM Reallocation.....	\$ 0.00 per MW per year
PJM Seams Elimination Cost Assignment Charges .....	\$ 0.00 per MW per month
PJM Reliability Must Run Charge.....	\$ 2.82 per MW per month
<b>PJM Transmission Enhancements</b>	
Trans-Allegheny Interstate Line Company .....	\$ 84.40 per MW per month
Virginia Electric and Power Company .....	\$ 88.04 per MW per month
Potomac-Appalachian Transmission Highline L.L.C. ....	(\$10.28) per MW per month
PPL Electric Utilities Corporation.....	\$ 50.71 per MW per month
American Electric Power Service Corporation .....	\$ 31.06 per MW per month
Atlantic City Electric Company .....	\$ 10.03 per MW per month
Delmarva Power and Light Company.....	\$ 0.32 per MW per month
Potomac Electric Power Company.....	\$ 2.86 per MW per month
Baltimore Gas and Electric Company.....	\$ 3.61 per MW per month
Jersey Central Power and Light .....	\$ 66.74 per MW per month
Mid Atlantic Interstate Transmission.....	\$ 7.24 per MW per month
PECO Energy Company.....	\$ 20.64 per MW per month

Above rates converted to a charge per kW of Transmission Obligation, applicable in all months.....	\$ 8.7911
Charge including New Jersey Sales and Use Tax (SUT) .....	\$ 9.3735

The above charges shall recover each customer's share of the overall summer peak transmission load assigned to the Public Service Transmission Zone by the PJM Interconnection, L.L.C. (PJM) as adjusted by PJM assigned transmission capacity related factors and shall be in accordance with Section 9.1, Measurement of Electric Service, of the Standard Terms and Conditions. These charges will be changed from time to time on the effective date of such charge to the PJM rate for charges for Network Integration Transmission Service, including the PJM Seams Elimination Cost Assignment Charges, the PJM Reliability Must Run Charge and PJM Transmission Enhancement Charges as approved by Federal Energy Regulatory Commission (FERC).

Kilowatt threshold noted above is based upon the customer's Peak Load Share of the overall summer peak load assigned to Public Service by the Pennsylvania-New Jersey-Maryland Office of the Interconnection (PJM). See Section 9.1, Measurement of Electric Service, of the Standard Terms and Conditions of this Tariff.

Date of Issue:

Issued by SCOTT S. JENNINGS, Vice President Finance – PSE&G  
80 Park Plaza, Newark, New Jersey 07102  
Filed pursuant to Order of Board of Public Utilities dated  
in Docket No.

Effective:

**Rider BGS-RSCP**  
**Basic Generation Service – Residential Small Commercial Pricing**  
**(Applicable to Service Classifications RS, RT, RGT, GS, GST, OL, SVL, MVL, ISL and LED)**

**2) BGS Transmission Charge per KWH:** As provided in the respective tariff for Service Classifications RS, RT, RGT, GS, GST, OL, SVL, MVL, ISL and LED. Effective September 1, 2017, a RMR (BL England) surcharge of **\$0.000131** per KWH (includes Sales and Use Tax as provided in Rider SUT) will be added to the BGS Transmission Charge applicable to all KWH usage. Effective January 1, 2018, a RMR (Yorktown) surcharge of **\$0.000011** per kWh (includes Sales and Use Tax as provided in Rider SUT) will be added to the BGS Transmission Charge applicable to all KWH usage.

Effective September 1, 2018, the following TEC surcharges (include Sales and Use Tax as provided in Rider SUT) will be added to the BGS Transmission Charge applicable to all KWH usage, except lighting under Service Classifications OL, SVL, MVL, ISL and LED:

TRAILCO-TEC surcharge of **\$0.000355** per KWH  
 PEPCO-TEC surcharge of **\$0.000012** per KWH  
 ACE-TEC surcharge of **\$0.000074** per KWH  
 Delmarva-TEC surcharge of **\$0.000001** per KWH  
 PPL-TEC surcharge of **\$0.000197** per KWH  
 BG&E-TEC surcharge of **\$0.000016** per KWH  
 PECO-TEC surcharge of **\$0.000062** per KWH

Effective February 10, 2018, the following TEC surcharges (include Sales and Use Tax as provided in Rider SUT) will be added to the BGS Transmission Charge applicable to all KWH usage, except lighting under Service Classifications OL, SVL, MVL, ISL and LED:

AEP-East-TEC surcharge of **\$0.000115** per KWH  
 PATH-TEC surcharge of **(\$0.000039)** per KWH  
 VEPCO-TEC surcharge of **\$0.000341** per KWH  
 PSEG-TEC surcharge of **\$0.001513** per KWH  
 MAIT-TEC surcharge of **\$0.000030** per KWH

**3) BGS Reconciliation Charge per KWH: (\$0.004284)** (includes Sales and Use Tax as provided in Rider SUT)

The above BGS Reconciliation Charge recovers the difference between the payments to BGS suppliers and the revenues from BGS customers for Basic Generation Service and is subject to quarterly true-up.

Issued:

Effective: September 1, 2018

Filed pursuant to Order of Board of Public Utilities  
 Docket No.    dated

Issued by James V. Fakult, President  
 300 Madison Avenue, Morristown, NJ 07962-1911

**Rider BGS-CIEP**  
**Basic Generation Service – Commercial Industrial Energy Pricing**  
 (Applicable to Service Classifications GP and GT and  
 Certain Customers under Service Classifications GS and GST)

**3) BGS Transmission Charge per KWH: (Continued)**

Effective September 1, 2018, the following TEC surcharges (include Sales and Use Tax as provided in Rider SUT) will be added to the BGS Transmission Charge applicable to all KWH usage:

	<u>TRAILCO-TEC</u>	<u>PEPCO-TEC</u>	<u>ACE-TEC</u>		
GS and GST	\$0.000355	\$0.000012	\$0.000074		
GP	\$0.000237	\$0.000009	\$0.000049		
GT	\$0.000215	\$0.000007	\$0.000045		
GT – High Tension Service	\$0.000053	\$0.000002	\$0.000011		
				<u>Delmarva-TEC</u>	<u>PPL-TEC</u>
GS and GST	\$0.000001	\$0.000197	\$0.000016	<u>BG&amp;E-TEC</u>	<u>PECO-TEC</u>
GP	\$0.000001	\$0.000131	\$0.000011	\$0.000011	\$0.000042
GT	\$0.000001	\$0.000119	\$0.000010	\$0.000010	\$0.000037
GT – High Tension Service	\$0.000000	\$0.000030	\$0.000002	\$0.000002	\$0.000010

Effective February 10, 2018, the following TEC surcharges (include Sales and Use Tax as provided in Rider SUT) will be added to the BGS Transmission Charge applicable to all KWH usage:

	<u>AEP-East-TEC</u>	<u>PATH-TEC</u>	<u>VEPCO-TEC</u>	<u>PSEG-TEC</u>
GS and GST	\$0.000115	(\$0.000039)	\$0.000341	\$0.001513
GP	\$0.000078	(\$0.000027)	\$0.000231	\$0.001024
GT	\$0.000073	(\$0.000025)	\$0.000213	\$0.000944
GT – High Tension Service	\$0.000018	(\$0.000006)	\$0.000052	\$0.000230
				<u>MAIT-TEC</u>
GS and GST	\$0.000030			
GP	\$0.000020			
GT	\$0.000019			
GT – High Tension Service	\$0.000004			

**4) BGS Reconciliation Charge per KWH: (\$0.002867)** (includes Sales and Use Tax as provided in Rider SUT)

The above BGS Reconciliation Charge recovers the difference between the payments to BGS suppliers and the revenues from BGS customers for Basic Generation Service and is subject to quarterly true-up.

Issued:

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 Docket No.      dated

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**SERVICE CLASSIFICATION NO. 1  
RESIDENTIAL SERVICE (Continued)**

**RATE – MONTHLY (Continued)**

(3) Transmission Charges

- (a) These charges apply to all customers taking Basic Generation Service from the Company. These charges are also applicable to customers located in the Company's Central and Western Divisions and obtaining Competitive Energy Supply. These charges are not applicable to customers located in the Company's Eastern Division and obtaining Competitive Energy Supply. The Company's Eastern, Central and Western Divisions are defined in General Information Section No. 1.

	<u>Summer Months*</u>	<u>Other Months</u>
All kWh ..... @	1.583 ¢ per kWh	1.583 ¢ per kWh

- (b) Transmission Surcharge – This charge is applicable to all customers taking Basic Generation Service from the Company and includes surcharges related to Reliability Must Run and Transmission Enhancement Charges.

All kWh ..... @	0.881 ¢ per kWh	0.881 ¢ per kWh
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(4) Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, and Securitization Charges

The provisions of the Company's Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, and Securitization Charges as described in General Information Section Nos. 33, 34, and 35, respectively, shall be assessed on all kWh delivered hereunder.

\* Definition of Summer Billing Months - June through September

(Continued)

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ISSUED:

EFFECTIVE:

ISSUED BY: Robert Sanchez, President  
Mahwah, New Jersey 07430

DRAFT

Revised Leaf No. 90  
Superseding Leaf No. 90

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**SERVICE CLASSIFICATION NO. 2  
GENERAL SERVICE (Continued)**

**RATE – MONTHLY (Continued)**

(3) Transmission Charges (Continued)

(b) Transmission Surcharge – This charge is applicable to all customers taking Basic Generation Service from the Company and includes surcharges related to Reliability Must Run and Transmission Enhancement Charges.

	<u>Summer Months*</u>	<u>Other Months</u>
<u>Secondary Voltage Service Only</u>		
All kWh .....@	0.547 ¢ per kWh	0.547 ¢ per kWh
<u>Primary Voltage Service Only</u>		
All kWh .....@	0.500 ¢ per kWh	0.500 ¢ per kWh

(4) Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, and Securitization Surcharges

The provisions of the Company's Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, and Securitization Charges as described in General Information Section Nos. 33, 34, and 35, respectively, shall be assessed on all kWh delivered hereunder.

\* Definition of Summer Billing Months - June through September

(Continued)

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ISSUED:

EFFECTIVE:

ISSUED BY: Robert Sanchez, President  
Mahwah, New Jersey 07430

**DRAFT**

Revised Leaf No. 96  
 Superseding Leaf No. 96

**SERVICE CLASSIFICATION NO. 3  
 RESIDENTIAL TIME-OF-DAY HEATING SERVICE (Continued)**

**RATE – MONTHLY (Continued)**

(3) Transmission Charge

(a) These charges apply to all customers taking Basic Generation Service from the Company. These charges are also applicable to customers located in the Company's Central and Western Divisions and obtaining Competitive Energy Supply. These charges are not applicable to customers located in the Company's Eastern Division and obtaining Competitive Energy Supply. The Company's Eastern, Central and Western Divisions are defined in General Information Section No. 1.

	<u>Summer Months*</u>	<u>Other Months</u>
<u>Peak</u>		
All kWh measured between 10:00 a.m. and 10:00 p.m., Monday through Friday .....@		
	1.583 ¢ per kWh	1.583 ¢ per kWh
<u>Off-Peak</u>		
All other kWh .....@		
	1.583 ¢ per kWh	1.583 ¢ per kWh

(b) Transmission Surcharge – This charge is applicable to all customers taking Basic Generation Service from the Company and includes surcharges related to Reliability Must Run and Transmission Enhancement Charges.

All kWh	.....@	<b>0.538</b> ¢ per kWh	<b>0.538</b> ¢ per kWh
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(4) Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, and Securitization Charges

The provisions of the Company's Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, and Securitization Charges, as described in General Information Section Nos. 33, 34, and 35, respectively, shall be assessed on all kWh delivered hereunder.

\* Definition of Summer Billing Months - June through September

(Continued)

ISSUED:

EFFECTIVE:

ISSUED BY: Robert Sanchez, President  
 Mahwah, New Jersey 07430

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**SERVICE CLASSIFICATION NO. 5  
RESIDENTIAL SPACE HEATING SERVICE (Continued)**

**RATE - MONTHLY (Continued)**

(3) Transmission Charge

(a) These charges apply to all customers taking Basic Generation Service from the Company. These charges are also applicable to customers located in the Company's Central and Western Divisions and obtaining Competitive Energy Supply. These charges are not applicable to customers located in the Company's Eastern Division and obtaining Competitive Energy Supply. The Company's Eastern, Central and Western Divisions are defined in General Information Section No. 1.

	<u>Summer Months*</u>	<u>Other Months</u>
All kWh ..... @	1.583 ¢ per kWh	1.583 ¢ per kWh

(b) Transmission Surcharge – This charge is applicable to all customers taking Basic Generation Service from the Company and includes surcharges related to Reliability Must Run and Transmission Enhancement Charges.

All kWh ..... @	0.584 ¢ per kWh	0.584 ¢ per kWh
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(4) Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, and Securitization Charges

The provisions of the Company's Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, and Securitization Charges as described in General Information Section Nos. 33, 34, and 35, respectively, shall be assessed on all kWh delivered hereunder.

\* Definition of Summer Billing Months - June through September

(Continued)

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ISSUED:

EFFECTIVE:

ISSUED BY: Robert Sanchez, President  
Mahwah, New Jersey 07430



**SERVICE CLASSIFICATION NO. 7  
 LARGE GENERAL TIME-OF-DAY SERVICE (Continued)**

**RATE– MONTHLY (Continued)**

(3) Transmission Charges (Continued)

(a) (Continued)

		<u>Primary</u>	<u>High Voltage Distribution</u>
<u>Demand Charge</u>			
Period I	All kW @	\$2.55 per kW	\$2.55 per kW
Period II	All kW @	0.67 per kW	0.67 per kW
Period III	All kW @	2.55 per kW	2.55 per kW
Period IV	All kW @	0.67 per kW	0.67 per kW

<u>Usage Charge</u>			
Period I	All kWh @	0.421 ¢ per kWh	0.421 ¢ per kWh
Period II	All kWh @	0.421 ¢ per kWh	0.421 ¢ per kWh
Period III	All kWh @	0.421 ¢ per kWh	0.421 ¢ per kWh
Period IV	All kWh @	0.421 ¢ per kWh	0.421 ¢ per kWh

(b) Transmission Surcharge – This charge is applicable to all customers taking Basic Generation Service from the Company and includes surcharges related to Reliability Must Run and Transmission Enhancement Charges.

		<u>Primary</u>	<u>High Voltage Distribution</u>
All Periods	All kWh @	0.356 ¢ per kWh	0.356 ¢ per kWh

(4) Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, and Securitization Charges

The provisions of the Company's Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, and Securitization Charges as described in General Information Section Nos. 33, 34, and 35 respectively, shall be assessed on all kWh delivered hereunder.

(Continued)

ISSUED:

EFFECTIVE:

ISSUED BY: Robert Sanchez, President  
 Mahwah, New Jersey 07430

**SERVICE CLASSIFICATION NO. 7  
LARGE GENERAL TIME-OF-DAY SERVICE (Continued)**

**SPECIAL PROVISIONS**

(A) Space Heating

Customers who take service under this classification for 10 kW or more of permanently installed space heating equipment may elect to have the electricity for this service billed separately. All monthly use shall be billed at a Distribution Charge of 3.173 ¢ per kWh during the billing months of October through May and 5.130 ¢ per kWh during the summer billing months, a Transmission Charge of 0.421 ¢ per kWh and a Transmission Surcharge of 0.356 ¢ per kWh during all billing months. The applicability of Transmission Charges and the Transmission Surcharge is described in Part (3) of RATE – MONTHLY.

When this option is requested it shall apply for at least 12 months and shall be subject to a minimum charge of \$26.87 per year per kW of space heating capacity. This provision applies for both heating and cooling where the two services are combined by the manufacturer in a single self-contained unit.

All usage under this Special Provision shall also be subject to Parts (4), (5), and (6) of RATE – MONTHLY. This Special Provision is not available to those customers taking high voltage distribution service.

This special provision is closed to new customers effective August 1, 2014.

(B) Budget Billing Plan

Any condominium association or cooperative housing corporation who takes service hereunder and any other customer taking service under Special Provision B of this Service Classification may, upon request, be billed monthly in accordance with the budget billing plan provided for in General Information Section 8 of this tariff.

(Continued)

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ISSUED:

EFFECTIVE:

ISSUED BY: Robert Sanchez, President  
Mahwah, New Jersey 07430

Attachment 2A

Cost Allocation of 2018/2019 TrailCo Schedule 12 Charges

Attachment 2B

Cost Allocation of 2018/2019 BG&E Schedule 12 Charges

Attachment 2C

Cost Allocation of 2018/2018 PPL Schedule 12 Charges

Attachment 2D

Cost Allocation of 2018/2019 ACE Schedule 12 Charges

Attachment 2E

Cost Allocation of 2018/2019 Delmarva Schedule 12 Charges

Attachment 2F

Cost Allocation of 2018/2019 PEPCO Schedule 12 Charges

Attachment 2G

Cost Allocation of 2018/2019 PECO Schedule 12 Charges

**Attachment 2A PJM Schedule 12 - Transmission Enhancement Charges for June 2018 - May 2019**  
**Calculation of costs and monthly PJM charges for Allegheny TrAILCo Projects**

Required Transmission Enhancement <i>per PJM website</i>	PJM Upgrade ID <i>per PJM spreadsheet</i>	June 2018-May 2019 Annual Revenue Requirement <i>per PJM website</i>	Responsible Customers - Schedule 12 Appendix				Estimated New Jersey EDC Zone Charges by Project				
			ACE Zone Share <sup>1</sup>	JCP&L Zone Share <sup>1</sup>	PSE&G Zone Share <sup>1</sup>	RE Zone Share <sup>1</sup>	ACE Zone Charges	JCP&L Zone Charges	PSE&G Zone Charges	RE Zone Charges	Total NJ Zones Charges
			<i>per PJM Open Access Transmission Tariff</i>								
502 Junction-Mt Storm-Meadowbrook (>=500kV) - CWIP <sup>1</sup>	b0328.1; b0328.2; b0347.1; b0347.2; b0347.3; b0347.4	\$ 116,390,367.10	1.66%	3.74%	6.26%	0.26%	\$1,932,080	\$4,353,000	\$7,286,037	\$302,615	\$13,873,732
Wylie Ridge <sup>2</sup>	b0218	\$ 2,327,769.14	11.83%	15.56%	0.00%	0.00%	\$275,375	\$362,201	\$0	\$0	\$637,576
Black Oak Meadowbrook 200 MVAR capacitor	b0216	\$ 4,809,312.08	1.66%	3.74%	6.26%	0.26%	\$79,835	\$179,868	\$301,063	\$12,504	\$573,270
Replace Kammer 765/500 kV TXfmr	b0559	\$ 653,969.56	1.66%	3.74%	6.26%	0.26%	\$10,856	\$24,458	\$40,938	\$1,700	\$77,953
Doubs TXfmr 2	b0495	\$ 3,959,496.93	1.66%	3.74%	6.26%	0.26%	\$65,728	\$148,085	\$247,865	\$10,295	\$471,972
Doubs TXfmr 3	b0343	\$ 521,436.22	1.85%	0.00%	0.00%	0.00%	\$9,647	\$0	\$0	\$0	\$9,647
Doubs TXfmr 4	b0344	\$ 477,541.75	1.86%	0.00%	0.00%	0.00%	\$8,882	\$0	\$0	\$0	\$8,882
New Osage 138KV Ckt	b0345	\$ 591,741.74	1.85%	0.00%	0.00%	0.00%	\$10,947	\$0	\$0	\$0	\$10,947
Cap at Grover 230 Upgrade transformer 500/230	b0674	\$ 2,021,189.84	0.00%	0.00%	0.25%	0.01%	\$0	\$0	\$5,053	\$202	\$5,255
Build a 300 MVAR Switched Shunt at Doubs 500kV	b0556	\$ 93,468.58	8.64%	18.30%	26.32%	0.98%	\$8,076	\$17,105	\$24,601	\$916	\$50,697
Install 500 MVAR svc at Hunterstown 500kV Sub	b1153	\$ 3,063,019.33	3.86%	12.95%	21.15%	0.74%	\$118,233	\$396,661	\$647,829	\$22,666	\$1,185,388
Install a new 600 MVAR SVC at Meadowbrook 500 kV	b1803	\$ 547,995.64	1.66%	3.74%	6.26%	0.26%	\$9,097	\$20,495	\$34,305	\$1,425	\$65,321
Build 250 MVAR svc at Altoona 230kV	b1800	\$ 4,824,064.07	1.66%	3.74%	6.26%	0.26%	\$80,079	\$180,420	\$301,986	\$12,543	\$575,028
Convert Moshannon sub to 4 breaker 230 kv ring bus	b1804	\$ 6,713,546.77	1.66%	3.74%	6.26%	0.26%	\$111,445	\$251,087	\$420,268	\$17,455	\$800,255
Build a 100 MVAR Fast Switched Shunt and 200 MVAR Switched Shunt at Mansfield 345 kV	b1801	\$ 3,979,083.16	6.48%	8.15%	8.19%	0.33%	\$257,845	\$324,295	\$325,887	\$13,131	\$921,158
	b1964	\$ 856,936.63	0.00%	5.48%	0.00%	0.00%	\$0	\$46,960	\$0	\$0	\$46,960
	b1802	\$ 155,919.37	6.48%	8.15%	8.19%	0.33%	\$10,104	\$12,707	\$12,770	\$515	\$36,095

Attachment 2A PJM Schedule 12 - Transmission Enhancement Charges for June 2018 - May 2019  
 Calculation of costs and monthly PJM charges for Allegheny TrAILCo Projects

Required Transmission Enhancement <i>per PJM website</i>	PJM Upgrade ID <i>per PJM spreadsheet</i>	June 2018-May 2019 Annual Revenue Requirement <i>per PJM website</i>	Responsible Customers - Schedule 12 Appendix				Estimated New Jersey EDC Zone Charges by Project				
			ACE Zone Share <sup>1</sup>	JCP&L Zone Share <sup>1</sup>	PSE&G Zone Share <sup>1</sup>	RE Zone Share <sup>1</sup>	ACE Zone Charges	JCP&L Zone Charges	PSE&G Zone Charges	RE Zone Charges	Total NJ Zones Charges
Install 100 MVAR capacitor at Johnstown 230 kV substation	b0555	\$ 153,191.13	8.64%	18.30%	26.32%	0.98%	\$13,236	\$28,034	\$40,320	\$1,501	\$83,091
Install 300 MVAR capacitor at Conemaugh 500 kV substation	b0376	\$ -	1.66%	3.74%	6.26%	0.26%	\$0	\$0	\$0	\$0	\$0
							<b>\$3,001,463</b>	<b>\$6,345,377</b>	<b>\$9,688,921</b>	<b>\$397,468</b>	<b>\$19,433,228</b>

Notes on calculations >>>

= (a) \* (b)      = (a) \* (c)      = (a) \* (d)      = (a) \* (e)      = (f) + (g) + (h) + (i)

	(k)	(l)	(m)	(n)	(o)	(p)
Zonal Cost Allocation for New Jersey Zones	Average Monthly Impact on Zone Customers in 18/19	2018TX Peak Load <i>per PJM website</i>	Rate in \$/MW-mo.	2018 Impact (7 months)	2019 Impact (5 months)	2018-2019 Impact (12 months)
PSE&G	\$ 807,410.08	9,566.9	\$ 84.40	\$ 5,651,871	\$ 4,037,050	\$ 9,688,921
JCP&L	\$ 528,781.40	5,721.0	\$ 92.43	\$ 3,701,470	\$ 2,643,907	\$ 6,345,377
ACE	\$ 250,121.88	2,540.8	\$ 98.44	\$ 1,750,853	\$ 1,250,609	\$ 3,001,463
RE	\$ 33,122.33	401.7	\$ 82.46	\$ 231,856	\$ 165,612	\$ 397,468
<b>Total Impact on NJ Zones</b>	<b>\$ 1,619,435.69</b>			<b>\$ 11,336,050</b>	<b>\$ 8,097,178</b>	<b>\$ 19,433,228</b>

Notes on calculations >>>

= (k) \* (l)      = (k) \* 7      = (k) \* 5      = (n) \* (o)

Notes:

1) 2018 allocation share percentages are from PJM OATT

**SCHEDULE 12 – APPENDIX**

**(14) Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0216 Install -100/+525 MVAR dynamic reactive device at Black Oak	As specified under the procedures detailed in Attachment H-18B, Section 1.b	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0218 Install third Wylie Ridge 500/345kV transformer	As specified under the procedures detailed in Attachment H-18B, Section 1.b	AEC (11.83%) / DPL (19.40%) / Dominion (13.81%) / JCPL (15.56%) / PECO (39.40%)
b0220 Upgrade coolers on Wylie Ridge 500/345 kV #7		AEC (11.83%) / DPL (19.40%) / Dominion (13.81%) / JCPL (15.56%) / PECO (39.40%)
b0229 Install fourth Bedington 500/138 kV		APS (50.98%) / BGE (13.42%) / DPL (2.03%) / Dominion (14.50%) / ME (1.43%) / PEPCO (17.64%)
b0230 Install fourth Meadowbrook 500/138 kV	As specified under the procedures detailed in Attachment H-18B, Section 1.b	APS (79.16%) / BGE (3.61%) / DPL (0.86%) / Dominion (11.75%) / ME (0.67%) / PEPCO (3.95%)

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C.

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0238 Reconductor Doubs – Dickerson and Doubs – Aqueduct 1200 MVA	As specified under the procedures detailed in Attachment H-18B, Section 1.b	BGE (16.66%) / Dominion (33.66%) / PEPCO (49.68%)
b0240 Open the Black Oak #3 500/138 kV transformer for the loss of Hatfield – Back Oak 500 kV line		APS (100%)
b0245 Replacement of the existing 954 ACSR conductor on the Bedington – Nipetown 138 kV line with high temperature/low sag conductor		APS (100%)
b0246 Rebuild of the Double Tollgate – Old Chapel 138 kV line with 954 ACSR conductor	As specified under the procedures detailed in Attachment H-18B, Section 1.b	APS (100%)
b0273 Open both North Shenandoah #3 transformer and Strasburg – Edinburgh 138 kV line for the loss of Mount Storm – Meadowbrook 572 500 kV		APS (100%)
b0322 Convert Lime Kiln substation to 230 kV operation		APS (100%)
b0323 Replace the North Shenandoah 138/115 kV transformer	As specified under the procedures detailed in Attachment H-18B, Section 1.b	APS (100%)

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C.

† Cost allocations associated with Regional Facilities and Necessary Lower Voltage Facilities associated with the project

†† Cost allocations associated with below 500 kV elements of the project

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0328.2 Build new Meadow Brook – Loudoun 500 kV circuit (20 of 50 miles)	As specified under the procedures detailed in Attachment H-18B, Section 1.b	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0343 Replace Doubs 500/230 kV transformer #2	As specified under the procedures detailed in Attachment H-18B, Section 1.b	AEC (1.85%) / BGE (21.49%) / DPL (3.91%) / Dominion (28.86%) / ME (2.97%) / PECO (5.73%) / PEPCO (35.19%)
b0344 Replace Doubs 500/230 kV transformer #3	As specified under the procedures detailed in Attachment H-18B, Section 1.b	AEC (1.86%) / BGE (21.50%) / DPL (3.91%) / Dominion (28.82%) / ME (2.97%) / PECO (5.74%) / PEPCO (35.20%)
b0345 Replace Doubs 500/230 kV transformer #4	As specified under the procedures detailed in Attachment H-18B, Section 1.b	AEC (1.85%) / BGE (21.49%) / DPL (3.90%) / Dominion (28.83%) / ME (2.98%) / PECO (5.75%) / PEPCO (35.20%)



**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0347.1 Build new Mt. Storm – 502 Junction 500 kV circuit	As specified under the procedures detailed in Attachment H-18B, Section 1.b	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0347.2 Build new Mt. Storm – Meadow Brook 500 kV circuit	As specified under the procedures detailed in Attachment H-18B, Section 1.b	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C.

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0347.3 Build new 502 Junction 500 kV substation	As specified under the procedures detailed in Attachment H-18B, Section 1.b	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0347.4 Upgrade Meadow Brook 500 kV substation	As specified under the procedures detailed in Attachment H-18B, Section 1.b	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C.

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0347.5	Replace Harrison 500 kV breaker HL-3	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0347.6	Upgrade (per ABB inspection) breaker HL-6	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0347.7	Upgrade (per ABB inspection) breaker HL-7	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0347.8	Upgrade (per ABB inspection) breaker HL-8	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

\*Neptune Regional Transmission System, LLC

\*\*East Coast Power, L.L.C.

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0347.9	Upgrade (per ABB inspection) breaker HL-10	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0347.10	Upgrade (per ABB Inspection) Hatfield 500 kV breakers HFL-1	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

\*Neptune Regional Transmission System, LLC

\*\*East Coast Power, L.L.C.

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0347.11	Upgrade (per ABB Inspection) Hatfield 500 kV breakers HFL-3	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0347.12	Upgrade (per ABB Inspection) Hatfield 500 kV breakers HFL-4	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

\*Neptune Regional Transmission System, LLC

\*\*East Coast Power, L.L.C

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0347.13	Upgrade (per ABB Inspection) Hatfield 500 kV breakers HFL-6	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0347.14	Upgrade (per ABB Inspection) Hatfield 500 kV breakers HFL-7	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

\*Neptune Regional Transmission System, LLC

\*\*East Coast Power, L.L.C.

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0347.15	Upgrade (per ABB Inspection) Hatfield 500 kV breakers HFL-9	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0347.16	Upgrade (per ABB inspection) Harrison 500 kV breaker 'HL-3'	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

\*Neptune Regional Transmission System, LLC

\*\*East Coast Power, L.L.C.



**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0347.17 Replace Meadow Brook 138 kV breaker 'MD-10'		AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0347.18 Replace Meadow Brook 138 kV breaker 'MD-11'		AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

\*Neptune Regional Transmission System, LLC

\*\*East Coast Power, L.L.C.

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0347.19	Replace Meadow Brook 138 kV breaker 'MD-12'	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0347.20	Replace Meadow Brook 138 kV breaker 'MD-13'	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

\*Neptune Regional Transmission System, LLC

\*\*East Coast Power, L.L.C.

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0347.21 Replace Meadow Brook 138 kV breaker 'MD-14'		AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0347.22 Replace Meadow Brook 138 kV breaker 'MD-15'		AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

\*Neptune Regional Transmission System, LLC

\*\*East Coast Power, L.L.C.

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0347.23 Replace Meadow Brook 138 kV breaker 'MD-16'		AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0347.24 Replace Meadow Brook 138 kV breaker 'MD-17'		AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

\*Neptune Regional Transmission System, LLC

\*\*East Coast Power, L.L.C.

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0347.25	Replace Meadow Brook 138 kV breaker 'MD-18'	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0347.26	Replace Meadow Brook 138 kV breaker 'MD-22#1 CAP'	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

\*Neptune Regional Transmission System, LLC

\*\*East Coast Power, L.L.C.

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0347.27	Replace Meadow Brook 138 kV breaker 'MD-4'	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0347.28	Replace Meadow Brook 138 kV breaker 'MD-5'	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0347.29	Replace Meadowbrook 138 kV breaker 'MD-6'	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

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**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0347.30	Replace Meadowbrook 138 kV breaker ‘MD-7’	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0347.31	Replace Meadowbrook 138 kV breaker ‘MD-8’	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

\*Neptune Regional Transmission System, LLC

\*\*East Coast Power, L.L.C.

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0347.32	Replace Meadowbrook 138 kV breaker ‘MD-9’	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPSCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0347.33	Replace Meadow Brook 138kV breaker ‘MD-1’	APS (100%)
b0347.34	Replace Meadow Brook 138kV breaker ‘MD-2’	APS (100%)
b0348	Upgrade Stonewall – Inwood 138 kV with 954 ACSR conductor	APS (100%)
b0373	Convert Doubs – Monocacy 138 kV facilities to 230 kV operation	AEC (1.82%) / APS (76.84%) / DPL (2.64%) / JCPL (4.53%) / ME (9.15%) / Neptune* (0.42%) / PPL (4.60%)
b0393	Replace terminal equipment at Harrison 500 kV and Belmont 500 kV	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPSCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)



**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0406.1	Replace Mitchell 138 kV breaker “#4 bank”	APS (100%)
b0406.2	Replace Mitchell 138 kV breaker “#5 bank”	APS (100%)
b0406.3	Replace Mitchell 138 kV breaker “#2 transf”	APS (100%)
b0406.4	Replace Mitchell 138 kV breaker “#3 bank”	APS (100%)
b0406.5	Replace Mitchell 138 kV breaker “Charlerio #2”	APS (100%)
b0406.6	Replace Mitchell 138 kV breaker “Charlerio #1”	APS (100%)
b0406.7	Replace Mitchell 138 kV breaker “Shepler Hill Jct”	APS (100%)
b0406.8	Replace Mitchell 138 kV breaker “Union Jct”	APS (100%)
b0406.9	Replace Mitchell 138 kV breaker “#1-2 138 kV bus tie”	APS (100%)
b0407.1	Replace Marlowe 138 kV breaker “#1 transf”	APS (100%)
b0407.2	Replace Marlowe 138 kV breaker “MBO”	APS (100%)
b0407.3	Replace Marlowe 138 kV breaker “BMA”	APS (100%)
b0407.4	Replace Marlowe 138 kV breaker “BMR”	APS (100%)
b0407.5	Replace Marlowe 138 kV breaker “WC-1”	APS (100%)

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**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0407.6	Replace Marlowe 138 kV breaker “R11”	APS (100%)
b0407.7	Replace Marlowe 138 kV breaker “W”	APS (100%)
b0407.8	Replace Marlowe 138 kV breaker “138 kV bus tie”	APS (100%)
b0408.1	Replace Trissler 138 kV breaker “Belmont 604”	APS (100%)
b0408.2	Replace Trissler 138 kV breaker “Edgelawn 90”	APS (100%)
b0409.1	Replace Weirton 138 kV breaker “Wylie Ridge 210”	APS (100%)
b0409.2	Replace Weirton 138 kV breaker “Wylie Ridge 216”	APS (100%)
b0410	Replace Glen Falls 138 kV breaker “McAlpin 30”	APS (100%)
b0417	Reconductor Mitchell – Shepler Hill Junction 138kV with 954 ACSR	APS (100%)

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0418	Install a breaker failure auto-restoration scheme at Cabot 500 kV for the failure of the #6 breaker	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPSCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0419	Install a breaker failure auto-restoration scheme at Bedington 500 kV for the failure of the #1 and #2 breakers	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPSCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0420	Operating Procedure to open the Black Oak 500/138 kV transformer #3 for the loss of Hatfield – Ronco 500 kV and the Hatfield #3 Generation	APS (100%)
b0445	Upgrade substation equipment and reconductor the Tidd – Mahans Lane – Weirton 138kV circuit with 954 ACSR	APS (100%)

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**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0460 Raise limiting structures on Albright – Bethelboro 138 kV to raise the rating to 175 MVA normal 214 MVA emergency		APS (100%)
b0491 Construct an Amos to Welton Spring to WV state line 765 kV circuit (APS equipment)	As specified under the procedures detailed in Attachment H-19B	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0492 Construct a Welton Spring to Kemptown 765 kV line (APS equipment)	As specified under the procedures detailed in Attachment H-19B	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0492.3 Replace Eastalco 230 kV breaker D-26		APS (100%)
b0492.4 Replace Eastalco 230 kV breaker D-28		APS (100%)

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**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0492.5	Replace Eastalco 230 kV breaker D-31	APS (100%)
b0495	Replace existing Kammer 765/500 kV transformer with a new larger transformer	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0533	Reconductor the Powell Mountain – Sutton 138 kV line	APS (100%)
b0534	Install a 28.61 MVAR capacitor on Sutton 138 kV	APS (100%)
b0535	Install a 44 MVAR capacitor on Dutch Fork 138 kV	APS (100%)
b0536	Replace Doubs circuit breaker DJ1	APS (100%)
b0537	Replace Doubs circuit breaker DJ7	APS (100%)
b0538	Replace Doubs circuit breaker DJ10	APS (100%)
b0572.1	Reconductor Albright – Mettiki – Williams – Parsons – Loughs Lane 138 kV with 954 ACSR	APS (100%)

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0572.2	Reconductor Albright – Mettiki – Williams – Parsons – Loughs Lane 138 kV with 954 ACSR	APS (100%)
b0573	Reconfigure circuits in Butler – Cabot 138 kV area	APS (100%)
b0577	Replace Fort Martin 500 kV breaker FL-1	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0584	Install 33 MVAR 138 kV capacitor at Necessity 138 kV	APS (100%)
b0585	Increase Cecil 138 kV capacitor size to 44 MVAR, replace five 138 kV breakers at Cecil due to increased short circuit fault duty as a result of the addition of the Prexy substation	APS (100%)
b0586	Increase Whiteley 138 kV capacitor size to 44 MVAR	APS (100%)

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**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements    Annual Revenue Requirement    Responsible Customer(s)

b0587	Reconductor AP portion of Tidd – Carnegie 138 kV and Carnegie – Weirton 138 kV with 954 ACSR		APS (100%)
b0588	Install a 40.8 MVAR 138 kV capacitor at Grassy Falls		APS (100%)
b0589	Replace five 138 kV breakers at Cecil		APS (100%)
b0590	Replace #1 and #2 breakers at Charleroi 138 kV		APS (100%)
b0591	Install a 25.2 MVAR capacitor at Seneca Caverns 138 kV		APS (100%)
b0673	Rebuild Elko – Carbon Center Junction using 230 kV construction		APS (100%)
b0674	Construct new Osage – Whiteley 138 kV circuit		APS (97.68%) / DL (0.96%) / PENELEC (1.09%) / ECP** (0.01%) / PSEG (0.25%) / RE (0.01%)
b0674.1	Replace the Osage 138 kV breaker ‘CollinsF126’		APS (100%)
b0675.1	Convert Monocacy - Walkersville 138 kV to 230 kV		AEC (1.02%) / APS (81.96%) / DPL (0.85%) / JCPL (1.75%) / ME (6.37%) / NEPTUNE* (0.15%) / PECO (3.09%) / PPL (2.24%) / PSEG (2.42%) / RE (0.09%) / ECP** (0.06%)
b0675.2	Convert Walkersville - Catoclin 138 kV to 230 kV		AEC (1.02%) / APS (81.96%) / DPL (0.85%) / JCPL (1.75%) / ME (6.37%) / NEPTUNE* (0.15%) / PECO (3.09%) / PPL (2.24%) / PSEG (2.42%) / RE (0.09%) / ECP** (0.06%)

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**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0675.3	Convert Ringgold - Catoctin 138 kV to 230 kV	AEC (1.02%) / APS (81.96%) / DPL (0.85%) / JCPL (1.75%) / ME (6.37%) / NEPTUNE* (0.15%) / PECO (3.09%) / PPL (2.24%) / PSEG (2.42%) / RE (0.09%) / ECP** (0.06%)
b0675.4	Convert Catoctin - Carroll 138 kV to 230 kV	AEC (1.02%) / APS (81.96%) / DPL (0.85%) / JCPL (1.75%) / ME (6.37%) / NEPTUNE* (0.15%) / PECO (3.09%) / PPL (2.24%) / PSEG (2.42%) / RE (0.09%) / ECP** (0.06%)
b0675.5	Convert portion of Ringgold Substation from 138 kV to 230 kV	AEC (1.02%) / APS (81.96%) / DPL (0.85%) / JCPL (1.75%) / ME (6.37%) / NEPTUNE* (0.15%) / PECO (3.09%) / PPL (2.24%) / PSEG (2.42%) / RE (0.09%) / ECP** (0.06%)
b0675.6	Convert Catoctin Substation from 138 kV to 230 kV	AEC (1.02%) / APS (81.96%) / DPL (0.85%) / JCPL (1.75%) / ME (6.37%) / NEPTUNE* (0.15%) / PECO (3.09%) / PPL (2.24%) / PSEG (2.42%) / RE (0.09%) / ECP** (0.06%)
b0675.7	Convert portion of Carroll Substation from 138 kV to 230 kV	AEC (1.02%) / APS (81.96%) / DPL (0.85%) / JCPL (1.75%) / ME (6.37%) / NEPTUNE* (0.15%) / PECO (3.09%) / PPL (2.24%) / PSEG (2.42%) / RE (0.09%) / ECP** (0.06%)
b0675.8	Convert Monocacy Substation from 138 kV to 230 kV	AEC (1.02%) / APS (81.96%) / DPL (0.85%) / JCPL (1.75%) / ME (6.37%) / NEPTUNE* (0.15%) / PECO (3.09%) / PPL (2.24%) / PSEG (2.42%) / RE (0.09%) / ECP** (0.06%)

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**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0675.9	Convert Walkersville Substation from 138 kV to 230 kV	AEC (1.02%) / APS (81.96%) / DPL (0.85%) / JCPL (1.75%) / ME (6.37%) / NEPTUNE* (0.15%) / PECO (3.09%) / PPL (2.24%) / PSEG (2.42%) / RE (0.09%) / ECP** (0.06%)
b0676.1	Reconductor Doubs - Lime Kiln (#207) 230kV	AEC (0.64%) / APS (86.70%) / DPL (0.53%) / JCPL (1.93%) / ME (4.04%) / NEPTUNE* (0.18%) / PECO (1.93%) / PENELEC (0.93%) / PSEG (2.92%) / RE (0.12%) / ECP** (0.08%)
b0676.2	Reconductor Doubs - Lime Kiln (#231) 230kV	AEC (0.64%) / APS (86.70%) / DPL (0.53%) / JCPL (1.93%) / ME (4.04%) / NEPTUNE* (0.18%) / PECO (1.93%) / PENELEC (0.93%) / PSEG (2.92%) / RE (0.12%) / ECP** (0.08%)
b0677	Reconductor Double Toll Gate – Riverton with 954 ACSR	APS (100%)
b0678	Reconductor Glen Falls - Oak Mound 138kV with 954 ACSR	APS (100%)
b0679	Reconductor Grand Point – Letterkenny with 954 ACSR	APS (100%)
b0680	Reconductor Greene – Letterkenny with 954 ACSR	APS (100%)
b0681	Replace 600/5 CT's at Franklin 138 kV	APS (100%)
b0682	Replace 600/5 CT's at Whiteley 138 kV	APS (100%)

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**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements    Annual Revenue Requirement    Responsible Customer(s)

b0684	Reconductor Guilford – South Chambersburg with 954 ACSR		APS (100%)
b0685	Replace Ringgold 230/138 kV #3 with larger transformer		APS (71.93%) / JCPL (4.17%) / ME (6.79%) / NEPTUNE* (0.38%) / PECO (4.05%) / PENELEC (5.88%) / ECP** (0.18%) / PSEG (6.37%) / RE (0.25%)
b0704	Install a third Cabot 500/138 kV transformer		APS (74.36%) / DL (2.73%) PENELEC (22.91%)
b0797	Advance n0321 (Replace Doubs Circuit Breaker DJ2)		APS(100%)
b0798	Advance n0322 (Replace Doubs Circuit Breaker DJ3)		APS(100%)
b0799	Advance n0323 (Replace Doubs Circuit Breaker DJ6)		APS(100%)
b0800	Advance n0327 (Replace Doubs Circuit Breaker DJ16)		APS(100%)
b0941	Replace Opequon 138 kV breaker 'BUSTIE'		APS(100%)
b0942	Replace Butler 138 kV breaker '#1 BANK'		APS(100%)
b0943	Replace Butler 138 kV breaker '#2 BANK'		APS(100%)
b0944	Replace Yukon 138 kV breaker 'Y-8'		APS(100%)
b0945	Replace Yukon 138 kV breaker 'Y-3'		APS(100%)

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**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0946	Replace Yukon 138 kV breaker 'Y-1'	APS(100%)
b0947	Replace Yukon 138 kV breaker 'Y-5'	APS(100%)
b0948	Replace Yukon 138 kV breaker 'Y-2'	APS(100%)
b0949	Replace Yukon 138 kV breaker 'Y-19'	APS(100%)
b0950	Replace Yukon 138 kV breaker 'Y-4'	APS(100%)
b0951	Replace Yukon 138 kV breaker 'Y-9'	APS(100%)
b0952	Replace Yukon 138 kV breaker 'Y-11'	APS(100%)
b0953	Replace Yukon 138 kV breaker 'Y-13'	APS(100%)
b0954	Replace Charleroi 138 kV breaker '#1 XFMR BANK'	APS(100%)
b0955	Replace Yukon 138 kV breaker 'Y-7'	APS(100%)
b0956	Replace Pruntytown 138 kV breaker 'P-9'	APS(100%)
b0957	Replace Pruntytown 138 kV breaker 'P-12'	APS(100%)
b0958	Replace Pruntytown 138 kV breaker 'P-15'	APS(100%)

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**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements    Annual Revenue Requirement    Responsible Customer(s)

b0959	Replace Charleroi 138 kV breaker '#2 XFMR BANK'		APS(100%)
b0960	Replace Pruntytown 138 kV breaker 'P-2'		APS(100%)
b0961	Replace Pruntytown 138 kV breaker 'P-5'		APS(100%)
b0962	Replace Yukon 138 kV breaker 'Y-18'		APS(100%)
b0963	Replace Yukon 138 kV breaker 'Y-10'		APS(100%)
b0964	Replace Pruntytown 138 kV breaker 'P-11'		APS(100%)
b0965	Replace Springdale 138 kV breaker '138E'		APS(100%)
b0966	Replace Pruntytown 138 kV breaker 'P-8'		APS(100%)
b0967	Replace Pruntytown 138 kV breaker 'P-14'		APS(100%)
b0968	Replace Ringgold 138 kV breaker '#3 XFMR BANK'		APS(100%)
b0969	Replace Springdale 138 kV breaker '138C'		APS(100%)
b0970	Replace Rivesville 138 kV breaker '#8 XFMR BANK'		APS(100%)
b0971	Replace Springdale 138 kV breaker '138F'		APS(100%)

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**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0972	Replace Belmont 138 kV breaker 'B-16'	APS(100%)
b0973	Replace Springdale 138 kV breaker '138G'	APS(100%)
b0974	Replace Springdale 138 kV breaker '138V'	APS(100%)
b0975	Replace Armstrong 138 kV breaker 'BROOKVILLE'	APS(100%)
b0976	Replace Springdale 138 kV breaker '138P'	APS(100%)
b0977	Replace Belmont 138 kV breaker 'B-17'	APS(100%)
b0978	Replace Springdale 138 kV breaker '138U'	APS(100%)
b0979	Replace Springdale 138 kV breaker '138D'	APS(100%)
b0980	Replace Springdale 138 kV breaker '138R'	APS(100%)
b0981	Replace Yukon 138 kV breaker 'Y-12'	APS(100%)
b0982	Replace Yukon 138 kV breaker 'Y-17'	APS(100%)
b0983	Replace Yukon 138 kV breaker 'Y-14'	APS(100%)
b0984	Replace Rivesville 138 kV breaker '#10 XFMR BANK'	APS(100%)
b0985	Replace Belmont 138 kV breaker 'B-14'	APS(100%)

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0986	Replace Armstrong 138 kV breaker 'RESERVE BUS'	APS(100%)
b0987	Replace Yukon 138 kV breaker 'Y-16'	APS(100%)
b0988	Replace Springdale 138 kV breaker '138T'	APS(100%)
b0989	Replace Edgelawn 138 kV breaker 'GOFF RUN #632'	APS(100%)
b0990	Change reclosing on Cabot 138 kV breaker 'C-9'	APS(100%)
b0991	Change reclosing on Belmont 138 kV breaker 'B-7'	APS(100%)
b0992	Change reclosing on Belmont 138 kV breaker 'B-12'	APS(100%)
b0993	Change reclosing on Belmont 138 kV breaker 'B-9'	APS(100%)
b0994	Change reclosing on Belmont 138 kV breaker 'B-19'	APS(100%)
b0995	Change reclosing on Belmont 138 kV breaker 'B-21'	APS(100%)
b0996	Change reclosing on Willow Island 138 kV breaker 'FAIRVIEW #84'	APS(100%)
b0997	Change reclosing on Cabot 138 kV breaker 'C-4'	APS(100%)
b0998	Change reclosing on Cabot 138 kV breaker 'C-1'	APS(100%)

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0999	Replace Redbud 138 kV breaker 'BUS TIE'	APS(100%)
b1022.1	Reconfigure the Peters to Bethel Park 138 kV line and Elrama to Woodville 138 kV line to create a 138 kV path from Woodville to Peters and a 138 kV path from Elrama to Bethel Park	APS (96.98%) / DL (3.02%)
b1022.3	Add static capacitors at Smith 138 kV	APS (96.98%) / DL (3.02%)
b1022.4	Add static capacitors at North Fayette 138 kV	APS (96.98%) / DL (3.02%)
b1022.5	Add static capacitors at South Fayette 138 kV	APS (96.98%) / DL (3.02%)
b1022.6	Add static capacitors at Manifold 138 kV	APS (96.98%) / DL (3.02%)
b1022.7	Add static capacitors at Houston 138 kV	APS (96.98%) / DL (3.02%)
b1023.1	Install a 500/138 kV transformer at 502 Junction	APS (100%)
b1023.2	Construct a new Franklin - 502 Junction 138 kV line including a rebuild of the Whiteley - Franklin 138 kV line to double circuit	APS (100%)
b1023.3	Construct a new 502 Junction - Osage 138 kV line	APS (100%)

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements    Annual Revenue Requirement    Responsible Customer(s)

b1023.4	Construct Braddock 138 kV breaker station that connects the Charleroi - Gordon 138 kV line, Washington - Franklin 138 kV line and the Washington - Vanceville 138 kV line including a 66 MVAR capacitor		APS (100%)
b1027	Increase the size of the shunt capacitors at Enon 138 kV		APS (100%)
b1028	Raise three structures on the Osage - Collins Ferry 138 kV line to increase the line rating		APS (100%)
b1128	Reconductor the Edgewater – Vasco Tap; Edgewater – Loyalhanna 138 kV lines with 954 ACSR		APS (100%)
b1129	Reconductor the East Waynesboro – Ringgold 138 kV line with 954 ACSR		APS (100%)
b1131	Upgrade Double Tollgate – Meadowbrook MDT Terminal Equipment		APS (100%)
b1132	Upgrade Double Tollgate-Meadowbrook MBG terminal equipment		APS (100%)
b1133	Upgrade terminal equipment at Springdale		APS (100%)
b1135	Reconductor the Bartonville – Meadowbrook 138 kV line with high temperature conductor		APS (100%)



**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1137	Reconductor the Eastgate – Luxor 138 kV; Eastgate – Sony 138 kV line with 954 ACSR	APS (78.59%) / PENELEC (14.08%) / ECP ** (0.23%) / PSEG (6.83%) / RE (0.27%)
b1138	Reconductor the King Farm – Sony 138 kV line with 954 ACSR	APS (100%)
b1139	Reconductor the Yukon – Waltz Mills 138 kV line with high temperature conductor	APS (100%)
b1140	Reconductor the Bracken Junction – Luxor 138 kV line with 954 ACSR	APS (100%)
b1141	Reconductor the Sewickley – Waltz Mills Tap 138 kV line with high temperature conductor	APS (100%)
b1142	Reconductor the Bartonsville – Stephenson 138 kV; Stonewall – Stephenson 138 kV line with 954 ACSR	APS (100%)
b1143	Reconductor the Youngwood – Yukon 138 kV line with high temperature conductor	APS (89.92%) / PENELEC (10.08%)
b1144	Reconductor the Bull Creek Junction – Cabot 138 kV line with high temperature conductor	APS (100%)

\*\* East Coast Power, L.L.C.

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1145	Reconductor the Lawson Junction – Cabot 138 kV line with high temperature conductor	APS (100%)
b1146	Replace Layton - Smithton #61 138 kV line structures to increase line rating	APS (100%)
b1147	Replace Smith – Yukon 138 kV line structures to increase line rating	APS (100%)
b1148	Reconductor the Loyalhanna – Luxor 138 kV line with 954 ACSR	APS (100%)
b1149	Reconductor the Luxor – Stony Springs Junction 138 kV line with 954 ACSR	APS (100%)
b1150	Upgrade terminal equipment at Social Hall	APS (100%)
b1151	Reconductor the Greenwood – Redbud 138 kV line with 954 ACSR	APS (100%)
b1152	Reconductor Grand Point – South Chambersburg	APS (100%)
b1159	Replace Peters 138 kV breaker ‘Bethel P OCB’	APS (100%)
b1160	Replace Peters 138 kV breaker ‘Cecil OCB’	APS (100%)
b1161	Replace Peters 138 kV breaker ‘Union JctOCB’	APS (100%)
b1162	Replace Double Toll Gate 138 kV breaker ‘DRB-2’	APS (100%)
b1163	Replace Double Toll Gate 138 kV breaker ‘DT 138 kV OCB’	APS (100%)

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1164	Replace Cecil 138 kV breaker ‘Enlow OCB’	APS (100%)
b1165	Replace Cecil 138 kV breaker ‘South Fayette’	APS (100%)
b1166	Replace Wylie Ridge 138 kV breaker ‘W-9’	APS (100%)
b1167	Replace Reid 138 kV breaker ‘RI-2’	APS (100%)
b1171.1	Install the second Black Oak 500/138 kV transformer, two 138 kV breaker, and related substation work	BGE (20.76%) / DPL (3.14%) / Dominion (39.55%) / ME (2.71%) / PECO (3.36%) / PEPSCO (30.48%)
b1171.3	Install six 500 kV breakers and remove BOL1 500 kV breaker at Black Oak	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPSCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b1200	Reconductor Double Toll Gate – Greenwood 138 kV with 954 ACSR conductor	APS (100%)
b1221.1	Convert Carbon Center from 138 kV to a 230 kV ring bus	APS (100%)
b1221.2	Construct Bear Run 230 kV substation with 230/138 kV transformer	APS (100%)

\*Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C.

\*\*\*Hudson Transmission Partners, LLC

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1221.3	Loop Carbon Center Junction – Williamette line into Bear Run	APS (100%)
b1221.4	Carbon Center – Carbon Center Junction & Carbon Center Junction – Bear Run conversion from 138 kV to 230 kV	APS (100%)
b1230	Reconductor Willow-Eureka & Eurkea-St Mary 138 kV lines	APS (100%)
b1232	Reconductor Nipetown – Reid 138 kV with 1033 ACCR	AEC (1.40%) / APS (75.74%) / DPL (1.92%) / JCPL (2.92%) / ME (6.10%) / Neptune (0.27%) / PECO (4.40%) / PENELEC (3.26%) / PPL (3.99%)
b1233.1	Upgrade terminal equipment at Washington	APS (100%)
b1234	Replace structures between Ridgeway and Paper city	APS (100%)
b1235	Reconductor the Albright – Black Oak AFA 138 kV line with 795 ACSS/TW	APS (30.25%) / BGE (16.10%) / Dominion (30.51%) / PEPCO (23.14%)
b1237	Upgrade terminal equipment at Albright, replace bus and line side breaker disconnects and leads, replace breaker risers, upgrade RTU and line	APS (100%)
b1238	Install a 138 kV 44 MVAR capacitor at Edgelawn substation	APS (100%)

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1239	Install a 138 kV 44 MVAR capacitor at Ridgeway substation	APS (100%)
b1240	Install a 138 kV 44 MVAR capacitor at Elko Substation	APS (100%)
b1241	Upgrade terminal equipment at Washington substation on the GE Plastics/DuPont terminal	APS (100%)
b1242	Replace structures between Collins Ferry and West Run	APS (100%)
b1243	Install a 138 kV capacitor at Potter Substation	APS (100%)
b1261	Replace Butler 138 kV breaker '1-2 BUS 138'	APS (100%)
b1383	Install 2nd 500/138 kV transformer at 502 Junction	APS (93.27%) / DL (5.39%) / PENELEC (1.34%)
b1384	Reconductor approximately 2.17 miles of Bedington – Shepherdstown 138 kV with 954 ACSR	APS (100%)
b1385	Reconductor Halfway – Paramount 138 kV with 1033 ACCR	APS (100%)
b1386	Reconductor Double Tollgate – Meadow Brook 138 kV ckt 2 with 1033 ACCR	APS (93.33%) / BGE (3.39%) / PEPCO (3.28%)
b1387	Reconductor Double Tollgate – Meadow Brook 138 kV	APS (93.33%) / BGE (3.39%) / PEPCO (3.28%)
b1388	Reconductor Feagans Mill – Millville 138 kV with 954 ACSR	APS (100%)

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1389	Reconductor Bens Run – St. Mary’s 138 kV with 954 ACSR	AEP (12.40%) / APS (17.80%) / DL (69.80%)
b1390	Replace Bus Tie Breaker at Opequon	APS (100%)
b1391	Replace Line Trap at Gore	APS (100%)
b1392	Replace structure on Belmont – Trissler 138 kV line	APS (100%)
b1393	Replace structures Kingwood – Pruntytown 138 kV line	APS (100%)
b1395	Upgrade Terminal Equipment at Kittanning	APS (100%)
b1401	Change reclosing on Pruntytown 138 kV breaker ‘P-16’ to 1 shot at 15 seconds	APS (100%)
b1402	Change reclosing on Rivesville 138 kV breaker ‘Pruntytown #34’ to 1 shot at 15 seconds	APS (100%)
b1403	Change reclosing on Yukon 138 kV breaker ‘Y21 Shepler’ to 1 shot at 15 seconds	APS (100%)
b1404	Replace the Kiski Valley 138 kV breaker ‘Vandergrift’ with a 40 kA breaker	APS (100%)
b1405	Change reclosing on Armstrong 138 kV breaker ‘GARETTRJCT’ at 1 shot at 15 seconds	APS (100%)

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1406	Change reclosing on Armstrong 138 kV breaker ‘KITTANNING’ to 1 shot at 15 seconds	APS (100%)
b1407	Change reclosing on Armstrong 138 kV breaker ‘BURMA’ to 1 shot at 15 seconds	APS (100%)
b1408	Replace the Weirton 138 kV breaker ‘Tidd 224’ with a 40 kA breaker	APS (100%)
b1409	Replace the Cabot 138 kV breaker ‘C9 Kiski Valley’ with a 40 kA breaker	APS (100%)
b1507.2	Terminal Equipment upgrade at Doubs substation	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1507.3	Mt. Storm – Doubs transmission line rebuild in Maryland – Total line mileage for APS is 2.71 miles	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b1510	Install 59.4 MVAR capacitor at Waverly	APS (100%)
b1672	Install a 230 kV breaker at Carbon Center	APS (100%)
b0539	Replace Doubs circuit breaker DJ11	APS (100%)
b0540	Replace Doubs circuit breaker DJ12	APS (100%)

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C.



**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0541	Replace Doubs circuit breaker DJ13	APS (100%)
b0542	Replace Doubs circuit breaker DJ20	APS (100%)
b0543	Replace Doubs circuit breaker DJ21	APS (100%)
b0544	Remove instantaneous reclose from Eastalco circuit breaker D-26	APS (100%)
b0545	Remove instantaneous reclose from Eastalco circuit breaker D-28	APS (100%)
b0559	Install 200 MVAR capacitor at Meadow Brook 500 kV substation	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPSCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0560	Install 250 MVAR capacitor at Kemptown 500 kV substation	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPSCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

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**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1803 Build a 300 MVAR Switched Shunt at Doubs 500 kV and increase (~50 MVAR) in size the existing Switched Shunt at Doubs 500 kV		AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b1804 Install a new 600 MVAR SVC at Meadowbrook 500kV		AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b1816.1 Replace relaying at the Mt. Airy substation on the Carroll - Mt. Airy 230 kV line		APS (100%)

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\*\* East Coast Power, L.L.C.

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1816.2	Adjust the control settings of all existing capacitors at Mt Airy 34.5kV, Monocacy 138kV, Ringgold 138kV served by Potomac Edison's Eastern 230 kV network to ensure that all units will be on during the identified N-1-1 contingencies	APS (100%)
b1816.3	Replace existing unidirectional LTC controller on the No. 4, 230/138 kV transformer at Carroll substation with a bidirectional unit	APS (100%)
b1816.4	Isolate and bypass the 138 kV reactor at Germantown Substation	APS (100%)
b1816.6	Replace 336.4 ACSR conductor on the Catoctin - Carroll 138 kV line using 556.5 ACSR (26/7) or equivalent on existing structures (12.7 miles), 800 A wave traps at Carroll and Catoctin with 1200 A units, and 556.5 ACSR SCCIR (Sub-conductor) line risers and bus traps with 795 ACSR or equivalent	APS (100%)

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1822	Replace the 1200 A wave trap, line risers, breaker risers with 1600 A capacity terminal equipment at Reid 138 kV SS	APS (100%)
b1823	Replace the 800 A wave trap with a 1200 A wave trap at Millville 138 kV substation	APS (100%)
b1824	Reconductor Grant Point - Guilford 138kV line approximately 8 miles of 556 ACSR with 795 ACSR	APS (100%)
b1825	Replace the 800 Amp line trap at Butler 138 kV Sub on the Cabot East 138 kV line	APS (100%)
b1826	Change the CT ratio at Double Toll Gate 138 kV SS on MDT line	APS (100%)
b1827	Change the CT ratio at Double Toll Gate 138 kV SS on MBG line	APS (100%)
b1828.1	Reconductor the Bartonville – Stephenson 3.03 mile 138 kV line of 556 ACSR with 795 ACSR	APS (100%)

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1828.2 Reconductor the Stonewall – Stephenson 2.08 mile 138 kV line of 556 ACSR with 795 ACSR		APS (100%)
b1829 Replace the existing 138 kV 556.5 ACSR substation conductor risers with 954 ACSR at the Redbud 138 kV substation, including but not limited to the line side disconnect leads		APS (100%)
b1830 Replace 1200 A wave trap and 1024 ACAR breaker risers at Halfway 138 kV substation, and replace 1024 ACAR breaker risers at Paramount 138 kV substation		APS (100%)
b1832 Replace the 1200 A line side and bus side disconnect switches with 1600 A switches, replace bus side, line side, and disconnect leads at Lime Kiln SS on the Doubs - Lime Kiln 1 (207) 230 kV line terminal		APS (100%)
b1833 Replace the 1200 A line side and bus side disconnect switches with 1600 A switches, replace bus side, line side, and disconnect leads at Lime Kiln SS on the Doubs - Lime Kiln 2 (231) 230 kV line terminal		APS (100%)

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1835 Reconductor 14.3 miles of 556 ACSR with 795 ACSR from Old Chapel to Millville 138 kV and upgrade line risers at Old Chapel 138 kV and Millville 138 kV and replace 1200 A wave trap at Millville 138 kV		APS (37.68%) / Dominion (34.46%) / PEPCO (13.69%) / BGE (11.45%) / ME (2.01%) / PENELEC (0.53%) / DL (0.18%)
b1836 Replace 1200 A wave trap with 1600 A wave trap at Reid 138 kV SS		APS (100%)
b1837 Replace 750 CU breaker risers with 795 ACSR at Marlowe 138 kV and replace 1200 A wave traps with 1600 A wave traps at Marlowe 138 kV and Bedington 138 kV		APS (100%)
b1838 Replace the 1200 A Bedington 138 kV line air switch and the 1200 A 138 kV bus tie air switch at Nipetown 138 kV with 1600 A switches		APS (100%)
b1839 Install additional 33 MVAR capacitors at Grand Point 138 kV SS and Guildford 138 kV SS		APS (100%)

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\*\* East Coast Power, L.L.C.

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1840	Construct a 138 kV line between Buckhannon and Weston 138 kV substations	APS (100%)
b1902	Replace line trap at Stonewall on the Stephenson 138 kV line terminal	APS (100%)
b1941	Loop the Homer City-Handsome Lake 345 kV line into the Armstrong substation and install a 345/138 kV transformer at Armstrong	APS (67.86%) / PENELEC (32.14%)
b1942	Change the CT ratio at Millville to improve the Millville – Old Chapel 138 kV line ratings	APS (100%)
b1964	Convert Moshannon substation to a 4 breaker 230 kV ring bus	APS (41.06%) / DPL (6.68%) / JCPL (5.48%) / ME (10.70%) / Neptune* (0.53%) / PECO (15.53%) / PPL (20.02%)
b1965	Install a 44 MVAR 138 kV capacitor at Luxor substation	APS (100%)
b1986	Upgrade the AP portion of the Elrama – Mitchell 138 kV line by replace breaker risers on the Mitchell 138 kV bus on the Elrama terminal	APS (100%)
b1987	Reconductor the Osage-Collins Ferry 138 kV line with 795 ACSS. Upgrade terminal equipment at Osage and Collins Ferry	APS (100%)

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1988	Raise structures between Lake Lynn and West Run to eliminate the clearance de-rates on the West Run – Lake Lynn 138 kV line	APS (100%)
b1989	Raise structures between Collins Ferry and West Run to eliminate the clearance de-rates on the Collins Ferry - West Run 138 kV line	APS (100%)
b2095	Replace Weirt 138 kV breaker 'S-TORONTO226' with 63kA rated breaker	APS (100%)
b2096	Revise the reclosing of Weirt 138 kV breaker '2&5 XFMR'	APS (100%)
b2097	Replace Ridgeley 138 kV breaker '#2 XFMR OCB'	APS (100%)
b2098	Revise the reclosing of Ridgeley 138 kV breaker 'AR3' with 40kA rated breaker	APS (100%)
b2099	Revise the reclosing of Ridgeley 138 kV breaker 'RC1'	APS (100%)
b2100	Replace Ridgeley 138 kV breaker 'WC4' with 40kA rated breaker	APS (100%)
b2101	Replace Ridgeley 138 kV breaker '1 XFMR OCB' with 40kA rated breaker	APS (100%)
b2102	Replace Armstrong 138 kV breaker 'GARETTRJCT' with 40kA rated breaker	APS (100%)

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**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b2103	Replace Armstrong 138 kV breaker 'BURMA' with 40kA rated breaker	APS (100%)
b2104	Replace Armstrong 138 kV breaker 'KITTANNING' with 40kA rated breaker	APS (100%)
b2105	Replace Armstrong 138 kV breaker 'KISSINGERJCT' with 40kA rated breaker	APS (100%)
b2106	Replace Wylie Ridge 345 kV breaker 'WK-1' with 63kA rated breaker	APS (100%)
b2107	Replace Wylie Ridge 345 kV breaker 'WK-2' with 63kA rated breaker	APS (100%)
b2108	Replace Wylie Ridge 345 kV breaker 'WK-3' with 63kA rated breaker	APS (100%)
b2109	Replace Wylie Ridge 345 kV breaker 'WK-4' with 63kA rated breaker	APS (100%)
b2110	Replace Wylie Ridge 345 kV breaker 'WK-6' with 63kA rated breaker	APS (100%)
b2111	Replace Wylie Ridge 138 kV breaker 'WK-7' with 63kA rated breaker	APS (100%)
b2112	Replace Wylie Ridge 345 kV breaker 'WK-5'	APS (100%)
b2113	Replace Weirton 138 kV breaker 'NO 6 XFMR' with 63kA rated breaker	APS (100%)
b2114	Replace Armstrong 138 kV breaker 'Bus-Tie' (Status On-Hold pending retirement)	APS (100%)

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b2124.1	Add a new 138 kV line exit	APS (100%)
b2124.2	Construct a 138 kV ring bus and install a 138/69 kV autotransformer	APS (100%)
b2124.3	Add new 138 kV line exit and install a 138/25 kV transformer	APS (100%)
b2124.4	Construct approximately 5.5 miles of 138 kV line	APS (100%)
b2124.5	Convert approximately 7.5 miles of 69 kV to 138 kV	APS (100%)
b2156	Install a 75 MVAR 230 kV capacitor at Shingletown Substation	APS (100%)
b2165	Replace 800A wave trap at Stonewall with a 1200 A wave trap	APS (100%)
b2166	Reconductor the Millville – Sleepy Hollow 138kV 4.25 miles of 556 ACSR with 795 ACSR, upgrade line risers at Sleepy Hollow, and change 1200 A CT tap at Millville to 800	APS (100%)
b2168	For Grassy Falls 138kV Capacitor bank adjust turn-on voltage to 1.0pu with a high limit of 1.04pu, For Crupperneck and Powell Mountain 138kV Capacitor Banks adjust turn-on voltage to 1.01pu with a high limit of 1.035pu	APS (100%)

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)	
b2169	Replace/Raise structures on the Yukon-Smithton 138 kV line section to eliminate clearance de-rate		APS (100%)
b2170	Replace/Raise structures on the Smithton-Shepler Hill Jct 138 kV line section to eliminate clearance de-rate		APS (100%)
b2171	Replace/Raise structures on the Parsons-William 138 kV line section to eliminate clearance de-rate		APS (100%)
b2172	Replace/Raise structures on the Parsons - Loughs Lane 138 kV line section to eliminate clearance de-rate		APS (100%)

**SCHEDULE 12 – APPENDIX A**

**(14) Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b2117	Reconductor 0.33 miles of the Parkersburg - Belpre line and upgrade Parkersburg terminal equipment	APS (100%)
b2118	Add 44 MVAR Cap at New Martinsville	APS (100%)
b2120	Six-Wire Lake Lynn - Lardin 138 kV circuits	APS (100%)
b2142	Replace Weirton 138 kV breaker “Wylie Ridge 210” with 63 kA breaker	APS (100%)
b2143	Replace Weirton 138 kV breaker “Wylie Ridge 216” with 63 kA breaker	APS (100%)
b2174.8	Replace relays at Mitchell substation	APS (100%)
b2174.9	Replace primary relay at Piney Fork substation	APS (100%)
b2174.10	Perform relay setting changes at Bethel Park substation	APS (100%)
b2213	Armstrong Substation: Relocate 138 kV controls from the generating station building to new control building	APS (100%)
b2214	Albright Substation: Install a new control building in the switchyard and relocate controls and SCADA equipment from the generating station building the new control center	APS (100%)
b2215	Rivesville Switching Station: Relocate controls and SCADA equipment from the generating station building to new control building	APS (100%)

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b2216	Willow Island: Install a new 138 kV cross bus at Belmont Substation and reconnect and reconfigure the 138 kV lines to facilitate removal of the equipment at Willow Island switching station	APS (100%)
b2235	130 MVAR reactor at Monocacy 230 kV	APS (100%)
b2260	Install a 32.4 MVAR capacitor at Bartonville	APS (100%)
b2261	Install a 33 MVAR capacitor at Damascus	APS (100%)
b2267	Replace 1000 Cu substation conductor and 1200 amp wave trap at Marlowe	APS (100%)
b2268	Reconductor 6.8 miles of 138kV 336 ACSR with 336 ACSS from Double Toll Gate to Riverton	APS (100%)
b2299	Reconductor from Collins Ferry - West Run 138 kV with 556 ACSS	APS (100%)
b2300	Reconductor from Lake Lynn - West Run 138 kV	APS (100%)
b2341	Install 39.6 MVAR Capacitor at Shaffers Corner 138 kV Substation	APS (100%)
b2342	Construct a new 138 kV switching station (Shuman Hill substation), which is next the Mobley 138 kV substation and install a 31.7 MVAR capacitor	APS (100%)
b2343	Install a 31.7 MVAR capacitor at West Union 138 kV substation	APS (100%)

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b2362	Install a 250 MVAR SVC at Squab Hollow 230 kV	APS (100%)
b2362.1	Install a 230 kV breaker at Squab Hollow 230 kV substation	APS (100%)
b2363	Convert the Shingletown 230 kV bus into a 6 breaker ring bus	APS (100%)
b2364	Install a new 230/138 kV transformer at Squab Hollow 230 kV substation. Loop the Forest - Elko 230 kV line into Squab Hollow. Loop the Brookville - Elko 138 kV line into Squab Hollow	APS (100%)
b2412	Install a 44 MVAR 138 kV capacitor at the Hempfield 138 kV substation	APS (100%)
b2433.1	Install breaker and a half 138 kV substation (Waldo Run) with 4 breakers to accommodate service to MarkWest Sherwood Facility including metering which is cut into Glen Falls Lamberton 138 kV line	APS (100%)
b2433.2	Install a 70 MVAR SVC at the new WaldoRun 138 kV substation	APS (100%)
b2433.3	Install two 31.7 MVAR capacitors at the new WaldoRun 138 kV substation	APS (100%)
b2424	Replace the Weirton 138 kV breaker 'WYLIE RID210' with 63 kA breakers	APS (100%)
b2425	Replace the Weirton 138 kV breaker 'WYLIE RID216' with 63 kA breakers	APS (100%)

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b2426	Replace the Oak Grove 138 kV breaker 'OG1' with 63 kA breakers	APS (100%)
b2427	Replace the Oak Grove 138 kV breaker 'OG2' with 63 kA breakers	APS (100%)
b2428	Replace the Oak Grove 138 kV breaker 'OG3' with 63 kA breakers	APS (100%)
b2429	Replace the Oak Grove 138 kV breaker 'OG4' with 63 kA breakers	APS (100%)
b2430	Replace the Oak Grove 138 kV breaker 'OG5' with 63 kA breakers	APS (100%)
b2431	Replace the Oak Grove 138 kV breaker 'OG6' with 63 kA breakers	APS (100%)
b2432	Replace the Ridgeley 138 kV breaker 'RC1' with a 40 kA rated breaker	APS (100%)
b2440	Replace the Cabot 138kV breaker 'C9-KISKI VLY' with 63kA	APS (100%)
b2472	Replace the Ringgold 138 kV breaker 'RCM1' with 40kA breakers	APS (100%)
b2473	Replace the Ringgold 138 kV breaker '#4 XMFR' with 40kA breakers	APS (100%)
b2475	Construct a new line between Oak Mound 138 kV substation and Waldo Run 138 kV substation	APS (100%)
b2545.1	Construct a new 138 kV substation (Shuman Hill substation) connected to the Fairview –Willow Island (84) 138kV line	APS (100%)

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b2545.2	Install a ring bus station with five active positions and two 52.8 MVAR capacitors with 0.941 mH reactors	APS (100%)
b2545.3	Install a +90/-30 MVAR SVC protected by a 138 kV breaker	APS (100%)
b2545.4	Remove the 31.7 MVAR capacitor bank at Mobley 138 kV	APS (100%)
b2546	Install a 51.8 MVAR (rated) 138 kV capacitor at Nyswaner 138 kV substation	APS (100%)
b2547.1	Construct a new 138 kV six breaker ring bus Hillman substation	APS (100%)
b2547.2	Loop Smith- Imperial 138 kV line into the new Hillman substation	APS (100%)
b2547.3	Install +125/-75 MVAR SVC at Hillman substation	APS (100%)
b2547.4	Install two 31.7 MVAR 138 kV capacitors	APS (100%)
b2548	Eliminate clearance de-rate on Wylie Ridge – Smith 138 kV line and upgrade terminals at Smith 138 kV, new line ratings 294 MVA (Rate A)/350 MVA (Rate B)	APS (100%)
b2612.1	Relocate All Dam 6 138 kV line and the 138 kV line to AE units 1&2	APS (100%)
b2612.2	Install 138 kV, 3000A bus-tie breaker in the open bus-tie position next to the Shaffers corner 138 kV line	APS (100%)



**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b2612.3	Install a 6-pole manual switch, foundation, control cable, and all associated facilities	APS (100%)
b2666	Yukon 138 kV Breaker Replacement	APS (100%)
b2666.1	Replace Yukon 138 kV breaker "Y-11(CHARL1)" with an 80 kA breaker	APS (100%)
b2666.2	Replace Yukon 138 kV breaker "Y-13(BETHEL)" with an 80 kA breaker	APS (100%)
b2666.3	Replace Yukon 138 kV breaker "Y-18(CHARL2)" with an 80 kA breaker	APS (100%)
b2666.4	Replace Yukon 138 kV breaker "Y-19(CHARL2)" with an 80 kA breaker	APS (100%)
b2666.5	Replace Yukon 138 kV breaker "Y-4(4B-2BUS)" with an 80 kA breaker	APS (100%)
b2666.6	Replace Yukon 138 kV breaker "Y-5(LAYTON)" with an 80 kA breaker	APS (100%)
b2666.7	Replace Yukon 138 kV breaker "Y-8(HUNTING)" with an 80 kA breaker	APS (100%)
b2666.8	Replace Yukon 138 kV breaker "Y-9(SPRINGD)" with an 80 kA breaker	APS (100%)
b2666.9	Replace Yukon 138 kV breaker "Y-10(CHRL-SP)" with an 80 kA breaker	APS (100%)
b2666.10	Replace Yukon 138 kV breaker "Y-12(1-1BUS)" with an 80 kA breaker	APS (100%)
b2666.11	Replace Yukon 138 kV breaker "Y-14(4-1BUS)" with an 80 kA breaker	APS (100%)

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b2666.12	Replace Yukon 138 kV breaker "Y-2(1B-BETHE)" with an 80 kA breaker	APS (100%)
b2666.13	Replace Yukon 138 kV breaker "Y-21(SHEPJ)" with an 80 kA breaker	APS (100%)
b2666.14	Replace Yukon 138 kV breaker "Y-22(SHEPHJT)" with an 80 kA breaker	APS (100%)
b2672	Change CT Ratio at Seneca Caverns from 120/1 to 160/1 and adjust relay settings accordingly	APS (100%)
b2688.3	Carroll Substation: Replace the Germantown 138 kV wave trap, upgrade the bus conductor and adjust CT ratios	AEP (12.91%) / APS (19.04%) / ATSI (1.24%) / ComEd (0.35%) / Dayton (1.45%) / DEOK (2.30%) / DL (1.11%) / Dominion (44.85%) / EKPC (0.78%) / PEPCO (15.85%) / RECO (0.12%)
b2689.3	Upgrade terminal equipment at structure 27A	APS (100%)
b2696	Upgrade 138 kV substation equipment at Butler, Shanor Manor and Krendale substations. New rating of line will be 353 MVA summer normal/422 MVA emergency	APS (100%)
b2700	Remove existing Black Oak SPS	APS (100%)
b2743.6	Reconfigure the Ringgold 230 kV substation to double bus double breaker scheme	AEP (6.46%) / APS (8.74%) / BGE (19.74%) / ComEd (2.16%) / Dayton (0.59%) / DEOK (1.02%) / DL (0.01%) / Dominion (39.95%) / EKPC (0.45%) / PEPCO (20.88%)

**Monongahela Power Company, The Potomac Edison Company, and West Penn Power Company, all doing business as Allegheny Power (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b2743.6.1	Replace the two Ringgold 230/138 kV transformers	AEP (6.46%) / APS (8.74%) / BGE (19.74%) / ComEd (2.16%) / Dayton (0.59%) / DEOK (1.02%) / DL (0.01%) / Dominion (39.95%) / EKPC (0.45%) / PEPCO (20.88%)
b2743.7	Rebuild/Reconductor the Ringgold – Catoctin 138 kV circuit and upgrade terminal equipment on both ends	AEP (6.46%) / APS (8.74%) / BGE (19.74%) / ComEd (2.16%) / Dayton (0.59%) / DEOK (1.02%) / DL (0.01%) / Dominion (39.95%) / EKPC (0.45%) / PEPCO (20.88%)
b2763	Replace the breaker risers and wave trap at Bredinville 138 kV substation on the Cabrey Junction 138 kV terminal	APS (100%)
b2764	Upgrade Fairview 138 kV breaker risers and disconnect leads; Replace 500 CU breaker risers and 556 ACSR disconnect leads with 795 ACSR	APS (100%)

Attachment 2B PJM Schedule 12 - Transmission Enhancement Charges for June 2018 - May 2019  
 Calculation of costs and monthly PJM charges for BG&E

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	
Required Transmission Enhancement <i>per PJM website</i>	PJM Upgrade ID <i>per PJM spreadsheet</i>	June 2018 - May 2019 Annual Revenue Requirement <i>per PJM website</i>	Responsible Customers - Schedule 12 Appendix				Estimated New Jersey EDC Zone Charges by Project				
			ACE Zone Share <sup>1</sup> <i>per PJM Open Access Transmission Tariff</i>	JCP&L Zone Share <sup>1</sup>	PSE&G Zone Share <sup>1</sup>	RE Zone Share <sup>1</sup>	ACE Zone Charges	JCP&L Zone Charges	PSE&G Zone Charges	RE Zone Charges	Total NJ Zones Charges
Install a second Conastone – Graceton 230 kV circuit	b0497	\$ 2,934,126	9.03%	9.67%	14.11%	0.52%	\$264,952	\$283,730	\$414,005	\$15,257	\$977,944
install new 500 kV transmission from Possum Point to Calvert Cliffs	b0512	\$ 1,687	1.66%	3.74%	6.26%	0.26%	\$28	\$63	\$106	\$4	\$201
<b>Totals</b>		\$ -					\$0	\$0	\$0	\$0	\$0
							<b>\$264,980</b>	<b>\$283,793</b>	<b>\$414,111</b>	<b>\$15,262</b>	<b>\$978,145</b>

Notes on calculations >>>

= (a) \* (b)      = (a) \* (c)      = (a) \* (d)      = (a) \* (e)      = (f) + (g) + (h) + (i)

	(k)	(l)	(m)	(n)	(o)	(p)
Zonal Cost Allocation for New Jersey Zones	Average Monthly Impact on Zone Customers in 18/19	2018TX Peak Load <i>per PJM website</i>	Rate in \$/MW-mo.	2018 Impact (7 months)	2019 Impact (5 months)	2018-2019 Impact (12 months)
PSE&G	\$ 34,509.23	9,566.9	\$ 3.61	\$ 241,565	\$ 172,546	\$ 414,111
JCP&L	\$ 23,649.42	5,721.0	\$ 4.13	\$ 165,546	\$ 118,247	\$ 283,793
ACE	\$ 22,081.63	2,540.8	\$ 8.69	\$ 154,571	\$ 110,408	\$ 264,980
RE	\$ 1,271.82	401.7	\$ 3.17	\$ 8,903	\$ 6,359	\$ 15,262
<b>Total Impact on NJ Zones</b>	<b>\$ 81,512.11</b>			<b>\$ 570,585</b>	<b>\$ 407,561</b>	<b>\$ 978,145</b>

Notes on calculations >>>

= (k) \* (l)      = (k) \* 7      = (k) \* 5      = (n) \* (o)

Notes:

1) 2018 allocation share percentages are from PJM OATT

## SCHEDULE 12 – APPENDIX

### (2) Baltimore Gas and Electric Company

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0152	Add (2) 230 kV Breakers at High Ridge and install two Northwest 230 kV 120 MVAR capacitors	BGE (100%)
b0244	Install a 4 <sup>th</sup> Waugh Chapel 500/230kV transformer, terminate the transformer in a new 500 kV bay and operate the existing in-service spare transformer on standby	BGE (85.56%) / ME (0.83%) / PEPCO (13.61%)
b0298	Replace both Conastone 500/230 kV transformers with larger transformers	As specified in Attachment H-2A, Attachment 7, the Transmission Enhancement Charge Worksheet
b0298.1	Replace Conastone 230 kV breaker 500-3/2323	BGE (100%)
b0474	Add a fourth 230/115 kV transformer, two 230 kV circuit breakers and a 115 kV breaker at Waugh Chapel	BGE (100%)
b0475	Create two 230 kV ring buses at North West, add two 230/ 115 kV transformers at North West and create a new 115 kV station at North West	BGE (100%)
b0476	Rebuild High Ridge 230 kV substation to Breaker and Half configuration	BGE (100%)
b0477	Replace the Waugh Chapel 500/230 kV transformer #1 with three single phase transformers	BGE (90.56%) / ME (1.51%) / PECO (.92%) / PEPCO (4.01%) / PPL (3.00%)

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C.

**Baltimore Gas and Electric Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0497	Install a second Conastone – Graceton 230 kV circuit	AEC (9.00%) / DPL (16.85%) / JCPL (9.64%) / ME (1.48%) / Neptune* (0.95%) / PECO (30.79%) / PPL (16.41%) / ECP** (0.29%) / PSEG (14.07%) / RE (0.52%)
b0497.1	Replace Conastone 230 kV breaker #4	BGE (100%)
b0497.2	Replace Conastone 230 kV breaker #7	BGE (100%)
b0500.2	Replace wavetrapp and raise operating temperature on Conastone – Otter Creek 230 kV line to 165 deg	AEC (6.27%) / DPL (8.65 %) / JCPL (14.54%) / ME (10.59%) / Neptune* (1.37%) / PECO (15.66%) / PPL (21.02%) / ECP** (0.57%) / PSEG (20.56%) / RE (0.77%)
b0512.33	MAPP Project Install new Hallowing Point – Calvert Cliffs 500 kV circuit and associated substation work at Calvert Cliffs substation	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (11.40%) / ComEd (6.13%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

**Baltimore Gas and Electric Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0512.43	MAPP Project Install new Hallowing Point – Calvert Cliffs 500 kV circuit and associated substation work at Calvert Cliffs substation	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (11.40%) / ComEd (6.13%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0729	Rebuild both Harford – Perryman 110615-A and 110616-A 115 kV circuits	BGE (100%)
b0749	Replace 230 kV breaker and associated CT’s at Riverside 230 kV on 2345 line; replace all dead-end structures at Brandon Shores, Hawkins Point, Sollers Point and Riverside; Install a second conductor per phase on the spans entering each station	BGE (100%)

**Baltimore Gas and Electric Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0795	Install a 115 kV breaker at Chesaco Park	BGE (100%)
b0796	Install 2, 115 kV breakers at Gwynnbrook	BGE (100%)
b0819	Remove line drop limitations at the substation terminations for Gwynnbrook – Mays Chapel 115 kV	BGE (100%)
b0820	Remove line drop limitations at the substation terminations and replace switch for Delight – Gwynnbrook 115 kV	BGE (100%)
b0821	Remove line drop limitations at the substation terminations for Northwest – Delight 115 kV	BGE (100%)
b0822	Remove line drop limitations at the substation terminations for Gwynnbrook – Sudbrook 115 kV	BGE (100%)
b0823	Remove line drop limitations at the substation terminations for Windy Edge – Texas 115 kV	BGE (100%)
b0824	Remove line drop limitations at the substation terminations for Granite – Harrisonville 115 kV	BGE (100%)
b0825	Remove line drop limitations at the substation terminations for Harrison – Dolefield 115 kV	BGE (100%)

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C.



**Baltimore Gas and Electric Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0826	Remove line drop limitations at the substation terminations for Riverside – East Point 115 kV	BGE (100%)
b0827	Install an SPS for one year to trip a Mays Chapel 115 kV breaker one line 110579 for line overloads 110509	BGE (100%)
b0828	Disable the HS throwover at Harrisonville for one year	BGE (100%)
b0870	Rebuild each line (0.2 miles each) to increase the normal rating to 968 MVA and the emergency rating to 1227 MVA	BGE (100%)
b0906	Increase contact parting time on Wagner 115 kV breaker 32-3/2	BGE (100%)
b0907	Increase contact parting time on Wagner 115 kV breaker 34-1/3	BGE (100%)
b1016	Rebuild Graceton - Bagley 230 kV as double circuit line using 1590 ACSR. Terminate new line at Graceton with a new circuit breaker.	APS (2.02%) / BGE (75.22%) / Dominion (16.1%) / PEPCO (6.6%)
b1055	Upgrade wire drops at Center 115kV on the Center - Westport 115 kV circuit	BGE (100%)
b1029	Upgrade wire sections at Wagner on both 110534 and 110535 115 kV circuits. Reconfigure Lipins Corner substation	BGE (100%)

The Annual Revenue Requirement associated with the Transmission Enhancement Charges are set forth and determined in Appendix A to Attachment H-2.

**Baltimore Gas and Electric Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1030	Move the Hillen Rd substation from circuits 110507/110508 to circuits 110505/110506	BGE (100%)
b1031	Replace wire sections on Westport - Pumphrey 115 kV circuits #110521, 110524, 110525, and 110526	BGE (100%)
b1083	Upgrade wire sections of the Mays Chapel – Mt Washington circuits (110701 and 110703) to improve the rating to 260/300 SN/SE MVA	BGE (100%)
b1084	Extend circuit 110570 from Deer Park to Northwest, and retire the section of circuit 110560 from Deer Park to Deer Park tap and retire existing Deer Park Breaker	BGE (100%)
b1085	Upgrade substation wire conductors at Lipins Corner to improve the rating of Solley-Lipins Corner sections of circuits 110534 and 110535 to 275/311 MVA SN/SE	BGE (100%)
b1086	Build a new 115 kV switching station between Orchard St. and Monument St.	BGE (100%)
b1175	Apply SPS at Mt. Washington to delay load pick-up for one outage and for the other outage temporarily drop load	BGE (100%)

**Baltimore Gas and Electric Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1176	Transfer 6 MW of load from Mt. Washington – East Towson	BGE (100%)
b1251	Build a second Raphael – Bagley 230 kV	APS (4.42%) / BGE (66.95%) / ComEd (4.12%) / Dayton (0.49%) / Dominion (18.76%) / PENELEC (0.05%) / PEPCO (5.21%)
b1251.1	Re-build the existing Raphael – Bagley 230 kV	APS (4.42%) / BGE (66.95%) / ComEd (4.12%) / Dayton (0.49%) / Dominion (18.76%) / PENELEC (0.05%) / PEPCO (5.21%)
b1252	Upgrade terminal equipment (remove terminal limitation at Pumphrey Tap to bring the circuit to 790N/941E	BGE (100%)

**Baltimore Gas and Electric Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1253	Replace the existing Northeast 230/115 kV transformer #3 with 500 MVA	BGE (100%)
b1253.1	Replace the Northeast 230 kV breaker '2317/315'	BGE (100%)
b1253.2	Revise reclosing on Windy Edge 115 kV breaker '110515'	BGE (100%)
b1253.3	Revise reclosing on Windy Edge 115 kV breaker '110516'	BGE (100%)
b1253.4	Revise reclosing on Windy Edge 115 kV breaker '110517'	BGE (100%)
b1254	Build a new 500/230 kV substation (Emory Grove)	APS (4.07%) / BGE (53.19%) / ComEd (3.71%) / Dayton (0.50%) / Dominion (16.44%) / PENELEC (0.59%) / PEPCO (21.50%)
b1254.1	Bundle the Emory – North West 230 kV circuits	BGE (100%)
b1267	Rebuild existing Erdman 115 kV substation to a dual ring-bus configuration to enable termination of new circuits	BGE (100%)
b1267.1	Construct 115 kV double circuit underground line from existing Coldspring to Erdman substation	BGE (100%)
b1267.2	Replace Mays Chapel 115 kV breaker '110515A'	BGE (100%)
b1267.3	Replace Mays Chapel 115 kV breaker '110579C'	BGE (100%)

**Baltimore Gas and Electric Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1544	Advance the baseline upgrade B1252 to upgrade terminal equipment removing terminal limitation at Pumphrey Tap on BGE 230 kV circuit 2332-A	BGE (100%)
b1545	Upgrade terminal equipment at both Brandon Shores and Waugh Chapel removing terminal limitation on BGE 230 kV circuit 2343	BGE (100%)
b1546	Upgrade terminal equipment at Graceton removing terminal limitation on BGE portion of the 230 kV Graceton – Cooper circuit 2343	BGE (100%)
b1583	Replace Hazelwood 115 kV breaker '110602'	BGE (100%)
b1584	Replace Hazelwood 115 kV breaker '110604'	BGE (100%)
b1606.1	Moving the station supply connections of the Hazelwood 115/13kV station	BGE (100%)
b1606.2	Installing 115kV tie breakers at Melvale	BGE (100%)
b1785	Revise the reclosing for Pumphrey 115 kV breaker '110521 DR'	BGE (100%)
b1786	Revise the reclosing for Pumphrey 115 kV breaker '110526 DR'	BGE (100%)
b1789	Revise the reclosing for Pumphrey 115 kV breaker '110524DR'	BGE (100%)
b1806	Rebuild Wagner 115kV substation to 80kA	BGE (100%)

## SCHEDULE 12 – APPENDIX A

### (2) Baltimore Gas and Electric Company

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b2219	Install a 115 kV tie breaker at Wagner to create a separation from line 110535 and transformer 110-2	BGE (100%)
b2220	Install four 115 kV breakers at Chestnut Hill	BGE (100%)
b2221	Install an SPS to trip approximately 19 MW load at Green St. and Concord	BGE (100%)
b2307	Install a 230/115kV transformer at Raphael Rd and construct approximately 3 miles of 115kV line from Raphael Rd. to Joppatowne. Construct a 115kV three breaker ring at Joppatowne	BGE (100%)
b2308	Build approximately 3 miles of 115kV underground line from Bestgate tap to Waugh Chapel. Create two breaker bay at Waugh Chapel to accommodate the new underground circuit	BGE (100%)
b2396	Build a new Camp Small 115 kV station and install 30 MVAR capacitor	BGE (100%)

**Baltimore Gas and Electric Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b2396.1	Install a tie breaker at Mays Chapel 115 kV substation	BGE (100%)
b2567	Upgrade the Riverside 115kV substation strain bus conductors on circuits 115012 and 115011 with double bundled 1272 ACSR to achieve ratings of 491/577 MVA SN/SE on both transformer leads	BGE (100%)
b2568	Reconductor Northwest – Northwest #2 115kV 110574 substation tie circuit with 2167 ACSR to achieve ratings of 400/462 MVA SN/SE	BGE (100%)
b2752.6	Conastone 230 kV substation tie-in work (install a new circuit breaker at Conastone 230 kV and upgrade any required terminal equipment to terminate the new circuit)	AEP (6.46%) / APS (8.74%) / BGE (19.74%) / ComEd (2.16%) / Dayton (0.59%) / DEOK (1.02%) / DL (0.01%) / Dominion (39.95%) / EKPC (0.45%) / PEPCO (20.88%)
b2752.7	Reconductor/Rebuild the two Conastone – Northwest 230 kV lines and upgrade terminal equipment on both ends	AEP (6.46%) / APS (8.74%) / BGE (19.74%) / ComEd (2.16%) / Dayton (0.59%) / DEOK (1.02%) / DL (0.01%) / Dominion (39.95%) / EKPC (0.45%) / PEPCO (20.88%)
b2752.8	<i>Replace the Conastone 230 kV '2322 B5' breaker with a 63kA breaker</i>	<i>BGE (100%)</i>

**Baltimore Gas and Electric Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b2752.9	Replace the Conastone 230 kV '2322 B6' breaker with a 63kA breaker	BGE (100%)
b2766.1	Upgrade substation equipment at Conastone 500 kV to increase facility rating to 2826 MVA normal and 3525 MVA emergency	<p><b>Load-Ratio Share Allocation:</b>                      AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)</p> <p><b>DFAX Allocation:</b>                      AEC (0.05%) / APS (11.40%) / BGE (22.83%) / Dayton (2.23%) / DEOK (4.28%) / DPL (0.20%) / EKPC (1.98%) / JCPL (11.06%) / NEPTUNE* (1.17%) / POSEIDON**** (0.64%) / PENELEC (0.06%) / PEPCO (19.38%) / PSEG (23.77%) / RECO (0.95%)</p>

\*Neptune Regional Transmission System, LLC

\*\*\*\*Poseidon Transmission 1, LLC



**Baltimore Gas and Electric Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b2816		BGE (100%)

Attachment 2C PJM Schedule 12 - Transmission Enhancement Charges for June 2018 - May 2019  
 Calculation of costs and monthly PJM charges for PPL Projects

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	
Required Transmission Enhancement <i>per PJM website</i>	PJM Upgrade ID <i>per PJM spreadsheet</i>	June 2018- May 2019 Annual Revenue Requirement <i>per PJM website</i>	Responsible Customers - Schedule 12 Appendix				Estimated New Jersey EDC Zone Charges by Project				
			ACE Zone Share <sup>1</sup> <i>per PJM Open Access Transmission Tariff</i>	JCP&L Zone Share <sup>1</sup>	PSE&G Zone Share <sup>1</sup>	RE Zone Share <sup>1</sup>	ACE Zone Charges	JCP&L Zone Charges	PSE&G Zone Charges	RE Zone Charges	Total NJ Zones Charges
New 500 KV Susquehana-Roseland Line	b0487	\$ 73,470,886.00	1.66%	3.74%	6.26%	0.26%	\$1,219,617	\$2,747,811	\$4,599,277	\$191,024	\$8,757,730
Replace wave trap at Alburto 500 kV Sub	b0171.2	\$ 8,381.00	1.66%	3.74%	6.26%	0.26%	\$139	\$313	\$525	\$22	\$999
Replace wavetraps at Hosensack 500KV Sub	b0172.1	\$ 6,010.00	1.66%	3.74%	6.26%	0.26%	\$100	\$225	\$376	\$16	\$716
Replace wavetraps at Juniata 500KV Sub	b0284.2	\$ 12,153.00	1.66%	3.74%	6.26%	0.26%	\$202	\$455	\$761	\$32	\$1,449
New S-R additions < 500kv <sup>2</sup>	b0487.1	\$ 1,756,533.00	0.00%	0.00%	5.14%	0.19%	\$0	\$0	\$90,286	\$3,337	\$93,623
New substation and transformers Middletown	b0468	\$ 2,408,736.00	0.00%	4.56%	5.94%	0.22%	\$0	\$109,838	\$143,079	\$5,299	\$258,216
Install Lauschtown 500/230 kV Sub below 500kv portion	b2006	\$ 2,618,100.00	1.11%	9.68%	11.43%	0.45%	\$29,061	\$253,432	\$299,249	\$11,781	\$593,523
Install Lauschtown 500/230 kV Sub 500kv portion tie line	b2006.1	\$ 8,698,675.00	1.66%	3.74%	6.26%	0.26%	\$144,398	\$325,330	\$544,537	\$22,617	\$1,036,882
200 MVAR shunt reactor at Alburto 500kv	b2237	\$ 2,286,532.50	1.66%	3.74%	6.26%	0.26%	\$37,956	\$85,516	\$143,137	\$5,945	\$272,555
<b>Totals</b>							<b>\$1,431,473</b>	<b>\$3,522,921</b>	<b>\$5,821,227</b>	<b>\$240,073</b>	<b>\$11,015,693</b>

Notes on calculations >>>

= (a) \* (b) = (a) \* (c) = (a) \* (d) = (a) \* (e) = (f) + (g) + (h) + (i)

	(k)	(l)	(m)	(n)	(o)	(p)
Zonal Cost Allocation for New Jersey Zones	Average Monthly Impact on Zone Customers in 18/19	2018 Peak Load per PJM website	Rate in \$/MW-mo.	2018 Impact (7 months)	2019 Impact (5 months)	2018-2019 Impact (12 months)
PSE&G	\$ 485,102.22	9,566.9	\$ 50.71	\$ 3,395,716	\$ 2,425,511	\$ 5,821,227
JCP&L	\$ 293,576.76	5,721.0	\$ 51.32	\$ 2,055,037	\$ 1,467,884	\$ 3,522,921
ACE	\$ 119,289.39	2,540.8	\$ 46.95	\$ 835,026	\$ 596,447	\$ 1,431,473
RE	\$ 20,006.08	401.7	\$ 49.80	\$ 140,043	\$ 100,030	\$ 240,073
<b>Total Impact on NJ Zones</b>	<b>\$ 917,974.45</b>			<b>\$ 6,425,821</b>	<b>\$ 4,589,872</b>	<b>\$ 11,015,693</b>

Notes on calculations >>>

= (k) \* (l) = (k) \* 7 = (k) \* 5 = (n) \* (o)

Notes:

1) 2018 allocation share percentages are from PJM OATT

**SCHEDULE 12 – APPENDIX**

**(9) PPL Electric Utilities Corporation**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0074	Rebuild 12 miles of S. Akron – Berks 230 kV to double circuit, looping Met Ed’s S. Lebanon – S. Reading line into Berks; replacement of S. Reading 230 kV breaker 107252	PPL (100%)
b0171.2	Replace wavetrapp at Hosensack 500kV substation to increase rating of Elroy - Hosensack 500 kV	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0172.1	Replace wave trap at Alburdis 500kV substation	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C.

\*\*\* Hudson Transmission Partners, LLC

**PPL Electric Utilities Corporation (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0284.2	Replace two wave traps at Juniata 500 kV – on the two Juniata – Airydale 500 kV	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPSCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0284.4	Changes at Juniata 500 kV substation	PPL (100%)
b0293.1	Replace wavetrap at the Martins Creek 230 kV bus	PPL (100%)
b0293.2	Raise the operating temperature of the 2-1590 ACSR to 140C for the Martins Creek – Portland 230 kV circuit	PPL (100%)
b0440	Spare Juniata 500/230 kV transformer	PPL (100%)
b0468	Build a new substation with two 150 MVA transformers between Dauphin and Hummelstown 230/69 kV substations by sectionalizing the Middletown Junction – New Lebanon 230 kV line	JCPL (4.55%) / Neptune* (0.37%) / PECO (1.79%) / PENELEC (0.33%) / PPL (86.63%) / ECP** (0.18%) / PSEG (5.93%) / RE (0.22%)

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**PPL Electric Utilities Corporation (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0469	Install 130 MVAR capacitor at West Shore 230 kV line	PPL (100%)
b0487	Build new 500 kV transmission facilities from Susquehanna to Pennsylvania – New Jersey border at Bushkill	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0487.1	Install Lackawanna 500/230 kV transformer and upgrade 230 kV substation and switchyard	PENELEC (16.90%) / PPL (77.59%) / ECP** (0.19%) / PSEG (5.13%) / RE (0.19%)
b0500.1	Conastone – Otter Creek 230 kV – Reconductor approximately 17.2 miles of 795 kcmil ACSR with new 795 kcmil ACSS operated at 160 deg C	AEC (6.27%) / DPL (8.65%) / JCPL (14.54%) / ME (10.59%) / Neptune* (1.37%) / PECO (15.66%) / PPL (21.02%) / ECP** (0.57%) / PSEG (20.56%) / RE (0.77%)

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The Annual Revenue Requirements associated with the Transmission Enhancement Charges are set forth and determined in Appendix A to Attachment H-8G.

**PPL Electric Utilities Corporation (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0558	Install 250 MVAR capacitor at Juniata 500 kV substation	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0593	Eldred – Pine Grove 69 kV line Rebuild Part 2: 8 miles	PPL (100%)
b0595	Rebuild Lackawanna – Edella 69 kV line to double circuit	PPL (100%)
b0596	Reconductor and rebuild Stanton – Providence 69 kV #1 and #2 lines with 69 kV design; approximately 8 miles total	PPL (100%)
b0597	Reconductor Suburban – Providence 69 kV #1 and resectionalize the Suburban 69 kV lines	PPL (100%)
b0598	Reconductor Suburban Taps #1 and #2 for 69 kV line portions	PPL (100%)

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**PPL Electric Utilities Corporation (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0600 Tripp Park Substation: 69 kV tap off Stanton – Providence 69 kV line #3 to new substation		PPL (100%)
b0601 Jessup Substation: New 138/69 kV tap off of Peckville – Jackson 138/69 kV line		PPL (100%)
b0604 Add 150 MVA, 230/138/69 transformer #6 to Harwood substation		PPL (100%)
b0605 Reconductor Stanton – Old Forge 69 kV line and resectionalize the Jenkins – Scranton 69 kV #1 and #2 lines		PPL (100%)
b0606 New 138 kV tap off Monroe – Jackson 138 kV #1 line to Bartonsville substation		PPL (100%)
b0607 New 138 kV taps off Monroe – Jackson 138 kV lines to Stroudsburg substation		PPL (100%)
b0608 New 138 kV tap off Siegfried – Jackson 138 kV #2 to transformer #2 at Gilbert substation		PPL (100%)
b0610 At South Farmersville substation, a new 69 kV tap off Nazareth – Quarry #2 to transformer #2		PPL (100%)
b0612 Rebuild Siegfried – North Bethlehem portion (6.7 miles) of Siegfried – Quarry 69 kV line		PPL (100%)
b0613 East Tannersville Substation: New 138 kV tap to new substation		PPL (100%)

**PPL Electric Utilities Corporation (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0614 Elroy substation expansion and new Elroy – Hatfield 138/69 kV double circuit lines (1.9 miles)		PPL (100%)
b0615 Reconductor and rebuild 12 miles of Seidersville – Quakerstown 138/69 kV and a new 75 MVA, 230/69 kV transformer #4		PPL (100%)
b0616 New Springfield 230/69 kV substation and transmission line connections		PPL (100%)
b0620 New 138 kV line and terminal at Monroe 230/138 substation		PPL (100%)
b0621 New 138 kV line and terminal at Siegfried 230/138 kV substation and add a second circuit to Siegfried – Jackson for 8.0 miles		PPL (100%)
b0622 138 kV yard upgrades and transmission line rearrangements at Jackson 138/69 kV substation		PPL (100%)
b0623 New West Shore – Whitehill Taps 138/69 kV double circuit line (1.3 miles)		PPL (100%)
b0624 Reconductor Cumberland – Wertzville 69 kV portion (3.7 miles) of Cumberland – West Shore 69 kV line		PPL (100%)
b0625 Reconductor Mt. Allen – Rossmoyne 69 kV portions (1.6 miles) of West Shore – Cumberland #3 and #4 lines		PPL (100%)



**PPL Electric Utilities Corporation (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0627 Replace UG cable from Walnut substation to Center City Harrisburg substation for higher ampacity (0.25 miles)		PPL (100%)
b0629 Lincoln substation: 69 kV tap to convert to modified Twin A		PPL (100%)
b0630 W. Hempfield – Donegal 69 kV line: Reconductor / rebuild from Landisville Tap – Mt. Joy (2 miles)		PPL (100%)
b0631 W. Hempfield – Donegal 69 kV line: Reconductor / rebuild to double circuit from Mt. Joy – Donegal (2 miles)		PPL (100%)
b0632 Terminate new S. Manheim – Donegal 69 kV circuit into S. Manheim 69 kV #3		PPL (100%)
b0634 Rebuild S. Manheim – Fuller 69 kV portion (1.0 mile) of S. Manheim – West Hempfield 69 kV #3 line into a 69 kV double circuit		PPL (100%)
b0635 Reconductor Fuller Tap – Landisville 69 kV (4.1 miles) into a 69 kV double circuit		PPL (100%)
b0703 Berks substation modification on Berks – South Akron 230 kV line. Modification will isolate the line fault on the South Akron line and will allow Berks transformer #2 to be energized by the South Lebanon 230 kV circuit		PPL (100%)

**PPL Electric Utilities Corporation (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0705	New Derry – Millville 69 kV line	PPL (100%)
b0707	Construct Bohemia – Twin Lakes 69 kV line, install a 10.9 MVAR capacitor bank near Bohemia 69 kV substation	PPL (100%)
b0708	New 69 kV double circuit from Jackson – Lake Naomi Tap	PPL (100%)
b0709	Install new 69 kV double circuit from Carlisle – West Carlisle	PPL (100%)
b0710	Install a third 69 kV line from Reese’s Tap to Hershey substation	PPL (100%)
b0711	New 69 kV that taps West Shore – Cumberland 69 kV #1 to Whitehill 69 kV substation	PPL (100%)
b0712	Construct a new 69 kV line between Strassburg Tap and the Millwood – Engleside 69 kV #1 line	PPL (100%)
b0713	Construct a new 138 kV double circuit line between Dillersville Tap and the West Hempfield – Prince 138 kV line	PPL (100%)
b0714	Prepare Roseville Tap for 138 kV conversion	PPL (100%)
b0715	Transfer S. Akron – S. Manheim #1 and #2 lines from the S. Akron 69 kV Yard to the S. Akron 138 kV Yard; Install switches on S. Akron – S. Manheim 138 kV #1 and #2 lines	PPL (100%)

**PPL Electric Utilities Corporation (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0716	Add a second 69 kV line from Morgantown – Twin Valley	PPL (100%)
b0717	Rebuild existing Brunner Island – West Shore 230 kV line and add a second Brunner Island – West Shore 230 kV line	PPL (100%)
b0718	SPS scheme to drop 190 MVA of 69 kV radial load at West Shore and 56 MVA of 69 kV radial load at Cumberland	PPL (100%)
b0719	SPS scheme at Jenkins substation to open the Stanton #1 and Stanton #2 230 kV circuit breakers after the second contingency	PPL (100%)
b0791	Add a fourth 230/69 kV transformer at Stanton	PENELEC (9.55%) / PPL (90.45%)
b1074	Install motor operators on the Jenkins 230 kV ‘2W’ disconnect switch and build out Jenkins Bay 3 and have MOD ‘3W’ operated as normally open	PPL (100%)
b0881	Install motor operators on Susquehanna T21 - Susquehanna 230 kV line East CB at Susquehanna 230 kV switching station	PPL (100%)
b0908	Install motor operators at South Akron 230 kV	PPL (100%)

**PPL Electric Utilities Corporation (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0909 Convert Jenkins 230 kV yard into a 3-breaker ring bus		PPL (100%)
b0910 Install a second 230 kV line between Jenkins and Stanton		PPL (100%)
b0911 Install motor operators at Frackville 230 kV		PPL (100%)
b0912 Install 2, 10.8 MVAR capacitor banks at Scranton 69 kV		PPL (100%)
b0913 Extend Cando Tap to the Harwood-Jenkins #2 69 kV line		PPL (100%)
b0914 Build a 3rd 69 kV line from Harwood to Valmont Taps		PPL (100%)
b0915 Replace Walnut-Center City 69 kV cable		PPL (100%)
b0916 Reconductor Sunbury-Dalmatia 69 kV line		PPL (100%)
b1021 Install a new (#4) 138/69 kV transformer at Wescosville		PPL (100%)
b1196 Remove the Siegfried bus tie breaker and install a new breaker on the Martins Creek 230 kV line west bay to maintain two ties between the 230 kV buses		PPL (100%)
b1201 Rebuild the Hercules Tap to Double Circuit 69 kV		PPL (100%)

**PPL Electric Utilities Corporation (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1202 Mack-Macungie Double Tap, Single Feed Arrangement		PPL (100%)
b1203 Add the 2nd Circuit to the East Palmerton-Wagners-Lake Naomi 138/69 kV Tap		PPL (100%)
b1204 New Breinigsville 230-69 kV Substation		PPL (100%)
b1205 Siegfried-East Palmerton #1 69 kV Line- Install new 69 kV LSAB, Sectionalize, and Transfer Treichlers Substation		PPL (100%)
b1206 Siegfried-Quarry #1 & #2 69 kV Lines- Rebuild 3.3 mi from Quarry Substation to Macada Taps		PPL (100%)
b1209 Convert Neffsville Taps from 69 kV to 138 kV Operation		PPL (100%)
b1210 Convert Roseville Taps from 69 kV to 138 kV Operation (Part 1 – operate on the 69 kV system)		PPL (100%)
b1211 Convert Roseville Taps from 69 kV to 138 kV Operation (Part 2 – operate on the 138 kV system)		PPL (100%)
b1212 New 138 kV Taps to Flory Mill 138/69 kV Substation		PPL (100%)

**PPL Electric Utilities Corporation (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1213	Convert East Petersburg Taps from 69 kV to 138 kV operation, install two 10.8 MVAR capacitor banks	PPL (100%)
b1214	Terminate South Manheim-Donegal #2 at South Manheim, Reduce South Manheim 69 kV Capacitor Bank, Resectionalize 69 kV	PPL (100%)
b1215	Reconductor and rebuild 16 miles of Peckville-Varden 69 kV line and 4 miles of Blooming Grove-Honesdale 69 kV line	PPL (100%)
b1216	Build approximately 2.5 miles of new 69 kV transmission line to provide a “double tap – single feed” connection to Kimbles 69/12 kV substation	PPL (100%)
b1217	Provide a “double tap – single feed” connection to Tafton 69/12 kV substation	PPL (100%)
b1524	Build a new Pocono 230/69 kV substation	PPL (100%)
b1524.1	Build approximately 14 miles new 230 kV South Pocono – North Pocono line	PPL (100%)
b1524.2	Install MOLSABs at Mt. Pocono substation	PPL (100%)

**PPL Electric Utilities Corporation (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1525	Build new West Pocono 230/69 kV Substation	PPL (100%)
b1525.1	Build approximately 14 miles new 230 kV Jenkins-West Pocono 230 kV Line	PPL (100%)
b1525.2	Install Jenkins 3E 230 kV circuit breaker	PPL (100%)
b1526	Install a new Honeybrook – Twin Valley 69/138 kV tie	PPL (100%)
b1527	Construct a new 230/69 kV North Lancaster substation. The sub will be supplied from the SAKR-BERK 230kV Line	PPL (100%)
b1527.1	Construct new 69/138 kV transmission from North Lancaster 230/69 kV sub to Brecknock and Honeybrook areas	PPL (100%)
b1528	Install Motor-Operated switches on the Wescosville-Trexlerstown #1 & #2 69 kV lines at East Texas Substation	PPL (100%)
b1529	Add a double breaker 230 kV bay 3 at Hosensack	PPL (100%)
b1530	Replace Lock Haven 69kV ring bus with standard breaker and half design	PPL (100%)
b1532	Install new 32.4 MVAR capacitor bank at Sunbury	PPL (100%)

**PPL Electric Utilities Corporation (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1533	Rebuild Lycoming-Lock Haven #1 and Lycoming-Lock Haven #2 69kV lines	PPL (100%)
b1534	Rebuild 1.4 miles of the Sunbury-Milton 69kV	PPL (100%)
b1601	Re-configure the Breinigsville 500 kV substation with addition two 500 kV circuit breakers	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)†
b1602	Re-configure the ElimSPORT 230 kV substation to breaker and half scheme and install 80 MVAR capacitor	PPL (100%)
b1740	Install a 90 MVAR cap bank on the Frackville 230 kV bus #207973	PPL (100%)
b1756	Install a 3rd West Shore 230/69 kV transformer	PPL (100%)
b1757	Install a 230 kV motor-operated air-break switch on the Clinton - ElimSPORT 230 kV line	PPL (100%)

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**PPL Electric Utilities Corporation (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1758	Rebuild 1.65 miles of Columbia - Danville 69 kV line	PPL (100%)
b1759	Install a 69 kV 16.2 MVAR Cap at Milton substation	PPL (100%)
b1760	Install motor operated devices on the existing disconnect switches that are located on each side of all four 230 kV CBs at Stanton	PPL (100%)
b1761	Build a new Paupack - North 230 kV line (Approximately 21 miles)	PPL (100%)
b1762	Replace 3.7 miles of the existing 230 kV Blooming Grove - Peckville line by building 8.4 miles of new 230 kV circuit onto the Lackawanna - Hopatcong tower-line	PPL (100%)
b1763	Re-terminate the Peckville - Jackson and the Peckville - Varden 69 kV lines from Peckville into Lackawanna	PPL (100%)
b1764	Build a new 230-69 kV substations (Paupack)	PPL (100%)
b1765	Install a 16.2 MVAR capacitor bank at Bohemia 69-12 kV substation	PPL (100%)
b1766	Reconductor/rebuild 3.3 miles of the Siegfried - Quarry #1 and #2 lines	PPL (100%)
b1767	Install 6 motor-operated disconnect switches at Quarry substation	PPL (100%)

**PPL Electric Utilities Corporation (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1788 Install a new 500 kV circuit breaker at Wescosville		PPL (100%)
b1890 Add a second 230/69 kV transformer at North Pocono (NE/Pocono Reliability Project)		PPL (100%)
b1891 Build a new 230/138 kV Yard at Lackawanna (138 kV conversion from Lackawanna to Jenkins)		PPL (100%)
b1892 Rebuild the Throop Taps for 138 kV operation (138 kV Conversion from Lackawanna to Jenkins)		PPL (100%)
b1893 Swap the Staton - Old Forge and Stanton - Brookside 69 kV circuits at Stanton (138 kV Conversion from Lackawanna to Jenkins)		PPL (100%)
b1894 Rebuild and re-conductor 2.5 miles of the Stanton - Avoca 69 kV line		PPL (100%)
b1895 Rebuild and re-conductor 4.9 miles of the Stanton - Providence #1 69 kV line		PPL (100%)
b1896 Install a second 230/138 kV transformer and expand the 138 kV yard at Monroe		PPL (100%)
b1897 Build a new 230/138 kV substation at Jenkins (138 kV Conversion from Lackawanna to Jenkins)		PPL (100%)
b1898 Install a 69 kV Tie Line between Richfield and Dalmatia substations		PPL (100%)
b2004 Replace the CTs and switch in South Akron Bay 4 to increase the rating		PPL (100%)

**PPL Electric Utilities Corporation (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b2005 Replace the CTs and switch in SAKR Bay 3 to increase the rating of the Millwood-South Akron 230 kV Line and of the rating in Bay 3		PPL (100%)
b2006 Install North Lancaster 500/230 kV substation (below 500 kV portion)		AEC (1.10%) / ECP** (0.37%) / HTP (0.37%) / JCPL (9.61%) / ME (19.42%) / Neptune* (0.75%) / PECO (6.01%) / PPL (50.57%) / PSEG (11.35%) / RE (0.45%)
b2006.1 Install North Lancaster 500/230 kV substation (500 kV portion)		AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b2007 Install a 90 MVAR capacitor bank at the Frackville 230 kV Substation		PPL (100%)
b2158 Install 10.8 MVAR capacitor at West Carlisle 69/12 kV substation		PPL (100%)

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C.

\*\*\* Hudson Transmission Partners, LLC

## SCHEDULE 12 – APPENDIX A

### (9) PPL Electric Utilities Corporation

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1813.12	Replace the Blooming Grove 230 kV breaker 'Peckville'	PPL (100%)
b2223	Rebuild and reconductor 2.6 miles of the Sunbury - Dauphin 69 kV circuit	PPL (100%)
b2224	Add a 2nd 150 MVA 230/69 kV transformer at Springfield	PPL (100%)

**PPL Electric Utilities Corporation (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b2237	150 MVAR shunt reactor at Alburdis 500 kV	<p><b>Load-Ratio Share Allocation:</b>                      AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)</p> <p><b>DFAX Allocation:</b>                      PPL (100%)</p>
b2238	100 MVAR shunt reactor at ElimSPORT 230 kV	PPL (100%)

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C.

\*\*\* Hudson Transmission Partners, LLC

**PPL Electric Utilities Corporation (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b2269	Rebuild approximately 23.7 miles of the Susquehanna - Jenkins 230kV circuit. This replaces a temporary SPS that is already planned to mitigate the violation until this solution is implemented	PPL (100%)
b2282	Rebuild the Siegfried-Frackville 230 kV line	PPL (100%)
b2406.1	Rebuild Stanton-Providence 69 kV 2&3 9.5 miles with 795 SCSR	PPL (100%)
b2406.2	Reconductor 7 miles of the Lackawanna - Providence 69 kV #1 and #2 with 795 ACSR	PPL (100%)
b2406.3	Rebuild SUB2 Tap 1 (Lackawanna - Scranton 1) 69 kV 1.5 miles 556 ACSR	PPL (100%)
b2406.4	Rebuild SUB2 Tap 2 (Lackawanna - Scranton 1) 69 kV 1.6 miles 556 ACSR	PPL (100%)
b2406.5	Create Providence - Scranton 69 kV #1 and #2, 3.5 miles with 795 ACSR	PPL (100%)
b2406.6	Rebuild Providence 69 kV switchyard	PPL (100%)
b2406.7	Install 2 - 10.8 MVAR capacitors at EYNO 69 kV	PPL (100%)
b2406.8	Rebuild Stanton 230 kV yard	PPL (100%)

**PPL Electric Utilities Corporation (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b2446	Replace wave trap and protective relays at Montour	PPL (100%)
b2447	Replace wave trap and protective relays at Montour	PPL (100%)
b2448	Install a 2nd Sunbury 900MVA 500-230kV transformer and associated equipment	PPL (100%)
b2552.2	Reconductor the North Meshoppen - Oxbow – Lackawanna 230 kV circuit and upgrade terminal equipment (PPL portion)	PENELEC (100%)
b2574	Replace the Sunbury 230 kV ‘MONTOUR NORT’ breaker with a 63kA breaker	PPL (100%)
b2690	Reconductor two spans of the Graceton – Safe Harbor 230 kV transmission line. Includes termination point upgrades	PPL (100%)
b2691	Reconductor three spans limiting Brunner Island – Yorkana 230 kV line, add 2 breakers to Brunner Island switchyard, upgrade associated terminal equipment	PPL (100%)

**PPL Electric Utilities Corporation (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b2716	Add a 200 MVAR shunt reactor at Lackawanna 500 kV substation	<p><b>Load-Ratio Share Allocation:</b>                      AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)</p> <p><b>DFAX Allocation:</b>                      PPL (100%)</p>
b2754.1	Install 7 miles of optical ground wire (OPGW) between Gilbert and Springfield 230 kV substations	PPL (100%)
b2754.4	Use ~ 40 route miles of existing fibers on PPL 230 kV system to establish direct fiber circuits	PPL (100%)
b2754.5	Upgrade relaying at Martins Creek 230 kV	PPL (100%)
b2756	Install 2% reactors at Martins Creek 230 kV	PPL (100%)
b2813	Expand existing Lycoming 69 kV yard to double bus double breaker arrangement	PPL (100%)

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C.

\*\*\* Hudson Transmission Partners, LLC



**PPL Electric Utilities Corporation (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b2824	Reconfigure/Expand the Lackawanna 500 kV substation by adding a third bay with three breakers	<p><b>Load-Ratio Share Allocation:</b>                      AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)</p> <p><b>DFAX Allocation:</b>                      PPL (100%)</p>
b2979	Replace Martins Creek 230 kV circuit breakers with 80 kA rating	PPL (100%)

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C.

\*\*\* Hudson Transmission Partners, LLC

Attachment 2D PJM Schedule 12 - Transmission Enhancement Charges for June 2018 - May 2019  
 Calculation of costs and monthly PJM charges for ACE Projects

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	
Required Transmission Enhancement <i>per PJM website</i>	PJM Upgrade ID <i>per PJM spreadsheet</i>	June 2018 - May 2019 Annual Revenue Requirement <i>per PJM website</i>	Responsible Customers - Schedule 12 Appendix				Estimated New Jersey EDC Zone Charges by Project				
			ACE Zone Share <sup>1</sup> <i>per PJM Open Access Transmission Tariff</i>	JCP&L Zone Share <sup>1</sup>	PSE&G Zone Share <sup>1</sup>	RE Zone Share <sup>1</sup>	ACE Zone Charges	JCP&L Zone Charges	PSE&G Zone Charges	RE Zone Charges	Total NJ Zones Charges
Upgrade AE portion of Delco Tap	b0265	\$ 501,690	89.87%	9.48%	0.00%	0.00%	\$450,869	\$47,560	\$0	\$0	\$498,429
Replace Monroe 230/69 kV TXfms	b0276	\$ 772,567	91.46%	0.00%	8.31%	0.23%	\$706,590	\$0	\$64,200	\$1,777	\$772,567
Reconductor Union - Corson 138 kV	b0211	\$ 1,317,619	65.23%	25.87%	6.35%	0.00%	\$859,483	\$340,868	\$83,669	\$0	\$1,284,020
New 500/230 Kv Sub on Salem-East Windsor (>500 kV portion)	b0210.A	\$ 2,621,699	1.66%	3.74%	6.26%	0.26%	\$43,520	\$98,052	\$164,118	\$6,816	\$312,507
New 500/230kV Sub on Salem-East Windsor (< 500kV) portion <sup>2</sup>	b0210.B	\$ 1,869,368	65.23%	25.87%	6.35%	0.00%	\$1,219,389	\$483,606	\$118,705	\$0	\$1,821,699
Reconductor the existing Mickleton – Gloucester 230 kV circuit (AE portion)	b1398.5	\$ 469,607	0.00%	13.03%	31.99%	1.27%	\$0	\$61,190	\$150,227	\$5,964	\$217,381
Build second 230kV parallel from Mickleton to Gloucester	b1398.3.1	\$ 1,468,794	0.00%	13.03%	31.99%	1.27%	\$0	\$191,384	\$469,867	\$18,654	\$679,905
Upgrade the Mill T2 138/69 kV Transformer	b1600	\$ 1,740,287	89.21%	4.76%	5.80%	0.23%	\$1,552,510	\$82,838	\$100,937	\$4,003	\$1,740,287
							<b>\$4,832,360</b>	<b>\$1,305,497</b>	<b>\$1,151,723</b>	<b>\$37,214</b>	<b>\$7,326,794</b>

Notes on calculations >>>

= (a) \* (b)      = (a) \* (c)      = (a) \* (d)      = (a) \* (e)      = (f) + (g) + (h) + (i)

	(k)	(l)	(m)	(n)	(o)	(p)
Zonal Cost Allocation for New Jersey Zones	Average Monthly Impact on Zone Customers in 18/19	2018TX Peak Load per PJM website	Rate in \$/MW-mo.	2018 Impact (7 months)	2019 Impact (5 months)	2018-2019 Impact (12 months)
PSE&G	\$ 95,976.96	9,566.9	\$ 10.03	\$ 671,839	\$ 479,885	\$ 1,151,723
JCP&L	\$ 108,791.38	5,721.0	\$ 19.02	\$ 761,540	\$ 543,957	\$ 1,305,497
ACE	\$ 402,696.70	2,540.8	\$ 158.49	\$ 2,818,877	\$ 2,013,484	\$ 4,832,360
RE	\$ 3,101.14	401.7	\$ 7.72	\$ 21,708	\$ 15,506	\$ 37,214
<b>Total Impact on NJ Zones</b>	<b>\$ 610,566.18</b>			<b>\$ 4,273,963</b>	<b>\$ 3,052,831</b>	<b>\$ 7,326,794</b>

Notes on calculations >>>

= (k) \* (l)      = (k) \* 7      = (k) \* 5      = (n) \* (o)

Notes:

1) 2018 allocation share percentages are from PJM OATT

## SCHEDULE 12 – APPENDIX

### (1) Atlantic City Electric Company

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0135	Build new Cumberland – Dennis 230 kV circuit which replaces existing Cumberland – Corson 138 kV	AEC (100%)
b0136	Install Dennis 230/138 kV transformer, Dennis 150 MVAR SVC and 50 MVAR capacitor	AEC (100%)
b0137	Build new Dennis – Corson 138 kV circuit	AEC (100%)
b0138	Install Cardiff 230/138 kV transformer and a 50 MVAR capacitor at Cardiff	AEC (100%)
b0139	Build new Cardiff – Lewis 138 kV circuit	AEC (100%)
b0140	Reconductor Laurel – Woodstown 69 kV	AEC (100%)
b0141	Reconductor Monroe – North Central 69 kV	AEC (100%)
b0265	Upgrade AE portion of Delco Tap – Mickleton 230 kV circuit	AEC (89.87%) / JCPL (9.48%) / Neptune* (0.65%)
b0276	Replace both Monroe 230/69 kV transformers	AEC (91.28%) / PSEG (8.29%) / RE (0.23%) / ECP** (0.20%)
b0276.1	Upgrade a strand bus at Monroe to increase the rating of transformer #2	AEC (100%)
b0277	Install a second Cumberland 230/138 kV transformer	AEC (100%)
b0281.1	Install 35 MVAR capacitor at Lake Ave 69 kV substation	AEC (100%)

**Atlantic City Electric Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0281.2	Install 15 MVAR capacitor at Shipbottom 69 kV substation	AEC (100%)
b0281.3	Install 8 MVAR capacitors on the AE distribution system	AEC (100%)
b0142	Reconductor Landis – Minotola 138 kV	AEC (100%)
b0143	Reconductor Beckett – Paulsboro 69 kV	AEC (100%)
b0210	Install a new 500/230kV substation in AEC area. The high side will be tapped on the Salem - East Windsor 500kV circuit and the low side will be tapped on the Churchtown - Cumberland 230kV circuit.	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0210.1	Orchard – Cumberland – Install second 230 kV line	AEC (65.23%) / JCPL (25.87%) / Neptune * (2.55%) / PSEG (6.35%)††
b0210.2	Install a new 500/230kV substation in AEC area, the high side will be tapped on the Salem - East Windsor 500kV circuit and the low side will be tapped on the Churchtown - Cumberland 230kV circuit.	AEC (65.23%) / JCPL (25.87%) / Neptune* (2.55%) / PSEG (6.35%)††

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C.

†Cost allocations associated with Regional Facilities and Necessary Lower Voltage Facilities associated with the project

††Cost allocations associated with below 500 kV elements of the project

The Annual Revenue Requirement associated with the Transmission Enhancement Charges are set forth and determined in Appendix A to Attachment H-1.

**Atlantic City Electric Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0211	Reconductor Union - Corson 138kV circuit	AEC (65.23%) / JCPL (25.87%) / Neptune* (2.55%) / PSEG (6.35%)
b0212	Substation upgrades at Union and Corson 138kV	AEC (65.23%) / JCPL (25.87%) / Neptune* (2.55%) / PSEG (6.35%)
b0214	Install 50 MVAR capacitor at Cardiff 230kV substation	AEC (100%)
b0431	Monroe Upgrade New Freedom strand bus	AEC (100%)
b0576	Move the Monroe 230/69 kV to Mickleton	AEC (100%)
b0744	Upgrade a strand bus at Mill 138 kV	AEC (100%)
b0871	Install 35 MVAR capacitor at Motts Farm 69 kV	AEC (100%)
b1072	Modify the existing EMS load shedding scheme at Cedar to additionally sense the loss of both Cedar 230/69 kV transformers and shed load accordingly	AEC (100%)
b1127	Build a new Lincoln-Minitola 138 kV line	AEC (100%)
b1195.1	Upgrade the Corson sub T2 terminal	AEC (100%)
b1195.2	Upgrade the Corson sub T1 terminal	AEC (100%)

**Atlantic City Electric Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1244	Install 10 MVAR capacitor at Peermont 69 kV substation	AEC (100%)
b1245	Rebuild the Newport-South Millville 69 kV line	AEC (100%)
b1250	Reconductor the Monroe – Glassboro 69 kV	AEC (100%)
b1250.1	Upgrade substation equipment at Glassboro	AEC (100%)
b1280	Sherman: Upgrade 138/69 kV transformers	AEC (100%)
b1396	Replace Lewis 138 kV breaker ‘L’	AEC (100%)
b1398.5	Reconductor the existing Mickleton – Goucestr 230 kV circuit (AE portion)	JCPL (12.82%) / NEPTUNE (1.18%) / HTP (0.79%) / PECO (51.08%) / PEPCO (0.57%) / ECP** (0.85%) / PSEG (31.46%) / RE (1.25%)
b1598	Reconductor Sherman Av – Carl’s Corner 69kV circuit	AEC (100%)
b1599	Replace terminal equipments at Central North 69 kV substation	AEC (100%)
b1600	Upgrade the Mill T2 138/69 kV transformer	AEC (88.83%) / JCPL (4.74%) / HTP (0.20%) / ECP** (0.22%) / PSEG (5.78%) / RE (0.23%)
b2157	Re-build 5.3 miles of the Corson - Tuckahoe 69 kV circuit	AEC (100%)

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C.

The Annual Revenue Requirement associated with the Transmission Enhancement Charges are set forth and determined in Appendix A to Attachment H-1.

## SCHEDULE 12 – APPENDIX A

### (1) Atlantic City Electric Company

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b2123	Upgrade the 69 kV bus at Laurel	AEC (100%)
b2226	Upgrade the Tackahoe to Mill 69 kV circuit	AEC (100%)
b2227	50 MVAR shunt reactor at Mickleton 230 kV and relocate Mickleton #1 230 69 kV transformer	AEC (100%)
b2228	+150/-100 MVAR SVC at Cedar 230 kV	AEC (100%)
b2296	Replace the Mickleton 230kV breaker PCB U with 63kA breaker	AEC (100%)
b2297	Replace the Mickleton 230kV breaker PCB V with 63kA breaker	AEC (100%)
b2305	Rebuild and reconductor 1.2 miles of the US Silica to US Silica #1 69 kV circuit	AEC (100%)
b2306	Rebuild and reconductor 1.67 miles of the US Silica #1 to W1-089 TAP 69 kV circuit	AEC (100%)
b2351	Reconductor section A of Corson - Sea Isle - Swainton 69 kV line	AEC (100%)
b2353	Upgrade the overcurrent protective relaying at Middle T3 and T4 138/69 kV transformers	AEC (100%)
b2354	Install second 230/69 kV transformer and 230 kV circuit breaker at Churchtown substation	AEC (100%)

**Atlantic City Electric Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b2354.1	Replace Churchtown 69kV breaker 'D'	AEC (100%)
b2476	Install new Dennis 230/69 kV transformer	AEC (100%)
b2477	Upgrade 138 kV and 69 kV breakers at Corson substation	AEC (100%)
b2478	Reconductor 2.74 miles of Sherman - Lincoln 138 kV line and associated substation upgrades	AEC (100%)
b2479	New Orchard - Cardiff 230 kV line (remove, rebuild and reconfigure existing 138 kV line) and associated substation upgrades	AEC (68.57%) / JCPL (31.43%)
b2480.1	New Upper Pittsgrove - Lewis 138 kV line and associated substation upgrades	AEC (100%)
b2480.2	Relocate Monroe to Deepwater Tap 138 kV to Landis 138 kV and associated substation upgrades	AEC (100%)
b2480.3	New Landis - Lewis 138 kV line and associated substation upgrades	AEC (100%)
b2481	New Cardiff - Lewis #2 138 kV line and associated substation upgrades	AEC (100%)
b2489	Install a 100 MVAR capacitor at BL England	AEC (100%)



**Atlantic City Electric Company (cont.)**

Required Transmission Enhancements    Annual Revenue Requirement    Responsible Customer(s)

b2538	Replace the Mickleton 230kV 'MK' breaker with 63kA breaker		AEC (100%)
b2553	Replace Middle T3 138/69 kV transformer with 225 MVA nameplate		AEC (100%)
b2723.1	Replace the Mickleton 69 kV 'PCB A' breaker with 63kA breaker		AEC (100%)
b2723.2	Replace the Mickleton 69 kV 'PCB B' breaker with 63kA breaker		AEC (100%)
b2723.3	Replace the Mickleton 69 kV 'PCB C' breaker with 63kA breaker		AEC (100%)
b2723.4	Replace the Mickleton 69 kV 'PCB Q' breaker with 63kA breaker		AEC (100%)
b2839	Replace the Sickler 69 kV 'H' breaker with 63kA breaker		AEC (100%)
b2840	Replace the Sickler 69 kV 'M' breaker with 63kA breaker		AEC (100%)
b2841	Replace the Sickler 69 kV 'A' breaker with 63kA breaker		AEC (100%)

Attachment 2E PJM Schedule 12 - Transmission Enhancement Charges for June 2018 - May 2019  
 Calculation of costs and monthly PJM charges for Delmarva Projects

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	
Required Transmission Enhancement per PJM website	PJM Upgrade ID per PJM spreadsheet	June 2018-May 2019 Annual Revenue Requirement per PJM website	Responsible Customers - Schedule 12 Appendix				Estimated New Jersey EDC Zone Charges by Project				
			ACE Zone Share <sup>1</sup>	JCP&L Zone Share <sup>1</sup>	PSE&G Zone Share <sup>1</sup>	RE Zone Share <sup>1</sup>	ACE Zone Charges	JCP&L Zone Charges	PSE&G Zone Charges	RE Zone Charges	Total NJ Zones Charges
			per PJM Open Access Transmission Tariff								
Replace line trap-Keeney	b0272.1	\$ 24,299	1.66%	3.74%	6.26%	0.26%	\$403	\$909	\$1,521	\$63	\$2,896
Add two breakers-Keeney	b0751	\$ 564,319	1.66%	3.74%	6.26%	0.26%	\$9,368	\$21,106	\$35,326	\$1,467	\$67,267
<b>Totals</b>							<b>\$9,771</b>	<b>\$22,014</b>	<b>\$36,847</b>	<b>\$1,530</b>	<b>\$70,163</b>

Notes on calculations >>>

= (a) \* (b)      = (a) \* (c)      = (a) \* (d)      = (a) \* (e)      = (f) + (g) + (h) + (i)

	(k)	(l)	(m)	(n)	(o)	(p)
Zonal Cost Allocation for New Jersey Zones	Average Monthly Impact on Zone Customers in 18/19	2018TX Peak Load per PJM website	Rate in \$/MW-mo.	2018 Impact (7 months)	2019 Impact (5 months)	2018-2019 Impact (12 months)
PSE&G	\$ 3,070.62	9,566.9	\$ 0.32	\$ 21,494	\$ 15,353	\$ 36,847
JCP&L	\$ 1,834.53	5,721.0	\$ 0.32	\$ 12,842	\$ 9,173	\$ 22,014
ACE	\$ 814.25	2,540.8	\$ 0.32	\$ 5,700	\$ 4,071	\$ 9,771
RE	\$ 127.53	401.7	\$ 0.32	\$ 893	\$ 638	\$ 1,530
<b>Total Impact on NJ Zones</b>	<b>\$ 5,846.94</b>			<b>\$ 40,929</b>	<b>\$ 29,235</b>	<b>\$ 70,163</b>

Notes on calculations >>>

= (k) \* (l)      = (k) \* 7      = (k) \* 5      = (n) \* (o)

Notes:

1) 2018 allocation share percentages are from PJM OATT

### SCHEDULE 12 – APPENDIX

#### (3) Delmarva Power & Light Company

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0144.1	Build new Red Lion – Milford – Indian River 230 kV circuit	DPL (100%)
b0144.2	Indian River Sub – 230 kV Terminal Position	DPL (100%)
b0144.3	Red Lion Sub – 230 kV Terminal Position	DPL (100%)
b0144.4	Milford Sub – (2) 230 kV Terminal Positions	DPL (100%)
b0144.5	Indian River – 138 kV Transmission Line to AT-20	DPL (100%)
b0144.6	Indian River – 138 & 69 kV Transmission Ckts. Undergrounding	DPL (100%)
b0144.7	Indian River – (2) 230 kV bus ties	DPL (100%)
b0148	Re-rate Glasgow – Mt. Pleasant 138 kV and North Seaford – South Harrington 138 kV	DPL (100%)
b0149	Complete structure work to increase rating of Cheswold – Jones REA 138 kV	DPL (100%)
b0221	Replace disconnect switch on Edgewood-N. Salisbury 69 kV	DPL (100%)
b0241.1	Keeny Sub – Replace overstressed breakers	DPL (100%)
b0241.2	Edgemoor Sub – Replace overstressed breakers	DPL (100%)
b0241.3	Red Lion Sub – Substation reconfigure to provide for second Red Lion 500/230 kV transformer	DPL (84.5%) / PECO (15.5%)
b0261	Replace 1200 Amp disconnect switch on the Red Lion – Reybold 138 kV circuit	DPL (100%)

**Delmarva Power & Light Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0262	Reconductor 0.5 miles of Christiana – Edgemoor 138 kV	DPL (100%)
b0263	Replace 1200 Amp wavetrap at Indian River on the Indian River – Frankford 138 kV line	DPL (100%)
b0272.1	Replace line trap and disconnect switch at Keeney 500 kV substation – 5025 Line Terminal Upgrade	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPSCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0282	Install 46 MVAR capacitors on the DPL distribution system	DPL (100%)
b0291	Replace 1600A disconnect switch at Harmony 230 kV and for the Harmony – Edgemoor 230 kV circuit, increase the operating temperature of the conductor	DPL (100%)
b0295	Raise conductor temperature of North Seaford – Pine Street – Dupont Seaford	DPL (100%)

\*Neptune Regional Transmission System, LLC

\*\*East Coast Power, LLC

\*\*\*Hudson Transmission Partners, LLC

**Delmarva Power & Light Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0296	Rehoboth/Cedar Neck Tap (6733-2) upgrade	DPL (100%)
b0320	Create a new 230 kV station that splits the 2 <sup>nd</sup> Milford to Indian River 230 kV line, add a 230/69 kV transformer, and run a new 69 kV line down to Harbeson 69 kV	DPL (100%)
b0382	Cambridge Sub – Close through to Todd Substation	DPL (100%)
b0383	Wye Mills AT-1 and AT-2 138/69 kV Replacements	DPL (100%)
b0384	Replace Indian River AT-20 (400 MVA)	DPL (100%)
b0385	Oak Hall to New Church (13765) Upgrade	DPL (100%)
b0386	Cheswold/Kent (6768) Rebuild	DPL (100%)
b0387	N. Seaford – Add a 2 <sup>nd</sup> 138/69 kV autotransformer	DPL (100%)
b0388	Hallwood/Parksley (6790-2) Upgrade	DPL (100%)
b0389	Indian River AT-1 and AT-2 138/69 kV Replacements	DPL (100%)
b0390	Rehoboth/Lewes (6751-1 and 6751-2) Upgrade	DPL (100%)
b0391	Kent/New Meredith (6704-2) Upgrade	DPL (100%)
b0392	East New Market Sub – Establish a 69 kV Bus Arrangement	DPL (100%)
b0415	Increase the temperature ratings of the Edgemoor – Christiana – New Castle 138 kV by replacing six transmission poles	DPL (100%)

**Delmarva Power & Light Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0437	Spare Keeney 500/230 kV transformer	DPL (100%)
b0441	Additional spare Keeney 500/230 kV transformer	DPL (100%)
b0480	Rebuild Lank – Five Points 69 kV	DPL (100%)
b0481	Replace wave trap at Indian River 138 kV on the Omar – Indian River 138 kV circuit	DPL (100%)
b0482	Rebuild Millsboro – Zoar REA 69 kV	DPL (100%)
b0483	Replace Church 138/69 kV transformer and add two breakers	DPL (100%)
b0483.1	Build Oak Hall – Wattsville 138 kV line	DPL (100%)
b0483.2	Add 138/69 kV transformer at Wattsville	DPL (100%)
b0483.3	Establish 138 kV bus position at Oak Hall	DPL (100%)
b0484	Re-tension Worcester – Berlin 69 kV for 125°C	DPL (100%)
b0485	Re-tension Taylor – North Seaford 69 kV for 125°C	DPL (100%)
b0494.1	Install a 2 <sup>nd</sup> Red Lion 230/138 kV	DPL (100%)
b0494.2	Hares Corner – Relay Improvement	DPL (100%)
b0494.3	Reybold – Relay Improvement	DPL (100%)
b0494.4	New Castle – Relay Improvement	DPL (100%)

**Delmarva Power & Light Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0512 MAPP Project – install new 500 kV transmission from Possum Point to Calvert Cliffs and install a DC line from Calvert Cliffs to Vienna and a DC line from Calvert Cliffs to Indian River		AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPSCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0513 Rebuild the Ocean Bay – Maridel 69 kV line		DPL (100%)
b0527 Replace existing 12 MVAR capacitor at Bethany with a 30 MVAR capacitor		DPL (100%)
b0528 Replace existing 69/12 kV transformer at Bethany with a 138/12 kV transformer		DPL (100%)
b0529 Install an additional 8.4 MVAR capacitor at Grasonville 69 Kv		DPL (100%)
b0530 Replace existing 12 MVAR capacitor at Wye Mills with a 30 MVAR capacitor		DPL (100%)

**Delmarva Power & Light Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0531	Create a four breaker 138 kV ring bus at Wye Mills and add a second 138/69 kV transformer	DPL (100%)
b0566	Rebuild the Trappe Tap – Todd 69 kV line	DPL (100%)
b0567	Rebuild the Mt. Pleasant – Townsend 138 kV line	DPL (100%)
b0568	Install a third Indian River 230/138 kV transformer	DPL (100%)
b0725	Add a third Steele 230/138 kV transformer	DPL (100%)
b0732	Rebuild Vaugh – Wells 69 kV	DPL (100%)
b0733	Add a second 230/138 kV transformer at Harmony	DPL (97.06%) / PECO (2.94%)
b0734	Rebuild Church – Steele 138 kV	DPL (100%)
b0735	Rebuild Indian River – Omar – Bethany 138 kV	DPL (100%)
b0736	Rebuild Dupont Edgemoor – Edgemoor – Silverside 69 kV	DPL (69.46%) / PECO (17.25%) / ECP** (0.27%) / PSEG (12.53%) / RE (0.49%)
b0737	Build a new Indian River – Bishop 138 kV line	DPL (100%)
b0750	Convert 138 kV network path from Vienna – Loretto – Piney - Grove to 230 kV, add 230/138 kV transformer to Loretto 230 kV	DPL (100%)



**Delmarva Power & Light Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0751 Add two additional breakers at Keeney 500 kV		AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPSCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0752 Replace two circuit breakers to bring the emergency rating up to 348 MVA		DPL (100%)
b0753 Add a second Loretto 230/138 kV transformer		DPL (100%)
b0754 Rebuild 10 miles of Glasgow to Mt. Pleasant 138 kV line to bring the normal rating to 298 MVA and the emergency rating to 333 MVA		DPL (100%)
b0792 Reconfigure Cecil Sub into 230 and 138 kV ring buses, add a 230/138 kV transformer, and operate the 34.5 kV bus normally open		DPL (100%)
b0873 Build 2nd Glasgow-Mt Pleasant 138 kV line		DPL (100%)
b0874 Reconfigure Brandywine substation		DPL (100%)

\*Neptune Regional Transmission System, LLC

\*\*East Coast Power, LLC

\*\*\*Hudson Transmission Partners, LLC

**Delmarva Power & Light Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0876	Install 50 MVAR SVC at 138th St 138 kV	DPL (100%)
b0877	Build a 2nd Vienna-Steele 230 kV line	DPL (100%)
b0879.1	Apply a special protection scheme (load drop at Stevensville and Grasonville)	DPL (100%)
b1246	Re-build the Townsend – Church 138 kV circuit	DPL (100%)
b1247	Re-build the Glasgow – Cecil 138 kV circuit	DPL (72.06%) / PECO (27.94%)
b1248	Install two 15 MVAR capacitor at Loretto 69 kV	DPL (100%)
b1249	Reconfigure the existing Sussex 69 kV capacitor	DPL (100%)
b1603	Upgrade 19 miles conductor of the Wattsville - Signepost - Stockton - Kenney 69 kV circuit	DPL (100%)
b1604	Replace CT at Reybold 138 kV substation	DPL (100%)
b1723	Replace strand bus and disconnect switch at Glasgow 138 kV substation	DPL (100%)
b1899.1	Install new variable reactors at Indian River and Nelson 138 kV	DPL (100%)

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C.

\*\*\*Hudson Transmission Partners, LLC

The Annual Revenue Requirement associated with the Transmission Enhancement Charges are set forth and determined in Appendix A to Attachment H-3.

**Delmarva Power & Light Company (cont.)**

	Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1899.2	Install new variable reactors at Cedar Creek 230 kV		DPL (100%)
b1899.3	Install new variable reactors at New Castle 138 kV and Easton 69 kV		DPL (100%)

### SCHEDULE 12 – APPENDIX A

#### (3) Delmarva Power & Light Company

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b2288	Build a new 138kV line from Piney Grove - Wattsville	DPL (100%)
b2395	Reconductor the Harmony - Chapel St 138 kV circuit	DPL (100%)
b2569	Replace Terminal equipment at Silverside 69 kV substation	DPL (100%)
b2633.7	Implement high speed relaying utilizing OPGW on Red Lion – Hope Creek 500 kV line	<b>Load-Ratio Share Allocation:</b> AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
		<b>DFAX Allocation:</b> AEC (0.01%) / DPL (99.98%) / JCPL (0.01%)
b2633.10	Interconnect the new Silver Run 230 kV substation with existing Red Lion – Cartanza and Red Lion – Cedar Creek 230 kV lines	AEC (0.01%) / DPL (99.98%) / JCPL (0.01%)

\*Neptune Regional Transmission System, LLC

\*\*East Coast Power, LLC

\*\*\*Hudson Transmission Partners, LLC

**Delmarva Power & Light Company (cont.)**

Required Transmission Enhancements    Annual Revenue Requirement    Responsible Customer(s)

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b2695 Rebuild Worcester – Ocean Pine 69 kV ckt. 1 to 1400A capability summer emergency		DPL (100%)

Attachment 2F PJM Schedule 12 - Transmission Enhancement Charges for June 2018 to May 2019  
 Calculation of costs and monthly PJM charges for PEPCO Projects

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	
Required Transmission Enhancement per PJM website	PJM Upgrade ID per PJM spreadsheet	June 2018-May 2019 Annual Revenue Requirement per PJM website	Responsible Customers - Schedule 12 Appendix				Estimated New Jersey EDC Zone Charges by Project				
			ACE Zone Share <sup>1</sup>	JCP&L Zone Share <sup>1</sup>	PSE&G Zone Share <sup>1</sup>	RE Zone Share <sup>1</sup>	ACE Zone Charges	JCP&L Zone Charges	PSE&G Zone Charges	RE Zone Charges	Total NJ Zones Charges
Reconductor 23035 for Dickerson-Quince	b0367.1-2	\$ 2,686,508	1.78%	2.67%	3.82%	0.00%	\$47,820	\$71,730	\$102,625	\$0	\$222,174
Replace 230 1A breaker	b0512.7	\$ 256,343	1.66%	3.74%	6.26%	0.26%	\$4,255	\$9,587	\$16,047	\$666	\$30,556
Replace 230 1B breaker	b0512.8	\$ 256,343	1.66%	3.74%	6.26%	0.26%	\$4,255	\$9,587	\$16,047	\$666	\$30,556
Replace 230 2A breaker	b0512.9	\$ 256,343	1.66%	3.74%	6.26%	0.26%	\$4,255	\$9,587	\$16,047	\$666	\$30,556
Replace 230 3A breaker	b0512.12	\$ 258,743	1.66%	3.74%	6.26%	0.26%	\$4,295	\$9,677	\$16,197	\$673	\$30,842
Ritchie-Benning 230 lines	b0526	\$ 7,684,181	0.77%	1.39%	2.10%	0.08%	\$59,168	\$106,810	\$161,368	\$6,147	\$333,493
<b>Totals</b>							<b>\$124,049</b>	<b>\$216,979</b>	<b>\$328,331</b>	<b>\$8,820</b>	<b>\$678,178</b>

Notes on calculations >>>

= (a) \* (b)      = (a) \* (c)      = (a) \* (d)      = (a) \* (e)      = (f) + (g) + (h) + (i)

	(k)	(l)	(m)	(n)	(o)	(p)
Zonal Cost Allocation for New Jersey Zones	Average Monthly Impact on Zone Customers in 18/19	2018TX Peak Load per PJM website	Rate in \$/MW-mo.	2018 Impact (7 months)	2019 Impact (5 months)	2018-2019 Impact (12 months)
PSE&G	\$ 27,360.91	9,566.9	\$ 2.86	\$ 191,526	\$ 136,805	\$ 328,331
JCP&L	\$ 18,081.55	5,721.0	\$ 3.16	\$ 126,571	\$ 90,408	\$ 216,979
ACE	\$ 10,337.42	2,540.8	\$ 4.07	\$ 72,362	\$ 51,687	\$ 124,049
RE	\$ 734.96	401.7	\$ 1.83	\$ 5,145	\$ 3,675	\$ 8,820
<b>Total Impact on NJ Zones</b>	<b>\$ 56,514.84</b>			<b>\$ 395,604</b>	<b>\$ 282,574</b>	<b>\$ 678,178</b>

Notes on calculations >>>

= (k) \* (l)      = (k) \* 7      = (k) \* 5      = (n) \* (o)

Notes:

1) 2018 allocation share percentages are from PJM OATT

## SCHEDULE 12 – APPENDIX

### (10) Potomac Electric Power Company

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0146	Installation of (2) new 230 kV circuit breakers at Quince Orchard substation on circuits 23028 and 23029	PEPCO (100%)
b0219	Install two new 230 kV circuits between Palmers Corner and Blue Plains	PEPCO (100%)
b0228	Upgrade Burtonsville – Sandy Springs 230 kV circuit	PEPCO (100%)
b0238.1	Modify Dickerson Station H 230 kV	PEPCO (100%)
b0251	Install 100 MVAR of 230 kV capacitors at Bells Mill	PEPCO (100%)
b0252	Install 100 MVAR of 230 kV capacitors at Bells Mill	PEPCO (100%)
b0288	Brighton Substation – add 2 <sup>nd</sup> 1000 MVA 500/230 kV transformer, 2 500 kV circuit breakers and miscellaneous bus work	BGE (19.33%) / Dominion (17%) / PEPCO (63.67%)
b0319	Add a second 1000 MVA Bruches Hill 500/230 kV transformer	PEPCO (100%)
b0366	Install a 4 <sup>th</sup> Ritchie 230/69 kV transformer	PEPCO (100%)

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C.

The Annual Revenue Requirement associated with the Transmission Enhancement Charges are set forth and determined in Appendix A to Attachment H-9.

**Potomac Electric Power Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0367.1 Reconductor circuit “23035” for Dickerson – Quince Orchard 230 kV		AEC (1.78%) / BGE (26.52%) / DPL (3.25%) / JCPL (2.67%) / ME (1.16%) / Neptune* (0.25%) / PECO (4.79%) / PEPCO (52.46%) / PPL (3.23%) / PSEG (3.81%) / ECP** (0.08%)
b0367.2 Reconductor circuit “23033” for Dickerson – Quince Orchard 230 kV		AEC (1.78%) / BGE (26.52%) / DPL (3.25%) / JCPL (2.67%) / ME (1.16%) / Neptune* (0.25%) / PECO (4.79%) / PEPCO (52.46%) / PPL (3.23%) / PSEG (3.81%) / ECP** (0.08%)
b0375 Install 0.5% reactor at Dickerson on the Pleasant View – Dickerson 230 kV circuit		AEC (1.02%) / BGE (25.42%) / DPL (2.97%) / ME (1.72%) / PECO (3.47%) / PEPCO (65.40%)
b0467.1 Reconductor the Dickerson – Pleasant View 230 kV circuit		AEC (1.75%) / APS (19.70%) / BGE (22.13%) / DPL (3.70%) / JCPL (0.71%) / ME (2.48%) / Neptune* (0.06%) / PECO (5.54%) / PEPCO (41.86%) / PPL (2.07%)
b0478 Reconductor the four circuits from Burches Hill to Palmers Corner		APS (1.68%) / BGE (1.83%) / PEPCO (96.49%)
b0496 Replace existing 500/230 kV transformer at Brighton		APS (5.67%) / BGE (29.68%) / Dominion (10.91%) / PEPCO (53.74%)
b0499 Install third Burches Hill 500/230 kV transformer		APS (3.54%) / BGE (7.31%) / PEPCO (89.15%)

\*Neptune Regional Transmission System, LLC

\*\*East Coast Power, L.L.C.

\*\*\* Hudson Transmission Partners, LLC

The Annual Revenue Requirement associated with the Transmission Enhancement Charges are set forth and determined in Appendix A to Attachment H-9.



**Potomac Electric Power Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
0512	MAPP Project – install new 500 kV transmission from Possum Point to Calvert Cliffs and install a DC line from Calvert Cliffs to Vienna and a DC line from Calvert Cliffs to Indian River	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0512.7	Advance n0772 (Replace Chalk Point 230 kV breaker (1A) with 80 kA breaker)	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C

\*\*\* Hudson Transmission Partners, LLC

**Potomac Electric Power Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0512.8	Advance n0773 (Replace Chalk Point 230 kV breaker (1B) with 80 kA breaker)	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0512.9	Advance n0774 (Replace Chalk Point 230 kV breaker (2A) with 80 kA breaker)	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C.

\*\*\* Hudson Transmission Partners, LLC

**Potomac Electric Power Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0512.10	Advance n0775 (Replace Chalk Point 230 kV breaker (2B) with 80 kA breaker)	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0512.11	Advance n0776 (Replace Chalk Point 230 kV breaker (2C) with 80 kA breaker)	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C

\*\*\* Hudson Transmission Partners, LLC

**Potomac Electric Power Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0512.12	Advance n0777 (Replace Chalk Point 230 kV breaker (3A) with 80 kA breaker)	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0512.13	Advance n0778 (Replace Chalk Point 230 kV breaker (3B) with 80 kA breaker)	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C

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**Potomac Electric Power Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0512.14	Advance n0779 (Replace Chalk Point 230 kV breaker (3C) with 80 kA breaker)	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0512.15	Advance n0780 (Replace Chalk Point 230 kV breaker (4A) with 80 kA breaker)	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C

\*\*\* Hudson Transmission Partners, LLC

**Potomac Electric Power Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0512.16	Advance n0781 (Replace Chalk Point 230 kV breaker (4B) with 80 kA breaker)	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0512.17	Advance n0782 (Replace Chalk Point 230 kV breaker (5A) with 80 kA breaker)	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C

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**Potomac Electric Power Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0512.18	Advance n0783 (Replace Chalk Point 230 kV breaker (5B) with 80 kA breaker)	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0512.19	Advance n0784 (Replace Chalk Point 230 kV breaker (6A) with 80 kA breaker)	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

\* Neptune Regional Transmission System, LLC

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**Potomac Electric Power Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0512.20	Advance n0785 (Replace Chalk Point 230 kV breaker (6B) with 80 kA breaker)	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0512.21	Advance n0786 (Replace Chalk Point 230 kV breaker (7B) with 80 kA breaker)	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

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**Potomac Electric Power Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0512.22 Advance n0787 (Replace Chalk Point 230 kV breaker (8A) with 80 kA breaker)		AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0512.23 Advance n0788 (Replace Chalk Point 230 kV breaker (8B) with 80 kA breaker)		AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

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**Potomac Electric Power Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0512.24	Advance n0789 (Replace Chalk Point 230 kV breaker (7A) with 80 kA breaker)	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0512.25	Advance n0790 (Replace Chalk Point 230 Kv breaker (1C) with 80 kA breaker)	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

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**Potomac Electric Power Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0512.26	Advance n0791 (Replace Chalk Point 230 Kv breaker (4C) with 80 kA breaker)	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0512.27	Advance n0792 (Replace Chalk Point 230 Kv breaker (5C) with 80 kA breaker)	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)

\* Neptune Regional Transmission System, LLC

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\*\*\* Hudson Transmission Partners, LLC

**Potomac Electric Power Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0512.28	Advance n0793 (Replace Chalk Point 230 Kv breaker (6C) with 80 kA breaker)	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0512.29	Advance n0794 (Replace Chalk Point 230 Kv breaker (7C) with 80 kA breaker)	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0526	Build two Ritchie – Benning Station A 230 kV lines	AEC (0.77%) / BGE (16.76%) / DPL (1.22%) / JCPL (1.39%) / ME (0.59%) / Neptune* (0.13%) / PECO (2.10%) / PEPCO (74.86%) / PSEG (2.10%) / RE (0.08%)

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**Potomac Electric Power Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0561 Install 300 MVAR capacitor at Dickerson Station “D” 230 kV substation		AEC (8.58%) / APS (1.69%) / DPL (12.24%) / JCPL (18.16%) / ME (1.55%) / Neptune* (1.77%) / PECO (21.78%) / PPL (6.40%) / ECP** (0.73%) / PSEG (26.13%) / RE (0.97%)
b0562 Install 500 MVAR capacitor at Brighton 230 kV substation		AEC (8.58%) / APS (1.69%) / DPL (12.24%) / JCPL (18.16%) / ME (1.55%) / Neptune* (1.77%) / PECO (21.78%) / PPL (6.40%) / ECP** (0.73%) / PSEG (26.13%) / RE (0.97%)
b0637 Replace 13 Oak Grove 230 kV breakers		PEPCO (100%)
b0638 Replace 13 Oak Grove 230 kV breakers		PEPCO (100%)
b0639 Replace 13 Oak Grove 230 kV breakers		PEPCO (100%)
b0640 Replace 13 Oak Grove 230 kV breakers		PEPCO (100%)
b0641 Replace 13 Oak Grove 230 kV breakers		PEPCO (100%)
b0642 Replace 13 Oak Grove 230 kV breakers		PEPCO (100%)
b0643 Replace 13 Oak Grove 230 kV breakers		PEPCO (100%)
b0644 Replace 13 Oak Grove 230 kV breakers		PEPCO (100%)
b0645 Replace 13 Oak Grove 230 kV breakers		PEPCO (100%)
b0646 Replace 13 Oak Grove 230 kV breakers		PEPCO (100%)
b0647 Replace 13 Oak Grove 230 kV breakers		PEPCO (100%)
b0648 Replace 13 Oak Grove 230 kV breakers		PEPCO (100%)
b0649 Replace 13 Oak Grove 230 kV breakers		PEPCO (100%)

**Potomac Electric Power Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0701	Expand Benning 230 kV station, add a new 250 MVA 230/69 kV transformer at Benning Station ‘A’, new 115 kV Benning switching station	BGE (30.57%) / PEPCO (69.43%)
b0702	Add a second 50 MVAR 230 kV shunt reactor at the Benning 230 kV substation	PEPCO (100%)
b0720	Upgrade terminal equipment on both lines	PEPCO (100%)
b0721	Upgrade Oak Grove – Ritchie 23061 230 kV line	PEPCO (100%)
b0722	Upgrade Oak Grove – Ritchie 23058 230 kV line	PEPCO (100%)
b0723	Upgrade Oak Grove – Ritchie 23059 230 kV line	PEPCO (100%)
b0724	Upgrade Oak Grove – Ritchie 23060 230 kV line	PEPCO (100%)
b0730	Add slow oil circulation to the four Bells Mill Road – Bethesda 138 kV lines, add slow oil circulation to the two Buzzard Point – Southwest 138 kV lines; increasing the thermal ratings of these six lines allows for greater adjustment of the O Street phase shifters	PEPCO (100%)

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**Potomac Electric Power Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0731	Implement an SPS to automatically shed load on the 34 kV Bells Mill Road bus for this N-2 condition. The SPS will be in effect for 2013 and 2014 until a third Bells Mill 230/34 kV is placed in-service in 2015	PEPCO (100%)
b0746	Upgrade circuit for 3,000 amps using the ACCR	AEC (0.73%) / BGE (31.05%) / DPL (1.45%) / PECO (2.46%) / PEPCO (62.88%) / PPL (1.43%)
b0747	Upgrade terminal equipment on both lines: Quince Orchard - Bells Mill 230 kV (030) and (028)	PEPCO (100%)
b0802	Advance n0259 (Replace Dickerson Station H Circuit Breaker 412A)	PEPCO (100%)
b0803	Advance n0260 (Replace Dickerson Station H Circuit Breaker 42A)	PEPCO (100%)
b0804	Advance n0261 (Replace Dickerson Station H Circuit Breaker 42C)	PEPCO (100%)
b0805	Advance n0262 (Replace Dickerson Station H Circuit Breaker 43A)	PEPCO (100%)
b0806	Advance n0264 (Replace Dickerson Station H Circuit Breaker 44A)	PEPCO (100%)

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**Potomac Electric Power Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0809 Advance n0267 (Replace Dickerson Station H Circuit Breaker 45B)		PEPCO (100%)
b0810 Advance n0270 (Replace Dickerson Station H Circuit Breaker 47A)		PEPCO (100%)
b0811 Advance n0726 (Replace Dickerson Station H Circuit Breaker SPARE )		PEPCO (100%)
b0845 Replace Chalk Point 230 kV breaker (1A) with 80 kA breaker		PEPCO (100%)
b0846 Replace Chalk Point 230 kV breaker (1B) with 80 kA breaker		PEPCO (100%)
b0847 Replace Chalk Point 230 kV breaker (2A) with 80 kA breaker		PEPCO (100%)
b0848 Replace Chalk Point 230 kV breaker (2B) with 80 kA breaker		PEPCO (100%)
b0849 Replace Chalk Point 230 kV breaker (2C) with 80 kA breaker		PEPCO (100%)
b0850 Replace Chalk Point 230 kV breaker (3A) with 80 kA breaker		PEPCO (100%)
b0851 Replace Chalk Point 230 kV breaker (3B) with 80 kA breaker		PEPCO (100%)
b0852 Replace Chalk Point 230 kV breaker (3C) with 80 kA breaker		PEPCO (100%)
b0853 Replace Chalk Point 230 kV breaker (4A) with 80 kA breaker		PEPCO (100%)
b0854 Replace Chalk Point 230 kV breaker (4B) with 80 kA breaker		PEPCO (100%)
b0855 Replace Chalk Point 230 kV breaker (5A) with 80 kA breaker		PEPCO (100%)



**Potomac Electric Power Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0856	Replace Chalk Point 230 kV breaker (5B) with 80 kA breaker	PEPCO (100%)
b0857	Replace Chalk Point 230 kV breaker (6A) with 80 kA breaker	PEPCO (100%)
b0858	Replace Chalk Point 230 kV breaker (6B) with 80 kA breaker	PEPCO (100%)
b0859	Replace Chalk Point 230 kV breaker (7B) with 80 kA breaker	PEPCO (100%)
b0860	Replace Chalk Point 230 kV breaker (8A) with 80 kA breaker	PEPCO (100%)
b0861	Replace Chalk Point 230 kV breaker (8B) with 80 kA breaker	PEPCO (100%)
b0862	Replace Chalk Point 230 kV breaker (7A) with 80 kA breaker	PEPCO (100%)
b0863	Replace Chalk Point 230 kV breaker (1C) with 80 kA breaker	PEPCO (100%)
b1104	Replace Burtonsville 230 kV breaker '1C'	PEPCO (100%)
b1105	Replace Burtonsville 230 kV breaker '2C'	PEPCO (100%)
b1106	Replace Burtonsville 230 kV breaker '3C'	PEPCO (100%)
b1107	Replace Burtonsville 230 kV breaker '4C'	PEPCO (100%)
b1125	Convert the 138 kV line from Buzzard 138 - Ritchie 851 to a 230 kV line and Remove 230/138 kV Transformer at Ritchie and install a spare 230/138 kV transformer at Buzzard Pt	APS (4.74%) / PEPCO (95.26%)
b1126	Upgrade the 230 kV line from Buzzard 016 – Ritchie 059	APS (4.74%) / PEPCO (95.26%)

**Potomac Electric Power Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1592 Reconductor the Oak Grove – Bowie 230 kV circuit and upgrade terminal equipments at Oak Grove and Bowie 230 kV substations		AEC (2.39%) / APS (3.82%) / BGE (65.72%) / DPL (4.43%) / JCPL (3.93%) / ME (2.16%) / Neptune* (0.39%) / HTP (0.10%) / PECO (8.35%) / PPL (2.83%) / ECP** (0.13%) / PSEG (5.53%) / RE (0.22%)
b1593 Reconductor the Bowie - Burtonsville 230 kV circuit and upgrade terminal equipments at Bowie and Burtonsville 230 kV substations		AEC (2.39%) / APS (3.82%) / BGE (65.72%) / DPL (4.43%) / JCPL (3.93%) / ME (2.16%) / Neptune* (0.39%) / HTP (0.10%) / PECO (8.35%) / PPL (2.83%) / ECP** (0.13%) / PSEG (5.53%) / RE (0.22%)
b1594 Reconductor the Oak Grove – Bowie 230 kV ‘23042’ circuit and upgrade terminal equipments at Oak Grove and Bowie 230 kV substations		AEC (2.38%) / APS (3.84%) / BGE (65.72%) / DPL (4.44%) / JCPL (3.93%) / ME (2.16%) / Neptune* (0.39%) / HTP (0.10%) / PECO (8.33%) / PPL (2.83%) / ECP** (0.13%) / PSEG (5.53%) / RE (0.22%)
b1595 Reconductor the Bowie – Burtonsville 230 kV ‘23042’ circuit and upgrade terminal equipments at Oak Grove and Burtonsville 230 kV substations		AEC (2.38%) / APS (3.84%) / BGE (65.72%) / DPL (4.44%) / JCPL (3.93%) / ME (2.16%) / Neptune* (0.39%) / HTP (0.10%) / PECO (8.33%) / PPL (2.83%) / ECP** (0.13%) / PSEG (5.53%) / RE (0.22%)
b1596 Reconductor the Dickerson station “H” – Quince Orchard 230 kV ‘23032’ circuit and upgrade terminal equipments at Dickerson station “H” and Quince Orchard 230 kV substations		AEC (0.80%) / BGE (33.68%) / DPL (2.09%) / PECO (3.07%) / PEPCO (60.36%)

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**Potomac Electric Power Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1597	Reconductor the Oak Grove - Aquasco 230 kV '23062' circuit and upgrade terminal equipments at Oak Grove and Aquasco 230 kV substations	AEC (1.44%) / BGE (48.60%) / DPL (2.52%) / PECO (5.00%) / PEPCO (42.44%)
b2008	Reconductor feeder 23032 and 23034 to high temp. conductor (10 miles)	BGE (33.05%) / DPL (1.38%) / PECO (1.35%) / PEPCO (64.22%) /
b2136	Reconductor the Morgantown - V3-017 230 kV '23086' circuit and replace terminal equipments at Morgantown	PEPCO (100%)
b2137	Reconductor the Morgantown - Talbert 230 kV '23085' circuit and replace terminal equipment at Morgantown	PEPCO (100%)
b2138	Replace terminal equipments at Hawkins 230 kV substation	PEPCO (100%)

**SCHEDULE 12 – APPENDIX A**

**(10) Potomac Electric Power Company**

<i>Required Transmission Enhancements</i>	<i>Annual Revenue Requirement</i>	<i>Responsible Customer(s)</i>
b2279 <i>Add two 100 MVAR reactors at Dickerson Station H and two 100 MVAR reactors at Brighton 230 kV substation</i>		PEPCO (100%)
b2372 <i>Upgrade the Chalk Point - T133TAP 230 kV Ck. 1 (23063) and Ckt. 2 (23065) to 1200 MVA ACCR</i>		BGE (100%)

*The Annual Revenue Requirement associated with the Transmission Enhancement Charges are set forth and determined in Appendix A to Attachment H-9.*

**Attachment 2G - Transmission Enhancement Charges for June 2018 - May 2019**  
**Calculation of costs and monthly PJM charges for PECO Energy Company Transmission Projects**

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	
Required Transmission Enhancement <i>per PJM website</i>	PJM Upgrade ID <i>per PJM spreadsheet</i>	2018/2019 Annual Revenue Requirement <i>per PJM website</i>	Responsible Customers - Schedule 12 Appendix				Estimated New Jersey EDC Zone Charges by Project				Total NJ Zones Charges
			ACE Zone Share <sup>1</sup>	JCP&L Zone Share <sup>1</sup>	PSE&G Zone Share <sup>1</sup>	RE Zone Share <sup>1</sup>	ACE Zone Charges	JCP&L Zone Charges	PSE&G Zone Charges	RE Zone Charges	
			<i>per PJM Open Access Transmission Tariff</i>								
Install a new 500 kV Center Point substation in PECO by tapping the Elroy – Whitpain 500 kV circuit.	b0269	\$ 3,834,453.99	1.66%	3.74%	6.26%	0.26%	\$63,652	\$143,409	\$240,037	\$9,970	\$457,067
Add a new 230 kV circuit between Whitpain and Heaton substations	b0269.1	\$ 4,852,276.34	8.25%	0.00%	0.00%	0.00%	\$400,313	\$0	\$0	\$0	\$400,313
Add a new 500kV brkr. at Whitpain bet. #3 transmfr. and 5029 line	b0269.6	\$ 539,744.43	1.66%	3.74%	6.26%	0.26%	\$8,960	\$20,186	\$33,788	\$1,403	\$64,338
Replace 2-500 kV circrt brkrs and 2 wave traps at Elroy subs to increase rating of Elroy - Hosensack 500kV	b0171.1	\$ 726,651.74	1.66%	3.74%	6.26%	0.26%	\$12,062	\$27,177	\$45,488	\$1,889	\$86,617
Increase the rating of lines 220-39 and 220-43 (Linwood-Chicester 230kV lines) and install reactors.	b1900	\$ 3,515,277.26	0.00%	6.07%	21.01%	0.84%	\$0	\$213,377	\$738,560	\$29,528	\$981,465
Rebuild Bryn Mawr-Plymouth Meeting 138 kV line (130-35 Line)	b0727	\$ 3,379,204.64	1.25%	0.00%	0.00%	0.00%	\$42,240	\$0	\$0	\$0	\$42,240
Recndr Chichester - Saville 138 kV line and upgrade term equip	b1182	\$ 3,137,518.20	0.00%	5.12%	14.31%	0.57%	\$0	\$160,641	\$448,979	\$17,884	\$627,504
Add a second 230/138 kV trans at Chichester. Add an inductor in series with the parallel tranfmrs	b1178	\$ 1,425,743.54	0.00%	4.17%	12.18%	0.48%	\$0	\$59,454	\$173,656	\$6,844	\$239,953
Increase Bradford - Planebrook 230 kV Ckt.220-31 line rating. Replace terminal equipment	b0790	\$ 302,838.57	0.00%	17.46%	34.00%	1.32%	\$0	\$52,876	\$102,965	\$3,997	\$159,838
Reconductor the North Wales - Hartman 230 kV circuit	b0506	\$ 378,009.12	8.58%	0.00%	0.00%	0.00%	\$32,433	\$0	\$0	\$0	\$32,433
Reconductor the North Wales - Whitpain 230 kV circuit	b0505	\$ 422,393.72	8.58%	0.00%	0.00%	0.00%	\$36,241	\$0	\$0	\$0	\$36,241
Increase Bradford - Planebrook 230 kV Ckt.220-02 line rating. Replace terminal equipment	b0789	\$ 414,363.33	0.73%	17.52%	33.83%	1.32%	\$3,025	\$72,596	\$140,179	\$5,470	\$221,270
Install 161MVAR capacitor at Planebrook 230kV substation	b0206	\$ 560,607.56	14.20%	0.00%	3.47%	0.00%	\$79,606	\$0	\$19,453	\$0	\$99,059
Install 161MVAR capacitor at Newlinville 230kV substation	b0207	\$ 756,164.56	14.20%	0.00%	3.47%	0.00%	\$107,375	\$0	\$26,239	\$0	\$133,614
Install 2% series reactor at Chichester substation on the Chichester - Mickleton 230kV circuit	b0209	\$ 428,681.01	65.23%	25.87%	6.35%	0.00%	\$279,629	\$110,900	\$27,221	\$0	\$417,750
Upgrade Chichester - Delco Tap 230kV and the PECO portion of the Delco Tap - Mickleton 230kV cicuit	b0264	\$ 358,865.79	89.87%	9.48%	0.00%	0.00%	\$322,513	\$34,020	\$0	\$0	\$356,533

**Attachment 2G - Transmission Enhancement Charges for June 2018 - May 2019**  
**Calculation of costs and monthly PJM charges for PECO Energy Company Transmission Projects**

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	
Required Transmission Enhancement <i>per PJM website</i>	PJM Upgrade ID <i>per PJM spreadsheet</i>	2018/2019 Annual Revenue Requirement <i>per PJM website</i>	Responsible Customers - Schedule 12 Appendix				Estimated New Jersey EDC Zone Charges by Project				
			ACE Zone Share <sup>1</sup>	JCP&L Zone Share <sup>1</sup>	PSE&G Zone Share <sup>1</sup>	RE Zone Share <sup>1</sup>	ACE Zone Charges	JCP&L Zone Charges	PSE&G Zone Charges	RE Zone Charges	Total NJ Zones Charges
Reconductor Buckingham - Pleasant Valley 230kV; same impedance as existing line; ratings of 760MVA normal/882MVA emergency	b0357	\$ 366,372.73	0.00%	37.89%	55.19%	2.37%	\$0	\$138,819	\$202,201	\$8,683	\$349,703
Reconductor Richmond-Waneeta kv and replace terminal equipment at Waneeta Substation	b1398.8	\$ 280,237.30	0.00%	13.03%	31.99%	1.27%	\$0	\$36,515	\$89,648	\$3,559	\$129,722
Install 600 MVAR cap banks at Elroy 500kv Substation	b0287	\$ 912,611.66	1.66%	3.74%	6.26%	0.26%	\$15,149	\$34,132	\$57,129	\$2,373	\$108,783
Install 161 MVAR capacitor at Heaton 230kV Substation	b0208	\$ 678,119.35	14.20%	0.00%	3.47%	0.00%	\$96,293	\$0	\$23,531	\$0	\$119,824
							<b>\$1,499,492</b>	<b>\$1,104,101</b>	<b>\$2,369,074</b>	<b>\$91,600</b>	<b>\$5,064,267</b>

Notes on calculations >>>

= (a) \* (b)      = (a) \* (c)      = (a) \* (d)      = (a) \* (e)      = (f) + (g) + (h) + (i)

	(k)	(l)	(m)	(n)	(o)	(n)
Zonal Cost Allocation for New Jersey Zones	Average Monthly Impact on Zone Customers in 18/19	2018TX Peak Load per PJM website	Rate in \$/MW-mo.	2018 Impact (7 months)	2019 Impact (5 months)	2018 Impact (12 months)
PSE&G	\$ 197,422.84	9,566.9	\$ 20.64	\$ 1,381,960	\$ 987,114	\$ 2,369,074
JCP&L	\$ 92,008.43	5,721.0	\$ 16.08	\$ 644,059	\$ 460,042	\$ 1,104,101
ACE	\$ 124,957.64	2,540.8	\$ 49.18	\$ 874,703	\$ 624,788	\$ 1,499,492
RE	\$ 7,633.32	401.7	\$ 19.00	\$ 53,433	\$ 38,167	\$ 91,600
<b>Total Impact on NJ Zones</b>	<b>\$ 422,022.23</b>			<b>\$ 2,954,156</b>	<b>\$ 2,110,111</b>	<b>\$ 5,064,267</b>

Notes on calculations >>>

= (k) \* (l)      = (k) \* 7      = (k) \* 5      = (k) \* 12

**Notes:**

1) 2018 allocation share percentages are from PJM OATT

**SCHEDULE 12 – APPENDIX**

**(8) PECO Energy Company**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0171.1 Replace two 500 kV circuit breakers and two wave traps at Elroy substation to increase rating of Elroy - Hosensack 500 kV		AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPSCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0180 Replace Whitpain 230kV circuit breaker #165		PECO (100%)
b0181 Replace Whitpain 230kV circuit breaker #J105		PECO (100%)
b0182 Upgrade Plymouth Meeting 230kV circuit breaker #125		PECO (100%)
b0205 Install three 28.8Mvar capacitors at Planebrook 35kV substation		PECO (100%)
b0206 Install 161Mvar capacitor at Planebrook 230kV substation		AEC (14.20%) / DPL (24.39%) / PECO (57.94%) / PSEG (3.47%)

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C.

\*\*\* Hudson Transmission Partners, LLC

**PECO Energy Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0207	Install 161Mvar capacitor at Newlinville 230kV substation	AEC (14.20%) / DPL (24.39%) / PECO (57.94%) / PSEG (3.47%)
b0208	Install 161Mvar capacitor Heaton 230kV substation	AEC (14.20%) / DPL (24.39%) / PECO (57.94%) / PSEG (3.47%)
b0209	Install 2% series reactor at Chichester substation on the Chichester - Mickleton 230kV circuit	AEC (65.23%) / JCPL (25.87%) / Neptune* (2.55%) / PSEG (6.35%)
b0264	Upgrade Chichester – Delco Tap 230 kV and the PECO portion of the Delco Tap – Mickleton 230 kV circuit	AEC (89.87%) / JCPL (9.48%) / Neptune* (0.65%)
b0266	Replace two wave traps and ammeter at Peach Bottom, and two wave traps and ammeter at Newlinville 230 kV substations	PECO (100%)
b0269	Install a new 500/230 kV substation in PECO, and tap the high side on the Elroy – Whitpain 500 kV and the low side on the North Wales – Perkiomen 230 kV circuit	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)†

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C.

\*\*\*Hudson Transmission Partners, LLCPECO Energy Company (cont.)



**PECO Energy Company (cont.)**

Required Transmission Enhancements    Annual Revenue Requirement    Responsible Customer(s)

b0269	Install a new 500/230 kV substation in PECO, and tap the high side on the Elroy – Whitpain 500 kV and the low side on the North Wales – Perkiomen 230 kV circuit		AEC (8.25%) / DPL (9.56%) / PECO (82.19%)††
b0269.1	Add a new 230 kV circuit between Whitpain and Heaton substations		AEC (8.25%) / DPL (9.56%) / PECO (82.19%)††
b0269.2	Reconductor the Whitpain 1 – Plymtg 1 230 kV circuit		AEC (8.25%) / DPL (9.56%) / PECO (82.19%)††
b0269.3	Convert the Heaton bus to a ring bus		AEC (8.25%) / DPL (9.56%) / PECO (82.19%)††
b0269.4	Reconductor the Heaton – Warminster 230 kV circuit		AEC (8.25%) / DPL (9.56%) / PECO (82.19%)††
b0269.5	Reconductor Warminster – Buckingham 230 kV circuit		AEC (8.25%) / DPL (9.56%) / PECO (82.19%)††

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C.

\*\*\* Hudson Transmission Partners, LLC

† Cost allocations associated with Regional Facilities and Necessary Lower Voltage Facilities associated with the project

†† Cost allocations associated with below 500 kV elements of the project

**PECO Energy Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0269.6	Add a new 500 kV breaker at Whitpain between #3 transformer and 5029 line	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0269.7	Replace North Wales 230 kV breaker #105	PECO (100%)
b0280.1	Install 161 MVAR capacitor at Warrington 230 kV substation	PECO 100%
b0280.2	Install 161 MVAR capacitor at Bradford 230 kV substation	PECO 100%
b0280.3	Install 28.8 MVAR capacitor at Warrington 34 kV substation	PECO 100%
b0280.4	Install 18 MVAR capacitor at Waverly 13.8 kV substation	PECO 100%

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C.

\*\*\* Hudson Transmission Partners, LLC

† Cost allocations associated with Regional Facilities and Necessary Lower Voltage Facilities associated with the project

†† Cost allocations associated with below 500 kV elements of the project

**PECO Energy Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0287 Install 600 MVAR Dynamic Reactive Device in Whitpain 500 kV vicinity		AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)
b0351 Reconductor Tunnel – Grays Ferry 230 kV		PECO (100%)
b0352 Reconductor Tunnel – Parrish 230 kV		PECO (100%)
b0353.1 Install 2% reactors on both lines from Eddystone – Llanerch 138 kV		PECO (100%)
b0353.2 Install identical second 230/138 kV transformer in parallel with existing 230/138 kV transformer at Plymouth Meeting		PECO 100%
b0353.3 Replace Whitpain 230 kV breaker 135		PECO (100%)
b0353.4 Replace Whitpain 230 kV breaker 145		PECO (100%)
b0354 Eddystone – Island Road Upgrade line terminal equipment		PECO 100%

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C.

\*\*\* Hudson Transmission Partners, LLC

†† Cost allocations associated with below 500 kV elements of the project

**PECO Energy Company (cont.)**

Required Transmission Enhancements    Annual Revenue Requirement    Responsible Customer(s)

b0355	Reconductor Master – North Philadelphia 230 kV line		PECO 100%
b0357	Reconductor Buckingham – Pleasant Valley 230 kV		JCPL (37.17%) / Neptune* (4.46%) / PSEG (54.14%) / RE (2.32%) / ECP** (1.91%)
b0359	Reconductor North Philadelphia – Waneeta 230 kV circuit		PECO 100%
b0402.1	Replace Whitpain 230 kV breaker #245		PECO (100%)
b0402.2	Replace Whitpain 230 kV breaker #255		PECO (100%)
b0438	Spare Whitpain 500/230 kV transformer		PECO (100%)
b0443	Spare Peach Bottom 500/230 kV transformer		PECO (100%)
b0505	Reconductor the North Wales – Whitpain 230 kV circuit		AEC (8.58%) / DPL (7.76%) / PECO (83.66%)
b0506	Reconductor the North Wales – Hartman 230 kV circuit		AEC (8.58%) / DPL (7.76%) / PECO (83.66%)
b0507	Reconductor the Jarrett – Whitpain 230 kV circuit		AEC (8.58%) / DPL (7.76%) PECO (83.66%)
b0508.1	Replace station cable at Hartman on the Warrington - Hartman 230 kV circuit		PECO (100%)
b0509	Reconductor the Jarrett – Heaton 230 kV circuit		PECO (100%)

**PECO Energy Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b0727	Rebuild Bryn Mawr – Plymouth Meeting 138 kV line	AEC (1.25%) / DPL (3.11%) / PECO (95.64%)
b0789	Reconductor the line to provide a normal rating of 677 MVA and an emergency rating of 827 MVA	AEC (0.72%) / JCPL (17.36%) / NEPTUNE* (1.70%) / PECO (44.47%) / ECP** (0.92%) / PSEG (33.52%) / RE (1.31%)
b0790	Reconductor the Bradford – Planebrook 230 kV Ckt. 220-31 to provide a normal rating of 677 MVA and emergency rating of 827 MVA	JCPL (17.30%) / NEPTUNE* (1.69%) / PECO (45.09%) / ECP** (0.93%) / PSEG (33.68%) / RE (1.31%)
b0829.1	Replace Whitpain 230 kV breaker '155'	PECO (100%)
b1073	Install 2 new 230 kV breakers at Planebrook (on the 220-02 line terminal and on the 230 kV side of the #9 transformer)	PECO (100%)
b0829.2	Replace Whitpain 230 kV breaker '525'	PECO (100%)
b0829.3	Replace Whitpain 230 kV breaker '175'	PECO (100%)
b0829.4	Replace Plymouth Meeting 230 kV breaker '225'	PECO (100%)
b0829.5	Replace Plymouth Meeting 230 kV breaker '335'	PECO (100%)
b0841	Move the connection points for the 2nd Plymouth Meeting 230/138 kV XFMR	PECO (100%)

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C.

**PECO Energy Company (cont.)**

Required Transmission Enhancements    Annual Revenue Requirement    Responsible Customer(s)

b0842	Install a 2nd 230/138 kV XFMR and 35 MVAR CAP at Heaton 138 kV bus		PECO (100%)
b0842.1	Replace Heaton 138 kV breaker ‘150’		PECO (100%)
b0843	Install a 75 MVAR CAP at Llanerch 138 kV bus		PECO (100%)
b0844	Move the connection point for the Llanerch 138/69 kV XFMR		PECO (100%)
b0887	Replace Richmond-Tacony 69 kV line		PECO (100%)
b0920	Replace station cable at Whitpain and Jarrett substations on the Jarrett - Whitpain 230 kV circuit		PECO (100%)
b1014.1	Replace Circuit breaker, Station Cable, CTs and Wave Trap at Eddistone 230 kV		PECO (100%)
b1014.2	Replace Circuit breaker, Station Cable, CTs Disconnect Switch and Wave Trap at Island Rd. 230 kV		PECO (100%)
b1015	Replace Breakers #115 and #125 at Printz 230 kV substation		PECO (100%)
b1156.1	Upgrade at Richmond 230 kV breaker ‘525’		PECO (100%)
b1156.2	Upgrade at Richmond 230 kV breaker ‘415’		PECO (100%)
b1156.3	Upgrade at Richmond 230 kV breaker ‘475’		PECO (100%)
b1156.4	Upgrade at Richmond 230 kV breaker ‘575’		PECO (100%)

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C.

**PECO Energy Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1156.5	Upgrade at Richmond 230 kV breaker '185'	PECO (100%)
b1156.6	Upgrade at Richmond 230 kV breaker '285'	PECO (100%)
b1156.7	Upgrade at Richmond 230 kV breaker '85'	PECO (100%)
b1156.8	Upgrade at Waneeta 230 kV breaker '425'	PECO (100%)
b1156.9	Upgrade at Emilie 230 kV breaker '815'	PECO (100%)
b1156.10	Upgrade at Plymouth Meeting 230 kV breaker '265'	PECO (100%)
b1156.11	Upgrade at Croydon 230 kV breaker '115'	PECO (100%)
b1156.12	Replace Emilie 138 kV breaker '190'	PECO (100%)
b1178	Add a second 230/138 kV transformer at Chichester. Add an inductor in series with the parallel transformers	JCPL (4.14%) / Neptune (0.44%) / PECO (82.19%) / ECP (0.33%) / HTP (0.32%) / PSEG (12.10%) / RE (0.48%)
b1179	Replace terminal equipment at Eddystone and Saville and replace underground section of the line	PECO (100%)
b1180.1	Replace terminal equipment at Chichester	PECO (100%)
b1180.2	Replace terminal equipment at Chichester	PECO (100%)
b1181	Install 230/138 kV transformer at Eddystone	PECO (100%)

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\*\* East Coast Power, L.L.C.

**PECO Energy Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1182	Reconductor Chichester – Saville 138 kV line and upgrade terminal equipment	JCPL (5.08%) / Neptune (0.54%) / PECO (78.85%) / ECP (0.39%) / HTP (0.38%) / PSEG (14.20%) / RE (0.56%)
b1183	Replace 230/69 kV transformer #6 at Cromby. Add two 50 MVAR 230 kV banks at Cromby	PECO (100%)
b1184	Add 138 kV breakers at Cromby, Perkiomen, and North Wales; add a 35 MVAR capacitor at Perkiomen 138 kV	PECO (100%)
b1185	Upgrade Eddystone 230 kV breaker #365	PECO (100%)
b1186	Upgrade Eddystone 230 kV breaker #785	PECO (100%)
b1197	Reconductor the PECO portion of the Burlington – Croydon circuit	PECO (100%)
b1198	Replace terminal equipments including station cable, disconnects and relay at Conowingo 230 kV station	PECO (100%)
b1338	Replace Printz 230 kV breaker ‘225’	PECO (100%)
b1339	Replace Printz 230 kV breaker ‘315’	PECO (100%)
b1340	Replace Printz 230 kV breaker ‘215’	PECO (100%)
b1398.6	Reconductor the Camden – Richmond 230 kV circuit (PECO portion) and upgrade terminal equipments at Camden substations	JCPL (12.82%) / NEPTUNE (1.18%) / HTP (0.79%) / PECO (51.08%) / PEPSCO (0.57%) / ECP** (0.85%) / PSEG (31.46%) / RE (1.25%)



**PECO Energy Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1398.8	Reconductor Richmond – Waneeta 230 kV and replace terminal equipments at Richmond and Waneeta substations	JCPL (12.82%) / NEPTUNE (1.18%) / HTP (0.79%) / PECO (51.08%) / PEPSCO (0.57%) / ECP** (0.85%) / PSEG (31.46%) / RE (1.25%)
b1398.12	Replace Graysferry 230 kV breaker ‘115’	PECO (100%)
b1398.13	Upgrade Peach Bottom 500 kV breaker ‘225’	AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPSCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)†
b1398.14	Replace Whitpain 230 kV breaker ‘105’	PECO (100%)
b1590.1	Upgrade the PECO portion of the Camden – Richmond 230 kV to a six wire conductor and replace terminal equipment at Richmond.	BGE (3.05%) / ME (0.83%) / HTP (0.21%) / PECO (91.36%) / PEPSCO (1.93%) / PPL (2.46%) / ECP** (0.16%)
b1591	Reconductor the underground portion of the Richmond – Waneeta 230 kV and replace terminal equipment	BGE (4.54%) / DL (0.27%) / ME (1.04%) / HTP (0.03%) / PECO (88.08%) / PEPSCO (2.79%) / PPL (3.25%)

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C.

**PECO Energy Company (cont.)**

Required Transmission Enhancements    Annual Revenue Requirement    Responsible Customer(s)

b1717	Install a second Waneeta 230/138 kV transformer on a separate bus section		HTP (0.04%) / PECO (99.96%)
b1718	Reconductor the Crescentville - Foxchase 138 kV circuit		PECO (100%)
b1719	Reconductor the Foxchase - Bluegrass 138 kV circuit		PECO (100%)
b1720	Increase the effective rating of the Eddystone 230/138 kV transformer by replacing a circuit breaker at Eddystone		PECO (100%)
b1721	Increase the rating of the Waneeta - Tuna 138 kV circuit by replacing two 138 kV CTs at Waneeta		PECO (100%)
b1722	Increase the normal rating of the Cedarbrook - Whitemarsh 69 kV circuit by changing the CT ratio and replacing station cable at Whitemarsh 69 kV		PECO (100%)
b1768	Install 39 MVAR capacitor at Cromby 138 kV bus		PECO (100%)
b1900	Add a 3rd 230 kV transmission line between Chichester and Linwood substations and remove the Linwood SPS		PECO (69.62%) / JCPL (6.02%) / ATSI (1.23%) / PSEG (20.83%) / RE (0.83%) / NEPTUNE* (0.59%) / ECP** (0.45%) / HTP (0.43%)
b2140	Install a 3rd Emilie 230/138 kV transformer		PECO (97.04%) / ECP** (1.62%) / HTP (1.34%)
b2145	Replace two sections of conductor inside Richmond substation		PECO (100%)

\* Neptune Regional Transmission System, LLC

\*\* East Coast Power, L.L.C.

\*\*\* Hudson Transmission Partners, LLC

**SCHEDULE 12 – APPENDIX A**

**(8) PECO Energy Company**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b2130	Replace Waneeta 138 kV breaker '15' with 63 kA rated breaker	PECO (100%)
b2131	Replace Waneeta 138 kV breaker '35' with 63 kA rated breaker	PECO (100%)
b2132	Replace Waneeta 138 kV breaker '875' with 63 kA rated breaker	PECO (100%)
b2133	Replace Waneeta 138 kV breaker '895' with 63 kA rated breaker	PECO (100%)
b2134	Plymouth Meeting 230 kV breaker '115' with 63 kA rated breaker	PECO (100%)
b2222	Install a second Eddystone 230/138 kV transformer	PECO (100%)
b2222.1	Replace the Eddystone 138 kV #205 breaker with 63kA breaker	PECO (100%)
b2222.2	Increase Rating of Eddystone #415 138kV Breaker	PECO (100%)
b2236	50 MVAR reactor at Buckingham 230 kV	PECO (100%)
b2527	Replace Whitpain 230 kV breaker '155' with 80kA breaker	PECO (100%)
b2528	Replace Whitpain 230 kV breaker '525' with 80kA breaker	PECO (100%)
b2529	Replace Whitpain 230 kV breaker '175' with 80 kA breaker	PECO (100%)
b2549	Replace terminal equipment inside Chichester substation on the 220-36 (Chichester – Eddystone) 230 kV line	PECO (100%)

**PECO Energy Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b2550	Replace terminal equipment inside Nottingham substation on the 220-05 (Nottingham – Daleville- Bradford) 230 kV line	PECO (100%)
b2551	Replace terminal equipment inside Llanerch substation on the 130-45 (Eddystone to Llanerch) 138 kV line	PECO (100%)
b2572	Replace the Peach Bottom 500 kV ‘#225’ breaker with a 63kA breaker	PECO (100%)
b2694	Increase ratings of Peach Bottom 500/230 kV transformer to 1479 MVA normal/1839 MVA emergency	AEC (4.04%) / AEP (5.87%) / APS (4.34%) / ATSI (6.25%) / BGE (1.66%) / ComEd (0.73%) / Dayton (1.08%) / DEOK (2.01%) / DL (2.29%) / Dominion (0.35%) / DPL (14.53%) / EKPC (0.40%) / JCPL (6.95%) / MetEd (3.34%) / Neptune (2.18%) / PECO (16.69%) / PENELEC (4.01%) / PPL (8.46%) / PSEG (14.37%) / RECO (0.45%)
b2752.2	Tie in new Furnace Run substation to Peach Bottom – TMI 500 kV	AEP (6.46%) / APS (8.74%) / BGE (19.74%) / ComEd (2.16%) / Dayton (0.59%) / DEOK (1.02%) / DL (0.01%) / Dominion (39.95%) / EKPC (0.45%) / PEPCO (20.88%)
b2752.3	Upgrade terminal equipment and required relay communication at Peach Bottom 500 kV: on the Beach Bottom – TMI 500 kV circuit	AEP (6.46%) / APS (8.74%) / BGE (19.74%) / ComEd (2.16%) / Dayton (0.59%) / DEOK (1.02%) / DL (0.01%) / Dominion (39.95%) / EKPC (0.45%) / PEPCO (20.88%)

**PECO Energy Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b2766.2	Upgrade substation equipment at Peach Bottom 500 kV to increase facility rating to 2826 MVA normal and 3525 MVA emergency	<p><b>Load-Ratio Share Allocation:</b>                      AEC (1.66%) / AEP (14.16%) / APS (5.73%) / ATSI (7.88%) / BGE (4.22%) / ComEd (13.31%) / Dayton (2.11%) / DEOK (3.29%) / DL (1.75%) / DPL (2.50%) / Dominion (12.86%) / EKPC (1.87%) / JCPL (3.74%) / ME (1.90%) / NEPTUNE* (0.44%) / PECO (5.34%) / PENELEC (1.89%) / PEPCO (3.99%) / PPL (4.84%) / PSEG (6.26%) / RE (0.26%)</p> <p><b>DFAX Allocation:</b>                      AEC (0.05%) / APS (11.40%) / BGE (22.83%) / Dayton (2.23%) / DEOK (4.28%) / DPL (0.20%) / EKPC (1.98%) / JCPL (11.06%) / NEPTUNE* (1.17%) / POSEIDON**** (0.64%) / PENELEC (0.06%) / PEPCO (19.38%) / PSEG (23.77%) / RECO (0.95%)</p>

\*Neptune Regional Transmission System, LLC

\*\*\*\*Poseidon Transmission 1, LLC

**PECO Energy Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b2774	Reconductor the Emilie - Falls 138 kV line, and replace station cable and relay	PECO (100%)
b2775	Reconductor the Falls - U.S. Steel 138 kV line	PECO (100%)
b2850	Replace the Waneeta 230 kV "285" with 63kA breaker	PECO (100%)
b2852	Replace the Chichester 230 kV "195" with 63kA breaker	PECO (100%)
b2854	Replace the North Philadelphia 230 kV "CS 775" with 63kA breaker	PECO (100%)
b2855	Replace the North Philadelphia 230 kV "CS 885" with 63kA breaker	PECO (100%)
b2856	Replace the Parrish 230 kV "CS 715" with 63kA breaker	PECO (100%)
b2857	Replace the Parrish 230 kV "CS 825" with 63kA breaker	PECO (100%)
b2858	Replace the Parrish 230 kV "CS 935" with 63kA breaker	PECO (100%)
b2859	Replace the Plymouth Meeting 230 kV "215" with 63kA breaker	PECO (100%)
b2860	Replace the Plymouth Meeting 230 kV "235" with 63kA breaker	PECO (100%)
b2861	Replace the Plymouth Meeting 230 kV "325" with 63kA breaker	PECO (100%)
b2862	Replace the Grays Ferry 230 kV "705" with 63kA breaker	PECO (100%)

**PECO Energy Company (cont.)**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b2863	Replace the Grays Ferry 230 kV "985" with 63kA breaker	PECO (100%)
b2864	Replace the Grays Ferry 230 kV "775" with 63kA breaker	PECO (100%)
b2923	Replace the China Tap 230 kV 'CS 15' breaker with a 63 kA breaker	PECO (100%)
b2924	Replace the Emilie 230 kV 'CS 15' breaker with 63 kA breaker	PECO (100%)
b2925	Replace the Emilie 230 kV 'CS 25' breaker with 63 kA breaker	PECO (100%)
b2926	Replace the Chichester 230 kV '215' breaker with 63 kA breaker	PECO (100%)
b2927	Replace the Plymouth Meeting 230 kV '125' breaker with 63 kA breaker	PECO (100%)
b2985	Replace the 230 kV CB #225 at Linwood Substation (PECO) with a double circuit breaker (back to back circuit breakers in one device)	PECO (100%)

**SCHEDULE 12 – APPENDIX A**

**(9) PPL Electric Utilities Corporation**

Required Transmission Enhancements	Annual Revenue Requirement	Responsible Customer(s)
b1813.12	Replace the Blooming Grove 230 kV breaker 'Peckville'	PPL (100%)
b2223	Rebuild and reconductor 2.6 miles of the Sunbury - Dauphin 69 kV circuit	PPL (100%)
b2224	Add a 2nd 150 MVA 230/69 kV transformer at Springfield	PPL (100%)



Attachment 3A

Translation of 2018/2019 Schedule 12 Charges into Rates – JCP&L

Attachment 3B

Translation of 2018/2019 Schedule 12 Charges into Rates – PSE&G

Attachment 3C

Translation of 2018/2019 Schedule 12 Charges into Rates – RECO

**Attachment 3A**

**Jersey Central Power & Light Company**

Proposed TRAILCO Project Transmission Enhancement Charge (TRAILCO-TEC Surcharge) effective September 1, 2018

To reflect FERC-approved TRAILCO Project Transmission Enhancement Charge (Schedule 12 PJM OATT) effective June 2018 - May 2019

2018/2019 Average Monthly TRAILCO-TEC Costs Allocated to JCP&L Zone	\$	528,781.40	(1)
2018 JCP&L Zone Transmission Peak Load (MW)		5721.0	
TRAILCO-Transmission Enhancement Rate (\$/MW-month)	\$	92.43	

BGS by Voltage Level	Transmission Obligation (MW)	Allocated Cost Recovery (\$) (2)	BGS Eligible Sales (kWh) (3)	Effective September 1, 2018	
				TRAILCO-TEC Surcharge (\$/kWh)	TRAILCO-TEC Surcharge w/ SUT(\$/kWh)
Secondary (excluding lighting)	4947.8	5,487,792	16,477,551,837	\$ 0.000333	\$ 0.000355
Primary	343.5	380,989	1,715,254,363	\$ 0.000222	\$ 0.000237
Transmission @ 34.5 kV	285.6	316,770	1,565,311,865	\$ 0.000202	\$ 0.000215
Transmission @ 230 kV	15.3	16,970	339,519,446	\$ 0.000050	\$ 0.000053
Total	5592.2	6,202,520	20,097,637,511		

(1) Cost Allocation of TRAILCO Project Schedule 12 Charges to JCP&L Zone for 2018/2019

(2) Based on 12 months TRAILCO Project costs from June 2018 through May 2019

(3) September 2018 through August 2019

BGS-RSCP Supplier Payment Adjustment

Line No.

1	BGS-RSCP Eligible Sales June through May @ Customer	15,493,967	MWH
2	BGS-RSCP Eligible Sales June through May @ Transmission Node	17,191,398	MWH
3	BGS-RSCP Eligible Transmission Obligation	4,694	MW
4	TRAILCO-Transmission Enhancement Costs to RSCP Suppliers	\$ 5,205,738	= Line 3 x \$92.43 x 12
5	Change to Supplier Payment Rates \$/MWH (rounded to 2 decimals)	\$ 0.30	= Line 4 / Line 2

**Attachment 3A**

**Jersey Central Power & Light Company**

Proposed BG&E Project Transmission Enhancement Charge (BG&E-TEC Surcharge) effective September 1, 2018

To reflect FERC-approved BG&E Project Transmission Enhancement Charge (Schedule 12 PJM OATT) effective June 2018 - May 2019

2018/2019 Average Monthly BG&E-TEC Costs Allocated to JCP&L Zone	\$	23,649.42	(1)
2018 JCP&L Zone Transmission Peak Load (MW)		5721.0	
BG&E-Transmission Enhancement Rate (\$/MW-month)	\$	4.13	

BGS by Voltage Level	Transmission Obligation (MW)	Allocated Cost Recovery (\$) (2)	BGS Eligible Sales (kWh) (3)	Effective September 1, 2018	
				BG&E-TEC Surcharge (\$/kWh)	BG&E-TEC Surcharge w/ SUT(\$/kWh)
Secondary (excluding lighting)	4947.8	245,438	16,477,551,837	\$ 0.000015	\$ 0.000016
Primary	343.5	17,039	1,715,254,363	\$ 0.000010	\$ 0.000011
Transmission @ 34.5 kV	285.6	14,167	1,565,311,865	\$ 0.000009	\$ 0.000010
Transmission @ 230 kV	15.3	759	339,519,446	\$ 0.000002	\$ 0.000002
Total	5592.2	277,404	20,097,637,511		

(1) Cost Allocation of BG&E Project Schedule 12 Charges to JCP&L Zone for 2018/2019

(2) Based on 12 months BG&E Project costs from June 2018 through May 2019

(3) September 2018 through August 2019

BGS-RSCP Supplier Payment Adjustment

Line No.

1	BGS-RSCP Eligible Sales June through May @ Customer	15,493,967	MWH
2	BGS-RSCP Eligible Sales June through May @ Transmission Node	17,191,398	MWH
3	BGS-RSCP Eligible Transmission Obligation	4,694	MW
4	BG&E-Transmission Enhancement Costs to RSCP Suppliers	\$ 232,823	= Line 3 x \$4.13 x 12
5	Change to Supplier Payment Rates \$/MWH (rounded to 2 decimals)	\$ 0.01	= Line 4 / Line 2

**Attachment 3A**

**Jersey Central Power & Light Company**

Proposed PPL Project Transmission Enhancement Charge (PPL-TEC Surcharge) effective September 1, 2018

To reflect FERC-approved PPL Project Transmission Enhancement Charge (Schedule 12 PJM OATT) effective June 2018 - May 2019

2018/2019 Average Monthly PPL-TEC Costs Allocated to JCP&L Zone	\$	293,576.76	(1)
2018 JCP&L Zone Transmission Peak Load (MW)		5721.0	
PPL-Transmission Enhancement Rate (\$/MW-month)	\$	51.32	

BGS by Voltage Level	Transmission Obligation (MW)	Allocated Cost Recovery (\$) (2)	BGS Eligible Sales (kWh) (3)	Effective September 1, 2018	
				PPL-TEC Surcharge (\$/kWh)	PPL-TEC Surcharge w/ SUT(\$/kWh)
Secondary (excluding lighting)	4947.8	3,046,794	16,477,551,837	\$ 0.000185	\$ 0.000197
Primary	343.5	211,523	1,715,254,363	\$ 0.000123	\$ 0.000131
Transmission @ 34.5 kV	285.6	175,869	1,565,311,865	\$ 0.000112	\$ 0.000119
Transmission @ 230 kV	15.3	9,422	339,519,446	\$ 0.000028	\$ 0.000030
Total	5592.2	3,443,608	20,097,637,511		

(1) Cost Allocation of PPL Project Schedule 12 Charges to JCP&L Zone for 2018/2019

(2) Based on 12 months PPL Project costs from June 2018 through May 2019

(3) September 2018 through August 2019

BGS-RSCP Supplier Payment Adjustment

Line No.

1	BGS-RSCP Eligible Sales June through May @ Customer	15,493,967	MWH
2	BGS-RSCP Eligible Sales June through May @ Transmission Node	17,191,398	MWH
3	BGS-RSCP Eligible Transmission Obligation	4,694	MW
4	PPL-Transmission Enhancement Costs to RSCP Suppliers	\$ 2,890,199	= Line 3 x \$51.32 x 12
5	Change to Supplier Payment Rates \$/MWH (rounded to 2 decimals)	\$ 0.17	= Line 4 / Line 2

**Attachment 3A**

**Jersey Central Power & Light Company**

Proposed ACE Project Transmission Enhancement Charge (ACE-TEC Surcharge) effective September 1, 2018

To reflect FERC-approved ACE Project Transmission Enhancement Charge (Schedule 12 PJM OATT) effective June 2018 - May 2019

2018/2019 Average Monthly ACE-TEC Costs Allocated to JCP&L Zone	\$	108,791.38	(1)
2018 JCP&L Zone Transmission Peak Load (MW)		5721.0	
ACE-Transmission Enhancement Rate (\$/MW-month)	\$	19.02	

BGS by Voltage Level	Transmission Obligation (MW)	Allocated Cost Recovery (\$) (2)	BGS Eligible Sales (kWh) (3)	Effective September 1, 2018	
				ACE-TEC Surcharge (\$/kWh)	ACE-TEC Surcharge w/ SUT(\$/kWh)
Secondary (excluding lighting)	4947.8	1,129,057	16,477,551,837	\$ 0.000069	\$ 0.000074
Primary	343.5	78,385	1,715,254,363	\$ 0.000046	\$ 0.000049
Transmission @ 34.5 kV	285.6	65,172	1,565,311,865	\$ 0.000042	\$ 0.000045
Transmission @ 230 kV	15.3	3,491	339,519,446	\$ 0.000010	\$ 0.000011
<b>Total</b>	<b>5592.2</b>	<b>1,276,105</b>	<b>20,097,637,511</b>		

(1) Cost Allocation of ACE Project Schedule 12 Charges to JCP&L Zone for 2018/2019

(2) Based on 12 months ACE Project costs from June 2018 through May 2019

(3) September 2018 through August 2019

BGS-RSCP Supplier Payment Adjustment

Line No.

1	BGS-RSCP Eligible Sales June through May @ Customer	15,493,967	MWH
2	BGS-RSCP Eligible Sales June through May @ Transmission Node	17,191,398	MWH
3	BGS-RSCP Eligible Transmission Obligation	4,694	MW
4	ACE-Transmission Enhancement Costs to RSCP Suppliers	\$ 1,071,027	= Line 3 x \$19.02 x 12
5	Change to Supplier Payment Rates \$/MWH (rounded to 2 decimals)	\$ 0.06	= Line 4 / Line 2

**Attachment 3A**

**Jersey Central Power & Light Company**

Proposed Delmarva Project Transmission Enhancement Charge (Delmarva-TEC Surcharge) effective September 1, 2018  
 To reflect FERC-approved Delmarva Project Transmission Enhancement Charge (Schedule 12 PJM OATT) effective June 2018 - May 2019

2018/2019 Average Monthly Delmarva-TEC Costs Allocated to JCP&L Zone	\$	1,834.53	(1)
2018 JCP&L Zone Transmission Peak Load (MW)		5721.0	
Delmarva-Transmission Enhancement Rate (\$/MW-month)	\$	0.32	

BGS by Voltage Level	Transmission Obligation (MW)	Allocated Cost Recovery (\$) (2)	BGS Eligible Sales (kWh) (3)	Effective September 1, 2018	
				Delmarva-TEC Surcharge (\$/kWh)	Delmarva-TEC Surcharge w/ SUT(\$/kWh)
Secondary (excluding lighting)	4947.8	19,039	16,477,551,837	\$ 0.000001	\$ 0.000001
Primary	343.5	1,322	1,715,254,363	\$ 0.000001	\$ 0.000001
Transmission @ 34.5 kV	285.6	1,099	1,565,311,865	\$ 0.000001	\$ 0.000001
Transmission @ 230 kV	15.3	59	339,519,446	\$ -	\$ -
<b>Total</b>	<b>5592.2</b>	<b>21,519</b>	<b>20,097,637,511</b>		

- (1) Cost Allocation of Delmarva Project Schedule 12 Charges to JCP&L Zone for 2018/2019
- (2) Based on 12 months Delmarva Project costs from June 2018 through May 2019
- (3) September 2018 through August 2019

BGS-RSCP Supplier Payment Adjustment

Line No.

1	BGS-RSCP Eligible Sales June through May @ Customer	15,493,967	MWH
2	BGS-RSCP Eligible Sales June through May @ Transmission Node	17,191,398	MWH
3	BGS-RSCP Eligible Transmission Obligation	4,694	MW
4	Delmarva-Transmission Enhancement Costs to RSCP Suppliers	\$ 18,061	= Line 3 x \$0.32 x 12
5	Change to Supplier Payment Rates \$/MWH (rounded to 2 decimals)	\$ -	= Line 4 / Line 2

**Attachment 3A**

**Jersey Central Power & Light Company**

Proposed PEPCO Project Transmission Enhancement Charge (PEPCO-TEC Surcharge) effective September 1, 2018

To reflect FERC-approved PEPCO Project Transmission Enhancement Charge (Schedule 12 PJM OATT) effective June 2018 - May 2019

2018/2019 Average Monthly PEPCO-TEC Costs Allocated to JCP&L Zone	\$	18,081.55	(1)
2018 JCP&L Zone Transmission Peak Load (MW)		5721.0	
PEPCO-Transmission Enhancement Rate (\$/MW-month)	\$	3.16	

BGS by Voltage Level	Transmission Obligation (MW)	Allocated Cost Recovery (\$) (2)	BGS Eligible Sales (kWh) (3)	Effective September 1, 2018	
				PEPCO-TEC Surcharge (\$/kWh)	PEPCO-TEC Surcharge w/ SUT(\$/kWh)
Secondary (excluding lighting)	4947.8	187,654	16,477,551,837	\$ 0.000011	\$ 0.000012
Primary	343.5	13,028	1,715,254,363	\$ 0.000008	\$ 0.000009
Transmission @ 34.5 kV	285.6	10,832	1,565,311,865	\$ 0.000007	\$ 0.000007
Transmission @ 230 kV	15.3	580	339,519,446	\$ 0.000002	\$ 0.000002
Total	5592.2	212,094	20,097,637,511		

(1) Cost Allocation of PEPCO Project Schedule 12 Charges to JCP&L Zone for 2018/2019

(2) Based on 12 months PEPCO Project costs from June 2018 through May 2019

(3) September 2018 through August 2019

BGS-RSCP Supplier Payment Adjustment

Line No.

1	BGS-RSCP Eligible Sales June through May @ Customer	15,493,967	MWH
2	BGS-RSCP Eligible Sales June through May @ Transmission Node	17,191,398	MWH
3	BGS-RSCP Eligible Transmission Obligation	4,694	MW
4	PEPCO-Transmission Enhancement Costs to RSCP Suppliers	\$ 178,009	= Line 3 x \$3.16 x 12
5	Change to Supplier Payment Rates \$/MWH (rounded to 2 decimals)	\$ 0.01	= Line 4 / Line 2

**Attachment 3A**

**Jersey Central Power & Light Company**

Proposed PECO Project Transmission Enhancement Charge (PECO-TEC Surcharge) effective September 1, 2018

To reflect FERC-approved PECO Project Transmission Enhancement Charge (Schedule 12 PJM OATT) effective June 2018 - May 2019

2018/2019 Average Monthly PECO-TEC Costs Allocated to JCP&L Zone	\$	92,008.43	(1)
2018 JCP&L Zone Transmission Peak Load (MW)		5721.0	
PECO-Transmission Enhancement Rate (\$/MW-month)	\$	16.08	

BGS by Voltage Level	Transmission Obligation (MW)	Allocated Cost Recovery (\$) (2)	BGS Eligible Sales (kWh) (3)	Effective September 1, 2018	
				PECO-TEC Surcharge (\$/kWh)	PECO-TEC Surcharge w/ SUT(\$/kWh)
Secondary (excluding lighting)	4947.8	954,881	16,477,551,837	\$ 0.000058	\$ 0.000062
Primary	343.5	66,292	1,715,254,363	\$ 0.000039	\$ 0.000042
Transmission @ 34.5 kV	285.6	55,118	1,565,311,865	\$ 0.000035	\$ 0.000037
Transmission @ 230 kV	15.3	2,953	339,519,446	\$ 0.000009	\$ 0.000010
Total	5592.2	1,079,244	20,097,637,511		

(1) Cost Allocation of PECO Project Schedule 12 Charges to JCP&L Zone for 2018/2019

(2) Based on 12 months PECO Project costs from June 2018 through May 2019

(3) September 2018 through August 2019

BGS-RSCP Supplier Payment Adjustment

Line No.

1	BGS-RSCP Eligible Sales June through May @ Customer	15,493,967	MWH
2	BGS-RSCP Eligible Sales June through May @ Transmission Node	17,191,398	MWH
3	BGS-RSCP Eligible Transmission Obligation	4,694	MW
4	PECO-Transmission Enhancement Costs to RSCP Suppliers	\$ 905,803	= Line 3 x \$16.08 x 12
5	Change to Supplier Payment Rates \$/MWH (rounded to 2 decimals)	\$ 0.05	= Line 4 / Line 2



**Transmission Charge Adjustment - BGS-RSCP**  
**PJM Schedule 12 - Transmission Enhancement Charges for June 2018 - May 2019**  
**Calculation of costs and monthly PJM charges for Allegheny TrAILCo Projects**

TEC Charges for June 2018 - May 2019 \$ 9,688,920.99  
PSE&G Zonal Transmission Load for Effective Yr. (MW) 9,566.9  
Term (Months) 12  
OATT rate \$ 84.40 /MW/month all values show w/o NJ SUT  
converted to \$/MW/yr = \$ 1,012.80 /MW/yr

	RS	RHS	RLM	WH	WHS	HS	PSAL	BPL
Trans Obl - MW	3,750.5	21.7	71.8	0.0	0.0	2.8	0.0	0.0
Total Annual Energy - MWh	12,175,045	114,168	209,062	1,060	19	12,369	155,848	295,094
Energy Charge in \$/MWh	\$ 0.311991	\$ 0.192504	\$ 0.347835	\$ -	\$ -	\$ 0.229270	\$ -	\$ -
in \$/kWh - rounded to 6 places	<b>0.000312</b>	<b>0.000193</b>	<b>0.000348</b>	<b>0</b>	<b>0</b>	<b>0.000229</b>	<b>0</b>	<b>0</b>

Line #

1	Total BGS-RSCP eligible Trans Obl	6,539.3 MW						= sum of BGS-RSCP eligible Trans Obl
2	Total BGS-RSCP eligible energy @ cust	24,078,111 MWh						= sum of BGS-RSCP eligible kWh @ cust
3	Total BGS-RSCP eligible energy @ trans nodes	25,878,575 MWh	unrounded					= (2) * loss expansion factor to trans node
4	Change in OATT rate * total Trans Obl	\$ 6,623,003	unrounded					= Change in OATT rate * Total BGS-RSCP eligible Trans Obl
5	Change in Average Supplier Payment Rate	\$ 0.2559 /MWh	unrounded					= (4) / (3)
6	Change in Average Supplier Payment Rate	\$ 0.26 /MWh	rounded to 2 decimal places					= (5) rounded to 2 decimal places
7	Proposed Total Supplier Payment	\$ 6,728,430	unrounded					= (6) * (3)
8	Difference due to rounding	\$ 105,427	unrounded					= (7) - (4)

**Transmission Charge Adjustment - BGS-RSCP**  
**Schedule 12 - Transmission Enhancement Charges for June 2018 - May 2019**  
**Calculation of costs and monthly PJM charges for BG&E**

TEC Charges for June 2018 - May 2019 \$ 414,110.78  
PSE&G Zonal Transmission Load for Effective Yr. 9,566.9  
(MW)  
Term (Months) 12  
OATT rate \$ 3.61 /MW/month  
converted to \$/MW/yr = \$ 43.32 /MW/yr

all values show w/o NJ SUT

	RS	RHS	RLM	WH	WHS	HS	PSAL	BPL
Trans Obl - MW	3,750.5	21.7	71.8	0.0	0.0	2.8	0.0	0.0
Total Annual Energy - MWh	12,175,045	114,168	209,062	1,060	19	12,369	155,848	295,094
Energy Charge in \$/MWh	\$ 0.013345	\$ 0.008234	\$ 0.014878	\$ -	\$ -	\$ 0.009806	\$ -	\$ -
in \$/kWh - rounded to 6 places	<b>0.000013</b>	<b>0.000008</b>	<b>0.000015</b>	<b>0</b>	<b>0</b>	<b>0.00001</b>	<b>0</b>	<b>0</b>

Line #

1	Total BGS-RSCP eligible Trans Obl	6,539.3 MW		= sum of BGS-RSCP eligible Trans Obl
2	Total BGS-RSCP eligible energy @ cust	24,078,111 MWh		= sum of BGS-RSCP eligible kWh @ cust
3	Total BGS-RSCP eligible energy @ trans nodes	25,878,575 MWh	unrounded	= (2) * loss expansion factor to trans node
4	Change in OATT rate * total Trans Obl	\$ 283,282	unrounded	= Change in OATT rate * Total BGS-RSCP eligible Trans Obl
5	Change in Average Supplier Payment Rate	\$ 0.0109 /MWh	unrounded	= (4) / (3)
6	Change in Average Supplier Payment Rate	\$ 0.01 /MWh	rounded to 2 decimal places	= (5) rounded to 2 decimal places
7	Proposed Total Supplier Payment	\$ 258,786	unrounded	= (6) * (3)
8	Difference due to rounding	\$ (24,497)	unrounded	= (7) - (4)

**Transmission Charge Adjustment - BGS-RSCP**  
**Schedule 12 - Transmission Enhancement Charges for June 2018 - May 2019**  
**Calculation of costs and monthly PJM charges for PPL Projects**

TEC Charges for June 2018 - May 2019 \$ 5,821,226.65  
PSE&G Zonal Transmission Load for Effective Yr. 9,566.9  
(MW)  
Term (Months) 12  
OATT rate \$ 50.71 /MW/month all values show w/o NJ SUT  
converted to \$/MW/yr = \$ 608.52 /MW/yr

	RS	RHS	RLM	WH	WHS	HS	PSAL	BPL
Trans Obl - MW	3,750.5	21.7	71.8	0.0	0.0	2.8	0.0	0.0
Total Annual Energy - MWh	12,175,045	114,168	209,062	1,060	19	12,369	155,848	295,094
Energy charge in \$/MWh	\$ 0.187453	\$ 0.115662	\$ 0.208990	\$ -	\$ -	\$ 0.137752	\$ -	\$ -
in \$/kWh - rounded to 6 places	<b>0.000187</b>	<b>0.000116</b>	<b>0.000209</b>	<b>0</b>	<b>0</b>	<b>0.000138</b>	<b>0</b>	<b>0</b>

Line #

1	Total BGS-RSCP eligible Trans Obl	6,539.3 MW		= sum of BGS-RSCP eligible Trans Obl
2	Total BGS-RSCP eligible energy @ cust	24,078,111 MWh		= sum of BGS-RSCP eligible kWh @ cust
3	Total BGS-RSCP eligible energy @ trans nodes	25,878,575 MWh	unrounded	= (2) * loss expansion factor to trans node
4	Change in OATT rate * total Trans Obl	\$ 3,979,295	unrounded	= Change in OATT rate * Total BGS-RSCP eligible Trans Obl
5	Change in Average Supplier Payment Rate	\$ 0.1538 /MWh	unrounded	= (4) / (3)
6	Change in Average Supplier Payment Rate	\$ 0.15 /MWh	rounded to 2 decimal places	= (5) rounded to 2 decimal places
7	Proposed Total Supplier Payment	\$ 3,881,786	unrounded	= (6) * (3)
8	Difference due to rounding	\$ (97,509)	unrounded	= (7) - (4)

**Transmission Charge Adjustment - BGS-RSCP**  
**Schedule 12 - Transmission Enhancement Charges for June 2018 - May 2019**  
**Calculation of costs and monthly PJM charges for ACE Projects**

TEC Charges for June 2018 - May 2019 \$ 1,151,723.48  
PSE&G Zonal Transmission Load for Effective Yr. (MW) 9,566.9  
Term (Months) 12  
OATT rate \$ 10.03 /MW/month  
converted to \$/MW/yr = \$ 120.36 /MW/yr

all values show w/o NJ SUT

	RS	RHS	RLM	WH	WHS	HS	PSAL	BPL
Trans Obl - MW	3,750.5	21.7	71.8	0.0	0.0	2.8	0.0	0.0
Total Annual Energy - MWh	12,175,045	114,168	209,062	1,060	19	12,369	155,848	295,094
Energy charge in \$/MWh	\$ 0.037077	\$ 0.022877	\$ 0.041336	\$ -	\$ -	\$ 0.027246	\$ -	\$ -
in \$/kWh - rounded to 6 places	<b>0.000037</b>	<b>0.000023</b>	<b>0.000041</b>	<b>0</b>	<b>0</b>	<b>0.000027</b>	<b>0</b>	<b>0</b>

Line #

1	Total BGS-RSCP eligible Trans Obl	6,539.3 MW						= sum of BGS-RSCP eligible Trans Obl
2	Total BGS-RSCP eligible energy @ cust	24,078,111 MWh						= sum of BGS-RSCP eligible kWh @ cust
3	Total BGS-RSCP eligible energy @ trans nodes	25,878,575 MWh	unrounded					= (2) * loss expansion factor to trans node
4	Change in OATT rate * total Trans Obl	\$ 787,070	unrounded					= Change in OATT rate * Total BGS-RSCP eligible Trans Obl
5	Change in Average Supplier Payment Rate	\$ 0.0304 /MWh	unrounded					= (4) / (3)
6	Change in Average Supplier Payment Rate	\$ 0.03 /MWh	rounded to 2 decimal places					= (5) rounded to 2 decimal places
7	Proposed Total Supplier Payment	\$ 776,357	unrounded					= (6) * (3)
8	Difference due to rounding	\$ (10,713)	unrounded					= (7) - (4)

**Transmission Charge Adjustment - BGS-RSCP**  
**Schedule 12 - Transmission Enhancement Charges for June 2018 - May 2019**  
**Calculation of costs and monthly PJM charges for Delmarva Projects**

TEC Charges for June 2018 - May 2019	\$	36,847.49							
PSE&G Zonal Transmission Load for Effective Yr. (MW)		9,566.9							
Term (Months)		12							
OATT rate	\$	0.32 /MW/month							all values show w/o NJ SUT
converted to \$/MW/yr =	\$	3.84 /MW/yr							

	RS	RHS	RLM	WH	WHS	HS	PSAL	BPL
Trans Obl - MW	3,750.5	21.7	71.8	0.0	0.0	2.8	0.0	0.0
Total Annual Energy - MWh	12,175,045	114,168	209,062	1,060	19	12,369	155,848	295,094
Energy charge in \$/MWh	\$ 0.001183	\$ 0.000730	\$ 0.001319	\$ -	\$ -	\$ 0.000869	\$ -	\$ -
in \$/kWh - rounded to 6 places	<b>0.000001</b>	<b>0.000001</b>	<b>0.000001</b>	<b>0</b>	<b>0</b>	<b>0.000001</b>	<b>0</b>	<b>0</b>

Line #

1	Total BGS-RSCP eligible Trans Obl	6,539.3 MW						= sum of BGS-RSCP eligible Trans Obl
2	Total BGS-RSCP eligible energy @ cust	24,078,111 MWh						= sum of BGS-RSCP eligible kWh @ cust
3	Total BGS-RSCP eligible energy @ trans nodes	25,878,575 MWh	unrounded					= (2) * loss expansion factor to trans node
4	Change in OATT rate * total Trans Obl	\$ 25,111	unrounded					= Change in OATT rate * Total BGS-RSCP eligible Trans Obl
5	Change in Average Supplier Payment Rate	\$ 0.0010 /MWh	unrounded					= (4) / (3)
6	Change in Average Supplier Payment Rate	\$ - /MWh	rounded to 2 decimal places					= (5) rounded to 2 decimal places
7	Proposed Total Supplier Payment	\$ -	unrounded					= (6) * (3)
8	Difference due to rounding	\$ (25,111)	unrounded					= (7) - (4)

**Transmission Charge Adjustment - BGS-RSCP**  
**Schedule 12 - Transmission Enhancement Charges for June 2018 - May 2019**  
**Calculation of costs and monthly PJM charges for PEPCO Projects**

TEC Charges for June 2018 - May 2019 \$ 328,330.93  
PSE&G Zonal Transmission Load for Effective Yr. (MW) 9,566.9  
Term (Months) 12  
OATT rate \$ 2.86 /MW/month all values show w/o NJ SUT  
converted to \$/MW/yr = \$ 34.32 /MW/yr

	RS	RHS	RLM	WH	WHS	HS	PSAL	BPL
Trans Obl - MW	3,750.5	21.7	71.8	0.0	0.0	2.8	0.0	0.0
Total Annual Energy - MWh	12,175,045	114,168	209,062	1,060	19	12,369	155,848	295,094
Energy Charge in \$/MWh	\$ 0.010572	\$ 0.006523	\$ 0.011787	\$ -	\$ -	\$ 0.007769	\$ -	\$ -
in \$/kWh - rounded to 6 places	<b>0.000011</b>	<b>0.000007</b>	<b>0.000012</b>	<b>0</b>	<b>0</b>	<b>0.000008</b>	<b>0</b>	<b>0</b>

Line #

1	Total BGS-RSCP eligible Trans Obl	6,539.3 MW		= sum of BGS-RSCP eligible Trans Obl
2	Total BGS-RSCP eligible energy @ cust	24,078,111 MWh		= sum of BGS-RSCP eligible kWh @ cust
3	Total BGS-RSCP eligible energy @ trans nodes	25,878,575 MWh	unrounded	= (2) * loss expansion factor to trans node
4	Change in OATT rate * total Trans Obl	\$ 224,429	unrounded	= Change in OATT rate * Total BGS-RSCP eligible Trans Obl
5	Change in Average Supplier Payment Rate	\$ 0.0087 /MWh	unrounded	= (4) / (3)
6	Change in Average Supplier Payment Rate	\$ 0.01 /MWh	rounded to 2 decimal places	= (5) rounded to 2 decimal places
7	Proposed Total Supplier Payment	\$ 258,786	unrounded	= (6) * (3)
8	Difference due to rounding	\$ 34,357	unrounded	= (7) - (4)

**Transmission Charge Adjustment - BGS-RSCP**  
**Schedule 12 - Transmission Enhancement Charges for June 2018 - May 2019**  
**Calculation of costs and monthly PJM charges for PECO Energy Company Transmission Projects**

TEC Charges for June 2018 - May 2019 **\$2,369,074.11**  
PSE&G Zonal Transmission Load for Effective Yr. (MW) **9,566.9**  
Term (Months) **12**  
OATT rate \$ 20.64 /MW/month  
converted to \$/MW/yr = \$ 247.68 /MW/yr

all values show w/o NJ SUT

	RS	RHS	RLM	WH	WHS	HS	PSAL	BPL
Trans Obl - MW	3,750.5	21.7	71.8	0.0	0.0	2.8	0.0	0.0
Total Annual Energy - MWh	12,175,045	114,168	209,062	1,060	19	12,369	155,848	295,094
Energy charge in \$/MWh	\$ 0.076297	\$ 0.047077	\$ 0.085063	\$ -	\$ -	\$ 0.056068	\$ -	\$ -
in \$/kWh - rounded to 6 places	\$ <b>0.000076</b>	\$ <b>0.000047</b>	\$ <b>0.000085</b>	\$ -	\$ -	\$ <b>0.000056</b>	\$ -	\$ -

Line #

1	Total BGS-RSCP eligible Trans Obl	6,539.3 MW						= sum of BGS-RSCP eligible Trans Obl
2	Total BGS-RSCP eligible energy @ cust	24,078,111 MWh						= sum of BGS-RSCP eligible kWh @ cust
3	Total BGS-RSCP eligible energy @ trans nodes	25,878,575 MWh	unrounded					= (2) * loss expansion factor to trans node
4	Change in OATT rate * total Trans Obl	\$ 1,619,654	unrounded					= Change in OATT rate * Total BGS-RSCP eligible Trans Obl
5	Change in Average Supplier Payment Rate	\$ 0.0626 /MWh	unrounded					= (4) / (3)
6	Change in Average Supplier Payment Rate	\$ 0.06 /MWh	rounded to 2 decimal places					= (5) rounded to 2 decimal places
7	Proposed Total Supplier Payment	\$ 1,552,715	unrounded					= (6) * (3)
8	Difference due to rounding	\$ (66,939)	unrounded					= (7) - (4)

**Rockland Electric Company**

Calculation of Transmission Surcharges reflecting changes in Transmission Enhancement Charges (TrAILCo) effective June 1, 2018  
 To reflect FERC-approved TrailCo Project Schedule 12 Charges (Schedule 12 PJM OATT) for the period June 2018 to May 2019

2018/2019 Average Monthly TrAILCo-TEC Costs Allocated to RECO	\$	33,122.33	(1)
2018 RECO Zone Transmission Peak Load (MW)		445.8	(2)
Transmission Enhancement Rate (\$/MW-month)	\$	74.30	
SUT		6.625%	

	Col. 1	Col. 2	Col.3=Col.2 x \$33,122 x 12	Col. 4	Col. 5 = Col. 3/Col. 4	Col. 6 = Col. 5 x 1.07
Rate Class	BGS-Eligible Transmission Obligation (MW)	Transmission Obligation (Pct)	Allocated Cost Recovery (1)	BGS Eligible Sales June 2018- May 2019 (kWh)	Transmission Enhancement Charge (\$/kWh)	Transmission Enhancement Charge w/ SUT (\$/kWh)
SC1	268.6	60.25%	\$ 239,457	683,341,000	\$ 0.00035	\$ 0.00037
SC2 Secondary	124.9	28.02%	\$ 111,387	525,188,000	\$ 0.00021	\$ 0.00022
SC2 Primary	15.7	3.52%	\$ 13,984	63,705,000	\$ 0.00022	\$ 0.00023
SC3	0.1	0.02%	\$ 63	271,000	\$ 0.00023	\$ 0.00025
SC4	0.0	0.00%	\$ -	6,468,000	\$ -	\$ -
SC5	3.6	0.81%	\$ 3,225	14,506,000	\$ 0.00022	\$ 0.00023
SC6	0.0	0.00%	\$ -	5,572,000	\$ -	\$ -
SC7	<u>32.9</u>	<u>7.38%</u>	<u>\$ 29,352</u>	<u>223,970,000</u>	<u>\$ 0.00013</u>	<u>\$ 0.00014</u>
Total	445.8 (2)	100.00%	\$ 397,468	1,523,021,000		

(1) Attachment 2 - Cost Allocation of TrAILCo Schedule 12 Charges to RECO Zone for June 2018 to May 2019

(2) Includes RECO's Central and Western Divisions

**BGS-FP Supplier Payment Adjustment**

Line No.

1	BGS-RSCP Eligible Sales Jun - May @ cust (RECO Eastern Division)	1,287,617	MWH
2	BGS-RSCP Eligible Sales Jun - May @ trans node (RECO Eastern Division)	1,198,532	MWH
3	BGS-RSCP Eligible Transmission Obligation	413	MW
4	Transmission Enhancement Costs to RSCP Suppliers	\$ 368,427.13	= Line 3 x \$74.3 * 12
5	Change in Supplier Payment Rate \$/MWH (rounded to 2 decimals)	\$ 0.31	= Line 4/Line 2



**Rockland Electric Company**

Calculation of Transmission Surcharges reflecting changes in Transmission Enhancement Charges (BG&E) effective June 1, 2018  
To reflect FERC-approved BG&E Project Schedule 12 Charges (Schedule 12 PJM OATT) for the period June 2018 to May 2019

2018/2019 Average Monthly BG&E-TEC Costs Allocated to RECO	\$	1,271.82	(1)
2018 RECO Zone Transmission Peak Load (MW)		445.8	(2)
Transmission Enhancement Rate (\$/MW-month)	\$	2.85	
SUT		6.625%	

	Col. 1	Col. 2	Col.3=Col.2 x \$1,272 x 12	Col. 4	Col. 5 = Col. 3/Col. 4	Col. 6 = Col. 5 x 1.07
Rate Class	BGS-Eligible Transmission Obligation (MW)	Transmission Obligation (Pct)	Allocated Cost Recovery (1)	BGS Eligible Sales June 2018- May 2019 (kWh)	Transmission Enhancement Charge (\$/kWh)	Transmission Enhancement Charge w/ SUT (\$/kWh)
SC1	268.6	60.25%	\$ 9,195	683,341,000	\$ 0.00001	\$ 0.00001
SC2 Secondary	124.9	28.02%	\$ 4,277	525,188,000	\$ 0.00001	\$ 0.00001
SC2 Primary	15.7	3.52%	\$ 537	63,705,000	\$ 0.00001	\$ 0.00001
SC3	0.1	0.02%	\$ 2	271,000	\$ 0.00001	\$ 0.00001
SC4	0.0	0.00%	\$ -	6,468,000	\$ -	\$ -
SC5	3.6	0.81%	\$ 124	14,506,000	\$ 0.00001	\$ 0.00001
SC6	0.0	0.00%	\$ -	5,572,000	\$ -	\$ -
SC7	32.9	7.38%	\$ 1,127	223,970,000	\$ 0.00001	\$ 0.00001
Total	445.8 (2)	100.00%	\$ 15,262	1,523,021,000		

(1) Attachment 2 - Cost Allocation of BG&E Schedule 12 Charges to RECO Zone for June 2018 to May 2019

(2) Includes RECO's Central and Western Divisions

**BGS-FP Supplier Payment Adjustment**Line No.

1	BGS-RSCP Eligible Sales Jun - May @ cust (RECO Eastern Division)	1,287,617	MWH
2	BGS-RSCP Eligible Sales Jun - May @ trans node (RECO Eastern Division)	1,198,532	MWH
3	BGS-RSCP Eligible Transmission Obligation	413	MW
4	Transmission Enhancement Costs to RSCP Suppliers	\$ 14,132.13	= Line 3 x \$2.85 * 12
5	Change in Supplier Payment Rate \$/MWH (rounded to 2 decimals)	\$ 0.01	= Line 4/Line 2

**Rockland Electric Company**

Calculation of Transmission Surcharges reflecting changes in Transmission Enhancement Charges (PPL) effective June 1, 2018  
 To reflect FERC-approved PPL Project Schedule 12 Charges (Schedule 12 PJM OATT) for the period June 2018 to May 2019

2018/2019 Average Monthly PPL-TEC Costs Allocated to RECO	\$	20,006.08	(1)
2018 RECO Zone Transmission Peak Load (MW)		445.8	(2)
Transmission Enhancement Rate (\$/MW-month)	\$	44.88	
SUT		6.625%	

	Col. 1	Col. 2	Col.3=Col.2 x \$20,006 x 12	Col. 4	Col. 5 = Col. 3/Col. 4	Col. 6 = Col. 5 x 1.07
Rate Class	BGS-Eligible Transmission Obligation (MW)	Transmission Obligation (Pct)	Allocated Cost Recovery (1)	BGS Eligible Sales June 2018- May 2019 (kWh)	Transmission Enhancement Charge (\$/kWh)	Transmission Enhancement Charge w/ SUT (\$/kWh)
SC1	268.6	60.25%	\$ 144,634	683,341,000	\$ 0.00021	\$ 0.00022
SC2 Secondary	124.9	28.02%	\$ 67,278	525,188,000	\$ 0.00013	\$ 0.00014
SC2 Primary	15.7	3.52%	\$ 8,446	63,705,000	\$ 0.00013	\$ 0.00014
SC3	0.1	0.02%	\$ 38	271,000	\$ 0.00014	\$ 0.00015
SC4	0.0	0.00%	\$ -	6,468,000	\$ -	\$ -
SC5	3.6	0.81%	\$ 1,948	14,506,000	\$ 0.00013	\$ 0.00014
SC6	0.0	0.00%	\$ -	5,572,000	\$ -	\$ -
SC7	32.9	7.38%	\$ 17,729	223,970,000	\$ 0.00008	\$ 0.00009
<b>Total</b>	445.8 (2)	100.00%	\$ 240,073	1,523,021,000		

(1) Attachment 2 - Cost Allocation of PPL Schedule 12 Charges to RECO Zone for June 2018 to May 2019  
 (2) Includes RECO's Central and Western Divisions

**BGS-FP Supplier Payment Adjustment**

Line No.

1	BGS-RSCP Eligible Sales Jun - May @ cust (RECO Eastern Division)	1,287,617	MWH
2	BGS-RSCP Eligible Sales Jun - May @ trans node (RECO Eastern Division)	1,198,532	MWH
3	BGS-RSCP Eligible Transmission Obligation	413	MW
4	Transmission Enhancement Costs to RSCP Suppliers	\$ 222,543.87	= Line 3 x \$44.88 * 12
5	Change in Supplier Payment Rate \$/MWH (rounded to 2 decimals)	\$ 0.19	= Line 4/Line 2

**Rockland Electric Company**

Calculation of Transmission Surcharges reflecting changes in Transmission Enhancement Charges (ACE) effective June 1, 2018  
 To reflect FERC-approved ACE Project Schedule 12 Charges (Schedule 12 PJM OATT) for the period June 2018 to May 2019

2018/2019 Average Monthly ACE-TEC Costs Allocated to RECO	\$	3,101	(1)
2018 RECO Zone Transmission Peak Load (MW)		445.8	(2)
Transmission Enhancement Rate (\$/MW-month)	\$	6.96	
SUT		6.625%	

	Col. 1	Col. 2	Col.3=Col.2 x \$3,101 x 12	Col. 4	Col. 5 = Col. 3/Col. 4	Col. 6 = Col. 5 x 1.07
Rate Class	BGS-Eligible Transmission Obligation (MW)	Transmission Obligation (Pct)	Allocated Cost Recovery (1)	BGS Eligible Sales June 2018- May 2019 (kWh)	Transmission Enhancement Charge (\$/kWh)	Transmission Enhancement Charge w/ SUT (\$/kWh)
SC1	268.6	60.25%	\$ 22,420	683,341,000	\$ 0.00003	\$ 0.00003
SC2 Secondary	124.9	28.02%	\$ 10,429	525,188,000	\$ 0.00002	\$ 0.00002
SC2 Primary	15.7	3.52%	\$ 1,309	63,705,000	\$ 0.00002	\$ 0.00002
SC3	0.1	0.02%	\$ 6	271,000	\$ 0.00002	\$ 0.00002
SC4	0.0	0.00%	\$ -	6,468,000	\$ -	\$ -
SC5	3.6	0.81%	\$ 302	14,506,000	\$ 0.00002	\$ 0.00002
SC6	0.0	0.00%	\$ -	5,572,000	\$ -	\$ -
SC7	32.9	7.38%	\$ 2,748	223,970,000	\$ 0.00001	\$ 0.00001
<b>Total</b>	445.8 (2)	100.00%	\$ 37,214	1,523,021,000		

(1) Attachment 2 - Cost Allocation of ACE Schedule 12 Charges to RECO Zone for June 2018 to May 2019

(2) Includes RECO's Central and Western Divisions

**BGS-FP Supplier Payment Adjustment**

Line No.

1	BGS-RSCP Eligible Sales Jun - May @ cust (RECO Eastern Division)	1,287,617	MWH
2	BGS-RSCP Eligible Sales Jun - May @ trans node (RECO Eastern Division)	1,198,532	MWH
3	BGS-RSCP Eligible Transmission Obligation	413	MW
4	Transmission Enhancement Costs to RSCP Suppliers	\$ 34,512.15	= Line 3 x \$6.96 * 12
5	Change in Supplier Payment Rate \$/MWH (rounded to 2 decimals)	\$ 0.03	= Line 4/Line 2

**Rockland Electric Company**

Calculation of Transmission Surcharges reflecting changes in Transmission Enhancement Charges (Delmarva) effective June 1, 2018  
 To reflect FERC-approved Delmarva Project Schedule 12 Charges (Schedule 12 PJM OATT) for the period June 2018 to May 2019

2018/2019 Average Monthly Delmarva-TEC Costs Allocated to RECO	\$	127.53	(1)
2018 RECO Zone Transmission Peak Load (MW)		445.8	(2)
Transmission Enhancement Rate (\$/MW-month)	\$	0.29	
SUT		6.625%	

	Col. 1	Col. 2	Col.3=Col.2 x \$128 x 12	Col. 4	Col. 5 = Col. 3/Col. 4	Col. 6 = Col. 5 x 1.07
Rate Class	BGS-Eligible Transmission Obligation (MW)	Transmission Obligation (Pct)	Allocated Cost Recovery (1)	BGS Eligible Sales June 2018- May 2019 (kWh)	Transmission Enhancement Charge (\$/kWh)	Transmission Enhancement Charge w/ SUT (\$/kWh)
SC1	268.6	60.25%	\$ 922	683,341,000	\$ -	\$ -
SC2 Secondary	124.9	28.02%	\$ 429	525,188,000	\$ -	\$ -
SC2 Primary	15.7	3.52%	\$ 54	63,705,000	\$ -	\$ -
SC3	0.1	0.02%	\$ -	271,000	\$ -	\$ -
SC4	0.0	0.00%	\$ -	6,468,000	\$ -	\$ -
SC5	3.6	0.81%	\$ 12	14,506,000	\$ -	\$ -
SC6	0.0	0.00%	\$ -	5,572,000	\$ -	\$ -
SC7	<u>32.9</u>	<u>7.38%</u>	<u>\$ 113</u>	<u>223,970,000</u>	<u>\$ -</u>	<u>\$ -</u>
Total	445.8 (2)	100.00%	\$ 1,530	1,523,021,000		

(1) Attachment 2 - Cost Allocation of Delmarva Schedule 12 Charges to RECO Zone for June 2018 to May 2019  
 (2) Includes RECO's Central and Western Divisions

**BGS-FP Supplier Payment Adjustment**

<u>Line No.</u>			
1	BGS-RSCP Eligible Sales Jun - May @ cust (RECO Eastern Division)	1,287,617	MWH
2	BGS-RSCP Eligible Sales Jun - May @ trans node (RECO Eastern Division)	1,198,532	MWH
3	BGS-RSCP Eligible Transmission Obligation	413	MW
4	Transmission Enhancement Costs to RSCP Suppliers	\$ 1,438.01	= Line 3 x \$0.29 * 12
5	Change in Supplier Payment Rate \$/MWH (rounded to 2 decimals)	\$ -	= Line 4/Line 2

**Rockland Electric Company**

Calculation of Transmission Surcharges reflecting changes in Transmission Enhancement Charges (PEPCO) effective June 1, 2018  
 To reflect FERC-approved PEPCO Project Schedule 12 Charges (Schedule 12 PJM OATT) for the period June 2018 to May 2019

2018/2019 Average Monthly PEPCO-TEC Costs Allocated to RECO	\$	734.96	(1)
2018 RECO Zone Transmission Peak Load (MW)		445.8	(2)
Transmission Enhancement Rate (\$/MW-month)	\$	1.65	
SUT		6.625%	

	Col. 1	Col. 2	Col.3=Col.2 x \$735 x 12	Col. 4	Col. 5 = Col. 3/Col. 4	Col. 6 = Col. 5 x 1.07
Rate Class	BGS-Eligible Transmission Obligation (MW)	Transmission Obligation (Pct)	Allocated Cost Recovery (1)	BGS Eligible Sales June 2018- May 2019 (kWh)	Transmission Enhancement Charge (\$/kWh)	Transmission Enhancement Charge w/ SUT (\$/kWh)
SC1	268.6	60.25%	\$ 5,313	683,341,000	\$ 0.00001	\$ 0.00001
SC2 Secondary	124.9	28.02%	\$ 2,472	525,188,000	-	-
SC2 Primary	15.7	3.52%	\$ 310	63,705,000	-	-
SC3	0.1	0.02%	\$ 1	271,000	-	-
SC4	0.0	0.00%	-	6,468,000	-	-
SC5	3.6	0.81%	\$ 72	14,506,000	-	-
SC6	0.0	0.00%	-	5,572,000	-	-
SC7	32.9	7.38%	\$ 651	223,970,000	-	-
<b>Total</b>	445.8 (2)	100.00%	\$ 8,819	1,523,021,000		

(1) Attachment 2 - Cost Allocation of PEPCO Schedule 12 Charges to RECO Zone for June 2018 to May 2019  
 (2) Includes RECO's Central and Western Divisions

**BGS-FP Supplier Payment Adjustment**

<u>Line No.</u>			
1	BGS-RSCP Eligible Sales Jun - May @ cust (RECO Eastern Division)	1,287,617	MWH
2	BGS-RSCP Eligible Sales Jun - May @ trans node (RECO Eastern Division)	1,198,532	MWH
3	BGS-RSCP Eligible Transmission Obligation	413	MW
4	Transmission Enhancement Costs to RSCP Suppliers	\$ 8,181.76	= Line 3 x \$1.65 * 12
5	Change in Supplier Payment Rate \$/MWH (rounded to 2 decimals)	\$ 0.01	= Line 4/Line 2

**Rockland Electric Company**

Calculation of Transmission Surcharges reflecting changes in Transmission Enhancement Charges (PECO) effective June 1, 2018  
 To reflect FERC-approved PECO Project Schedule 12 Charges (Schedule 12 PJM OATT) for the period June 2018 to May 2019

2018/2019 Average Monthly PECO-TEC Costs Allocated to RECO	\$	7,633.32	(1)
2018 RECO Zone Transmission Peak Load (MW)		445.8	(2)
Transmission Enhancement Rate (\$/MW-month)	\$	17.12	
SUT		6.625%	

	Col. 1	Col. 2	Col.3=Col.2 x \$7,633 x 12	Col. 4	Col. 5 = Col. 3/Col. 4	Col. 6 = Col. 5 x 1.07
Rate Class	BGS-Eligible Transmission Obligation (MW)	Transmission Obligation (Pct)	Allocated Cost Recovery (1)	BGS Eligible Sales June 2018- May 2019 (kWh)	Transmission Enhancement Charge (\$/kWh)	Transmission Enhancement Charge w/ SUT (\$/kWh)
SC1	268.6	60.25%	\$ 55,185	683,341,000	\$ 0.00008	\$ 0.00009
SC2 Secondary	124.9	28.02%	\$ 25,670	525,188,000	\$ 0.00005	\$ 0.00005
SC2 Primary	15.7	3.52%	\$ 3,223	63,705,000	\$ 0.00005	\$ 0.00005
SC3	0.1	0.02%	\$ 14	271,000	\$ 0.00005	\$ 0.00005
SC4	0.0	0.00%	\$ -	6,468,000	\$ -	\$ -
SC5	3.6	0.81%	\$ 743	14,506,000	\$ 0.00005	\$ 0.00005
SC6	0.0	0.00%	\$ -	5,572,000	\$ -	\$ -
SC7	32.9	7.38%	\$ 6,764	223,970,000	\$ 0.00003	\$ 0.00003
Total	445.8 (2)	100.00%	\$ 91,599	1,523,021,000		

(1) Attachment 2 - Cost Allocation of PECO Schedule 12 Charges to RECO Zone for June 2018 to May 2019

(2) Includes RECO's Central and Western Divisions

**BGS-FP Supplier Payment Adjustment**

Line No.

1	BGS-RSCP Eligible Sales Jun - May @ cust (RECO Eastern Division)	1,287,617	MWH
2	BGS-RSCP Eligible Sales Jun - May @ trans node (RECO Eastern Division)	1,198,532	MWH
3	BGS-RSCP Eligible Transmission Obligation	413	MW
4	Transmission Enhancement Costs to RSCP Suppliers	\$ 84,891.96	= Line 3 x \$17.12 * 12
5	Change in Supplier Payment Rate \$/MWH (rounded to 2 decimals)	\$ 0.07	= Line 4/Line 2

Attachment 4A

TrailCo Formula Rate Update Compliance Filing

Attachment 4B

BG&E Formula Rate Update Compliance Filing

Attachment 4C

PPL Formula Rate Update Compliance Filing

Attachment 4D

ACE Formula Rate Update Compliance Filing

Attachment 4E

Delmarva Formula Rate Update Compliance Filing

Attachment 4F

PEPCO Formula Rate Update Compliance Filing

Attachment 4G

PECO Formula Rate Update Compliance Filing

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May 15, 2018

*By eFiling*

Ms. Kimberly D. Bose, Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, DC 20426

Re: Trans-Allegheny Interstate Line Company  
Electronic Informational Filing of 2018 Formula Rate Annual Update  
Docket No. ER07-562-000

Dear Secretary Bose:

Pursuant to the Commission's order dated May 31, 2007 in Docket No. ER07-562-000<sup>1</sup> and the uncontested settlement approved by the Commission in an order dated July 21, 2008 in Docket No. ER07-562-004,<sup>2</sup> Trans-Allegheny Interstate Line Company ("TrAILCo") hereby submits for informational purposes its 2018 Annual Update to recalculate its annual transmission revenue requirements ("Annual Update"). The Annual Update includes (i) a reconciliation of the annual transmission revenue requirements for the 2017 Rate Year<sup>3</sup> (Attachment 1), (ii) the annual transmission revenue requirements for the 2018 Rate Year to become effective on June 1, 2018 (Attachment 2), and (iii) a detailed accounting of transfers between construction work in progress ("CWIP") and Plant in Service as required by the May 31 Order (Attachment 3).

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<sup>1</sup> *Trans-Allegheny Interstate Line Co.*, 119 FERC ¶ 61,219 at P 59 (2007) ("May 31 Order").

<sup>2</sup> *Trans-Allegheny Interstate Line Co.*, 124 FERC ¶ 61,075 (2008).

<sup>3</sup> The "Rate Year" begins on June 1 of a given calendar year and continues through May 31 of the subsequent calendar year.



TrAILCo's tariff on file with the Commission specifies that:

- b. On or before May 15 of each year, TrAILCo shall recalculate its Annual Transmission Revenue Requirements, producing the "Annual Update" for the upcoming Rate Year, and post such Annual Update on PJM's Internet website via link to the Transmission Services page or a similar successor page. The Annual Update, which shall show separately the transmission revenue requirement for each TrAILCo facility listed in Schedule 12 - Appendix as subject to these procedures, shall also be provided to FERC in an informational filing.
- c. If the date for making the Annual Update posting/filing should fall on a weekend or a holiday recognized by the FERC, then the posting/filing shall be due on the next business day.<sup>4</sup>

The Annual Update attached hereto and submitted to PJM Interconnection, L.L.C. for posting on its Internet website via link to the Transmission Services page includes a recalculation of TrAILCo's annual transmission revenue requirements. The Annual Update contains no expenses or costs that have been alleged or judged in any administrative or judicial proceeding to be illegal, duplicative, or unnecessary costs that are demonstrably the product of discriminatory employment practices, as defined in 18 C.F.R. § 35.13(b)(7) (2017). In addition, please note that TrAILCo has made no material changes in its accounting policies and practices from those in effect during the previous Rate Year and upon which the current rate is based.

Thank you for your attention to this informational filing. Please direct any questions to the undersigned.

Respectfully submitted,

/s/ Mike Naeve

Mike Naeve

*Attorney for*

*Trans-Allegheny Interstate Line Company*

Enclosures

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<sup>4</sup> PJM Interconnection, L.L.C., Open Access Transmission Tariff as filed with the Commission in Docket No. ER10-2710 on September 17, 2010 ("PJM Tariff"), Attachment H-18B, Sections 1(b), (c), as amended in Docket No. ER11-2801 (effective Sept. 17, 2010).

**ATTACHMENT 1**  
**Reconciliation of 2017**  
**Annual Transmission Revenue Requirements**

ATTACHMENT H-18A

<b>Trans-Allegheny Interstate Line Company</b>			<b>TrAILCo</b>
<b>Formula Rate -- Appendix A</b>	<b>Notes</b>	<b>FERC Form 1 Page # or Instruction</b>	
<b>Shaded cells are input cells</b>			<b>2017 Reconciliation</b>

**Allocators**

<b>Wages &amp; Salary Allocation Factor</b>			
1	Transmission Wages Expense	p354.21.b	0
2	Total Wages Expense	p354.28.b	0
3	Less A&G Wages Expense	p354.27.b	0
4	Total Wages Less A&G Wages Expense	(Line 2 - Line 3)	0
5	<b>Wages &amp; Salary Allocator</b>	(Line 1 / Line 4), if line 2 = 0, then 100%	<b>100.0000%</b>
<b>Plant Allocation Factors</b>			
6	Electric Plant In Service	(Note B) Attachment 5	2,092,437,058
7	Total Plant In Service	(Line 6)	2,092,437,058
8	Accumulated Depreciation (Total Electric Plant)	Attachment 5	213,283,030
9	Total Accumulated Depreciation	(Line 8)	213,283,030
10	Net Plant	(Line 7 - Line 9)	1,879,154,029
11	Transmission Gross Plant	(Line 15 + Line 21)	2,092,437,058
12	<b>Gross Plant Allocator</b>	(Line 11 / Line 7, if Line 7=0, enter 100%)	<b>100.0000%</b>
13	Transmission Net Plant	(Line 11 - Line 29)	1,879,154,029
14	<b>Net Plant Allocator</b>	(Line 13 / Line 10, if line 10=0, enter 100%)	<b>100.0000%</b>

**Plant Calculations**

<b>Transmission Plant</b>			
15	Transmission Plant In Service	(Note B) Attachment 5	2,011,724,750
16	New Trans. Plant Adds. for Current Calendar Year (13 average balance)	(Note B) Attachment 6	0
17	<b>Total Transmission Plant</b>	(Line 15 + Line 16)	<b>2,011,724,750</b>
18	General & Intangible	Attachment 5	80,712,309
19	Total General & Intangible	(Line 18)	80,712,309
20	Wage & Salary Allocator	(Line 5)	100.0000%
21	<b>Transmission Related General and Intangible Plant</b>	(Line 19 * Line 20)	<b>80,712,309</b>
22	<b>Transmission Related Plant</b>	<b>(Line 17 + Line 21)</b>	<b>2,092,437,058</b>
<b>Accumulated Depreciation</b>			
23	Transmission Accumulated Depreciation	(Note B) Attachment 5	193,026,061
24	Accumulated General Depreciation	Attachment 5	9,087,308
25	Accumulated Intangible Amortization	Attachment 5	11,169,660
26	Total Accumulated General and Intangible Depreciation	(Sum Lines 24 to 25)	20,256,968
27	Wage & Salary Allocator	(Line 5)	100.0000%
28	<b>Transmission Related General &amp; Intangible Accumulated Depreciation</b>	(Line 26 * Line 27)	<b>20,256,968</b>
29	<b>Total Transmission Related Accumulated Depreciation</b>	<b>(Line 23 + Line 28)</b>	<b>213,283,030</b>
30	<b>Total Transmission Related Net Property, Plant &amp; Equipment</b>	<b>(Line 22 - Line 29)</b>	<b>1,879,154,029</b>

**Adjustment To Rate Base**

<b>Accumulated Deferred Income Taxes</b>			
31	ADIT net of FASB 106 and 109	Enter Negative	Attachment 1
32	<b>Transmission Related Accumulated Deferred Income Taxes</b>		(Line 31)
			-362,807,155
33	<b>Transmission Related CWIP (Current Year 13 Month weighted average balances)</b>	(Note B)	p216.b.43 as shown on Attachment 6
			157,478
34	<b>Transmission Related Land Held for Future Use</b>	(Note C)	Attachment 5
			0
<b>Transmission Related Pre-Commercial Costs Capitalized</b>			
35	Unamortized Capitalized Pre-Commercial Costs		Attachment 5
			0
<b>Prepayments</b>			
36	<b>Transmission Related Prepayments</b>	(Note A)	Attachment 5
			190,091
<b>Materials and Supplies</b>			
37	Undistributed Stores Expense	(Note A)	Attachment 5
38	Wage & Salary Allocator		(Line 5)
			100.0000%
39	Total Undistributed Stores Expense Allocated to Transmission		(Line 37 * Line 38)
			0
40	Transmission Materials & Supplies		Attachment 5
			0
41	<b>Transmission Related Materials &amp; Supplies</b>		(Line 39 + Line 40)
			0
<b>Cash Working Capital</b>			
42	Operation & Maintenance Expense		(Line 74)
			2,549,636
43	1/8th Rule		1/8
			12.5%
44	<b>Transmission Related Cash Working Capital</b>		(Line 42 * Line 43)
			318,705
45	<b>Total Adjustment to Rate Base</b>		(Lines 32 + 33 + 34 + 35+ 36 + 41 + 44)
			-362,140,882
46	<b>Rate Base</b>		(Line 30 + Line 45)
			1,517,013,147

**O&M**

<b>Transmission O&amp;M</b>			
47	Transmission O&M		p321.112.b
			7,129,544
48	Less Account 566 Misc Trans Exp listed on line 73 below.)		(line 73)
			672,064
49	Less Account 565		p321.96.b
			0
50	Plus Schedule 12 Charges billed to Transmission Owner and booked to Account 565	(Note M)	PJM Data
			0
51	Plus Property Under Capital Leases		p200.4.c
			0
52	<b>Transmission O&amp;M</b>		(Lines 47 - 48 - 49 + 50 + 51)
			6,457,480
<b>A&amp;G Expenses</b>			
53	Total A&G		p323.197.b
			-4,579,908
54	Less Property Insurance Account 924		p323.185.b
			55,652
55	Less Regulatory Commission Exp Account 928	(Note E)	p323.189.b
			0
56	Less General Advertising Exp Account 930.1		p323.191.b
			0
57	Less PBOP Adjustment		Attachment 5
			0
58	Less EPRI Dues	(Note D)	p352 & 353
			0
59	<b>A&amp;G Expenses</b>		(Line 53) - Sum (Lines 54 to 58)
			-4,635,560
60	Wage & Salary Allocator		(Line 5)
			100.0000%
61	<b>Transmission Related A&amp;G Expenses</b>		(Line 59 * Line 60)
			-4,635,560
<b>Directly Assigned A&amp;G</b>			
62	Regulatory Commission Exp Account 928	(Note G)	Attachment 5
			0
63	General Advertising Exp Account 930.1	(Note J)	Attachment 5
			0
64	Subtotal - Accounts 928 and 930.1 - Transmission Related		(Line 62 + Line 63)
			0
65	Property Insurance Account 924		p323.185.b
			55,652
66	General Advertising Exp Account 930.1	(Note F)	Attachment 5
			0
67	Total Accounts 928 and 930.1 - General		(Line 65 + Line 66)
			55,652
68	Net Plant Allocator		(Line 14)
			100.0000%
69	<b>A&amp;G Directly Assigned to Transmission</b>		(Line 67 * Line 68)
			55,652
<b>Account 566 Miscellaneous Transmission Expense</b>			
70	Amortization Expense on Pre-Commercial Cost	Account 566	Attachment 5
			0
71	Pre-Commercial Expense	Account 566	Attachment 5
			0
72	Miscellaneous Transmission Expense	Account 566	Attachment 5
			672,064
73	Total Account 566		Sum (Lines 70 to 72)
			672,064
74	<b>Total Transmission O&amp;M</b>		(Lines 52 + 61 + 64 + 69 + 73)
			2,549,636

**Depreciation & Amortization Expense**

Depreciation Expense			
75	Transmission Depreciation Expense	Attachment 5	42,867,247
76	General Depreciation	Attachment 5	1,686,380
77	Intangible Amortization (Note A)	Attachment 5	2,552,791
78	Total	(Line 76 + Line 77)	4,239,171
79	Wage & Salary Allocator	(Line 5)	100.0000%
80	Transmission Related General Depreciation and Intangible Amortization	(Line 78 * Line 79)	4,239,171
81	<b>Total Transmission Depreciation &amp; Amortization</b>	<b>(Lines 75 + 80)</b>	<b>47,106,418</b>

**Taxes Other than Income**

82	Transmission Related Taxes Other than Income	Attachment 2	12,251,046
83	<b>Total Taxes Other than Income</b>	<b>(Line 82)</b>	<b>12,251,046</b>

**Return / Capitalization Calculations**

84	Preferred Dividends	enter positive	p118.29.c	0
<b>Common Stock</b>				
85	Proprietary Capital		p112.16.c	925,958,342
86	Less Accumulated Other Comprehensive Income Account 219		p112.15.c	0
87	Less Preferred Stock		(Line 95)	0
88	Less Account 216.1		p112.12.c	0
89	<b>Common Stock</b>		(Line 85 - 86 - 87 - 88)	925,958,342
<b>Capitalization</b>				
90	Long Term Debt (Note N)			624,703,932
91	Less Unamortized Loss on Reacquired Debt		p111.81.c	0
92	Plus Unamortized Gain on Reacquired Debt		p113.61.c	0
93	Less ADIT associated with Gain or Loss		Attachment 1	0
94	<b>Total Long Term Debt</b>		(Line 90 - 91 + 92 - 93)	624,703,932
95	Preferred Stock		p112.3.c	0
96	<b>Common Stock</b>		(Line 89)	925,958,342
97	<b>Total Capitalization</b>		(Sum Lines 94 to 96)	1,550,662,274
98	Debt %	Total Long Term Debt (Note N)	(Line 94 /Line 97)	40.2863%
99	Preferred %	Preferred Stock (Note N)	(Line 95 /Line 97)	0.0000%
100	Common %	Common Stock (Note N)	(Line 96 /Line 97)	59.7137%
101	Debt Cost	Total Long Term Debt		0.0394
102	Preferred Cost	Preferred Stock	(Line 84 / Line 95)	0.0000
103	Common Cost	Common Stock (Note I)	The most recent FERC approved ROE	0.1170
104	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 98 * Line 101)	0.0159
105	Weighted Cost of Preferred	Preferred Stock	(Line 99 * Line 102)	0.0000
106	Weighted Cost of Common	Common Stock	(Line 100 * Line 103)	0.0699
107	<b>Rate of Return on Rate Base ( ROR )</b>		(Sum Lines 104 to 106)	<b>0.0857</b>
108	<b>Investment Return = Rate Base * Rate of Return</b>		<b>(Line 46 * Line 107)</b>	<b>130,065,457</b>

**Composite Income Taxes**

Income Tax Rates			
109	FIT=Federal Income Tax Rate	(Note H)	35.00%
110	SIT=State Income Tax Rate or Composite		7.82%
111	p	(percent of federal income tax deductible for state purp: Per State Tax Code	0.00%
112	T	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$	40.08%
113	T/(1-T)		66.90%
114	<b>Income Tax Component =</b>	$CIT=(T/(1-T) * Investment Return * (1-(WCLTD/R)) =$ [Line 113 * Line 108 * (1- (Line 104 / Line 107))]	<b>70,901,075</b>
115	<b>Total Income Taxes</b>	<b>(Line 114)</b>	<b>70,901,075</b>

**REVENUE REQUIREMENT**

Summary			
116	Net Property, Plant & Equipment	(Line 30)	1,879,154,029
117	Total Adjustment to Rate Base	(Line 45)	-362,140,882
118	<b>Rate Base</b>	<b>(Line 46)</b>	<b>1,517,013,147</b>
119	Total Transmission O&M	(Line 74)	2,549,636
120	Total Transmission Depreciation & Amortization	(Line 81)	47,106,418
121	Taxes Other than Income	(Line 83)	12,251,046
122	Investment Return	(Line 108)	130,065,457
123	Income Taxes	(Line 115)	70,901,075

<b>124</b>	<b>Gross Revenue Requirement</b>	<b>(Sum Lines 119 to 123)</b>	<b>262,873,632</b>
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Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities			
125	Transmission Plant In Service	(Line 22)	2,092,437,058
126	Excluded Transmission Facilities	(Note L) Attachment 5	0
127	Included Transmission Facilities	(Line 125 - Line 126)	2,092,437,058
128	Inclusion Ratio	(Line 127 / Line 125)	100.00%
129	Gross Revenue Requirement	(Line 124)	262,873,632
130	<b>Adjusted Gross Revenue Requirement</b>	<b>(Line 128 * Line 129)</b>	<b>262,873,632</b>

Revenue Credits			
131	Revenue Credits	Attachment 3	1,483,526

<b>132</b>	<b>Net Revenue Requirement</b>	<b>(Line 130 - Line 131)</b>	<b>261,390,106</b>
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Net Plant Carrying Charge			
133	Net Revenue Requirement	(Line 132)	261,390,106
134	Net Transmission Plant + CWIP	(Line 17 - Line 23 + Line 33)	1,818,856,167
135	FCR	(Line 133 / Line 134)	14.3711%
136	FCR without Depreciation	(Line 133 - Line 75) / Line 134	12.0143%
137	FCR without Depreciation and Pre-Commercial Costs	(Line 133 - Line 70 - Line 71 - Line 75) / Line 134	12.0143%
138	FCR without Depreciation, Return, nor Income Taxes	(Line 133 - Line 75 - Line 108 - Line 115) / Line 134	0.9652%

Net Plant Carrying Charge Calculation with Incentive ROE			
139	Net Revenue Requirement Less Return and Taxes	(Line 132 - Line 122 - Line 123)	60,423,574
140	Increased Return and Taxes	Attachment 4	216,085,105
141	Net Revenue Requirement with Incentive ROE	(Line 139 + Line 140)	276,508,679
142	Net Transmission Plant + CWIP	(Line 17 - Line 23+ Line 33)	1,818,856,167
143	FCR with Incentive ROE	(Line 141 / Line 142)	15.2023%
144	FCR with Incentive ROE without Depreciation	(Line 141 - Line 75) / Line 142	12.8455%
145	FCR with Incentive ROE without Depreciation and Pre-Commercial	(Line 141 - Line 70 - Line 71 - Line 75) / Line 142	12.8455%

Net Revenue Requirement			
146	Net Revenue Requirement	(Line 132)	261,390,106.43
147	Reconciliation amount	Attachment 6	0.00
148	Plus any increased ROE calculated on Attach 7 other than PJM Sch. 12 projects not paid by other PJM trans zones	Attachment 7	8,115,359.16
149	Facility Credits under Section 30.9 of the PJM OATT	Attachment 5	0.00

150	<b>Net Zonal Revenue Requirement</b>	<b>(Line 146 + 147 + 148 + 149)</b>	<b>269,505,465.60</b>
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Network Zonal Service Rate			
151	1 CP Peak	(Note K) PJM Data	N/A
152	Rate (\$/MW-Year)	(Line 150 / 151)	N/A

<b>153</b>	<b>Network Service Rate (\$/MW/Year)</b>	<b>(Line 152)</b>	<b>N/A</b>
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**Notes**

- A Electric portion only
- B For both the estimate and the reconciliation, Construction Work In Progress ("CWIP") and leases that are expensed as O&M (rather than amortized) are excluded.  
**For the Estimate Process:**  
Transmission plant in service will show the end of year balance and is linked to Attachment 5 which shows detail support by project.  
The transmission plant will agree to or be reconciled to the FERC Form 1 balance for the transmission plant.  
New Transmission Plant expected to be placed in service in the current calendar year will be based on the average of 13 monthly investment costs and shown separately detailed by project on Attachment 6.  
Accumulated depreciation will show the end of year balance and is linked to Attachment 5 which shows detail support by project.  
CWIP will be linked to Attachment 6 which shows detail support by project (incentive and non-incentive).  
**For the Reconciliation Process:**  
Transmission plant in service will be calculated using a 13 month average balance and will be detailed on Attachment 5. This includes  
new transmission plant added to plant-in-service  
Accumulated depreciation will be calculated using a 13 month average balance and will be detailed on Attachment 5. This includes  
accumulated depreciation associated with current year transmission plant.  
CWIP will be linked to Attachment 6 which shows detail support by project (incentive and non-incentive).
- C Includes Transmission portion only and (i) only land that has an estimated in-service date within 10 years may be included and (ii) a plan for the land's use is required to be included in the filing whenever the cost of the land is proposed to be included in rates.
- D Excludes all EPRI Annual Membership Dues
- E Excludes all Regulatory Commission Expenses
- F Includes Safety related advertising included in Account 930.1
- G Includes Regulatory Commission Expenses directly related to transmission service, RTO filings, or transmission siting itemized in Form 1 at 351.h.
- H The currently effective income tax rate where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = the percentage of federal income tax deductible for state income taxes. If the utility includes taxes in more than one state, it must explain in Attachment 5 the name of each state and how the blended or composite SIT was developed.
- I ROE will be established in the Commission order accepting the settlement in Docket No. ER07-562 and no change in ROE will be made absent a Section 205 or Section 206 filing at FERC.
- J Education and outreach expenses relating to transmission, for example siting or billing
- K As provided for in Section 34.1 of the PJM OATT; the PJM established billing determinants will not be revised or updated in the annual rate reconciliations.
- L Amount of transmission plant excluded from rates per Attachment 5.
- M Payments made under Schedule 12 of the PJM OATT that are not directly assessed to load in the Zone under Schedule 12 are included in Transmission O&M on Line 47. If they are booked to Act 565, they are included on Line 50. Copies of PJM invoices will be provided upon request.
- N The capital structure will remain 50% equity and 50% debt until construction of all of the segments of the TrAIL Project is completed and the entire TrAIL Project is placed in service. The first year that these projects are in service the formula will be run based on the 50/50 capital structure and on the actual year end capital structure. The two results will be weighted based on: the number of days the last project was in service and 365 day minus the numbers of days the last project was in service divided by 365 days. This can be illustrated using the following example:

**Example:**

**Assume Last Project goes into service on day 260.**  
**Hypothetical Capital Structure until the last project goes into service is 50/50.**  
**Assume Year End actual capital structure is 60% equity and 40% debt.**

**Therefore: Weighted Equity =  $[50\% \cdot 260 + 60\% \cdot (365 - 260)] / 365$**

Trans-Allegheny Interstate Line Company  
**Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet**

Line	Trans-Allegheny Interstate Company							G
	B1	B2	B3	C	D	E	F	
	<i>Beg of Year Total</i>	<i>End of Year Total</i>	<i>End of Year for Est. Average for Final Total</i>	<i>Retail Related</i>	<i>Only Transmission Related</i>	<i>Plant Related</i>	<i>Labor Related</i>	<i>Total ADIT</i>
1 ADIT-282 From Account Total Below	545,228,004	559,422,845	552,325,424		552,325,424	-	-	552,325,424
2 ADIT-283 From Account Total Below	101,839,033	99,335,630	100,587,332		99,357,115	-	-	99,357,115
3 ADIT-190 From Account Total Below	(334,216,000)	(246,128,398)	(290,172,199)		(288,875,384)	-	-	(288,875,384)
4 Subtotal					362,807,155	-	-	362,807,155
5 Wages & Salary Allocator							100.00000%	
6 Gross Plant Allocator						100.00000%		
7 ADIT					362,807,155	-	-	362,807,155

Enter Negative

Note: ADIT associated with Gain or Loss on Reacquired Debt is included in Column A here and included in Cost of Debt on Appendix A, Line 93.  
 Amount 0 < From Acct 283, below

In filling out this attachment, a full and complete description of each item and justification for the allocation to Columns C-F and each separate ADIT item will be listed. Dissimilar items with amounts exceeding \$100,000 will be listed separately.



A	B1 B2 B3 C D E F G								
	Trans-Allegheny Interstate Company								
ADIT-190	Beg of Year Balance	End of Year Balance	End of Year for Est. Average for Final Total	Retail Related	Gas, Prod Or Other Related	Only Transmission Related	Plant Related	Labor Related	JUSTIFICATION
	p234.18.b	p234.18.c							
AMT Carryforward	-	982,089	491,045			491,045			Disallowance in current year for charitable deduction due to tax loss, tax attribute carries forward five years
Charitable Contribution - WV RTA	-	280	140			140			Reclass of the tax portion (gross-up) for property items included in account 190
Charitable Contribution Carryforward	10,899	13,455	12,177			12,177			Result of bonus depreciation
Charitable Contribution State & Local RTA	249	-	125			125			Accounting change relating to A&G expense
CIAC-Fed-Norm	-	341,077	170,539			170,539			Accounting change relating to A&G expense
CIAC-Fed-Norm-Incurred-CWIP	1,862,609	1,892,583	1,877,596			1,877,596			Costs incurred as a result of Allegheny merging with FirstEnergy which are not to be included within the revenue requirement
CIAC-Fed-Norm-Reversal-CWIP	4,631,520	-	2,315,760			2,315,760			Costs incurred as a result of Allegheny merging with FirstEnergy which are not to be included within the revenue requirement
CIAC-MD-Norm-Incurred-CWIP	21,252	21,594	21,423			21,423			Result of bonus depreciation
CIAC-MD-Norm-Reversal-CWIP	50,842	-	25,421			25,421			Result of bonus depreciation
CIAC-PA-Norm	-	60,344	30,172			30,172			Result of bonus depreciation
CIAC-PA-Norm-Incurred-CWIP	70,048	71,176	70,612			70,612			Pension related temporary difference associated with Service Company allocations
CIAC-PA-Norm-Reversal-CWIP	167,099	-	83,550			83,550			Additional tax depreciation over book
CIAC-VA-Norm	-	(48,080)	(24,040)			(24,040)			Additional tax depreciation over book
CIAC-VA-Norm-Incurred-CWIP	20,232	20,557	20,394			20,394			Reflects the adjustments and subsequent amortization of the regulatory asset associated with the adjusted debt balances resulting from the FE/AYE merger (Offset is PA - LT Regulatory Asset Amort below in 263)
CIAC-VA-Norm-Reversal-CWIP	49,701	-	24,851			24,851			Temporary difference resulting from purchase accounting transactions
CIAC-WV-Norm	-	22,367	11,183			11,183			Deductions related to state income taxes
CIAC-WV-Norm-Incurred-CWIP	155,180	157,678	156,429			156,429			Unamortized discounts on long-term debt
CIAC-WV-Norm-Reversal-CWIP	381,360	-	190,690			190,690			Additional tax depreciation over book
FASB 109 Gross-Up	11,882,116	(3,457,109)	4,212,503			4,212,503			Portion of AFUDC Equity that relates to property and booked to account 190
Federal NOL	225,521,300	146,951,695	186,236,498			186,236,498			Portion of AFUDC Equity that relates to property and booked to account 190
Merger Costs: D&O Insurance	1,493	1,333	1,413		1,413				Portion of AFUDC Equity that relates to property and booked to account 190
Merger Costs: Licenses	68,888	61,482	65,185		65,185				Portion of AFUDC Equity that relates to property and booked to account 190
NOL Deferred Tax Asset - LT PA	4,400,386	3,563,101	3,981,743			3,981,743			Paid AMT tax which generates a credit
NOL Deferred Tax Asset - LT WV	17,735,335	17,735,335	17,735,335			17,735,335			Temporary difference that is capitalized for book purposes but deductible for tax purposes
Pension/OPER - Other Def Cr. or Dr.	2,183,288	2,187,156	2,185,222			2,185,222			Taxable CIAC
Purch Acct-LTD FMV	1,229,128	1,231,306	1,230,217		1,230,217				Taxable CIAC
State Income Tax Deductible	5,039,440	443,800	2,741,620			2,741,620			Taxable CIAC
Tax Interest Capitalized-Fed-Norm	29,576,802	29,507,775	29,542,288			29,542,288			Taxable CIAC
Tax Interest Capitalized-Fed-Norm-Incurred-CWIP	32,238,748	32,415,858	32,327,303			32,327,303			Taxable CIAC
Tax Interest Capitalized-MD-Norm	476,552	418,062	447,307			447,307			Temporary difference arising for removal of plant/property
Tax Interest Capitalized-MD-Norm-Incurred-CWIP	306,436	308,401	307,419			307,419			Result of bonus depreciation
Tax Interest Capitalized-PA-Norm	682,978	693,023	688,001			688,001			Other property related temporary differences
Tax Interest Capitalized-PA-Norm-Incurred-CWIP	995,377	1,016,649	1,006,113			1,006,113			Actual amount of tax interest capitalized
Tax Interest Capitalized-VA-Norm	627,601	499,957	563,779			563,779			Actual amount of tax interest capitalized
Tax Interest Capitalized-VA-Norm-Incurred-CWIP	331,599	331,688	331,643			331,643			Actual amount of tax interest capitalized
Tax Interest Capitalized-WV-Norm	2,831,360	2,671,993	2,751,676			2,751,676			Actual amount of tax interest capitalized
Tax Interest Capitalized-WV-Norm-Incurred-CWIP	2,548,278	2,554,466	2,551,372			2,551,372			Actual amount of tax interest capitalized
Subtotal	346,098,116	242,671,288	294,384,702	-	1,296,815	293,087,887	-	-	
Less FASB 109 included above	11,882,116	(3,457,109)	4,212,503	-	-	4,212,503	-	-	
Less FASB 106 included above	-	-	-	-	-	-	-	-	
Total	334,216,000	246,128,398	290,172,199	-	1,296,815	288,875,384	-	-	

Instructions for Account 190:

- ADIT items related only to Retail Related Operations are directly assigned to Column C.
- ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column D.
- ADIT items related only to Transmission are directly assigned to Column E.
- ADIT items related to Plant and not in Columns C, D & E are directly assigned to Column F.
- ADIT items related to labor and not in Columns C, D, E & F are directly assigned to Column G.
- Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates. Therefore, if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded.

PJM TRANSMISSION OWNER

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

A	B1	B2	B3	C	D	E	F	G	
	Trans-Allegheny Interstate Company								
			End of Year for Est. Average for						
ADIT-282	Beg of Year Balance <b>p274.9.b</b>	End of Year Balance <b>p275.9.k</b>	Final Total	Retail Related	Gas, Prod Or Other Related	Only Transmission Related	Plant Related	Labor Related	JUSTIFICATION
A&G Expenses Capitalized	5,860,076	7,837,378	6,848,727			6,848,727			Allowance for borrowed funds used during construction (ABFUDC)
Accelerated Tax Depreciation	510,293,001	520,865,979	515,479,340			515,479,340			Additional tax depreciation over book
Additional State Depreciation MD	2,044,318	2,433,745	2,239,031			2,239,031			Tax depreciation
Additional State Depreciation PA	7,055,017	7,539,621	7,297,319			7,297,319			Increase in AOFDC
Additional State Depreciation VA	3,272,806	3,602,727	3,437,767			3,437,767			Reclass of the tax portion (gross-up) for property items included in account 282
Additional State Depreciation WV	46,156,850	46,894,921	46,525,836			46,525,836			Book depreciation
AFUDC Debt	4,217,661	4,248,659	4,233,160			4,233,160			Book depreciation / amortization
AFUDC Equity Flow Through	-	3	2			2			Tax depreciation
Capitalized Vertical Tree Trimming	88,162	109,560	98,861			98,861			Property True-Up
Cost of Removal	(2,596,487)	(2,837,860)	(2,687,074)			(2,687,074)			Portion of Repairs & Maintenance 481a Adjustment offset in Account 182
FASB 109 Gross-Up	13,453,841	(176,952,100)	(81,749,129)			(81,749,129)			Temporary difference for additional state depreciation allowed for WV tax return
Other Basis Differences	(34,005,677)	(34,044,286)	(34,024,981)			(34,024,981)			Portion of AFUDC Debt that relates to property and booked to account 282
Sale of Property - Book Gain or (Loss)	(73,032)	(123,056)	(98,044)			(98,044)			
T&D Repairs	3,077,998	2,930,713	3,004,355			3,004,355			Vegetation management transmission corridor capital cost and depreciation expenses required for the regulatory financial statement schedules
Vegetation Management - Transmission	(162,689)	(135,059)	(148,874)			(148,874)			Repair deduction on capitalized book asset deductible for tax purposes under Rev. Proc. 2011-43
Subtotal	558,681,845	382,470,745	470,576,295			470,576,295			
Less FASB 109 included above	13,453,841	(176,952,100)	(81,749,129)			(81,749,129)			
Less FASB 106 included above	-	-	-			-			
Total	545,228,004	559,422,845	552,325,424			552,325,424			

Instructions for Account 282:

- ADIT items related only to Retail Related Operations are directly assigned to Column C.
- ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column D.
- ADIT items related only to Transmission are directly assigned to Column E.
- ADIT items related to Plant and not in Columns C, D & E are directly assigned to Column F.
- ADIT items related to labor and not in Columns C, D, E & F are directly assigned to Column G.
- Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates. Therefore, if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded.

PJM TRANSMISSION OWNER

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

A	B1	B2	B3	C	D	E	F	G	JUSTIFICATION
	Trans-Allegheny Interstate Company								
ADIT-283	Beg of Year Balance	End of Year Balance	End of Year for Est. Average for Final Total	Retail Related	Gas, Prod Or Other Related	Only Transmission Related	Plant Related	Labor Related	
	p276.19.b	p277.19.k							
Charitable Contribution State & Local RTA	-	260	130			130			West Virginia property tax payment
CIAC-Fed Norm	5,076,307	-	2,538,154			2,538,154			Reclass of the tax portion (gross-up) for property items included in account 283
CIAC-Fed Norm-Reversal-CWIP	-	848,550	424,275			424,275			Accounting change relating to A&G expense
CIAC-MD Norm	(8,334)	(68,524)	(38,429)			(38,429)			Allocated portion of total liabilities relating to captive insurance
CIAC-MD Norm-Reversal-CWIP	-	11,542	5,771			5,771			Additional tax depreciation over book
CIAC-PA Norm	142,194	-	71,097			71,097			Additional tax depreciation over book
CIAC-PA Norm-Reversal-CWIP	-	75,880	37,940			37,940			Additional tax depreciation over book
CIAC-VA Norm	108,190	-	54,095			54,095			Portion of AFUDC debt that relates to property and booked to account 189
CIAC-VA Norm-Reversal-CWIP	-	5,256	2,628			2,628			Portion of AFUDC debt that relates to property and booked to account 190
CIAC-WV Norm	429,182	-	214,591			214,591			Portion of AFUDC debt that relates to property and booked to account 191
CIAC-WV Norm-Reversal-CWIP	-	53,850	26,925			26,925			Reflects the adjustments and subsequent amortization of adjusted debt balances associated with the FE/AYE merger
Deferred Charge-EIB	16,118	20,304	18,211			18,211			
FASB 109 Gross-Up	21,814,827	9,066,511	15,440,669			15,440,669			
PAA - LT Regulatory Asset Amort	1,229,128	1,231,305	1,230,217		1,230,217				Portion of AFUDC Equity that relates to property and booked to account 283
PJM Receivable	40,638,686	42,616,309	41,627,497			41,627,497			Portion of AFUDC Equity that relates to property and booked to account 285
SCW Timing Allocation	381,933	382,269	381,931			381,931			Taxable CIAC
Tax Interest Capitalized-Fed Norm-Reversal-CWIP	31,516,799	32,111,359	31,814,079			31,814,079			Taxable CIAC
Tax Interest Capitalized-MD Norm	55,650	-	27,825			27,825			Taxable CIAC
Tax Interest Capitalized-MD Norm-Reversal-CWIP	299,285	305,994	302,640			302,640			Taxable CIAC
Tax Interest Capitalized-PA Norm-Reversal-CWIP	972,064	1,013,950	993,007			993,007			Taxable CIAC
Tax Interest Capitalized-VA Norm	122,568	-	61,284			61,284			Temporary difference arising for removal of plant/property
Tax Interest Capitalized-VA Norm-Reversal-CWIP	324,084	328,125	326,104			326,104			Misc Liability
Tax Interest Capitalized-WV Norm	146,931	-	73,466			73,466			Result of bonus depreciation
Tax Interest Capitalized-WV Norm-Reversal-CWIP	2,490,564	2,528,807	2,509,685			2,509,685			Other property related temporary differences
Valuation Allowance NOL WV	17,735,335	17,735,335	17,735,335			17,735,335			Valuation allowances recorded against state NOL carryforwards not expected to be realized
Vegetation Management	162,689	135,059	148,874			148,874			Vegetation management transmission corridor capital cost and depreciation expenses required for the regulatory financial statement schedules
Subtotal	123,653,860	108,402,141	116,028,001		1,230,217	114,797,784	-	-	
Less FASB 109 included above	21,814,827	9,066,511	15,440,669		-	15,440,669	-	-	
Less FASB 106 included above									
Total	101,839,033	99,335,630	100,587,332		1,230,217	99,357,115	-	-	

Instructions for Account 283:

- ADIT items related only to Retail Related Operations are directly assigned to Column C.
- ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column D.
- ADIT items related only to Transmission are directly assigned to Column E.
- ADIT items related to Plant and not in Columns C, D & E are directly assigned to Column F.
- ADIT items related to labor and not in Columns C, D, E & F are directly assigned to Column G.
- Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates. Therefore, if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded.

**Trans-Allegheny Interstate Line Company**  
**Attachment 2 - Taxes Other Than Income Worksheet**

Other Taxes	FERC Form No.1 page, line & Col	Amount	Allocator	Allocated Amount	
<b>Plant Related</b>		<b>Gross Plant Allocator</b>			
1.1	2016 State Property WV	p263.34(i)	4,391,325	100.0000%	\$ 4,391,325
1.2	2017 State Property WV	p263.35(i)	4,609,024	100.0000%	4,609,024
1.3	2017 State Property PA (PURTA)	p263.21(i)	33,000	100.0000%	33,000
1.4	2016 State Property PA (PURTA)	p263.22(i)	4,769	100.0000%	4,769
1.5	2016 Local Property WV	p263.1.7(i)	8,172	100.0000%	8,172
1.6	2017 Local Property WV	p263.1.8(i)	9,916	100.0000%	9,916
1.7	2017 Local Property VA	p263.1.12(i)	1,671,545	100.0000%	1,671,545
1.8	2017 Local Property PA	p263.1.17(i)	5,478	100.0000%	5,478
1.9	2016 Local Property MD	p263.1.21(i)	784,582	100.0000%	784,582
2.0	2017 Local Property MD	p263.1.22(i)	750,996	100.0000%	750,996
2.1	2017 Capital Stock Tax/Franchise PA	p263.18(i)	300	100.0000%	300
2.2	2014 WV Franchise Tax	p263.32(i)	-25,833	100.0000%	-25,833
2.3	State Sales/Use Tax PA	p263.14(i)	579	100.0000%	579
<b>4</b>	<b>Total Plant Related</b>		<u>12,243,853</u>	<u>100.0000%</u>	<u>12,243,853</u>
<b>Labor Related</b>		<b>Wages &amp; Salary Allocator</b>			
5	Accrued Federal FICA		7,193		
6	Accrued Federal Unemployment		0		
7	State Unemployment		0		
<b>8</b>	<b>Total Labor Related</b>		<u>7,193</u>	<u>100.0000%</u>	<u>7,193</u>
<b>Other Included</b>		<b>Gross Plant Allocator</b>			
9			0		0
10			0		0
11			0		0
<b>12</b>	<b>Total Other Included</b>		<u>0</u>	<u>100.0000%</u>	<u>0</u>
<b>13</b>	<b>Total Included (Lines 4 + 8 + 12)</b>		<u>12,251,046</u>		<u><u>12,251,046</u></u> Input to Appendix A, Line 82
<b>Retail Related Other Taxes to be Excluded</b>					
14	Federal Income Tax	p263.2(i)	-36,777,833		
15	Corporate Net Income Tax MD	p263.8(i)	449,968		
16	Corporate Net Income Tax PA	p263.13(i)	2,977,317		
17	Corporate Net Income Tax VA	p263.27(i)	365,106		
18	Corporate Net Income Tax WV	p263.31(i)	6,016,774		
<b>19</b>	<b>Subtotal, Excluded</b>		<u>-26,968,668</u>		
<b>20</b>	<b>Total, Included and Excluded (Line 13 + Line 19)</b>		<u>-14,717,622</u>		
<b>21</b>	<b>Total Other Taxes from p114.14.c</b>		<u>12,251,046</u>		
<b>22</b>	<b>Difference (Line 20 - Line 21)</b>		<u>-26,968,668</u>		

Criteria for Allocation:

- A Other taxes that are incurred through ownership of plant including transmission plant will be allocated based on the Gross Plant Allocator. If the taxes are 100% recovered at retail they shall not be included.
- B Other taxes that are incurred through ownership of only general or intangible plant will be allocated based on the Wages and Salary Allocator. If the taxes are 100% recovered at retail they shall not be included.
- C Other taxes that are assessed based on labor will be allocated based on the Wages and Salary Allocator.
- D Other taxes except as provided for in A, B and C above, that are incurred and (1) are not fully recovered at retail or (2) are directly or indirectly related to transmission service will be allocated based on the Gross Plant Allocator; provided, however, that overheads shall be treated as in footnote B above.
- E Excludes prior period adjustments in the first year of the formula's operation and reconciliation for the first year.

**Trans-Allegheny Interstate Line Company**

**Attachment 3 - Revenue Credit Workpaper**

Amount	FERC Form No.1 page, line & Col
-	Page 300 Line: 19 Column: b
-	
-	
-	
1,483,526	p328-330 Footnote Data Schedule Page: 328 Line: 1 Column: m
-	
-	
1,483,526	
-	
1,483,526	Input to Appendix A, Line 131

**Account 454 - Rent from Electric Property**

- 1 Rent from Electric Property - Transmission Related (Note 3)
- 2 Total Rent Revenues (Line 1)

**Account 456 - Other Electric Revenues (Note 1)**

- 3 Schedule 1A
- 4 Net revenues associated with Network Integration Transmission Service (NITS) for which the load is not included in the divisor (difference between NITS credits from PJM and PJM NITS charges paid by Transmission Owner) (Note 4)
- 5 Point to Point Service revenues for which the load is not included in the divisor received by Transmission Owner
- 6 PJM Transitional Revenue Neutrality (Note 1)
- 7 PJM Transitional Market Expansion (Note 1)
- 8 Professional Services (Note 3)
- 9 Revenues from Directly Assigned Transmission Facility Charges (Note 2)
- 10 Rent or Attachment Fees associated with Transmission Facilities (Note 3)

- 11 Gross Revenue Credits (Sum Lines 2-10)
- 12 Less line 14g
- 13 Total Revenue Credits (Line 11 - Line 12)

**Revenue Adjustment to determine Revenue Credit**

- 14a Revenues associated with lines 14b-g are to be included in lines 2-10 and total of those revenues entered here
- 14b Costs associated with revenues in line 14a
- 14c Net Revenues (14a - 14b)
- 14d 50% Share of Net Revenues (14c / 2)
- 14e Costs associated with revenues in line 14a that are included in FERC accounts recovered through the formula times the allocator used to functionalize the amounts in the FERC account to the transmission service at issue.
- 14f Net Revenue Credit (14d + 14e)
- 14g Line 14a less line 14f
- 15 Amount offset in line 4 above
- 16 Total Account 454 and 456

17 Note 1: All revenues related to transmission that are received as a transmission owner (i.e., not received as a LSE), for which the cost of the service is recovered under this formula, except as specifically provided for elsewhere in this Attachment or elsewhere in the formula will be included as a revenue credit or included in the peak on line 178 of Appendix A.

18 Note 2: If the costs associated with the Directly Assigned Transmission Facility Charges are included in the Rates, the associated revenues are included in the Rates. If the costs associated with the Directly Assigned Transmission Facility Charges are not included in the Rates, the associated revenues are not included in the Rates.

19 Note 3: Ratemaking treatment for the following specified secondary uses of transmission assets: (1) right-of-way leases and leases for space on transmission facilities for telecommunications; (2) transmission tower licenses for wireless antennas; (3) right-of-way property leases for farming, grazing or nurseries; (4) licenses of intellectual property (including a portable oil degasification process and scheduling software); and (5) transmission maintenance and consulting services (including energized circuit maintenance, high-voltage substation maintenance, safety training, transformer oil testing, and circuit breaker testing) to other utilities and large customers (collectively, products). Company will retain 50% of net revenues consistent with Pacific Gas and Electric Company, 90 FERC ¶ 61,314. Note: in order to use lines 14a - 14g, the utility must track in separate subaccounts the revenues and costs associated with each secondary use (except for the cost of the associated income taxes).

20 Note 4: If the facilities associated with the revenues are not included in the formula, the revenue is shown here, but not included in the total above and explained in the Cost Support. For example revenues associated with distribution facilities. In addition Revenues from Schedule 12 of the PJM OATT are not included in the total above to the extent they are credited under Schedule 12 of the PJM OATT.

A	Return and Taxes at High End of the range of Reasonableness			
	Return and Taxes at High End of the range of Reasonableness	(Sum Lines 26 and 33 from below)	216,085,105	Input to Appendix A, Line 140
B	Difference between Base ROE and Incentive ROE		100	

**Return Calculation**

		Source Reference	
1	Rate Base	Appendix A, Line 46	1,517,013,147
2	Preferred Dividends	enter positive Appendix A, Line 84	0
	Common Stock		
3	Proprietary Capital	Appendix A, Line 85	925,958,342
4	Less Accumulated Other Comprehensive Income Account 219	Appendix A, Line 86	0
5	Less Preferred Stock	Appendix A, Line 87	0
6	Less Account 216.1	Appendix A, Line 88	0
7	Common Stock	Appendix A, Line 89	925,958,342
	Capitalization		
8	Long Term Debt	Appendix A, Line 90	624,703,932
9	Less Unamortized Loss on Reacquired Debt	Appendix A, Line 91	0
10	Plus Unamortized Gain on Reacquired Debt	Appendix A, Line 92	0
11	Less ADIT associated with Gain or Loss	Appendix A, Line 93	0
12	Total Long Term Debt	Appendix A, Line 94	624,703,932
13	Preferred Stock	Appendix A, Line 95	0
14	Common Stock	Appendix A, Line 96	925,958,342
15	Total Capitalization	Appendix A, Line 97	1,550,662,274
16	Debt %	Total Long Term Debt Appendix A, Line 98	40.2863%
17	Preferred %	Preferred Stock Appendix A, Line 99	0.0000%
18	Common %	Common Stock Appendix A, Line 100	59.7137%
19	Debt Cost	Total Long Term Debt Appendix A, Line 101	0.0394
20	Preferred Cost	Preferred Stock Appendix A, Line 102	0.0000
21	Common Cost	Common Stock	12.70% 0.1270
22	Weighted Cost of Debt	Total Long Term Debt (WCLTD) (Line 16 * 19)	0.0159
23	Weighted Cost of Preferred	Preferred Stock (Line 17 * 20)	0.0000
24	Weighted Cost of Common	Common Stock (Line 18 * 21)	0.0758
25	Rate of Return on Rate Base ( ROR )	(Sum Lines 22 to 24)	0.0917
26	Investment Return = Rate Base * Rate of Return	(Line 1 * Line 25)	139,124,109

**Composite Income Taxes**

<b>Income Tax Rates</b>			
27	FIT=Federal Income Tax Rate	Appendix A, Line 109	35.00%
28	SIT=State Income Tax Rate or Composite	Appendix A, Line 110	7.82%
29	p = percent of federal income tax deductible for state purposes	Appendix A, Line 111	0.00%
30	T	Appendix A, Line 112	40.08%
31	T/(1-T)	Appendix A, Line 113	66.90%
32	Income Tax Component =	CIT=(T/1-T) * Investment Return * (1-(WCLTD/R)) =	76,960,996
33	<b>Total Income Taxes</b>	<b>(Line 32)</b>	<b>76,960,996</b>

Trans-Allegheny Interstate Line Company

Attachment 5 - Cost Support

Plant in Service Worksheet

Attachment A Line #s, Descriptors, Notes, Form 1 Page #s and Instructions

		13 Month Balance for Reconciliation		EOY Balance for Estimate													
		Total		Total													
				Black Oak	Wyle Ridge	50 Junction Terminal Line	Peter St	Coalfields	Meadowbrook Transformer	North Chatham	Bedington Transformer	Westmoreland Converter	Kenner	Double #2 Trans	Double #3 Trans	Double #4 Trans	
<b>Calculation of Transmission Plant in Service</b>		Source															
December	p206.58.b	company records	For 2016	1,979,482,591	46,814,248	17,966,667	1,076,634,181	2,022,554	24,534,011	8,206,718	1,923,902	7,723,538	6,496,239	39,535,803	5,149,271	4,686,053	5,700,307
January		company records	For 2017	1,980,815,940	46,814,248	17,966,667	1,076,589,866	2,022,554	24,534,011	8,206,718	1,923,902	7,723,538	6,496,239	39,535,803	5,149,271	4,686,053	5,700,307
February		company records	For 2017	1,980,352,972	46,814,248	17,966,667	1,076,601,244	2,022,554	24,534,011	8,206,718	1,923,902	7,723,538	6,496,239	39,535,803	5,149,271	4,686,053	5,700,307
March		company records	For 2017	1,981,058,334	46,814,248	17,966,667	1,076,497,229	2,022,554	24,534,011	8,206,718	1,923,902	7,723,538	6,496,239	39,535,803	5,149,271	4,686,053	5,700,307
April		company records	For 2017	1,977,502,203	46,814,248	17,966,667	1,076,543,218	2,022,554	24,534,011	8,206,718	1,923,902	7,723,538	6,496,239	39,535,803	5,149,271	4,686,053	5,700,307
May		company records	For 2017	1,999,714,454	46,814,248	17,966,362	1,076,797,999	2,022,554	24,535,348	8,206,718	1,923,902	7,723,538	6,496,239	39,535,803	5,149,271	4,686,053	5,700,307
June		company records	For 2017	2,029,106,540	46,814,248	17,966,362	1,076,989,247	2,022,554	24,535,348	8,206,718	1,923,902	7,723,538	6,496,239	39,533,762	5,149,271	4,686,053	5,700,307
July		company records	For 2017	2,036,145,525	46,814,248	17,966,362	1,076,937,923	2,022,554	24,535,348	8,206,718	1,923,902	7,723,538	6,496,239	39,534,385	5,149,271	4,686,053	5,700,307
August		company records	For 2017	2,029,772,387	46,814,248	17,963,081	1,077,319,090	2,022,554	24,535,348	8,206,718	1,923,902	7,723,538	6,496,239	39,534,385	5,149,271	4,686,053	5,700,307
September		company records	For 2017	2,026,446,075	46,814,248	17,963,081	1,077,743,191	2,022,554	24,535,348	8,206,718	1,923,902	7,723,538	6,496,239	39,534,385	5,149,271	4,686,053	5,700,307
October		company records	For 2017	2,038,666,099	46,814,248	17,963,081	1,077,743,157	2,022,554	24,535,348	8,206,718	1,923,902	7,723,538	6,496,239	39,534,385	5,149,271	4,686,053	5,700,307
November		company records	For 2017	2,039,096,764	46,814,248	17,963,081	1,077,756,945	2,022,554	24,535,348	8,206,718	1,923,902	7,723,538	6,496,239	39,534,385	5,149,271	4,686,053	5,700,307
December	p207.58.g	company records	For 2017	2,048,792,166	47,199,392	17,963,081	1,077,649,165	2,022,554	24,535,348	8,206,718	1,923,902	7,723,538	6,496,239	39,537,700	5,149,271	4,686,053	5,700,307
15	Transmission Plant in Service			<b>2,011,724,750</b>	<b>46,843,641</b>	<b>17,843,068</b>	<b>1,077,051,421</b>	<b>2,022,554</b>	<b>24,548,680</b>	<b>8,206,718</b>	<b>1,923,902</b>	<b>7,723,538</b>	<b>6,496,239</b>	<b>39,537,939</b>	<b>5,149,271</b>	<b>4,686,053</b>	<b>5,700,307</b>

Details																	
Cabot SS	Armening	Farmers Valley Capacitor	Harvey Run Capacitor	Doubs SS	Meadowbrook SS	Grandview Capacitor	502 Jct Substation	Conemaugh Seward	Luxor	Grandpoint & Guindrog	Handsome Lake - Homer City	Altoona	Blairsville	Carbon Center	Hunterstown	Johnstown	Buffalo Road
7,119,671	15,623,574	1,800,807	832,202	4,993,604	60,762,197	657,191	10,130,932	27,408,598	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	1,800,807	832,202	4,993,604	61,018,354	657,191	10,130,932	27,408,598	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	1,800,807	832,202	4,993,604	61,018,354	657,191	10,130,932	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	1,800,807	832,202	4,993,604	61,018,354	657,191	10,130,932	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	1,800,807	832,202	4,993,604	61,018,354	657,191	10,130,932	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	1,802,346	832,202	4,993,604	61,020,631	657,191	10,130,932	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	1,801,420	832,202	4,993,604	61,034,739	657,191	10,130,932	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	1,801,420	832,202	4,993,604	61,034,739	657,191	10,130,932	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	2,025,074	832,202	4,993,604	61,034,739	657,191	10,130,932	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	2,096,754	832,202	4,993,604	61,034,739	657,191	10,621,689	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	2,096,954	832,202	4,993,604	61,333,947	657,191	10,796,107	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	1,876,453	832,202	4,993,604	61,827,634	657,191	10,216,619	27,411,818	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837



																				Total						
Moshannon	Waldo Run	Four Mile Junction	West Union SS	Shuman Hill/Mobley	Bartonville	Squab Hollow SS	Squab Hollow SVC	Shingleroom	Claysburg Ring Bus	Johnstown SS Capacitor	Grover Sub	Rider Sub	Shawville	Monaca SS	Mainsburg SS	Yeagertown	Nyswaner	Oak Mount	Joffre SS	Eric South	Farmers Valley Substation	Richwood Hill	Damascus SS	Warren Substation	Total	
7,433,581	54,603,725	9,675,056	891,283	1,525,229	504,189	18,706,300	31,318,256	1,754,277	7,727,591	1,368,881	891,014	21,303,520	2,268,540	38,292,874	22,023,148	1,135,027	936,604	100,992,398	16,175,899	48,201,894	37,965,951	75,568,297	-	-	1,976,482,591	
7,433,581	54,603,725	9,675,056	891,283	1,525,229	504,189	18,698,247	31,318,256	1,754,277	7,726,543	1,368,881	891,014	20,023,351	2,268,540	38,292,874	22,083,333	1,135,027	936,604	101,204,847	16,589,595	48,115,539	38,122,364	75,136,699	-	-	1,980,815,940	
7,433,581	54,603,725	9,675,056	891,283	1,525,229	504,189	18,698,247	31,318,256	1,754,277	7,726,543	1,368,881	891,014	19,148,337	2,268,540	38,292,725	22,158,197	1,135,027	936,604	101,783,988	16,436,499	48,209,952	38,210,932	75,050,659	-	-	1,980,352,672	
7,433,581	54,603,725	9,675,056	891,283	1,525,229	504,189	18,699,687	31,318,256	1,754,277	7,726,543	1,368,881	891,014	19,038,246	2,268,540	38,292,761	22,159,140	1,135,027	936,604	102,164,050	16,563,776	48,395,012	38,530,510	75,003,664	-	-	1,981,058,334	
7,433,581	54,603,725	9,675,056	891,283	1,525,229	504,189	18,699,687	31,318,256	1,754,277	7,726,543	1,368,881	891,014	13,678,533	2,268,540	38,292,761	23,705,840	1,135,027	936,604	102,533,318	16,749,038	48,361,734	38,501,847	74,161,968	-	-	1,977,002,203	
7,433,674	54,603,725	9,675,056	891,283	1,525,229	504,382	18,699,687	31,318,256	1,754,277	7,726,543	1,368,881	891,014	13,679,223	2,268,540	38,292,761	23,806,645	1,135,027	936,604	103,043,362	37,614,037	48,376,469	38,440,989	74,123,054	1,041,643	-	-	1,989,714,454
7,433,674	54,603,725	9,675,056	891,283	1,525,229	888,977	18,699,687	31,318,256	1,754,277	7,726,621	1,368,881	885,549	13,666,093	2,268,540	38,294,034	23,902,779	1,135,027	936,604	103,787,348	37,150,968	48,503,530	38,838,135	74,138,044	1,147,202	24,035,092	2,025,106,540	
7,433,674	54,603,725	9,675,056	891,283	1,525,229	888,977	18,699,687	31,318,256	1,754,277	7,726,621	1,368,881	885,549	13,666,154	2,268,540	38,298,225	24,346,182	1,135,027	936,604	103,932,648	47,477,938	48,518,166	38,895,131	74,129,065	1,176,406	24,105,409	2,036,145,826	
7,433,674	54,603,725	9,675,061	891,283	1,525,229	888,977	18,699,687	31,318,256	1,754,277	7,728,913	1,368,881	885,715	13,667,565	2,268,540	38,296,038	24,172,790	1,135,027	936,604	97,732,465	47,429,985	48,263,137	38,902,489	74,148,090	24,046,115	2,029,772,387		
7,433,674	54,603,725	9,675,061	891,283	1,525,229	892,103	18,699,687	31,318,256	1,754,277	7,730,820	1,368,881	885,549	13,665,943	2,268,540	38,297,431	24,172,272	1,135,027	936,604	103,537,265	47,449,703	48,554,021	38,919,384	74,227,319	1,176,299	24,144,397	2,036,445,075	
7,527,658	56,343,908	9,675,061	891,283	1,525,229	892,259	18,699,687	31,318,256	1,754,277	7,730,820	1,368,881	885,549	13,677,199	2,268,540	38,297,389	24,225,124	1,135,027	936,604	103,609,772	47,469,872	48,529,451	39,203,925	74,275,520	1,176,589	24,034,922	2,038,666,099	
7,527,658	56,182,394	9,675,061	891,283	1,525,229	892,283	18,699,687	31,318,256	1,754,277	7,730,820	1,368,881	885,549	13,675,134	2,268,540	38,297,389	24,198,195	1,135,027	936,604	103,589,275	47,470,959	48,534,756	39,262,322	74,315,148	1,176,573	24,034,964	2,039,096,764	
7,527,658	56,430,364	9,675,061	891,283	1,525,229	892,272	18,699,687	31,318,256	1,754,277	7,730,820	1,368,881	885,549	13,639,738	2,268,540	38,297,860	24,418,861	1,135,027	936,604	104,609,987	47,495,392	48,533,012	39,291,847	76,301,465	1,246,287	24,033,265	2,049,792,166	
7,455,327	54,999,531	9,675,058	891,283	1,525,229	604,703	18,699,978	31,318,256	1,754,275	7,727,734	1,368,881	888,084	15,840,580	2,268,540	38,295,071	23,498,038	1,135,027	936,604	102,810,902	34,095,663	46,441,708	38,698,910	74,342,994	716,830	12,956,473	2,011,724,750	

1,834,139,800

Trans-Allegheny Interstate Line

Attachment 5 - Cost Supp.

			Link to Appendix A, line 15	Link to Appendix A, line 15
<b>Calculation of Distribution Plant In Service</b>				
	Source			
December	p206.75.b	For 2016	-	-
January	company records	For 2017	-	-
February	company records	For 2017	-	-
March	company records	For 2017	-	-
April	company records	For 2017	-	-
May	company records	For 2017	-	-
June	company records	For 2017	-	-
July	company records	For 2017	-	-
August	company records	For 2017	-	-
September	company records	For 2017	-	-
October	company records	For 2017	-	-
November	company records	For 2017	-	-
December	p207.75.g	For 2017	-	-
<b>Distribution Plant In Service</b>				
<b>Calculation of Intangible Plant In Service</b>				
	Source			
December	p204.5.b	For 2016	21,416,232	-
December	p205.5.g	For 2017	21,131,450	21,131,450
<b>Intangible Plant In Service</b>			<b>21,273,851</b>	<b>21,131,450</b>
<b>Calculation of General Plant In Service</b>				
	Source			
December	p206.99.b	For 2016	67,280,481	-
December	p207.99.g	For 2017	61,996,654	61,996,654
<b>General Plant In Service</b>			<b>69,439,468</b>	<b>61,996,654</b>
<b>Calculation of Production Plant In Service</b>				
	Source			
December	p204.46b	For 2016	-	-
January	company records	For 2017	-	-
February	company records	For 2017	-	-
March	company records	For 2017	-	-
April	company records	For 2017	-	-
May	company records	For 2017	-	-
June	company records	For 2017	-	-
July	company records	For 2017	-	-
August	company records	For 2017	-	-
September	company records	For 2017	-	-
October	company records	For 2017	-	-
November	company records	For 2017	-	-
December	p205.46.g	For 2017	-	-
<b>Production Plant In Service</b>				
<b>Total Plant In Service</b>			<b>2,092,437,058</b>	<b>2,131,490,070</b>
Sum of averages above				
			Link to Appendix A, line 6	Link to Appendix A, line 6

Trans-Allegheny Interstate Line Company  
Attachment 5 - Cost Support

Accumulated Depreciation Worksheet																						
Attachment A Line #s, Descriptors, Notes, Form 1 Page #s and Instructions				13 Month Balance for Reconciliation		EOY Balance for Estimate																
						Black Oak	Wells Ridge	MJ Junction Terminal LPS	Pine SS	Osage-Whiskey	Meadowbrook Transformer	North Shenandoah	Bedington Transformers	Meadowbrook Capacitor	Kammer	Doubs #2 Trans	Doubs #3 Trans	Doubs #4 Trans	Cabot SS			
<b>Calculation of Transmission Accumulated Depreciation</b>																						
	Source																					
December	Prior year FERC Form 1 o219.25 b	For 2016	172,111,811																			
January	company records	For 2017	175,570,067																			
February	company records	For 2017	178,829,292																			
March	company records	For 2017	182,245,989																			
April	company records	For 2017	185,703,788																			
May	company records	For 2017	189,171,624																			
June	company records	For 2017	192,732,513																			
July	company records	For 2017	196,231,880																			
August	company records	For 2017	200,136,662																			
September	company records	For 2017	203,664,353																			
October	company records	For 2017	207,295,696																			
November	company records	For 2017	211,032,344																			
December	o219.25 b	For 2017	214,622,266																			
23	Transmission Accumulated Depreciation		193,026,981	214,622,266	12,856,021	(1,165,071)	134,870,016	156,484	2,280,682	1,493,945	201,769	1,355,190	1,062,779	6,412,726	651,483	526,363	970,579	869,294				
				Link to Appendix A, line 23	Link to Appendix A, line 23																	

Details																
13 Month Balance For Reconciliation																
Armstrong	Farmers Valley Capacitor	Harvey Run Capacitor	Doubs SS	Meadowbrook SS	Grandview Capacitor	502 Jet Substation	Conemaugh-Seward	Luxor	Grandpoint & Guilford	Handsome Lake - Homer City	Altoona	Blairstown	Carbon Center	Hunterstown	Johnstown	Buffalo Road
641,133	58,227	48,787	207,382	3,227,831	45,051	502,773	1,440,574	58,153	95,160	734,902	1,895,402	175,755	28,837	2,341,211	258,397	22,900
888,844	59,888	50,243	301,007	3,334,375	49,202	513,112	1,501,122	60,265	98,272	758,000	1,958,364	181,578	29,833	2,418,200	297,546	22,838
896,556	61,509	51,699	314,752	3,440,518	47,353	523,451	1,556,674	62,377	101,978	781,055	2,022,308	187,401	30,830	2,495,188	276,696	23,596
924,287	63,150	51,156	325,437	3,546,561	46,094	533,700	1,610,229	64,400	104,484	804,102	2,095,758	193,255	31,628	2,572,176	286,346	24,364
951,979	64,790	54,612	332,122	3,652,804	45,655	544,129	1,663,784	66,602	107,590	827,140	2,149,210	199,048	32,823	2,649,164	292,995	25,132
979,690	66,431	56,088	340,807	3,759,048	45,207	554,469	1,717,340	68,714	110,696	850,196	2,212,662	204,872	33,619	2,726,152	301,645	25,900
1,007,402	68,072	57,525	349,492	3,865,291	45,958	564,808	1,770,891	70,828	113,801	873,243	2,276,114	210,695	34,616	2,803,140	310,295	26,668
1,035,113	69,713	58,981	358,177	3,971,534	45,109	575,147	1,824,468	72,938	116,907	886,200	2,339,568	216,519	35,612	2,880,128	318,944	27,436
1,062,825	71,354	60,437	366,862	4,077,778	44,260	585,595	1,878,002	75,050	120,013	919,338	2,403,018	222,342	36,606	2,957,116	327,594	28,204
1,090,536	72,995	61,894	375,547	4,184,021	43,411	595,883	1,931,557	77,162	123,119	942,386	2,466,470	228,165	37,605	3,034,105	336,244	28,972
1,118,248	74,636	63,350	384,232	4,290,264	42,562	606,200	1,985,112	79,274	126,225	965,433	2,529,922	233,989	38,602	3,111,093	344,994	29,740
1,145,959	76,277	64,807	392,917	4,396,507	41,713	616,638	2,038,667	81,386	129,331	988,481	2,593,374	239,812	39,598	3,188,081	353,543	30,508
1,173,671	77,918	66,263	401,602	4,502,751	40,864	627,016	2,092,223	83,498	132,437	1,011,529	2,656,827	245,636	40,594	3,265,069	362,193	31,276
1,007,402	68,072	57,525	349,492	3,865,291	45,958	564,845	1,770,894	70,828	113,801	873,244	2,276,114	210,695	34,616	2,803,140	310,295	26,668

Moshannon	Waldo Run	Four Mile Junction	West Union SS	Shuman Hill/Mobley	Bartonville	Squab Hollow SS	Squab Hollow SVC	Shingletown	Claysburg Ring Bus	Johnstown SS Capacitor	Grover Sub	Rider Sub	Shawville	Monocacy SS	Mainsburg SS	Yeagerstown	Nywaner	Oak Mound	Joffre SS	Erie South	Farmers Valley Substation	Richwood Hill	Damascus SS	Warren Substation	Total
270,995	2,646,910	396,161	39,325	99,847	14,076	634,023	1,187,205	61,262	252,224	41,277	17,768	501,481	67,794	977,577	534,226	27,030	20,618	668,912	24,466	827,839	487,332	187,667	-	-	172,111,911
24,004	2,797,211	412,054	40,885	99,611	16,556	674,216	1,264,108	64,969	263,813	43,873	18,715	845,526	71,712	1,044,566	535,178	29,516	22,267	841,539	51,993	941,509	523,910	349,686	-	-	175,579,657
297,512	2,887,917	427,947	42,444	102,316	18,441	714,462	1,340,952	68,658	279,405	48,068	19,853	588,039	75,629	1,140,861	566,147	31,003	23,896	1,024,066	79,748	1,056,175	695,701	494,963	-	-	178,829,292
310,021	3,007,829	443,840	44,004	105,000	17,323	759,091	1,417,795	72,343	292,997	48,484	20,995	595,002	79,647	1,178,813	597,192	33,889	25,035	1,207,949	107,478	1,170,498	697,650	646,164	-	-	182,245,959
323,030	3,128,144	459,733	45,564	107,884	18,205	794,779	1,494,639	76,030	306,889	50,869	21,537	624,840	83,465	1,245,626	629,872	34,975	27,174	1,292,544	136,481	1,285,277	725,552	802,618	-	-	185,703,788
336,039	3,248,460	475,625	47,124	110,369	19,089	834,968	1,571,482	79,717	320,181	53,355	22,479	659,450	87,382	1,316,638	663,449	36,962	28,813	1,377,999	189,232	1,399,562	793,473	955,300	-	-	189,171,524
349,048	3,368,776	491,518	48,683	113,053	20,132	875,157	1,648,328	83,399	333,773	55,650	23,421	692,154	91,300	1,379,652	697,564	38,948	30,453	1,444,491	208,091	1,513,901	861,688	1,107,964	2,827	21,031	192,732,513
362,057	3,489,094	507,411	50,243	115,737	21,338	916,345	1,725,170	87,077	347,968	58,046	24,364	725,968	95,217	1,448,071	732,087	40,824	32,092	1,501,664	359,143	1,628,476	930,292	1,260,638	4,882	63,154	196,231,660
375,066	3,609,414	523,304	51,893	118,422	22,543	955,533	1,802,013	90,754	360,958	60,442	25,306	750,274	99,135	1,519,691	766,179	42,920	33,751	1,590,564	409,885	1,743,075	998,939	1,414,052	8,922	105,268	200,126,662
388,075	3,729,733	539,197	53,383	121,101	23,752	995,722	1,878,857	94,432	374,954	62,837	26,248	795,051	103,033	1,590,711	801,340	44,907	35,370	1,676,572	426,958	1,857,682	1,067,605	1,568,285	8,980	147,454	202,664,353
401,084	3,850,052	555,090	54,802	123,785	24,963	1,035,910	1,955,703	98,109	389,154	65,333	27,190	829,856	106,970	1,647,731	835,945	46,993	37,009	1,765,963	479,965	1,972,296	1,126,534	1,722,620	11,038	159,613	207,295,698
414,339	3,961,211	570,982	56,482	126,469	26,175	1,076,098	2,032,544	101,787	401,753	67,628	28,132	864,690	110,888	1,714,752	870,576	48,879	38,648	1,859,400	517,992	2,086,923	1,205,761	1,877,027	13,097	231,678	211,032,344
427,613	4,084,667	586,876	58,062	129,153	27,386	1,116,287	2,109,987	105,466	415,933	70,694	29,075	900,987	114,806	1,789,773	905,072	50,896	40,287	1,952,401	579,041	2,201,692	1,275,096	1,991,995	15,917	259,745	216,622,366
349,165	3,367,617	491,518	48,683	113,051	20,583	875,156	1,648,326	83,399	333,778	55,650	23,421	698,131	91,300	1,378,963	700,404	38,948	30,453	1,446,095	351,983	1,514,194	862,438	1,108,942	4,912	70,381	193,026,961

Trans-Allegheny Interstate Line

Attachment 5 - Cost Supp.

<b>Calculation of Distribution Accumulated Depreciation</b>		Source			
December		Prior year FERC Form 1 p219.26.b	For 2016	-	-
January		company records	For 2017	-	-
February		company records	For 2017	-	-
March		company records	For 2017	-	-
April		company records	For 2017	-	-
May		company records	For 2017	-	-
June		company records	For 2017	-	-
July		company records	For 2017	-	-
August		company records	For 2017	-	-
September		company records	For 2017	-	-
October		company records	For 2017	-	-
November		company records	For 2017	-	-
December		p219.26.b	For 2017	-	-
<b>Distribution Accumulated Depreciation</b>					
<b>Calculation of Intangible Accumulated Depreciation</b>		Source			
December		Prior year FERC Form 1 p200.21.b	For 2016	9,878,059	12,460,765
December		p200.21.b	For 2017	12,460,765	12,460,765
25	<b>Accumulated Intangible Depreciation</b>			<b>11,169,660</b>	<b>12,460,765</b>
				<a href="#">Link to Appendix A, line 25</a>	<a href="#">Link to Appendix A, line 25</a>
<b>Calculation of General Accumulated Depreciation</b>		Source			
December		Prior year FERC Form 1 p219.28b	For 2016	8,244,119	9,930,498
December		p219.28.b	For 2017	9,930,498	9,930,498
24	<b>Accumulated General Depreciation</b>			<b>9,087,298</b>	<b>9,930,498</b>
				<a href="#">Link to Appendix A, line 24</a>	<a href="#">Link to Appendix A, line 24</a>
<b>Calculation of Production Accumulated Depreciation</b>		Source			
December		Prior year FERC Form 1 p219.20.b-24.b	For 2016	-	-
January		company records	For 2017	-	-
February		company records	For 2017	-	-
March		company records	For 2017	-	-
April		company records	For 2017	-	-
May		company records	For 2017	-	-
June		company records	For 2017	-	-
July		company records	For 2017	-	-
August		company records	For 2017	-	-
September		company records	For 2017	-	-
October		company records	For 2017	-	-
November		company records	For 2017	-	-
December		p219.20.b thru 219.24.b	For 2017	-	-
<b>Production Accumulated Depreciation</b>					
				-	-
8	<b>Total Accumulated Depreciation</b>	Sum of averages above		<b>213,283,030</b>	<b>237,013,629</b>
				<a href="#">Link to Appendix A, line 8</a>	<a href="#">Link to Appendix A, line 8</a>

Trans-Allegheny Interstate Line Company  
 Attachment 5 - Cost Support

**Electric / Non-electric Cost Support**

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Electric Portion	Non-electric Portion	Details
				Boq of year	End of Year (for estimate)	Average of Beginning and Ending Balances	
40	Materials and Supplies			-	-	-	
37	Transmission Materials & Supplies	p227.8		-	-	-	
	Undistributed Slaves Expense	p227.16		-	-	-	
	Allocated General Expenses			-	-	-	
51	Plus Property Under Capital Leases	0	p200.4.c	-	-	-	

**Transmission / Non-transmission Cost Support**

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Boq of year	End of Year (for estimate)	Average of Beginning and Ending Balances	Details
34	Transmission Related Land Held for Future Use			-	-	-	Enter Details Here
	Total			-	-	-	
	Non-transmission Related			-	-	-	
	Transmission Related			-	-	-	

**CWIP & Expensed Lease Worksheet**

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Boq of year	CWIP before 1 January	Expensed Lease in Form 2 Amount	Details
6	Plant Allocation Factors			-	-	-	
	Electric Plant In Service	(Note B)	Attachment 5	2,058,179,306	-	-	
15	Plant In Service			-	-	-	
	Transmission Plant In Service	(Note B)	Attachment 5	1,979,492,599	-	-	
23	Accumulated Depreciation			-	-	-	
	Transmission Accumulated Depreciation	(Note B)	Attachment 5	122,311,611	-	-	

**Pre-Commercial Costs Capitalized**

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions				10% for Cumulative 20% for Final	Amortization Amount (Over 4 Years)	Calculated End of Year Balance	Average of Beginning and Ending Balances (for estimate and reconciliation)	Details
35	Unamortized Capitalized Pre-Commercial Costs			\$ -	\$ -	\$ -	\$ -	

**EPRI Dues Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Boq of year	EPRI Dues	Details
58	Allocated General & Common Expenses			0	0	Enter Details Here
	Less EPRI Dues	(Note D)	p352 & 353	-	-	

**Regulatory Expense Related to Transmission Cost Support**

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Transmission Related	Non-Transmission Related	Details
42	Directly Assigned A&G			-	-	-	Link to Appendix A, line 02
	Riohability Commission Exp Account 928	(Note G)	p272.189.b	-	-	-	Enter Details Here

**Safety Related Advertising Cost Support**

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Safety Related	Non-safety Related	Details
66	Directly Assigned A&G			-	-	-	Link to Appendix A, line 06
	General Advertising Exp Account 930.1	(Note F)	p273.191.b	-	-	-	Enter Details Here

Trans-Allegheny Interstate Line Company  
Attachment 5 - Cost Support

**MultiState Workpaper**

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions		State 1	State 2	State 3	State 4	State 5	Details
130	Income Tax Rates SIT-State Income Tax Rate or Composite (Note H)	MD 1.25%	WV 6.5%	PA 9.99%	VA 6.0%		
		Composite Composite is calculated based on sales, payroll and property for each jurisdiction 7 states					

**Education and Out Reach Cost Support**

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Event 1 Amount	Education & Outreach	Other	Details
63	Directly Assigned A&G General Advertising Exp Account 930.1 (Note J) p.321.191.b				Enter Details Here

**Excluded Plant Cost Support**

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Excluded Transmission Facilities	Description of the Facilities
126	Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities Excluded Transmission Facilities Step-Up Facilities (Note L)		General Description of the Facilities
Instructions: 1. Remove all investment below 69 KV or generator step up transformers included in transmission plant in service that are not a result of the RTEP Process 2. If unable to determine the investment below 69KV in a substation with investment of 69 KV and higher as well as below 69 KV, the following formula will be used: Example: A. Total investment in substation 1,000,000 B. Identifiable investment in Transmission (provide workpapers) 500,000 C. Identifiable investment in Distribution (provide workpapers) 400,000 D. Amount to be excluded (A x (C / (B + C))) 444,444		Enter \$ Or Enter \$	
		Add more lines if necessary	

**Prepayments**

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Begin year	End of Year	Average of Beginning and Ending Balances	Allocation	Transmission Request	Details
36	Prepayments Prepaid Insurance	142,535	237,647	190,091	100%	190,091	
				0	100%	0	
<b>Total Prepayments</b>		<b>142,535</b>	<b>237,647</b>	<b>190,091</b>		<b>190,091</b>	

**Detail of Account 566 Miscellaneous Transmission Expenses**

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Total	Summary of Pre-Commercial Expenses																		
70	Amortization Expense on Pre-Commercial Cost	\$ -																			
71	Pre-Commercial Expense	672,064																			
72	Miscellaneous Transmission Expense																				
	Total Account 566 Miscellaneous Transmission Expenses p.321.191.b	\$ 672,064																			
			<table border="1"> <thead> <tr> <th>Cost Element Name</th> <th>Total</th> </tr> </thead> <tbody> <tr><td>Labor &amp; Overhead (1)</td><td></td></tr> <tr><td>Miscellaneous (2)</td><td></td></tr> <tr><td>Outside Services Legal (3)</td><td></td></tr> <tr><td>Outside Services Other (4)</td><td></td></tr> <tr><td>Outside Services Rates (5)</td><td></td></tr> <tr><td>Advertising (6)</td><td></td></tr> <tr><td>Travel, Lodging and Meals (7)</td><td></td></tr> <tr><td>Total</td><td></td></tr> </tbody> </table>	Cost Element Name	Total	Labor & Overhead (1)		Miscellaneous (2)		Outside Services Legal (3)		Outside Services Other (4)		Outside Services Rates (5)		Advertising (6)		Travel, Lodging and Meals (7)		Total	
Cost Element Name	Total																				
Labor & Overhead (1)																					
Miscellaneous (2)																					
Outside Services Legal (3)																					
Outside Services Other (4)																					
Outside Services Rates (5)																					
Advertising (6)																					
Travel, Lodging and Meals (7)																					
Total																					
			<p>(1) Labor &amp; overhead amount includes costs allocated to preparation of the preliminary survey and investigation.                  (2) Miscellaneous amount includes rental of outdoor the department facilities for open houses, Field EX fees for various meetings from Legal, Procurement, Transmission &amp; Finance, fees for various conference calls, and P&amp;M application fee.                  (3) Outside legal services includes the cost for research and preparation of the filing to determine incentive rate availability.                  (4) Other services other includes fees for website development, media relations services, campaign management, open houses and research services.                  (5) Outside services rates includes the advice of a rate consultant regarding rate design.                  (6) Advertising includes newspaper and other media announcements of public scoping meetings related to the proposed project.                  (7) Travel, lodging and meals are the direct expenses for Allegheny staff to attend the scoping meetings.</p>																		
149	Not Revenue Requirement Facility Credits under Section 3019 of the P.M. OATT																				



Trans-Allegheny Interstate Line Company  
 Attachment 5 - Cost Support

Depreciation Rates

TRANSMISSION PLANT	Life	Curve	Net		Accrual																	
			Survivor Salvage	Rate (Annual)	Black Oak	Wyle Ridge	102 Junction Terrestrial Line	Meadowbrook Transformer	North Shenandoah	Bedington Transformer	Meadowbrook Capacitor	Kammer Transformers	Doubs Replacement Transformer #2	Doubs Replacement Transformer #3	Doubs Replacement Transformer #4							
350.2	70	- R4	0	1.43																		
352	50	- R3	(10)	2.20	16,361		2,463,141															
	35	-		2.86			1,363,166															
353	50	- R2	(5)	2.10	1,359,261	581,116	793,997	169,905	40,402	162,194	145,082	830,268	94,890	82,296	149,570							
	15	- S3	0	6.67																		
	Note 1	- 80 R2 - 35-yr truncation		2.96																		
354	65	- R4	(25)	1.92			7,306,837															
355	55	- R2.5	(20)	2.18			2,951,859															
356	55	- R2.5	(40)	2.80			6,289,004															
	70	- R4	0	1.43			18,390															
357	55	- S3	(5)	1.91																		
358	45	- R3	(5)	2.33																		
	35	-		2.86																		
Total Transmission Plant Depreciation																						
Total Transmission Depreciation Expense (must tie to p336 P. 7.)																						42,867,247
Note 1: Depreciation rate is based on an 80 R2 survivor curve with a 35-year truncation.																						
					1,376,042	581,116	21,176,597	169,905	40,402	162,194	145,082	830,268	94,890	82,296	149,570							
					1,376,042	581,116	21,176,597	169,905	40,402	162,194	145,082	830,268	94,890	82,296	149,570							

Annual Depreciation Expense														
Cabot SS	Grandview Capacitor	Potter	Osage Whiteley	Armstrong	Farmers Valley	Harvey Run	Doubs SS	Meadowbrook SS	502 Jct Substation	Conemaugh-Seward	Luxor	Grandpoint & Guilford	Handsome Lake-Homer City	Altoona
152	281		14,882	326	1,255				124,243	2,866	3,450			
149,368	13,533	34,383	110,503	329,706	18,436	17,476	104,220	1,274,919		248,557	21,896	37,270		761,425
			96,565							8,427			35,708	
			348,521							388,002			748,157	42,703
149,520	13,814	34,383	570,472	332,538	19,691	17,476	104,220	1,274,919	124,243	642,652	25,345	37,270	276,567	761,425
149,520	13,814	34,383	570,472	332,538	19,691	17,476	104,220	1,274,919	124,243	642,652	25,345	37,270	276,567	761,425

Blairsville	Carbon Center	Hunterstown	Johnstown	Buffalo Road	Moshannon	Waldo Run	Four Mile Junction	West Union SS	Shuman Hill/Mobley	Bartonville	Squab Hollow SS	Squab Hollow SVC	Shingletown	Claysburg Ring Bus	Johnstown SS Capacitor
						43,514	6,328		2,073		153,906			18,608	
69,881	11,958	923,858	103,796	9,216	156,518	1,449,790	190,714	18,717	32,206	12,710	482,264	922,123	44,183	163,129	28,746
						80,158			78						
						29,998									
69,881	11,958	923,858	103,796	9,216	156,518	1,449,790	190,714	18,717	32,206	12,710	482,264	922,123	44,183	163,129	28,746
69,881	11,958	923,858	103,796	9,216	156,518	1,449,790	190,714	18,717	32,206	12,710	482,264	922,123	44,183	163,129	28,746

Grover Sub	Rider Sub	Shawville	Monocacy SS	Mainburg SS	Yeagertown	Nyswaner	Oak Mound	Joffre SS	Erie South	Farmers Valley Substation	Richwood Hill	Damascus SS	Warren Substation	Total
	111,341													2,577,274
	42,810							44,419	8,580	136,270	230,901		4,376	2,247,460
														-
11,307	124,716	47,011	804,196	401,047	23,836	19,669	62,514	810,156	1,364,833	641,654	1,612,767	15,217	269,016	18,021,176
														-
														-
														-
														7,422,703
	(71,303)						1,137,005							4,370,788
														-
														391,224
	190,457							923,369						7,818,230
														18,369
														-
														-
11,307	445,819	47,011	804,196	401,047	23,836	19,669	2,123,289	854,575	1,373,413	817,724	1,843,698	15,217	273,742	42,867,247
11,307	445,819	47,011	804,196	401,047	23,836	19,669	2,123,289	854,575	1,373,413	817,724	1,843,698	15,217	273,742	42,867,247

Trans-Allegheny Interstate Line Company

Attachment 5 - Cost Support

GENERAL PLANT		Life	Survivor Curve	Net Salvage Percent	Accrual Rate (Annual) Percent	Total	
390	Structures & Improvements	50	R1	0	2.00	89,094	
391	Office Furniture & Equipment	20	SQ	0	5.00	9,332	
	Information Systems	10	SQ	0	10.00	314,944	
	Data Handling	10	SQ	0	10.00		
392	Transportation Equipment						
	Other	15	SQ	20	5.33		
	Autos	7	S3	20	11.43		
	Light Trucks	11.5	L4	20	6.96	1,825	
	Medium Truck	11.5	L4	20	6.96		
	Trailers	18	L1	20	4.44		
	ATV	15	SQ	20	5.33		
393	Stores Equipment	20	SQ	0	5.00		
394	Tools, Shop & Garage Equipment	20	SQ	0	5.00		
396	Power Operated Equipment	18	L1	25	4.17		
397	Communication Equipment	15	SQ	0	6.67	374,226	
398	Miscellaneous Equipment	15	SQ	0	6.67		
Total General Plant						1,686,380	228,374
Total General Plant Depreciation Expense (must tie to p336.10 b & c)						1,686,380	
INTANGIBLE PLANT		Life	Survivor Curve	Net Salvage Percent	Accrual Rate (Annual) Percent	Total	
303	Miscellaneous Intangible Plant	5	SQ	0	20.00	2,552,791	
Total Intangible Plant						2,552,791	
Total Intangible Plant Amortization (must tie to p336.1 d & e)						2,552,791	

These depreciation rates will not change absent the appropriate filing at FERC.

PBOP Expenses		
1	Total PBOP expenses	22,856,433
2	Amount relating to retired personnel	8,750,372
3	Amount allocated on FTEs	14,070,061
4	Number of FTEs for Allegheny	4,408
5	Cost per FTE	3,192
6	TAALCo FTEs (labor not capitalized) current year	0,000
7	TAALCo PBOP Expense for base year	-
8	TAALCo PBOP Expense in Account 905 for current year	0
57	PBOP Adjustment for Appendix A, Line 57	-
Lines 1-5 cannot change absent approval or acceptance by FERC in a separate proceeding.		

Trans-Allegheny Interstate Line Company

Attachment 5a - Pre-Commercial Costs and CWIP

Step 1 Totals reported below are by project with the amounts to be expensed reported separately from those to be deferred and amortized (note, deferred costs related to 2006 include AFUDC).

For Forecasting purposes, Pre-Commercial expenses will be estimated. Total deferred and amortized Pre-commercial costs will be the actual amount agreeing to FERC Form 1 and Attachment 5.

Step 2 For each project, where CWIP is to be recovered in rate base, CWIP will be estimated and the totals reported below by project. For the Reconciliation, for each project where CWIP is to be recovered in rate base the CWIP will be itemized by project below. Additionally, the amount of AFUDC that would have been capitalized for projects where CWIP is included in rate base will be reported in the FERC Form No. 1.

For the Reconciliation, the total additions to plant in service for that year will be summarized by project to demonstrate no Pre-Commercial costs expensed were included in the additions to plant in service and AFUDC on projects where CWIP was recovered in rate base was included in the additions to plant in service. The Pre-commercial expenses are actual expenses incurred for the reconciliation year. Total deferred and amortized Pre-commercial costs will be the actual amount agreeing to FERC Form 1 and Attachment 5.

Column A	Column B	Column C	Column D	Column E	Column F	Column G
	Pre-Commercial Costs			CWIP		
<b>Step 1 For Estimate:</b>	Expensed (Estimated)	Deferred	Amount of Deferred Amortized in Year	Average of 13 Monthly Balances		
Prexy - 502 Junction 138 kV (CWIP)	-	-	-	-		
Prexy - 502 Junction 500 kV (CWIP)	-	-	-	-		
502 Junction - Territorial Line (CWIP)	-	-	-	-		
<b>Total</b>	-	-	-	-		
<b>Step 3 For Reconciliation:</b>	Pre-Commercial Costs			<b>For Reconciliation Step 2</b>		
	Expensed (Actual)	Deferred	Amount of Deferred Amortized in Year	CWIP	AFUDC in CWIP	AFUDC (if CWIP was not in Rate Base)
Prexy - 502 Junction 138 kV (CWIP)	-	-	-	-	-	-
1	-	-	-	-	-	-
2	-	-	-	-	-	-
3	-	-	-	-	-	-
4	-	-	-	-	-	-
...	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-
Prexy - 502 Junction 500 kV (CWIP)	-	-	-	-	-	-
1	-	-	-	-	-	-
2	-	-	-	-	-	-
3	-	-	-	-	-	-
4	-	-	-	-	-	-
...	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-
502 Junction - Territorial Line (CWIP)	-	-	-	145,754	-	136,129,170
1	-	-	-	-	-	-
2	-	-	-	-	-	-
3	-	-	-	-	-	-
4	-	-	-	-	-	-
...	-	-	-	-	-	-
<b>Total</b>	-	-	-	145,754	-	136,129,170
<b>Total Additions to Plant in Service (sum of the above for each project)</b>						136,129,170
<b>Total Additions to Plant in Service reported on pages 204-207 of the Form No. 1</b>						
<b>Difference (must be zero)</b>						

Notes: 1 Small projects may be combined into larger projects where rate treatment is consistent. Pre-Commercial costs benefiting multiple projects will be allocated to projects based on the estimated plant in service of each project.

Allocation of Pre-Commercial Costs	Plant in Service (Estimated 2/12/2008)	Allocation
Prexy - 502 Junction 138 kV (CWIP)	94,140,000	0.10734
Prexy - 502 Junction 500 Kv (CWIP)	121,260,000	0.13827
502 Junction - Territorial Line (CWIP)	661,600,000	0.75439
<b>Total</b>	<b>877,000,000</b>	<b>1.00000</b>

2 Column D is the total CWIP balance including any AFUDC, Column E is the AFUDC if any in Column D, and Column F is the AFUDC that would have been in Column E if CWIP were not recovered in rate base.



	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
	Mainsburg			Farmers Valley Substation					
	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)
Dec (Prior Year CWP) (2016.0.03)	Actual	7,988	-	-	83,713	-	-	-	-
Jan 2017	Actual	60,185	-	-	156,412	-	-	-	-
Feb	Actual	74,864	-	-	88,568	-	-	-	-
Mar	Actual	942	-	-	319,578	-	-	-	-
Apr	Budget	1,432,329	-	-	-	-	-	-	-
May	Budget	99,495	-	-	-	-	-	-	-
Jun	Budget	-	-	-	-	-	-	-	-
Jul	Budget	-	-	-	-	-	-	-	-
Aug	Budget	-	-	-	-	-	-	-	-
Sep	Budget	-	-	-	-	-	-	-	-
Oct	Budget	-	-	-	-	-	-	-	-
Nov	Budget	-	-	-	-	-	-	-	-
Dec	Budget	-	-	-	-	-	-	-	-
Total		1,675,804	-	-	648,271	-	-	-	-

Month End Balances										EXHIBIT NO. TRC-203			
Other Projs. PIS (Monthly additions)	Mainsburg	0	0	Farmers Valley Substation	0	0	0	0	0	ATTACHMENT H-18A			
	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	Page 30 of 49			
	7,988	-	-	83,713	-	-	-	-	-				
	68,173	-	-	240,126	-	-	-	-	-				
	143,037	-	-	328,694	-	-	-	-	-				
	143,980	-	-	648,271	-	-	-	-	-				
	1,576,309	-	-	648,271	-	-	-	-	-				
	1,675,804	-	-	648,271	-	-	-	-	-				
	1,675,804	-	-	648,271	-	-	-	-	-				
	1,675,804	-	-	648,271	-	-	-	-	-				
	1,675,804	-	-	648,271	-	-	-	-	-				
	1,675,804	-	-	648,271	-	-	-	-	-				
	1,675,804	-	-	648,271	-	-	-	-	-				
	1,675,804	-	-	648,271	-	-	-	-	-				
	15,345,916	-	-	7,135,244	-	-	-	-	-				

3 April Year 2 TO adds Cap Adds and CWP to plant in service in Formula (Appendix A, Lines 16 and 33)

4 May Year 2 Post results of Step 3 on PJM web site

Wyke Ridge (Monthly additions)	Black Oak (Monthly additions)	North Shenandoah (Monthly additions)	Meadowbrook Transformer (Monthly additions)	Bedington Transformer (Monthly additions)	Meadow Brook SS Capacitor (Monthly additions)	Kammer Transformers (Monthly additions)	Doubs Transformer #2 (Monthly additions)	Doubs Transformer #3 (Monthly additions)	Doubs Transformer #4 (Monthly additions)	Cabot SS (Monthly Additions)	Hunterstown	Farmers Valley	Harvey Run	Doubs SS	Patuxent SS (Monthly Additions)	Oauge Whiskey (Monthly Additions)	Meadowbrook SS	502 Junction - Tarritorial Line (Monthly additions)
\$ 2,970,840	5,938,701.18	232,346.28	1,004,457.12	954,096.80	817,459.18	4,949,027	652,982	597,966	739,498	933,649	6,037,934	233,655	113,669	680,851	265,630	3,337,025	8,375,477	146,581,162
502 Junction Substation	Waldo Run	Conemaugh	Blairsville	Four Mile Junction	Johntown	Yeagerstown	Grandview Capacitor	Altoona SVC	Luxor	Grandpoint & Gullford	Moshannon	Carbon Center	Shawville	Oak Mound	Shuman Hill	Buffalo Road	Conemaugh Capacitor	Graver SS Capacitor
\$ 1,306,273.69	7,814,900.82	3,830,202.82	456,892.81	1,330,033.24	678,962.06	159,883	88,976	4,980,673	165,480	244,612	1,019,486	78,357	317,817	13,257,802	207,523	62,901	-	118,529
Richwood Hill	Handsome Lake - Homer City	West Union	Rider Sub (West Milford)	Erie South	Monrocity SS	Bartonsville SS Capacitor	Mainsburg SS	Johnstown Sub Capacitor	Clayburg Ring Bus	Joffe Sub	Squab Hollow SS	Squab Hollow SVC	Shingletown Capacitor	Nyawaner	Armstrong	Farmers Valley Substation	Damascus Substation	Warren Substation
\$ 11,348,238.70	1,769,154.96	123,325.52	2,773,257.85	6,427,754.65	5,379,789.37	70,713	3,200,314	191,735	1,078,590	6,015,964	2,571,165	4,619,959	252,145	120,685	2,147,763	5,179,590	44,221	1,475,529
Total Revenue Requirement																		Joffe Substation S1011
\$ 276,330,902.71																		5,298





Result of Formula for Reconciliation

Total Revenue Requirement	Potter SS	Cabot SS Transformer	Doubs Transformer #4 (Monthly additions)	Doubs Transformer #3 (Monthly additions)	Doubs Transformer #2 (Monthly additions)	Kammer Transformers (Monthly additions)	Meadow Brook SS Capacitor (Monthly additions)	Bedington Transformer (Monthly additions)	Meadowbrook Transformer (Monthly additions)	North Shenandoah (Monthly additions)	Black Oak (Monthly additions)	Wyle Ridge (Monthly additions)	502 Junction - Territorial Line (Monthly additions)	Osage Whiskey	Armstrong	Farmers Valley	Harvey Run	Doubs SS
\$ 269,505,465.60	258,578.68	807,787.86	717,813.86	582,053.33	635,288.21	4,810,031	794,270	927,307	976,398	240,086	5,742,055	3,987,214	142,224,811	3,245,456	2,088,569	238,955	110,548	662,178
Meadowbrook SS	Buffalo Road Capacitor	Handsome Lake-Homer City	Grandview Capacitor	Luxor Capacitor	Grand Point & Gullford SS	Altoona	Blairsville	Conemaugh Transformer	502 Junction Substation	Cabron Center	Hunterstown	Johnstown	Moshannon	Waldo Run	Four Mile Junction	West Union SS	Bartonville SS Capacitor	
8,142,575	58,735	1,717,172	86,528	160,941	237,618	4,844,151	444,364	3,723,230	1,284,076	76,209	5,872,558	660,346	1,010,281	7,653,004	1,294,052	119,949	82,888	
Yeagertown	Rider	Monocacy SS	Shuman Hill Sub	Mainsburg SS	Johnstown Sub Capacitor	Grover SS	Clayburg Ring Bus	Squab Hollow SS	Squab Hollow SVC	Shingletown Capacitor	Nywarner	Shawville	Oak Mound	Joffre SS	Erie South	Farmers Valley Substation	Richwood Hill	
155,522	2,265,079	5,239,324	201,870	3,140,021	186,522	115,190	1,051,461	2,623,792	4,486,757	244,928	128,537	308,592	14,265,519	4,897,877	6,771,141	5,363,391	10,642,294	
Damascus SS	Warren Substation	Joffre SS																
100,749	1,820,835																	

8 April Year 3

Reconciliation - TO adds the difference between the Reconciliation in Step 7 and the forecast in Step 5 with interest to the result of Step 7 (this difference is also added to Step 7 in the subsequent year)

The Reconciliation in Step 8	The forecast in Prior Year	
269,505,466	276,330,903	(6,825,437) <Note: for the first rate year, divide this reconciliation amount by 12 and multiply by the number of months and fractional months the rate was in effect.

Interest on Amount of Refunds or Surcharges

Interest 35.19% for March Current Yr

Month	Yr	1/12 of Step 9	Interest 35.19% for March Current Yr	Months	Interest	Surcharge (Refund) Owed
Jun	Year 1	(568,786)	0.3500%	11.5	(22,894)	(591,680)
Jul	Year 1	(568,786)	0.3500%	10.5	(20,903)	(589,689)
Aug	Year 1	(568,786)	0.3500%	9.5	(18,912)	(587,699)
Sep	Year 1	(568,786)	0.3500%	8.5	(16,921)	(585,708)
Oct	Year 1	(568,786)	0.3500%	7.5	(14,930)	(583,717)
Nov	Year 1	(568,786)	0.3500%	6.5	(12,940)	(581,726)
Dec	Year 1	(568,786)	0.3500%	5.5	(10,949)	(579,736)
Jan	Year 2	(568,786)	0.3500%	4.5	(8,958)	(577,745)
Feb	Year 2	(568,786)	0.3500%	3.5	(6,968)	(575,754)
Mar	Year 2	(568,786)	0.3500%	2.5	(4,977)	(573,763)
Apr	Year 2	(568,786)	0.3500%	1.5	(2,986)	(571,773)
May	Year 2	(568,786)	0.3500%	0.5	(995)	(569,782)
Total		(6,825,437)				(6,968,771)
		Balance	Interest	Amort	Balance	
Jun	Year 2	(6,968,771)	0.3500%	(594,027)	(6,399,135)	
Jul	Year 2	(6,399,135)	0.3500%	(594,027)	(5,827,505)	
Aug	Year 2	(5,827,505)	0.3500%	(594,027)	(5,253,874)	
Sep	Year 2	(5,253,874)	0.3500%	(594,027)	(4,678,259)	
Oct	Year 2	(4,678,259)	0.3500%	(594,027)	(4,100,582)	
Nov	Year 2	(4,100,582)	0.3500%	(594,027)	(3,520,906)	
Dec	Year 2	(3,520,906)	0.3500%	(594,027)	(2,939,202)	
Jan	Year 3	(2,939,202)	0.3500%	(594,027)	(2,355,462)	
Feb	Year 3	(2,355,462)	0.3500%	(594,027)	(1,769,679)	
Mar	Year 3	(1,769,679)	0.3500%	(594,027)	(1,181,846)	
Apr	Year 3	(1,181,846)	0.3500%	(594,027)	(591,955)	
May	Year 3	(591,955)	0.3500%	(594,027)	(0)	
Total with interest				(7,128,326)		

The difference between the Reconciliation in Step 8 and the forecast in Prior Year with interest

Rev Req based on Year 2 data with estimated Cap Adds for Year 3 (Step 8)

Revenue Requirement for Year 3

(7,128,326) Input to Appendix A, Line 143

\$ -

(7,128,326)

Reconciliation Amount by Project																		
Total Revenue Requirement	Potter SS	Cabot SS Transformer	Doubs Transformer #4 (Monthly additions)	Doubs Transformer #3 (Monthly additions)	Doubs Transformer #2 (Monthly additions)	Kammer Transformers (Monthly additions)	Meadow Brook SS Capacitor (Monthly additions)	Bedington Transformer (Monthly additions)	Meadowbrook Transformer (Monthly additions)	North Shenandoah (Monthly additions)	Black Oak (Monthly additions)	Wyle Ridge (Monthly additions)	502 Junction - Territorial Line (Monthly additions)	Osage Whiskey	Armstrong	Farmers Valley	Harvey Run	Doubs SS
\$ (7,128,326)	(7,364)	(27,009)	(22,646)	(16,619)	(18,500)	(145,165)	(24,218)	(27,979)	(29,305)	8,093	(205,373)	(108,225)	(4,549,671)	(95,632)	(61,821)	3,446	(3,259)	(19,502)
Meadowbrook SS	Buffalo Road Capacitor	Handsome Lake-Homer City	Grandview Capacitor	Luxor Capacitor	Grand Point & Gullford SS	Altoona	Blairsville	Conemaugh Transformer	502 Junction Substation	Cabron Center	Hunterstown	Johnstown	Moshannon	Waldo Run	Four Mile Junction	West Union SS	Bartonville SS Capacitor	
(243,238)	(4,351)	(54,290)	(2,556)	(4,741)	(7,304)	(142,580)	(13,085)	(111,720)	(23,182)	(2,243)	(172,714)	(19,443)	(9,614)	(169,082)	(37,578)	(3,528)	12,716	
Yeagertown	Rider	Monocacy SS	Shuman Hill Sub	Mainsburg SS	Johnstown Sub Capacitor	Grover SS	Clayburg Ring Bus	Squab Hollow SS	Squab Hollow SVC	Shingletown Capacitor	Nywarner	Shawville	Oak Mound	Joffre SS	Erie South	Farmers Valley Substation	Richwood Hill	
(4,555)	(530,730)	(146,698)	(5,904)	(62,970)	(5,444)	(3,488)	(28,333)	54,962	(139,113)	(7,537)	8,221	(9,635)	1,052,436	(1,167,704)	358,625	191,958	(737,272)	
Damascus SS	Warren Substation	Joffre SS																
59,037	360,629	(5,533)																

9 May Year 3

Post results of Step 8 on PJM web site

\$ (7,128,326)

10 June Year 3

Results of Step 8 go into effect

\$ (7,128,326)

**Trans-Allegheny Interstate Line Company**  
**Attachment 7 - Transmission Enhancement Charge Worksheet**

**Revenue Requirement By Project**

Fixed Charge Rate (FCR) If not a CIAC			
Formula Line			
A	137	FCR without Depreciation and Pre-Commercial Costs	12.0143%
B	145	FCR with Incentive ROE without Depreciation and Pre-Commercial	12.8455%
C		Line B less Line A	0.8312%
<b>FCR if a CIAC</b>			
D	138	FCR without Depreciation, Return, nor Income Taxes	0.9652%

The FCR resulting from Formula in a given year is used for that year only.  
 Therefore actual revenues collected in a year do not change based on cost data for subsequent years

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- 11 "Yes" if a project under PJM OATT Schedule 12, otherwise "No"
- 12 "Yes" if the customer has paid a lump sum payment in the amount of the investment on line 29, Otherwise "No"
- 13 Input the allowed ROE
- 14 From line 3 above if "No" on line 12 and From line 7 above if "Yes" on line 12
- 15 If line 13 equals 12.7%, then line 4, if line 13 equals 11.7% then line 3, and if line 12 is "Yes" then line 7
- 16 Forecast - End of prior year net plant plus current year forecast of CWIP or Cap Adds.
- 17 reconciliation - Average of 13 month prior year net plant balances plus prior year 13-mo CWIP balances.
- 18
- 19 See Calculations for each item below
- 20 See Calculations for each item below

		PJM Upgrade ID: b0328.1 b0328.2; b0347.1; b0347.2; b0347.3; b0347.4				PJM Upgrade ID: b0216				PJM Upgrade ID: b0216					
Details		500 Junction - Territorial Line (CWIP - Plant In Service)				Wylie Robb Transformer (Plant In Service)				Black Oak (SVC) Dynamic Reactive Device (Plant In Service)					
Schedule 12	(Yes or No)	Yes				Yes				Yes					
CIAC	(Yes or No)	No				No				No					
Allowed ROE		12.70%				11.70%				12.70%					
FCR without Incentive ROE		12.0143%				12.0143%				12.0143%					
FCR for This Project		12.8455%				12.0143%				12.8455%					
Investment		942,338,390				19,028,140				33,988,620					
Annual Depreciation Exp from Attachment 5		21,176,597				581,116				1,376,042					
		Invest Yr	Return	Depreciation	Pre-Commercial Exp	Reconciliation Amount	Revenue	Return	Depreciation	Reconciliation Amount	Revenue	Return	Depreciation	Reconciliation Amount	Revenue
W/o Incentive ROE	2011		113,215,372.83	21,176,597.13	0.00	0.00	134,391,969.96	2,286,098.02	581,115.99	0.00	2,867,214.01	4,083,495.20	1,376,041.82	0.00	5,459,537.02
W/ Incentive ROE	2011		121,046,214.09	21,176,597.13	0.00	0.00	142,222,811.22	2,286,098.02	581,115.99	0.00	2,867,214.01	4,366,013.10	1,376,041.82	0.00	5,742,054.92

**For Plant In Service**  
 \*Pre-Commercial Exp is equal to the amount of pre-commercial expense on Attachment 5a for each project expensed in year and amortized in year.  
 Revenue is equal to the "Return" ("Investment" times FCR) plus "Depreciation" plus "Pre-Commercial Exp" plus prior year "Reconciliation amount"  
 \*Reconciliation Amount" is created in the reconciliation in Attachment 6 and included in the forecasted revenue requirement.

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10 "Yes" if a project under PJM OATT Schedule 12,  
 11 otherwise "No"  
 12 "Yes" if the customer has paid a lump sum payment in  
 the amount of the investment on line 29, Otherwise "No"  
 13 Input the allowed ROE  
 14 From line 3 above if "No" on line 12 and From line 7  
 above if "Yes" on line 12  
 15 If line 13 equals 12.7%, then line 4, if line 13 equals  
 11.7% then line 3, and if line 12 is "Yes" then line 7  
 16 Forecast - End of prior year net plant plus current year  
 forecast of CWIP or Cap Adds.  
 reconciliation - Average of 13 month prior year net plant  
 balances plus prior year 13-mo CWIP balances.  
 17 Annual Depreciation Exp from Attachment 5

PJM Upgrade ID: b0323				PJM Upgrade ID: b0230				PJM Upgrade ID: b0229				PJM Upgrade ID: b0559			
North Shawandah Transformer (Plant In Service)				Meadowbrook Transformer (Plant In Service)				Burlington Transformer (Plant In Service)				Meadowbrook Capacitor (Plant In Service)			
Yes				Yes				Yes				Yes			
No				No				No				No			
11.70%				11.70%				11.70%				11.70%			
12.0143%				12.0143%				12.0143%				12.0143%			
12.0143%				12.0143%				12.0143%				12.0143%			
1,662,132				6,712,773				6,368,348				5,403,660			
40,402				169,905				162,194				145,082			
<b>Reconciliation</b>				<b>Reconciliation</b>				<b>Reconciliation</b>				<b>Reconciliation</b>			
Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue
199,693.60	40,401.96	0.00	240,095.56	806,492.78	169,904.81	0.00	976,397.59	765,112.47	162,194.28	0.00	927,306.75	649,188.00	145,082.04	0.00	794,270.04
199,693.60	40,401.96	0.00	240,095.56	806,492.78	169,904.81	0.00	976,397.59	765,112.47	162,194.28	0.00	927,306.75	649,188.00	145,082.04	0.00	794,270.04

18 **For Plant In Service**  
 19 \*Pre-Commercial Exp\* is equal to the amount of pre-comm  
 Revenue is equal to the "Return" ("Investment" times FCR  
 20 \*Reconciliation Amount\* is created in the reconciliation in A

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10 "Yes" if a project under PJM OATT Schedule 12,  
 11 otherwise "No"  
 12 "Yes" if the customer has paid a lump sum payment in  
 the amount of the investment on line 29. Otherwise "No"  
 13 Input the allowed ROE  
 14 From line 3 above if "No" on line 12 and From line 7  
 above if "Yes" on line 12  
 15 If line 13 equals 12.7%, then line 4, if line 13 equals  
 11.7% then line 3, and if line 12 is "Yes" then line 7  
 16 Forecast – End of prior year net plant plus current year  
 forecast of CWIP or Cap Adds.  
 reconciliation – Average of 13 month prior year net plant  
 balances plus prior year 13-mo CWIP balances.  
 17 Annual Depreciation Exp from Attachment 5

PJM Upgrade ID: b0495					PJM Upgrade ID: b0343					PJM Upgrade ID: b0344					PJM Upgrade ID: b0345				
Kammer Transformers (Plant in Service)					Doubs Replace Transformer #2					Doubs Replace Transformer #3					Doubs Replace Transformer #4				
Yes					Yes					Yes					Yes				
No					No					No					No				
11.70%					11.70%					11.70%					11.70%				
12.0143%					12.0143%					12.0143%					12.0143%				
12.0143%					12.0143%					12.0143%					12.0143%				
33,125,211					4,497,787					4,159,690					4,729,728				
830,268					94,890					82,296					149,570				
<b>Reconciliation</b>					<b>Reconciliation</b>					<b>Reconciliation</b>					<b>Reconciliation</b>				
Return	Depreciation	Amount	Revenue		Return	Depreciation	Amount	Revenue		Return	Depreciation	Amount	Revenue		Return	Depreciation	Amount	Revenue	
3,979,762.68	830,268.12	0.00	4,810,030.80		540,377.73	94,890.48	0.00	635,268.21		499,757.69	82,295.64	0.00	582,053.33		568,243.82	149,570.04	0.00	717,813.86	
3,979,762.68	830,268.12	0.00	4,810,030.80		540,377.73	94,890.48	0.00	635,268.21		499,757.69	82,295.64	0.00	582,053.33		568,243.82	149,570.04	0.00	717,813.86	

For Plant in Service  
 "Pre-Commercial Exp" is equal to the amount of pre-comm  
 Revenue is equal to the "Return" times FCR  
 "Reconciliation Amount" is created in the reconciliation in A

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10 "Yes" if a project under PJM OATT Schedule 12,  
 11 otherwise "No"  
 12 "Yes" if the customer has paid a lump sum payment in  
 the amount of the investment on line 29, Otherwise "No"  
 13 Input the allowed ROE  
 14 From line 3 above if "No" on line 12 and From line 7  
 above if "Yes" on line 12  
 15 If line 13 equals 12.7%, then line 4, if line 13 equals  
 11.7% then line 3, and if line 12 is "Yes" then line 7  
 16 Forecast – End of prior year net plant plus current year  
 forecast of CWIP or Cap Adds.  
 reconciliation – Average of 13 month prior year net plant  
 17 balances plus prior year 13-mo CWIP balances.  
 Annual Depreciation Exp from Attachment 5

18  
 19 See Calculations for each item below  
 20 See Calculations for each item below

PJM Upgrade ID: b0704				PJM Upgrade ID: b1941				PJM Upgrade ID: b0563				PJM Upgrade ID: b0564			
Cabot SS - Install Autotransformer				Armstrong				Farmers Valley Capacitor				Harvey Run Capacitor			
Yes				Yes				Yes				Yes			
No	11.70%			No	11.70%			No	11.70%			No	11.70%		
	12.0143%				12.0143%				12.0143%				12.0143%		
	12.0143%				12.0143%				12.0143%				12.0143%		
6,311,377				14,676,172				1,808,380				774,677			
149,520				332,538				19,691				17,476			
<b>Reconciliation</b>				<b>Reconciliation</b>				<b>Reconciliation</b>				<b>Reconciliation</b>			
Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue
758,267.86	149,520.00	0.00	907,787.86	1,756,030.91	332,538.12	0.00	2,088,569.03	217,264.26	19,690.68	0.00	236,954.94	93,072.00	17,476.20	0.00	110,548.20
758,267.86	149,520.00	0.00	907,787.86	1,756,030.91	332,538.12	0.00	2,088,569.03	217,264.26	19,690.68	0.00	236,954.94	93,072.00	17,476.20	0.00	110,548.20

**For Plant in Service**  
 \*Pre-Commercial Exp\* is equal to the amount of pre-comm  
 Revenue is equal to the "Return" ("Investment" times FCR)  
 \*Reconciliation Amount\* is created in the reconciliation in A

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10 "Yes" if a project under PJM OATT Schedule 12,  
 11 otherwise "No"  
 12 "Yes" if the customer has paid a lump sum payment in  
 the amount of the investment on line 29, Otherwise "No"  
 13 Input the allowed ROE  
 14 From line 3 above if "No" on line 12 and From line 7  
 above if "Yes" on line 12  
 15 If line 13 equals 12.7%, then line 4, if line 13 equals  
 11.7% then line 3, and if line 12 is "Yes" then line 7  
 16 Forecast – End of prior year net plant plus current year  
 forecast of CWIP or Cap Add.  
 reconciliation – Average of 13 month prior year net plant  
 balances plus prior year 13-mo CWIP balances.  
 17 Annual Depreciation Exp from Attachment 5

18  
 19 See Calculations for each item below  
 20 See Calculations for each item below

PJM Upgrade ID: b1803				PJM Upgrade ID: b1243				PJM Upgrade ID: b0674, b1023, b1023.3				PJM Upgrade ID: b1804					
Doubt SS				Patter SS				Chicago Whiskey				Meadowbrook SS					
Yes				Yes				Yes				Yes					
No				No				No				No					
11.70%				11.70%				11.70%				11.70%					
12.0143%				12.0143%				12.0143%				12.0143%					
12.0143%				12.0143%				12.0143%				12.0143%					
4,444,112				1,866,070				22,264,998				57,162,343					
104,220				34,383				570,472				1,274,919					
<b>Reconciliation</b>				<b>Reconciliation</b>				<b>Reconciliation</b>				<b>Reconciliation</b>					
Return	Depreciation	Amount	Revenue	Return	Depreciation	Pre-Commercial Exp.	Amount	Revenue	Return	Depreciation	Pre-Commercial Exp.	amount	Revenue	Return	Depreciation	Amount	Revenue
557,957.59	104,220.36	0.00	662,177.95	224,195	34,383	0	0	258,578.88	2,674,984	570,472	0	0	3,245,456.05	6,867,656.08	1,274,919.24	0.00	8,142,575.32
557,957.59	104,220.36	0.00	662,177.95	224,195	34,383	0	0	258,578.88	2,674,984	570,472	0	0	3,245,456.05	6,867,656.08	1,274,919.24	0.00	8,142,575.32

**For Plant in Service**  
 "Pre-Commercial Exp" is equal to the amount of pre-comm  
 Revenue is equal to the "Return" ("Investment" times FCR)  
 "Reconciliation Amount" is created in the reconciliation in A

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 16 Forecast - End of prior year net plant plus current year  
 forecast of CWIP or Cap Adds.  
 reconciliation - Average of 13 month prior year net plant  
 balances plus prior year 13-mo CWIP balances.  
 17 Annual Depreciation Exp from Attachment 5

PJM Upgrade ID: b1990				PJM Upgrade ID: b0674 & b1023.1				PJM Upgrade ID: b1153				PJM Upgrade ID: b1965			
Grandview Capacitor				502 Jct Substation				Conemaugh-Seward				Luxor			
Yes				Yes				Yes				Yes			
No	11.70%			No	11.70%			No	11.70%			No	11.70%		
	12.0143%				12.0143%				12.0143%				12.0143%		
	12.0143%				12.0143%				12.0143%				12.0143%		
	405,233				9,653,774				25,640,924				1,128,620		
	13,814				124,243				642,652				25,345		
<b>Reconciliation</b>				<b>Reconciliation</b>				<b>Reconciliation</b>				<b>Reconciliation</b>			
Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue
72,714.50	13,813.68	0.00	86,528.18	1,159,833.54	124,242.73	0.00	1,284,076.27	3,080,577.89	642,652.37	0.00	3,723,230.26	135,596.83	25,345.20	0.00	160,941.03
72,714.50	13,813.68	0.00	86,528.18	1,159,833.54	124,242.73	0.00	1,284,076.27	3,080,577.89	642,652.37	0.00	3,723,230.26	135,596.83	25,345.20	0.00	160,941.03

18 **For Plant in Service**  
 19 \*Pre-Commercial Exp\* is equal to the amount of pre-comm  
 Revenue is equal to the "Return" / "Investment" times FCR  
 20 \*Reconciliation Amount\* is created in the reconciliation in A



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 16 Forecast – End of prior year net plant plus current year  
 forecast of CWIP or Cap Adds.  
 17 reconciliation – Average of 13 month prior year net plant  
 balances plus prior year 13-mo CWIP balances.  
 Annual Depreciation Exp from Attachment 5

	PJM Upgrade ID: b1839				PJM Upgrade ID: b1941				PJM Upgrade ID: b1801				PJM Upgrade ID: b1967			
	Grandpoint & Guilford				Handsome Lake-Homer City				Altoona				Blairsville			
11	Yes				Yes				Yes				Yes			
12	No				No				No				No			
13	11.70%				11.70%				11.70%				11.70%			
14	12.0143%				12.0143%				12.0143%				12.0143%			
15	12.0143%				12.0143%				12.0143%				12.0143%			
16	1,667,578				11,990,750				33,982,221				3,116,977			
17	37,270				276,567				761,425				69,881			
18	<b>Reconciliation</b>				<b>Reconciliation</b>				<b>Reconciliation</b>				<b>Reconciliation</b>			
19	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue
20	200,347.89	37,270.44	0.00	237,618.33	1,440,604.80	276,567.28	0.00	1,717,172.08	4,082,726.59	761,424.96	0.00	4,844,151.55	374,482.95	69,881.04	0.00	444,363.99
	200,347.89	37,270.44	0.00	237,618.33	1,440,604.80	276,567.28	0.00	1,717,172.08	4,082,726.59	761,424.96	0.00	4,844,151.55	374,482.95	69,881.04	0.00	444,363.99

For Plant in Service  
 \*Pre-Commercial Exp\* is equal to the amount of pre-comm  
 Revenue is equal to the "Return" ("Investment" times FCR)  
 \*Reconciliation Amount\* is created in the reconciliation in #

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 14 From line 3 above if "No" on line 12 and From line 7  
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 15 If line 13 equals 12.7%, then line 4, if line 13 equals  
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 16 Forecast - End of prior year net plant plus current year  
 forecast of CWIP or Cap Adds.  
 reconciliation - Average of 13 month prior year net plant  
 balances plus prior year 13-mo CWIP balances.  
 17 Annual Depreciation Exp from Attachment 5

PJM Upgrade ID: b1672				PJM Upgrade ID: b1800				PJM Upgrade ID: b1945				PJM Upgrade ID: b1770				PJM Upgrade ID: b1964			
Carbon Center				Hunterstown				Johnstown				Buffalo Road				Moshannon			
Yes				Yes				Yes				Yes				Yes			
No				No				No				No				No			
11.70%				11.70%				11.70%				11.70%				11.70%			
12.0143%				12.0143%				12.0143%				12.0143%				12.0143%			
12.0143%				12.0143%				12.0143%				12.0143%				12.0143%			
534,793				41,190,082				4,632,390				412,169				7,104,222			
11,958				923,858				103,796				9,216				156,518			
<b>Reconciliation</b>				<b>Reconciliation</b>				<b>Reconciliation</b>				<b>Reconciliation</b>				<b>Reconciliation</b>			
Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue
64,251.61	11,957.52	0.00	76,209.13	4,948,700.47	923,857.68	0.00	5,872,558.15	556,549.24	103,796.38	0.00	660,345.62	49,519.18	9,215.64	0.00	58,734.82	853,762.90	156,517.62	0.00	1,010,280.52
64,251.61	11,957.52	0.00	76,209.13	4,948,700.47	923,857.68	0.00	5,872,558.15	556,549.24	103,796.38	0.00	660,345.62	49,519.18	9,215.64	0.00	58,734.82	853,762.90	156,517.62	0.00	1,010,280.52

18 **For Plant in Service**  
 19 \*Pre-Commercial Exp\* is equal to the amount of pre-comm  
 Revenue is equal to the "Return" ("Investment" times FCR)  
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the amount of the investment on line 29. Otherwise "No"  
13 Input the allowed ROE  
14 From line 2 above if "No" on line 12 and From line 7  
above if "Yes" on line 12  
15 If line 13 equals 12.7%, then line 4. If line 13 equals  
11.7% then line 3, and if line 12 is "Yes" then line 7  
16 Forecast – End of prior year net plant plus current year  
forecast of CWIP or Cap Adds.  
reconciliation – Average of 13 month prior year net plant  
balances plus prior year 13-mo CWIP balances.  
17 Annual Depreciation Exp from Attachment 5

	PJM Upgrade ID: b2433.1, b2433.2, b2433.3				PJM Upgrade ID: b1609, b1769				PJM Upgrade ID: b2343				PJM Upgrade ID: b2342				PJM Upgrade ID: b1610				PJM Upgrade ID: b1840			
	Waldo Run				Four Mile Junction				West Union SS				Shuman Hill/Mobley				Yesertown				Rider Sub			
10	Yes				Yes				Yes				Yes				Yes				Yes			
11	No				No				No				No				No				No			
12	11.70%				11.70%				11.70%				11.70%				11.70%				11.70%			
13	12.0143%				12.0143%				12.0143%				12.0143%				12.0143%				12.0143%			
14	12.0143%				12.0143%				12.0143%				12.0143%				12.0143%				12.0143%			
15	51,631,914				9,183,540				842,600				1,412,178				1,096,079				15,142,449			
16	1,449,790				190,714				18,717				32,206				23,836				445,819			
17	Reconciliation				Reconciliation				Reconciliation				Reconciliation				Reconciliation				Reconciliation			
18	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue
19	6,203,213.68	1,449,789.92	0.00	7,653,003.60	1,103,338.11	190,713.53	0.00	1,294,051.64	101,222.44	18,716.88	0.00	119,949.32	169,663.27	32,206.34	0.00	201,869.61	131,686.24	23,835.60	0.00	155,521.84	1,819,259.45	445,819.24	0.00	2,265,078.69
20	6,203,213.68	1,449,789.92	0.00	7,653,003.60	1,103,338.11	190,713.53	0.00	1,294,051.64	101,222.44	18,716.88	0.00	119,949.32	169,663.27	32,206.34	0.00	201,869.61	131,686.24	23,835.60	0.00	155,521.84	1,819,259.45	445,819.24	0.00	2,265,078.69

For Plant in Service  
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 forecast of CWIP or Cap Adds.  
 reconciliation – Average of 13 month prior year net plant  
 balances plus prior year 13-mo CWIP balances.  
 17 Annual Depreciation Exp from Attachment 5

18  
 19 See Calculations for each item below  
 20 See Calculations for each item below

PJM Upgrade ID: b2235				PJM Upgrade ID: b2260				PJM Upgrade ID: b1802				PJM Upgrade ID: b0555				PJM Upgrade ID: b0556				PJM Upgrade ID: b1943			
Monocacy SS				Bartonville SS Capacitor				Mainsburg SS				Johnstown Sub Capacitor				Grover SS				Claysburg Ring Bus			
Yes				Yes				Yes				Yes				Yes				Yes			
No				No				No				No				No				No			
11.70%				11.70%				11.70%				11.70%				11.70%				11.70%			
12.0143%				12.0143%				12.0143%				12.0143%				12.0143%				12.0143%			
12.0143%				12.0143%				12.0143%				12.0143%				12.0143%				12.0143%			
36,915,408				584,100				22,797,614				1,313,231				845,662				7,393,955			
804,196				12,710				401,047				28,746				11,307				163,129			
<b>Reconciliation</b>				<b>Reconciliation</b>				<b>Reconciliation</b>				<b>Reconciliation</b>				<b>Reconciliation</b>				<b>Reconciliation</b>			
Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue
4,435,128.32	804,196.06	0.00	5,239,324.38	70,177.89	12,710.05	0.00	82,887.94	2,738,973.99	401,046.51	0.00	3,140,020.50	157,775.50	28,746.48	0.00	186,521.98	103,883.15	11,306.52	0.00	115,189.67	888,332.05	163,129.09	0.00	1,051,461.14
4,435,128.32	804,196.06	0.00	5,239,324.38	70,177.89	12,710.05	0.00	82,887.94	2,738,973.99	401,046.51	0.00	3,140,020.50	157,775.50	28,746.48	0.00	186,521.98	103,883.15	11,306.52	0.00	115,189.67	888,332.05	163,129.09	0.00	1,051,461.14

For Plant in Service  
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 13 Input the allowed ROE  
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 16 Forecast – End of prior year net plant plus current year forecast of CWIP or Cap Adds.  
 reconciliation – Average of 13 month prior year net plant balances plus prior year 13-mo CWIP balances.  
 17 Annual Depreciation Exp from Attachment 5  
 18  
 19 See Calculations for each item below  
 20 See Calculations for each item below

PJM Upgrade ID: b2364 & b2364.1				PJM Upgrade ID: b2362				PJM Upgrade ID: b2156				PJM Upgrade ID: b2546				PJM Upgrade ID: b1998			
Squab Hollow SS				Squab Hollow SVC				Shingletown Capacitor				Nyswaner				Shawville			
Yes				Yes				Yes				Yes				Yes			
No	11.70%			No	11.70%			No	11.70%			No	11.70%			No	11.70%		
	12.0143%				12.0143%				12.0143%				12.0143%				12.0143%		
	12.0143%				12.0143%				12.0143%				12.0143%				12.0143%		
	17,824,822				29,669,930				1,670,889				906,152				2,177,240		
	482,264				922,123				44,183				19,669				47,011		
<b>Reconciliation</b>				<b>Reconciliation</b>				<b>Reconciliation</b>				<b>Reconciliation</b>				<b>Reconciliation</b>			
Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue
2,141,527.80	482,263.87	0.00	2,623,791.67	3,564,634.78	922,122.50	0.00	4,486,757.28	200,145.61	44,182.62	0.00	244,328.23	108,867.80	19,668.72	0.00	1,28,536.52	261,580.21	47,011.44	0.00	308,591.65
2,141,527.80	482,263.87	0.00	2,623,791.67	3,564,634.78	922,122.50	0.00	4,486,757.28	200,145.61	44,182.62	0.00	244,328.23	108,867.80	19,668.72	0.00	1,28,536.52	261,580.21	47,011.44	0.00	308,591.65

For Plant in Service  
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 "Reconciliation Amount" is created in the reconciliation in /

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16 Forecast = End of prior year net plant plus current year forecast of CWIP or Cap Adds.  
17 reconciliation = Average of 13 month prior year net plant balances plus prior year 13-mo CWIP balances.  
18 Annual Depreciation Exp from Attachment 5  
19 See Calculations for each item below  
20 See Calculations for each item below

PJM Upgrade ID: b2475	PJM Upgrade ID: b2547.1	PJM Upgrade ID: b2441	PJM Upgrade ID: b1991	PJM Upgrade ID: b2545	PJM Upgrade ID: b2261
Oak Mound	Joffre SS	Erie South	Farmers Valley Substation	Richwood Hill	Damascus SS
Yes	Yes	Yes	Yes	Yes	Yes
No	No	No	No	No	No
11.70%	11.70%	11.70%	11.70%	11.70%	11.70%
12.0143%	12.0143%	12.0143%	12.0143%	12.0143%	12.0143%
12.0143%	12.0143%	12.0143%	12.0143%	12.0143%	12.0143%
101,064,806	33,654,080	44,927,524	37,835,472	73,234,352	711,918
2,123,289	854,575	1,373,413	817,724	1,843,698	15,217
Return 12,142,230.26	Return 4,043,302.61	Return 5,397,728.08	Return 4,545,667.54	Return 8,798,595.62	Return 85,531.96
Depreciation 2,123,288.53	Depreciation 854,574.60	Depreciation 1,373,412.82	Depreciation 817,723.70	Depreciation 1,843,698.11	Depreciation 15,217.37
Reconciliation on Amount 0.00	Reconciliation on Amount 0.00	Reconciliation on Amount 0.00	Reconciliation on Amount 0.00	Reconciliation on Amount 0.00	Reconciliation on Amount 0.00
Revenue 14,265,518.79	Revenue 4,897,877.21	Revenue 6,771,140.90	Revenue 5,363,391.24	Revenue 10,642,293.73	Revenue 100,749.33
12,142,230.26	4,043,302.61	5,397,728.08	4,545,667.54	8,798,595.62	85,531.96
2,123,288.53	854,574.60	1,373,412.82	817,723.70	1,843,698.11	15,217.37
0.00	0.00	0.00	0.00	0.00	0.00
14,265,518.79	4,897,877.21	6,771,140.90	5,363,391.24	10,642,293.73	100,749.33

For Plant in Service  
 \*Pre-Commercial Exp\* is equal to the amount of pre-comm  
 Revenue is equal to the "Return" ("Investment" times FCR  
 \*Reconciliation Amount\* is created in the reconciliation in 7

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 From line 3 above if "No" on line 12 and From line 7  
 above if "Yes" on line 12  
 15 If line 13 equals 12.7%, then line 4, if line 13 equals  
 11.7% then line 3, and if line 12 is "Yes" then line 7  
 16 Forecast – End of prior year net plant plus current year  
 forecast of CWIP or Cap Adds.  
 reconciliation – Average of 13 month prior year net plant  
 balances plus prior year 13-mo CWIP balances.  
 17 Annual Depreciation Exp from Attachment 5

PJM Upgrade ID: b2494				PJM Upgrade ID: s1041						
Warren Substation				Joffre Substation S1041						
Yes				Yes						
No	11.70%			No	11.70%					
	12.0143%				12.0143%					
	12.0143%				12.0143%					
	12,877,092			0						
	273,742			0						
<b>Reconciliation</b> Return      Depreciation      Amount      Revenue 1,547,092.67      273,742.03      0.00      1,820,834.70 1,547,092.67      273,742.03      0.00      1,820,834.70				<b>Reconciliation</b> Return      Depreciation      Amount      Revenue 0.00      0.00      0.00      0.00 0.00      0.00      0.00      0.00				Total	Incentive Charged	Revenue Credit
								261,390,106.43	261,390,106.43	261,390,106.43
								269,505,465.60	269,505,465.60	

\$8,115,359.16  
 Ax A Line 148

For Plant in Service  
 "Pre-Commercial Exp" is equal to the amount of pre-comm  
 Revenue is equal to the "Return" ("Investment" times FCR)  
 "Reconciliation Amount" is created in the reconciliation in #

Template for Annual Information Filings with Formula Rate Debt Cost Disclosure and True-Up  
Attachment 8, page 1, Table 1 and 2  
Template for Annual Information Filings with Formula Rate Debt Cost Disclosure and True-Up

TABLE 1: Summary Cost of Long Term Debt

CALCULATION OF COST OF DEBT

YEAR ENDED 12/31/2017

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	
	Issue Date	Maturity Date	ORIGINAL ISSUANCE	Net Proceeds At Issuance	Net Amount Outstanding at t=N	Months Outstanding at t=N	Average Net Outstanding in Year* z'	Weighted Outstanding Rate	Effective Cost Rate (Tables 2 and 3)	Weighted Debt Cost at t = N (j) * (i)	
<b>Long Term Debt ( 12/31/2017</b>											
First Mortgage Bonds:											
(1)	3.85%, Senior Unsecured Notes	12/11/2014	6/2/2025	\$ 550,000,000	\$ 545,247,429	\$ 546,627,492	12	\$ 546,627,492.00	88.00%	3.95%	3.48%
(2)	3.76%, Senior Unsecured Notes	10/16/2015	5/30/2025	\$ 75,000,000	\$ 74,437,847	\$ 74,565,066	12	\$ 74,565,066.00	12.004%	3.85%	0.46%
<b>Total</b>			<b>\$ 625,000,000</b>		<b>\$ 621,192,558</b>		<b>\$ 621,192,558</b>	<b>100.000%</b>		<b>3.94%</b>	<b>**</b>

t = time  
The current portion of long term debt is included in the Net Amount Outstanding at t = N in these calculations.  
The outstanding amount (column (e)) for debt retired during the year is the outstanding amount at the last month it was outstanding.  
\* z' = Average of monthly balances for months outstanding during the year (average of the balances for the 12 months of the year, with zero in months that the issuance is not outstanding in a month).  
Interest (individual debenture) debt cost calculations shall be taken to four decimals in percentages (7.2300%, 5.2582%); Final Total Weighted Average Debt Cost for the Formula Rate shall be rounded to two decimals of a percent (7.23%).  
\*\* This Total Weighted Average Debt Cost will be shown on Line 101 of formula rate Appendix A.

TABLE 2: Effective Cost Rates For Traditional Front-Loaded Debt Issuances:

YEAR ENDED 12/31/2017

	(aa)	(bb)	(cc)	(dd)	(ee)	(ff)	(gg)	(hh)	(ii)	(jj)	(kk)	(ll)
	Issue Date	Maturity Date	Amount Issued	(Discount) Premium at Issuance	Issuance Expense	Loss/Gain on Rescoured Debt	Less Related ADIT (Attachment 1)	Net Proceeds	Net Proceeds Ratio	Coupon Rate	Annual Interest	Effective Cost Rate* (Yield to Maturity at Issuance, t = 0)
(1)	3.85%, Senior Unsecured No	12/11/2014	6/2/2025	\$ (418,000)	4,334,571	-	xxx	\$ 545,247,429	99.1359	0.03850	\$ 21,175,000	3.95%
(2)	3.76%, Senior Unsecured Notes	10/16/2015	5/30/2025	75,000,000	59,353	-	-	\$ 74,437,847	99.2802	0.0376	\$ 2,820,000	3.85%
<b>TOTALS</b>			<b>\$ 625,000,000</b>	<b>(418,000)</b>	<b>\$ 4,896,924</b>	<b>-</b>	<b>xxx</b>	<b>\$ 619,685,076</b>			<b>\$ 23,995,000</b>	

\* YTM at issuance calculated from an acceptable bond table or from YTM = Internal Rate of Return (IRR) calculation.  
Effective Cost Rate of Individual Debenture (YTM at issuance): the IFO Cashflow C<sub>t</sub> equals Net Proceeds column (gg); Semi-annual (or other) interest cashflows (C<sub>1/2</sub>, C<sub>3/4</sub>, etc.).







Trans-Allegheny Interstate Line Company

Attachment 9 - Financing Costs for Long Term Debt using the Internal Rate of Return Methodology

TRAILCo anticipates its financing will be a 7 year loan, where by TRAILCo pays Origination Fees of \$5.2 million and a Commitments Fee of 0.3% on the undrawn principle. Consistent with GAAP, TRAILCo will amortize the Origination Fees and Commitments Fees using the standard Internal Rate of Return formula below. Each year, TRAILCo will true up the amounts withdrawn, the interest paid in the year, Origination Fees, Commitments Fees, and total loan amount on this attachment.

Total Loan Amount	\$ 900,000,000
-------------------	----------------

Internal Rate of Return <sup>1</sup>	4.886348%
--------------------------------------	-----------

Based on following Financial Formula<sup>2</sup>:

$$NPV = 0 = \sum_{t=1}^N C_t / (1 + IRR)^{pwr(t)}$$

Origination Fees	7,780,954
Origination Fees	15,125
Addition Origination Fees	
Total Issuance Expense	7,796,079

Revolving Credit Commitment Fee	New Borrowing	Old Borrowing
Revolving Credit Commitment Fee	0.005	0.0050
		0.0037

After borrowing is at the midpoint (\$275,000)

2/9/2011	Q1	(95,000,000)	705,000,000	789,154,923	797,767.78		(95,797,768)	-	(797,768)
2/9/2011	Q1	115,000,000	820,000,000	693,357,156			115,000,000	-	-
2/14/2011	Q1	(140,000,000)	680,000,000	808,357,156	1,201,215.56		(141,201,216)	528,453	(672,763)
2/14/2011	Q1	140,000,000	820,000,000	667,684,393			140,000,000	-	-
2/16/2011	Q1		820,000,000	807,684,393		3,098.63	(3,099)	211,164	211,164
4/1/2011	Q2	-	820,000,000	807,892,458			(97,778)	4,659,577	4,659,577
4/14/2011	Q2	10,000,000	830,000,000	812,454,257			10,000,000	1,381,663	1,381,663
4/26/2011	Q2	(115,000,000)	715,000,000	823,835,920	949,900.00		(115,949,900)	1,293,164	343,264
4/26/2011	Q2	115,000,000	830,000,000	709,179,184			115,000,000	-	-
5/9/2011	Q2	(115,000,000)	715,000,000	824,179,184	941,620.00		(115,941,620)	1,401,603	459,983
5/9/2011	Q2	140,000,000	575,000,000	709,639,166	1,081,920.00		(141,081,920)	-	(1,081,920)
5/9/2011	Q2	(10,000,000)	565,000,000	568,557,246	22,375.00		(10,022,375)	-	(22,375)
5/9/2011	Q2	235,000,000	800,000,000	558,534,871			235,000,000	-	-
5/16/2011	Q2	(235,000,000)	565,000,000	793,534,871	145,034.17		(235,145,034)	726,363	581,329
5/16/2011	Q2	235,000,000	800,000,000	559,116,200			235,000,000	-	-
5/23/2011	Q2	(235,000,000)	565,000,000	794,116,200	144,805.69		(235,144,806)	726,895	582,089
5/23/2011	Q2	50,000,000	615,000,000	559,698,289			50,000,000	-	-
5/26/2011	Q2	(115,000,000)	500,000,000	609,698,289	307,912.50	233,657	(115,541,569)	239,118	(68,795)
6/23/2011	Q2	(50,000,000)	450,000,000	494,395,838	88,994.45		(50,088,994)	1,812,670	1,723,675
6/23/2011	Q2	20,000,000	470,000,000	446,119,513			20,000,000	-	-
7/6/2011	Q3		470,000,000	466,119,513			(171,736)	792,685	792,685
7/15/2011	Q3		470,000,000	466,740,462	9,000,000		(9,000,000)	549,369	(8,450,631)
7/25/2011	Q3	(20,000,000)	450,000,000	458,289,831	34,417.78		(20,034,418)	599,398	564,980
10/18/2011	Q4		450,000,000	438,854,811			(290,417)	4,902,813	4,902,813
1/17/2012	Q1		450,000,000	443,467,207	9,000,000		(9,000,000)	5,306,145	(3,693,855)
3/2/2012	Q1		450,000,000	439,773,352		3,070.00	(3,070)	2,594,240	2,594,240
7/15/2012	Q3		450,000,000	442,364,522			(9,000,000)	7,874,647	(1,125,153)
1/15/2013	Q1		450,000,000	441,239,369	9,000,000		(9,000,000)	10,740,283	1,740,283
7/15/2013	Q3		450,000,000	442,979,652	9,000,000		(9,000,000)	10,604,752	1,604,752
1/15/2014	Q1		450,000,000	444,584,404	9,000,000		(9,000,000)	10,821,705	1,821,705
7/15/2014	Q3		450,000,000	446,406,108	9,000,000		(9,000,000)	10,686,780	1,686,780
1/15/2015	Q1	(450,000,000)	-	448,092,888	9,000,000		(459,000,000)	10,907,105	1,907,105

Commitment fees for 4th quarter 2008

**ATTACHMENT 2**  
**Annual Transmission Revenue Requirements**  
**For 2018 Rate Year**

ATTACHMENT H-18A

<b>Trans-Allegheny Interstate Line Company</b>			<b>TrAILCo</b>
<b>Formula Rate -- Appendix A</b>	<b>Notes</b>	<b>FERC Form 1 Page # or Instruction</b>	
<b>Shaded cells are input cells</b>			<b>2018 Forecast</b>

**Allocators**

<b>Wages &amp; Salary Allocation Factor</b>			
1	Transmission Wages Expense	p354.21.b	0
2	Total Wages Expense	p354.28.b	0
3	Less A&G Wages Expense	p354.27.b	0
4	Total Wages Less A&G Wages Expense	(Line 2 - Line 3)	0
5	<b>Wages &amp; Salary Allocator</b>	(Line 1 / Line 4), if line 2 = 0, then 100%	<b>100.0000%</b>
<b>Plant Allocation Factors</b>			
6	Electric Plant In Service	(Note B) Attachment 5	2,131,490,070
7	Total Plant In Service	(Line 6)	2,131,490,070
8	Accumulated Depreciation (Total Electric Plant)	Attachment 5	237,013,629
9	Total Accumulated Depreciation	(Line 8)	237,013,629
10	Net Plant	(Line 7 - Line 9)	1,894,476,441
11	Transmission Gross Plant	(Line 15 + Line 21)	2,131,490,070
12	<b>Gross Plant Allocator</b>	(Line 11 / Line 7, if Line 7=0, enter 100%)	<b>100.0000%</b>
13	Transmission Net Plant	(Line 11 - Line 29)	1,894,476,441
14	<b>Net Plant Allocator</b>	(Line 13 / Line 10, if line 10=0, enter 100%)	<b>100.0000%</b>

**Plant Calculations**

<b>Transmission Plant</b>			
15	Transmission Plant In Service	(Note B) Attachment 5	2,048,762,166
16	New Trans. Plant Adds. for Current Calendar Year (13 average balance)	(Note B) Attachment 6	10,599,233
17	<b>Total Transmission Plant</b>	(Line 15 + Line 16)	<b>2,059,361,398</b>
18	General & Intangible	Attachment 5	82,727,904
19	Total General & Intangible	(Line 18)	82,727,904
20	Wage & Salary Allocator	(Line 5)	100.0000%
21	Transmission Related General and Intangible Plant	(Line 19 * Line 20)	82,727,904
22	<b>Transmission Related Plant</b>	<b>(Line 17 + Line 21)</b>	<b>2,142,089,302</b>
<b>Accumulated Depreciation</b>			
23	Transmission Accumulated Depreciation	(Note B) Attachment 5	214,622,366
24	Accumulated General Depreciation	Attachment 5	9,930,498
25	Accumulated Intangible Amortization	Attachment 5	12,460,765
26	Total Accumulated General and Intangible Depreciation	(Sum Lines 24 to 25)	22,391,263
27	Wage & Salary Allocator	(Line 5)	100.0000%
28	Transmission Related General & Intangible Accumulated Depreciation	(Line 26 * Line 27)	22,391,263
29	<b>Total Transmission Related Accumulated Depreciation</b>	<b>(Line 23 + Line 28)</b>	<b>237,013,629</b>
30	<b>Total Transmission Related Net Property, Plant &amp; Equipment</b>	<b>(Line 22 - Line 29)</b>	<b>1,905,075,673</b>

**Adjustment To Rate Base**

<b>Accumulated Deferred Income Taxes</b>			
31	ADIT net of FASB 106 and 109	Enter Negative	Attachment 1
32	<b>Transmission Related Accumulated Deferred Income Taxes</b>		(Line 31)
			-412,692,892
33	<b>Transmission Related CWIP (Current Year 13 Month weighted average balances)</b>	(Note B)	p216.b.43 as shown on Attachment 6
			0
34	<b>Transmission Related Land Held for Future Use</b>	(Note C)	Attachment 5
			0
<b>Transmission Related Pre-Commercial Costs Capitalized</b>			
35	Unamortized Capitalized Pre-Commercial Costs		Attachment 5
			0
<b>Prepayments</b>			
36	<b>Transmission Related Prepayments</b>	(Note A)	Attachment 5
			190,091
<b>Materials and Supplies</b>			
37	Undistributed Stores Expense	(Note A)	Attachment 5
38	Wage & Salary Allocator		(Line 5)
			100.0000%
39	Total Undistributed Stores Expense Allocated to Transmission		(Line 37 * Line 38)
			0
40	Transmission Materials & Supplies		Attachment 5
			0
41	<b>Transmission Related Materials &amp; Supplies</b>		(Line 39 + Line 40)
			0
<b>Cash Working Capital</b>			
42	Operation & Maintenance Expense		(Line 74)
			2,549,636
43	1/8th Rule		1/8
			12.5%
44	<b>Transmission Related Cash Working Capital</b>		(Line 42 * Line 43)
			318,705
45	<b>Total Adjustment to Rate Base</b>		(Lines 32 + 33 + 34 + 35+ 36 + 41 + 44)
			-412,184,097
46	<b>Rate Base</b>		(Line 30 + Line 45)
			1,492,891,577

**O&M**

<b>Transmission O&amp;M</b>			
47	Transmission O&M		p321.112.b
			7,129,544
48	Less Account 566 Misc Trans Exp listed on line 73 below.)		(line 73)
			672,064
49	Less Account 565		p321.96.b
			0
50	Plus Schedule 12 Charges billed to Transmission Owner and booked to Account 565	(Note M)	PJM Data
			0
51	Plus Property Under Capital Leases		p200.4.c
			0
52	<b>Transmission O&amp;M</b>		(Lines 47 - 48 - 49 + 50 + 51)
			6,457,480
<b>A&amp;G Expenses</b>			
53	Total A&G		p323.197.b
			-4,579,908
54	Less Property Insurance Account 924		p323.185.b
			55,652
55	Less Regulatory Commission Exp Account 928	(Note E)	p323.189.b
			0
56	Less General Advertising Exp Account 930.1		p323.191.b
			0
57	Less PBOP Adjustment		Attachment 5
			0
58	Less EPRI Dues	(Note D)	p352 & 353
			0
59	<b>A&amp;G Expenses</b>		(Line 53) - Sum (Lines 54 to 58)
			-4,635,560
60	Wage & Salary Allocator		(Line 5)
			100.0000%
61	<b>Transmission Related A&amp;G Expenses</b>		(Line 59 * Line 60)
			-4,635,560
<b>Directly Assigned A&amp;G</b>			
62	Regulatory Commission Exp Account 928	(Note G)	Attachment 5
			0
63	General Advertising Exp Account 930.1	(Note J)	Attachment 5
			0
64	Subtotal - Accounts 928 and 930.1 - Transmission Related		(Line 62 + Line 63)
			0
65	Property Insurance Account 924		p323.185.b
			55,652
66	General Advertising Exp Account 930.1	(Note F)	Attachment 5
			0
67	Total Accounts 928 and 930.1 - General		(Line 65 + Line 66)
			55,652
68	Net Plant Allocator		(Line 14)
			100.0000%
69	<b>A&amp;G Directly Assigned to Transmission</b>		(Line 67 * Line 68)
			55,652
<b>Account 566 Miscellaneous Transmission Expense</b>			
70	Amortization Expense on Pre-Commercial Cost	Account 566	Attachment 5
			0
71	Pre-Commercial Expense	Account 566	Attachment 5
			0
72	Miscellaneous Transmission Expense	Account 566	Attachment 5
			672,064
73	Total Account 566		Sum (Lines 70 to 72)
			672,064
74	<b>Total Transmission O&amp;M</b>		(Lines 52 + 61 + 64 + 69 + 73)
			2,549,636

**Depreciation & Amortization Expense**

<b>Depreciation Expense</b>			
75	Transmission Depreciation Expense	Attachment 5	42,867,247
76	General Depreciation	Attachment 5	1,686,380
77	Intangible Amortization (Note A)	Attachment 5	2,552,791
78	Total	(Line 76 + Line 77)	4,239,171
79	Wage & Salary Allocator	(Line 5)	100.0000%
80	Transmission Related General Depreciation and Intangible Amortization	(Line 78 * Line 79)	4,239,171
81	<b>Total Transmission Depreciation &amp; Amortization</b>	<b>(Lines 75 + 80)</b>	<b>47,106,418</b>

**Taxes Other than Income**

82	Transmission Related Taxes Other than Income	Attachment 2	12,251,046
83	<b>Total Taxes Other than Income</b>	<b>(Line 82)</b>	<b>12,251,046</b>

**Return / Capitalization Calculations**

84	Preferred Dividends	enter positive	p118.29.c	0
<b>Common Stock</b>				
85	Proprietary Capital		p112.16.c	925,958,342
86	Less Accumulated Other Comprehensive Income Account 219		p112.15.c	0
87	Less Preferred Stock		(Line 95)	0
88	Less Account 216.1		p112.12.c	0
89	<b>Common Stock</b>		(Line 85 - 86 - 87 - 88)	925,958,342
<b>Capitalization</b>				
90	Long Term Debt (Note N)			624,703,932
91	Less Unamortized Loss on Reacquired Debt		p111.81.c	0
92	Plus Unamortized Gain on Reacquired Debt		p113.61.c	0
93	Less ADIT associated with Gain or Loss		Attachment 1	0
94	Total Long Term Debt		(Line 90 - 91 + 92 - 93)	624,703,932
95	Preferred Stock		p112.3.c	0
96	Common Stock		(Line 89)	925,958,342
97	<b>Total Capitalization</b>		(Sum Lines 94 to 96)	1,550,662,274
98	Debt %	Total Long Term Debt (Note N)	(Line 94 /Line 97)	40.2863%
99	Preferred %	Preferred Stock (Note N)	(Line 95 /Line 97)	0.0000%
100	Common %	Common Stock (Note N)	(Line 96 /Line 97)	59.7137%
101	Debt Cost	Total Long Term Debt		0.0394
102	Preferred Cost	Preferred Stock	(Line 84 / Line 95)	0.0000
103	Common Cost	Common Stock (Note I)	The most recent FERC approved ROE	0.1170
104	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 98 * Line 101)	0.0159
105	Weighted Cost of Preferred	Preferred Stock	(Line 99 * Line 102)	0.0000
106	Weighted Cost of Common	Common Stock	(Line 100 * Line 103)	0.0699
107	<b>Rate of Return on Rate Base ( ROR )</b>		(Sum Lines 104 to 106)	<b>0.0857</b>
108	<b>Investment Return = Rate Base * Rate of Return</b>		<b>(Line 46 * Line 107)</b>	<b>127,997,325</b>

**Composite Income Taxes**

Income Tax Rates			
109	FIT=Federal Income Tax Rate	(Note H)	21.00%
110	SIT=State Income Tax Rate or Composite		7.82%
111	p	(percent of federal income tax deductible for state purp: Per State Tax Code	0.00%
112	T	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$	27.18%
113	T/(1-T)		37.32%
114	<b>Income Tax Component =</b>	$CIT=(T/(1-T) * Investment Return * (1-(WCLTD/R)) =$ [Line 113 * Line 108 * (1- (Line 104 / Line 107))]	<b>38,925,023</b>
115	<b>Total Income Taxes</b>	<b>(Line 114)</b>	<b>38,925,023</b>

**REVENUE REQUIREMENT**

Summary			
116	Net Property, Plant & Equipment	(Line 30)	1,905,075,673
117	Total Adjustment to Rate Base	(Line 45)	-412,184,097
118	<b>Rate Base</b>	<b>(Line 46)</b>	<b>1,492,891,577</b>
119	Total Transmission O&M	(Line 74)	2,549,636
120	Total Transmission Depreciation & Amortization	(Line 81)	47,106,418
121	Taxes Other than Income	(Line 83)	12,251,046
122	Investment Return	(Line 108)	127,997,325
123	Income Taxes	(Line 115)	38,925,023

**124 Gross Revenue Requirement (Sum Lines 119 to 123) 228,829,448**

Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities			
125	Transmission Plant In Service	(Line 22)	2,142,089,302
126	Excluded Transmission Facilities	(Note L) Attachment 5	0
127	Included Transmission Facilities	(Line 125 - Line 126)	2,142,089,302
128	Inclusion Ratio	(Line 127 / Line 125)	100.00%
129	Gross Revenue Requirement	(Line 124)	228,829,448
130	<b>Adjusted Gross Revenue Requirement</b>	<b>(Line 128 * Line 129)</b>	<b>228,829,448</b>

Revenue Credits			
131	Revenue Credits	Attachment 3	1,483,526

**132 Net Revenue Requirement (Line 130 - Line 131) 227,345,922**

Net Plant Carrying Charge			
133	Net Revenue Requirement	(Line 132)	227,345,922
134	Net Transmission Plant + CWIP	(Line 17 - Line 23 + Line 33)	1,844,739,032
135	FCR	(Line 133 / Line 134)	12.3240%
136	FCR without Depreciation	(Line 133 - Line 75) / Line 134	10.0003%
137	FCR without Depreciation and Pre-Commercial Costs	(Line 133 - Line 70 - Line 71 - Line 75) / Line 134	10.0003%
138	FCR without Depreciation, Return, nor Income Taxes	(Line 133 - Line 75 - Line 108 - Line 115) / Line 134	0.9517%

Net Plant Carrying Charge Calculation with Incentive ROE			
139	Net Revenue Requirement Less Return and Taxes	(Line 132 - Line 122 - Line 123)	60,423,574
140	Increased Return and Taxes	Attachment 4	179,163,886
141	Net Revenue Requirement with Incentive ROE	(Line 139 + Line 140)	239,587,460
142	Net Transmission Plant + CWIP	(Line 17 - Line 23+ Line 33)	1,844,739,032
143	FCR with Incentive ROE	(Line 141 / Line 142)	12.9876%
144	FCR with Incentive ROE without Depreciation	(Line 141 - Line 75) / Line 142	10.6639%
145	FCR with Incentive ROE without Depreciation and Pre-Commercial	(Line 141 - Line 70 - Line 71 - Line 75) / Line 142	10.6639%

146	Net Revenue Requirement	(Line 132)	227,345,922.11
147	Reconciliation amount	Attachment 6	-7,128,326.34
148	Plus any increased ROE calculated on Attach 7 other than PJM Sch. 12 projects not paid by other PJM trans zones	Attachment 7	6,434,522.04
149	Facility Credits under Section 30.9 of the PJM OATT	Attachment 5	0.00

**150 Net Zonal Revenue Requirement (Line 146 + 147 + 148 + 149) 226,652,117.80**

Network Zonal Service Rate			
151	1 CP Peak	(Note K) PJM Data	N/A
152	Rate (\$/MW-Year)	(Line 150 / 151)	N/A

**153 Network Service Rate (\$/MW/Year) (Line 152) N/A**



**Notes**

- A Electric portion only
- B For both the estimate and the reconciliation, Construction Work In Progress ("CWIP") and leases that are expensed as O&M (rather than amortized) are excluded.
- For the Estimate Process:**  
Transmission plant in service will show the end of year balance and is linked to Attachment 5 which shows detail support by project.  
The transmission plant will agree to or be reconciled to the FERC Form 1 balance for the transmission plant.  
New Transmission Plant expected to be placed in service in the current calendar year will be based on the average of 13 monthly investment costs and shown separately detailed by project on Attachment 6.  
Accumulated depreciation will show the end of year balance and is linked to Attachment 5 which shows detail support by project.  
CWIP will be linked to Attachment 6 which shows detail support by project (incentive and non-incentive).
- For the Reconciliation Process:**  
Transmission plant in service will be calculated using a 13 month average balance and will be detailed on Attachment 5. This includes  
new transmission plant added to plant-in-service  
Accumulated depreciation will be calculated using a 13 month average balance and will be detailed on Attachment 5. This includes  
accumulated depreciation associated with current year transmission plant.  
CWIP will be linked to Attachment 6 which shows detail support by project (incentive and non-incentive).
- C Includes Transmission portion only and (i) only land that has an estimated in-service date within 10 years may be included and (ii) a plan for the land's use is required to be included in the filing whenever the cost of the land is proposed to be included in rates.
- D Excludes all EPRI Annual Membership Dues
- E Excludes all Regulatory Commission Expenses
- F Includes Safety related advertising included in Account 930.1
- G Includes Regulatory Commission Expenses directly related to transmission service, RTO filings, or transmission siting itemized in Form 1 at 351.h.
- H The currently effective income tax rate where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = the percentage of federal income tax deductible for state income taxes. If the utility includes taxes in more than one state, it must explain in Attachment 5 the name of each state and how the blended or composite SIT was developed.
- I ROE will be established in the Commission order accepting the settlement in Docket No. ER07-562 and no change in ROE will be made absent a Section 205 or Section 206 filing at FERC.
- J Education and outreach expenses relating to transmission, for example siting or billing
- K As provided for in Section 34.1 of the PJM OATT; the PJM established billing determinants will not be revised or updated in the annual rate reconciliations.
- L Amount of transmission plant excluded from rates per Attachment 5.
- M Payments made under Schedule 12 of the PJM OATT that are not directly assessed to load in the Zone under Schedule 12 are included in Transmission O&M on Line 47. If they are booked to Acct 565, they are included on Line 50. Copies of PJM invoices will be provided upon request.
- N The capital structure will remain 50% equity and 50% debt until construction of all of the segments of the TrAIL Project is completed and the entire TrAIL Project is placed in service. The first year that these projects are in service the formula will be run based on the 50/50 capital structure and on the actual year end capital structure. The two results will be weighted based on: the number of days the last project was in service and 365 day minus the numbers of days the last project was in service divided by 365 days. This can be illustrated using the following example:

**Example:**

**Assume Last Project goes into service on day 260.**  
**Hypothetical Capital Structure until the last project goes into service is 50/50.**  
**Assume Year End actual capital structure is 60% equity and 40% debt.**

**Therefore: Weighted Equity =  $[50\% \cdot 260 + 60\% \cdot (365 - 260)] / 365$**

Trans-Allegheny Interstate Line Company

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

Line	Trans-Allegheny Interstate Company							
	B1 <i>Beg of Year Total</i>	B2 <i>End of Year Total</i>	B3 <i>End of Year Est. for Final Total</i>	C <i>Retail Related</i>	D <i>Only Transmission Related</i>	E <i>Plant Related</i>	F <i>Labor Related</i>	G <i>Total ADIT</i>
1 ADIT-282 From Account Total Below	545,228,004	559,422,845	559,422,845		559,422,845	-	-	559,422,845
2 ADIT-283 From Account Total Below	101,839,033	99,335,630	99,335,630		98,104,325	-	-	98,104,325
3 ADIT-190 From Account Total Below	(334,216,000)	(246,128,398)	(246,128,398)		(244,834,277)	-	-	(244,834,277)
4 Subtotal					412,692,892	-	-	412,692,892
5 Wages & Salary Allocator							100.0000%	
6 Gross Plant Allocator						100.0000%		
7 ADIT					412,692,892	-	-	412,692,892

Enter Negative

Note: ADIT associated with Gain or Loss on Reacquired Debt is included in Column A here and included in Cost of Debt on Appendix A, Line 93.  
 Amount 0 < From Acct 283, below

In filling out this attachment, a full and complete description of each item and justification for the allocation to Columns C-F and each separate ADIT item will be listed. Dissimilar items with amounts exceeding \$100,000 will be listed separately.

A	B1	B2	B3	C	D	E	F	G	
	Trans-Allegheny Interstate Company								
ADIT-190	Beg of Year Balance	End of Year Balance	End of Year Est. for Final Total	Retail Related	Gas, Prod Or Other Related	Only Transmission Related	Plant Related	Labor Related	JUSTIFICATION
	p234.18.b	p234.18.c							
AMT Carryforward	-	982,089	982,089	-	-	982,089	-	-	Disallowance in current year for charitable deduction due to tax loss, tax attribute carries forward five years
Charitable Contribution - WV RTA	-	280	280	-	-	280	-	-	Reclass of the tax portion (gross-up) for property items included in account 190
Charitable Contribution Carryforward	10,899	13,455	13,455	-	-	13,455	-	-	Result of bonus depreciation
Charitable Contribution State & Local RTA	249	-	-	-	-	-	-	-	Accounting change relating to A&G expense
CIAC-Fed-Norm	-	341,077	341,077	-	-	341,077	-	-	Accounting change relating to A&G expense
CIAC-Fed-Norm-Incurred-CWIP	1,862,609	1,892,583	1,892,583	-	-	1,892,583	-	-	Long term disability accrual
CIAC-Fed-Norm-Reversal-CWIP	4,631,520	-	-	-	-	-	-	-	Costs incurred as a result of Allegheny merging with FirstEnergy which are not to be included within the revenue requirement
CIAC-MD-Norm-Incurred-CWIP	21,252	21,594	21,594	-	-	21,594	-	-	Costs incurred as a result of Allegheny merging with FirstEnergy which are not to be included within the revenue requirement
CIAC-MD-Norm-Reversal-CWIP	50,842	-	-	-	-	-	-	-	Result of bonus depreciation
CIAC-PA-Norm	-	60,344	60,344	-	-	60,344	-	-	Result of bonus depreciation
CIAC-PA-Norm-Incurred-CWIP	70,048	71,176	71,176	-	-	71,176	-	-	Result of bonus depreciation
CIAC-PA-Norm-Reversal-CWIP	167,099	-	-	-	-	-	-	-	Additional tax depreciation over book
CIAC-VA-Norm	-	(48,080)	(48,080)	-	-	(48,080)	-	-	Additional tax depreciation over book
CIAC-VA-Norm-Incurred-CWIP	20,232	20,557	20,557	-	-	20,557	-	-	Set-up of a reserve on transmission companies for the amount of merger expenses that have been overcollected and are owed to customers - timing difference between book and tax
CIAC-VA-Norm-Reversal-CWIP	49,701	-	-	-	-	-	-	-	Reflects the adjustments and subsequent amortization of the regulatory asset associated with the adjusted debt balances resulting from the FE/AYE merger (Offset is PAA - LT Regulatory Asset Amort below in 283)
CIAC-WV-Norm	-	22,367	22,367	-	-	22,367	-	-	Temporary difference resulting from purchase accounting transactions
CIAC-WV-Norm-Incurred-CWIP	155,180	157,678	157,678	-	-	157,678	-	-	Deductions related to state income taxes
CIAC-WV-Norm-Reversal-CWIP	381,380	-	-	-	-	-	-	-	Additional tax depreciation over book
FASB 109 Gross-Up	11,882,116	(3,457,109)	(3,457,109)	-	-	(3,457,109)	-	-	Portion of AFUDC Equity that relates to property and booked to account 190
Federal NOL	225,521,300	146,951,695	146,951,695	-	-	146,951,695	-	-	Portion of AFUDC Equity that relates to property and booked to account 190
Merger Costs: D&O Insurance	1,493	1,333	1,333	-	1,333	-	-	-	Portion of AFUDC Equity that relates to property and booked to account 190
Merger Costs: Licenses	68,868	61,482	61,482	-	61,482	-	-	-	Portion of AFUDC Equity that relates to property and booked to account 190
NOL Deferred Tax Asset - LT PA	4,400,386	3,563,101	3,563,101	-	-	3,563,101	-	-	Paid AMT tax which generates a credit
NOL Deferred Tax Asset - LT WV	17,735,335	17,735,335	17,735,335	-	-	17,735,335	-	-	Temporary difference that is capitalized for book purposes but deductible for tax purposes
Pension/CPFB - Other Def Cr. or Dr.	2,183,288	2,187,156	2,187,156	-	-	2,187,156	-	-	Taxable CIAC
Purch Accl LTD EMV	1,229,128	1,231,306	1,231,306	-	1,231,306	-	-	-	Taxable CIAC
State Income Tax Deductible	5,039,440	443,800	443,800	-	-	443,800	-	-	Taxable CIAC
Tax Interest Capitalized-Fed-Norm	29,576,802	29,507,775	29,507,775	-	-	29,507,775	-	-	Taxable CIAC
Tax Interest Capitalized-Fed-Norm-Incurred-CWIP	32,238,748	32,415,858	32,415,858	-	-	32,415,858	-	-	Taxable CIAC
Tax Interest Capitalized-MD-Norm	478,652	418,952	418,952	-	-	418,952	-	-	Temporary difference arising for removal of plant/property
Tax Interest Capitalized-MD-Norm-Incurred-CWIP	306,436	308,401	308,401	-	-	308,401	-	-	Result of bonus depreciation
Tax Interest Capitalized-PA-Norm	682,978	693,023	693,023	-	-	693,023	-	-	Other property related temporary differences
Tax Interest Capitalized-PA-Norm-Incurred-CWIP	995,377	1,016,849	1,016,849	-	-	1,016,849	-	-	Actual amount of tax interest capitalized
Tax Interest Capitalized-VA-Norm	627,601	499,957	499,957	-	-	499,957	-	-	Actual amount of tax interest capitalized
Tax Interest Capitalized-VA-Norm-Incurred-CWIP	331,599	331,688	331,688	-	-	331,688	-	-	Actual amount of tax interest capitalized
Tax Interest Capitalized-WV-Norm	2,831,360	2,671,993	2,671,993	-	-	2,671,993	-	-	Actual amount of tax interest capitalized
Tax Interest Capitalized-WV-Norm-Incurred-CWIP	2,548,278	2,554,466	2,554,466	-	-	2,554,466	-	-	Actual amount of tax interest capitalized
Subtotal	340,090,116	242,671,288	242,671,288	-	1,294,120	241,377,168	-	-	
Less FASB 109 included above	11,882,116	(3,457,109)	(3,457,109)	-	-	(3,457,109)	-	-	
Total	328,208,000	239,214,179	239,214,179	-	1,294,120	237,920,059	-	-	

Instructions for Account 190:

- ADIT items related only to Retail Related Operations are directly assigned to Column C.
- ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column D.
- ADIT items related only to Transmission are directly assigned to Column E.
- ADIT items related to Plant and not in Columns C, D & E are directly assigned to Column F.
- ADIT items related to labor and not in Columns C, D, E & F are directly assigned to Column G.
- Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates. Therefore, if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded.

PJM TRANSMISSION OWNER

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

A	B1	B2	B3	C	D	E	F	G	
	Trans-Allegheny Interstate Company								
	End of Year Est. for								
ADIT- 282	Beg of Year Balance	End of Year Balance	Final Total	Retail Related	Gas, Prod Or Other Related	Only Transmission Related	Plant Related	Labor Related	JUSTIFICATION
	p274.9.b	p275.9.k							
A&G Expenses Capitalized	5,860,076	7,837,378	7,837,378			7,837,378			Allowance for borrowed funds used during construction (ABFUDC)
Accelerated Tax Depreciation	510,293,001	520,665,679	520,665,679			520,665,679			Additional tax depreciation over book
Additional State Depreciation MD	2,044,318	2,433,745	2,433,745			2,433,745			Tax depreciation
Additional State Depreciation PA	7,055,017	7,539,621	7,539,621			7,539,621			Increase in ADFDC
Additional State Depreciation VA	3,272,806	3,602,727	3,602,727			3,602,727			Recess of the tax portion (gross-up) for property items included in account 282
Additional State Depreciation WV	46,156,850	46,894,821	46,894,821			46,894,821			Book depreciation
AFUDC Debt	4,217,661	4,248,659	4,248,659			4,248,659			Book depreciation / amortization
AFUDC Equity Flow Through	-	3	3			3			Tax depreciation
Capitalized Vertical Tree Trimming	88,162	109,560	109,560			109,560			Property True-Up
Cost of Removal	(2,595,487)	(2,537,660)	(2,537,660)			(2,537,660)			Portion of Repairs & Maintenance 481a Adjustment offset in Account 182
FASB 109 Gross-Up	13,453,841	(176,952,100)	(176,952,100)			(176,952,100)			Temporary difference for additional state depreciation allowed for WV tax return
Other Basis Differences	(34,005,677)	(34,044,286)	(34,044,286)			(34,044,286)			Portion of AFUDC Debt that relates to property and booked to account 282
Sale of Property - Book Gain or (Loss)	(73,032)	(123,056)	(123,056)			(123,056)			Sale of book gains and losses
T&D Repairs	3,077,998	2,930,713	2,930,713			2,930,713			Vegetation management transmission corridor capital cost and depreciation expenses required for the regulatory financial statement schedules
Vegetation Management - Transmission	(162,689)	(135,059)	(135,059)			(135,059)			Repair deduction on capitalized book asset deductible for tax purposes under Rev. Proc. 2011-43
Subtotal	558,681,845	382,470,745	382,470,745	-	-	382,470,745	-	-	
Less FASB 109 included above	13,453,841	(176,952,100)	(176,952,100)	-	-	(176,952,100)	-	-	
Less FASB 106 included above	-	-	-	-	-	-	-	-	
Total	545,228,004	559,422,845	559,422,845	-	-	559,422,845	-	-	

Instructions for Account 282:

- ADIT items related only to Retail Related Operations are directly assigned to Column C.
- ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column D.
- ADIT items related only to Transmission are directly assigned to Column E.
- ADIT items related to Plant and not in Columns C, D & E are directly assigned to Column F.
- ADIT items related to labor and not in Columns C, D, E & F are directly assigned to Column G.
- Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates. Therefore, if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded.

PJM TRANSMISSION OWNER

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

A	B1	B2	B3	C	D	E	F	G	
Trans-Allegheny Interstate Company									
ADIT-283	Beg of Year Balance	End of Year Balance	End of Year Est. for Final Total	Retail Related	Gas, Prod Or Other Related	Only Transmission Related	Plant Related	Labor Related	JUSTIFICATION
	<b>p276.19.b</b>	<b>p277.19.k</b>							
Charitable Contribution State & Local RTA	-	260	260			260			West Virginia property tax payment Reclass of the tax portion (gross-up) for property items included in account 283
CIAC-Fed-Norm	5,076,307	-	-			-			
CIAC-Fed-Norm-Reversal-CWIP	-	848,550	848,550			848,550			Accounting change relating to A&G expense
CIAC-MD-Norm	(8,334)	(68,524)	(68,524)			(68,524)			Accounting change relating to A&G expense
CIAC-MD-Norm-Reversal-CWIP	-	11,542	11,542			-			Allocated portion of total liabilities relating to captive insurance
CIAC-PA-Norm	142,194	-	-			-			Deferred revenues associated with attachments to FirstEnergy poles
CIAC-PA-Norm-Reversal-CWIP	-	75,880	75,880			75,880			Additional tax depreciation over book
CIAC-VA-Norm	108,190	-	-			-			Additional tax depreciation over book
CIAC-VA-Norm-Reversal-CWIP	-	5,256	5,256			5,256			Portion of AFUDC Debt that relates to property and booked to account 189
CIAC-WV-Norm	429,182	-	-			-			Portion of AFUDC Debt that relates to property and booked to account 191
CIAC-WV-Norm-Reversal-CWIP	-	53,850	53,850			53,850			Reflects the adjustments and subsequent amortization of adjusted debt balances associated with the FE/AYE merger
Deferred Charge-EIB	16,118	20,304	20,304			20,304			
FASB 109 Gross-Up	21,814,827	9,066,511	9,066,511			9,066,511			
PAA - LT Requiratory Asses Amort	1,229,128	1,231,305	1,231,305		1,231,305	-			Portion of AFUDC Equity that relates to property and booked to account 283
PJM Receivable	40,638,686	42,616,309	42,616,309			42,616,309			Portion of AFUDC Equity that relates to property and booked to account 285
SC01 Timing Allocation	381,593	382,269	382,269			382,269			Taxable CIAC
Tax Interest Capitalized-Fed-Norm-Reversal-CWIP	31,516,799	32,111,359	32,111,359			32,111,359			Taxable CIAC
Tax Interest Capitalized-MD-Norm	55,650	-	-			-			Taxable CIAC
Tax Interest Capitalized-MD-Norm-Reversal-CWIP	299,295	305,994	305,994			305,994			Taxable CIAC
Tax Interest Capitalized-PA-Norm-Reversal-CWIP	972,064	1,013,950	1,013,950			1,013,950			Temporary difference arising for removal of plant/property
Tax Interest Capitalized-VA-Norm	122,568	-	-			-			Temporary difference arising for removal of plant/property
Tax Interest Capitalized-VA-Norm-Reversal-CWIP	324,084	328,125	328,125			328,125			Misc Liability
Tax Interest Capitalized-WV-Norm	145,931	-	-			-			Result of bonus depreciation
Tax Interest Capitalized-WV-Norm-Reversal-CWIP	2,490,564	2,528,807	2,528,807			2,528,807			Other property related temporary differences
Valuation Allowance NOL WV	17,735,335	17,735,335	17,735,335			17,735,335			
Vegetation Management	162,689	135,059	135,059			135,059			Valuation allowances recorded against state NOL carryforwards not expected to be realized
									Vegetation management transmission corridor capital cost and depreciation expenses required for the regulatory financial statement schedules
Subtotal	123,653,860	108,402,141	108,402,141		1,231,305	107,170,836	-	-	
Less FASB 109 included above	21,814,827	9,066,511	9,066,511			9,066,511	-	-	
Less FASB 106 included above									
Total	101,839,033	99,335,630	99,335,630		1,231,305	98,104,325	-	-	

Instructions for Account 283:

- ADIT items related only to Retail Related Operations are directly assigned to Column C.
- ADIT items related only to Non-Electric Operations (e.g. Gas, Water, Sewer) or Production are directly assigned to Column D.
- ADIT items related only to Transmission are directly assigned to Column E.
- ADIT items related to Plant and not in Columns C, D & E are directly assigned to Column F.
- ADIT items related to labor and not in Columns C, D, E & F are directly assigned to Column G.
- Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates. Therefore, if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded.

**Trans-Allegheny Interstate Line Company**  
**Attachment 2 - Taxes Other Than Income Worksheet**

Other Taxes	FERC Form No.1 page, line & Col	Amount	Allocator	Allocated Amount	
<b>Plant Related</b>		<b>Gross Plant Allocator</b>			
1.1	2016 State Property WV	p263.34(i)	4,391,325	100.0000%	\$ 4,391,325
1.2	2017 State Property WV	p263.35(i)	4,609,024	100.0000%	4,609,024
1.3	2017 State Property PA (PURTA)	p263.21(i)	33,000	100.0000%	33,000
1.4	2016 State Property PA (PURTA)	p263.22(i)	4,769	100.0000%	4,769
1.5	2016 Local Property WV	p263.1.7(i)	8,172	100.0000%	8,172
1.6	2017 Local Property WV	p263.1.8(i)	9,916	100.0000%	9,916
1.7	2017 Local Property VA	p263.1.12(i)	1,671,545	100.0000%	1,671,545
1.8	2017 Local Property PA	p263.1.17(i)	5,478	100.0000%	5,478
1.9	2016 Local Property MD	p263.1.21(i)	784,582	100.0000%	784,582
2.0	2017 Local Property MD	p263.1.22(i)	750,996	100.0000%	750,996
					0
					0
2.1	2017 Capital Stock Tax/Franchise PA	p263.18(i)	300	100.0000%	300
2.2	2014 WV Franchise Tax	p263.32(i)	-25,833	100.0000%	-25,833
2.3	State Sales/Use Tax PA	p263.14(i)	579	100.0000%	579
4	<b>Total Plant Related</b>		12,243,853	100.0000%	12,243,853
<b>Labor Related</b>		<b>Wages &amp; Salary Allocator</b>			
5	Accrued Federal FICA		7,193		
6	Accrued Federal Unemployment		0		
7	State Unemployment		0		
8	<b>Total Labor Related</b>		7,193	100.0000%	7,193
<b>Other Included</b>		<b>Gross Plant Allocator</b>			
9			0		0
10			0		0
11			0		0
12	<b>Total Other Included</b>		0	100.0000%	0
13	<b>Total Included (Lines 4 + 8 + 12)</b>		12,251,046		<u>12,251,046</u> Input to Appendix A, Line 82
<b>Retail Related Other Taxes to be Excluded</b>					
14	Federal Income Tax	p263.2(i)	-36,777,833		
15	Corporate Net Income Tax MD	p263.8(i)	449,968		
16	Corporate Net Income Tax PA	p263.13(i)	2,977,317		
17	Corporate Net Income Tax VA	p263.27(i)	365,106		
18	Corporate Net Income Tax WV	p263.31(i)	6,016,774		
19	<b>Subtotal, Excluded</b>		-26,968,668		
20	<b>Total, Included and Excluded (Line 13 + Line 19)</b>		-14,717,622		
21	<b>Total Other Taxes from p114.14.c</b>		<u>12,251,046</u>		
22	<b>Difference (Line 20 - Line 21)</b>		-26,968,668		

Criteria for Allocation:

- A Other taxes that are incurred through ownership of plant including transmission plant will be allocated based on the Gross Plant Allocator. If the taxes are 100% recovered at retail they shall not be included.
- B Other taxes that are incurred through ownership of only general or intangible plant will be allocated based on the Wages and Salary Allocator. If the taxes are 100% recovered at retail they shall not be included.
- C Other taxes that are assessed based on labor will be allocated based on the Wages and Salary Allocator.
- D Other taxes except as provided for in A, B and C above, that are incurred and (1) are not fully recovered at retail or (2) are directly or indirectly related to transmission service will be allocated based on the Gross Plant Allocator; provided, however, that overheads shall be treated as in footnote B above.
- E Excludes prior period adjustments in the first year of the formula's operation and reconciliation for the first year.

**Trans-Allegheny Interstate Line Company**

**Attachment 3 - Revenue Credit Workpaper**

Amount FERC Form No.1  
page, line & Col

**Account 454 - Rent from Electric Property**

1	Rent from Electric Property - Transmission Related (Note 3)		-	Page 300 Line: 19 Column: b
2	Total Rent Revenues	(Line 1)	-	

**Account 456 - Other Electric Revenues (Note 1)**

3	Schedule 1A		-	
4	Net revenues associated with Network Integration Transmission Service (NITS) for which the load is not included in the divisor (difference between NITS credits from PJM and PJM NITS charges paid by Transmission Owner) (Note 4)		-	
5	Point to Point Service revenues for which the load is not included in the divisor received by Transmission Owner		1,483,526	p328-330 Footnote Data Schedule Page: 328 Line: 1 Column: m
6	PJM Transitional Revenue Neutrality (Note 1)		-	
7	PJM Transitional Market Expansion (Note 1)		-	
8	Professional Services (Note 3)		-	
9	Revenues from Directly Assigned Transmission Facility Charges (Note 2)		-	
10	Rent or Attachment Fees associated with Transmission Facilities (Note 3)		-	
11	Gross Revenue Credits	(Sum Lines 2-10)	1,483,526	
12	Less line 14g		-	
13	Total Revenue Credits	(Line 11 - Line 12)	<u>1,483,526</u>	Input to Appendix A, Line 131

**Revenue Adjustment to determine Revenue Credit**

14a	Revenues associated with lines 14b-g are to be included in lines 2-10 and total of those revenues entered here		-	
14b	Costs associated with revenues in line 14a		-	
14c	Net Revenues (14a - 14b)		-	
14d	50% Share of Net Revenues (14c / 2)		-	
14e	Costs associated with revenues in line 14a that are included in FERC accounts recovered through the formula times the allocator used to functionalize the amounts in the FERC account to the transmission service at issue.		-	
14f	Net Revenue Credit (14d + 14e)		-	
14g	Line 14a less line 14f		-	
15	Amount offset in line 4 above		-	
16	Total Account 454 and 456		1,483,526	

17 Note 1: All revenues related to transmission that are received as a transmission owner (i.e., not received as a LSE), for which the cost of the service is recovered under this formula, except as specifically provided for elsewhere in this Attachment or elsewhere in the formula will be included as a revenue credit or included in the peak on line 178 of Appendix A.

18 Note 2: If the costs associated with the Directly Assigned Transmission Facility Charges are included in the Rates, the associated revenues are included in the Rates. If the costs associated with the Directly Assigned Transmission Facility Charges are not included in the Rates, the associated revenues are not included in the Rates.

19 Note 3: Ratemaking treatment for the following specified secondary uses of transmission assets: (1) right-of-way leases and leases for space on transmission facilities for telecommunications; (2) transmission tower licenses for wireless antennas; (3) right-of-way property leases for farming, grazing or nurseries; (4) licenses of intellectual property (including a portable oil degasification process and scheduling software); and (5) transmission maintenance and consulting services (including energized circuit maintenance, high-voltage substation maintenance, safety training, transformer oil testing, and circuit breaker testing) to other utilities and large customers (collectively, products). Company will retain 50% of net revenues consistent with Pacific Gas and Electric Company, 90 FERC ¶ 61,314. Note: in order to use lines 14a - 14g, the utility must track in separate subaccounts the revenues and costs associated with each secondary use (except for the cost of the associated income taxes).

20 Note 4: If the facilities associated with the revenues are not included in the formula, the revenue is shown here, but not included in the total above and explained in the Cost Support. For example revenues associated with distribution facilities. In addition Revenues from Schedule 12 of the PJM OATT are not included in the total above to the extent they are credited under Schedule 12 of the PJM OATT.

A	Return and Taxes at High End of the range of Reasonableness	(Sum Lines 26 and 33 from below)	179,163,886	Input to Appendix A, Line 140
B	Difference between Base ROE and Incentive ROE		100	

**Return Calculation**

		Source Reference	
1	Rate Base	Appendix A, Line 46	1,492,891,577
2	Preferred Dividends	enter positive	0
Common Stock			
3	Proprietary Capital	Appendix A, Line 85	925,958,342
4	Less Accumulated Other Comprehensive Income Account 219	Appendix A, Line 86	0
5	Less Preferred Stock	Appendix A, Line 87	0
6	Less Account 216.1	Appendix A, Line 88	0
7	Common Stock	Appendix A, Line 89	925,958,342
Capitalization			
8	Long Term Debt	Appendix A, Line 90	624,703,932
9	Less Unamortized Loss on Reacquired Debt	Appendix A, Line 91	0
10	Plus Unamortized Gain on Reacquired Debt	Appendix A, Line 92	0
11	Less ADIT associated with Gain or Loss	Appendix A, Line 93	0
12	Total Long Term Debt	Appendix A, Line 94	624,703,932
13	Preferred Stock	Appendix A, Line 95	0
14	Common Stock	Appendix A, Line 96	925,958,342
15	Total Capitalization	Appendix A, Line 97	1,550,662,274
16	Debt %	Total Long Term Debt	Appendix A, Line 98 40.2863%
17	Preferred %	Preferred Stock	Appendix A, Line 99 0.0000%
18	Common %	Common Stock	Appendix A, Line 100 59.7137%
19	Debt Cost	Total Long Term Debt	Appendix A, Line 101 0.0394
20	Preferred Cost	Preferred Stock	Appendix A, Line 102 0.0000
21	Common Cost	Common Stock	Appendix A, Line 102 12.70%      0.1270
22	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 16 * 19) 0.0159
23	Weighted Cost of Preferred	Preferred Stock	(Line 17 * 20) 0.0000
24	Weighted Cost of Common	Common Stock	(Line 18 * 21) 0.0758
25	Rate of Return on Rate Base ( ROR )		(Sum Lines 22 to 24) 0.0917
26	Investment Return = Rate Base * Rate of Return		(Line 1 * Line 25) 136,911,938

**Composite Income Taxes**

<b>Income Tax Rates</b>			
27	FIT=Federal Income Tax Rate	Appendix A, Line 109	21.00%
28	SIT=State Income Tax Rate or Composite	Appendix A, Line 110	7.82%
29	p = percent of federal income tax deductible for state purposes	Appendix A, Line 111	0.00%
30	T	Appendix A, Line 112	27.18%
31	T/(1-T)	Appendix A, Line 113	37.32%
32	Income Tax Component =	CIT=(T/1-T) * Investment Return * (1-(WCLTD/R)) =	42,251,948
33	<b>Total Income Taxes</b>	<b>(Line 32)</b>	<b>42,251,948</b>



Trans-Allegheny Interstate Line Company  
 Attachment 5 - Cost Support

Plant In Service Worksheet		Attachment A Line B, Descriptions, Notes, Form F Page B6 and Instructions		13 Month Balance for Reconciliation		EDY Balance for Estimate														
Calculation of Transmission Plant In Service		Source		Total	Total	Black Oak	Walk Ridge	SO Junction	Terrill Line	Peter St	Quap/Wetley	Headbrook Transformer	North Dearbrook	Bridgton Transformer	Madisonbrook Capacity	Kumar	Double #2 Trans	Double #3 Trans	Double #4 Trans	
December	0206.58 D		For 2016	1,979,482.591		48,814,248	17,965,687	1,076,634,181	2,022,554	24,534,011	8,206,718	1,923,902	7,723,538	6,496,239	39,535,803	5,149,271	4,686,063	5,700,307		
January		company records	For 2017	1,980,815.963		48,814,248	17,965,687	1,076,688,898	2,022,554	24,534,011	8,206,718	1,923,902	7,723,538	6,496,239	39,535,803	5,149,271	4,686,063	5,700,307		
February		company records	For 2017	1,980,332.672		48,814,248	17,965,687	1,076,801,244	2,022,554	24,534,011	8,206,718	1,923,902	7,723,538	6,496,239	39,535,803	5,149,271	4,686,063	5,700,307		
March		company records	For 2017	1,981,038.334		48,814,248	17,965,687	1,076,497,228	2,022,554	24,534,011	8,206,718	1,923,902	7,723,538	6,496,239	39,535,803	5,149,271	4,686,063	5,700,307		
April		company records	For 2017	1,977,522.203		48,814,248	17,965,687	1,076,543,218	2,022,554	24,534,011	8,206,718	1,923,902	7,723,538	6,496,239	39,535,803	5,149,271	4,686,063	5,700,307		
May		company records	For 2017	1,995,714.454		48,814,248	17,965,382	1,076,797,999	2,022,554	24,555,348	8,206,718	1,923,902	7,723,538	6,496,239	39,535,803	5,149,271	4,686,063	5,700,307		
June		company records	For 2017	2,025,106.540		48,814,248	17,965,382	1,076,888,247	2,022,554	24,555,348	8,206,718	1,923,902	7,723,538	6,496,239	39,533,762	5,149,271	4,686,063	5,700,307		
July		company records	For 2017	2,038,145.525		48,814,248	17,965,382	1,076,897,923	2,022,554	24,555,348	8,206,718	1,923,902	7,723,538	6,496,239	39,534,385	5,149,271	4,686,063	5,700,307		
August		company records	For 2017	2,029,772.387		48,814,248	17,965,081	1,077,319,090	2,022,554	24,555,348	8,206,718	1,923,902	7,723,538	6,496,239	39,534,385	5,149,271	4,686,063	5,700,307		
September		company records	For 2017	2,036,446.075		48,814,248	17,963,081	1,077,743,193	2,022,554	24,555,348	8,206,718	1,923,902	7,723,538	6,496,239	39,534,385	5,149,271	4,686,063	5,700,307		
October		company records	For 2017	2,036,666.069		48,814,248	17,963,081	1,077,743,129	2,022,554	24,555,348	8,206,718	1,923,902	7,723,538	6,496,239	39,534,385	5,149,271	4,686,063	5,700,307		
November		company records	For 2017	2,039,096.764		48,814,248	17,963,081	1,077,756,945	2,022,554	24,555,348	8,206,718	1,923,902	7,723,538	6,496,239	39,534,385	5,149,271	4,686,063	5,700,307		
December	0207.58 D		For 2017	2,048,762.166		47,195,392	17,963,081	1,077,469,185	2,022,554	24,555,348	8,206,718	1,923,902	7,723,538	6,496,239	39,572,762	5,149,271	4,686,063	5,700,307		
15	Transmission Plant In Service			<u>2,011,724,750</u>		<u>2,048,762,166</u>		<u>46,843,641</u>	<u>17,843,068</u>	<u>1,077,051,421</u>	<u>2,022,554</u>	<u>24,548,680</u>	<u>8,206,718</u>	<u>1,923,902</u>	<u>7,723,538</u>	<u>6,496,239</u>	<u>39,537,939</u>	<u>5,149,271</u>	<u>4,686,063</u>	<u>5,700,307</u>

13 Month Plant Balance For reconciliation																	
Cabot SS	Armstrong	Farmers Valley Capacitor	Harvey Run Capacitor	Doubs SS	Meadowbrook SS	Grandview Capacitor	502 Jct Substation	Colemanigh Sew arid	Luxor	Grandjean & Guilford	Holdsoma Lake Homer City	Altoona	Blairsville	Carbon Center	Hunterstown	Johnstown	Buffalo Road
7,119,671	15,623,574	1,800,807	832,202	4,993,604	60,762,197	657,191	10,130,932	27,408,998	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	1,800,807	832,202	4,993,604	61,018,354	657,191	10,130,932	27,412,106	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	1,800,807	832,202	4,993,604	61,018,354	657,191	10,130,932	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	1,800,807	832,202	4,993,604	61,018,354	657,191	10,130,932	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	1,800,807	832,202	4,993,604	61,018,354	657,191	10,130,932	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	1,802,346	832,202	4,993,604	61,020,631	657,191	10,130,932	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	1,801,420	832,202	4,993,604	61,034,739	657,191	10,130,932	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	1,801,420	832,202	4,993,604	61,034,739	657,191	10,130,932	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	2,025,074	832,202	4,993,604	61,034,739	657,191	10,130,932	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	2,025,074	832,202	4,993,604	61,034,739	657,191	10,130,932	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	2,069,754	832,202	4,993,604	61,034,739	657,191	10,621,689	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	2,069,954	832,202	4,993,604	61,310,947	657,191	10,789,107	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	1,876,453	832,202	4,993,604	61,027,634	657,191	10,218,619	27,411,818	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837

																			Total							
Mohannon	Waldo Run	Four Mile Junction	West Union SS	Shuman Hill/Mobley	Bartonville	Squab Hollow SS	Squab Hollow SVC	Shingletown	Clayburg Ring Bus	Johnstown SS Capacitor	Grover Sub	Rider Sub	Shawville	Monocacy SS	Mainsburg SS	Yeagerstown	Nynewaner	Oak Mound	Joffre SS	Erie South	Farmers Valley Substation	Richwood Hill	Damascus SS	Warren Substation	Total	
7433.081	54,603.725	9,875.056	891.283	1,525.229	504.189	18,708.350	31,318.256	1,754.245	7,723.591	1,368.881	891.014	21,303.520	2,268.540	38,292.674	22,023.148	1,135.027	936.604	100,992.385	16,175.869	46,328.694	37,955.951	72,566.297	-	-	-	1,979,458.59112
7433.081	54,603.725	9,875.056	891.283	1,525.229	504.189	18,698.247	31,318.256	1,754.277	7,726.543	1,368.881	891.014	20,023.351	2,268.540	38,292.674	22,083.333	1,135.027	936.604	101,204.847	16,689.995	46,316.539	38,122.364	75,156.699	-	-	-	1,980,815.03818
7433.081	54,603.725	9,875.056	891.283	1,525.229	504.189	18,698.247	31,318.256	1,754.277	7,726.543	1,368.881	891.014	19,148.837	2,268.540	38,292.725	22,158.197	1,135.027	936.604	101,783.085	16,438.499	46,339.602	38,210.932	75,020.569	-	-	-	1,980,392.87191
7433.081	54,603.725	9,875.056	891.283	1,525.229	504.189	18,698.247	31,318.256	1,754.277	7,726.543	1,368.881	891.014	19,028.246	2,268.540	38,292.761	22,159.140	1,135.027	936.604	102,144.050	16,463.776	46,350.912	38,530.510	75,000.664	-	-	-	1,981,095.33361
7433.081	54,603.725	9,875.056	891.283	1,525.229	504.189	18,699.687	31,318.256	1,754.277	7,726.543	1,368.881	891.014	13,878.533	2,268.540	38,292.761	23,705.840	1,135.027	936.604	102,533.318	16,749.038	46,381.734	38,501.847	74,181.968	-	-	-	1,977,502.20271
7433.074	54,603.725	9,875.056	891.283	1,525.229	504.352	18,699.687	31,318.256	1,754.277	7,726.543	1,368.881	891.014	13,878.533	2,268.540	38,292.761	23,880.645	1,135.027	936.604	103,543.382	37,614.037	46,375.469	38,445.989	74,120.954	-	-	-	1,989,744.45425
7433.074	54,603.725	9,875.056	891.283	1,525.229	688.977	18,699.687	31,318.256	1,754.277	7,726.821	1,368.881	885.549	13,666.093	2,268.540	38,294.634	23,932.779	1,135.027	936.604	103,767.348	37,190.988	46,603.530	38,838.135	74,138.044	-	-	-	1,447,202.24035002
7433.074	54,603.725	9,875.056	891.283	1,525.229	688.977	18,699.687	31,318.256	1,754.277	7,726.821	1,368.881	885.549	13,666.154	2,268.540	38,296.220	24,346.182	1,135.027	936.604	103,332.645	47,477.888	46,518.100	38,895.131	74,129.285	-	-	-	2,038,148.52434
7433.074	54,603.725	9,875.056	891.283	1,525.229	688.977	18,699.687	31,318.256	1,754.277	7,726.913	1,368.881	885.715	13,667.565	2,268.540	38,296.638	24,172.790	1,135.027	936.604	103,772.465	47,429.985	46,523.137	38,902.489	74,148.090	-	-	-	2,029,772.38704
7433.074	54,603.725	9,875.056	891.283	1,525.229	692.103	18,699.687	31,318.256	1,754.277	7,730.920	1,368.881	885.549	13,695.943	2,268.540	38,297.431	24,172.272	1,135.027	936.604	103,537.280	47,448.203	46,524.021	38,919.384	74,227.319	-	-	-	2,038,446.07490
7527.668	56,182.084	9,875.056	891.283	1,525.229	692.253	18,699.687	31,318.256	1,754.277	7,730.920	1,368.881	885.549	13,877.169	2,268.540	38,297.389	24,225.124	1,135.027	936.604	103,699.772	47,469.872	46,524.651	39,203.925	74,275.520	-	-	-	2,034,024.922
7527.668	56,182.084	9,875.056	891.283	1,525.229	692.253	18,699.687	31,318.256	1,754.277	7,730.920	1,368.881	885.549	13,875.134	2,268.540	38,297.389	24,195.195	1,135.027	936.604	103,580.275	47,470.959	46,534.756	39,262.322	74,315.148	-	-	-	1,176,573.260809676438
7527.668	56,430.384	9,875.056	891.283	1,525.229	692.272	18,699.687	31,318.256	1,754.277	7,730.920	1,368.881	885.549	17,028.758	2,268.540	38,297.866	24,416.851	1,135.027	936.604	108,659.987	47,495.392	46,533.912	39,521.847	74,291.495	-	-	-	2,048,795.16582
<b>7,485,327</b>	<b>54,989,531</b>	<b>9,875,056</b>	<b>891,283</b>	<b>1,525,229</b>	<b>604,703</b>	<b>18,699,978</b>	<b>31,318,256</b>	<b>1,754,275</b>	<b>7,727,734</b>	<b>1,368,881</b>	<b>888,084</b>	<b>15,840,580</b>	<b>2,268,540</b>	<b>38,286,071</b>	<b>23,498,038</b>	<b>1,135,027</b>	<b>936,604</b>	<b>102,810,902</b>	<b>34,005,663</b>	<b>46,441,708</b>	<b>38,698,910</b>	<b>74,342,994</b>	<b>716,830</b>	<b>12,956,473</b>	<b>2,011,724,749.96</b>	

Trans-Allegheny Interstate Line

Attachment 5 - Cost Supp

			Link to Appendix A, line 15	
<b>Calculation of Distribution Plant In Service</b>				
December	Source			
	0206.75.b	For 2016	-	
January	company records	For 2017	-	
February	company records	For 2017	-	
March	company records	For 2017	-	
April	company records	For 2017	-	
May	company records	For 2017	-	
June	company records	For 2017	-	
July	company records	For 2017	-	
August	company records	For 2017	-	
September	company records	For 2017	-	
October	company records	For 2017	-	
November	company records	For 2017	-	
December	0207.75.a	For 2017	-	
<b>Distribution Plant In Service</b>				
<b>Calculation of Intertie Plant In Service</b>				
December	Source			
	0204.5.b	For 2016	21,416,232	
December	0205.5.a	For 2017	21,131,456	21,131,456
<b>Intertie Plant In Service</b>			<b>21,273,841</b>	<b>21,131,456</b>
			Link to Appendix A, line 18	
<b>Calculation of General Plant In Service</b>				
December	Source			
	0206.99.b	For 2016	57,280,481	
December	0207.99.a	For 2017	61,956,454	61,956,454
<b>General Plant In Service</b>			<b>59,438,468</b>	<b>61,956,454</b>
			Link to Appendix A, line 18	
<b>Calculation of Production Plant In Service</b>				
December	Source			
	0204.46b	For 2016	-	
January	company records	For 2017	-	
February	company records	For 2017	-	
March	company records	For 2017	-	
April	company records	For 2017	-	
May	company records	For 2017	-	
June	company records	For 2017	-	
July	company records	For 2017	-	
August	company records	For 2017	-	
September	company records	For 2017	-	
October	company records	For 2017	-	
November	company records	For 2017	-	
December	0205.46.a	For 2017	-	
<b>Production Plant In Service</b>				
<b>Total Plant In Service</b>			<b>2,092,437,058</b>	<b>2,131,490,070</b>
			Link to Appendix A, line 6	

Trans-Allegheny Interstate Line Company  
Attachment 5 - Cost Support

Accumulated Depreciation Worksheet				Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions														
			13 Month Balance for Reconciliation	EYO Balance for Estimate														
Calculation of Transmission Accumulated Depreciation																		
Month	Source	For	Balance	Black Oak	Wata Ridge	902 Junction - Turturial Loop	Peter St	Osage Whiskey	Meadowbrook Transformer	North Shawanbut	Bedington Transformers	Meadowbrook Capacitor	Kammer	Double #2 Trans	Double #3 Trans	Double #4 Trans		
December	Prior year FERC Form 1 02/19/25 b	For 2016	172,111,811	12,167,141	(1,476,334)	124,627,317	139,292	1,409,527	1,409,589	241,569	1,274,009	1,020,238	6,097,404	624,038	485,215	895,794		
January	company records	For 2017	175,570,987	12,261,784	(1,467,698)	136,369,793	142,150	2,046,026	1,423,364	244,490	1,267,669	1,020,238	6,098,792	611,946	480,973	906,256		
February	company records	For 2017	178,820,292	12,396,428	(1,379,062)	127,865,077	145,023	2,093,524	1,437,300	248,302	1,301,128	1,044,418	6,136,060	619,893	488,911	920,722		
March	company records	For 2017	182,245,969	12,511,388	(1,326,426)	129,865,576	147,886	2,141,122	1,452,050	251,668	1,314,841	1,068,006	6,205,167	627,781	506,769	931,186		
April	company records	For 2017	185,703,788	12,625,711	(1,281,790)	131,273,571	150,793	2,188,541	1,466,211	255,036	1,328,158	1,086,598	6,274,367	636,688	512,647	946,651		
May	company records	For 2017	189,171,634	12,742,353	(1,233,165)	132,671,010	153,618	2,236,081	1,480,366	260,422	1,341,674	1,080,689	6,343,543	643,576	519,505	966,115		
June	company records	For 2017	192,732,513	12,854,995	(1,184,545)	134,172,415	156,484	2,283,623	1,494,521	261,768	1,355,190	1,092,779	6,412,729	651,463	526,363	979,979		
July	company records	For 2017	196,231,680	12,969,637	(1,135,927)	135,349,749	159,349	2,331,176	1,508,680	265,130	1,368,708	1,104,689	6,481,613	659,391	533,221	993,043		
August	company records	For 2017	199,708,662	13,084,280	(1,087,574)	136,391,271	162,214	2,378,740	1,522,843	268,920	1,382,222	1,116,659	6,551,086	667,268	540,079	996,927		
September	company records	For 2017	203,264,353	13,198,922	(1,039,485)	140,660,892	165,079	2,426,304	1,537,006	271,870	1,395,739	1,129,049	6,620,284	675,206	546,937	1,007,871		
October	company records	For 2017	207,295,698	13,313,584	(991,198)	141,668,493	167,946	2,473,689	1,551,369	275,237	1,408,255	1,141,139	6,689,469	683,113	553,795	1,020,438		
November	company records	For 2017	211,032,344	13,428,207	(943,307)	143,769,934	170,810	2,521,434	1,565,311	278,693	1,422,771	1,153,230	6,759,654	691,021	560,663	1,032,900		
December	02/19/25 b	For 2017	214,022,395	13,548,193	(895,216)	145,511,618	173,675	2,569,089	1,579,467	281,070	1,438,209	1,165,200	6,829,873	699,605	567,514	1,046,264		
23	Transmission Accumulated Depreciation		193,026,861	214,622,362		12,865,821	(1,185,071)	134,870,510	156,484	2,283,682	1,483,945	261,769	1,355,190	1,092,779	6,412,728	651,483	526,363	970,979

Details																	
13 Month Balance For Reconciliation																	
Cabot SS	Armstrong	Farmers Valley Capacitor	Harvey Run Capacitor	Doubs SS	Meadowbrook SS	Grandview Capacitor	502 Jct Substation	Cotenough-Seward	Lucox	Grandpoint & Guilford	Handsome Lake - Home City	Albions	Blairsville	Carbon Center	Hunterstown	Johnstown	Buffalo Road
733,534	841,133	58,227	48,787	297,382	3,227,831	45,051	502,773	1,440,074	58,153	95,156	734,962	1,895,402	175,750	28,837	2,341,211	258,397	22,000
746,594	898,844	59,898	50,243	308,987	3,334,976	46,202	513,112	1,503,323	60,261	99,272	758,000	1,998,864	181,978	29,433	2,419,230	281,948	22,838
758,454	898,898	61,609	51,690	314,782	3,440,318	47,353	523,451	1,566,074	62,377	101,378	781,055	2,022,306	187,401	30,830	2,456,188	275,096	23,098
770,814	904,287	63,160	53,196	323,437	3,546,561	48,394	533,790	1,610,250	64,490	104,484	804,102	2,050,768	193,230	31,426	2,512,176	284,368	24,384
783,274	911,379	64,790	54,672	332,322	3,652,804	49,485	544,130	1,663,764	66,602	107,590	827,140	2,082,210	199,048	32,623	2,568,164	292,505	25,132
795,834	919,690	66,431	56,088	340,807	3,759,048	50,807	554,489	1,717,340	68,714	110,895	850,196	2,112,862	204,872	33,819	2,626,152	301,645	25,900
808,294	1,007,402	68,072	57,525	349,492	3,866,291	51,958	564,845	1,770,891	70,826	113,801	873,244	2,142,114	210,695	34,816	2,683,140	310,295	26,688
820,754	1,035,113	69,713	58,981	358,177	3,971,534	53,109	575,147	1,824,446	72,938	116,807	896,290	2,169,568	216,519	35,812	2,740,128	318,944	27,436
833,214	1,062,825	71,364	60,437	366,862	4,077,778	54,260	585,595	1,878,902	75,050	120,813	919,336	2,193,018	222,342	36,806	2,797,116	327,694	28,294
845,674	1,090,536	72,905	61,890	375,547	4,184,021	55,411	595,843	1,931,957	77,162	123,819	942,388	2,498,470	228,165	37,800	3,024,105	336,244	29,272
858,134	1,118,248	74,456	63,339	384,232	4,290,264	56,562	606,290	1,985,112	79,274	126,825	965,430	2,520,962	233,999	38,803	3,111,093	344,894	30,140
870,594	1,145,959	76,007	64,887	392,917	4,396,507	57,713	616,638	2,038,667	81,386	129,831	988,481	2,550,374	239,812	39,808	3,188,081	353,543	30,508
883,054	1,173,671	77,558	66,385	401,602	4,502,750	58,864	627,085	2,092,223	83,498	132,837	1,011,529	2,579,827	245,636	40,804	3,265,069	362,293	31,276
<b>808,294</b>	<b>1,007,402</b>	<b>68,072</b>	<b>57,525</b>	<b>349,492</b>	<b>3,865,291</b>	<b>51,958</b>	<b>564,845</b>	<b>1,770,894</b>	<b>70,826</b>	<b>113,801</b>	<b>873,244</b>	<b>2,142,114</b>	<b>210,695</b>	<b>34,816</b>	<b>2,683,140</b>	<b>310,295</b>	<b>26,688</b>

Moshannon	Waldo Run	Four Mile Junction	West Union SS	Shuman HB/Mobley	Bartonville	Squab Hollow SS	Squab Hollow SVC	Shingletown	Claysburg Ring Bus	Johnstown SS Capacitor	Grover Sub	Rider Sub	Shawville	Monocacy SS	Mainsburg SS	Yeagerstown	Nynewar	Oak Mound	Joffre SS	Erie South	Farmers Valley Substation	Richwood HB	Damascus SS	Warren Substation	Total
270,995	2,845,910	396,161	39,329	96,947	14,876	634,023	1,187,265	61,282	252,224	41,277	17,768	801,481	67,794	977,577	504,326	27,030	20,618	658,912	24,466	627,639	457,332	187,667	-	-	172,111,811
284,084	2,787,211	412,054	49,899	99,891	15,098	674,296	1,284,198	64,969	266,819	43,873	18,710	846,504	71,712	1,044,889	535,178	29,918	22,257	841,109	841,109	841,109	523,910	346,898	-	-	175,870,887
287,012	2,887,517	427,047	42,444	102,318	16,441	714,402	1,340,052	68,656	279,405	46,048	19,693	886,039	75,629	1,111,601	666,147	31,003	23,896	1,024,066	79,748	1,096,175	590,701	494,963	-	-	178,829,202
310,021	3,007,629	440,840	44,024	103,050	17,225	754,381	1,417,791	72,243	302,997	48,484	20,956	985,902	79,447	1,178,863	807,162	32,969	28,536	1,071,478	157,478	1,176,498	687,050	646,184	-	-	182,243,989
323,030	3,128,544	456,733	45,954	107,684	18,205	794,779	1,484,639	78,100	326,660	50,869	21,837	1,024,840	83,465	1,246,628	829,172	34,975	34,975	1,350,544	156,481	1,286,277	725,652	802,616	-	-	185,903,788
336,039	3,248,460	475,625	47,124	110,369	19,088	834,668	1,571,462	79,717	350,181	53,255	22,479	1,098,460	87,382	1,312,628	863,469	36,962	38,815	1,377,969	169,252	1,399,502	793,473	955,300	-	-	189,171,654
349,048	3,368,376	491,518	48,893	113,623	20,132	875,157	1,648,208	83,309	373,773	56,660	23,421	1,182,164	91,300	1,379,662	897,664	38,948	38,948	1,494,461	186,901	1,513,601	861,688	1,107,864	-	-	192,723,513
362,057	3,488,294	507,411	50,243	116,877	21,338	915,345	1,725,170	87,077	397,368	59,546	24,364	1,269,068	94,217	1,446,871	932,087	40,834	40,834	1,591,664	199,202	1,628,476	906,202	1,290,638	-	-	195,281,680
375,066	3,608,214	523,304	51,803	119,422	22,442	955,533	1,802,013	90,784	389,098	60,442	25,308	1,357,374	97,126	1,513,891	976,179	42,007	42,007	1,704,364	202,965	1,743,678	966,939	1,414,622	-	-	197,836,622
388,075	3,728,133	539,197	53,363	121,911	23,752	995,722	1,878,607	94,432	374,454	62,827	26,248	1,450,521	100,053	1,587,711	1,011,340	44,907	44,907	1,806,528	205,815	1,852,662	1,007,605	1,598,285	-	-	200,364,953
401,084	3,848,052	555,090	54,922	124,360	25,056	1,035,910	1,959,100	97,109	389,154	65,293	27,190	1,543,615	102,906	1,677,711	1,032,448	46,803	46,803	1,918,514	209,610	1,972,208	1,138,234	1,752,820	-	-	202,920,684
414,093	3,967,971	570,982	56,482	126,809	26,179	1,076,098	2,032,544	101,787	401,793	67,628	28,132	1,638,708	105,888	1,774,752	1,043,976	48,679	48,679	2,030,431	212,401	2,082,023	1,206,781	1,877,027	-	-	211,032,344
427,102	4,087,890	586,875	57,942	129,258	27,298	1,116,287	2,109,667	105,464	415,329	70,244	29,076	1,733,804	109,000	1,877,793	1,055,065	50,566	50,566	2,132,359	216,291	2,201,652	1,223,566	2,031,965	-	-	214,432,268
349,105	3,367,617	491,518	48,893	113,621	20,583	875,156	1,648,226	83,386	333,778	55,650	23,421	1,182,164	91,300	1,379,663	700,424	38,948	38,463	1,746,095	351,583	1,514,184	863,438	1,108,642	4,912	79,381	193,026,061

Trans-Allegheny Interstate Line

Attachment 5 - Cost Supp

		Link to Appendix A, line 23		Link to Appendix A, line	
<b>Calculation of Distribution Accumulated Depreciation</b>					
December	Source: Prior year FERC Form 1 §219.26 b	For 2016	-	-	-
January	company records	For 2017	-	-	-
February	company records	For 2017	-	-	-
March	company records	For 2017	-	-	-
April	company records	For 2017	-	-	-
May	company records	For 2017	-	-	-
June	company records	For 2017	-	-	-
July	company records	For 2017	-	-	-
August	company records	For 2017	-	-	-
September	company records	For 2017	-	-	-
October	company records	For 2017	-	-	-
November	company records	For 2017	-	-	-
December	§219.26 b	For 2017	-	-	-
<b>Distribution Accumulated Depreciation</b>					
<b>Calculation of Intangible Accumulated Depreciation</b>					
December	Source: Prior year FERC Form 1 §200.21 b	For 2016	9,878,655	-	-
December	§200.21 b	For 2017	19,460,795	19,460,795	-
<b>Accumulated Intangible Depreciation</b>			11,169,660	19,460,795	-
		Link to Appendix A, line 25		Link to Appendix A, line	
<b>Calculation of General Accumulated Depreciation</b>					
December	Source: Prior year FERC Form 1 §219.20b	For 2016	6,244,119	6,930,498	-
December	§219.20 b	For 2017	6,300,484	6,300,484	-
<b>Accumulated General Depreciation</b>			9,087,308	13,230,982	-
		Link to Appendix A, line 24		Link to Appendix A, line	
<b>Calculation of Production Accumulated Depreciation</b>					
December	Source: Prior year FERC Form 1 §219.20 b-24 b	For 2016	-	-	-
January	company records	For 2017	-	-	-
February	company records	For 2017	-	-	-
March	company records	For 2017	-	-	-
April	company records	For 2017	-	-	-
May	company records	For 2017	-	-	-
June	company records	For 2017	-	-	-
July	company records	For 2017	-	-	-
August	company records	For 2017	-	-	-
September	company records	For 2017	-	-	-
October	company records	For 2017	-	-	-
November	company records	For 2017	-	-	-
December	§219.20 b, thru 219.24 b	For 2017	-	-	-
<b>Production Accumulated Depreciation</b>			-	-	-
<b>Total Accumulated Depreciation</b>			213,283,030	237,013,629	-
Sum of averages above				Link to Appendix A, line	
		Link to Appendix A, line 8		Link to Appendix A, line 8	



Trans-Allegheny Interstate Line Company  
 Attachment 5 - Cost Support

**Electric / Non-electric Cost Support**

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Electric Portion	Non-electric Portion	Details
				Begin of year	End of Year (for estimate)	Average of Beginning and Ending Balances	
40	Materials and Supplies						
	Transmission Materials & Supplies		p227.8				
37	Underbuild/Stores Expense		p227.16				
	Allocated General Expenses						
51	Plus Property Under Capital Leases	0	p200.4.c				

**Transmission / Non-transmission Cost Support**

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Electric Portion	Non-electric Portion	Details
				Begin of year	End of Year (for estimate)	Average of Beginning and Ending Balances	
34	Transmission Related Land Held for Future Use		Total Non-transmission Related Transmission Related				Enter Details Here

**CWIP & Expensed Lease Worksheet**

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Expensed Leases in Form 1 Amount	Details
				Begin of year	End of Year (for estimate)	
	Plant Allocation Factors					
6	Electric Plant in Service	(Note B)	Attachment 5	2,068,179,304		
	Plant in Service					
15	Transmission Plant in Service	(Note B)	Attachment 5	1,979,402,991		
	Accumulated Depreciation					
23	Transmission Accumulated Depreciation	(Note B)	Attachment 5	112,111,611		

**Pre-Commercial Costs Capitalized**

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Electric Portion	Non-electric Portion	Details
				2017 for Estimate and BCR for Final	Amortization Amount (Over & Under)	Calculated End of Year Balance	Average of Beginning and Ending Balances (for estimate and reconciliation)
35	Unamortized Capitalized Pre-Commercial Costs			\$	\$	\$	\$

**EPRI Dues Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Electric Portion	Non-electric Portion	Details
				Begin of year	End of Year (for estimate)		
58	Allocated General & Common Expenses			0	0		Enter Details Here
	Less: EPRI Dues	(Note D)	p352 & 353				

**Regulatory Expense Related to Transmission Cost Support**

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Transmission Related	Non-Transmission Related	Details
				Form 1 Amount	Transmission Related	Non-Transmission Related	
	Directly Assigned AAG						
62	Regulatory Commission Exp. Account 928	(Note G)	p213.189.b				Link to Appendix A, line 62 Enter Details Here

**Safety Related Advertising Cost Support**

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Safety Related	Non-safety Related	Details
				Form 1 Amount	Safety Related	Non-safety Related	
	Directly Assigned AAG						
66	General Advertising Exp. Account 930.1	(Note F)	p213.191.b				Link to Appendix A, line 66 Enter Details Here

Trans-Allegheny Interstate Line Company  
Attachment 5 - Cost Support

MultiState Workpaper

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions		State 1	State 2	State 3	State 4	State 5	State 6
Income Tax Rates		MD 8.25%	WV 6.5%	PA 9.99%	VA 6.0%		
110 - ST-State Income Tax Rate or Composite	(Note 10)	Composite	Composite	Composite	Composite		

Education and Out Reach Cost Support

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Year 1 Amount	Education in Advance	Other	Details
Directly Assigned AEG					
63 - General Advertising Exp Account 930.1	(Note 9) p.213 TRC B				Enter Details Here

Excluded Plant Cost Support

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Excluded Investment Facilities	Facilities Excluded from the Facilities
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities			
126 - Excluded Transmission Facilities	(Note 11)		General Description of the Facilities
Step-Up Facilities			
Instructions:		Enter \$	
1 Remove all investment below 69 KV or generator step up transformers included in transmission plant in service that are not a result of the RTEP Process		0	
2 If unable to determine the investment below 69KV in a substation with investment of 69KV and higher as well as below 69 KV, the following formula will be used:		Enter \$	
Example			
A. Total investment in substation	1,000,000		
B. Identifiable investment in Transmission (provide workpapers)	500,000		
C. Identifiable investment in Distribution (provide workpapers)	400,000		
D. Amount to be excluded (A x (C / (B + C)))	444,444		

Prepayments

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Begin of year	End of Year	Average of Beginning and Ending Balance	Allocation	Transmission Related	Details
36 - Prepayments				Enter \$		Amount	
Prepayments	Prepaid Insurance	142,535	237,647	190,091	100%	190,091	
Prepaid Penalties if not included in Prepayments			0	0	100%	0	
Total Prepayments		142,535	237,647	190,091		190,091	

Detail of Account 566 Miscellaneous Transmission Expenses

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Total	Summary of Pre-Commercial Expenses
70 - Amortization Expense on Pre-Commercial Cost		\$ -	
71 - Pre-Commercial Expense		\$ -	
72 - Miscellaneous Transmission Expense	p.321-97.b	\$ 672,064	
Total Account 566 Miscellaneous Transmission Expenses		\$ 672,064	
			Cost Element Name
			Total
			Labor & Overhead (1)
			Miscellaneous (2)
			Outside Services Legal (3)
			Outside Services Other (4)
			Outside Services Rates (5)
			Advertising (6)
			Travel, Lodging and Meals (7)
			Total
			(1) Labor & overhead amount includes costs allocated to preparation of the preliminary survey and investigation
			(2) Miscellaneous amount includes rental of vehicles for the department facilities for open houses, Field EX fees for various meetings, from Legal, Procurement, Transmission & Finance, fees for various conferences calls and PAM application fee.
			(3) Outside legal services includes the cost for research and preparation of the filing to determine incentive rate availability.
			(4) Other services other includes fees for website development, media relations services, campaign management, open houses and research services.
			(5) Outside services rates includes the advice of a rate consultant regarding rate design.
			(6) Advertising includes newspaper and other media announcements of public scoping meetings related to the proposed project.
			(7) Travel, lodging and meals are the direct expenses for Allegheny staff to attend the scoping meetings.
Net Revenue Requirement			
149 - Facility Credits under Section 30.9 of the PAM OATT			

Trans-Allegheny Interstate Line Company  
 Attachment 5 - Cost Support

Depreciation Rates

	Life	Curve	Survivor		Accrual												
			Salvage	Percent	Rate (Annual)	Percent	Stock Ctr	Wyle Ridge	502 Junction Terminal Line	Meadowbrook Transformer	North Chondalut	Bedington Transformer	Meadowbrook Capacitor	Kammer Transformers	Doobs Replacement Transformer #2	Doobs Replacement Transformer #3	Doobs Replacement Transformer #4
<b>TRANSMISSION PLANT</b>																	
350.2	70	-	R4	0	1.43												
352	50	-	R3	(10)	2.20		16,763										
	35	-			2.86												
353																	
	50	-	R2	(5)	2.10		1,259,281	581,116	793,597	168,905	40,402	162,194	145,082	830,268	94,890	82,296	149,570
	Note 1	-	80 R2 - 35-yr truncation		2.96												
	15	-	S3	0	6.67												
354	65	-	R4	(25)	1.92				7,336,837								
355	55	-	RZ.5	(20)	2.18				2,961,859								
356																	
	55	-	RZ.5	(40)	2.89				6,399,034								
	70	-	R4	0	1.43				18,393								
357	55	-	S3	(5)	1.91												
358	45	-	R3	(5)	2.33												
	35	-			2.86												
Total Transmission Plant Depreciation							1,376,042	581,116	21,176,587	168,905	40,402	162,194	145,082	830,268	94,890	82,296	149,570
Total Transmission Depreciation Expense (must tie to p336.7.f)							<b>42,897,247</b>										

Note 1: Depreciation rate is based on an 80 R2 survivor curve with a 35-year truncation.

Annual Depreciation Expense													
Cabot SS	Grandview Capacitor	Potter	Osage Whately	Armstrong	Farmers Valley	Harvey Run	Double SS	Meadowbrook SS	902 Jct Substation	Conemaugh-Seward	Luzon	Granipoint & Guilford	Handsome Lake-Homer City
				326						2,666			
152	281		14,882	2,506	1,205				124,243		3,450		
149,368	13,533	34,383	110,500	329,706	18,436	17,476	104,220	1,274,919		246,557	21,896	37,270	
			96,596							9,427			35,708
			348,521							385,002			198,157
													42,703
149,520	13,814	34,383	670,472	332,638	19,681	17,476	104,220	1,274,919	124,243	642,662	25,346	37,270	276,607

Albion	Blairsville	Carbon Center	Huntertown	Johnstown	Buffalo Road	Moharvon	Waldo Run	Four Mile Junction	West Union SS	Shuman Hill/Mobley	Bartonville	Squab Hollow SS	Squab Hollow SVC	Shingletown	Clayburg Ring Bus	Johnstown SS Capacitor
							43,514	6,328		2,071		153,906				18,608
761,425	69,881	11,958	923,858	103,796	9,216	156,518	1,296,120	184,385	18,717	30,056	12,710	328,357	922,123	44,183	144,521	28,746
							80,158			78						
							29,098									
761,425	69,881	11,958	923,858	103,796	9,216	156,518	1,446,790	190,714	18,717	32,206	12,710	482,264	922,123	44,183	163,129	28,746

Glover Sub	Rider Sub	Shawville	Monocacy SS	Mansburg SS	Yeagerstown	Nyewaner	Oak Mound	Joffre SS	Erie South	Farmers Valley Substation	Richwood Hill	Damascus SS	Warren Substation	Total
	111,141													2,577,274
	40,819							44,419	8,580	176,270	230,901		4,375	2,247,460
11,307	124,716	47,011	804,196	401,047	23,836	19,669	62,514	870,766	1,364,831	641,454	1,612,767	15,217	269,016	18,021,175
														7,422,703
	271,803						1,127,026							4,370,788
	190,457						923,749							391,224
														7,818,230
														18,309
11,307	445,819	47,011	804,196	401,047	23,836	19,669	2,123,289	854,575	1,373,413	817,724	1,843,698	15,217	273,742	42,867,247

Trans-Allegheny Interstate Line Company

Attachment 5 - Cost Support

GENERAL PLANT		Life	Survivor Curve	Net Salvage Percent	Accrual Rate (Annual) Percent	Total
390	Structures & Improvements	50	R1	0	2.00	895,294
391	Office Furniture & Equipment	20	SQ	0	5.00	96,332
	Information Systems	10	SQ	0	10.00	314,944
	Data Handling	10	SQ	0	10.00	
392	Transportation Equipment					
	Other	15	SQ	20	5.33	
	Autos	7	S3	20	11.43	
	Light Trucks	11.5	L4	20	6.96	1,825
	Medium Truck	11.5	L4	20	6.96	
	Trailers	18	L1	20	4.44	
	ATV	15	SQ	20	5.33	
393	Stores Equipment	20	SQ	0	5.00	
394	Tools, Shop & Garage Equipment	20	SQ	0	5.00	
396	Power Operated Equipment	18	L1	25	4.17	
397	Communication Equipment	15	SQ	0	6.67	324,295
398	Miscellaneous Equipment	15	SQ	0	6.67	
Total General Plant						1,686,380
Total General Plant Depreciation Expense (must tie to p338, 10 b & c)						1,686,380
INTANGIBLE PLANT		Life	Survivor Curve	Net Salvage Percent	Accrual Rate (Annual) Percent	Total
303	Miscellaneous Intangible Plant	5	SQ	0	20.00	2,552,791
Total Intangible Plant						2,552,791
Total Intangible Plant Amortization (must tie to p336 1 d & e)						2,552,791

These depreciation rates will not change absent the appropriate filing at FERC.

**PBOP Expenses**

1	Total PBOP expenses	22,856,433
2	Amount relating to retired personnel	9,786,372
3	Amount allocated on FTEs	14,070,061
4	Number of FTEs for Allegheny	4,438
5	Cost per FTE	3,192
6	TOTALCo FTEs (labor not capitalized) current year	9,050
7	TOTALCo PBOP Expense for base year	-
8	TOTALCo PBOP Expense in Account 526 for current year	0
87	PBOP Adjustment for Appendix A, Line 57	-
Lines 1-8 cannot change absent approval or acceptance by FERC in a separate proceeding.		

Trans-Allegheny Interstate Line Company

Attachment 5a - Pre-Commercial Costs and CWIP

Step 1 Totals reported below are by project with the amounts to be expensed reported separately from those to be deferred and amortized (note, deferred costs related to 2006 include AFUDC).

For Forecasting purposes, Pre-Commercial expenses will be estimated. Total deferred and amortized Pre-commercial costs will be the actual amount agreeing to FERC Form 1 and Attachment 5.

Step 2 For each project, where CWIP is to be recovered in rate base, CWIP will be estimated and the totals reported below by project. For the Reconciliation, for each project where CWIP is to be recovered in rate base the CWIP will be itemized by project below. Additionally, the amount of AFUDC that would have been capitalized for projects where CWIP is included in rate base will be reported in the FERC Form No. 1.

For the Reconciliation, the total additions to plant in service for that year will be summarized by project to demonstrate no Pre-Commercial costs expensed were included in the additions to plant in service and AFUDC on projects where CWIP was recovered in rate base was included in the additions to plant in service. The Pre-commercial expenses are actual expenses incurred for the reconciliation year. Total deferred and amortized Pre-commercial costs will be the actual amount agreeing to FERC Form 1 and Attachment 5.

Column A	Column B	Column C	Column D	Column E	Column F	Column G
	Pre-Commercial Costs			CWIP		
<b>Step 1 For Estimate:</b>	Expensed (Estimated)	Deferred	Amount of Deferred Amortized in Year	Average of 13 Monthly Balances		
Prexy - 502 Junction 138 kV (CWIP)	-	-	-	-		
Prexy - 502 Junction 500 kV (CWIP)	-	-	-	-		
502 Junction - Territorial Line (CWIP)	-	-	-	-		
<b>Total</b>	-	-	-	-		
<b>Step 3 For Reconciliation:</b>	Pre-Commercial Costs			<b>For Reconciliation Step 2</b>		
	Expensed (Actual)	Deferred	Amount of Deferred Amortized in Year	CWIP	AFUDC in CWIP	AFUDC (if CWIP was not in Rate Base)
Prexy - 502 Junction 138 kV (CWIP)	-	-	-	-	-	-
1	-	-	-	-	-	-
2	-	-	-	-	-	-
3	-	-	-	-	-	-
4	-	-	-	-	-	-
...	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-
Prexy - 502 Junction 500 kV (CWIP)	-	-	-	-	-	-
1	-	-	-	-	-	-
2	-	-	-	-	-	-
3	-	-	-	-	-	-
4	-	-	-	-	-	-
...	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-
502 Junction - Territorial Line (CWIP)	-	-	-	145,754	-	136,129,170
1	-	-	-	-	-	-
2	-	-	-	-	-	-
3	-	-	-	-	-	-
4	-	-	-	-	-	-
...	-	-	-	-	-	-
<b>Total</b>	-	-	-	145,754	-	136,129,170
<b>Total Additions to Plant in Service (sum of the above for each project)</b>						136,129,170
<b>Total Additions to Plant in Service reported on pages 204-207 of the Form No. 1</b>						
<b>Difference (must be zero)</b>						

Notes: 1 Small projects may be combined into larger projects where rate treatment is consistent. Pre-Commercial costs benefiting multiple projects will be allocated to projects based on the estimated plant in service of each project.

Allocation of Pre-Commercial Costs	Plant in Service (Estimated 2/12/2008)	Allocation
Prexy - 502 Junction 138 kV (CWIP)	94,140,000	0.10734
Prexy - 502 Junction 500 Kv (CWIP)	121,260,000	0.13827
502 Junction - Territorial Line (CWIP)	661,600,000	0.75439
<b>Total</b>	<b>877,000,000</b>	<b>1.00000</b>

2 Column D is the total CWIP balance including any AFUDC, Column E is the AFUDC if any in Column D, and Column F is the AFUDC that would have been in Column E if CWIP were not recovered in rate base.





	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
		Mansburg			Farmers Valley Substation				
		(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)
Dec (Prior Year CWP) p2161.4					83,713				
Jan 2017	Actual	7,988	-	-	83,713	-	-	-	-
Feb	Actual	60,185	-	-	156,412	-	-	-	-
Mar	Actual	74,864	-	-	89,568	-	-	-	-
Apr	Actual	942	-	-	319,578	-	-	-	-
Apr	Budget	1,432,329	-	-	-	-	-	-	-
May	Budget	99,495	-	-	-	-	-	-	-
Jun	Budget	-	-	-	-	-	-	-	-
Jul	Budget	-	-	-	-	-	-	-	-
Aug	Budget	-	-	-	-	-	-	-	-
Sep	Budget	-	-	-	-	-	-	-	-
Oct	Budget	-	-	-	-	-	-	-	-
Nov	Budget	-	-	-	-	-	-	-	-
Dec	Budget	-	-	-	-	-	-	-	-
Total	Budget	1,675,804	-	-	648,271	-	-	-	-

Month End Balances								
Other Projects PIS (Monthly additions)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
	Mansburg		Farmers Valley Substation					
	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)
	7,988	-	-	83,713	-	-	-	-
	68,173	-	-	240,126	-	-	-	-
	143,037	-	-	328,694	-	-	-	-
	143,980	-	-	648,271	-	-	-	-
	1,576,309	-	-	648,271	-	-	-	-
	1,675,804	-	-	648,271	-	-	-	-
	1,675,804	-	-	648,271	-	-	-	-
	1,675,804	-	-	648,271	-	-	-	-
	1,675,804	-	-	648,271	-	-	-	-
	1,675,804	-	-	648,271	-	-	-	-
	1,675,804	-	-	648,271	-	-	-	-
	1,675,804	-	-	648,271	-	-	-	-

3 April Year 2 TO add: Cap Adds and CWP to plant in service in Formula (Appendix A, Lines 16 and 33)

4 May Year 2 Post results of Step 3 on PJM web site

Wyle Ridge (Monthly additions)	Black Oak (Monthly additions)	North Sherandoah (Monthly additions)	Meadowbrook Transformer (Monthly additions)	Budington Transformer (Monthly additions)	Meadow Brook SS Capacitor (Monthly additions)	Kammer Transformers (Monthly additions)	Doubs Transformer #2 (Monthly additions)	Doubs Transformer #3 (Monthly additions)	Doubs Transformer #4 (Monthly additions)	Cabot SS (Monthly Additions)	Hunterstown	Farmers Valley	Harvey Run	Doubs SS	Pattar SS (Monthly Additions)	Osage Whiskey (Monthly Additions)	Meadowbrook SS	502 Junction - Terronta Line (Monthly additions)
\$ 2,970,840	5,938,701.18	232,346.28	1,004,457.12	954,096.80	817,459.18	4,949,027	652,982	597,966	739,498	933,649	6,037,934	233,655	113,669	680,851	265,630	3,337,025	8,375,477	146,581,162
502 Junction Substation	Watts Run	Conemaugh	Bartville	Four Mile Junction	Johnstown	Yeagertown	Grandview Capacitor	Altoona SVC	Lucas	Grandpoint & Gufford	Moshannon	Carbon Center	Shawville	Oak Mound	Shuman Hill	Buffalo Road	Conemaugh Capacitor	Grover SS Capacitor
\$ 1,306,273.69	7,814,900.82	3,830,202.82	456,892.81	1,330,033.24	678,962.06	159,883	88,976	4,980,673	165,480	244,612	1,019,486	78,357	317,817	13,257,802	207,523	62,901	-	118,529
Richwood Hill	Handome Lake - Homer City	West Union	Rider Sub (West Millard)	Erie South	Monacaug SS	Bartmire SS Capacitor	Mainsburg SS	Johnstown Sub Capacitor	Clayburn Ring Bus	Jaffa Sub	Squab Hollow SS	Squab Hollow SVC	Shingleton Capacitor	Nyawaner	Armstrong	Farmers Valley Substation	Damascus Substation	Warren Substation
\$ 11,348,238.70	1,769,154.96	123,325.52	2,773,257.85	6,427,754.85	5,379,789.37	70,713	3,200,314	191,735	1,078,590	6,015,964	2,571,165	4,619,959	252,145	120,665	2,147,763	5,179,590	44,221	1,475,529
Total Revenue Requirement																		Jaffa Substation S101
\$ 276,330,902.71																		5,298



	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
		Mainsburg		Farmers Valley Substation					
		(In service)	(In service)	(In service)	(In service)	(In service)	(In service)	(In service)	(In service)
Dec (Prior Year CWP) p216.43		-	-	-	-	-	-	-	-
Jan 2018		-	-	-	-	-	-	-	-
Feb		(15,888)	-	-	15,658	-	-	-	-
Mar		5,052	-	-	2,907	-	-	-	-
Apr		-	-	-	6,086	-	-	-	-
May		-	-	-	-	-	-	-	-
Jun		-	-	-	-	-	-	-	-
Jul		-	-	-	-	-	-	-	-
Aug		-	-	-	-	-	-	-	-
Sept		-	-	-	-	-	-	-	-
Oct		-	-	-	-	-	-	-	-
Nov		-	-	-	-	-	-	-	-
Dec		-	-	-	-	-	-	-	-
Total		(10,636)	-	-	24,651	-	-	-	-

New Transmission Plant Additions for Year 3 (13 month average balance)

	Month End Balances					
	Other Projects PIS (Monthly additions)	Mainsburg	Farmers Valley Substation			
	(In service)	(In service)	(In service)	(In service)	(In service)	(In service)
Dec (Prior Year CWP) p216.43	-	-	-	-	-	-
Jan 2018	(15,888)	-	15,658	-	-	-
Feb	(10,636)	-	18,565	-	-	-
Mar	(10,636)	-	24,651	-	-	-
Apr	(10,636)	-	24,651	-	-	-
May	(10,636)	-	24,651	-	-	-
Jun	(10,636)	-	24,651	-	-	-
Jul	(10,636)	-	24,651	-	-	-
Aug	(10,636)	-	24,651	-	-	-
Sept	(10,636)	-	24,651	-	-	-
Oct	(10,636)	-	24,651	-	-	-
Nov	(10,636)	-	24,651	-	-	-
Dec	(10,636)	-	24,651	-	-	-
Total	(132,679)	-	280,733	-	-	-
	(10,206.10)	-	21,594.86	-	-	-

Wyle Ridge (Monthly additions)	Black Oak (Monthly additions)	North Shenandoah (Monthly additions)	Meadowbrook Transformer (Monthly additions)	Bodington Transformer (Monthly additions)	Meadow Brook SS Capacitor (Monthly additions)	Kammer Transformers (Monthly additions)	Doubs Transformer #2 (Monthly additions)	Doubs Transformer #3 (Monthly additions)	Doubs Transformer #4 (Monthly additions)	Cabot SS (Monthly Additions)	Huntertown	Farmers Valley	Harvey Run	Doubs SS	Potter SS (Monthly Additions)	Osage Whiskey (Monthly Additions)	Meadowbrook SS	502 Junction - Territorial Line (Monthly additions)
\$ 2,435,994	\$ 5,014,684.81	\$ 204,599.36	\$ 833,407.08	\$ 790,935.59	\$ 678,187.76	\$ 4,104,662	\$ 539,936	\$ 494,161	\$ 614,388	\$ 773,198	\$ 4,996,778	\$ 218,600	\$ 94,072	\$ 567,498	\$ 219,276	\$ 2,769,164	\$ 6,956,784	\$ 120,940,038
502 Junction Substation	Waldo Run	Conemaugh	Blairstown	Four Mile Junction	Johnstown	Yeagerstown	Grandview Capacitor	Albion SVC	Lucer	Grandpoint & Gullford	Moshannon	Carbon Center	Shawville	Oak Mound	Shuman Hill	Buffalo Road	Conemaugh Capacitor	Grover SS Capacitor
\$ 1,140,693.52	\$ 6,699,016.43	\$ 3,174,738.95	\$ 378,092.61	\$ 1,099,555.63	\$ 561,857.37	\$ 132,255	\$ 73,648	\$ 4,121,663	\$ 136,943	\$ 202,169	\$ 866,551	\$ 64,840	\$ 262,390	\$ 12,811,042	\$ 175,836	\$ 49,973	-	\$ 96,956
Richwood Hill	Handsome Lake - Homer City	West Union	Rider Sub (West Millard)	Erie South	Monrocy SS	Bartonsville SS Capacitor	Mainsburg SS	Johnstown Sub Capacitor	Claysburg Ring Box	Joffre Sub	Squab Hollow SS	Squab Hollow SVC	Shenklintown Capacitor	Nywarer	Armstrong	Farmers Valley Substation	Damascus Substation	Warren Substation
\$ 9,067,597.78	\$ 1,461,844.42	\$ 102,043.14	\$ 2,061,003.28	\$ 5,810,927.43	\$ 4,455,899.84	\$ 79,200	\$ 2,751,235	\$ 158,636	\$ 894,705	\$ 5,517,309	\$ 2,240,649	\$ 3,843,085	\$ 209,068	\$ 109,303	\$ 1,777,566	\$ 4,621,661	\$ 138,832	\$ 2,649,932
Total Revenue Requirement																		
\$ 233,780,444.15																		
																	Pierotbrook Substation	Joffre Substation S1041
																	\$ 535,366	\$ -



8 April Year 3

Reconciliation - TO adds the difference between the Reconciliation in Step 7 and the forecast in Step 5 with interest to the result of Step 7 (this difference is also added to Step 7 in the subsequent year)

The Reconciliation in Step 8		The forecast in Prior Year					
269,505,466		276,330,903		-		(6,825,437)	
<p>Interest on Amount of Refunds or Surcharges</p> <p>Interest 35.1% for March Current Yr</p>							
Month	Yr	0.3500%		Interest 35.1% for March Current Yr	Months	Interest	Surcharge (Refund) Owed
Jun	Year 1	(568,786)	0.3500%	0.3500%	11.5	(22,894)	(591,680)
Jul	Year 1	(568,786)	0.3500%	0.3500%	10.5	(20,903)	(589,689)
Aug	Year 1	(568,786)	0.3500%	0.3500%	9.5	(18,912)	(587,699)
Sep	Year 1	(568,786)	0.3500%	0.3500%	8.5	(16,921)	(585,708)
Oct	Year 1	(568,786)	0.3500%	0.3500%	7.5	(14,931)	(583,717)
Nov	Year 1	(568,786)	0.3500%	0.3500%	6.5	(12,940)	(581,726)
Dec	Year 1	(568,786)	0.3500%	0.3500%	5.5	(10,949)	(579,736)
Jan	Year 2	(568,786)	0.3500%	0.3500%	4.5	(8,958)	(577,745)
Feb	Year 2	(568,786)	0.3500%	0.3500%	3.5	(6,968)	(575,754)
Mar	Year 2	(568,786)	0.3500%	0.3500%	2.5	(4,977)	(573,763)
Apr	Year 2	(568,786)	0.3500%	0.3500%	1.5	(2,986)	(571,773)
May	Year 2	(568,786)	0.3500%	0.3500%	0.5	(995)	(569,782)
Total		(6,825,437)					(6,968,771)
<p>Balance</p> <p>Jun Year 2 (6,968,771) Interest 0.3500% Amort (594,027) Balance (6,399,135)</p> <p>Jul Year 2 (6,399,135) 0.3500% (594,027) (5,827,505)</p> <p>Aug Year 2 (5,827,505) 0.3500% (594,027) (5,253,874)</p> <p>Sep Year 2 (5,253,874) 0.3500% (594,027) (4,678,235)</p> <p>Oct Year 2 (4,678,235) 0.3500% (594,027) (4,100,582)</p> <p>Nov Year 2 (4,100,582) 0.3500% (594,027) (3,520,906)</p> <p>Dec Year 2 (3,520,906) 0.3500% (594,027) (2,939,203)</p> <p>Jan Year 3 (2,939,202) 0.3500% (594,027) (2,355,462)</p> <p>Feb Year 3 (2,355,462) 0.3500% (594,027) (1,769,679)</p> <p>Mar Year 3 (1,769,679) 0.3500% (594,027) (1,181,846)</p> <p>Apr Year 3 (1,181,846) 0.3500% (594,027) (591,955)</p> <p>May Year 3 (591,955) 0.3500% (594,027) (0)</p> <p>Total with interest (7,128,326)</p>							
<p>The difference between the Reconciliation in Step 8 and the forecast in Prior Year with interest</p> <p>Rev Req based on Year 2 data with estimated Cap Adds for Year 3 (Step 8)</p> <p>Revenue Requirement for Year 3</p>							
<p>(7,128,326) Input to Appendix A, Line 147</p> <p>\$ 233,780,444</p> <p>226,652,118</p>							

Reconciliation Amount by Project																		
Total Revenue Requirement	Potter SS	Cabot SS Transformer	Doubs Transformer #4 (Monthly additions)	Doubs Transformer #3 (Monthly additions)	Doubs Transformer #2 (Monthly additions)	Kammer Transformers (Monthly additions)	Meadow Brook SS Capacitor (Monthly additions)	Bedding Transformer (Monthly additions)	Meadowbrook Transformer (Monthly additions)	North Shenandoah (Monthly additions)	Black Oak (Monthly additions)	Wyle Ridge (Monthly additions)	502 Junction - Territorial Line (Monthly additions)	Osage-Wheley	Armstrong	Farmers Valley	Harvey Run	Doubs SS
\$ (7,128,326)	(7,364)	(27,009)	(22,646)	(16,619)	(18,500)	(145,165)	(24,218)	(27,979)	(29,305)	8,093	(205,373)	(108,225)	(4,549,671)	(95,632)	(61,821)	3,446	(3,259)	(19,502)
Meadowbrook SS	Bullfinch Road Capacitor	Handsome Lake-Homer City	Grandview Capacitor	Luxor Capacitor	Grand Point & Guilford SS	Albion	Blairville	Conemaugh Transformer	502 Junction - Substation	Calron Center	Hunkerstown	Johnstown	Moshannon	Wilds Run	Four Mile Junction	West Union SS	Bartonville SS Capacitor	12,716
(243,238)	(4,351)	(54,290)	(2,556)	(4,741)	(7,304)	(142,580)	(13,085)	(111,720)	(23,182)	(2,243)	(172,714)	(19,443)	(9,614)	(169,082)	(37,578)	(3,526)		
Yeagerstown	Rider	Monocacy SS	Shuman Hill Sub	Mainsburg SS	Johnstown Sub Capacitor	Grover SS	Clayburg Ring Bus	Squab Hollow SS	Squab Hollow SVC	Shinglestown Capacitor	Nysawar	Shaville	Oak Mound	Joffre SS	Eric South	Farmers Valley Substation	Richwood Hill	
(4,555)	(530,730)	(146,698)	(5,904)	(62,970)	(5,444)	(3,488)	(28,333)	54,962	(139,113)	(7,537)	8,221	(9,635)	1,052,436	(1,167,704)	358,625	191,958	(737,272)	
Darnassus SS	Warren Substation	Joffre SS																
59,037	360,629	(5,533)																

9 May Year 3

Post results of Step 8 on PJM web site  
\$ 226,652,118

10 June Year 3

Results of Step 8 go into effect  
\$ 226,652,118

**Trans-Allegheny Interstate Line Company**  
**Attachment 7 - Transmission Enhancement Charge Worksheet**

**Revenue Requirement By Project**

Fixed Charge Rate (FCR) if not a CIAC		
Formula Line		
A	137	FCR without Depreciation and Pre-Commercial Costs
B	145	FCR with Incentive ROE without Depreciation and Pre-Commercial
C		Low B less Line A
FCR if a CIAC		
D	138	FCR without Depreciation, Omitting the Incentive Taxes

The FCR resulting from Formula is a chosen year is used for that year only.  
 Therefore actual revenues collected in a year do not change based on cost data for subsequent years

	PJM Upgrade ID: 46328.1, 46328.2, 46347.1, 46347.2, 46347.3, 46347.4				PJM Upgrade ID: 46218				PJM Upgrade ID: 46216			
10	850 Junction - Bartsgate Line (7500 - Plant in Service)				Wells Ridge Transformer (Plant in Service)				Black Oak (50%) Dynamic Reactive Power (Plant in Service)			
11	Schedule 12 (Yes or No)				Yes				Yes			
12	"Yes" if the customer has paid a lump sum payment in the amount of the investment on line 29. Otherwise "No"				Yes				Yes			
13	Input the allowed ROE				12.00%				12.00%			
14	From line 3, adjust "No" on line 12 and From line 7 above "Yes" on line 13				10.0000%				10.0000%			
15	If line 13 equals 12.0%, then line 4. If line 13 equals 11.0%, then line 3, and if line 12 is "Yes" then line 7				10.6439%				10.6439%			
16	Forecast - End of prior year net plant plus current year forecast of CHWP or Cap Add.				Investment				Investment			
17	reconciliation - Average of 10 month prior year net plant balances plus prior year 13-mo CHWP balances.				21,176,590				221,146			
18	Annual Depreciation Exclusion Adjustment 5											
19	Annual Depreciation Exclusion Adjustment 5											
20	Annual Depreciation Exclusion Adjustment 5											
21	Annual Depreciation Exclusion Adjustment 5											
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99	Annual Depreciation Exclusion Adjustment 5											
100	Annual Depreciation Exclusion Adjustment 5											

For Plant in Service  
 "Pre-Commercial Exp" is equal to the amount of pre-commercial expense on Attachment 6a for each project expensed in year and amortized in year.  
 Revenues is equal to the "Revised" Investment times FCR, less "Pre-Commercial Exp" less "Pre-Commercial Exp" less prior year "Reconciliation amount".  
 "Reconciliation Amount" is created in the reconciliation in Attachment 6 and included in the forecasted revenue requirement.

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 11 "Yes" if a project under PJM OATT Schedule 12, otherwise "No"  
 12 "Yes" if the customer has paid a lump sum payment in the amount of the investment on line 20. Otherwise "No"  
 13 Input the allowed ROE  
 14 From line 3 above, if "No" on line 12 and from line 7 above, if "Yes" on line 13  
 15 If line 13 equals 12.7%, then line 4. If line 13 equals 11.7%, then line 3, and if line 12 is "Yes" then line 7  
 16 Forecast - End of prior year net plant plus current year forecast of CWP or Cap Add, reconciliation - Average of 13 months prior year net plant balances plus prior year 13-mo CWP balances.  
 17 Annual Depreciation Exp from Attachment 9  
 18  
 19 See Calculations for each item below  
 20 See Calculations for each item below

PJM Upgrade ID: 16221				PJM Upgrade ID: 16226				PJM Upgrade ID: 16229			
North Transformer (Plant in Service)				Middlebrook Transformer (Plant in Service)				Buckner Transformer (Plant in Service)			
Yes				Yes				Yes			
No				No				No			
11.70%				11.70%				11.70%			
10.003%				10.003%				10.003%			
10.003%				10.003%				10.003%			
1,641,932				4,624,851				4,292,261			
40,465				164,945				150,198			
Reconciliation				Reconciliation				Reconciliation			
Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue
84,197.40	43,401.96	8,065.17	212,662.53	643,562.27	349,956.81	59,334.70	804,102.35	628,241.33	342,194.28	57,919.93	762,954.61
364,132.40	49,481.96	9,090.11	212,662.53	643,102.07	349,956.81	59,334.70	804,102.35	628,241.33	342,194.28	57,919.93	762,954.61

**For Plant in Service**  
 "Pre-Commercial Exp" is equal to the amount of one-common  
 Revenue is equal to the "Return" "Treatment" times F CR; 1  
 "Reconciliation Amount" is created in the reconciliation in AEs



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	PJM Upgrade ID: 10559	PJM Upgrade ID: 10495	PJM Upgrade ID: 10343	PJM Upgrade ID: 10344
10	Marketwide Capacity (Plant in Service)			
11	Karnar Transformer (Plant in Service)			
12	Double Replace Transformer #2			
13	Double Replace Transformer #3			
14	Yes	Yes	Yes	Yes
15	No	No	No	No
16	11.30%	11.30%	11.30%	11.30%
17	10.0000%	10.0000%	10.0000%	10.0000%
18	10.0000%	10.0000%	10.0000%	10.0000%
19	10.0000%	10.0000%	10.0000%	10.0000%
20	5,330,919	32,742,090	4,453,342	4,118,542
21	140,482	632,366	94,480	62,736
22	<b>Reconciliation</b>			
23	Return	Depreciation	Reconciliation Amount	Reconciliation Amount
24	533,152.12	145,882.04	(24,218.20)	453,965.96
25	533,152.12	145,882.04	(24,218.20)	453,965.96
26	Return	Depreciation	Reconciliation Amount	Reconciliation Amount
27	3,278,303.66	833,268.12	(142,164.86)	3,959,406.92
28	3,278,303.66	833,268.12	(142,164.86)	3,959,406.92
29	Return	Depreciation	Reconciliation Amount	Reconciliation Amount
30	442,045.73	94,499.48	(16,499.99)	521,045.22
31	442,045.73	94,499.48	(16,499.99)	521,045.22
32	Return	Depreciation	Reconciliation Amount	Reconciliation Amount
33	471,841.07	82,706.44	(16,418.70)	471,841.15
34	471,841.07	82,706.44	(16,418.70)	471,841.15

For Plant in Service  
 \*Pre-Commercial EOP is equal to the amount of pre-commercial  
 Revenue is equal to the "Recovery" Treatment times FCR  
 \*Reconciliation Amount is created in the reconciliation P.A.s

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 11 "Yes" if a project under PJM OATT Schedule 12,  
 otherwise "No"  
 12 "Yes" if the customer has paid a lump sum payment in the  
 amount of the investment on line 20. Otherwise "No"  
 13 Input the allowed ROE  
 14 From line 3 above if "No" on line 12 and From line 7 above  
 if "Yes" on line 12  
 15 If line 13 equals 12.7%, then line 4. If line 13 equals 11.7%,  
 then line 3, and if line 12 is "Yes" then line 7  
 Forecast - End of prior year net plant plus current year  
 forecast of CWP or Cap. Add.  
 16 Reconciliation - Average of 15 month prior year net plant  
 balances plus prior year 15-mo CWP balances.  
 17 Annual Depreciation Calc from Attachment 5

PJM Upgrade ID: 16745				PJM Upgrade ID: 16794				PJM Upgrade ID: 17341				PJM Upgrade ID: 16763			
Doubt Replace Transformer #4				Cable SS - Install Auto-transformer				Aurora				Farmers Valley Capex			
Yes				Yes				Yes				Yes			
No	11.70%			No	11.70%			No	11.70%			No	11.70%		
10.000%				10.000%				10.000%				10.000%			
10.000%				10.000%				10.000%				10.000%			
4,546,592				6,236,617				14,499,933				1,989,341			
149,629				149,629				322,528				19,491			
Return	Depreciation	Reconciliation	Revenue	Return	Depreciation	Reconciliation	Revenue	Return	Depreciation	Reconciliation	Revenue	Return	Depreciation	Reconciliation	Revenue
464,677.86	146,570.04	22,446.50	599,241.21	625,477.44	149,520.00	27,108.90	746,188.85	1,445,027.45	312,538.32	84,626.54	1,775,145.23	186,999.28	19,690.48	3,446.01	222,845.97
464,677.86	146,570.04	22,446.50	599,241.21	625,477.44	149,520.00	27,108.90	746,188.85	1,445,027.45	312,538.32	84,626.54	1,775,145.23	186,999.28	19,690.48	3,446.01	222,845.97

18  
 19 See Calculations for each item below  
 20 See Calculations for each item below

For Plant in Service  
 \*The Commercial Exp\* is equal to the amount of pre-comm  
 Revenue is equal to the "Retail" Investment times FCRS 1  
 \*Reconciliation Amount\* is created in the reconciliation in ABS

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PJM Upgrade ID: 10564				PJM Upgrade ID: 11903				PJM Upgrade ID: 11243				PJM Upgrade ID: 10574, 10523, 10523.1			
Henry Run Capacitor				Knoxville				Pinto SS				Orange Meadows			
<b>Yes</b>				<b>Yes</b>				<b>Yes</b>				<b>Yes</b>			
11 "Yes" if a project under PJM OATT Schedule 12, otherwise "No"				11 "Yes" if a project under PJM OATT Schedule 12, otherwise "No"				11 "Yes" if a project under PJM OATT Schedule 12, otherwise "No"				11 "Yes" if a project under PJM OATT Schedule 12, otherwise "No"			
12 "Yes" if the customer has paid a lump sum payment in the amount of the investment on line 20. Otherwise "No"				12 "Yes" if the customer has paid a lump sum payment in the amount of the investment on line 20. Otherwise "No"				12 "Yes" if the customer has paid a lump sum payment in the amount of the investment on line 20. Otherwise "No"				12 "Yes" if the customer has paid a lump sum payment in the amount of the investment on line 20. Otherwise "No"			
13 Input the allowed ROE				13 Input the allowed ROE				13 Input the allowed ROE				13 Input the allowed ROE			
14 From line 3 above if "No" on line 12 and From line 7 above if "Yes" on line 12				14 From line 3 above if "No" on line 12 and From line 7 above if "Yes" on line 12				14 From line 3 above if "No" on line 12 and From line 7 above if "Yes" on line 12				14 From line 3 above if "No" on line 12 and From line 7 above if "Yes" on line 12			
15 If line 13 equals 12.7%, then line 4. If line 13 equals 11.7%, then line 3, and if line 13 is "Yes" then line 7				15 If line 13 equals 12.7%, then line 4. If line 13 equals 11.7%, then line 3, and if line 13 is "Yes" then line 7				15 If line 13 equals 12.7%, then line 4. If line 13 equals 11.7%, then line 3, and if line 13 is "Yes" then line 7				15 If line 13 equals 12.7%, then line 4. If line 13 equals 11.7%, then line 3, and if line 13 is "Yes" then line 7			
16 Forecast - End of prior year net plant plus current year forecast of CWP or Cap Add.				16 Forecast - End of prior year net plant plus current year forecast of CWP or Cap Add.				16 Forecast - End of prior year net plant plus current year forecast of CWP or Cap Add.				16 Forecast - End of prior year net plant plus current year forecast of CWP or Cap Add.			
17 Reconciliation - Average of 13 month prior year net plant balances plus prior year 13-mo CWP balances.				17 Reconciliation - Average of 13 month prior year net plant balances plus prior year 13-mo CWP balances.				17 Reconciliation - Average of 13 month prior year net plant balances plus prior year 13-mo CWP balances.				17 Reconciliation - Average of 13 month prior year net plant balances plus prior year 13-mo CWP balances.			
Annual Depreciation See Item Attachment 5				Annual Depreciation See Item Attachment 5				Annual Depreciation See Item Attachment 5				Annual Depreciation See Item Attachment 5			
<b>Reconciliation</b>				<b>Reconciliation</b>				<b>Pre-Commercial Reconciliation</b>				<b>Pre-Commercial Reconciliation</b>			
Return	Depreciation	Amount	Revised	Return	Depreciation	Amount	Revised	Return	Depreciation	Pre-Commercial	Reconciliation	Return	Depreciation	Pre-Commercial	Reconciliation
0,595.84	13,426.20	(1,258,971)	95,811.07	813,277.39	104,220.36	(719,562.12)	547,999.64	164,490	14,365	0	(7,364)	211,912.00	2,198,492	535,472	0
0,595.84	13,426.20	(1,258,971)	95,811.07	813,277.39	104,220.36	(719,562.12)	547,999.64	164,490	14,365	0	(7,364)	211,912.00	2,198,492	535,472	0

For Plant in Service  
 "Pre-Commercial End" is equal to the amount of pre-commercial  
 Revenue is equal to the "Return" (Investment) times FCR.  
 "Reconciliation Amount" is created in the reconciliation in ARI

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 11 "Yes" if a project under PJM OATT Schedule 12, otherwise "No"  
 12 "Yes" if the customer has paid a lump sum payment in the amount of the investment on line 25. Otherwise "No"  
 13 Input the allowed ROE  
 14 From line 3 above "No" on line 12 and From line 7 above if "Yes" for line 12, then line 4. If line 13 equals 11.7%, then line 5, and if line 12 is "Yes" then line 7  
 15 Forecast - End of prior year net plant cost current year forecast of CWP or Cap Assets  
 16 reconciliation - Average of 13 month prior year net plant balances plus prior year 13-mo CWP balances.  
 17 Annual Depreciated Cap Exm Attachment 5  
 18  
 19 See Calculations for each item below  
 20 See Calculations for each item below

	PJM Upgrade ID: h1890, h1894				PJM Upgrade ID: h1890				PJM Upgrade ID: h2433.1, h2433.2, h2433.3				PJM Upgrade ID: h1155				
	Manufacture OS				Hydrocarbon				Water Run OS				Compass#				
11	Yes				Yes				Yes				No				
13	11.30%				11.30%				11.30%				No				
14	10.0000%				10.0000%				10.0000%				10.0000%				
15	10.0000%				10.0000%				10.0000%				10.0000%				
16	56,817,181				40,728,153				52,490,967				25,229,211				
17	2,274,479				922,866				1,440,700				443,422				
18	<b>Reconciliation</b>				<b>Reconciliation</b>				<b>Reconciliation</b>				<b>Reconciliation</b>				
19	Return	Depreciation	amount	Reversal	Return	Depreciation	amount	Reversal	Return	Depreciation	amount	Reversal	Return	Depreciation	amount	Reversal	
20	5,681,865	1,274,619	242,230	6,111,544.37	4,072,921	922,866	112,714	4,244,041.07	5,249,227	1,440,700	649,492	6,529,054.71	2,133,082	447,462	111,228	3,081,019.13	

For Plant in Service  
 \*The Commercial EIR is equal to the amount of one-dollar  
 Revenue is equal to the "Recovery" Investment times FCR  
 \*Reconciliation Amount is created in the reconciliation in AEs

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	PJM Upgrade ID: 61987				PJM Upgrade ID: 61989, 61789				PJM Upgrade ID: 61945				PJM Upgrade ID: 61610			
	Bairdslee SS				Frye Mills 3rd				Kinnaman SS plant area				Yonkersham			
11	*Yes* if a project under PJM OATT Schedule 12, otherwise *No*															
12	*Yes* if the customer has paid a lump sum payment in the amount of the investment on line 25. Otherwise *No*															
13	Input the allowed ROE															
14	From line 3 above if "No" on line 12 and From line 7 above if "Yes" on line 12. If line 13 equals 11.7%, then line 3, and if line 12 is "Yes" then line 7															
15	Forecast - End of prior year net plant cost current year forecast of CWP or Cap Assets															
16	reconciliation - Average of 13 month prior year net plant balances plus prior year 13-mo CWP balances.															
17	Annual Depreciation Cap Asset Adjustment 5															
	<b>Reconciliation</b>				<b>Reconciliation</b>				<b>Reconciliation</b>				<b>Reconciliation</b>			
18	Return	Depreciation	amount	Revenue	Return	Depreciation	amount	Revenue	Return	Depreciation	amount	Revenue	Return	Depreciation	amount	Revenue
19	3.8 212	69 881	(13 983)	345 017 40	63 842	191 714	(21 538)	1,561 977 25	438 041	333 756	(74 442)	542,414 29	108,419	23 834	(6 333)	127 699 49
20	3.8 212	69 881	(13 983)	345 017 40	63 842	191 714	(21 538)	1,561 977 25	438 041	333 756	(74 442)	542,414 29	108,419	23 834	(6 333)	127 699 49

**For Plant in Service**  
 \*Pre-Commercial Exp\* is equal to the amount of pre-concrete  
 Revenue is equal to the "Recovery" Investment times FCR  
 \*Reconciliation Amount\* is created in the reconciliation in Abs

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10 "Yes" if a project under PJM OATT Schedule 12,  
 11 otherwise "No"  
 12 "Yes" if the customer has paid a lump sum payment in the  
 13 amount of the investment on line 20. Otherwise "No"  
 14 From line 3 above if "No" on line 12 and From line 7 above  
 15 if "Yes" on line 12  
 16 If line 13 equals 12.7%, then line 4. If line 13 equals 11.7%  
 17 then line 3, and if line 12 is "Yes" then line 7  
 18 Forecast - End of prior year net plant plus current year  
 19 forecast of OWP or Cap Add.  
 20 Reconciliation - Average of 15 month prior year net plant  
 balances plus prior year 15-mo OWP balances.  
 Annual Depreciation Exclusion Adjustment 5

PJM Upgrade ID: 01990				PJM Upgrade ID: 01991				PJM Upgrade ID: 01995				PJM Upgrade ID: 01939			
Cranberry Capacitor				Altoona VVO				Luzon				Grant Point & Gufford			
Yes				Yes				Yes				Yes			
No				No				No				No			
11.70%				11.70%				11.70%				11.70%			
10.0003%				10.0003%				10.0003%				10.0003%			
10.0003%				10.0003%				10.0003%				10.0003%			
10.0003%				10.0003%				10.0003%				10.0003%			
596,326				33,601,539				1,115,948				1,685,943			
13,894				761,425				26,345				31,270			
<b>Reconciliation amount</b>				<b>Reconciliation amount</b>				<b>Reconciliation amount</b>				<b>Reconciliation amount</b>			
Return	Depreciation	Revenue		Return	Depreciation	Revenue		Return	Depreciation	Revenue		Return	Depreciation	Revenue	
58,834	13,814	0,559	71,001.42	3,560,238	761,425	0,423,600	3,979,863.14	111,598	26,345	0,261	132,202.24	34,899	31,270	0,500	
58,834	13,814	0,559	71,001.42	3,560,238	761,425	0,423,600	3,979,863.14	111,598	26,345	0,261	132,202.24	34,899	31,270	0,500	

For Plant in Service  
 \*The Commercial End\* is equal to the amount of pre-comm  
 Revenue is equal to the "Netant" Investment" times FCR.  
 \*Reconciliation Amount\* is created in the reconciliation in AEs

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	PJM Upgrade ID: 01964				PJM Upgrade ID: 01972				PJM Upgrade ID: 01998				PJM Upgrade ID: 01999, 02002				PJM Upgrade ID: 02042			
	Middletown				Canton Center				Brownsville				Northwood				Whisper Hill Sub			
11	*Yes* if a project under PJM OATT Schedule 12, otherwise "No"																			
12	*Yes* if the customer has paid a lump sum payment in the amount of the investment on the 25. Otherwise "No"																			
13	input the allowed ROE																			
14	From line 3 above if "No" on line 12 and from line 7 above if "Yes" on line 12																			
15	If line 13 equals 12.7%, then line 4. If line 13 equals 11.7%, then line 5, and if line 12 is "Yes" then line 7																			
16	Forecast - End of prior year net plant plus current year forecast of CWIP or Cap Add.																			
17	reconciliation - Average of 13 month prior year net plant balances plus prior year 13-mo CWIP balances.																			
	7,100,146				538,814				2,153,735				0				1,439,258			
	164,538				11,968				4,010				0				33,236			
	<b>Reconciliation amount</b>				<b>Reconciliation amount</b>				<b>Reconciliation amount</b>				<b>Reconciliation amount</b>				<b>Reconciliation amount</b>			
18	Return	Depreciation	Revenue	Revenue	Return	Depreciation	Revenue	Revenue	Return	Depreciation	Revenue	Revenue	Return	Depreciation	Revenue	Revenue	Return	Depreciation	Revenue	Revenue
19	710.03	156.518	6,614.0	854,936.43	52.883	11,958	22,242	42,587.34	215.378	41.011	84.281	252,755.41	0	0	0	0.00	1414.30	32.236	6,604	169,031.55
20	710.03	156.538	6,640.0	854,936.43	52.893	11,968	22,242	42,597.34	215.378	41.011	84.281	252,755.41	0	0	0	0.00	1414.30	32.236	6,604	169,031.55

For Plant In Service  
 \*Pre-Commercial Exp\* is equal to the amount of pre-commercial  
 Revenue is equal to the "Return" \*Prepayment\* times FCR. 1  
 \*Reconciliation Amount\* is created in the reconciliation in AIs

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	PJM Upgrade ID: 61779				PJM Upgrade ID: 62748				PJM Upgrade ID: 66556				PJM Upgrade ID: 61021.1				PJM Upgrade ID: 61941			
	Buffalo River				Pleasant/Cogator				Cogator/Cogator				800 Jordan Substation				Madison/Lake Henry City			
11	*Yes* if a project under PJM OATT Schedule 12, otherwise "No"																			
12	*Yes* if the customer has paid a lump sum payment in the amount of the investment on the 25. Otherwise "No"																			
13	input the allowed ROE																			
14	From line 3 above if "No" on line 12 and from line 7 above if "Yes" on line 12																			
15	If line 13 equals 12.7%, then line 4. If line 13 equals 11.7%, then line 5, and if line 12 is "Yes" then line 7																			
16	Forecast - End of prior year net plant plus current year forecast of CWP or Cap Add.																			
17	Reconciliation - Average of 13 month prior year net plant balances plus prior year 13-mo CWP balances.																			
	Annual Depreciation (See Form Attachment 5)																			
	477,561				0				856,474				10,164,245				11,852,465			
	9,236				0				11,027				130,263				206,663			
	<b>Reconciliation amount</b>				<b>Reconciliation amount</b>				<b>Reconciliation amount</b>				<b>Reconciliation amount</b>				<b>Reconciliation amount</b>			
	Return	Depreciation	Revenue	Revenue	Return	Depreciation	Revenue	Revenue	Return	Depreciation	Revenue	Revenue	Return	Depreciation	Revenue	Revenue	Return	Depreciation	Revenue	Revenue
18	40,737	9,216	48,211	45,421.13	0	0	0	0.00	85,650	11,307	1,488	92,465.51	1,016,451	134,243	211,162	1,117,311.02	1,186,277	276,567	64,200	1,407,054.02
19	40,737	9,216	48,211	45,421.13	0	0	0	0.00	85,650	11,307	1,488	92,465.51	1,016,451	134,243	211,162	1,117,311.02	1,186,277	276,567	64,200	1,407,054.02
20	See Calculations for each item below																			

For Plant in Service  
 \*Pre-Commercial Exe\* is equal to the amount of pre-commercial  
 Revenue is equal to the "Return" Treatment (lines F(2) - I)  
 \*Reconciliation Amount\* is created in the reconciliation in A(5)



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	PJM Upgrade ID: 12343				PJM Upgrade ID: 11940				PJM Upgrade ID: 12235				PJM Upgrade ID: 12266			
	West Union				Biller Sub Area (West)				Missouri 35				Baltimore 55 Capacitor			
11	"Yes" if a project under PJM OATT Schedule 12, otherwise "No"				Yes				Yes				Yes			
12	"Yes" if the customer has paid a lump sum payment in the amount of the investment on line 20. Otherwise "No"				No				No				No			
13	Input the allowed ROE				11.30%				11.30%				11.30%			
14	From line 3, divide # "No" on line 12 and From line 7 above # "Yes" on line 13				10.0003%				10.0003%				10.0003%			
15	If line 13 equals 12.7%, then line 4. If line 13 equals 11.7%, then line 3, and if line 12 is "Yes" then line 7				10.0003%				10.0003%				10.0003%			
16	Forecast - End of prior year net plant plus current year forecast of OMP or Cap Add.				653,241				35,536,093				64,886			
17	reconciliation - Average of 15 month prior year net plant balances plus prior year 15-mo OMP balances.				16,793				442,819				12,210			
18	Annual Depreciation Exclusion Adjustment 5															
19	Reconciliation amount				Reconciliation amount				Reconciliation amount				Reconciliation amount			
20	Return	Depreciation	Revenue	Return	Depreciation	Revenue	Return	Depreciation	Revenue	Return	Depreciation	Revenue	Return	Depreciation	Revenue	
	65.2%	16,717	6,529	1,612,184	446,819	630,720	1,326,272	3,461,704	804,196	1146,680	4,300,201	66,490	12,210	12,210	61,916	
	65.2%	16,717	6,529	1,612,184	446,819	630,720	1,326,272	3,461,704	804,196	1146,680	4,300,201	66,490	12,210	12,210	61,916	

For Plant in Service  
 \*The Commercial End\* is equal to the amount of pre-commercial  
 Revenues is equal to the "Netant" Investment" (less FCR) +  
 "Reconciliation Amount" is created in the reconciliation in AEs

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	PJM Upgrade ID: 41882 & 41888				PJM Upgrade ID: 42555				PJM Upgrade ID: 41943				PJM Upgrade ID: 42376				PJM Upgrade ID: 42364 & 42364.1			
	Marquette SS				Johnson Sub. Capacitor				Chickadee Area Bus				Conestoga Capacity				Sigsbee Hub SS			
11	"Yes" if a project under PJM OATT Schedule 12, otherwise "No"				Yes				Yes				Yes				Yes			
12	"Yes" if the customer has paid a lump sum payment in the amount of the investment on line 12 and otherwise "No"				No				No				No				No			
13	input the allowed ROE				11.30%				11.30%				11.30%				11.30%			
14	From line 3 above if "No" on line 12 and From line 7 above if "Yes" on line 12				10.0000%				10.0000%				10.0000%				10.0000%			
15	If line 13 equals 12.7%, then line 4. If line 13 equals 11.7%, then line 5, and if line 12 is "Yes" then line 7				10.0000%				10.0000%				10.0000%				10.0000%			
16	Forecast - End of prior year net plant plus current year forecast of CWIP or Cap Add.				23,501,272				1,268,867				7,315,567				0			
17	reconciliation - Average of 13 month prior year net plant balances plus prior year 13-mo CWIP balances.				463,597				26,764				143,136				17,383,400			
17	Annual Depreciation (See Form Attachment 5)																463,294			
18	Reconciliation				Reconciliation				Reconciliation				Reconciliation				Reconciliation			
19	Return	Depreciation	amount	Revenue	Return	Depreciation	amount	Revenue	Return	Depreciation	amount	Revenue	Return	Depreciation	amount	Revenue	Return	Depreciation	amount	Revenue
20	2,350,188	401,647	62,878	2,688,244.07	129,889	28,746	6,448	153,169.13	731,576	143,126	28,120	866,371.52	0	0	0	0.00	1,758,386	482,244	54,942	2,295,411.59
20	2,920,188	401,647	92,878	2,688,244.07	129,889	28,746	6,448	153,169.13	731,576	143,126	28,120	866,371.52	0	0	0	0.00	1,758,386	482,244	54,942	2,295,411.59

For Plant In Service  
 \*Pre-Commercial Exp\* is equal to the amount of pre-commercial  
 Revenue is equal to the "Return" (Investment) times FCR.  
 \*Reconciliation Amount\* is created in the reconciliation in AIs

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	PJM Upgrade ID: b2542 & b2543.1				PJM Upgrade ID: b2546				PJM Upgrade ID: b2545				PJM Upgrade ID: b2541				PJM Upgrade ID: b2547, b2547.1, b2547.2											
	Squibb Valley WVO				Wingover/Upstator				Newcastle				Raccoonville				Erie South				Latta Gap							
11	Yes				Yes				Yes				Yes				Yes				Yes							
12	No				No				No				No				No				No							
13	11.30%				11.30%				11.30%				11.30%				11.30%				11.30%							
14	10.0003%				10.0003%				10.0003%				10.0003%				10.0003%				10.0003%							
15	10.0003%				10.0003%				10.0003%				10.0003%				10.0003%				10.0003%							
16	29,288,889				1,648,813				896,317				72,237,128				44,373,968				46,624,139							
17	923,123				46,983				19,669				1,654,498				1,374,413				854,536							
18	Reconciliation				Reconciliation				Reconciliation				Reconciliation				Reconciliation				Reconciliation							
19	Return	Depreciation	amount	Revenue	Return	Depreciation	amount	Revenue	Return	Depreciation	amount	Revenue	Return	Depreciation	amount	Revenue	Return	Depreciation	amount	Revenue	Return	Depreciation	amount	Revenue	Return	Depreciation	amount	Revenue
20	2,926,942	622,123	1,191,110	3,160,173.42	164,886	44,183	75,317	261,521.33	89,434	19,669	8,225	117,521.81	2,223,900	1,841,688	722,222	8,330,325.41	4,431,515	1,374,413	388,426	6,169,559.49	4,662,726	854,536	1,167,760	4,349,625.44	2,926,942	622,123	1,191,110	3,160,173.42

For Plant in Service  
 \*Pre-Commercial Exp\* is equal to the amount of pre-concrete  
 Revenue is equal to the "Recovery" Investment times FCR  
 \*Reconciliation Amount\* is created in the reconciliation in AEs

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	PJM Upgrade ID: 62075				PJM Upgrade ID: 61991				PJM Upgrade ID: 62291				PJM Upgrade ID: 62684				PJM Upgrade ID: 61041				PJM Upgrade ID: 62587																													
	Capex Round								Farmers Valley Substation								Damascus Substation								Warren Substation								Joffre Substation 91041								Piercedbrook Substation									
11	"Yes" if a project under PJM OATT Schedule 12, otherwise "No"																																																	
12	"Yes" if the customer has paid a lump sum payment in the amount of the investment on the 25. Otherwise "No"																																																	
13	Input the allowed ROE																																																	
14	From line 3, divide 9 "No" on line 12 and From line 7 above if "Yes" on line 12																																																	
15	If line 13 equals 12.7%, then line 4. If line 13 equals 11.7%, then line 3, and if line 12 is "Yes" then line 2																																																	
16	Forecast - End of prior year net plant plus current year forecast of CWP or Cap Add																																																	
17	reconciliation - Average of 13 month prior year net plant balances plus prior year 13-mo CWP balances.																																																	
18	Amount/Reconciliation Capex: Attachment 2																																																	
19	Reconciliation amount																																																	
20	See Calculations for each item below																																																	
	Return	Depreciation	Reconciliation amount	Revenue	Return	Depreciation	Reconciliation amount	Revenue	Return	Depreciation	Reconciliation amount	Revenue	Return	Depreciation	Reconciliation amount	Revenue	Return	Depreciation	Reconciliation amount	Revenue	Return	Depreciation	Reconciliation amount	Revenue	Total	Incentive Charge	Revenue Credit	\$6,434,522.04																						
	10,667,753	2,121,269	1,662,436	11,848,477.03	1,835,937	817,724	191,268	4,813,458.84	123,435	15,217	69,027	197,868.75	2,126,190	213,742	366,629	3,802,561.64	0	0	0	0	0	0	0	0	0	0	0	0	0	0																				
	10,667,753	2,121,269	1,662,436	11,848,477.03	1,835,937	817,724	191,268	4,813,458.84	123,435	15,217	69,027	197,868.75	2,126,190	213,742	366,629	3,802,561.64	0	0	0	0	0	0	0	0	0	0	0	0	0	0																				

For Plant in Service  
 The Commercial Exp. is equal to the amount of one common  
 Revenue is equal to the "Return" / "Investment" times FCOR.  
 "Reconciliation Amount" is created in the reconciliation in AEs

As A Line 148

Template for Annual Information Filings with Formula Rate Debt Cost Disclosure and True-Up  
Attachment 8, page 1, Table 1 and 2  
Template for Annual Information Filings with Formula Rate Debt Cost Disclosure and True-Up

TABLE 1: Summary Cost of Long Term Debt

CALCULATION OF COST OF DEBT

YEAR ENDED 12/31/2017

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
	Issue Date	Maturity Date	ORIGINAL ISSUANCE	Net Proceeds At Issuance	Net Amount Outstanding at t=N	Months Outstanding at t=N	Average Net Outstanding in Year** z'	Weighted Outstanding Rates	Effective Cost Rate (Tables 2 and 3)	Weighted Debt Cost at t = N (N) * (i)
<b>Long Term Debt ( 12/31/2017</b>										
(1)	12/11/2014	6/2/2025	\$ 550,000,000	\$ 545,247,429	\$ 546,627,492	12	\$ 546,627,492.00	88.00%	3.95%	3.48%
(2)	10/16/2015	5/30/2025	\$ 75,000,000	\$ 74,437,847	\$ 74,565,066	12	\$ 74,565,066.00	12.004%	3.85%	0.46%
<b>Total</b>			<b>\$ 625,000,000</b>		<b>\$ 621,192,558</b>		<b>\$ 621,192,558</b>	<b>100.000%</b>		<b>3.94%</b>

t = time  
The current portion of long term debt is included in the Net Amount Outstanding at t = N in these calculations.  
The outstanding amount (column (e)) for debt retired during the year is the outstanding amount at the last month it was outstanding.  
\* z = Average of monthly balances for months outstanding during the year (average of the balances for the 12 months of the year, with zero in months that the issuance is not outstanding in a month).  
Interest (individual debenture) debt cost calculations shall be taken to four decimals in percentages (7.2300%, 5.2582%); Final Total Weighted Average Debt Cost for the Formula Rate shall be rounded to two decimals of a percent (7.23%).  
\*\* This Total Weighted Average Debt Cost will be shown on Line 101 of formula rate Appendix A.

TABLE 2: Effective Cost Rates For Traditional Front-Loaded Debt Issuances:

YEAR ENDED 12/31/2017

	(aa)	(bb)	(cc)	(dd) (Discount) Premium at Issuance	(ee) Issuance Expense	(ff) Loss/Gain on Rescoured Debt	(gg) Less Related ADIT (Attachment 1)	(hh) Net Proceeds	(ii) Net Proceeds Ratio	(jj) Coupon Rate	(kk) Annual Interest	(ll) Effective Cost Rate (Yield to Maturity at Issuance, t = 0)
(1)	3.85%, Senior Unsecured No	12/11/2014	6/2/2025	\$ 550,000,000	\$ (418,000)		xxx	\$ 545,247,429	99.1359	0.03850	\$ 21,175,000	3.95%
(2)	3.76%, Senior Unsecured Notes	10/16/2015	5/30/2025	75,000,000	69,353			\$ 74,437,847	99.2502	0.0376	\$ 2,820,000	3.85%
<b>TOTALS</b>			<b>\$ 625,000,000</b>	<b>(418,000)</b>	<b>\$ 4,896,924</b>	<b>-</b>	<b>xxx</b>	<b>\$ 619,685,076</b>			<b>\$ 23,995,000</b>	

\* YTM at issuance calculated from an acceptable bond table or from YTM = Internal Rate of Return (IRR) calculation.  
Effective Cost Rate of Individual Debenture (YTM at issuance): the IFO Cashflow C<sub>t</sub> equals Net Proceeds column (gg); Semi-annual (or other) interest cashflows (C<sub>1/2</sub>, C<sub>3/4</sub>, etc.).





Trans-Allegheny Interstate Line Company

Attachment 9 - Financing Costs for Long Term Debt using the Internal Rate of Return Methodology

TRAILCo anticipates its financing will be a 7 year loan, where by TRAILCo pays Origination Fees of \$5.2 million and a Commitments Fee of 0.3% on the undrawn principle. Consistent with GAAP, TRAILCo will amortize the Origination Fees and Commitments Fees using the standard Internal Rate of Return formula below. Each year, TRAILCo will true up the amounts withdrawn, the interest paid in the year, Origination Fees, Commitments Fees, and total loan amount on this attachment.

Total Loan Amount	\$ 900,000,000
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Internal Rate of Return <sup>1</sup>	4.886348%
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Based on following Financial Formula<sup>2</sup>:

$$NPV = 0 = \sum_{t=1}^N C_t / (1 + IRR)^{pwr(t)}$$

Origination Fees	7,780,954
Origination Fees	15,125
Addition Origination Fees	
Total Issuance Expense	7,796,079

Revolving Credit Commitment Fee	New Borrowing	Old Borrowing
Revolving Credit Commitment Fee	0.005	0.0050
		0.0037

After borrowing is at the midpoint (\$275,000)

2/9/2011	Q1	(95,000,000)	705,000,000	789,154,923	797,767.78		(95,797,768)	-	(797,768)
2/9/2011	Q1	115,000,000	820,000,000	693,357,156			115,000,000	-	-
2/14/2011	Q1	(140,000,000)	680,000,000	808,357,156	1,201,215.56		(141,201,216)	528,453	(672,763)
2/14/2011	Q1	140,000,000	820,000,000	667,684,393			140,000,000	-	-
2/16/2011	Q1		820,000,000	807,684,393		3,098.63	(3,099)	211,164	211,164
4/1/2011	Q2	-	820,000,000	807,892,458			(97,778)	4,659,577	4,659,577
4/14/2011	Q2	10,000,000	830,000,000	812,454,257			10,000,000	1,381,663	1,381,663
4/26/2011	Q2	(115,000,000)	715,000,000	823,835,920	949,900.00		(115,949,900)	1,293,164	343,264
4/26/2011	Q2	115,000,000	830,000,000	709,179,184			115,000,000	-	-
5/9/2011	Q2	(115,000,000)	715,000,000	824,179,184	941,620.00		(115,941,620)	1,401,603	459,983
5/9/2011	Q2	140,000,000	575,000,000	709,639,166	1,081,920.00		(141,081,920)	-	(1,081,920)
5/9/2011	Q2	(10,000,000)	565,000,000	568,557,246	22,375.00		(10,022,375)	-	(22,375)
5/9/2011	Q2	235,000,000	800,000,000	558,534,871			235,000,000	-	-
5/16/2011	Q2	(235,000,000)	565,000,000	793,534,871	145,034.17		(235,145,034)	726,363	581,329
5/16/2011	Q2	235,000,000	800,000,000	559,116,200			235,000,000	-	-
5/23/2011	Q2	(235,000,000)	565,000,000	794,116,200	144,805.69		(235,144,806)	726,895	582,089
5/23/2011	Q2	50,000,000	615,000,000	559,698,289			50,000,000	-	-
5/26/2011	Q2	(115,000,000)	500,000,000	609,698,289	307,912.50	233,657	(115,541,569)	239,118	(68,795)
6/23/2011	Q2	(50,000,000)	450,000,000	494,395,838	88,994.45		(50,088,994)	1,812,670	1,723,675
6/23/2011	Q2	20,000,000	470,000,000	446,119,513			20,000,000	-	-
7/6/2011	Q3		470,000,000	466,119,513			(171,736)	792,685	792,685
7/15/2011	Q3		470,000,000	466,740,462	9,000,000		(9,000,000)	549,369	(8,450,631)
7/25/2011	Q3	(20,000,000)	450,000,000	458,289,831	34,417.78		(20,034,418)	599,398	564,980
10/18/2011	Q4		450,000,000	438,854,811			(290,417)	4,902,813	4,902,813
1/17/2012	Q1		450,000,000	443,467,207	9,000,000		(9,000,000)	5,306,145	(3,693,855)
3/2/2012	Q1		450,000,000	439,773,352		3,070.00	(3,070)	2,594,240	2,594,240
7/15/2012	Q3		450,000,000	442,364,522			(9,000,000)	7,874,647	(1,125,153)
1/15/2013	Q1		450,000,000	441,239,369	9,000,000		(9,000,000)	10,740,283	1,740,283
7/15/2013	Q3		450,000,000	442,979,652	9,000,000		(9,000,000)	10,604,752	1,604,752
1/15/2014	Q1		450,000,000	444,584,404	9,000,000		(9,000,000)	10,821,705	1,821,705
7/15/2014	Q3		450,000,000	446,406,108	9,000,000		(9,000,000)	10,686,780	1,686,780
1/15/2015	Q1	(450,000,000)	-	448,092,888	9,000,000		(459,000,000)	10,907,105	1,907,105

Commitment fees for 4th quarter 2008



**ATTACHMENT 3**  
**Accounting of Transfers Between**  
**CWIP and Plant In Service**

Trans-Allegheny Interstate Line Company  
 Detail Transfers from CWIP to Plant in Service  
 2017 Reconciliation of Transmission Revenue Requirement Formula Rate

Work Order ID	Work Order Number	FERC Account 101/106 Sub-Account	Project / Description	Amount	Date of Transfer from CWIP to Plant in Service
<b>TrAIL Projects</b>					
<b>502 Junction to Territorial Line</b>					
13418659	478437863	35500	Line Construction 1	659.13	May 1, 2017
	478437863	35500	Line Construction 1	(30.59)	June 1, 2017
	478437863	35022, 35400, 35610, 35500	Line Construction 1	<u>(291,182.63)</u>	August 1, 2017
			Total	(290,554.09)	
13412255	478229242	35500	Line Construction 2	3,618.97	January 1, 2017
	478229242	35500	Line Construction 2	2,870.99	February 1, 2017
	478229242	35500	Line Construction 2	1,856.42	March 1, 2017
	478229242	35500	Line Construction 2	1,511.60	April 1, 2017
	478229242	35500	Line Construction 2	1,202.62	May 1, 2017
	478229242	35500	Line Construction 2	166,274.37	June 1, 2017
	478229242	35500	Line Construction 2	7,858.28	July 1, 2017
	478229242	35022, 35400, 35610, 35500	Line Construction 2	<u>(260,342.55)</u>	August 1, 2017
	478229242	35022, 35400, 35610, 35500	Line Construction 2	454,134.66	September 1, 2017
	478229242	35022, 35400, 35610, 35500	Line Construction 2	4,107.67	October 1, 2017
	478229242	35022, 35400, 35610, 35500	Line Construction 2	5,497.36	November 1, 2017
	478229242	35022, 35400, 35610, 35500	Line Construction 2	<u>7,257.66</u>	December 1, 2017
			Total	395,848.05	
14083631	686847146	35620	TREP TrAIL Engineering	65,833.66	June 1, 2017
	686847146	35620	TREP TrAIL Engineering	<u>(65,833.62)</u>	July 1, 2017
			Total	0.04	
13420168	478541516	35400	Appalachian TrAIL - Loudoun Line	30,352.72	March 1, 2017
	478541516	35400	Appalachian TrAIL - Loudoun Line	<u>7,688.24</u>	April 1, 2017
			Total	38,040.96	
D-01458.1429C	4410319	35011	Property Purchase	(130,701.14)	December 1, 2017
D-01458.1403C	4401479	35500	Const 500kv line 502J-MTS (WV)	1,357.49	February 1, 2017
D-01458.3411C	4405648	35610	TrAIL - VA TL 500 kv	1,642.51	February 1, 2017
14692817	759166158	35610	TrAIL - VA TL 500 kv	388.39	January 1, 2017
	759166158	35610	TrAIL - VA TL 500 kv	407.64	February 1, 2017
	759166158	35610	TrAIL - VA TL 500 kv	<u>11.80</u>	December 1, 2017
			Total	807.83	
14732069	770275175	35610	502 Jct - Mt Storm 500kV	2.70	December 1, 2017
14732988	770346587	35610	Mt Storm-Mdwbrk 500kV	2.70	December 1, 2017
14692838	759166143	35610	Mt Storm-Meadowbrook 500kv WV	157.08	February 1, 2017
	759166143	35610	Mt Storm-Meadowbrook 500kv WV	<u>108.74</u>	March 1, 2017
			Total	265.82	
13416100	478316423	35022, 35400, 35610, 35500	Line Construction 16	6,269.90	August 1, 2017
	478316423	35022, 35400, 35610	Line Construction 16	9,232.42	October 1, 2017
	478316423	35022, 35400, 35610	Line Construction 16	3,721.25	November 1, 2017
	478316423	35022, 35400, 35610	Line Construction 16	<u>1,915.21</u>	December 1, 2017
			Total	21,138.78	

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Work Order ID	Work Order Number	FERC Account 101/106 Sub-Account	Project / Description	Amount	Date of Transfer from CWIP to Plant in Service
<b>TrAIL Projects</b>					
14620046	740069164	35610	502 Jct. Mt Storm 500kv	615.03	January 1, 2017
	740069164	35610	502 Jct. Mt Storm 500kv	512.71	February 1, 2017
	740069164	35610	502 Jct. Mt Storm 500kv	89.38	March 1, 2017
	740069164	35610	502 Jct. Mt Storm 500kv	308.63	July 1, 2017
	740069164	35610	502 Jct. Mt Storm 500kv	(51.20)	August 1, 2017
	740069164	35610	502 Jct. Mt Storm 500kv	<u>35.07</u>	December 1, 2017
			Total	1,509.62	
14908310	801737170	35610	536 502 Junction Mt Storm 500kv	3,936.22	January 1, 2017
14936079	804969618	35610	502 Jct - Mt Storm #536 Repl OPGW	(43,323.67)	January 1, 2017
	804969618	35610	502 Jct - Mt Storm #536 Repl OPGW	(104,441.06)	February 1, 2017
	804969618	35610	502 Jct - Mt Storm #536 Repl OPGW	(36,290.55)	March 1, 2017
	804969618	35610	502 Jct - Mt Storm #536 Repl OPGW	36,925.25	April 1, 2017
	804969618	35610	502 Jct - Mt Storm #536 Repl OPGW	18.62	May 1, 2017
	804969618	35610	502 Jct - Mt Storm #536 Repl OPGW	18,532.78	November 1, 2017
	804969618	35610	502 Jct - Mt Storm #536 Repl OPGW	<u>44,135.63</u>	December 1, 2017
			Total	(84,443.00)	
15280841	850588822	35610	Meadow Brook - Mt. Storm	213,037.27	May 1, 2017
	850588822	35610	Meadow Brook - Mt. Storm	(3,062.61)	June 1, 2017
	850588822	35610	Meadow Brook - Mt. Storm	9,454.47	July 1, 2017
	850588822	35610	Meadow Brook - Mt. Storm	29,486.26	August 1, 2017
	850588822	35610	Meadow Brook - Mt. Storm	(705.69)	September 1, 2017
	850588822	35610	Meadow Brook - Mt. Storm	(3,070.47)	October 1, 2017
	850588822	35610	Meadow Brook - Mt. Storm	(9,394.95)	November 1, 2017
	850588822	35610	Meadow Brook - Mt. Storm	<u>(25,159.40)</u>	December 1, 2017
			Total	210,584.88	
15302452	853274105	35610	502 Junction - Mt. Storm 500k	(26.82)	June 1, 2017
	853274105	35610	502 Junction - Mt. Storm 500k	<u>26.82</u>	July 1, 2017
			Total	0.00	
13418878	478439181	35022, 35400, 35610, 35500	Line Construction 13	7.13	August 1, 2017
13418900	478439187	35022, 35400, 35610, 35500	Line Construction 14	156.08	August 1, 2017
14991086	811995625	35300	FE South Trans HQ-Inst MPLS Router	352,999.63	August 1, 2017
	811995625	35300	FE South Trans HQ-Inst MPLS Router	(10.00)	September 1, 2017
	811995625	35300	FE South Trans HQ-Inst MPLS Router	<u>197.35</u>	December 1, 2017
			Total	353,186.98	
D-01458.1301C	4401291	35300	TRAIL PID for time MTS	(29,325.18)	September 1, 2017
Various	Various	35620	Vegetation Management	543,964.31	August 1, 2017
			Total 502 Junction to Territorial Line	<u>1,037,428.69</u>	
<b>Other Projects</b>					
	654797117	35300	Bartonville 138 kV 32.4 Cap Topside	(9.21)	January 1, 2017
	654797117	35300	Bartonville 138 kV 32.4 Cap Topside	162.45	May 1, 2017
	654797117	35300	Bartonville 138 kV 32.4 Cap Topside	184,625.15	June 1, 2017
	654797117	35300	Bartonville 138 kV 32.4 Cap Topside	3,126.07	September 1, 2017
	654797117	35300	Bartonville 138 kV 32.4 Cap Topside	156.16	October 1, 2017
	654797117	35300	Bartonville 138 kV 32.4 Cap Topside	3.84	November 1, 2017
	654797117	35300	Bartonville 138 kV 32.4 Cap Topside	<u>8.94</u>	December 1, 2017
			Total	188,073.40	

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Work Order ID	Work Order Number	FERC Account 101/106 Sub-Account	Project / Description	Amount	Date of Transfer from CWIP to Plant in Service
<b>TrAIL Projects</b>					
14265429	536139128	35210, 35300	SS - Claysburg 115 kV Ring Bus - RT	2,951.44	January 1, 2017
	536139128	35210, 35300	SS - Claysburg 115 kV Ring Bus - RT	278.00	June 1, 2017
	536139128	35210, 35300	SS - Claysburg 115 kV Ring Bus - RT	92.67	August 1, 2017
	536139128	35210, 35300	SS - Claysburg 115 kV Ring Bus - RT	<u>4,006.56</u>	September 1, 2017
				Total	7,328.67
14097794	511281973	35500, 35610	Build 230kV Line - Conemaugh to Sew	2,082.10	February 1, 2017
	775778834	35011	Land Purchase-Pierce Brook Substati	1,539.30	June 1, 2017
	775778834	35011	Land Purchase-Pierce Brook Substati	(925.84)	July 1, 2017
	775778834	35011	Land Purchase-Pierce Brook Substati	<u>223,654.11</u>	September 1, 2017
				Total	224,267.57
13123150	719157878	35300	Grover Sub - Install a 47.7 MVAR 24	(5,465.53)	June 1, 2017
	719157878	35300	Grover Sub - Install a 47.7 MVAR 24	166.10	August 1, 2017
	719157878	35300	Grover Sub - Install a 47.7 MVAR 24	(166.10)	September 1, 2017
			Total	(5,465.53)	
14754065	495300103	35300	Kammer SS:T2 Xfmr Trans Maint	(2,041.63)	June 1, 2017
	495300103	35300	Kammer SS:T2 Xfmr Trans Maint	<u>622.94</u>	July 1, 2017
			Total	(1,418.69)	
14560598	511281437	35210, 35300	Mansfield-Everts Dr-Build new 345/1	1,875.95	January 1, 2017
	511281437	35210, 35300	Mansfield-Everts Dr-Build new 345/1	11,399.46	February 1, 2017
	511281437	35210, 35300	Mansfield-Everts Dr-Build new 345/1	1,780.64	March 1, 2017
	511281437	35210, 35300	Mansfield-Everts Dr-Build new 345/1	17,477.52	April 1, 2017
	511281437	35210, 35300	Mansfield-Everts Dr-Build new 345/1	6,201.90	May 1, 2017
	511281437	35210, 35300	Mansfield-Everts Dr-Build new 345/1	1,491.66	June 1, 2017
	511281437	35210, 35300	Mansfield-Everts Dr-Build new 345/1	458.84	July 1, 2017
13526185	511281437	35210, 35300	Mansfield-Everts Dr-Build new 345/1	504.52	August 1, 2017
	511281437	35210, 35300	Mansfield-Everts Dr-Build new 345/1	1,891.42	September 1, 2017
	511281437	35210, 35300	Mansfield-Everts Dr-Build new 345/1	1,477.31	October 1, 2017
	511281437	35210, 35300	Mansfield-Everts Dr-Build new 345/1	308.96	November 1, 2017
13302963	511281437	35210, 35300	Mansfield-Everts Dr-Build new 345/1	<u>1,517.70</u>	December 1, 2017
			Total	46,385.88	
14203470	540946841	35300	Monocacy SS - Inst. SVC Facilities	51.37	February 1, 2017
	540946841	35300	Monocacy SS - Inst. SVC Facilities	35.59	March 1, 2017
	540946841	35300	Monocacy SS - Inst. SVC Facilities	1,873.07	June 1, 2017
	540946841	35300	Monocacy SS - Inst. SVC Facilities	3,591.45	July 1, 2017
	540946841	35300	Monocacy SS - Inst. SVC Facilities	(1,587.58)	August 1, 2017
	540946841	35300	Monocacy SS - Inst. SVC Facilities	793.51	September 1, 2017
	540946841	35300	Monocacy SS - Inst. SVC Facilities	(41.99)	October 1, 2017
	540946841	35300	Monocacy SS - Inst. SVC Facilities	<u>476.67</u>	December 1, 2017
			Total	5,192.09	
	503025824	35300	Moshannon 230 kV - Construct 4 brea	92.67	May 1, 2017
	503025824	35300	Moshannon 230 kV - Construct 4 brea	<u>93,984.25</u>	October 1, 2017
			Total	94,076.92	
13609744	544530217	35300	Oak Mound Terminal Addition	39,671.16	January 1, 2017
	544530217	35300	Oak Mound Terminal Addition	73,327.06	February 1, 2017
	544530217	35300	Oak Mound Terminal Addition	21,998.10	March 1, 2017
	544530217	35300	Oak Mound Terminal Addition	14,428.32	April 1, 2017
	544530217	35300	Oak Mound Terminal Addition	2,385.06	May 1, 2017
	544530217	35300	Oak Mound Terminal Addition	(4,871.39)	June 1, 2017
	544530217	35300	Oak Mound Terminal Addition	(1,740.90)	July 1, 2017
	544530217	35300	Oak Mound Terminal Addition	(99.78)	August 1, 2017
	544530217	35300	Oak Mound Terminal Addition	(9,665.37)	September 1, 2017
	544530217	35300	Oak Mound Terminal Addition	1,279.64	October 1, 2017
	544530217	35300	Oak Mound Terminal Addition	<u>9,868.39</u>	December 1, 2017
		Total	146,580.29		
14258663	513124964	35210, 35220, 35300	TrAIL -Rider SS Ring Bus	1,491.30	January 1, 2017
	513124964	35210, 35220, 35300	TrAIL -Rider SS Ring Bus	2,641.07	February 1, 2017
	513124964	35210, 35220, 35300	TrAIL -Rider SS Ring Bus	526.02	March 1, 2017
	513124964	35210, 35220, 35300	TrAIL -Rider SS Ring Bus	(13,245.79)	June 1, 2017
	513124964	35220, 35300	TrAIL -Rider SS Ring Bus	1,280.38	August 1, 2017
	513124964	35210, 35220, 35300	TrAIL -Rider SS Ring Bus	<u>(1,280.38)</u>	September 1, 2017
			Total	(8,587.40)	
710349743	35500, 35610	138-kV Loop to Rider Sub	12,982,471.49	January 1, 2017	
710349743	35500, 35610	138-kV Loop to Rider Sub	8,129,750.70	February 1, 2017	
710349743	35500, 35610	138-kV Loop to Rider Sub	726,919.01	March 1, 2017	

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Work Order ID	Work Order Number	FERC Account 101/106 Sub-Account	Project / Description	Amount	Date of Transfer from CWIP to Plant in Service
<b>TrAIL Projects</b>					
13722767	710349743	35500, 35610	138-kV Loop to Rider Sub	(5,322,163.66)	April 1, 2017
	710349743	35500, 35610	138-kV Loop to Rider Sub	<u>90.30</u>	May 1, 2017
			Total	16,517,067.84	
	509201475	35500	Rider 138kV Line ext	(14,265,296.86)	January 1, 2017
	509201475	35500	Rider 138kV Line ext	(9,008,906.03)	February 1, 2017
	509201475	35500	Rider 138kV Line ext	(836,792.12)	March 1, 2017
	509201475	35500	Rider 138kV Line ext	(37,740.60)	April 1, 2017
14516970	509201475	35500	Rider 138kV Line ext	599.27	May 1, 2017
	509201475	35500	Rider 138kV Line ext	(40.74)	June 1, 2017
	509201475	35500	Rider 138kV Line ext	61.12	July 1, 2017
	509201475	35500	Rider 138kV Line ext	130.58	August 1, 2017
	509201475	35500	Rider 138kV Line ext	(342.33)	September 1, 2017
	509201475	35500	Rider 138kV Line ext	1,256.70	October 1, 2017
	509201475	35500	Rider 138kV Line ext	(2,065.29)	November 1, 2017
13469732	509201475	35500	Rider 138kV Line ext	<u>3,364,583.51</u>	December 1, 2017
			Total	(20,784,552.79)	
	713632077	35300	Rider SS: Ring Bus & 138 kV Line	157.06	June 1, 2017
	513060926	35022	Trail ROW-Rider SS Ring Bus & 138 k	1,165.10	January 1, 2017
	513060926	35022	Trail ROW-Rider SS Ring Bus & 138 k	756.53	March 1, 2017
	513060926	35022	Trail ROW-Rider SS Ring Bus & 138 k	191.06	April 1, 2017
	513060926	35022	Trail ROW-Rider SS Ring Bus & 138 k	10,000.00	October 1, 2017
	513060926	35022	Trail ROW-Rider SS Ring Bus & 138 k	<u>20.88</u>	December 1, 2017
			Total	12,133.57	
	545747247	35300	Shingletown SS:Inst 75MVAR 230kV Ca	32.66	January 1, 2017
13722842	534342055	35210, 35300	Squab Hollow SS: TrAILCo CIAC/230-	(8,102.40)	January 1, 2017
	534342055	35210, 35300	Squab Hollow SS: TrAILCo CIAC/230-	<u>1,439.46</u>	March 1, 2017
13721318			Total	(6,662.94)	
	536767657	35610	Glenn Falls Lamberton Loop 138kv	(1,740,182.60)	November 1, 2017
	745092783	35011	Joffre SS Land Purchase	657.69	January 1, 2017
	745092783	35011	Joffre SS Land Purchase	743.44	February 1, 2017
	745092783	35011	Joffre SS Land Purchase	482.85	March 1, 2017
13956791	745092783	35011	Joffre SS Land Purchase	846.57	April 1, 2017
	745092783	35011	Joffre SS Land Purchase	36,376.64	May 1, 2017
14057705	745092783	35011	Joffre SS Land Purchase	4,205.35	June 1, 2017
	745092783	35011	Joffre SS Land Purchase	2,796.33	July 1, 2017
	745092783	35011	Joffre SS Land Purchase	<u>4,535.05</u>	August 1, 2017
			Total	50,643.92	
14082160	540699748	35300	Erie South: Install +250/-100 MVAR	(13,354.58)	January 1, 2017
14651143	540699748	35300	Erie South: Install +250/-100 MVAR	23,962.57	February 1, 2017
	540699748	35300	Erie South: Install +250/-100 MVAR	15,510.78	March 1, 2017
	540699748	35210, 35220, 35300	Erie South: Install +250/-100 MVAR	6,721.46	April 1, 2017
	540699748	35210, 35220, 35300	Erie South: Install +250/-100 MVAR	13,734.72	May 1, 2017
	540699748	35210, 35220, 35300	Erie South: Install +250/-100 MVAR	128,061.65	June 1, 2017
	540699748	35210, 35220, 35300	Erie South: Install +250/-100 MVAR	14,624.79	July 1, 2017
	540699748	35210, 35220, 35300	Erie South: Install +250/-100 MVAR	4,981.62	August 1, 2017
	540699748	35210, 35220, 35300	Erie South: Install +250/-100 MVAR	884.27	September 1, 2017
	540699748	35210, 35220, 35300	Erie South: Install +250/-100 MVAR	5,429.75	October 1, 2017
	540699748	35210, 35220, 35300	Erie South: Install +250/-100 MVAR	5,305.86	November 1, 2017
14197715	540699748	35210, 35220, 35300	Erie South: Install +250/-100 MVAR	<u>(1,744.54)</u>	December 1, 2017
			Total	204,118.35	
	523690351	35300	Pierce Brook Sub: Install 345/230 kV	156,412.46	January 1, 2017
	523690351	35300	Pierce Brook Sub: Install 345/230 kV	88,568.04	February 1, 2017
	523690351	35300	Pierce Brook Sub: Install 345/230 kV	319,577.63	March 1, 2017
	523690351	35210, 35220, 35300	Pierce Brook Sub: Install 345/230 kV	(28,662.86)	April 1, 2017
	523690351	35210, 35220, 35300	Pierce Brook Sub: Install 345/230 kV	(60,857.59)	May 1, 2017
	523690351	35210, 35220, 35300	Pierce Brook Sub: Install 345/230 kV	397,145.53	June 1, 2017
	523690351	35210, 35220, 35300	Pierce Brook Sub: Install 345/230 kV	56,996.78	July 1, 2017
	523690351	35210, 35220, 35300	Pierce Brook Sub: Install 345/230 kV	7,357.73	August 1, 2017
	523690351	35210, 35220, 35300	Pierce Brook Sub: Install 345/230 kV	16,895.12	September 1, 2017
	523690351	35210, 35220, 35300	Pierce Brook Sub: Install 345/230 kV	284,540.72	October 1, 2017
	523690351	35210, 35220, 35300	Pierce Brook Sub: Install 345/230 kV	58,397.25	November 1, 2017
13547208	523690351	35210, 35220, 35300	Pierce Brook Sub: Install 345/230 kV	<u>29,524.67</u>	December 1, 2017
			Total	1,325,895.48	
	765959807	35300	Mainsburg Substation	58,309.37	January 1, 2017
	765959807	35300	Mainsburg Substation	63,464.54	February 1, 2017
	765959807	35300	Mainsburg Substation	(838.29)	March 1, 2017
	765959807	35300	Mainsburg Substation	11,194.23	April 1, 2017
	765959807	35300	Mainsburg Substation	183.35	May 1, 2017
	765959807	35300	Mainsburg Substation	248.12	June 1, 2017
	765959807	35300	Mainsburg Substation	127.92	July 1, 2017
	765959807	35300	Mainsburg Substation	(29.30)	August 1, 2017
	765959807	35300	Mainsburg Substation	<u>7,359.86</u>	December 1, 2017
			Total	140,019.80	

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<b>TrAIL Projects</b>					
14716425	542480347	35300	Conemaugh Sub	473.54	February 1, 2017
	542480347	35300	Conemaugh Sub	<u>327.85</u>	March 1, 2017
			Total	801.39	
	544496386	35022	Oak Mound - Waldo Run #1	10,345.80	January 1, 2017
	544496386	35022	Oak Mound - Waldo Run #1	1,122.86	February 1, 2017
	544496386	35022	Oak Mound - Waldo Run #1	8,295.30	March 1, 2017
	544496386	35022	Oak Mound - Waldo Run #1	8,839.52	April 1, 2017
	544496386	35022	Oak Mound - Waldo Run #1	8,525.04	May 1, 2017
	544496386	35022	Oak Mound - Waldo Run #1	165,872.32	June 1, 2017
	544496386	35022	Oak Mound - Waldo Run #1	22,007.20	July 1, 2017
13123835	544496386	35022	Oak Mound - Waldo Run #1	21,504.25	August 1, 2017
	544496386	35022	Oak Mound - Waldo Run #1	914.39	September 1, 2017
	544496386	35022	Oak Mound - Waldo Run #1	23,477.00	October 1, 2017
	544496386	35022	Oak Mound - Waldo Run #1	5,769.48	November 1, 2017
14258354	544496386	35022	Oak Mound - Waldo Run #1	<u>(27,296.64)</u>	December 1, 2017
			Total	249,376.52	
	678978199	35300	Waldo Run Sub	116.32	January 1, 2017
	678978199	35300	Waldo Run Sub	4,582.14	February 1, 2017
	678978199	35300	Waldo Run Sub	3,402.04	March 1, 2017
	678978199	35300	Waldo Run Sub	369.26	April 1, 2017
	678978199	35300	Waldo Run Sub	0.16	May 1, 2017
	678978199	35300	Waldo Run Sub	292.86	September 1, 2017
	678978199	35300	Waldo Run Sub	2,886.58	October 1, 2017
	678978199	35300	Waldo Run Sub	3,203.18	November 1, 2017
	678978199	35300	Waldo Run Sub	<u>4,233.25</u>	December 1, 2017
			Total	19,085.79	
14435971	689555528	35500, 35610	Oak Mound - Waldo Run #1	236,269.26	January 1, 2017
	689555528	35500, 35610	Oak Mound - Waldo Run #1	28.63	February 1, 2017
	689555528	35500, 35610	Oak Mound - Waldo Run #1	19.82	March 1, 2017
	689555528	35500, 35610	Oak Mound - Waldo Run #1	41,276,252.90	August 1, 2017
	689555528	35500, 35610	Oak Mound - Waldo Run #1	<u>12,184,748.21</u>	September 1, 2017
			Total	53,697,318.82	
	6895555910	35500, 35610	Oak Mound - Waldo Run #1	(139,661.78)	January 1, 2017
	6895555910	35500, 35610	Oak Mound - Waldo Run #1	227,715.93	February 1, 2017
	6895555910	35500, 35610	Oak Mound - Waldo Run #1	214,248.72	March 1, 2017
	6895555910	35500, 35610	Oak Mound - Waldo Run #1	124,924.37	April 1, 2017
14464107	6895555910	35500, 35610	Oak Mound - Waldo Run #1	322,565.25	May 1, 2017
	6895555910	35500, 35610	Oak Mound - Waldo Run #1	379,676.56	June 1, 2017
	6895555910	35500, 35610	Oak Mound - Waldo Run #1	118,159.86	July 1, 2017
	6895555910	35500, 35610	Oak Mound - Waldo Run #1	(19,397,600.76)	August 1, 2017
	6895555910	35500, 35610, 35900	Oak Mound - Waldo Run #1	(5,809,858.21)	September 1, 2017
	6895555910	35500, 35610, 35900	Oak Mound - Waldo Run #1	44,868.43	October 1, 2017
	6895555910	35500, 35610, 35900	Oak Mound - Waldo Run #1	(38,469.30)	November 1, 2017
	6895555910	35500, 35610, 35900	Oak Mound - Waldo Run #1	<u>4,849.10</u>	December 1, 2017
			Total	(23,948,581.83)	
		544395083	35610	Oak Mound - Waldo Run 138 kv	65,720.72
	544395083	35610	Oak Mound - Waldo Run 138 kv	272,364.24	February 1, 2017
	544395083	35610	Oak Mound - Waldo Run 138 kv	127,229.35	March 1, 2017
	544395083	35610	Oak Mound - Waldo Run 138 kv	220,706.46	April 1, 2017
	544395083	35610	Oak Mound - Waldo Run 138 kv	176,588.87	May 1, 2017
	544395083	35610	Oak Mound - Waldo Run 138 kv	183,288.52	June 1, 2017
	544395083	35610	Oak Mound - Waldo Run 138 kv	26,871.23	July 1, 2017
	544395083	35610	Oak Mound - Waldo Run 138 kv	(28,100,236.67)	August 1, 2017
	544395083	35610	Oak Mound - Waldo Run 138 kv	(561,637.27)	September 1, 2017
	544395083	35610	Oak Mound - Waldo Run 138 kv	<u>5,088,057.46</u>	December 1, 2017
			Total	(22,501,047.09)	
14080138	711507286	35300	Joffre Substation - Construct 138kv	393,433.46	January 1, 2017
	711507286	35300	Joffre Substation - Construct 138kv	(172,125.16)	February 1, 2017
	711507286	35300	Joffre Substation - Construct 138kv	107,701.12	March 1, 2017
	711507286	35300	Joffre Substation - Construct 138kv	154,954.72	April 1, 2017
	711507286	35300	Joffre Substation - Construct 138kv	123,511.59	May 1, 2017
	711507286	35300	Joffre Substation - Construct 138kv	(268,885.55)	June 1, 2017
	711507286	35300	Joffre Substation - Construct 138kv	(22,847.76)	July 1, 2017
	711507286	35210, 35220, 35300	Joffre Substation - Construct 138kv	(13,671.95)	August 1, 2017
	711507286	35210, 35220, 35300	Joffre Substation - Construct 138kv	20,983.45	September 1, 2017
	711507286	35210, 35220, 35300	Joffre Substation - Construct 138kv	20,201.46	October 1, 2017
	711507286	35210, 35220, 35300	Joffre Substation - Construct 138kv	1,131.94	November 1, 2017

**Trans-Allegheny Interstate Line Company**  
**Detail Transfers from CWIP to Plant in Service**  
**2017 Reconciliation of Transmission Revenue Requirement Formula Rate**

Work Order ID	Work Order Number	FERC Account 101/106 Sub-Account	Project / Description	Amount	Date of Transfer from CWIP to Plant in Service
<b>TrAIL Projects</b>					
14528199	711507286	35210, 35220, 35300	Joffre Substation - Construct 138kv Total	1,369.77 345,757.09	December 1, 2017
	545657671	35300	Const New Richwood Hill SS	1,714,462.30	January 1, 2017
	545657671	35300	Const New Richwood Hill SS	(191,748.16)	February 1, 2017
	545657671	35300	Const New Richwood Hill SS	(53,860.15)	March 1, 2017
	545657671	35300	Const New Richwood Hill SS	(845,755.37)	April 1, 2017
	545657671	35300	Const New Richwood Hill SS	(39,113.74)	May 1, 2017
	545657671	35300	Const New Richwood Hill SS	3,381.90	June 1, 2017
	545657671	35300	Const New Richwood Hill SS	(10,352.32)	July 1, 2017
	545657671	35300	Const New Richwood Hill SS	19,004.93	August 1, 2017
	545657671	35300	Const New Richwood Hill SS	79,228.92	September 1, 2017
	545657671	35300	Const New Richwood Hill SS	48,201.31	October 1, 2017
	545657671	35300	Const New Richwood Hill SS	39,627.45	November 1, 2017
14276743	545657671	35300	Const New Richwood Hill SS Total	(118,549.43) 644,527.64	December 1, 2017
	836242181	35300	Richwood Hill SVC-Inst a +90/-30 Mv	(146,060.05)	January 1, 2017
	836242181	35300	Richwood Hill SVC-Inst a +90/-30 Mv	85,618.66	February 1, 2017
	836242181	35300	Richwood Hill SVC-Inst a +90/-30 Mv	26,954.63	March 1, 2017
	836242181	35300	Richwood Hill SVC-Inst a +90/-30 Mv	4,059.27	April 1, 2017
	836242181	35300	Richwood Hill SVC-Inst a +90/-30 Mv	199.86	May 1, 2017
	836242181	35300	Richwood Hill SVC-Inst a +90/-30 Mv	7,291.78	June 1, 2017
	836242181	35300	Richwood Hill SVC-Inst a +90/-30 Mv	1,393.07	July 1, 2017
	836242181	35300	Richwood Hill SVC-Inst a +90/-30 Mv Total	4,807.93 (15,734.85)	December 1, 2017
15165673	833593997	35300	Joffre SS: Construct 138kv Switch	19,605.06	January 1, 2017
	833593997	35300	Joffre SS: Construct 138kv Switch	18,285.91	February 1, 2017
	833593997	35300	Joffre SS: Construct 138kv Switch	19,092.58	March 1, 2017
	833593997	35300	Joffre SS: Construct 138kv Switch	29,460.91	April 1, 2017
	833593997	35300	Joffre SS: Construct 138kv Switch	30,465.25	May 1, 2017
	833593997	35300	Joffre SS: Construct 138kv Switch	(1,152.68)	June 1, 2017
	833593997	35300	Joffre SS: Construct 138kv Switch	984.05	July 1, 2017
	833593997	35300	Joffre SS: Construct 138kv Switch	3,322.52	August 1, 2017
	833593997	35300	Joffre SS: Construct 138kv Switch	(32.03)	September 1, 2017
	833593997	35300	Joffre SS: Construct 138kv Switch Total	2,884.89 122,916.46	December 1, 2017
15144925	511281243	35022	ROW - 230kV Line Conemaugh to Sewar	951.80	February 1, 2017
	850716728	35300	Erie South - Relay Replc-Four Mile	4.99	August 1, 2017
	477989703	35500, 35610	Osage-Whiteley(MP) - 5.8-mi new 138	20,000.00	April 1, 2017
	478369456	35300	Osage - Transmission	1,337.24	May 1, 2017
	501407786	35300	Trail - Belmont SS: 500/138Kv Spare	(10,284.73)	May 1, 2017
	501407786	35300	Trail - Belmont SS: 500/138Kv Spare Total	(302,301.26) (312,585.99)	August 1, 2017
13123478	713634480	35500, 35610	MPDC Mon Power Delivery	4,868.49	March 1, 2017
13256183	696302028	35300	Warren: Install 4 breaker 230Kv	24,035,092.45	June 1, 2017
13395937	696302028	35300	Warren: Install 4 breaker 230Kv	70,316.81	July 1, 2017
	696302028	35210, 35220, 35300	Warren: Install 4 breaker 230Kv	(59,294.14)	August 1, 2017
13416143	696302028	35210, 35220, 35300	Warren: Install 4 breaker 230Kv	98,281.81	September 1, 2017
	696302028	35210, 35220, 35300	Warren: Install 4 breaker 230Kv	(109,474.79)	October 1, 2017
13584606	696302028	35210, 35220, 35300	Warren: Install 4 breaker 230Kv	42.31	November 1, 2017
	696302028	35210, 35220, 35300	Warren: Install 4 breaker 230Kv Total	(1,709.46) 24,033,254.99	December 1, 2017
14471297	751292370	35300	Damascus SS-Inst 230Kv Capacitor	1,041,642.54	May 1, 2017
	751292370	35300	Damascus SS-Inst 230Kv Capacitor	105,559.79	June 1, 2017
14490072	751292370	35300	Damascus SS-Inst 230Kv Capacitor	31,202.53	July 1, 2017
	751292370	35300	Damascus SS-Inst 230Kv Capacitor	(2,615.94)	August 1, 2017
	751292370	35300	Damascus SS-Inst 230Kv Capacitor	510.19	September 1, 2017
	751292370	35300	Damascus SS-Inst 230Kv Capacitor	290.38	October 1, 2017
	751292370	35300	Damascus SS-Inst 230Kv Capacitor	(16.67)	November 1, 2017
	751292370	35300	Damascus SS-Inst 230Kv Capacitor Total	69,713.32 1,246,286.14	December 1, 2017
14667784	753546385	35300	Mainsburg SS-Inst 2nd Pilot Commun	1,518,028.97	April 1, 2017
	753546385	35300	Mainsburg SS-Inst 2nd Pilot Commun	168,418.88	May 1, 2017
	753546385	35300	Mainsburg SS-Inst 2nd Pilot Commun	50,394.45	June 1, 2017
	753546385	35300	Mainsburg SS-Inst 2nd Pilot Commun	412,816.34	July 1, 2017
	753546385	35300	Mainsburg SS-Inst 2nd Pilot Commun	(173,867.46)	August 1, 2017
	753546385	35300	Mainsburg SS-Inst 2nd Pilot Commun	(2,409.02)	September 1, 2017
	753546385	35300	Mainsburg SS-Inst 2nd Pilot Commun	51,375.08	October 1, 2017
	753546385	35300	Mainsburg SS-Inst 2nd Pilot Commun	(27,238.72)	November 1, 2017
	753546385	35300	Mainsburg SS-Inst 2nd Pilot Commun Total	209,778.58 2,207,297.10	December 1, 2017

**Trans-Allegheny Interstate Line Company**  
**Detail Transfers from CWIP to Plant in Service**  
**2017 Reconciliation of Transmission Revenue Requirement Formula Rate**

Work Order ID	Work Order Number	FERC Account 101/106 Sub-Account	Project / Description	Amount	Date of Transfer from CWIP to Plant in Service
<b>TrAIL Projects</b>					
14674548	799878243	35300	Construct SVC portion of Joffre SS	20,544,554.86	May 1, 2017
	799878243	35300	Construct SVC portion of Joffre SS	(197,236.02)	June 1, 2017
	799878243	35300	Construct SVC portion of Joffre SS	10,158,377.50	July 1, 2017
	799878243	35300	Construct SVC portion of Joffre SS	1,903.36	August 1, 2017
	799878243	35300	Construct SVC portion of Joffre SS	285.94	September 1, 2017
	799878243	35300	Construct SVC portion of Joffre SS	<u>212.42</u>	December 1, 2017
			Total	30,508,098.06	
	827341817	35300	502 Junction-Inst DWDM Node	490,756.61	November 1, 2017
	827341817	35300	502 Junction-Inst DWDM Node	<u>14,232.97</u>	December 1, 2017
			Total	504,989.58	
14901158	819169327	35300	Meadow Brook -Inst DWDM Node	261,498.86	December 1, 2017
	819169432	35300	502 Junction-Inst MPLS Router	144,185.72	December 1, 2017
	823826588	35300	Joffe-Inst Microwave Tower at Joff	130,091.15	May 1, 2017
	823826588	35300	Joffe-Inst Microwave Tower at Joff	<u>923.24</u>	December 1, 2017
			Total	131,014.39	
14991389	824654603	35300	Kammer- T200 Xfmr repair	38,317.43	December 1, 2017
	827587905	35300	Meadow Brook SS: Replace Bushings	256,157.18	January 1, 2017
15045085	827587905	35300	Meadow Brook SS: Replace Bushings	2,277.32	June 1, 2017
	827587905	35300	Meadow Brook SS: Replace Bushings	73.09	July 1, 2017
15045170	827587905	35300	Meadow Brook SS: Replace Bushings	<u>29.79</u>	December 1, 2017
			Total	258,537.38	
15082975	830093982	35210	Meadow Brook SS: Storage Building	9,785.76	July 1, 2017
	834027523	35210	TREP - Waldo Run-Repairs along main	1,740,182.60	October 1, 2017
15085575	834027523	35210	TREP - Waldo Run-Repairs along main	1,578,668.76	November 1, 2017
	834027523	35210	TREP - Waldo Run-Repairs along main	<u>247,960.62</u>	December 1, 2017
15105602			Total	3,566,811.98	
	844707107	35300	Richwood Hill 138KV Line CCVT	4,316.73	June 1, 2017
	844707107	35300	Richwood Hill 138KV Line CCVT	<u>58.95</u>	December 1, 2017
			Total	4,375.68	
15129557	847075149	35300	Meadow Brook SS: Replace Minitor	4,249.22	July 1, 2017
	847075149	35300	Meadow Brook SS: Replace Minitor	<u>59.32</u>	December 1, 2017
15150073			Total	4,308.54	
	857642589	35300	Black Oak MD- Trail EHV	382,103.99	December 1, 2017
	860526747	35300	Joffre Sub-Inst fence within substation	187,659.29	July 1, 2017
15223087	860526747	35300	Joffre Sub-Inst fence within substation	(44,041.57)	August 1, 2017
	860526747	35300	Joffre Sub-Inst fence within substation	(1,520.01)	September 1, 2017
	860526747	35300	Joffre Sub-Inst fence within substation	(31.79)	October 1, 2017
	860526747	35300	Joffre Sub-Inst fence within substation	(45.56)	November 1, 2017
15251957	860526747	35300	Joffre Sub-Inst fence within substation	<u>19,002.71</u>	December 1, 2017
			Total	161,023.07	
	3369924630	35011	Real Estate for Pierce Brook Shunt	41,680.07	November 1, 2017
15330859	3369924630	35011	Real Estate for Pierce Brook Shunt	<u>199.76</u>	December 1, 2017
			Total	41,879.83	
15351980	3389017329	35300	Meadow Brook SVC-Repl Cooper SMP-16	14,619.67	December 1, 2017
			Total Other Projects	<u>68,264,570.29</u>	
			Total Additions	<u>69,301,998.98</u>	





**Gary E. Guy**  
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Company

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May 4, 2018

Ms. Kimberly D. Bose  
Secretary, Federal Energy Regulatory Commission  
888 First Street, N.E., Dockets, Room 1A, East  
Washington, D.C. 20426

Re: *Baltimore Gas and Electric Company*, Docket No. ER09-1100-000,  
Electronic Informational Filing of 2018 Formula Rate Annual Update; Notice of Annual  
Meeting

Dear Ms. Bose:

Attached hereby in electronic PDF format for informational purposes in the above-referenced proceeding, please find the 2018 Annual Update of Baltimore Gas and Electric Company ("BGE").

The attachment is BGE's thirteenth Annual Update, and has been submitted to PJM for posting on its Internet website via link to the Transmission Service page. BGE's first four Annual Updates were accepted by Letter Orders issued on April 3, 2007, January 31, 2008, December 16, 2008, and February 17, 2010, respectively. In that latest February 17<sup>th</sup> Order, the Commission explained, "This letter also advises BGE that Annual Updates in the forthcoming years should be submitted for informational purposes only, in Docket No. ER09-1100-000. Upon receipt, the ***Commission will not act on or notice the informational filing*** because the formula rate protocols provide specific procedures for notice, review, and challenges to the Annual Updates." (Emphasis added.)

This Annual Update shows a recalculation of BGE's Annual Transmission Revenue Requirements. In particular, the Annual Update: (1) contains no expenses or costs that have been alleged or judged in any administrative or judicial proceeding to be illegal, duplicative, or unnecessary costs that are demonstrably the product of discriminatory employment practices, as defined in 18 C.F.R. § 35.13(b)(7); (2) contains no material accounting change (and any accounting change is discussed in applicable disclosure statements filed within the Securities and Exchange Commission Form 10-K and within the FERC Form No. 1); and (3) contains no change to the Post-Employment Benefits other than Pension ("PBOP")<sup>1</sup> charges in excess of the filing threshold set forth in said settlement.

Very truly yours,

/s/ Gary E. Guy

cc: All parties on Service Lists in Docket Nos. ER05-515, EL13-48, and EL15-27

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<sup>1</sup> PBOP formula rate inputs are defined in Section 2.h of the formula rate protocols as being pursuant to Financial Accounting Standards No. 106, which covers "Employers' Accounting for Postretirement Benefits Other Than Pensions."

ATTACHMENT H-2A

Baltimore Gas and Electric Company		Notes	FERC Form 1 Page # or Instruction	2017
<b>Formula Rate</b>				
<b>Shaded cells are input cells</b>				
<b>Allocators</b>				
<b>Wages &amp; Salary Allocation Factor</b>				
1	Transmission Wages Expense		p354.21.b	21,817,058
2	Total Wages Expense		p354.28b	154,908,737
3	Less A&G Wages Expense		p354.27b	24,154,627
4	Total		(Line 2 - 3)	130,754,110
5	<b>Wages &amp; Salary Allocator</b>		(Line 1 / 4)	<b>16.6856%</b>
<b>Plant Allocation Factors</b>				
6	Electric Plant in Service		Attachment 5	7,463,470,900
7	Common Plant In Service - Electric	(Note A)	(Line 24)	565,257,911
8	Total Plant In Service		(Sum Lines 6 & 7)	8,028,728,810
9	Accumulated Depreciation (Total Electric Plant)		Attachment 5	2,659,451,172
10	Accumulated Intangible Amortization	(Note A)	p200.21c	39,063,938
11	Accumulated Common Amortization - Electric	(Note A)	p356	0
12	Accumulated Common Plant Depreciation - Electric	(Note A)	Attachment 5	187,883,962
13	Total Accumulated Depreciation		(Sum Lines 9 to 12)	2,886,399,073
14	Net Plant		(Line 8 - 13)	5,142,329,738
15	Transmission Gross Plant		(Line 29 - Line 28)	1,765,393,692
16	<b>Gross Plant Allocator</b>		(Line 15 / 8)	<b>21.9885%</b>
17	Transmission Net Plant		(Line 39 - Line 28)	1,309,705,837
18	<b>Net Plant Allocator</b>		(Line 17 / 14)	<b>25.4691%</b>
<b>Plant Calculations</b>				
<b>Plant In Service</b>				
19	Transmission Plant In Service		Attachment 5	1,611,817,591
20	For Reconciliation only - remove New Transmission Plant Additions for Current Calendar		Attachment 6	0
21	New Transmission Plant Additions for Current Calendar Year (weighted by months in ser	(Note B)	Attachment 6	39,247,710
22	<b>Total Transmission Plant In Service</b>		(Line 19 - 20 + 21)	<b>1,651,065,301</b>
23	General & Intangible		Attachment 5	119,935,620
24	Common Plant (Electric Only)	(Notes A)	Attachment 5	565,257,911
25	Total General & Common		(Line 23 + 24)	685,193,530
26	Wage & Salary Allocation Factor		(Line 5)	16.68556%
27	<b>General &amp; Common Plant Allocated to Transmission</b>		(Line 25 * 26)	<b>114,328,391</b>
28	Plant Held for Future Use (Including Land)	(Note C)	Attachment 5	1,003,037
29	<b>TOTAL Plant In Service</b>		(Line 22 + 27 + 28)	<b>1,766,396,729</b>
<b>Accumulated Depreciation</b>				
30	Transmission Accumulated Depreciation		Attachment 5	418,521,519
31	Accumulated General Depreciation		Attachment 5	8,547,159
32	Accumulated Intangible Amortization		Attachment 5	26,314,363
33	Accumulated Common Amortization - Electric		(Line 11)	0
34	Common Plant Accumulated Depreciation (Electric Only)	(Notes A)	(Line 12)	187,883,962
35	Total Accumulated Depreciation		(Sum Lines 31 to 34)	222,745,485
36	Wage & Salary Allocation Factor		(Line 5)	16.68556%
37	<b>General &amp; Common Allocated to Transmission</b>		(Line 35 * 36)	<b>37,166,336</b>
38	<b>TOTAL Accumulated Depreciation</b>		(Line 30 + 37)	<b>455,687,855</b>
39	<b>TOTAL Net Property, Plant &amp; Equipment</b>		(Line 29 - 38)	<b>1,310,708,874</b>

Adjustment To Rate Base				
<b>Accumulated Deferred Income Taxes</b>				
40	ADIT net of FASB 106 and 109		Attachment 1	-334,639,758
41	Accumulated Investment Tax Credit Account No. 255	(Notes A & I)	p266.h	0
42	Net Plant Allocation Factor		(Line 18)	25.47%
43	<b>Accumulated Deferred Income Taxes Allocated To Transmission</b>		(Line 41 * 42) + Line 40	<b>-334,639,758</b>
<b>Transmission O&amp;M Reserves</b>				
44	<b>Current Period Changes in Transmission Related Account 242 Reserves</b>	Enter Negative	Attachment 5	0
<b>Abandonment Transmission Projects</b>				
44a	Unamortized Abandoned Transmission Projects	(Note R)	Attachment 5	2,670,752
<b>Prepayments</b>				
45	Prepayments	(Note A)	Attachment 5	47,117,396
46	<b>Total Prepayments Allocated to Transmission</b>		(Line 45)	<b>47,117,396</b>
<b>Materials and Supplies</b>				
47	Undistributed Stores Exp	(Note A)	p227.6c & 16.c	0
48	Wage & Salary Allocation Factor		(Line 5)	16.69%
49	Total Transmission Allocated		(Line 47 * 48)	0
50	Transmission Materials & Supplies		p227.8c	3,855,313
51	<b>Total Materials &amp; Supplies Allocated to Transmission</b>		(Line 49 + 50)	<b>3,855,313</b>
<b>Cash Working Capital</b>				
52	Operation & Maintenance Expense		(Line 84)	76,916,895
53	1/8th Rule		x 1/8	12.5%
54	<b>Total Cash Working Capital Allocated to Transmission</b>		(Line 52 * 53)	<b>9,614,612</b>
<b>Network Credits</b>				
55	Outstanding Network Credits	(Note N)	From PJM	0
56	Less Accumulated Depreciation Associated with Facilities with Outstanding Network Credits	(Note N)	From PJM	0
57	Net Outstanding Credits		(Line 55 - 56)	0
58	<b>TOTAL Adjustment to Rate Base</b>		(Line 43 + 44 + 44a + 46 + 51)	<b>-271,381,685</b>
59	<b>Rate Base</b>		(Line 39 + 58)	<b>1,039,327,189</b>
O&M				
<b>Transmission O&amp;M</b>				
60	Transmission O&M		p321.112.b	46,869,566
61	Less extraordinary property losses		Attachment 5	0
62	Plus amortization of extraordinary property losses		Attachment 5	0
63	Less Account 565		p321.96.b	0
64	Plus Schedule 12 payments billed to Transmission Owner and booked to Account 565	(Note O)	PJM Data	0
65	Plus Transmission Lease Payments	(Note A)	Attachment 5	0
66	<b>Transmission O&amp;M</b>		(Lines 60 - 61 + 62 - 63 + 64 + )	<b>46,869,566</b>
<b>Allocated General &amp; Common Expenses</b>				
67	Common Plant O&M	(Note A)	p356	0
68	Total A&G		Attachment 5	181,047,771
68a	For Informational Purposes: PBOP Expenses in FERC Account 926	(Note S)	Attachment 5	5,872,650
69	Less Property Insurance Account 924		p323.185.b	226,871
70	Less Regulatory Commission Exp Account 928	(Note E)	p323.189.b	150,936
71	Less General Advertising Exp Account 930.1		p323.191.b	938,847
72	Less EPRI Dues	(Note D)	p352-353	0
73	<b>General &amp; Common Expenses</b>		(Lines 67 + 68) - Sum (69 to 72)	179,731,117
74	Wage & Salary Allocation Factor		(Line 5)	16.6856%
75	<b>General &amp; Common Expenses Allocated to Transmission</b>		(Line 73 * 74)	<b>29,989,147</b>
<b>Directly Assigned A&amp;G</b>				
76	Regulatory Commission Exp Account 928	(Note G)	p323.189b	400
77	General Advertising Exp Account 930.1	(Note K)	p323.191.b	0
78	Subtotal - Transmission Related		(Line 76 + 77)	400
79	Property Insurance Account 924		p323.156b	226,871
80	General Advertising Exp Account 930.1	(Note F)	p323.191.b	0
81	Total		(Line 79 + 80)	226,871
82	Net Plant Allocation Factor		(Line 18)	25.47%
83	<b>A&amp;G Directly Assigned to Transmission</b>		(Line 81 * 82)	<b>57,782</b>
84	<b>Total Transmission O&amp;M</b>		(Line 66 + 75 + 78 + 83)	<b>76,916,895</b>

Depreciation & Amortization Expense				
<b>Depreciation Expense</b>				
85	Transmission Depreciation Expense		Attachment 5	40,356,835
85a	Transmission Amortization Expense	(Note R)	Attachment 5	593,500
86	General Depreciation		Attachment 5	5,467,519
87	Intangible Amortization	(Note A)	Attachment 5	3,692,021
88	Total		(Line 86 + 87)	9,159,540
89	Wage & Salary Allocation Factor		Line 5	16.6856%
90	<b>General Depreciation Allocated to Transmission</b>		(Line 88 * 89)	<b>1,528,321</b>
91	Common Depreciation - Electric Only	(Note A)	Attachment 5	20,049,664
92	Common Amortization - Electric Only	(Note A)	Attachment 5	26,056,309
93	Total		(Line 91 + 92)	46,105,973
94	Wage & Salary Allocation Factor		(Line 5)	16.6856%
95	<b>Common Depreciation - Electric Only Allocated to Transmission</b>		(Line 93 * 94)	<b>7,693,041</b>
96	<b>Total Transmission Depreciation &amp; Amortization</b>		<b>(Line 85 + 85a + 90 + 95)</b>	<b>50,171,697</b>
Taxes Other than Income				
97	<b>Taxes Other than Income</b>		Exhibit B	<b>23,685,844</b>
98	<b>Total Taxes Other than Income</b>		<b>(Line 97)</b>	<b>23,685,844</b>
Return / Capitalization Calculations				
<b>Long Term Interest</b>				
99	Long Term Interest		p117.62c through 67c	107,184,224
100	Less LTD Interest on Securitization Bonds	(Note P)	Attachment 8	810,376
101	<b>Long Term Interest</b>		(Line 99 - 100)	<b>106,373,848</b>
102	<b>Preferred Dividends</b>	enter positive	p118.29c	<b>-</b>
<b>Common Stock</b>				
103	Proprietary Capital		p112.16c	3,141,204,460
104	Less Preferred Stock	enter negative	(Line 192)	0
105	Less Account 216.1	enter negative	p112.12c	0
106	<b>Common Stock</b>		(Sum Lines 103 to 105)	<b>3,141,204,460</b>
<b>Capitalization</b>				
107	Long Term Debt		p112.18d through 21d	2,600,000,000
108	Less Loss on Reacquired Debt	enter negative	p111.81.c	-11,428,330
109	Plus Gain on Reacquired Debt	enter positive	p113.61c	0
110	Less ADIT associated with Gain or Loss	enter negative	Attachment 1	2,201,953
111	Less LTD on Securitization Bonds	(Note P)	Attachment 8	0
112	<b>Total Long Term Debt</b>		(Sum Lines 107 to 111)	<b>2,590,773,623</b>
113	Preferred Stock		p112.3c	0
114	Common Stock		(Line 106)	3,141,204,460
115	<b>Total Capitalization</b>		(Sum Lines 112 to 114)	<b>5,731,978,083</b>
116	Debt %	Total Long Term Debt	(Line 112 / 115)	45%
117	Preferred %	Preferred Stock	(Line 113 / 115)	0%
118	Common %	Common Stock	(Line 114 / 115)	55%
119	Debt Cost	Total Long Term Debt	(Line 101 / 112)	0.0411
120	Preferred Cost	Preferred Stock	(Line 102 / 113)	0.0000
121	Common Cost	Common Stock	(Note J) Fixed	0.1050
122	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 116 * 119)	0.0186
123	Weighted Cost of Preferred	Preferred Stock	(Line 117 * 120)	0.0000
124	Weighted Cost of Common	Common Stock	(Line 118 * 121)	0.0575
125	<b>Total Return ( R )</b>		(Sum Lines 122 to 124)	<b>0.0761</b>
126	<b>Investment Return = Rate Base * Rate of Return</b>		<b>(Line 59 * 125)</b>	<b>79,092,216</b>

Composite Income Taxes				
<b>Income Tax Rates</b>				
127	FIT=Federal Income Tax Rate			21.00%
128	SIT=State Income Tax Rate or Composite	(Note I)		8.25%
129	p		(percent of federal income tax deductible for state pur Per State Tax Code	0.00%
130	T		$T = 1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$	27.52%
131	T / (1-T)			37.96%
<b>ITC Adjustment</b>				
132	Amortized Investment Tax Credit	(Note I)	enter negative p266.17f	-160,737
133	T/(1-T)		(Line 131)	37.96%
134	Net Plant Allocation Factor		(Line 18)	25.4691%
135	<b>ITC Adjustment Allocated to Transmission</b>		[Line 129 * (1 + Line 130) * Lir	<b>-56,480</b>
136	<b>Income Tax Component =</b>		CIT=(T/1-T) * Investment Return * (1-(WCLTD/R)) [Line 131 * 126 * (1-(122 / 125	<b>22,704,351</b>
137	<b>Total Income Taxes</b>		<b>(Line 135 + 136)</b>	<b>22,647,870</b>
REVENUE REQUIREMENT				
<b>Summary</b>				
138	Net Property, Plant & Equipment		(Line 39)	1,310,708,874
139	Adjustment to Rate Base		(Line 58)	-271,381,685
140	<b>Rate Base</b>		(Line 59)	<b>1,039,327,189</b>
141	O&M		(Line 84)	76,916,895
142	Depreciation & Amortization		(Line 96)	50,171,697
143	Taxes Other than Income		(Line 98)	23,685,844
144	Investment Return		(Line 126)	79,092,216
145	Income Taxes		(Line 137)	22,647,870
146	<b>Gross Revenue Requirement</b>		<b>(Sum Lines 141 to 145)</b>	<b>252,514,521</b>
<b>Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities</b>				
147	Transmission Plant In Service		(Line 19)	1,611,817,591
148	Excluded Transmission Facilities	(Note M)	Attachment 5	0
149	Included Transmission Facilities		(Line 147 - 148)	1,611,817,591
150	Inclusion Ratio		(Line 149 / 147)	100.00%
151	Gross Revenue Requirement		(Line 146)	252,514,521
152	<b>Adjusted Gross Revenue Requirement</b>		(Line 150 * 151)	<b>252,514,521</b>
<b>Revenue Credits &amp; Interest on Network Credits</b>				
153	Revenue Credits		Attachment 3	33,861,266
154	Interest on Network Credits	(Note N)	PJM Data	-
155	<b>Net Revenue Requirement</b>		<b>(Line 152 - 153 + 154)</b>	<b>218,653,255</b>
<b>Net Plant Carrying Charge</b>				
156	Net Revenue Requirement		(Line 155)	218,653,255
157	Net Transmission Plant and Abandoned Plant		(Line 19 - 30 + 44a)	1,195,966,824
158	Net Plant Carrying Charge		(Line 156 / 157)	18.2826%
159	Net Plant Carrying Charge without Depreciation		(Line 156 - 85) / 157	14.9081%
160	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes		(Line 156 - 85 - 126 - 137) / 157	6.4012%
<b>Net Plant Carrying Charge Calculation per 100 basis point increase in ROE</b>				
161	Net Revenue Requirement Less Return and Taxes		(Line 155 - 144 - 145)	116,913,169
162	Return and Taxes per 100 basis point increase in ROE		Attachment 4	109,598,064
163	Net Revenue Requirement per 100 basis point increase in ROE		(Line 161 + 162)	226,511,233
164	Net Transmission Plant and Abandoned Plant		(Line 19 - 30 + 44a)	1,195,966,824
165	Net Plant Carrying Charge per 100 basis point increase in ROE		(Line 163 / 164)	18.9396%
166	Net Plant Carrying Charge per 100 basis point increase in ROE without Depreciation		(Line 162 - 85) / 164	15.5652%
167	<b>Net Revenue Requirement</b>		(Line 155)	218,653,255
168	True-up amount		Attachment 6	11,262,302
169	Plus any increased ROE calculated on Attachment 7 other than PJM Sch. 12 projects		Attachment 7	679,978
170	Facility Credits under Section 30.9 of the PJM OATT paid by Utility		Attachment 5	-
171	<b>Net Zonal Revenue Requirement</b>		(Line 167 + 168 + 169 + 170)	<b>230,595,535</b>
<b>Network Zonal Service Rate</b>				
172	1 CP Peak	(Note L)	PJM Data	6,448
173	Rate (\$/MW-Year)	(Note Q)	(Line 171 / 172)	35,762
174	<b>Network Service Rate (\$/MW/Year)</b>		<b>(Line 173)</b>	<b>35,762</b>

**Notes**

- A** Electric portion only
- B** Exclude Construction Work In Progress and leases that are expensed as O&M (rather than amortized). New Transmission plant included which is expected to be placed in service in the current calendar year weighted by number of months it is expected to be in-service. For the true-up, new transmission plant which was actually placed in service weighted by the number of months it was actually in service
- C** Transmission Portion Only
- D** All EPRI Annual Membership Dues
- E** All Regulatory Commission Expenses
- F** Safety related advertising included in Account 930.1
- G** Regulatory Commission Expenses directly related to transmission service, RTO filings, or transmission siting itemized in Form 1 at 351.h.
- I** The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and  $p =$  "the percentage of federal income tax deductible for state income taxes". If the utility is taxed in more than one state it must attach a work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by  $(1/1-T)$ . A utility must not include tax credits as a reduction to rate base and as an amortization against taxable income.
- J** Per FERC's order in Docket No. ER07-576, the Conastone and Waugh Chapel substation projects get an additional 100 basis points to the return on equity on top of a base ROE of 10.0% per FERC order issued in Docket No. EL13-48 and a 50 basis point RTO transmission planning participation adder approved in Baltimore Gas and Electric Co., Docket No. ER07-576, by order issued on July 24, 2007, for a total ROE of 11.5%. The rest of transmission rate base, except as provided in Note Q below, gets an ROE of 10.5% because it excludes the additional 100 basis points approved solely for the Conastone and Waugh Chapel substation projects.
- K** Education and outreach expenses relating to transmission, for example siting or billing
- L** As provided for in Section 34.1 of the PJM OATT and the PJM established billing determinants will not be revised or updated in the annual rate reconciliations per settlement in ER05-515.
- M** Amount of transmission plant excluded from rates, includes investment in generation step-up transformers to the extent included in Plant in Service.
- N** Outstanding Network Credits is the balance of Network Facilities Upgrades Credits due Transmission Customers who have made lump-sum payments (net of accumulated depreciation) towards the construction of Network Transmission Facilities consistent with Paragraph 657 of Order 2003-A. Interest on the Network Credits as booked each year is added to the revenue requirement to make the Transmission Owner whole on Line 154.
- O** Payments made under Schedule 12 of the PJM OATT that are not directly assessed to load in the zone under Schedule 12 are included in Transmission O&M. If they are booked to account 565, they are included in on line 64.
- P** Securitization bonds may be included in the capital structure per settlement in ER05-515.
- Q** On November 16, 2007, the Federal Energy Regulatory Commission (FERC) granted Baltimore Gas and Electric (BGE) in Docket No. ER07-576 incentive rate treatment for 6 projects designated in the PJM Regional Transmission Expansion Plan (RTEP) as Transmission Owner Initiated (TOI). Specifically, FERC granted an additional 100 basis points to the return on equity (ROE) for these projects, resulting in a final ROE, for these projects, of 11.5%, inclusive of a base ROE of 10.0% per FERC order issued in Docket No. EL13-48 and a 50 basis point ROE transmission planning adder approved in Baltimore Gas and Electric Co., Docket No. ER07-576, by order issued on July 24, 2007.
- R** Costs of Unamortized Abandoned Plant and Amortization of Abandoned Plant for Dedicated Facilities pre-approved for inclusion in this cell subject to Formula Rate Protocols by Commission order issued in PJM Interconnection, LLC and Baltimore Gas and Electric Co., 150 FERC ¶ 61,054 (2015). Costs of Unamortized Abandoned Plant and Amortization of Abandoned Plant for Mid-Atlantic Power Pathway (MAPP) approved for inclusion in this cell subject to Formula Rate Protocols by Commission order issued in PJM Interconnection, L.L.C. and Baltimore Gas and Electric Co., 152 FERC ¶ 61,254 (2015). Costs of Unamortized Abandoned Plant and Amortization of Abandoned Plant for Project Baseline Upgrades b1254 and b1254.1 ('b1254') approved for inclusion in this cell subject to Formula Rate Protocols by Commission order issued in PJM Interconnection, L.L.C. and Baltimore Gas and Electric Co., XXX FERC ¶XX1,XXX (XXXX).
- S** See Attachment 5, Cost Support, section entitled "PBOP expense in FERC Account 926" for additional information per FERC orders in Docket Nos. EL13-48, EL15-27, and ER16-456.

Baltimore Gas and Electric Company

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

Page 1 of 4

	Only Transmission Related	Plant Related	Labor Related	Total ADIT
ADIT- 282	0	(1,421,913,094)	(40,524,686)	
ADIT-283	0	(52,900,362)	(1,200,101)	
ADIT-190	0	18,021,503	(44,059,956)	
Subtotal	0	(1,456,791,952)	(85,784,743)	(1,542,576,696)
Wages & Salary Allocator /1		21.9885%	16.6856%	
Gross Plant Allocator				
ADIT	0	(320,326,092)	(14,313,666)	(334,639,758)

Note ADIT associated with Gain or Loss on Reacquired Debt is included in Column A here and included in Cost of Debt on Appendix A, Line 110 Amount (2,201,953)

In filling out this attachment, a full and complete description of each item and justification for the allocation to Columns A-D and each separate ADIT item will be listed, dissimilar items with amounts exceeding \$100,000 will be listed separately.

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

Page 2 of 4

ADIT-190	A Gas, Prod Or Other Related	B Only Transmission Related	C Plant Related	D Labor Related	E Justification for Assignment to Columns A-D
190	Pension Expense Provision Asset	(18,436,435)		(44,059,956)	Included because the pension asset is included in rate base. Related to accrual recognition of expense for book purposes & deductibility of cash fundings for tax purposes. The amount included is the electric portion as allocated by the application of the modified version of the Massachusetts formula.
190	Bad Debt - Change in Provision	4,633,817			Excluded because the underlying account(s) are not included in model
190	Accrued Bonus	8,426,173			Excluded because the underlying account(s) are not included in model
190	Deferred Investment Tax Credit	1,834,327			Excluded as per page 8 line 16 of Alan Heintz's direct testimony in FERC Case No. ER05-515
190	AMI Reg Liability Adjustment CEG	32,729,688			Excluded because the underlying account(s) are not included in model
190	Workers Compensation Reserve	1,080,367			Excluded because the underlying account(s) are not included in model
190	Gas Inventory Overheads CEG	508,680			Gas-related & accordingly excluded
190	BCBS Claim Adjustment CEG	377,887			Excluded because the underlying account(s) are not included in model
190	Addback of Other Equity Compensation	(212,269)			Excluded because the underlying account(s) are not included in model
190	Miscellaneous	2,506,542			Excluded because the underlying account(s) are not included in model
190	Gas Demand Charge CEG	1,213,042			Gas-related & accordingly excluded
190	GCRC Expenses CEG	(18,238)			Gas-related & accordingly excluded
190	Charitable Contributions NC	5,312,466			Excluded because the underlying account(s) are not included in model
190	Miscellaneous Accrued Expenses				Excluded because the underlying account(s) are not included in model
190	Post Retirement Benefits	42,118,994			Excluded because the underlying account(s) are not included in model
190	Net Operating Losses (Federal and State)	8,004,626		18,021,503	Electric portion included because rate base should include BGE's receivable from Maryland for tax benefits accounted for but deferred due to the NOL.
190	Vacation Pay	734,902			Excluded because the underlying account(s) are not included in model
	Subtotal - p234	90,814,569	0	18,021,503	(44,059,956)
	Less FASB 109 Above If not separately removed		0	0	
	Less FASB 106 Above If not separately removed		0	0	0
	Total	90,814,569	0	18,021,503	(44,059,956)

Instructions for Account 190:

- ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column A
- ADIT items related only to Transmission are directly assigned to Column B
- ADIT items related Plant and not in Columns A & B are directly assigned to Column C
- ADIT items related to labor and not in Columns A & B are directly assigned to Column D
- Since deferred income taxes arise when items are included in taxable income in different periods than they are included in rates - therefore, if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded





Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

Page 4 of 4

ADIT-283	A Gas, Prod Or Other Related	B Only Transmission Related	C Plant Related	D Labor Related	E Justification for Assignment to Columns A-D
283	AMI Pilot Program CEG	(2,065,842)			Excluded because the underlying account(s) are not included in model
283	AMI Req Asset Adjustment CEG	(39,764,101)			Excluded because the underlying account(s) are not included in model
283	Amort of Inc Tax Recov - Req Asset CEG	0			Excluded because the underlying account(s) are not included in model
283	DEFERRED FUEL - NC	(2,781,501)			Excluded because the underlying account(s) are not included in model
283	DRI Program CEG	(1,094,103)			Excluded because the underlying account(s) are not included in model
283	ENERGY EFFICIENCY PROGRAMS	(55,017,905)			Excluded because the underlying account(s) are not included in model
283	ENVIRONMENTAL CLEAN-UP COSTS PRV	(57,667)			Excluded because the underlying account(s) are not included in model
283	FIN 48 INTEREST - NONCURRENT	0			Excluded because the underlying account(s) are not included in model
283	Interest Income CEG	0			Excluded because the underlying account(s) are not included in model
283	Loss on Recquired Debt CEG	(2,201,953)			Included in cost of debt computation
283	POLR CEG	(923,210)			Excluded because the underlying account(s) are not included in model
283	Req Asset - Storm Cost Amort CEG	0			Excluded because the underlying account(s) are not included in model
283	Req Asset Elec Trans RI True Up CEG	(1,912,150)			Excluded because the underlying account(s) are not included in model
283	Req Asset - Med D Inc All	0			Excluded because the underlying account(s) are not included in model
283	Req Asset- ARO Electric & Gas	(2,627,804)			Excluded because the underlying account(s) are not included in model
283	Req Asset- Cost to Achieve	(1,104,711)			Excluded because the underlying account(s) are not included in model
283	Req Asset - Rate Case Expense	(100,894)			Excluded because the underlying account(s) are not included in model
283	Req Asset - Smart Energy Rewards	352,539			Excluded because the underlying account(s) are not included in model
283	RIF Req Asset Amort	(127,287)			Excluded because the underlying account(s) are not included in model
283	RSB Unamort Debt CEG	0			Excluded because the underlying account(s) are not included in model
283	Savmce Cost-Req Asset	29,768			Excluded because the underlying account(s) are not included in model
283	STRIDE Overrecovery	29,744			Excluded because the underlying account(s) are not included in model
283	ERI Overrecovery	(42,844)			Excluded because the underlying account(s) are not included in model
283	Generation Asssets	(1)			Excluded because the underlying account(s) are not included in model
283	Merger Costs Current	0			Excluded because the underlying account(s) are not included in model
283	Prepaid IT Expense	0		(311,337)	Included because prepayments are included in rate base. Related to accelerated deductibility of these amounts for tax purposes.
283	Prepays	0			Included because prepayments are included in rate base. Related to accelerated deductibility of these amounts for tax purposes.
283	Property Tax Payable	(3,908,613)		(9,340,923)	Included because prepayments are included in rate base. Related to accelerated deductibility of these amounts for tax purposes.
283	Rabbie Trust & Maxi Flat Income	(144,480)			Excluded because the underlying account(s) are not included in model
283	Deferred Compensation	709,248			Excluded because the underlying account(s) are not included in model
283	Legacy Meters	(9,782,146)			Excluded because the underlying account(s) are not included in model
283	Tax Reform	(293,062)			Excluded because the underlying account(s) are not included in model
283	Deferral of Maryland State Income Tax	(12,045,214)		(43,248,102)	Included to the extent underlying book-tax basis differences are included in the model.
	Subtotal - p277	(134,874,189)	-	(52,900,362)	(1,200,101)
	Less FASB 109 Above If not separately removed				
	Less FASB 106 Above If not separately removed				
	Total	(134,874,189)	-	(52,900,362)	(1,200,101)
	Instructions for Account 283:	(122,828,975)		(9,652,260)	0

- ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column A
- ADIT items related only to Transmission are directly assigned to Column B
- ADIT items related Plant and not in Columns A & B are directly assigned to Column C
- ADIT items related to labor and not in Columns A & B are directly assigned to Column D
- Since deferred income taxes arise when items are included in taxable income in different periods than they are included in rates - therefore, if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded

Attachment 1- Accumulated Deferred Income Taxes (ADIT) Worksheet

ADITC-255

Item	Balance	Amortization
1 Rate Base Treatment		0
2 Balance to line 41 of Appendix A	Total	
3 Amortization		
4 Amortization to line 132 of Appendix A	Total	785,346 160,737
5 Total	785,346	160,737
6 Total Form No. 1 (p xxx.z)	Form No. 1 balance (p.266)	785,346 160,737
7 Difference /1		
8 /1 Difference must be zero		



**Baltimore Gas and Electric Company**  
**Attachment 2 - Taxes Other Than Income Worksheet**

Other Taxes	Page 263 Col (i)	Allocator	Allocated Amount
<b>Plant Related</b>			
		<b>Gross Plant Allocator</b>	
1 Real property (State, Municipal or Local)	8,708,245		
2 Personal property			
3 Capital Stock Tax	90,112,023		
4 Gross Premium (insurance) Tax			
5 PURTA			
6 Corp License			
<b>Total Plant Related</b>	98,820,268	21.9885%	21,729,053
<b>Labor Related</b>			
		<b>Wages &amp; Salary Allocator</b>	
7 Federal FICA	10,864,449		
8 Unemployment	207,154		
<b>Total Labor Related</b>	11,071,603	16.6856%	1,847,359
<b>Other Included</b>			
		<b>Gross Plant Allocator</b>	
9 Miscellaneous	464,372		
10 Use & Sales Tax	33,303		
<b>Total Other Included</b>	497,675	21.9885%	109,431
<b>Total Included</b>			23,685,844
<b>Currently Excluded</b>			
11 Federal Income	68,075,779		
12 Maryland Income	15,011,526		
13 Pennsylvania Income			
14 Franchise	44,686,602		
15 PSC Assessment	4,342,938		
16 Environmental Surcharge	4,200,400		
17 Pole License	649,336		
18 Fuel Energy			
19 Montgomery County Fuel Energy	2,869,210		
20 Universal Service Fund	22,498,300		
21 Total as reported on p. 263(i)	<u>272,723,637</u>		
Difference	-		
Criteria for Allocation:			
A	Other taxes that are incurred through ownership of plant including transmission plant will be allocated based on the Gross Plant Allocator. If the taxes are 100% recovered at retail they may not be included		
B	Other taxes that are incurred through ownership of only general or intangible plant will be allocated based on the Wages and Salary Allocator. If the taxes are 100% recovered at retail they may not be included		
C	Other taxes that are assessed based on labor, will be allocated based on the Wages and Salary Allocator		
D	Other taxes except as provided for in A, B and C above, that are incurred and (1) are not fully recovered at retail or (2) are directly or indirectly related to transmission service will be allocated based on the Gross Plant Allocator; provided, however, that		

## Baltimore Gas and Electric Company

### Attachment 3 - Revenue Credit Workpaper

<b>Account 454 - Rent from Electric Property</b>		
1 Rent from Electric Property - Transmission Related (Note 3)		11,747,830
2 Total Rent Revenues	(Sum Line 1)	11,747,830
<b>Account 456 - Other Electric Revenues (Note 1)</b>		
3 Schedule 1A		1,047,294
4 Net revenues associated with Network Integration Transmission Service (NITS) for which the load is not included in the divisor (difference between NITS credits from PJM and PJM NITS charges paid by Transmission Owner) (Note 4)		-
5 Point to Point Service revenues for which the load is not included in the divisor received by transmission owner		(1,898,667)
6 PJM Transitional Revenue Neutrality (Note 1)		-
7 PJM Transitional Market Expansion (Note 1)		-
8 Professional Services (Note 3)		802,641
9 Revenues from Directly Assigned Transmission Facility Charges (Note 2)		29,871,157
10 Rent or Attachment Fees associated with Transmission Facilities (Note 3)		
11 Gross Revenue Credits	(Sum Lines 2-10)	41,570,255
12 Less line 17g		(7,708,989)
13 Total Revenue Credits		33,861,266
<b>Revenue Adjustment to determine Revenue Credit</b>		
14	Note 1: All revenues related to transmission that are received as a transmission owner (i.e., not received as a LSE), for which the cost of the service is recovered under this formula, except as specifically provided for elsewhere in this Attachment or elsewhere in the formula will be included as a revenue credit or included in the peak on line 172 of Appendix A.	
15	Note 2: If the costs associated with the Directly Assigned Transmission Facility Charges are included in the Rates, the associated revenues are included in the Rates. If the costs associated with the Directly Assigned Transmission Facility Charges are not included in the Rates, the associated revenues are not included in the Rates.	
16	Note 3: Ratemaking treatment for the following specified secondary uses of transmission assets: (1) right-of-way leases and leases for space on transmission facilities for telecommunications; (2) transmission tower licenses for wireless antennas; (3) right-of-way property leases for farming, grazing or nurseries; (4) licenses of intellectual property (including a portable oil degasification process and scheduling software); and (5) transmission maintenance and consulting services (including energized circuit maintenance, high-voltage substation maintenance, safety training, transformer oil testing, and circuit breaker testing) to other utilities and large customers (collectively, products). Company will retain 50% of net revenues consistent with Pacific Gas and Electric Company, 90 FERC ¶ 61,314. Note: in order to utilize lines 17a - 17g, the utility must track in separate subaccounts the revenues and costs associated with each secondary use (except for the cost of the associated income taxes).	
17a	Revenues included in lines 1-11 which are subject to 50/50 sharing	11,747,830
17b	Costs associated with revenues in line 17a	3,892,055
17c	Net Revenues (17a - 17b)	7,855,775
17d	50% Share of Net Revenues (17c/2)	3,927,888
17e	Costs associated with revenues in line 17a that are included in FERC accounts recovered through the formula times the allocator used to functionalize the amounts in the FERC account to the transmission service at issue.	110,954
17f	Net Revenue Credit (17d + 17e)	4,038,841
17g	Line 17f less line 17a	(7,708,989)
18	Note 4: If the facilities associated with the revenues are not included in the formula, the revenue is shown here, but not included in the total above and is explained in the Cost Support; for example, revenues associated with distribution facilities. In addition, revenues from Schedule 12 are not included in the total above to the extent they are credited under Schedule 12.	44,273,156
19	Amount offset in line 4 above	228,808,780
20	Total Account 454 and 456	283,978,393
	FN1 #	283,978,393
	Difference	-

**Baltimore Gas and Electric Company**

Attachment 4 - Calculation of 100 Basis Point Increase in ROE

A	Return and Taxes with 100 Basis Point increase in ROE 100 Basis Point increase in ROE and Income Taxes	(Line 126 + Line 137)	109,598,064
B	100 Basis Point increase in ROE		1.00%

**Return Calculation**

59	Rate Base		(Line 39 + 58)	1,039,327,189
	Long Term Interest			
99	<b>Long Term Interest</b>		p117.62c through 67c	107,184,224
100	Less LTD Interest on Securitization B (Note P)		Attachment 8	810,376
101	Long Term Interest		(Line 105 - 99)	106,373,848
102	Preferred Dividends	enter positive	p118.29c	0
	Common Stock			
103	Proprietary Capital		p112.16c	3,141,204,460
104	Less Preferred Stock	enter negative	(Line 192)	0
105	Less Account 216.1	enter negative	p112.12c	0
106	Common Stock		(Sum Lines 103 to 105)	3,141,204,460
	Capitalization			
107	Long Term Debt		p112.18d through 21d	2,600,000,000
108	Less Loss on Reacquired Debt	enter negative	p111.81.c	-11,428,330
109	Plus Gain on Reacquired Debt	enter positive	p113.61c	0
110	Less ADIT associated with Gain or Loss	enter negative	Attachment 1	2,201,953
111	Less LTD on Securitization Bonds	enter negative	Attachment 8	0
112	Total Long Term Debt		(Sum Lines 107 to 111)	2,590,773,623
113	Preferred Stock		p112.3c	0
114	Common Stock		(Line 106)	3,141,204,460
115	Total Capitalization		(Sum Lines 112 to 114)	5,731,978,083
116	Debt %	Total Long Term Debt	(Line 112 / 115)	45%
116	Preferred %	Preferred Stock	(Line 113 / 115)	0%
116	Common %	Common Stock	(Line 114 / 115)	55%
119	Debt Cost	Total Long Term Debt	(Line 101 / 112)	0.0411
120	Preferred Cost	Preferred Stock	(Line 102 / 113)	0.0000
121	Common Cost	See (Note J) on Appendix A Common Stock	Appendix A % plus 100 Basis Pts	0.1150
122	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 116 * 119)	0.0186
123	Weighted Cost of Preferred	Preferred Stock	(Line 117 * 120)	0.0000
124	Weighted Cost of Common	Common Stock	(Line 118 * 121)	0.0630
125	Total Return ( R )		(Sum Lines 122 to 124)	<b>0.0816</b>
126	Investment Return = Rate Base * Rate of Return		(Line 59 * 125)	<b>84,787,875</b>

**Composite Income Taxes**

(Note L)

	<b>Income Tax Rates</b>			
127	FIT=Federal Income Tax Rate		0	21.00%
128	SIT=State Income Tax Rate or Composite		0	8.25%
129	p = percent of federal income tax deductible for state purposes			0.00%
130	T			27.52%
131	T/(1-T)	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		37.96%
	<b>ITC Adjustment</b>			
132	Amortized Investment Tax Credit	enter negative	p266.17f	-160,737
133	T/(1-T)		(Line 131)	37.96%
134	Net Plant Allocation Factor		(Line 18)	25.4691%
135	ITC Adjustment Allocated to Transmission	(Note I)	(Line 129 * (1 + Line 130) * Line 131)	-56,480
136	Income Tax Component =	$CIT=(T/(1-T)) * Investment Return * (1-(WCLTD/R)) =$		24,866,670
137	<b>Total Income Taxes</b>			<b>24,810,189</b>

Baltimore Gas and Electric Company

**Attachment 5a - Allocations of Costs to Affiliates**

**Summary of Administrative and General Expense (A&G) Charged to BGE by Exelon Business Services Company (BSC)**

Expense Items	Amount	Amount
	Allocated to BG&E Electric	Allocated to BG&E Gas
A&G	\$99,521,844	\$41,643,892

Explanation of the method

Exelon Business Services Company (BSC) costs are distributed to all affiliates. Appropriate cost allocation factors are assigned to the various headquarters functions to be distributed. This BSC cost distribution approach is documented in BGE's Cost Allocation Manual which is periodically filed with the Maryland Public Service Commission.

Costs distributed to BGE are recorded to the appropriate common A&G expense accounts on BGE's books. All common expenses (including allocations of cost from the BSC) are distributed to the electric and gas lines of business as noted on page 356.1 of the FERC Form 1. Specifically, the ratio to distribute common regulated utility expenses to gas and electric is based on a modified version of the Massachusetts formula and is influenced by each line of business's share of total utility labor, depreciation, amortization, and taxes. BGE has consistently used this approach to distribute common costs to the gas and electric lines of business for the last 20 plus years with no adverse comment from state or federal regulators during this interval.

Actual calculation of the results of the method for 2017:

In 2017 the regulated electric business received 70.5% of common utility expenses and gas received a 29.5% share.

## ATTACHMENT H-8G

## PPL Electric Utilities Corporation

## Formula Rate -- Appendix A

Notes

FERC Form 1 Page # or Instruction

2017 Data

## Shaded cells are input cells

## Allocators

<b>Wages &amp; Salary Allocation Factor</b>			
1	Transmission Wages Expense	p354.21.b	6,384,739
2	Total Wages Expense	p354.28.b	70,208,567
3	Less A&G Wages Expense	p354.27.b	3,305,978
4	Total Wages Less A&G Wages Expense	(Line 2 - Line 3)	66,902,589
5	<b>Wages &amp; Salary Allocator</b>	(Line 1 / Line 4)	<b>9.5433%</b>
<b>Plant Allocation Factors</b>			
6	Electric Plant in Service	p207.104.g	11,124,975,558
7	Accumulated Depreciation (Total Electric Plant)	(Note J) p219.29.c	2,637,136,607
8	Accumulated Amortization	(Note A) p200.21.c	84,210,361
9	Total Accumulated Depreciation	(Line 7 + 8)	2,721,346,968
10	Net Plant	(Line 6 - Line 9)	8,403,628,590
11	Transmission Gross Plant (excluding Land Held for Future Use)	(Line 25 - Line 24)	4,920,802,764
12	<b>Gross Plant Allocator</b>	(Line 11 / Line 6)	<b>44.2320%</b>
13	Transmission Net Plant (excluding Land Held for Future Use)	(Line 33 - Line 24)	4,305,784,491
14	<b>Net Plant Allocator</b>	(Line 13 / Line 10)	<b>51.2372%</b>

## Plant Calculations

<b>Plant In Service</b>			
15	Transmission Plant In Service	(Note B) p207.58.g	4,612,087,161
16	For Reconciliation only - remove New Transmission Plant Additions for Current Calendar Year	For Reconciliation Only Attachment 6	
17	New Transmission Plant Additions for Current Calendar Year (weighted by months in service)	(Note B) Attachment 6	213,250,928
18	<b>Total Transmission Plant</b>	(Line 15 - Line 16 + Line 17)	<b>4,825,338,089</b>
19	General	p207.99.g	790,126,471
20	Intangible	p205.5.g	210,201,642
21	Total General and Intangible Plant	(Line 19 + Line 20)	1,000,328,113
22	Wage & Salary Allocator	(Line 5)	9.5433%
23	<b>Total General and Intangible Functionalized to Transmission</b>	(Line 21 * Line 22)	<b>95,464,675</b>
24	<b>Land Held for Future Use</b>	(Note C) (Note P) Attachment 5	<b>21,532,570</b>
25	<b>Total Plant In Rate Base</b>	(Line 18 + Line 23 + Line 24)	<b>4,942,335,334</b>
<b>Accumulated Depreciation</b>			
26	Transmission Accumulated Depreciation	(Note J) p219.25.c	581,364,550
27	Accumulated General Depreciation	(Note J) p219.28.c	268,430,701
28	Accumulated Amortization	(Line 8)	84,210,361
29	Total Accumulated Depreciation	(Line 27 + 28)	352,641,062
30	Wage & Salary Allocator	(Line 5)	9.5433%
31	Subtotal General and Intangible Accum. Depreciation Allocated to Transmission	(Line 29 * Line 30)	33,653,722
32	<b>Total Accumulated Depreciation</b>	(Sum Lines 26 + 31)	<b>615,018,272</b>
33	<b>Total Net Property, Plant &amp; Equipment</b>	(Line 25 - Line 32)	<b>4,327,317,061</b>

**Adjustment To Rate Base**

34	<b>Accumulated Deferred Income Taxes</b> ADIT net of FASB 106 and 109		Attachment 1	-760,613,332
35	<b>CWIP for Incentive Transmission Projects</b> CWIP Balances for Current Rate Year	(Note H)	Attachment 6	0
36	<b>Prepayments</b> Prepayments	(Note A) (Note O)	Attachment 5	309,878
37	<b>Materials and Supplies</b> Undistributed Stores Expense	(Note A)	p227.16.c (Line 5)	3,390,269 9,5433%
38	Wage & Salary Allocator			323,545
39	Total Undistributed Stores Expense Allocated to Transmission		(Line 37 * Line 38)	7,339,850
40	Transmission Materials & Supplies		p227.8.c	7,663,395
41	<b>Total Materials &amp; Supplies Allocated to Transmission</b>		(Line 39 + Line 40)	6,826,507
42	<b>Cash Working Capital</b> Operation & Maintenance Expense		(Line 70)	54,612,055
43	1/8th Rule		1/8	12.5%
44	<b>Total Cash Working Capital Allocated to Transmission</b>		(Line 42 * Line 43)	6,826,507
45	<b>Total Adjustment to Rate Base</b>		(Lines 34 + 35 + 36 + 41 + 44)	-745,813,553
46	<b>Rate Base</b>		(Line 33 + Line 45)	3,581,503,509

**Operations & Maintenance Expense**

47	<b>Transmission O&amp;M</b> Transmission O&M		Attachment 5	148,106,486
48	Less Account 565		Attachment 5	111,467,932
49	Plus Charges billed to Transmission Owner and booked to Account 565	(Note N)	Attachment 5	0
50	<b>Transmission O&amp;M</b>		(Lines 47 - 48 + 49)	36,638,554
51	<b>Allocated Administrative &amp; General Expenses</b> Total A&G		323.197b	188,465,158
52	Less: Administrative & General Expenses on Securitization Bonds	(Note O)	Attachment 8	0
53	Plus: Fixed PBOP expense	(Note J)	Attachment 5	1,518,585
54	Less: Actual PBOP expense		Attachment 5	469,499
55	Less Property Insurance Account 924		p323.185.b	1,181,205
56	Less Regulatory Commission Exp Account 928	(Note E)	p323.189.b	6,295,602
57	Less General Advertising Exp Account 930.1		p323.191.b	43,588
58	Less EPRI Dues	(Note D)	p352 & 353	0
59	Administrative & General Expenses		Sum (Lines 51 + 53) - Line 52 - Sum (Lines 54 to 58)	181,993,849
60	Wage & Salary Allocator		(Line 5)	9,5433%
61	<b>Administrative &amp; General Expenses Allocated to Transmission</b>		(Line 59 * Line 60)	17,368,285
62	<b>Directly Assigned A&amp;G</b> Regulatory Commission Exp Account 928	(Note G)	Attachment 5	0
63	General Advertising Exp Account 930.1	(Note K)	Attachment 5	0
64	<b>Subtotal - Accounts 928 and 930.1 - Transmission Related</b>		(Line 62 + Line 63)	0
65	Property Insurance Account 924	(Note G)	Attachment 5	1,181,205
66	General Advertising Exp Account 930.1	(Note F)	Attachment 5	0
67	Total Accounts 924 and 930.1 - General		(Line 65 + Line 66)	1,181,205
68	Net Plant Allocator		(Line 14)	51.2372%
69	<b>A&amp;G Directly Assigned to Transmission</b>		(Line 67 * Line 68)	605,216
70	<b>Total Transmission O&amp;M</b>		(Lines 50 + 61 + 64 + 69)	54,612,055



**Depreciation & Amortization Expense**

<b>Depreciation Expense</b>				
71	Transmission Depreciation Expense Including Amortization of Limited Term Plant	(Note J)	Attachment 5	85,383,443
72	General Depreciation Expense Including Amortization of Limited Term Plant	(Note J)	Attachment 5	39,733,263
73	Intangible Amortization	(Note A)	p336.1.d&e	42,200,272
74	Total		(Line 72 + Line 73)	81,933,535
75	Wage & Salary Allocator		(Line 5)	9,5433%
76	General Depreciation & Intangible Amortization Allocated to Transmission		(Line 74 * Line 75)	7,819,193
77	<b>Total Transmission Depreciation &amp; Amortization</b>		<b>(Lines 71 + 76)</b>	<b>93,202,636</b>

**Taxes Other than Income Taxes**

78	Taxes Other than Income Taxes		Attachment 2	3,238,093
79	<b>Total Taxes Other than Income Taxes</b>		<b>(Line 78)</b>	<b>3,238,093</b>

**Return \ Capitalization Calculations**

<b>Long Term Interest</b>				
80	Long Term Interest		p117.62.c through 66.c	144,175,545
81	Less LTD Interest on Securitization Bonds	(Note O)	Attachment 8	0
82	<b>Long Term Interest</b>		<b>(Line 80 - Line 81)</b>	<b>144,175,545</b>
83	Preferred Dividends	enter positive	p118.29.c	-
<b>Common Stock</b>				
84	Proprietary Capital		p112.16.c	3,991,631,591
85	Less Accumulated Other Comprehensive Income Account 219		p112.15.c	0
86	Less Preferred Stock		(Line 94)	0
87	Less Account 216.1		p112.12.c	205,486
88	<b>Common Stock</b>		<b>(Line 84 - 85 - 86 - 87)</b>	<b>3,991,426,105</b>
<b>Capitalization</b>				
89	Long Term Debt		p112.18.c, 19.c & 21.c	3,338,750,000
90	Less Loss on Reacquired Debt		p111.81.c	28,529,555
91	Plus Gain on Reacquired Debt		p113.61.c	0
92	Less LTD on Securitization Bonds	(Note O)	Attachment 8	0
93	Total Long Term Debt		(Line 89 - 90 + 91 - 92)	3,310,220,445
94	Preferred Stock		p112.3.c	0
95	Common Stock		(Line 88)	3,991,426,105
96	<b>Total Capitalization</b>		<b>(Sum Lines 93 to 95)</b>	<b>7,301,646,550</b>
97	Debt %	Total Long Term Debt	(Line 93 / Line 96)	45.3%
98	Preferred %	Preferred Stock	(Line 94 / Line 96)	0.0%
99	Common %	Common Stock	(Line 95 / Line 96)	54.7%
100	Debt Cost	Total Long Term Debt	(Line 82 / Line 93)	0.0436
101	Preferred Cost	Preferred Stock	(Line 83 / Line 94)	0.0000
102	Common Cost	Common Stock	(Note J) Fixed	0.1168
103	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 97 * Line 100)	0.0197
104	Weighted Cost of Preferred	Preferred Stock	(Line 98 * Line 101)	0.0000
105	Weighted Cost of Common	Common Stock	(Line 99 * Line 102)	0.0638
106	<b>Rate of Return on Rate Base ( ROR )</b>		<b>(Sum Lines 103 to 105)</b>	<b>0.0836</b>
107	<b>Investment Return = Rate Base * Rate of Return</b>		<b>(Line 46 * Line 106)</b>	<b>299,392,338</b>

**Composite Income Taxes**

<b>Income Tax Rates</b>			
108	FIT=Federal Income Tax Rate	(Note I)	21.00%
109	SIT=State Income Tax Rate or Composite		9.99%
110	p	(percent of federal income tax deductible for state purposes)	0.00%
111	T	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$	28.89%
112	T / (1-T)		40.63%
<b>ITC Adjustment</b>			
113	Amortized Investment Tax Credit - Transmission Related		Attachment 5
114	<b>ITC Adjust. Allocated to Trans. - Grossed Up</b>	ITC Adjustment x 1 / (1-T)	Line 113 * (1 / (1 - Line 111))
			-20,101
115	<b>Income Tax Component =</b>	$(T/1-T) * \text{Investment Return} * (1-(WCLTD/ROR)) =$	[Line 112 * Line 107 * (1 - (Line 103 / Line 106))]
			<b>92,913,061</b>
116	<b>Total Income Taxes</b>		<b>(Line 114 + Line 115)</b>
			<b>92,884,793</b>

**Revenue Requirement**

<b>Summary</b>			
117	Net Property, Plant & Equipment	(Line 33)	4,327,317,061
118	<u>Total Adjustment to Rate Base</u>	(Line 45)	<u>-745,813,553</u>
119	Rate Base	(Line 46)	3,581,503,509
120	Total Transmission O&M	(Line 70)	54,612,055
121	Total Transmission Depreciation & Amortization	(Line 77)	93,202,636
122	Taxes Other than Income	(Line 79)	3,238,093
123	Investment Return	(Line 107)	299,392,338
124	Income Taxes	(Line 116)	92,884,793

<b>125</b>	<b>Gross Revenue Requirement</b>	<b>(Sum Lines 120 to 124)</b>	<b>543,329,914</b>
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**Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities**

126	Transmission Plant In Service	(Line 15)	4,612,087,161
127	<u>Excluded Transmission Facilities</u>	(Note M) Attachment 5	<u>0</u>
128	Included Transmission Facilities	(Line 126 - Line 127)	4,612,087,161
129	Inclusion Ratio	(Line 128 / Line 126)	100.00%
130	<u>Gross Revenue Requirement</u>	(Line 125)	<u>543,329,914</u>
131	<b>Adjusted Gross Revenue Requirement</b>	(Line 129 * Line 130)	<b>543,329,914</b>

**Revenue Credits**

132	<b>Revenue Credits</b>	Attachment 3	<b>105,972,333</b>
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<b>133</b>	<b>Net Revenue Requirement</b>	<b>(Line 131 - Line 132)</b>	<b>437,357,581</b>
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**Net Plant Carrying Charge**

134	Gross Revenue Requirement	(Line 130)	543,329,914
135	Net Transmission Plant	(Line 18 - Line 26 + Line 35)	4,243,973,539
136	Net Plant Carrying Charge	(Line 134 / Line 135)	12.8024%
137	Net Plant Carrying Charge without Depreciation	(Line 134 - Line 71) / Line 135	10.7905%
138	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes	(Line 134 - Line 71 - Line 107 - Line 116) / Line 135	1.5474%

**Net Plant Carrying Charge Calculation per 100 Basis Point increase in ROE**

139	Gross Revenue Requirement Less Return and Taxes	(Line 130 - Line 123 - Line 124)	151,052,784
140	Increased Return and Taxes	Attachment 4	419,810,212
141	Net Revenue Requirement per 100 Basis Point increase in ROE	(Line 139 + Line 140)	570,862,996
142	Net Transmission Plant	(Line 18 - Line 26 + Line 35)	4,243,973,539
143	Net Plant Carrying Charge per 100 Basis Point increase in ROE	(Line 141 / Line 142)	13.4511%
144	Net Plant Carrying Charge per 100 Basis Point in ROE without Depreciation	(Line 141 - Line 71) / Line 142	11.4393%

**Net Revenue Requirement**

145	<b>Net Revenue Requirement</b>	(Line 133)	<b>437,357,581</b>
146	True-up amount	Attachment 6	(12,371,575)
147	Facility Credits under Section 30.9 of the PJM OATT	Attachment 5	-
148	<b>Net Zonal Revenue Requirement</b>	(Line 145 + 146 + 147)	<b>424,986,006</b>

**Network Zonal Service Rate**

149	1 CP Peak	(Note L) PJM Data	7,401.1
150	Rate (\$/MW-Year)	(Line 148 / 149)	\$ 57,422

<b>151</b>	<b>Network Service Rate (\$/MW/Year)</b>	<b>(Line 150)</b>	<b>\$ 57,422</b>
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## Notes

- A Electric portion only.
- B Line 16, for the Reconciliation, includes New Transmission Plant that actually was placed in service weighted by the number of months it actually was in service. Line 17 includes New Transmission Plant to be placed in service in the current calendar year.
- C Includes Transmission portion only.
- D Includes all EPRI Annual Membership Dues.
- E Includes all Regulatory Commission Expenses.
- F Includes Safety-related advertising included in Account 930.1.
- G Includes Regulatory Commission Expenses directly related to transmission service, RTO filings, or transmission siting itemized in Form 1 at page 351.h. Property Insurance excludes prior period adjustment in the first year of the formula's operation and reconciliation for the first year.
- H CWIP can be included only if authorized by the Commission.
- I The currently effective income tax rate where FIT is the Federal income tax rate; SIT is the State income tax rate, and  $p =$  the percentage of federal income tax deductible for state income taxes.  
The calculation of the Reconciliation revenue requirement according to Step 7 of Attachment 6 ("Estimate and Reconciliation Worksheet") shall reflect the actual tax rates in effect for the Rate Year being reconciled ("Test Year"). When statutory marginal tax rates change during such Test Year, the effective tax rate used in the formula shall be weighted by the number of days each such rate was in effect. For example, a 35% rate in effect for 120 days superseded by a 40% rate in effect for the remainder of the year will be calculated as:  $((.3500 \times 120) + (.4000 \times 245))/365 = .3836$ .
- J ROE will be as follows: (i.) 11.60% for the period November 1, 2008 through May 31, 2009; (ii.) 11.64% for the period June 1, 2009 through May 31, 2010; (iii.) 11.68% on June 1, 2010 through May 31, 2011 and thereafter. No change in ROE will be made absent a filing at FERC.  
PBOP expense is fixed until changed as the result of a filing at FERC.  
Depreciation rates shown in Attachment 9 are fixed until changed as the result of a filing at FERC.  
Upon request, PPL Electric Utilities Corporation will provide workpapers at the annual update to reconcile formula depreciation expense and depreciation accruals to Form No. 1 amounts.  
As set forth in Attachment 5, added to the depreciation expense will be actual removal costs (net of salvage) amortized over five years.
- K Education and outreach expenses related to transmission (e.g., siting or billing).
- L As provided for in Section 34.1 of the PJM OATT, the PJM established billing determinants will not be revised or updated in the annual rate reconciliations.
- M Amount of transmission plant excluded from rates per Attachment 5.
- N Includes only charges incurred for system integration, such as those under the EHV Agreement, and transmission costs paid to others that benefit transmission customers.
- O Amounts associated with transition bonds issued to securitize the recovery of retail stranded costs are removed from account balances, pursuant to an Order entered by the Pennsylvania Public Utility Commission on May 21, 1999 at Docket No. R-00994637, in accordance with Pennsylvania's Electric Generation Customer Choice and Competition Act.
- P Any gain from the sale of land included in Land Held for Future Use in the Formula Rate received during the Rate Year shall be used to reduce the ATRR in the Rate Year. The Formula Rate shall not include any losses on sales of such land.

PPL Electric Utilities Corporation

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

	Transmission Related	Plant Related	Labor Related	Total Transmission ADIT	
ADIT-282	(861,108,497)	0	(80,464,498)		From Acct. 282 total, below
ADIT-283	(1,573,019)	(8,242,788)	(645,615)		From Acct. 283 total, below
ADIT-190	111,444,757	0	27,112,236		From Acct. 190 total, below
Subtotal	(751,236,759)	(8,242,788)	(53,997,877)		Sum lines 1 through 3
Wages & Salary Allocator			9.5433%		
Net Plant Allocator		51.2372%			
ADIT	(751,236,759)	(4,223,374)	(5,153,199)	(760,613,332)	Sum Cols. D, E, F; Enter as negative Appendix A, line 42.
	row 4	row 5 * row 4	row 5 * row 4		

In filling out this attachment, a full and complete description of each item and justification for the allocation to Columns B-F and each separate ADIT item will be listed, dissimilar items with amounts exceeding \$100,000 will be listed separately.

A	B	C	D	E	F	G
ADIT-190	Total	Gas, Prod, Dist Or Other Related	Transmission Related	Plant Related	Labor Related	Justification
Account 190						
Accumulated Deferred Investment Tax Credits (Non-Transmission)	5,646	5,646				Basis difference between book plant and tax plant basis related to investment tax credits on distribution property
Accumulated Deferred Investment Tax Credits (Transmission)	73,507		73,507			Basis difference between book plant and tax plant basis related to investment tax credits on transmission property
Regulatory Liability - Income Taxes Related to ITC (Non-Tx)	2,297	2,297				Liability recorded for regulatory purposes related to accumulated deferred investment tax credit book/tax basis difference on distribution property
Regulatory Liability - Income Taxes Related to ITC (Tx)	29,864		29,864			Liability recorded for regulatory purposes related to accumulated deferred investment tax credit book/tax basis difference on transmission property
Regulatory Liability - Tax Gross-up Related to Plant net of NOLs	192,500,975	96,138,366	96,362,609			Liability recorded for regulatory purposes related to book and tax basis differences related to plant net of NOLs.
Contributions in Aid of Construction (Non-Tx)	93,211,082	93,211,082				Distribution related income that is taxable for tax return purposes, but recorded as a reduction to plant for book purposes.
Contributions in Aid of Construction (Tx-related)	23,763,137		23,763,137			Transmission related income that is taxable for tax return purposes, but recorded as a reduction to plant for book purposes.
Pensions and Post-Retirement	10,535,817	10,535,817				Expense and equity (FAS158) adjustments for book purposes not deductible for tax purposes
FAS158 Regulatory Liability	145,537,545	145,537,545				Liability recorded for regulatory purposes for FAS 158 pension and post-retirement costs
Workers Compensation	0				0	Book expense not deductible for tax return purposes - labor related to all functions
Service Company Labor Related Costs	24,871,414				24,871,414	Book expense not deductible for tax return purposes - labor related to all functions
EU Service Company Other Related Costs	0	0				Book expense not deductible for tax return purposes
Variable Pay	0				0	Book expense not deductible for tax return purposes - labor related to all functions
Severance Pay	0				0	Book expense not deductible for tax return purposes - labor related to all functions
Deferred Compensation	289,457				289,457	Book expense not deductible for tax return purposes - labor related to all functions
Taxes Other Than Income Taxes	2,024,208	2,024,208				Book expense not deductible for tax return purposes - retail related gross receipts and sales & use taxes
State Income Tax Adjustment	0	0				Distribution related state income tax expense/(benefit) deferred for book purposes and not deductible
AMT Tax Carryforward	877,273	877,273				Tax credits carryforward to a future period.
RAR Adjustments	0	0				Distribution related IRS audit adjustments
Obsolete Inventory	101,011	101,011				Distribution related book expense not deductible for tax return purposes
Environmental Liability	2,862,874	2,862,874				Distribution related book expense for manufactured gas plants not deductible for tax return purposes
Post Employment Liabilities	1,794,625	1,794,625				Book expense not deductible for tax return purposes
STAS Adjustment	0	0				Distribution related expense deferred for book purposes and deducted for tax purposes.
Tax Credit Carryforward	163,753	163,753				Tax credits carryforward to a future period.
Conservation Program Regulatory Asset	168,207	168,207				Distribution related expense deferred for book purposes and deducted for tax purposes.
Universal Service Rider over/undercollection	7,454,747	7,454,747				Distribution related expense deferred for book purposes and deducted for tax purposes.
Generation Service Charge over/undercollection	9,742,771	9,742,771				Distribution related expense deferred for book purposes and deducted for tax purposes.
Transmission Service Charge over/undercollection	2,639,339	2,639,339				Distribution related expense deferred for book purposes and deducted for tax purposes.
Distribution System Improvement Charge over/undercollection	0	0				Distribution related expense deferred for book purposes and deducted for tax purposes.
Competitive Enhancement Rider over/undercollections	0	0				Distribution related expense deferred for book purposes and deducted for tax purposes.
Storm Damage over/undercollection	2,348,205	2,348,205				Distribution related expense deferred for book purposes and deducted for tax purposes.
Book Contingencies	466,595	466,595				Distribution related book expense not deductible for tax return purposes.
Other Contingencies	6,284	6,284				Distribution related book expense not deductible for tax return purposes.
Charitable Contributions	2,636,860	2,636,860				Distribution related tax deduction carryforward to a future period.
Federal NOL Carryforward	89,457,028	39,680,916	49,776,112			Federal net operating loss carryforward
Deferred Intercompany Transactions	0	0				Retail related income recorded for book purposes not includable in taxable income - related to
Smart Meter Technology Regulatory Liability	0	0				Distribution related expense deferred for book purposes and deducted for tax purposes.
Charitable Contribution Carryforward	0	0				Distribution related tax deduction carryforward to a future period.
2018 Rate Change on non-plant deferred taxes assets (Note 6)	2,219,666	0	2,219,666			Presentation adjustment to reverse the impact of the 2018 federal income tax rate change from 35% to
2018 Rate Change on NOL deferred taxes assets (Note 6)	56,246,433	23,062,358	33,184,075			Presentation adjustment to reverse the impact of the 2018 federal income tax rate change from 35% to
FAS109 Regulatory Liability Related to non-plant DTLs	1,573,019		1,573,019			Liability recorded for regulatory purposes related to the impact of the 2018 federal income tax rate
FAS109 Regulatory Liability Related to Tax Gross-up on non-plant DTLs	639,139		639,139			Liability recorded for regulatory purposes related to the tax gross-up on the impact of the 2018 federal
Subtotal - p234	685,982,814	448,747,682	210,122,896	0	27,112,236	
Less FASB 109 Above if not separately removed	194,824,447	96,146,309	98,678,139			
Less FASB 106 Above if not separately removed	9,569,049	9,569,049				
Total	481,589,318	343,032,324	111,444,757	0	27,112,236	

Instructions for Account 190:

- ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
- ADIT items related only to Transmission are directly assigned to Column D
- ADIT items related to Plant and not in Columns C & D are included in Column E
- ADIT items related to labor and not in Columns C & D are included in Column F

5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded.

PPL Electric Utilities Corporation

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

A	B	C	D	E	F	G
ADIT-282	Total	Gas, Prod, Dist Or Other Related	Transmission Related	Plant Related	Labor Related	Justification
Account 282						
ACRS/MACRS Property (Non-Transmission)	(792,687,616)	(792,687,616)				Deductions for distribution related tax depreciation in excess of book depreciation at federal rate
ACRS/MACRS Property (General Plant)	(79,326,219)				(79,326,219)	Deductions for general plant related tax depreciation in excess of book depreciation at applicable federal and state rates
ACRS/MACRS Property (Transmission)	(818,404,239)		(818,404,239)			Deductions for transmission related method/life, book and tax recovery differences on pre-ACRS/MACRS property, ACRS/MACRS property and unamortized net negative salvage at federal and state rates.
FAST09 regulatory assets/liabilities related to plant	473,774,505	236,611,301	237,163,204			Asset recorded for regulatory purposes to adjust plant related deferred taxes to current federal and state rates.
Basis adjustments between book and tax plant (Non-Tx)	(342,416,421)	(342,416,421)				Basis difference between Distribution related book plant and tax plant basis at federal & state rates
Basis adjustments between book and tax plant (General Plant)	(1,138,279)				(1,138,279)	Basis difference between book plant and tax plant basis at federal & state rates
Basis adjustments between book and tax plant (Tx-related)	(42,704,258)		(42,704,258)			Basis difference between Transmission related plant and tax plant basis at federal & state rates
RAR adjustments related to plant (Non-Transmission)	2,698,207	2,698,207				Settled IRS audit adjustments related to Distribution plant
Effectively Settled Audit Adjustments	0	0				Agreed to IRS audit adjustments related to Distribution plant
Non-Utility Property	(5,892)	(5,892)				Difference between net book plant and net tax plant resulting from deductions for non-utility related tax depreciation in excess of book depreciation and cost basis differences between book plant and tax plant at federal and state tax rates
Subtotal - p275	(1,600,210,212)	(895,800,421)	(623,945,293)	0	(80,464,498)	
Less FASB 109 Above if not separately removed	473,774,505	236,611,301	237,163,204			
Less FASB 106 Above if not separately removed	0					
Total	(2,073,984,717)	(1,132,411,722)	(861,108,497)	0	(80,464,498)	

Instructions for Account 282:

- ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
- ADIT items related only to Transmission are directly assigned to Column D
- ADIT items related to Plant and not in Columns C & D are included in Column E
- ADIT items related to labor and not in Columns C & D are included in Column F
- Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded.

PPL Electric Utilities Corporation

A	B	C	D	E	F	G
ADIT-283	Total	Gas, Prod, Dist Or Other Related	Transmission Related	Plant Related	Labor Related	Justification
Account 283						
Reacquired debt costs	(8,242,788)			(8,242,788)		Plant related expense deferred for book purposes and deducted for tax purposes
Pension and post-retirement	(74,836,381)	(74,836,381)				Expense and equity(FAS158) adjustments for book purposes not deductible for tax purposes
FAS158 Regulatory Asset	(145,537,545)	(145,537,545)				Asset recorded for regulatory purposes for FAS 158 pension and post-retirement costs
Clearing accounts	(395,725)				(395,725)	Expense deferred for book purposes and deducted for tax purposes
Prepaid Insurance	(1,142,850)	(892,960)			(249,890)	Distribution related expense deferred for book purposes and deducted for tax purposes.
Distribution System Improvement Charge over/undercollection	(275,715)	(275,715)				Distribution related expense deferred for book purposes and deducted for tax purposes.
Competitive Enhancement Rider over/undercollections	(4,762)	(4,762)				Distribution related expense deferred for book purposes and deducted for tax purposes.
Smart Meter Technology Regulatory Asset	(4,214,030)	(4,214,030)				Distribution related expense deferred for book purposes and deducted for tax purposes.
2018 Rate Change on non-plant deferred taxes liabilities (Note 6)	(1,573,019)		(1,573,019)			Presentation adjustment to reverse the impact of the 2018 federal income tax rate change from 35% to
FAS109 Regulatory Asset Related to non-plant DTAs	(2,219,666)		(2,219,666)			Asset recorded for regulatory purposes related to the impact of the 2018 federal income tax rate change
FAS109 Regulatory Asset Related to Tax Gross-up on non-plant DT	(901,880)		(901,880)			Asset recorded for regulatory purposes related to the tax gross-up on the impact of the 2018 federal
Subtotal - p277	(239,344,361)	(225,761,393)	(4,694,565)	(8,242,788)	(645,615)	
Less FASB 109 Above if not separately removed	(3,121,546)	0	(3,121,546)			
Less FASB 106 Above if not separately removed	0					
Total	(236,222,815)	(225,761,393)	(1,573,019.00)	(8,242,788)	(645,615)	

Instructions for Account 283:

- ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
- ADIT items related only to Transmission are directly assigned to Column D
- ADIT items related to Plant and not in Columns C & D are included in Column E
- ADIT items related to labor and not in Columns C & D are included in Column F
- Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded.

**PPL Electric Utilities Corporation**

**Attachment 2 - Taxes Other Than Income Worksheet**

Other Taxes	Page 263 Col (i)	Allocator	Allocated Amount
<b>Plant Related</b>			
		<b>Net Plant Allocator</b>	
1 Real Property (State, Municipal or Local)	3,197,833		
2 PURTA	2,144,102		
3			
4			
5			
6			
7			
8 <b>Total Plant Related</b>	5,341,935	51.2372%	2,737,058
<b>Labor Related</b>			
		<b>Wages &amp; Salary Allocator</b>	
9 Federal FICA	4,641,346		
10 Federal Unemployment	26,040		
11 State Unemployment	453,535		
12			
13			
14 <b>Total Labor Related</b>	5,120,921	9.5433%	488,707
<b>Other Included</b>			
		<b>Net Plant Allocator</b>	
15 PA Capital Stock Tax	24,001		
16 Tax on Insurance Premiums	0		
17 Local Business License Tax	60		
18			
19 <b>Total Other Included</b>	24,061	51.2372%	12,328
20 <b>Total Included (Lines 8 + 14 + 19)</b>	10,486,917		3,238,093
<b>Currently Excluded</b>			
21 Gross Receipts	102,361,250		
22 Sales and Use	(778,310)		
23			
24			
25			
26			
27			
28 <b>Subtotal, Excluded</b>	101,582,940		
29 <b>Total, Included and Excluded (Line 20 + Line 28)</b>	112,069,857		
30 <b>Total Other Taxes from p114.14.c less Tax on Securitization Bonds</b>	112,069,857		
31 Difference (Line 29 - Line 30)	-		

Criteria for Allocation:

- A Other taxes that are incurred through ownership of plant, including transmission plant, will be allocated based on the Net Plant Allocator. If the taxes are 100% recovered at retail, they shall not be included.
- B Other taxes that are incurred through ownership of only general or intangible plant will be allocated based on the Wages and Salary Allocator. If the taxes are 100% recovered at retail, they shall not be included.
- C Other taxes that are assessed based on labor will be allocated based on the Wages and Salary Allocator.
- D Other taxes, except as provided for in A, B and C above, which are incurred and (1) are not fully recovered at retail or (2) are directly or indirectly related to transmission service, will be allocated based on the Net Plant Allocator; provided, however, that overheads shall be treated, as described in footnote B above.
- E Excludes prior period adjustments in the first year of the formula's operation and reconciliation for the first year.

**PPL Electric Utilities Corporation**

**Attachment 3 - Revenue Credit Worksheet**

<b>Account 454 - Rent from Electric Property</b>		
1	Rent from Electric Property - Transmission Related	3,720,837
<b>Account 456 - Other Electric Revenues (Note 1)</b>		
2	Transmission for Others (Note 3)	-
3	Schedule 12 Revenues (Note 3)	96,386,629
4	Schedule 1A	2,611,326
5	Net revenues associated with Network Integration Transmission Service (NITS) for which the load is not included in the divisor (Note 3)	-
6	Point-to-Point Service revenues for which the load is not included in the divisor received by Transmission Owner (e.g. Schedule 8)	2,172,198
7	Professional Services provided to others	762,203
8	Facilities Charges including Interconnection Agreements (Note 2)	319,140
9	Gross Revenue Credits	(Sum Lines 1-10) <u>105,972,333</u>
10	Amount offset from Note 3 below	-
11	Note 1: All revenues related to transmission that are received as a transmission owner (i.e., not received as a LSE), for which the cost of the service is recovered under this formula, except as specifically provided for elsewhere in this Attachment or elsewhere in the formula, will be included as a revenue credit or included in the peak on line 150 of Appendix A.	
12	Note 2: If the costs associated with the Directly Assigned Transmission Facility Charges are included in the Rates, the associated revenues are included in the Rates. If the costs associated with the Directly Assigned Transmission Facility Charges are not included in the Rates, the associated revenues are not included in the Rates.	
13	Note 3: If the facilities associated with the revenues are not included in the formula, the revenue is shown here, but not included in the total above and explained in the Cost Support, e.g., revenues associated with distribution facilities. In addition, Revenues from Schedule 12 are not included in the total above to the extent they are credited directly by PJM to zonal customers.	

Attachment 4 - Calculation of 100 Basis Point Increase in ROE

A	Return and Taxes with 100 Basis Point increase in ROE 100 Basis Point increase in ROE and Income Taxes	Line 29 + Line 39 from below	419,810,212
B	100 Basis Point increase in ROE		1.00%

**Return Calculation**

Appendix A Line or Source Reference

1	<b>Rate Base</b>	(Attachment A Line 46)	3,581,503,509	
<b>Long Term Interest</b>				
2	Long Term Interest	(Attachment A Line 80)	144,175,545	
3	Less LTD Interest on Securitization Bonds	Attachment 8	-	
4	Long Term Interest	(Line 2 - Line 3)	144,175,545	
5	<b>Preferred Dividends</b>	enter positive	p118.29.c	0
<b>Common Stock</b>				
6	Proprietary Capital	p112.16.c	3,991,631,591	
7	Less Accumulated Other Comprehensive Income Account 219	p112.15.c	0	
8	Less Preferred Stock	(Attachment A Line 86)	0	
9	Less Account 216.1	p112.12.c	205,486	
10	Common Stock	(Line 6 - 7 - 8 - 9)	3,991,426,105	
<b>Capitalization</b>				
11	Long Term Debt	p112.18.c, 19.c & 21.c	3,338,750,000	
12	Less Loss on Reacquired Debt	p111.81.c	28,529,555	
13	Plus Gain on Reacquired Debt	p113.61.c	0	
14	Less LTD on Securitization Bonds	Attachment 8	0	
15	Total Long Term Debt	(Line 11 - 12 + 13 - 14)	3,310,220,445	
16	Preferred Stock	p112.3.c	0	
17	Common Stock	(Line 10)	3,991,426,105	
18	Total Capitalization	(Sum Lines 15 to 17)	7,301,646,550	
19	Debt %	Total Long Term Debt	(Line 15 / Line 18)	45.3%
20	Preferred %	Preferred Stock	(Line 16 / Line 18)	0.0%
21	Common %	Common Stock	(Line 17 / Line 18)	54.7%
22	Debt Cost	Total Long Term Debt	(Line 4 / Line 15)	0.0436
23	Preferred Cost	Preferred Stock	(Line 5 / Line 16)	0.0000
24	Common Cost	Common Stock	Fixed	0.1268
25	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 19 * Line 22)	0.0197
26	Weighted Cost of Preferred	Preferred Stock	(Line 20 * Line 23)	0.0000
27	Weighted Cost of Common	Common Stock	(Line 21 * Line 24)	0.0693
28	<b>Rate of Return on Rate Base ( ROR )</b>		(Sum Lines 25 to 27)	<b>0.0891</b>
29	<b>Investment Return = Rate Base * Rate of Return</b>		(Line 1 * Line 28)	<b>318,970,534</b>

**Composite Income Taxes**

<b>Income Tax Rates</b>			
30	FIT=Federal Income Tax Rate		21.00%
31	SIT=State Income Tax Rate or Composite		9.99%
32	p = percent of federal income tax deductible for state purposes	Per State Tax Code	0.00%
33	T	$T = 1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$	28.89%
34	CIT = T / (1-T)		40.63%
35	1 / (1-T)		140.63%
<b>ITC Adjustment</b>			
36	Amortized Investment Tax Credit	Attachment 5	(20,101)
37	<b>ITC Adjust. Allocated to Trans. - Grossed Up</b>	(Line 36 * (1 / (1 - Line 33))	<b>-28,268</b>
38	<b>Income Tax Component =</b>	$CIT = (T / (1 - T)) * Investment\ Return * (1 - (WCLTD / R)) =$	100,867,946
39	<b>Total Income Taxes</b>		<b>100,839,678</b>



Attachment 5 - Cost Support

ITC Adjustment

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Form No. 1 Amount	Transmission Related	Non-transmission Related	Details
113	Amortized Investment Tax Credit	Company Records	-54,023	-20,101	-33,922	Enter Negative

Transmission / Non-transmission Cost Support

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Form No. 1 Amount	Transmission Related Major Items	Transmission Related Minor Items	Non-transmission Related	Details
24	Land Held for Future Use	(Note C) p.214.d - p214.6.d & Company Records (Note P) Company Records	24,125,739	18,110,548	3,422,022	2,593,169	Removal of land held for future use (if any) that is included in CWIP balance Gains from the sale of Land Held for Future Use Balance for Appendix A
				0	0		
				18,110,548	3,422,022		

Adjustments to A & G Expense

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Total	Prior Period Adjustment	Adjusted Total	Details
<b>Allocated Administrative &amp; General Expenses</b>						
53	Fixed PBOP expense	FERC Authorized Company Records p323.185.b	1,518,585			Current year actual PBOP expense Annual Premium associated with storm insurance excluding recoveries related to prior periods. (See FM 1 note to page 320 line 185)
54	Actual PBOP expense		469,499			
65	Property Insurance Account 924		1,181,205	0	1,181,205	

Regulatory Expense Related to Transmission Cost Support

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Form No. 1 Amount	Transmission Related	Non-transmission Related	Details
<b>Directly Assigned A&amp;G</b>						
62	Regulatory Commission Exp Account 928	(Note G) p350-151h	6,295,602	0	6,295,602	

Safety Related Advertising Cost Support

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Form No. 1 Amount	Safety Related	Non-safety Related	Details
<b>Directly Assigned A&amp;G</b>						
66	General Advertising Exp Account 930.1	(Note F) p323.191.b	43,588	-	43,588	

MultiState Workpaper

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			State 1	State 2	State 3	State 4	State 5	Details
<b>Income Tax Rates</b>								
109	SIT=State Income Tax Rate or Composite	(Note I)	PA 9.99%					

Education and Out Reach Cost Support

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Form No. 1 Amount	Education & Outreach	Other	Details
<b>Directly Assigned A&amp;G</b>						
63	General Advertising Exp Account 930.1	(Note K) p323.191.b	43,588	-	43,588	

Attachment 5 - Cost Support

Excluded Plant Cost Support

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Excluded Transmission Facilities	Description of the Facilities
127	Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities Excluded Transmission Facilities (Note M)		Enter \$ 0	General Description of the Facilities None
	Instructions: 1 Remove all investment below 69 kV or generator step-up transformers included in transmission plant in service that are not a result of the RTEP process 2 If unable to determine the investment below 69kV in a substation with investment of 69 kV and higher, as well as below 69 kV, the following formula will be used: <b>Example</b> A Total investment in substation 1,000,000 B Identifiable investment in Transmission (provide workpapers) 500,000 C Identifiable investment in Distribution (provide workpapers) 400,000 D Amount to be excluded (A x (C / (B + C))) 444,444		Or Enter \$	
Add more lines if necessary				

Prepayments and Prepaid Pension Asset

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Form No. 1 Amount	Prepayments on Securitization Bonds Adjustment	POLR and Retail Related Adjustment	Prepayments	W&S Allocator	Functionalized to TX	Description of the Prepayments
36	Prepayments Prepayments (Note A) (Note O) Form 1 – p111.57.c		6,337,757	0	3,090,698	3,247,059	9.5433%	309,878	Less amounts related to POLR, Retail Issues and Bond Securitization.

Adjustments to Transmission O&M

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Total	Adjustments	Transmission Related	Details
47	Transmission O&M p.321.112.b		148,234,166	127,680	148,106,486	Adjustment for Ancillary Services p321.88b and p321.92b.
48	Less Account 565 p.321.96.b		111,467,932	0	111,467,932	None

Facility Credits under Section 30.9 of the PJM OATT

Appendix A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions			Amount	Description & PJM Documentation
147	Net Revenue Requirement Facility Credits under Section 30.9 of the PJM OATT		-	None

PJM Load Cost Support

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			1 CP Peak	Description & PJM Documentation
149	Network Zonal Service Rate 1 CP Peak (Note L) PJM Data		7,401.1	

Depreciation Expense

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Total	Year 1 2012	Year 2 2013	Year 3 2014	Year 4 2015	Year 5 2016	Total	5 - Year Amortization
71	Transmission Depreciation Expense Including Amortization of Limited Term Plant (Note J) Company Records		68,793,457							
	Transmission Plant Cost of Removal, Net of Salvage (Note J) Company Records		16,589,986	7,726,933	1,560,069	16,131,452	8,276,939	49,254,536	82,949,929	16,589,986
	Total Transmission Depreciation Expense Including Amortization of Limited Term F (Note J) Company Records		85,383,443							
72	General Depreciation Expense Including Amortization of Limited Term Plant (Note J) Company Records		40,330,135							
	General Plant Cost of Removal, Net of Salvage (Note J) Company Records		-596,872	-952,715	-384,081	-686,454	1,119	-962,228	-2,984,359	-596,872
	Total General Depreciation Expense Including Amortization of Limited Term Plant (Note J) Company Records		39,733,263							

**PPL Electric Utilities Corporation**  
**Attachment 6 - Estimate and Reconciliation Worksheet**

Step Month Year Action

Exec Summary

- 1 April Year 2 TO populates the formula with Year 1 data from FERC Form No. 1 data for Year 1 (e.g., 2007)
- 2 April Year 2 TO estimates all transmission Cap Adds and CWIP for Year 2 weighted based on Months expected to be in service in Year 2 (e.g., 2008)
- 3 April Year 2 TO adds weighted Cap Adds to plant in service in Formula
- 4 May Year 2 Post results of Step 3 on PJM web site
- 5 June Year 2 Results of Step 3 go into effect for the Rate Year 1 (e.g., June 1, 2008 - May 31, 2009)
- 6 April Year 3 TO populates the formula with Year 2 data from FERC Form No. 1 for Year 2 (e.g., 2008)
- 7 April Year 3 Reconciliation - TO calculates Reconciliation by removing from Year 2 data - the total Cap Adds placed in service in Year 2 and adding weighted average in Year 2 actual Cap Adds and CWIP in Reconciliation (adjusted to include any Reconciliation amount from prior year)
- 8 April Year 3 TO estimates Cap Adds and CWIP during Year 3 weighted based on Months expected to be in service in Year 3 (e.g., 2009)
- 9 April Year 3 Reconciliation - TO adds the difference between the Reconciliation in Step 7 and the forecast in Line 5 with interest to the result of Step 7 (this difference is also added to Step 8 in the subsequent year)
- 10 May Year 3 Post results of Step 9 on PJM web site
- 11 June Year 3 Results of Step 9 go into effect for the Rate Year 2 (e.g., June 1, 2009 - May 31, 2010)

1 April Year 2 TO populates the formula with Year 1 data from FERC Form No. 1 data for Year 1 (e.g., 2007)  
 \$ 388,714,596 Rev Req based on Year 1 data Must run Appendix A to get this number (without inputs in lines 16, 17 or 35 of Appendix A)

2 April Year 2 TO estimates all transmission Cap Adds and CWIP for Year 2 weighted based on Months expected to be in service in Year 2 (e.g., 2008)

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	Total
	Monthly Additions Other Plant In Service	Monthly Additions Northeast Pocono Reliability Project CWIP	Monthly Additions Susq-Rose CWIP < 500KV (B0487.1)	Monthly Additions Susq-Rose PIS < 500KV (B0487.1)	Monthly Additions Susq-Rose CWIP ≥ 500KV (B0487)	Monthly Additions Susq-Rose PIS ≥ 500KV (B0487)	Weighting	Other Plant In Service Amount (A x G)	NPR CWIP Amount (B x G)	Susq-Rose CWIP Amount (C x G) < 500KV (B0487.1)	Susq-Rose PIS Amount (D x G) < 500KV (B0487.1)	Susq-Rose CWIP Amount (E x G) ≥ 500KV (B0487)	Susq-Rose PIS Amount (F x G) ≥ 500KV (B0487)	Other Plant In Service (H / I)	NPR CWIP (J / I)	Susq-Rose CWIP (L / I)	Susq-Rose PIS (K / I)	Susq-Rose CWIP (R / I)	Susq-Rose PIS (S / I)	
CWIP Balance Dec (prior yr.)																				
Jan	45,551,675	0	-	-	-	-	12	523,844,268	-	-	-	-	-	43,653,689	-	-	-	-	-	-
Feb	37,252,554	0	-	-	-	-	10.5	391,151,822	-	-	-	-	-	32,595,985	-	-	-	-	-	-
Mar	83,378,369	0	-	-	-	-	9.5	792,094,506	-	-	-	-	-	66,007,875	-	-	-	-	-	-
Apr	53,095,625	0	-	-	-	-	8.5	451,312,810	-	-	-	-	-	37,609,401	-	-	-	-	-	-
May	54,928,942	0	-	-	-	-	7.5	412,042,063	-	-	-	-	-	34,336,839	-	-	-	-	-	-
Jun	32,780,739	0	-	-	-	-	6.5	213,074,800	-	-	-	-	-	17,756,233	-	-	-	-	-	-
Jul	42,668,308	0	-	-	-	-	5.5	234,345,692	-	-	-	-	-	19,528,808	-	-	-	-	-	-
Aug	6,474,808	0	-	-	-	-	4.5	29,136,635	-	-	-	-	-	2,428,053	-	-	-	-	-	-
Sep	74,112,868	0	-	-	-	-	3.5	259,396,039	-	-	-	-	-	21,616,253	-	-	-	-	-	-
Oct	33,848,472	0	-	-	-	-	2.5	84,621,379	-	-	-	-	-	7,051,765	-	-	-	-	-	-
Nov	152,031,132	0	-	-	-	-	1.5	228,046,699	-	-	-	-	-	19,003,892	-	-	-	-	-	-
Dec	110,709,627	0	-	-	-	-	0.5	55,354,814	-	-	-	-	-	4,612,901	-	-	-	-	-	-
Total	726,783,119	-	-	-	-	-		3,674,420,327	-	-	-	-	-	306,201,694	-	-	-	-	-	-
New Transmission Plant Additions and CWIP (weighted by months in service)														306,201,694						306,201,694
														Input to Line 17 of Appendix A						
														Input to Line 35 of Appendix A						
														Month in Service or Month for CWIP	6.94	#DIV/0!		#DIV/0!		

3 April Year 2 TO adds weighted Cap Adds to plant in service in Formula  
 \$ 428,803,617 Must run Appendix A to get this number (with inputs on lines 17 and 35 of Attachment A)

4 May Year 2 Post results of Step 3 on PJM web site  
 \$ 428,803,617 Must run Appendix A to get this number (with inputs on lines 17 and 35 of Attachment A)

5 June Year 2 Results of Step 3 go into effect for the Rate Year 1 (e.g., June 1, 2008 - May 31, 2009)  
 \$ 428,803,617







Charge Worksheet

New Plant Carrying Charge

Fixed Charge Rate (FCR) if not a CIAC

Formula Line  
A 137  
B 144  
C

FCR if a CIAC

D 138

The FCR resulting from Formula in a  
Therefore actual revenues collected is

Details		Actual Suzukaohama - Roseland PS (004871) < 500kV				Station 8th Transformer (0791)				Laushtown 500/230 by Sub (0206)				Abernet 500kv (0227)				Actual Cooperstone Substation (0468)						
Schedule 12 Life	(Yes or No)	Yes 42.00				Yes 42.00				Yes 42.00				Yes 42.00				Yes 42.00						
CIAC	(Yes or No)	No 125				No 0				No 0				No 0				No 0						
Increased ROE (Basic Points)																								
11.68% ROE		10.7905%				10.7905%				10.7905%				10.7905%				10.7905%						
FCR for This Product		11.6019%				10.7905%				10.7905%				10.7905%				10.7905%						
Investment		14,971,615				3,733,895				47,556,088				11,890,165				22,735,783						
Annual Depreciation Exp		354,467				48,902				1,132,288				283,099				541,328						
Month in Service or Month for CWP*																								
Invest Yr	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Total	Incentive Charged	Revenue Credit
W 11.68 % ROE 2008	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$
W 11.68 % ROE 2009	43,820	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$
W 11.68 % ROE 2010	45,969	212,883	2,138,193	15,476	2,122,717	152,221	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$
W 11.68 % ROE 2011	70,392	223,339	2,138,193	15,476	2,122,717	162,084	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$
W 11.68 % ROE 2012	78,611	46,941	2,122,717	50,909	2,071,807	460,250	3,733,895	25,673	3,708,222	237,250	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$
W 11.68 % ROE 2013	245,826	70,392	2,122,717	50,909	2,071,807	481,355	3,733,895	25,673	3,708,222	237,250	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$
W 11.68 % ROE 2014	260,339	78,611	2,547,287	62,474	2,484,814	574,764	3,708,222	88,902	3,619,320	835,093	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$
W 11.68 % ROE 2015	445,425	245,826	2,703,748	67,702	2,636,046	515,505	3,619,320	88,902	3,530,418	688,638	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$
W 11.68 % ROE 2016	689,715	260,339	2,703,748	67,702	2,636,046	541,942	3,619,320	88,902	3,530,418	688,638	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$
W 11.68 % ROE 2017	173,376	445,425	3,018,143	77,022	2,941,121	513,796	3,530,418	88,902	3,441,515	599,868	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$
W 11.68 % ROE 2018	183,393	689,715	3,018,143	77,022	2,941,121	543,769	3,530,418	88,902	3,441,515	599,868	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$
W 11.68 % ROE 2019	-	173,376	8,694,885	214,806	8,480,079	1,394,965	3,441,515	88,902	3,352,613	555,093	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$
W 11.68 % ROE 2020	-	183,393	14,328,346	354,796	13,973,549	2,077,966	3,352,613	88,902	3,263,711	490,962	47,556,088	866,976	46,689,112	5,270,954	11,890,165	216,799	11,643,366	1,405,168	20,693,433	3,418,809	66,070,144	\$	\$	\$
W 11.68 % ROE 2021	-	-	14,328,346	354,796	13,973,549	2,077,966	3,352,613	88,902	3,263,711	490,962	47,556,088	866,976	46,689,112	5,270,954	11,890,165	216,799	11,643,366	1,405,168	20,693,433	3,418,809	99,725,683	\$	\$	\$
W 11.68 % ROE 2022	-	-	13,973,550	354,467	13,619,083	2,163,112	3,263,711	88,902	3,174,809	480,010	47,556,088	866,976	46,689,112	5,270,954	11,673,366	283,099	11,390,267	1,686,278	20,152,105	541,328	97,776,582	\$	\$	\$
W 11.68 % ROE 2023	-	-	13,619,083	354,467	13,264,616	1,787,140	3,174,809	88,902	3,085,906	421,887	46,689,112	1,132,288	45,556,824	6,048,102	11,390,267	283,099	11,107,168	1,481,619	19,610,777	541,328	103,350,595	\$	\$	\$
W 11.68 % ROE 2024	-	-	13,619,083	354,467	13,264,616	1,894,660	3,174,809	88,902	3,085,906	421,887	46,689,112	1,132,288	45,556,824	6,048,102	11,390,267	283,099	11,107,168	1,481,619	19,610,777	541,328	79,804,676	\$	\$	\$
W 11.68 % ROE 2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$
W 11.68 % ROE 2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$
W 11.68 % ROE 2027	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$
W 11.68 % ROE 2027	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$	\$	\$

below is placed in service) is the "Ending" for the prior year after it by twelve times the difference of thirteen is the quotient line 19 divided by 13 plus \*

PPL Electric Utilities Corporation

Attachment 8 - Company Exhibit - Securitization Worksheet

Line #	Prepayments		
36	Less Prepayments on Securitization Bonds	0	(See FM 1, note to page 110, line 57)
	Administrative and General Expenses		
52	Less Administrative and General Expenses on Securitization Bonds	0	(See FM 1, note to page 114, line 4)
	Taxes Other Than Income		
78	Less Taxes Other Than Income on Securitization Bonds	0	(See FM 1, note to page 114, line 14)
	Long Term Interest		
81	Less LTD Interest on Securitization Bonds	0	(See FM 1, note to page 114, lines 62 + 63)
	Capitalization		
92	Less LTD on Securitization Bonds	0	(See FM 1, note to page 112, line 18)

Calculation of the above Securitization Adjustments

The amounts above are associated with transition bonds issued to securitize the recovery of retail stranded costs, pursuant to an Order entered by the Pennsylvania Public Utility Commission on May 21, 1999 at Docket No. R-00994637, in accordance with Pennsylvania's Electric Generation Customer Choice and Competition Act.



PPL Electric Utilities Corporation

Attachment 9 - Depreciation Rates

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Number	Plant Type	Estimated Life	Mortality Curve	Current Age	Remaining Life	Applied Depreciation Rate	Gross Depreciable Plant \$	Accumulated Depreciation \$	Depreciable Balance \$	Depreciation Expense \$
<b>Transmission</b>										
350.4	Land Rights	80	S4	14.9	65.10	1.6436	209,006,623	48,956,952	160,049,671	2,630,610
352	Structures and Improvements	65	R3	7.5	57.50	1.8647	108,655,464	20,038,978	88,616,486	1,652,473
353	Station Equipment	46	R1.5	6.5	39.50	2.0764	1,457,446,077	192,024,596	1,265,421,481	26,275,347
354	Towers and Fixtures	75	R3	7.5	67.50	1.5374	1,417,573,911	170,136,419	1,247,437,492	19,178,250
354.2	Towers and Fixtures - Clearing Land and Rights of Way	80	R4	22.2	57.80	2.1876	15,058,758	7,583,358	7,475,400	163,535
355	Poles and Fixtures	53	R0.5	11.9	41.10	1.8577	134,713,357	27,277,214	107,436,143	1,995,867
355.2	Poles and Fixtures - Clearing Land and Rights of Way	80	R4	16.9	63.10	1.8362	12,465,211	4,495,455	7,969,756	146,343
356	Overhead Conductors and Devices	65	R2.5	6.8	58.20	1.4550	1,112,541,907	102,665,903	1,009,876,004	14,693,581
357	Underground Conduit	55	S4	8.2	46.80	1.8361	20,116,321	3,649,232	16,467,089	302,356
358	Underground Conductors and Devices	45	S3	7.8	37.20	3.4835	60,014,279	12,039,173	47,975,106	1,671,191
359	Roads and Trails	80	R4	29.4	50.60	2.2597	7,102,915	3,389,933	3,712,982	83,904
<b>General</b>										
389.4	Land Rights	75	R4	44.2	30.80	3.4539	4,399	1,939	2,460	85
390.2	Structures and Improvements - Buildings	52	S0.5	33.1	18.90	2.9514	398,840,783	99,092,515	299,748,268	8,846,720
390.21	Structures and Improvements - Leaseholds	10	SQ		2.60	62.6267	931,828	809,171	122,657	76,816
390.4	Structures and Improvements - Air Conditioning	30	S1	8.5	21.50	4.4611	51,273,056	14,990,898	36,282,158	1,618,599
391.1	Office Furniture and Equipment - RF Mesh Computer Equip.	5	SQ		3.50	16.5363	17,649,097	3,624,573	14,024,524	2,918,507
391.2	Office Furniture and Equipment - Furniture	20	SQ		9.40	5.0074	22,359,834	11,132,728	11,227,106	1,119,655
391.4	Office Furniture and Equipment - Equipment	15	SQ		6.60	6.6282	3,120,340	1,598,797	1,521,543	206,824
391.6	Office Furniture and Equipment - Computers	5	SQ		3.00	18.7075	90,013,213	28,257,914	61,755,299	16,839,227
392.1	Transportation Equipment - Automobiles	9	S3	1.1	7.90	27.8333	8,537,761	7,077,605	1,460,156	406,410
392.2	Transportation Equipment - Light Duty Trucks	9	R1	2.6	6.40	11.4005	23,031,991	14,440,223	8,591,768	979,501
392.3	Transportation Equipment - Heavy Duty Trucks	13	S3	4.0	9.00	11.9164	89,120,941	57,804,959	31,315,982	3,731,740
392.4	Transportation Equipment - Trailers	23	L2	7.4	15.60	3.3739	7,891,087	3,150,671	4,740,416	159,935
392.5	Transportation Equipment - Large Tankers/Tractors	15	L4	9.0	6.00	8.4557	2,696,811	1,283,344	1,413,467	119,518
392.6	Transportation Equipment - Large Crane Trucks	13	S3	10.6	2.40	18.8151	639,715	441,737	197,978	37,250
393	Stores Equipment	25	SQ		8.10	4.4865	2,266,246	1,212,425	1,053,821	101,674
394	Tools and Work Equipment - L&S Line Crews	20	SQ		6.40	5.5582	4,718,182	2,887,205	1,830,977	262,244
394.2	Tools and Work Equipment - Tools	20	SQ		8.50	10.5318	165,319	86,982	78,337	17,411
394.4	Tools and Work Equipment - Construction Dept.	20	SQ		7.60	5.3982	1,253,451	677,585	575,866	67,664
394.6	Tools and Work Equipment - Other	20	SQ		13.10	4.8446	28,403,127	9,429,108	18,974,019	1,376,031
394.8	Tools and Work Equipment - Garage Equipment	20	SQ		12.80	5.1622	1,966,101	663,164	1,302,937	101,494
395	Laboratory Equipment	20	SQ		10.50	5.1850	4,516,414	2,151,238	2,365,176	234,175
396	Power Operated Equipment	16	R1	5.0	11.00	6.7277	2,438,544	1,524,216	914,328	61,513
397	Communication Equipment	15	SQ		11.90	6.1954	15,042,633	5,622,469	9,420,164	931,950
398	Miscellaneous Equipment	20	SQ		13.50	5.2836	3,634,035	991,239	2,642,796	192,009
<b>Intangible</b>										
303.2	Miscellaneous Intangible Plant - Software	5	SQ		2.80	20.0000	136,717,698	65,069,881	71,647,817	29,080,396
303.5	Smart Meter Software	5	SQ		1.30	20.0000	3,367,855	2,738,194	629,661	673,571
303.6	Smart Meter Software - RF Mesh	5	SQ		3.50	20.0000	69,350,454	15,880,279	53,470,175	12,446,305

Notes:

- Columns (A), (B), (C), and (D) are fixed and cannot be changed absent Commission approval or acceptance.
- Column (E) is based on the Estimated Life in Column (C) less the Remaining Life in Column (F) for those accounts for which a Mortality Curve is identified.
- Column (F) is the average remaining life of the assets in the account based on their vintage.
- Column (G) is the depreciation rate from the Mortality Curve specified based on data in Columns (C) and (D).
- Columns (H) and (I) are the depreciable gross plant investment and accumulated depreciation in the account or subaccount.
- Column (J) is the depreciable net plant in the account or subaccount.
- Column (K) is Column (G) multiplied by Column (J) for those accounts that have an identified Mortality Curve.
- Each year, PPL Electric will provide a copy of the annual report submitted to the PA PUC that shows the calculation of the depreciation rates and expenses derived from Columns (C) and (D).
- Every 5 years, PPL Electric will file with the Commission a depreciation study supporting its existing Estimated Life and Mortality Curve for each account or subaccount.
- Column (K) for Accounts Nos. 303.2, 303.5, and 303.6 are calculated using individual asset depreciation and, therefore, are not derived values.
- Column (K) for Account No. 392.3 is net of capitalized depreciation expense. See the applicable note in FERC Form No. 1.
- For those General Plant accounts that do not have Mortality Curves as indicated by "SQ" in Column (D), additional detail is provided in Attachment 9 - Supplemental General Plant Depreciation Details.

PPL Electric Utilities Corporation

Attachment 9 - Supplemental  
General Plant Depreciation Details

(A) Number	(B) Plant Type	(C) Estimated Life	(G) Applied Depreciation Rate	(H) Gross Depreciable Plant \$	(I) Accumulated Depreciation \$	(J) Depreciable Balance \$	(K) Depreciation Expense \$
<b>General</b>							
390.21	Structures and Improvements - Leaseholds - Net Method	10	62.6267	931,828	809,171	122,657	76,816
391.1	Structures and Improvements - Leaseholds - Net Method	5	16.5363	17,649,097	3,624,572	14,024,525	2,918,507
391.2	Office Furniture and Equipment - Furniture - Gross Method	20	4.9503	20,422,696	9,370,593	11,052,103	1,010,988
391.2	Office Furniture and Equipment - Furniture - Net Method	20	62.0944	1,937,139	1,762,136	175,003	108,667
				22,359,835	11,132,729	11,227,106	1,119,655
391.4	Office Furniture and Equipment - Equipment - Gross Method	15	6.6272	3,115,425	1,594,738	1,520,687	206,464
391.4	Office Furniture and Equipment - Equipment - Net Method	15	41.9580	4,916	4,058	858	360
				3,120,341	1,598,796	1,521,545	206,824
391.6	Office Furniture and Equipment - Computers - Gross Method	5	18.7075	90,013,213	28,257,915	61,755,297	16,839,227
393	Store Equipment - Gross Method	25	4.0000	1,464,824	696,439	768,385	58,593
393	Store Equipment - Net Method	25	15.0931	801,422	515,987	285,435	43,081
				2,266,246	1,212,426	1,053,820	101,674
394	Tools and Work Equipment - L&S Line Crews - Gross Method	20	5.0000	2,371,042	1,301,576	1,069,466	118,553
394	Tools and Work Equipment - L&S Line Crews - Net Method	20	18.8692	2,347,140	1,585,629	761,511	143,691
				4,718,182	2,887,205	1,830,977	262,244
394.2	Tools and Work Equipment - Tools - Gross Method	20	5.0003	133,692	61,996	71,696	6,685
394.2	Tools and Work Equipment - Tools - Net Method	20	161.4875	31,627	24,985	6,642	10,726
				165,319	86,981	78,338	17,411
394.4	Tools and Work Equipment - Construction Dept. - Gross Method	20	5.3846	1,245,500	670,830	574,670	67,065
394.4	Tools and Work Equipment - Construction Dept. - Net Method	20	50.0418	7,951	6,754	1,197	599
				1,253,451	677,584	575,867	67,664
394.6	Tools and Work Equipment - Other - Gross Method	20	4.8461	28,332,923	9,356,515	18,976,408	1,373,042
394.6	Tools and Work Equipment - Other - Net Method	20	(125.0628)	70,204	72,594	(2,390)	2,989
				28,403,127	9,429,109	18,974,018	1,376,031
394.8	Tools and Work Equipment - Garage Equipment - Gross Method	20	4.9219	1,832,917	568,835	1,264,082	90,215
394.8	Tools and Work Equipment - Garage Equipment - Net Method	20	29.0277	133,184	94,328	38,856	11,279
				1,966,101	663,163	1,302,938	101,494
395	Laboratory Equipment - Gross Method	20	5.0000	3,172,894	1,327,547	1,845,347	158,645
395	Laboratory Equipment - Net Method	20	14.5298	1,343,520	823,691	519,829	75,530
				4,516,414	2,151,238	2,365,176	234,175
397	Communication Equipment - Gross Method	15	6.1895	14,967,905	5,560,240	9,407,665	926,433
397	Communication Equipment - Net Method	15	44.1395	74,728	62,229	12,499	5,517
				15,042,633	5,622,469	9,420,164	931,950
398	Miscellaneous Equipment - Gross Method	20	4.8720	3,076,582	708,429	2,368,153	149,891
398	Miscellaneous Equipment - Net Method	20	15.3357	557,452	282,812	274,640	42,118
				3,634,034	991,241	2,642,793	192,009

Notes:

1 This schedule shows additional detail for those General Plant accounts that do not have a Mortality Curve. The calculation of Depreciation Expense by the Gross Plant Method (i.e., Column (G) multiplied by Column (H)) and the Net Plant Method (i.e., Column (G) multiplied by Column (J)) is shown separately for the assets in each account subject to each such method. Assets purchased new are depreciated using the Gross Plant Method. Assets purchased used are depreciated using the Net Plant Method (i.e., over their remaining economic life).

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May 15, 2018

Ms. Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E. Room 1A  
Washington, DC 20426

Re: Atlantic City Electric Company (“Atlantic City”), Docket No. ER09-1156  
Informational Filing of 2018 Formula Rate Annual Update;  
Notice of Annual Update

Dear Ms. Bose,

Atlantic City hereby submits electronically, for informational purposes, its 2018 Annual Formula Rate Update. On November 3, 2015, the Commission approved an uncontested settlement agreement (“Settlement”) filed in Docket Nos. EL13-48, *et al.*<sup>1</sup>. Formula Rate implementation protocols contained in the Settlement provide that:

[o]n or before May 15 of each year, Atlantic [Atlantic City Electric Company] shall recalculate its Annual Transmission Revenue Requirements, producing an “Annual Update” for the upcoming Rate Year, and:

- (i) cause such Annual Update to be posted at a publicly accessible location on PJM’s internet website;
- (ii) cause notice of such posting to be provided to PJM’s membership; and
- (iii) file such Annual Update with the FERC as an informational filing.<sup>2</sup>

The same information contained in this informational filing has been transmitted to PJM for posting on its website as required by the Formula Rate implementation

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<sup>1</sup> Baltimore Gas and Electric Company, *et al.*, 153 FERC ¶ 61,140 (2015).

<sup>2</sup> See Settlement, Exhibit A containing PJM Tariff Attachment H1-B, Section 2.b.

protocols. Thus, all interested parties should have ample notice of and access to the Annual Update. The protocols provide specific procedures for notice, review, exchanges of information and potential challenges to aspects of the Annual Update. Consequently, and as the Commission has concluded, there is no need for the Commission to notice this informational filing for comment.<sup>3</sup>

Atlantic City's 2018 Annual Update contains no expenses or costs that have been alleged or judged in any administrative or judicial proceeding to be illegal, duplicative, or unnecessary costs that are demonstrably the product of discriminatory employment practices, as defined in 18 C.F.R. § 35.13(b)(7).

Atlantic City has made no accounting changes as defined in the Settlement (and any accounting changes, including accounting policy harmonization changes related to the merger between Exelon and Pepco Holdings, Inc., are discussed in applicable disclosure statements filed within the Securities and Exchange Commission Form 10-K and within the FERC Form No. 1).<sup>4</sup> Atlantic City has made no change to Other Post-Employment Benefits ("OPEB") charges that exceed the filing threshold set forth in the Settlement.<sup>5</sup>

Thank you for your attention to this informational filing. Please direct any questions to the undersigned.

Very truly yours,

/s/ Amy L. Blauman

Amy L. Blauman

Enclosures

cc: All parties on Service Lists in Docket Nos. ER05-515, EL13-48 and EL15-27.

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<sup>3</sup> See Letter Order Re: Annual Update to Formula Rate in Docket No. ER09-1156 (February 17, 2010).

<sup>4</sup> See Settlement, Exhibit A containing PJM Tariff Attachment H-1B, Section 2.f.(iii)(d). Accounting entries related to the merger between Exelon and Pepco Holdings, Inc. were approved by FERC in Docket AC16-203 on March 17, 2017 and April 11, 2017.

<sup>5</sup> See Settlement, Exhibit A containing PJM Tariff Attachment H-1B, Section 2.h.

**ATTACHMENT H-1A**

**Atlantic City Electric Company**

**Formula Rate - Appendix A**

Notes

FERC Form 1 Page # or Instruction

2017

Shaded cells are input cells

**Allocators**

1	Wages & Salary Allocation Factor Transmission Wages Expense		p354.21.b	\$ 2,295,571
2	Total Wages Expense		p354.28b	\$ 36,223,095
3	Less A&G Wages Expense		p354.27b	\$ 1,243,809
4	Total		(Line 2 - 3)	34,979,286
5	Wages & Salary Allocator		(Line 1 / 4)	6.5627%
<b>Plant Allocation Factors</b>				
6	Electric Plant in Service	(Note B)	p207.104g (see Attachment 5) (Line 24)	\$ 3,605,589,602
7	Common Plant In Service - Electric			0
8	Total Plant In Service		(Sum Lines 6 & 7)	3,605,589,602
9	Accumulated Depreciation (Total Electric Plant)		p219.29c (see Attachment 5)	\$ 752,843,799
10	Accumulated Intangible Amortization	(Note A)	p200.21c (see Attachment 5)	\$ 15,279,562
11	Accumulated Common Amortization - Electric	(Note A)	p356	\$ -
12	Accumulated Common Plant Depreciation - Electric	(Note A)	p356	\$ -
13	Total Accumulated Depreciation		(Sum Lines 9 to 12)	768,123,361
14	Net Plant		(Line 8 - 13)	2,837,466,241
15	Transmission Gross Plant		(Line 29 - Line 28)	1,283,293,498
16	Gross Plant Allocator		(Line 15 / 8)	35.5918%
17	Transmission Net Plant		(Line 39 - Line 28)	1,035,003,451
18	Net Plant Allocator		(Line 17 / 14)	36.4763%

**Plant Calculations**

<b>Plant In Service</b>				
19	Transmission Plant In Service	(Note B)	p207.58.g	\$ 1,274,493,121
20	For Reconciliation only - remove New Transmission Plant Additions for Current Calendar Year	For Reconciliation Only	Attachment 6 - Enter Negative	\$ -
21	New Transmission Plant Additions for Current Calendar Year (weighted by months in service)		Attachment 6	-
22	Total Transmission Plant In Service		(Line 19 - 20 + 21)	1,274,493,121
23	General & Intangible		p205.5.g & p207.99.g (see Attachment 5)	\$ 134,097,754
24	Common Plant (Electric Only)	(Notes A & B)	p356	\$ -
25	Total General & Common		(Line 23 + 24)	134,097,754
26	Wage & Salary Allocation Factor		(Line 5)	6.56266%
27	General & Common Plant Allocated to Transmission		(Line 25 * 26)	8,800,377
28	Plant Held for Future Use (Including Land)	(Note C)	p214	782,029
29	TOTAL Plant In Service		(Line 22 + 27 + 28)	1,284,075,527
<b>Accumulated Depreciation</b>				
30	Transmission Accumulated Depreciation	(Note B)	p219.25.c	\$ 245,046,572
31	Accumulated General Depreciation		p219.28.c (see Attachment 5)	\$ 34,143,635
32	Accumulated Intangible Amortization		(Line 10)	15,279,562
33	Accumulated Common Amortization - Electric		(Line 11)	0
34	Common Plant Accumulated Depreciation (Electric Only)		(Line 12)	0
35	Total Accumulated Depreciation		(Sum Lines 31 to 34)	49,423,197
36	Wage & Salary Allocation Factor		(Line 5)	6.56266%
37	General & Common Allocated to Transmission		(Line 35 * 36)	3,243,476
38	TOTAL Accumulated Depreciation		(Line 30 + 37)	248,290,048
39	TOTAL Net Property, Plant & Equipment		(Line 29 - 38)	1,035,785,480

**Adjustment To Rate Base**

<b>Accumulated Deferred Income Taxes</b>				
40	ADIT net of FASB 106 and 109		Attachment 1	-329,243,425
41	Accumulated Investment Tax Credit Account No. 255	Enter Negative	(Notes A & I) p266.h	0
42	Net Plant Allocation Factor		(Line 18)	36.48%
43	Accumulated Deferred Income Taxes Allocated To Transmission		(Line 41 * 42) + Line 40	-329,243,425
43a	Transmission Related CWIP (Current Year 12 Month weighted average balances)	(Note B)	p216.43.b as Shown on Attachment 6	0
<b>Transmission O&amp;M Reserves</b>				
44	Total Balance Transmission Related Account 242 Reserves	Enter Negative	Attachment 5	-2,046,990
<b>Prepayments</b>				
45	Prepayments	(Note A)	Attachment 5	4,876,221
46	Total Prepayments Allocated to Transmission		(Line 45)	4,876,221
<b>Materials and Supplies</b>				
47	Undistributed Stores Exp	(Note A)	p227.6c & 16.c	0
48	Wage & Salary Allocation Factor		(Line 5)	6.56%
49	Total Transmission Allocated		(Line 47 * 48)	0
50	Transmission Materials & Supplies		p227.8c	\$ 1,857,041
51	Total Materials & Supplies Allocated to Transmission		(Line 49 + 50)	1,857,041
<b>Cash Working Capital</b>				
52	Operation & Maintenance Expense		(Line 85)	27,124,788
53	1/8th Rule		x 1/8	12.5%
54	Total Cash Working Capital Allocated to Transmission		(Line 52 * 53)	3,390,598
<b>Network Credits</b>				
55	Outstanding Network Credits	(Note N)	From PJM	0
56	Less Accumulated Depreciation Associated with Facilities with Outstanding Network Credits	(Note N)	From PJM	0
57	Net Outstanding Credits		(Line 55 - 56)	0
58	TOTAL Adjustment to Rate Base		(Line 43 + 43a + 44 + 46 + 51 + 54 - 57)	-321,166,555
59	Rate Base		(Line 39 + 58)	714,618,924

**O&M**

Transmission O&M				
60	Transmission O&M		p321.112.b (see Attachment 5)	\$ 21,706,703
61	Less extraordinary property loss		Attachment 5	0
62	Plus amortized extraordinary property loss		Attachment 5	0
63	Less Account 565		p321.96.b	\$ -
64	Plus Schedule 12 Charges billed to Transmission Owner and booked to Account 565	(Note O)	PJM Data	\$ -
65	Plus Transmission Lease Payments	(Note A)	p200.3c	\$ -
66	Transmission O&M		(Lines 60 - 63 + 64 + 65)	21,706,703
Allocated General & Common Expenses				
67	Common Plant O&M	(Note A)	p356	\$ -
68	Total A&G		p323.197.b (see Attachment 5)	\$ 83,679,206
68a	For informational purposes: PBOB expense in FERC Account 926	(Note S)	Attachment 5	\$ 773,511
69	Less Property Insurance Account 924		p323.185b	\$ 469,686
70	Less Regulatory Commission Exp Account 928	(Note E)	p323.189b	\$ 4,783,058
71	Less General Advertising Exp Account 930.1		p323.191b	\$ 286,452
72	Less DE Enviro & Low Income and MD Universal Funds		p335.b	\$ -
73	Less EPRI Dues	(Note D)	p352-353	\$ 220,349
74	General & Common Expenses		(Lines 67 + 68) - Sum (69 to 73)	77,919,661
75	Wage & Salary Allocation Factor		(Line 5)	6.5627%
76	General & Common Expenses Allocated to Transmission		(Line 74 * 75)	5,113,601
Directly Assigned A&G				
77	Regulatory Commission Exp Account 928	(Note G)	p323.189b	133,159
78	General Advertising Exp Account 930.1	(Note F)	p323.191b	0
79	Subtotal - Transmission Related		(Line 77 + 78)	133,159
80	Property Insurance Account 924		p323.185b	\$ 469,686
81	General Advertising Exp Account 930.1	(Note K)	p323.191b	0
82	Total		(Line 80 + 81)	469,686
83	Net Plant Allocation Factor		(Line 18)	36.48%
84	A&G Directly Assigned to Transmission		(Line 82 * 83)	171,324
85	Total Transmission O&M		(Line 66 + 76 + 79 + 84)	27,124,788

**Depreciation & Amortization Expense**

Depreciation Expense				
86	Transmission Depreciation Expense		p336.7b&c	29,624,450
87	General Depreciation		p336.10b&c (see Attachment 5)	6,449,388
88	Intangible Amortization	(Note A)	p336.1d&e (see Attachment 5)	159,633
89	Total		(Line 87 + 88)	6,609,021
90	Wage & Salary Allocation Factor		(Line 5)	6.5627%
91	General Depreciation Allocated to Transmission		(Line 89 * 90)	433,727
92	Common Depreciation - Electric Only	(Note A)	p336.11.b	0
93	Common Amortization - Electric Only	(Note A)	p356 or p336.11d	0
94	Total		(Line 92 + 93)	0
95	Wage & Salary Allocation Factor		(Line 5)	6.5627%
96	Common Depreciation - Electric Only Allocated to Transmission		(Line 94 * 95)	0
97	Total Transmission Depreciation & Amortization		(Line 86 + 91 + 96)	30,058,177

**Taxes Other than Income**

98	Taxes Other than Income		Attachment 2	1,053,584
99	Total Taxes Other than Income		(Line 98)	1,053,584

**Return / Capitalization Calculations**

Long Term Interest				
100	Long Term Interest		p117.62c through 67c	62,992,469
101	Less LTD Interest on Securitization Bonds	(Note P)	Attachment 8	5,670,914
102	Long Term Interest		"(Line 100 - line 101)"	57,321,555
103	Preferred Dividends	enter positive	p118.29c	\$ -
Common Stock				
104	Proprietary Capital		p112.16c	\$ 1,042,601,119
105	Less Preferred Stock	enter negative	(Line 114)	0
106	Less Account 216.1	enter negative	p112.12c	\$ -
107	Common Stock		(Sum Lines 104 to 106)	1,042,601,119
Capitalization				
108	Long Term Debt		p112.17c through 21c	\$ 1,077,521,230
109	Less Loss on Reacquired Debt	enter negative	p111.81.c	\$ (5,278,948)
110	Plus Gain on Reacquired Debt	enter positive	p113.61.c	\$ -
111	Less ADIT associated with Gain or Loss	enter negative	Attachment 1	1,483,912
112	Less LTD on Securitization Bonds	(Note P)	Attachment 8	-40,506,230
113	Total Long Term Debt		(Sum Lines Lines 108 to 112)	1,033,219,964
114	Preferred Stock		p112.3c	\$ -
115	Common Stock		(Line 107)	1,042,601,119
116	Total Capitalization		(Sum Lines 113 to 115)	2,075,821,083
117	Debt %	Total Long Term Debt	(Note Q) (Line 113 / 116)	50%
118	Preferred %	Preferred Stock	(Note Q) (Line 114 / 116)	0%
119	Common %	Common Stock	(Note Q) (Line 115 / 116)	50%
120	Debt Cost	Total Long Term Debt	(Line 102 / 113)	0.0555
121	Preferred Cost	Preferred Stock	(Line 103 / 114)	0.0000
122	Common Cost	Common Stock	(Note J) Fixed	0.1050
123	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 117 * 120)	0.0277
124	Weighted Cost of Preferred	Preferred Stock	(Line 118 * 121)	0.0000
125	Weighted Cost of Common	Common Stock	(Line 119 * 122)	0.0525
126	Total Return ( R )		(Sum Lines 123 to 125)	0.0802
127	Investment Return = Rate Base * Rate of Return		(Line 59 * 126)	57,340,508

**Composite Income Taxes**

Income Tax Rates				
128	FIT=Federal Income Tax Rate			21.00%
129	SIT=State Income Tax Rate or Composite	(Note I)		9.00%
130	p	(percent of federal income tax deductible for state purposes)	Per State Tax Code	0.00%
131	T	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		28.11%
132	T / (1-T)			39.10%
ITC Adjustment				
133	Amortized Investment Tax Credit	(Note I)	p266.8f	\$ (363,377)
134	T/(1-T)	enter negative	(Line 132)	39.10%
135	Net Plant Allocation Factor		(Line 18)	36.4763%
136	ITC Adjustment Allocated to Transmission		(Line 133 * (1 + 134) * 135)	-184,374
137	Income Tax Component =	$CIT=(T/1-T) * Investment\ Return * (1-(WCLTD/R)) =$	[Line 132 * 127 * (1-(123 / 126))]	14,669,867
138	Total Income Taxes		(Line 136 + 137)	14,485,493

**REVENUE REQUIREMENT**

Summary				
139	Net Property, Plant & Equipment		(Line 39)	1,035,785,480
140	Adjustment to Rate Base		(Line 58)	-321,166,555
141	Rate Base		(Line 59)	714,618,924
142	O&M		(Line 85)	27,124,788
143	Depreciation & Amortization		(Line 97)	30,058,177
144	Taxes Other than Income		(Line 99)	1,053,584
145	Investment Return		(Line 127)	57,340,508
146	Income Taxes		(Line 138)	14,485,493
147	Gross Revenue Requirement		(Sum Lines 142 to 146)	130,062,550
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities				
148	Transmission Plant In Service		(Line 19)	1,274,493,121
149	Excluded Transmission Facilities	(Note M)	Attachment 5	0
150	Included Transmission Facilities		(Line 148 - 149)	1,274,493,121
151	Inclusion Ratio		(Line 150 / 148)	100.00%
152	Gross Revenue Requirement		(Line 147)	130,062,550
153	Adjusted Gross Revenue Requirement		(Line 151 * 152)	130,062,550
Revenue Credits & Interest on Network Credits				
154	Revenue Credits		Attachment 3	2,245,360
155	Interest on Network Credits	(Note N)	PJM Data	-
156	Net Revenue Requirement		(Line 153 - 154 + 155)	127,817,189
Net Plant Carrying Charge				
157	Net Revenue Requirement		(Line 156)	127,817,189
158	Net Transmission Plant		(Line 19 - 30)	1,029,446,549
159	Net Plant Carrying Charge		(Line 157 / 158)	12.4161%
160	Net Plant Carrying Charge without Depreciation		(Line 157 - 86) / 158	9.5384%
161	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes		(Line 157 - 86 - 127 - 138) / 158	2.5613%
Net Plant Carrying Charge Calculation per 100 Basis Point increase in ROE				
162	Net Revenue Requirement Less Return and Taxes		(Line 156 - 145 - 146)	55,991,189
163	Increased Return and Taxes		Attachment 4	76,796,225
164	Net Revenue Requirement per 100 Basis Point increase in ROE		(Line 162 + 163)	132,787,414
165	Net Transmission Plant		(Line 19 - 30)	1,029,446,549
166	Net Plant Carrying Charge per 100 Basis Point increase in ROE		(Line 164 / 165)	12.8989%
167	Net Plant Carrying Charge per 100 Basis Point increase in ROE without Depreciation		(Line 163 - 86) / 165	10.0212%
168	Net Revenue Requirement		(Line 156)	127,817,189
169	True-up amount		Attachment 6	8,525,952
170	Plus any increased ROE calculated on Attachment 7 other than PJM Sch. 12 projects		Attachment 7	289,177
171	Facility Credits under Section 30.9 of the PJM OATT and Facility Credits paid to Vineland per settlement in ER05-515 (Note R)		Attachment 5	-
172	Net Zonal Revenue Requirement		(Line 168 - 169 + 171)	136,632,319
Network Zonal Service Rate				
173	1 CP Peak	(Note L)	PJM Data	2,541
174	Rate (\$/MW-Year)		(Line 172 / 173)	53,775
175	Network Service Rate (\$/MW/Year)		(Line 174)	53,775

**Notes**

- A Electric portion only
- B Exclude Construction Work In Progress and leases that are expensed as O&M (rather than amortized). New Transmission plant that is expected to be placed in service in the current calendar year weighted by number of months it is expected to be in-service. New Transmission plant expected to be placed in service in the current calendar year that is not included in the PJM Regional Transmission Plan (RTEP) must be separately detailed on Attachment 5. For the Reconciliation, new transmission plant that was actually placed in service weighted by the number of months it was actually in service CWIP will be linked to Attachment 6 which shows detail support by project (incentive and non-incentive).
- C Transmission Portion Only
- D All EPRI Annual Membership Dues
- E All Regulatory Commission Expenses
- F Safety related advertising included in Account 930.1
- G Regulatory Commission Expenses directly related to transmission service, RTO filings, or transmission siting itemized in Form 1 at 351.h.
- I The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and  $p =$  "the percentage of federal income tax deductible for state income taxes". If the utility includes taxes in more than one state, it must explain in Attachment 5 the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to use amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by  $(1/1-T)$ . A utility must not include tax credits as a reduction to rate base and as an amortization against taxable income.  
  
The ROE is 10.5% which includes a base ROE of 10.0% ROE per FERC order in Docket No. EL13-48 and a 50 basis point RTO membership adder as authorized by FERC: provided, that the projects identified in Docket Nos. ER08-686 and ER08-1423 have been awarded an additional 150 basis point adder and, thus, their ROE is 12.0%.
- J 686 and ER08-1423 have been awarded an additional 150 basis point adder and, thus, their ROE is 12.0%.
- K Education and outreach expenses relating to transmission, for example siting or billing
- L As provided for in Section 34.1 of the PJM OATT and the PJM established billing determinants will not be revised or updated in the annual rate reconciliations per settlement in ER05-515.
- M Amount of transmission plant excluded from rates per Attachment 5.
- N Outstanding Network Credits is the balance of Network Facilities Upgrades Credits due Transmission Customers who have made lump-sum payments (net of accumulated depreciation) towards the construction of Network Transmission Facilities consistent with Paragraph 657 of Order 2003-A. Interest on the Network Credits as booked each year is added to the revenue requirement to make the Transmission Owner whole on Line 155.
- O Payments made under Schedule 12 of the PJM OATT that are not directly assessed to load in the Zone under Schedule 12 are included in Transmission O&M. If they are booked to Acct 565, they are included in on line 64
- P Securitization bonds may be included in the capital structure per settlement in ER05-515.
- Q **ACE capital structure is initially fixed at 50% common equity and 50% debt per settlement in ER05-515 subject to moratorium provisions in the settlement.**
- R **Per the settlement in ER05-515, the facility credits of \$15,000 per month paid to Vineland will increase to \$37,500 per month (prorated for partial months) effective on the date FERC approves the settlement in ER05-515.**
- S **See Attachment 5 - Cost Support, section entitled "PBOP Expense in FERC Account 926" for additional information per FERC orders in Docket Nos. EL13-48 , EL15-27 and ER16-456.**



Attachment 1- Accumulated Deferred Income Taxes (ADIT) Worksheet

	Only Transmission Related	Plant Related	Labor Related	Total ADIT
ADIT- 282	-	(942,450,108)	-	
ADIT-283	(4,331,250)	48,279	(34,109,695)	
ADIT-190	-	34,472,927	7,228,456	
Subtotal	(4,331,250)	(907,928,901)	(26,881,239)	
Wages & Salary Allocator			6.5627%	
Gross Plant Allocator		35.5918%		
ADIT	(4,331,250)	(323,148,052)	(1,764,124)	(329,243,425)

Note: ADIT associated with Gain or Loss on Reacquired Debt is included in Column A here and included in Cost of Debt on Appendix A, Line 111.

Amount (1,483,912)

In filling out this attachment, a full and complete description of each item and justification for the allocation to Columns C-F and each separate ADIT item will be listed. Dissimilar items with amounts exceeding \$100,000 will be listed separately.

A	B Total	C	D	E	F	G
ADIT-190		Gas, Prod or Other Related	Only Transmission Related	Plant	Labor	Justifications
190 1999 AMT	443,467	-	-	443,467	-	Reflects the deferred tax asset related to New Jersey Alternative Minimum Assessment (AMA) credit. Relates to both Transmission and Distribution.
190 Accrual Labor Related	5,077,299	-	-	-	5,077,299	Represents deferred income taxes on labor related book accruals that are only deductible for tax purposes as economic performance occurs. The deferred taxes are related to Company personnel across all functions.
190 Accrued Liab - Auto	70,036	-	-	-	70,036	These deferred taxes are the result of a deduction taken for book purposes to set aside a reserve for Auto liability claims. For tax, no deduction is permitted until the "all events" test is met, typically when payment is made. The deferred taxes related to Company personnel across all functions.
190 Accrued Liab - Misc.	3,178,991	2,352,122	-	826,869	-	Represents accrued book liabilities that can not be deducted for tax purposes until the "all events" test is met. Amounts in Gas, Production or Other Related represent deferred taxes on Unbilled Revenues which are retail related. Deferred taxes on Other Miscellaneous Accrued Liabilities relate to both Transmission and Distribution and are being allocated using both the Plant and Labor allocators.
190 Accrued Liability - General	3,102,873	2,161,580	-	941,293	-	Amounts in Gas, Production or Other Related represent deferred income taxes on Accrued Merger Commitments made as part of the 2016 merger with Exelon that have not been paid to date. These amounts are excluded from Rate Base. Other General Accrued liabilities are related to both Transmission and Distribution and are being allocated using the Plant Allocator.
190 Accumulated Deferred Investment Tax Credit	1,039,304	-	-	1,039,304	-	Pursuant to the requirements of FAS 109, ACE's accumulated deferred income taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These balances represent the deferred taxes on the Investment Tax Credit regulatory liability. Related to all plant. These amounts are removed below.
190 BAD DEBT RESERVE	4,995,180	4,995,180	-	-	-	Under the Tax Reform Act of 1986, taxpayers were required to account for bad debts using the specific write-off method. The reserve method is used for book purposes. The amount represents the deferred tax asset related to the add-back of book reserves for tax purposes. The deferred tax asset is retail related.
190 Charitable Contribution Limit	582,061	582,061	-	-	-	ACE accrued Charitable Contribution Commitments made as part of the 2016 merger with Exelon that have not been paid to date. In addition, ACE has deducted Charitable Contributions for book purposes that could not be used in ACE's federal income tax return because of limitations caused by its tax net operating losses. Charitable Contributions are not included in Operating Income and any related deferred income taxes are excluded from Rate Base.
190 ENVIRONMENTAL EXPENSE	176,796	176,796	-	-	-	These deferred taxes are the result of a deduction taken for book purposes to set aside a reserve for environmental site clean-up expenses. For tax, no deduction is permitted until the "all events" test is met, typically when economic performance has occurred. This book reserve is primarily related to Deepwater and BL England sites which should not be in transmission service. It is Generation related.
190 OPEB	4,162,474	-	-	-	4,162,474	FAS No. 106 requires accrual basis instead of cash basis accounting for post retirement health care and life insurance benefits for book purposes. Amounts paid to participants or funded through the VEBA or 401(h) accounts are currently deductible for tax purposes. Affects Company personnel across all functions.
190 SERP	247,791	-	-	-	247,791	Represents deferred taxes for supplemental executive retirement plan ("SERP"). Accrued SERP expense is included on book but is not deductible for tax until economic performance is met.
190 Stranded Costs	1,218,428	1,218,428	-	-	-	Stranded Costs incurred when Generation was deregulated were deferred for book purposes pending collection from/refund to customers in the future. These amounts were included for tax purposes when incurred. The deferred tax asset is Generation related.
190 Use Tax Reserve	784,569	784,569	-	-	-	Represents deferred taxes for FAS 5/ASC 450 Use Tax Reserves which are not fixed and determinable and therefore not deductible for income tax purposes.
190 Federal NOL	13,246,763	-	-	13,246,763	-	Represents the deferred tax asset related to federal net operating loss carryforwards (offset by the federal benefit of state NOL carryforwards) available to offset future federal taxable income. Related to both Transmission and Distribution.
190 State NOL	21,234,578	7,304,705	-	13,929,873	-	Represents the deferred tax asset related to state net operating loss carryforwards available to offset future state taxable income. Related to both Transmission and Distribution.
190 FAS 109 Deferred Taxes - 190	406,383	-	-	406,383	-	Pursuant to the requirements of FAS 109, ACE's accumulated deferred income taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These balances represent the tax gross-up necessary for full recovery of unamortized ITC. These amounts are removed from rate base below.
190 Gross up on TCJA FAS 109 Excess Deferred Taxes	5,770,244	-	459,854	2,712,088	2,598,303	Pursuant to the requirements of FAS 109, ACE's accumulated deferred income taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These balances represent the tax gross-up necessary for full recovery of the 2017 Tax Cuts and Jobs Act (2017) Federal Tax Rate reduction. These amounts are removed from rate base below.
190 Gross up on FAS 109 Deferred Taxes	109,423,708	-	-	109,423,708	-	Pursuant to the requirements of FAS 109, ACE's accumulated deferred income taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These balances represent the tax gross-up necessary for full recovery of the prior flow-through amounts. Related to all plant. These amounts are removed from rate base below.
190 Subtotal - p234	175,160,945	19,575,441	459,854	142,969,747	12,155,903	
Less FASB 109 Above if not separately removed	102,712,541	(7,009,106)	459,854	108,496,820	764,973	
190 Less FASB 106 Above if not separately removed	4,162,474	-	-	-	4,162,474	FAS No. 106 requires accrual basis instead of cash basis accounting for post retirement health care and life insurance benefits for book purposes. Amounts paid to participants or funded through the VEBA or 401(h) accounts are currently deductible for tax purposes. Affects company personnel across all functions.
190 Total	68,285,930	26,584,547	-	34,472,927	7,228,456	

Instructions for Account 190:

- ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
- ADIT items related only to Transmission are directly assigned to Column D
- ADIT items related to Plant and not in Columns C & D are included in Column E
- ADIT items related to labor and not in Columns C & D are included in Column F
- Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded.
- Re: Form 1-F filer: Sum of subtotals for Accounts 282 and 283 should tie to Form No. 1-F, p.113.57.c

A	B Total	C	D	E	F	G
ADIT-282		Gas, Prod or Other Related	Only Transmission Related	Plant	Labor	Justifications
282 Plant Related - APB 11 Deferred Taxes	(942,450,108)			(942,450,108)		This deferred tax balance relates to our plant and results from life and method differences. Related to both T & D plant.
282 CIAC	50,313,891	50,313,891				Contributions in Aid of Construction (CIAC) are a reduction to Plant for book accounting purposes, but are included in taxable income and depreciated for income tax purposes. This different book/tax treatment results in deferred income taxes which must be recorded in accordance with SFAS 109. The Company collects an income tax gross-up from the customer which is reimbursement for the time value of money on the additional tax liability incurred until such time as the amounts are fully depreciated for tax purposes. The deferred income tax asset on CIAC's is excluded from Rate Base because the underlying plant is not included in Rate Base.
282 Leased Vehicles	11,277,468	11,277,468				The Company leases its vehicles under arrangements that are treated as Operating Leases for book purposes, but financing leases for tax purposes. The differing income tax treatment between Rent Expense deducted for book purposes and tax depreciation expense deducted for income tax purposes, results in deferred income taxes being recorded on the books. Since Leased Vehicles are not included in Rate Base, the deferred income taxes are being excluded as well.
282 Plant Related - FAS109 Deferred Taxes	279,845,977	(12,427,784)	-	292,273,761	-	Pursuant to the requirements of FAS 109, ACE's accumulated deferred income taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These balances represent the deferred taxes on prior flow-through items. Related to all plant. These amounts are removed below.
Subtotal - p275	(601,012,772)	49,163,575	-	(650,176,347)	-	
Less FASB 109 Above if not separately removed	279,845,977	(12,427,784)	-	292,273,761	-	
Less FASB 106 Above if not separately removed	-	-	-	-	-	
282 Total	(880,858,749)	61,591,359	-	(942,450,108)	-	

Instructions for Account 282:  
 1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C  
 2. ADIT items related only to Transmission are directly assigned to Column D  
 3. ADIT items related to Plant and not in Columns C & D are included in Column E  
 4. ADIT items related to labor and not in Columns C & D are included in Column F  
 5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded.  
 6. Re: Form 1-F filer: Sum of subtotals for Accounts 282 and 283 should tie to Form No. 1-F, p.113.57.c

	A	B	C	D	E	F	G
ADIT-283	Total	Gas, Prod or Other Related	Only Transmission Related	Plant	Labor	Justifications	
283 Accrual Labor Related	(1,458,050)	-	-	-	(1,458,050)	Represents deferred income tax liability on Vacation Accrual Regulatory Asset. The deferred taxes are related to Company personnel across all functions.	
283 BGS Deferred Related - Retail	(2,615,558)	(2,615,558)	-	-	-	Relates to deferred costs associated with Basic Generation Service. Retail related.	
283 Interest on Contingent Taxes	48,279	-	-	48,279	-	Estimated book interest income on prior year taxes not included in taxable income for tax purposes. Related to both Transmission and Distribution.	
283 Loss on Reacquired Debt	(1,483,912)	(1,483,912)	-	-	-	The cost of bond redemption is deductible currently for tax purposes and is amortized over the life of the new bond issue for book purposes. Excluded here since included in Cost of Debt	
283 Misc. Deferred Debits - Retail	(484,545)	(484,545)	-	-	-	Represents deferred taxes on miscellaneous deferred debits deducted for tax purposes in advance of book purposes. Retail related.	
283 NIUG BUYOUT	(6,627,894)	(6,627,894)	-	-	-	These deferred taxes relate to Regulatory Assets created during Generation deregulation. The underlying costs were deducted for tax purposes as incurred. Amortization Expense recorded for book purposes as amounts are collected from customers is reversed for tax purposes. It is Generation related.	
Other- 283	(432,517)	(432,517)	-	-	-	Represents deferred taxes related to income on books not included for tax.	
283 PENSION PAYMENT RESERVE	(22,468,488)	-	-	-	(22,468,488)	The Company claims tax deductions for payments made to fund its Retirement Income Plan to the extent permitted under the IRC Section 415 contribution limitations. For book purposes, Pension Plan expense is recorded in accordance with SFAS 158. This deferred tax liability reflects the difference between the tax versus book deductions. It affects Company personnel across all functions.	
283 Reg Asset - FERC Formula Rate Adj. Trans. Svc	(2,980,451)	-	(2,980,451)	-	-	When a regulatory asset/liability is established, books credit/debit income, which for tax purposes needs to be reversed along with the associated amortization. The deferred tax asset is 100% Transmission related.	
283 Reg Asset-NJ Rec-Base	(7,770,512)	(7,770,512)	-	-	-	When a regulatory asset/liability is established, books credit/debit income, which for tax purposes needs to be reversed along with the associated amortization. This deferred tax liability is retail related.	
283 Regulatory Asset - General	2,814,050	2,814,050	-	-	-	For book purposes, regulatory assets are established with an increase to book income. For tax purposes the regulatory assets are not recognized and book income is reversed.	
283 Regulatory Asset - NJ RGGI	(1)	(1)	-	-	-	When a regulatory asset/liability is established, books credit/debit income, which for tax purposes needs to be reversed along with the associated amortization. This deferred tax liability is retail related.	
283 Regulatory Asset - SREC Program	(178,463)	(178,463)	-	-	-	Represents deferred income tax liability on the Solar Renewable Energy Certificate Program. Retail related.	
283 Stranded Costs	(19,844,720)	(19,844,720)	-	-	-	These deferred taxes relate to Regulatory Assets created during Generation deregulation. The underlying costs were deducted for tax purposes as incurred. Amortization Expense recorded for book purposes as amounts are collected from customers is reversed for tax purposes. It is Generation related.	
283 Subtotal - p277 (Form 1-F filer: see note 6, below)	(63,482,782)	(36,624,072)	(2,980,451)	48,279	(23,926,538)		
283 Less FASB 109 Above if not separately removed	28,684,225	17,150,270	1,350,799	-	10,183,157		
283 Less FASB 106 Above if not separately removed	-	-	-	-	-		
283 Total	(92,167,007)	(53,774,342)	(4,331,250)	48,279	(34,109,695)		

check

Instructions for Account 283:  
 1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C  
 2. ADIT items related only to Transmission are directly assigned to Column D  
 3. ADIT items related to Plant and not in Columns C & D are included in Column E  
 4. ADIT items related to labor and not in Columns C & D are included in Column F  
 5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded.  
 6. Re: Form 1-F filer: Sum of subtotals for Accounts 282 and 283 should tie to Form No. 1-F, p.113.57.c

ADITC-255		Balance	Amortization
1	Rate Base Treatment		
2	Balance to line 41 of Appendix A	Total	
3	Amortization		
4	Amortization to line 133 of Appendix A	Total	3,697,280
5	Total	3,697,280	363,377
6	Form No. 1 balance (p.266) for amortization	Total Form No. 1 (p.266 & 267)	3,697,280
7	Difference /1	-	-

/1 Difference must be zero

## Atlantic City Electric Company

### Attachment 2 - Taxes Other Than Income Worksheet

<i>Other Taxes</i>	<i>Page 263 Col (i)</i>	<i>Allocator</i>	<i>Allocated Amount</i>
<b>Plant Related</b>		<b>Gross Plant Allocator</b>	
1 Real property (State, Municipal or Local)	2,444,578		
2 Personal property	-		
3 City License	-		
4 Federal Excise	14,173		
<b>Total Plant Related</b>	<b>2,458,751</b>	<b>35.5918%</b>	<b>875,113</b>
<b>Labor Related</b>		<b>Wages &amp; Salary Allocator</b>	
5 Federal FICA & Unemployment	2,487,661		
6 Unemployment(State)	214,003		
<b>Total Labor Related</b>	<b>2,701,664</b>	<b>6.5627%</b>	<b>177,301</b>
<b>Other Included</b>		<b>Gross Plant Allocator</b>	
7 Miscellaneous	3,286		
<b>Total Other Included</b>	<b>3,286</b>	<b>35.5918%</b>	<b>1,170</b>
<b>Total Included</b>			<b>1,053,584</b>
<b>Excluded</b>			
8 State Franchise tax	-		
9 TEFA	-		
10 Use & Sales Tax	1,140,217		
10.1 Excluded merger costs in line 5	15		
11 Total "Other" Taxes (included on p. 263)	6,303,933		
12 Total "Taxes Other Than Income Taxes" - acct 408.10 (p. 114.14)	6,303,933		
13 Difference	-		

Criteria for Allocation:

- A Other taxes that are incurred through ownership of plant including transmission plant will be allocated based on the Gross Plant Allocator. If the taxes are 100% recovered at retail they will not be included
- B Other taxes that are incurred through ownership of only general or intangible plant will be allocated based on the Wages and Salary Allocator. If the taxes are 100% recovered at retail they will not be included
- C Other taxes that are assessed based on labor will be allocated based on the Wages and Salary Allocator
- D Other taxes except as provided for in A, B and C above, that are incurred and (1) are not fully recovered at retail or (2) are directly or indirectly related to transmission service will be allocated based on the Gross Plant Allocator; provided, however, that overheads shall be treated as in footnote B above
- E Excludes prior period adjustments in the first year of the formula's operation and reconciliation for the first year

# Atlantic City Electric Company

## Attachment 3 - Revenue Credit Workpaper

**Account 454 - Rent from Electric Property**

1 Rent from Electric Property - Transmission Related (Note 3)		966,076
2 Total Rent Revenues	(Sum Line 1)	966,076

**Account 456 - Other Electric Revenues (Note 1)**

3 Schedule 1A		\$ 816,004
4 Net revenues associated with Network Integration Transmission Service (NITS) for which the load is not included in the divisor (difference between NITS credits from PJM and PJM NITS charges paid by Transmission Owner) (Note 4)		-
5 Point to Point Service revenues for which the load is not included in the divisor received by Transmission Owner (Note 4)		462,720
6 PJM Transitional Revenue Neutrality (Note 1)		-
7 PJM Transitional Market Expansion (Note 1)		-
8 Professional Services (Note 3)		-
9 Revenues from Directly Assigned Transmission Facility Charges (Note 2)		619,380
10 Rent or Attachment Fees associated with Transmission Facilities (Note 3)		-
11 Gross Revenue Credits	(Sum Lines 2-10)	2,864,180
12 Less line 17g		(618,820)
13 Total Revenue Credits		2,245,360

**Revenue Adjustment to determine Revenue Credit**

- 14 Note 1: All revenues related to transmission that are received as a transmission owner (i.e., not received as a LSE), for which the cost of the service is recovered under this formula, except as specifically provided for elsewhere in this Attachment or elsewhere in the formula will be included as a revenue credit or included in the peak on line 173 of Appendix A.
- 15 Note 2: If the costs associated with the Directly Assigned Transmission Facility Charges are included in the Rates, the associated revenues are included in the Rates. If the costs associated with the Directly Assigned Transmission Facility Charges are not included in the Rates, the associated revenues are not included in the Rates.
- 16 Note 3: Ratemaking treatment for the following specified secondary uses of transmission assets: (1) right-of-way leases and leases for space on transmission facilities for telecommunications; (2) transmission tower licenses for wireless antennas; (3) right-of-way property leases for farming, grazing or nurseries; (4) licenses of intellectual property (including a portable oil degasification process and scheduling software); and (5) transmission maintenance and consulting services (including energized circuit maintenance, high-voltage substation maintenance, safety training, transformer oil testing, and circuit breaker testing) to other utilities and large customers (collectively, products). Company will retain 50% of net revenues consistent with Pacific Gas and Electric Company, 90 FERC ¶ 61,314. Note: in order to use lines 17a - 17g, the utility must track in separate subaccounts the revenues and costs associated with each secondary use (except for the cost of the associated income taxes).

17a Revenues included in lines 1-11 which are subject to 50/50 sharing.		966,076
17b Costs associated with revenues in line 17a	Attachment 5 - Cost Support	271,564
17c Net Revenues (17a - 17b)		694,512
17d 50% Share of Net Revenues (17c / 2)		347,256
17e Costs associated with revenues in line 17a that are included in FERC accounts recovered through the formula times the allocator used to functionalize the amounts in the FERC account to the transmission service at issue.		-
17f Net Revenue Credit (17d + 17e)		347,256
17g Line 17f less line 17a		(618,820)
18 Note 4: If the facilities associated with the revenues are not included in the formula, the revenue is shown here but not included in the total above and is explained in the Cost Support; for example revenues associated with distribution facilities. In addition, Revenues from Schedule 12 are not included in the total above to the extent they are credited under Schedule 12.		9,741,348
19 Amount offset in line 4 above		133,095,697
20 Total Account 454, 456 and 456.1		145,701,225
21 Note 4: SECA revenues booked in Account 447.		

**Atlantic City Electric Company**

Attachment 4 - Calculation of 100 Basis Point Increase in ROE

A	Return and Taxes with 100 Basis Point increase in ROE 100 Basis Point increase in ROE and Income Taxes	(Line 127 + Line 138)	76,796,225
B	100 Basis Point increase in ROE		1.00%

**Return Calculation**

59	Rate Base		(Line 39 + 58)	714,618,924
<b>Long Term Interest</b>				
100	Long Term Interest		p117.62c through 67c	62,992,469
101	Less LTD Interest on Securitization Bonds (Note P)		Attachment 8	5,670,914
102	<b>Long Term Interest</b>		"(Line 100 - line 101)"	57,321,555
103	<b>Preferred Dividends</b>	enter positive	p118.29c	0
<b>Common Stock</b>				
104	Proprietary Capital		p112.16c	1,042,601,119
105	Less Preferred Stock	enter negative	(Line 114)	0
106	Less Account 216.1	enter negative	p112.12c	0
107	<b>Common Stock</b>		(Sum Lines 104 to 106)	1,042,601,119
<b>Capitalization</b>				
108	Long Term Debt		p112.17c through 21c	1,077,521,230
109	Less Loss on Reacquired Debt	enter negative	p111.81.c	-5,278,948
110	Plus Gain on Reacquired Debt	enter positive	p113.61.c	0
111	Less ADIT associated with Gain or Loss	enter negative	Attachment 1	1,483,912
112	Less LTD on Securitization Bonds	enter negative	Attachment 8	-40,506,230
113	<b>Total Long Term Debt</b>		(Sum Lines Lines 108 to 112)	1,033,219,964
114	Preferred Stock		p112.3c	0
115	Common Stock		(Line 107)	1,042,601,119
116	<b>Total Capitalization</b>		(Sum Lines 113 to 115)	2,075,821,083
117	Debt %	(Note Q from Appendix A) Total Long Term Debt	(Line 113 / 116)	50%
118	Preferred %	(Note Q from Appendix A) Preferred Stock	(Line 114 / 116)	0%
119	Common %	(Note Q from Appendix A) Common Stock	(Line 115 / 116)	50%
120	Debt Cost	Total Long Term Debt	(Line 102 / 113)	0.0555
121	Preferred Cost	Preferred Stock	(Line 103 / 114)	0.0000
122	Common Cost	(Note J from Appendix A) Common Stock	Appendix A % plus 100 Basis Pts	0.1150
123	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 117 * 120)	0.0277
124	Weighted Cost of Preferred	Preferred Stock	(Line 118 * 121)	0.0000
125	Weighted Cost of Common	Common Stock	(Line 119 * 122)	0.0575
126	<b>Total Return ( R )</b>		<b>(Sum Lines 123 to 125)</b>	<b>0.0852</b>
127	Investment Return = Rate Base * Rate of Return		<b>(Line 59 * 126)</b>	<b>60,913,602</b>

**Composite Income Taxes**

**(Note L)**

<b>Income Tax Rates</b>				
128	FIT=Federal Income Tax Rate			21.00%
129	SIT=State Income Tax Rate or Composite			9.00%
130	p = percent of federal income tax deductible for state purposes		Per State Tax Code	0.00%
131	T	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		28.11%
132	T / (1-T)			39.10%
<b>ITC Adjustment</b>				
133	Amortized Investment Tax Credit	enter negative	p266.8f	-363,377
134	T/(1-T)		(Line 132)	39.10%
135	Net Plant Allocation Factor		(Line 18)	36.4763%
136	<b>ITC Adjustment Allocated to Transmission</b>	(Note I from Appendix A)	(Line 133 * (1 + 134) * 135)	<b>-184,374</b>
137	<b>Income Tax Component =</b>	$CIT=(T/1-T) * Investment Return * (1-(WCLTD/R)) =$		16,066,997
138	<b>Total Income Taxes</b>			<b>15,882,623</b>

Atlantic City Electric Company

Attachment 5 - Cost Support

**Electric / Non-electric Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Electric Portion	Non-electric Portion	Details
Plant Allocation Factors							
10	Accumulated Intangible Amortization	(Note A)	p200.21c (see Attachm	15,293,580	15,293,580	0	Respondent is Electric Utility only.
11	Accumulated Common Amortization - Electric	(Note A)	p356	0	0	0	
12	Accumulated Common Plant Depreciation - Electric	(Note A)	p356	0	0	0	
Plant In Service							
24	Common Plant (Electric Only)	(Notes A & B)	p356	0	0	0	
Accumulated Deferred Income Taxes							
41	Accumulated Investment Tax Credit Account No. 255	(Notes A & I)	p266.h	3,697,280	3,697,280	0	Respondent is Electric Utility only.
Materials and Supplies							
47	Undistributed Stores Exp	(Note A)	p227.6c & 16.c	0	0	0	Respondent is Electric Utility only.
Allocated General & Common Expenses							
65	Plus Transmission Lease Payments	(Note A)	p200.3c	0	0	0	
67	Common Plant O&M	(Note A)	p356	0	0	0	
Depreciation Expense							
88	Intangible Amortization	(Note A)	p336.1d&e	173,651	173,651	0	Respondent is Electric Utility only.
92	Common Depreciation - Electric Only	(Note A)	p336.11.b	0	0	0	
93	Common Amortization - Electric Only	(Note A)	p356 or p336.11d	0	0	0	

**Transmission / Non-transmission Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Transmission Related	Non-transmission Related	Details
28	Plant Held for Future Use (Including Land)	(Note C)	p214	12,883,207	782,029	12,101,178	Transmission Right of Way - Carl's Corner to Landis

**CWIP & Expensed Lease Worksheet**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	CWIP In Form 1 Amount	Expensed Lease in Form 1 Amount	Details
Plant Allocation Factors							
6	Electric Plant in Service	(Note B)	p207.104g	3,607,191,404	0	0	See ARO Exclusion - Cost Support section below for Electric Plant in Service without AROs
Plant In Service							
19	Transmission Plant In Service	(Note B)	p207.58.g	1,274,493,121	0	0	See Form 1
24	Common Plant (Electric Only)	(Notes A & B)	p356	0	0	0	
Accumulated Depreciation							
30	Transmission Accumulated Depreciation	(Note B)	p219.25.c	245,046,572	0	0	See Form 1

**EPRI Dues Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	EPRI Dues	Details
Allocated General & Common Expenses						
73	Less EPRI Dues	(Note D)	p352-353	220,349	220,349	See Form 1

Atlantic City Electric Company

Attachment 5 - Cost Support

**Regulatory Expense Related to Transmission Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Transmission Related	Non-transmission Related	Details
70	Allocated General & Common Expenses Less Regulatory Commission Exp Account 928	(Note E)	p323.189b	4,783,058	133,159	4,649,899	FERC Form 1 page 351 line 6 (h) and 7 (h)
77	Directly Assigned A&G Regulatory Commission Exp Account 928	(Note G)	p323.189b	4,783,058	133,159	4,649,899	FERC Form 1 page 351 line 6 (h) and 7 (h)

**Safety Related Advertising Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Safety Related	Non-safety Related	Details
81	Directly Assigned A&G General Advertising Exp Account 930.1	(Note K)	p323.191b	286,452	-	286,452	None

**MultiState Workpaper**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				State 1	State 2	State 3	State 4	State 5	Details
129	Income Tax Rates SIT=State Income Tax Rate or Composite	(Note I)	9.0000%	NJ 9.00%	PA 9.990%				Enter Calculation Apportioned: NJ 100.0000%, PA 0.0000%

**Education and Out Reach Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Education & Outreach	Other	Details
78	Directly Assigned A&G General Advertising Exp Account 930.1	(Note F)	p323.191b	286,452	-	286,452	None

**Excluded Plant Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Excluded Transmission Facilities	Description of the Facilities
149	Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities Excluded Transmission Facilities	(Note M)	Attachment 5	-	General Description of the Facilities
Instructions:				Enter \$	None
1 Remove all investment below 69 kV or generator step up transformers included in transmission plant in service that are not a result of the RTEP Process					
2 If unable to determine the investment below 69kV in a substation with investment of 69 kV and higher as well as below 69 kV, the following formula will be used:				Or	
Example				Enter \$	
A Total investment in substation				1,000,000	
B Identifiable investment in Transmission (provide workpapers)				500,000	
C Identifiable investment in Distribution (provide workpapers)				400,000	
D Amount to be excluded (A x (C / (B + C)))				444,444	

Add more lines if necessary

Atlantic City Electric Company

Attachment 5 - Cost Support

**Outstanding Network Credits Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Outstanding Network Credits	Description of the Credits
55	Network Credits Outstanding Network Credits	(Note N)	From PJM	Enter \$ 0	General Description of the Credits  None
56	Less Accumulated Depreciation Associated with Facilities with Outstanding Network Credits	(Note N)	From PJM	0	None  Add more lines if necessary

**Transmission Related Account 242 Reserves**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Total	Allocation	Transmission Related	Details
44	Transmission Related Account 242 Reserves (exclude current year environmental site related reserves)			Enter \$		Amount	
	Directly Assignable to Transmission			0	100%	-	
	Labor Related, General plant related or Common Plant related			15,238,358	6.56%	1,000,041	
	Plant Related			2,941,546	35.59%	1,046,949	
	Other				0.00%	-	
	Total Transmission Related Reserves			18,179,904		2,046,990	

**Prepayments**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Description of the Prepayments	
45	Prepayments				
5	Wages & Salary Allocator	6.563%	To Line 45		
	Pension Liabilities, if any, in Account 242	-			
	Prepayments	\$ 371,936	6.563%	24,409	
	Prepaid Pensions if not included in Prepayments	\$ 73,930,586	6.563%	4,851,812	Prepaid Pension is recorded in FERC account 186 (see FERC Form 1 page 233).
		74,302,522		4,876,221	

**Extraordinary Property Loss**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Amount	Number of years	Amortization	w/ interest
61	Less extraordinary property loss			\$ -			
62	Plus amortized extraordinary property loss				5	\$ -	\$ -



Atlantic City Electric Company

Attachment 5 - Cost Support

**Interest on Outstanding Network Credits Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Interest on Network Credits	Description of the Interest on the Credits
155	Revenue Credits & Interest on Network Credits Interest on Network Credits	(Note N)	PJM Data	0	General Description of the Credits
				Enter \$	None
Add more lines if necessary					

**Facility Credits under Section 30.9 of the PJM OATT and Facility Credits paid to Vineland per settlement in ER05-515 (Note R)**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Amount	Description & PJM Documentation
171	Net Revenue Requirement Facility Credits under Section 30.9 of the PJM OATT and Facility Credits paid to Vineland per settlement in ER05-515 (Note R)	-	Settlement agreement.

**PJM Load Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				1 CP Peak	Description & PJM Documentation
173	Network Zonal Service Rate 1 CP Peak	(Note L)	PJM Data	2,540.8	See Form 1

**Statements BG/BH (Present and Proposed Revenues)**

Customer	Billing Determinants	Current Rate	Proposed Rate	Current Revenues	Proposed Revenues	Change in Revenues
ACE zone						
Total						

**Supporting documentation for FERC Form 1 reconciliation**

Compliance with FERC Order on the Exelon Merger				Form 1 Amount	Merger Costs	Non Merger Related
Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions						
6	Electric Plant in Service		p207.104g	3,607,191,404	157,222	3,607,034,182
9	Accumulated Depreciation (Total Electric Plant)		p219.29c	753,019,802	198	753,019,604
10	Accumulated Intangible Amortization		p200.21c	15,293,580	14,018	15,279,562
23	General & Intangible		p205.5.g & p207.99.g	134,744,748	157,222	134,587,526
60	Transmission O&M		p321.112.b	21,789,347	82,644	21,706,703
68	Total A&G		p323.197.b	79,823,542	(3,855,664)	83,679,206
87	General Depreciation		p336.10b&c	6,449,586	198	6,449,388
88	Intangible Amortization		p336.1d&e	173,651	14,018	159,633
Removal of \$4,315,518 of 2017 merger related costs, offset by establishment of regulatory asset of \$8,171,182 in A&G accounts.						

**ARO Exclusion - Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	ARO's	Non-ARO's	
6	Electric Plant in Service		p207.104g	3,607,191,404	1,444,581	3,605,746,823	Distribution ARO-\$954,809 and General & Intangible ARO-\$489,772
9	Accumulated Depreciation (Total Electric Plant)		p219.29c	753,019,802	175,805	752,843,997	Distribution ARO-\$113,267 and General ARO-\$62,538

Atlantic City Electric Company

Attachment 5 - Cost Support

23	General & Intangible	p205.5.g & p207.99.g	134,744,748	489,772	134,254,976	General & Intangible ARO-\$489,772
31	Accumulated General Depreciation	p219.28.c	34,206,372	62,538	34,143,834	General ARO-\$62,538

**ARO & Merger Related Exclusion - Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions			Form 1 Amount	ARO's	Merger Costs	Non-ARO's & Non Merger Related
6	Electric Plant in Service	p207.104g	3,607,191,404	1,444,581	157,222	3,605,589,602 Distribution ARO-\$954,809, General & Intangible ARO-\$489,772 and Intangible Merger Cost \$157,222
9	Accumulated Depreciation (Total Electric Plant)	p219.29c	753,019,802	175,805	198	752,843,799 Distribution ARO-\$113,267 and General ARO-\$62,538 and General Merger Cost \$198
23	General & Intangible	p205.5.g & p207.99.g	134,744,748	489,772	157,222	134,097,754 General & Intangible ARO-\$489,772 and Intangible Merger Cost \$157,222
31	Accumulated General Depreciation	p219.28.c	34,206,372	62,538	198	34,143,635 General ARO-\$62,538 and General Merger Cost \$198

**PBOP Expense in FERC 926**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions			Total A&G Form 1 Amount	Account 926 Form 1 Amount	PBOP in FERC 926 current rate year	PBOP in FERC 926 prior rate year	Explanation of change in PBOP in FERC 926
68	Total A&G	Total: p.323.197.b Account 926: p.323.187.b and c	79,823,542	14,039,705	773,511	1,000,545	The actuarially determined amount of OPEB expense in FERC 926 decreased \$.227 million from the prior year; the decrease primarily represents a (\$0.2 million) decrease in service cost primarily due to (i) change in the discount rate from 3.80% in 2016 to 4.0% in 2017 and (ii) updated census data, (\$0.3 million) increase in expected return on plan assets due to year over year assets growth, offset by \$0.1 million increase in amortization of unrecognized gain/loss. This decrease was offset by a \$0.183 million decrease in OPEB costs directly charged to capital or other income deduction accounts (i.e. below the line).

**Attachment 3 - Revenue Credit Workpaper**

17b	Costs associated with revenues in line 17a	\$	271,564
	Revenue Subject to 50/50 sharing (Attachment 3 - line 17a)	\$	966,076
	Federal Income Tax Rate		21.00%
	Federal Tax on Revenue subject to 50/50 sharing		202,876
	Net Revenue subject to 50/50 sharing		763,200
	Composite State Income Tax Rate		9.000%
	State Tax on Revenue subject to 50/50 sharing		68,688
	Total Tax on Revenue subject to 50/50 sharing	\$	271,564

## Atlantic City Electric Company

### Attachment 5a - Allocations of Costs to Affiliate

	Delmarva Power	Atlantic City	Pepco	Non - Regulated	Total
Executive Management	6,721,922	6,040,279	11,559,004	2,731,918	27,053,123
Procurement & Administrative Services	5,753,548	4,160,116	8,276,756	3,721,474	21,911,894
Financial Services & Corporate Expenses	16,768,656	13,558,856	23,867,875	15,207,024	69,402,411
Insurance Coverage and Services	292,642	563,869	(390,363)	(5,012)	461,136
Human Resources	(1,116,564)	(1,258,037)	(540,100)	5,485,522	2,570,821
Legal Services	2,170,665	1,000,599	4,150,743	6,816,457	14,138,464
Customer Services	52,746,755	47,419,527	45,717,038	2,626	145,885,946
Information Technology	17,257,383	13,248,946	32,727,761	10,871,056	74,105,146
External Affairs	3,411,728	2,935,223	5,190,824	626,833	12,164,608
Environmental Services	2,358,711	2,065,133	2,509,472	346	6,933,662
Safety Services	481,504	493,828	775,837		1,751,169
Regulated Electric & Gas T&D	44,391,825	35,785,749	58,175,755	2,973,981	141,327,310
Internal Consulting Services	241,911	194,452	414,624		850,987
Interns	174,619	133,726	128,150		436,495
Cost of Benefits	13,261,385	8,972,178	22,145,832		44,379,395
Building Services	146,800	96,476	4,309,323	849,170	5,401,769
<b>Total</b>	<b>\$ 165,063,490</b>	<b>\$ 135,410,920</b>	<b>\$ 219,018,531</b>	<b>\$ 49,281,395</b>	<b>\$ 568,774,336</b>

Name of Respondent PHI Service Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Resubmission Date (Mo, Da, Yr) / /	Year/Period of Report Dec 31, 2017
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**Schedule XVII - Analysis of Billing - Associate Companies (Account 457)**

1. For services rendered to associate companies (Account 457), list all of the associate companies.

Line No.	Name of Associate Company (a)	Account 457.1 Direct Costs Charged (b)	Account 457.2 Indirect Costs Charged (c)	Account 457.3 Compensation For Use of Capital (d)	Total Amount Billed (e)
1	Potomac Electric Company	54,658,874	164,339,096	20,561	219,018,531
2	Delmarva Power & Light Company	43,878,996	121,169,503	14,991	165,063,490
3	Atlantic City Electric Company	29,283,609	106,115,313	11,998	135,410,920
4	Exelon Business Services Company, LLC	47,134,513			47,134,513
5	Pepco Energy Services, Inc	415,765	1,111,189		1,526,954
6	Pepco Holdings LLC	45,859	490,907	268	537,034
7	Atlantic Southern Properties, Inc	2,419	39,576		41,995
8	Connectiv Properties & Investments, Inc	250	29,336		29,586
9	Atlantic City Electric Transition Funding, LLC	2,895	2,847	4	5,746
10	Connectiv Holding Company, Inc.	3,279			3,279
11	Potomac Capital Investments Corporation	1,623	255		1,878
12	Connectiv Thermal Systems, Inc.		410		410
13					
14					
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36					
37					
38					
39					
40	<b>Total</b>	<b>175,428,082</b>	<b>393,298,432</b>	<b>47,822</b>	<b>568,774,336</b>

Service Company Billing Analysis by Utility FERC Account  
YTD Dec 2017  
Total PHI

FERC Accounts	FERC Account Name	DPL	ACE	PEPCO	Non-Utility	Total	Inclusion in ATRR
107	Constr Work In Progress	26,393,027	20,238,001	36,545,201	-	83,176,229	Not included
182.3	Other Regulatory Assets	2,372,237	217,458	7,097,229	-	9,686,924	Not included
184	Clearing Accounts - Other	290,866	240,842	743,443	(623,559)	651,592	Not included
408.1	Taxes other than inc taxes, utility operating inc	1,821	705	1,742	-	4,268	Wage & Salary Factor
416-421.2	Other Income -Below the Line	791,529	668,026	953,108	49,904,954	52,317,617	Not included
426.1-426.5	Other Income Deductions - Below the Line	793,436	612,278	1,127,607	-	2,533,321	Not included
430	Interest-Debt to Associated Companies	33,667	27,028	45,561	-	106,256	Not included
431	Interest-Short Term Debt	(16,005)	(12,879)	(21,440)	-	(50,324)	Not included
556	System cont & load dispatch	1,762,459	1,397,736	1,967,404	-	5,127,599	Not included
557	Other expenses	1,289,456	1,123,936	1,209,338	-	3,622,730	Not included
560	Operation Supervision & Engineering	3,383,115	3,135,496	4,630,184	-	11,148,795	100% included
561.1	Load Dispatching - Reliability	14,659	9,981	-	-	24,640	100% included
561.2	Load Dispatch - Monitor & Operate Transmission Sys	67,228	19,453	727,609	-	814,290	100% included
561.3	Load Dispatch - Transmission Service & Scheduling	33,317	44,911	29,401	-	107,629	100% included
561.5	Reliability, Planning and Standards	348,426	219,013	131,562	-	699,001	100% included
563	Overhead line expenses	-	-	225	-	225	100% included
562	Station expenses	-	-	6,587	-	6,587	100% included
564	Underground Line Expenses - Transmission	-	-	525	-	525	100% included
566	Miscellaneous transmission expenses	964,413	829,555	916,409	-	2,710,377	100% included
568	Maintenance Supervision & Engineering	131,952	100,446	465,203	-	697,601	100% included
569	Maint of structures	6,463	6,993	7,169	-	20,625	100% included
569.2	Maintenance of Computer Software	646,321	311,341	457,266	-	1,414,928	100% included
569.4	Maintenance of Transmission Plant	-	-	4	-	4	100% included
570	Maintenance of station equipment	177,361	64,923	367,252	-	609,536	100% included
571	Maintenance of overhead lines	393,340	286,999	590,906	-	1,271,245	100% included
572	Maintenance of underground lines	194	172	1,137	-	1,503	100% included
573	Maintenance of miscellaneous transmission plant	15,358	28,110	145,477	-	188,945	100% included
575.5	Ancillary services market administration	-	-	8,945	-	8,945	Not included
580	Operation Supervision & Engineering	1,205,549	900,876	1,342,800	-	3,449,225	Not included
581	Load dispatching	1,088,271	408,220	1,622,032	-	3,118,523	Not included
582	Station expenses	519,935	-	127,953	-	647,888	Not included
583	Overhead line expenses	79,339	179,386	37,971	-	296,696	Not included
584	Underground line expenses	35,984	-	181,498	-	217,482	Not included
585	Street lighting	1,575	-	27	-	1,602	Not included
586	Meter expenses	709,279	447,257	1,114,080	-	2,270,616	Not included
587	Customer installations expenses	345,833	349,544	1,003,345	-	1,698,722	Not included
588	Miscellaneous distribution expenses	3,807,435	4,244,289	6,809,195	-	14,860,919	Not included
589	Rents	80,562	409	77,296	-	158,267	Not included
590	Maintenance Supervision & Engineering	948,744	573,387	499,410	-	2,021,541	Not included
591	Maintain structures	7,013	6,792	6,974	-	20,779	Not included
592	Maintain equipment	353,360	427,768	916,673	-	1,697,801	Not included
593	Maintain overhead lines	1,754,068	1,231,469	1,850,015	-	4,835,552	Not included
594	Maintain underground line	129,627	69,299	728,487	-	927,413	Not included
595	Maintain line transformers	2,257	-	150,585	-	152,842	Not included
596	Maintain street lighting & signal systems	41,343	36,511	6,306	-	84,160	Not included
597	Maintain meters	164,705	34,459	132,584	-	331,748	Not included
598	Maintain distribution plant	44,155	20,222	574,205	-	638,582	Not included
800-894	Total Gas Accounts	2,355,199	-	-	-	2,355,199	Not included
902	Meter reading expenses	144,273	36,799	129,651	-	310,723	Not included
903	Customer records and collection expenses	50,866,226	47,660,833	48,331,246	-	146,858,305	Not included
907	Supervision - Customer Svc & Information	88	156,520	42,124	-	198,732	Not included
908	Customer assistance expenses	1,897,100	652,072	545,344	-	3,094,516	Not included
909	Informational & instructional advertising	524,046	539,891	834,890	-	1,898,827	Not included
912	Demonstrating and selling expense	161,461	-	-	-	161,461	Not included
913	Advertising expense	40,738	-	-	-	40,738	Not included
920	Administrative & General salaries	339,115	100,744	689,110	-	1,128,969	Wage & Salary Factor
921	Office supplies & expenses	240	712	361	-	1,313	Wage & Salary Factor
923	Outside services employed	46,996,640	42,150,533	75,985,080	-	165,132,253	Wage & Salary Factor
924	Property insurance	113	91	154	-	358	Net Plant Factor
926	Employee pensions & benefits	7,809,871	4,323,683	12,245,344	-	24,378,898	Wage & Salary Factor
928	Regulatory commission expenses	1,470,858	492,412	2,686,522	-	4,649,792	Direct Transmission Only
929	Duplicate charges-Credit	422,348	150,426	1,117,064	-	1,689,838	Wage & Salary Factor
930.1	General ad expenses	208	186	356	-	750	Direct Transmission Only
930.2	Miscellaneous general expenses	518,497	510,021	999,424	-	2,027,942	Wage & Salary Factor
935	Maintenance of general plant	302,795	135,585	75,371	-	513,751	Wage & Salary Factor
<b>Total</b>		<b>165,063,490</b>	<b>135,410,920</b>	<b>219,018,531</b>	<b>49,281,395</b>	<b>568,774,336</b>	

## Atlantic City Electric Company

### Attachment 6 - Estimate and Reconciliation Worksheet

Step Month Year Action

Exec Summary

- 1 April Year 2 TO populates the formula with Year 1 data from FERC Form 1 data for Year 1 (e.g., 2004)
- 2 April Year 2 TO estimates all transmission Cap Adds and CWIP for Year 2 weighted based on Months expected to be in service in Year 2 (e.g., 2005)
- 3 April Year 2 TO adds weighted Cap Adds to plant in service in Formula
- 4 May Year 2 Post results of Step 3 on PJM web site
- 5 June Year 2 Results of Step 3 go into effect for the Rate Year 1 (e.g., June 1, 2005 - May 31, 2006)
  
- 6 April Year 3 TO populates the formula with Year 2 data from FERC Form 1 for Year 2 (e.g., 2005)
- 7 April Year 3 Reconciliation - TO calculates Reconciliation by removing from Year 2 data - the total Cap Adds placed in service in Year 2 and adding weighted average in Year 2 actual Cap Adds and CWIP in Reconciliation (adjusted to include any Reconciliation amount from prior year)
- 8 April Year 3 TO estimates Cap Adds and CWIP during Year 3 weighted based on Months expected to be in service in Year 3 (e.g., 2006)
- 9 April Year 3 Reconciliation - TO adds the difference between the Reconciliation in Step 7 and the forecast in Line 5 with interest to the result of Step 7 (this difference is also added to Step 8 in the subsequent year)
- 10 May Year 3 Post results of Step 9 on PJM web site
- 11 June Year 3 Results of Step 9 go into effect for the Rate Year 2 (e.g., June 1, 2006 - May 31, 2007)

- 1 April Year 2 TO populates the formula with Year 1 data from FERC Form 1 data for Year 1 (e.g., 2004)  
134,969,330 Rev Req based on Year 1 data Must run Appendix A to get this number (without inputs in lines 20, 21 or 43a of Appendix A)

- 2 April Year 2 TO estimates all transmission Cap Adds and CWIP for Year 2 weighted based on Months expected to be in service in Year 2 (e.g., 2005)

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	
	Monthly Additions	Monthly Additions	Monthly Additions	Monthly Additions	Weighting	Other Plant In Service	Other Plant In Service	MAPP CWIP	MAPP In Service	Other Plant In Service	Other Plant In Service	MAPP CWIP	MAPP In Service	
	Other Plant In Service	Other Plant In Service	MAPP CWIP	MAPP In Service		Amount (A x E)	Amount (B x E)	Amount (C x E)	Amount (D x E)	(F / 12)	(G / 12)	(H / 12)	(I / 12)	
Jan					11.5	-	-	-	-	-	-	-	-	
Feb					10.5	-	-	-	-	-	-	-	-	
Mar	6,321,892				9.5	60,057,974	-	-	-	5,004,831	-	-	-	
Apr	4,268,041				8.5	36,278,349	-	-	-	3,023,196	-	-	-	
May					7.5	-	-	-	-	-	-	-	-	
Jun	11,688,559				6.5	75,975,634	-	-	-	6,331,303	-	-	-	
Jul					5.5	-	-	-	-	-	-	-	-	
Aug					4.5	-	-	-	-	-	-	-	-	
Sep					3.5	-	-	-	-	-	-	-	-	
Oct					2.5	-	-	-	-	-	-	-	-	
Nov					1.5	-	-	-	-	-	-	-	-	
Dec					0.5	-	-	-	-	-	-	-	-	
Total	22,278,492	-	-	-		172,311,956	-	-	-	14,359,330	-	-	-	
New Transmission Plant Additions and CWIP (weighted by months in service)										14,359,330	-	-	-	
										Input to Line 21 of Appendix A	14,359,330	-	-	14,359,330
										Input to Line 43a of Appendix A				
										Month In Service or Month for CWIP	4.27	#DIV/0!	#DIV/0!	#DIV/0!

- 3 April Year 2 TO adds weighted Cap Adds to plant in service in Formula  
 \$ 14,359,330 Input to Formula Line 21
  
- 4 May Year 2 Post results of Step 3 on PJM web site  
 136,237,027 Must run Appendix A to get this number (with inputs on lines 21 and 43a of Attachment A)
  
- 5 June Year 2 Results of Step 3 go into effect for the Rate Year 1 (e.g., June 1, 2005 - May 31, 2006)  
 \$ 136,237,027
  
- 6 April Year 3 TO populates the formula with Year 2 data from FERC Form 1 for Year 2 (e.g., 2005)  
139,451,889 Rev Req based on Prior Year data Must run Appendix A to get this number (without inputs in lines 20, 21 or 43a of Appendix A)

7 April Year 3 Reconciliation - TO calculates Reconciliation by removing from Year 2 data - the total Cap Adds placed in service in Year 2 and adding weighted average in Year 2 actual Cap Adds and CWIP in Reconciliation (adjusted to include any Reconciliation amount from prior year)

Remove all Cap Adds placed in service in Year 2  
 For Reconciliation only - remove actual New Transmission Plant Additions for Year 2 \$ 165,916,002 Input to Formula Line 20

Add weighted Cap Adds actually placed in service in Year 2

	(A) Monthly Additions Other Plant In Service	(B) Monthly Additions Other Plant In Service	(C) Monthly Additions MAPP CWIP	(D) Monthly Additions MAPP In Service	(E) Weighting	(F) Other Plant In Service Amount (A x E)	(G) Other Plant In Service Amount (B x E)	(H) MAPP CWIP Amount (C x E)	(I) MAPP In Service Amount (D x E)	(J) Other Plant In Service (F / 12)	(K) Other Plant In Service (G / 12)	(L) MAPP CWIP (H / 12)	(M) MAPP In Service (I / 12)		
Jan	511,099				11.5	5,877,635	-	-	-	489,803	-	-	-		
Feb	23,017,869				10.5	241,687,625	-	-	-	20,140,635	-	-	-		
Mar	12,390,468				9.5	117,709,450	-	-	-	9,809,121	-	-	-		
Apr	3,126,413				8.5	26,574,509	-	-	-	2,214,542	-	-	-		
May	43,195,708				7.5	323,967,808	-	-	-	26,997,317	-	-	-		
Jun	19,857,062				6.5	129,070,901	-	-	-	10,755,908	-	-	-		
Jul	1,066,553				5.5	5,866,044	-	-	-	488,837	-	-	-		
Aug	(1,192,298)				4.5	(5,365,340)	-	-	-	(447,112)	-	-	-		
Sep	16,096,775				3.5	56,338,711	-	-	-	4,694,893	-	-	-		
Oct	21,329,923				2.5	53,324,807	-	-	-	4,443,734	-	-	-		
Nov	1,960,383				1.5	2,940,575	-	-	-	245,048	-	-	-		
Dec	24,556,048				0.5	12,278,024	-	-	-	1,023,169	-	-	-		
Total	165,916,002					970,270,749				80,855,896					
New Transmission Plant Additions and CWIP (weighted by months in service)										80,855,896					
										Input to Line 21 of Appendix A				80,855,896	
										Input to Line 43a of Appendix A					
										Month In Service or Month for CWIP	6.15	#DIV/0!	#DIV/0!	#DIV/0!	
<span style="background-color: yellow;">131,992,058</span> Result of Formula for Reconciliation <span style="color: red;">Must run Appendix A with cap adds in line 21 &amp; line 20</span> (Year 2 data with total of Year 2 Cap Adds removed and monthly weighted average of Year 2 actual Cap Adds added in)															

8 April Year 3 TO estimates Cap Adds and CWIP during Year 3 weighted based on Months expected to be in service in Year 3 (e.g., 2006)

	(A) Monthly Additions Other Plant In Service	(B) Monthly Additions Other Plant In Service	(C) Monthly Additions MAPP CWIP	(D) Monthly Additions MAPP In Service	(E) Weighting	(F) Other Plant In Service Amount (A x E)	(G) Other Plant In Service Amount (B x E)	(H) MAPP CWIP Amount (C x E)	(I) MAPP In Service Amount (D x E)	(J) Other Plant In Service (F / 12)	(K) Other Plant In Service (G / 12)	(L) MAPP CWIP (H / 12)	(M) MAPP In Service (I / 12)		
Jan					11.5	-	-	-	-	-	-	-	-		
Feb					10.5	-	-	-	-	-	-	-	-		
Mar					9.5	-	-	-	-	-	-	-	-		
Apr					8.5	-	-	-	-	-	-	-	-		
May					7.5	-	-	-	-	-	-	-	-		
Jun					6.5	-	-	-	-	-	-	-	-		
Jul					5.5	-	-	-	-	-	-	-	-		
Aug					4.5	-	-	-	-	-	-	-	-		
Sep					3.5	-	-	-	-	-	-	-	-		
Oct					2.5	-	-	-	-	-	-	-	-		
Nov					1.5	-	-	-	-	-	-	-	-		
Dec					0.5	-	-	-	-	-	-	-	-		
Total															
New Transmission Plant Additions and CWIP (weighted by months in service)															
<span style="background-color: yellow;">128,106,367</span>															
										Input to Line 21 of Appendix A					
										Input to Line 43a of Appendix A					
										Month In Service or Month for CWIP	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	

9 April Year 3 Reconciliation - TO adds the difference between the Reconciliation in Step 7 and the forecast in Line 5 with interest to the result of Step 7 (this difference is also added to Step 8 in the subsequent year)

The Reconciliation in Step 7		The forecast in Prior Year				
131,992,058	-	123,838,425	=	8,153,633		
Interest on Amount of Refunds or Surcharges						
Interest rate pursuant to 35.19a for March of <span style="background-color: yellow;">0.3600%</span>						
Month	Yr	1/12 of Step 9	Interest rate for March of the Current Yr	Months	Interest	Surcharge (Refund) Owed
Jun	Year 1	679,469	0.3600%	11.5	28,130	707,599
Jul	Year 1	679,469	0.3600%	10.5	25,684	705,153
Aug	Year 1	679,469	0.3600%	9.5	23,238	702,707
Sep	Year 1	679,469	0.3600%	8.5	20,792	700,261
Oct	Year 1	679,469	0.3600%	7.5	18,346	697,815
Nov	Year 1	679,469	0.3600%	6.5	15,900	695,369
Dec	Year 1	679,469	0.3600%	5.5	13,453	692,923
Jan	Year 2	679,469	0.3600%	4.5	11,007	690,477
Feb	Year 2	679,469	0.3600%	3.5	8,561	688,031
Mar	Year 2	679,469	0.3600%	2.5	6,115	685,585
Apr	Year 2	679,469	0.3600%	1.5	3,669	683,139
May	Year 2	679,469	0.3600%	0.5	1,223	680,692
Total		8,153,633				8,329,752

		Balance	Interest rate from above	Amortization over Rate Year	Balance
Jun	Year 2	8,329,752	0.3600%	710,496	7,649,243
Jul	Year 2	7,649,243	0.3600%	710,496	6,966,284
Aug	Year 2	6,966,284	0.3600%	710,496	6,280,867
Sep	Year 2	6,280,867	0.3600%	710,496	5,592,982
Oct	Year 2	5,592,982	0.3600%	710,496	4,902,621
Nov	Year 2	4,902,621	0.3600%	710,496	4,209,774
Dec	Year 2	4,209,774	0.3600%	710,496	3,514,433
Jan	Year 3	3,514,433	0.3600%	710,496	2,816,589
Feb	Year 3	2,816,589	0.3600%	710,496	2,116,233
Mar	Year 3	2,116,233	0.3600%	710,496	1,413,355
Apr	Year 3	1,413,355	0.3600%	710,496	707,947
May	Year 3	707,947	0.3600%	710,496	(0)
Total with interest				8,525,952	

The difference between the Reconciliation in Step 7 and the forecast in Prior Year with interest 8,525,952  
 Rev Req based on Year 2 data with estimated Cap Adds and CWIP for Year 3 (Step 8) \$ 128,106,367  
 Revenue Requirement for Year 3 136,632,319

10 May Year 3 lts of Step 9 on PJM web site  
 \$ 136,632,319

11 June Year 3 r the Rate Year 2 (e.g., June 1, 2006 - May 31, 2007)  
 \$ 136,632,319







tford 230kv terminal	B1600 Upgrade Mill T2 138/69 kV Transformer	
	Yes	
	35	
	No	
	0	
	9.5384%	
	9.5384%	
14,841,978		
424,057		
6		

Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Total	Incentive Charged	Revenue Credit
11,451,929	1,468,794	14,223,334	424,057	13,799,277	1,740,287	\$ 11,184,236		\$ 11,184,236
11,451,929	1,468,794	14,223,334	424,057	13,799,277	1,740,287	\$ 11,473,413	\$ 11,473,413	
11,075,466	1,432,885	13,799,277	424,057	13,375,221	1,699,839	\$ 10,884,738		\$ 10,884,738
11,075,466	1,432,885	13,799,277	424,057	13,375,221	1,699,839	\$ 11,162,280	\$ 11,162,280	
10,699,003	1,396,977	13,375,221	424,057	12,951,164	1,659,390	\$ 10,585,241		\$ 10,585,241
10,699,003	1,396,977	13,375,221	424,057	12,951,164	1,659,390	\$ 10,851,147	\$ 10,851,147	
10,322,539	1,361,068	12,951,164	424,057	12,527,107	1,618,942	\$ 10,285,743		\$ 10,285,743
10,322,539	1,361,068	12,951,164	424,057	12,527,107	1,618,942	\$ 10,540,013	\$ 10,540,013	
9,946,076	1,325,160	12,527,107	424,057	12,103,051	1,578,494	\$ 9,986,245		\$ 9,986,245
9,946,076	1,325,160	12,527,107	424,057	12,103,051	1,578,494	\$ 10,228,880	\$ 10,228,880	
9,569,613	1,289,251	12,103,051	424,057	11,678,994	1,538,046	\$ 9,686,747		\$ 9,686,747
9,569,613	1,289,251	12,103,051	424,057	11,678,994	1,538,046	\$ 9,917,746	\$ 9,917,746	
9,193,150	1,253,343	11,678,994	424,057	11,254,938	1,497,598	\$ 9,387,249		\$ 9,387,249
9,193,150	1,253,343	11,678,994	424,057	11,254,938	1,497,598	\$ 9,606,613	\$ 9,606,613	
8,816,687	1,217,434	11,254,938	424,057	10,830,881	1,457,149	\$ 9,087,752		\$ 9,087,752
8,816,687	1,217,434	11,254,938	424,057	10,830,881	1,457,149	\$ 9,295,480	\$ 9,295,480	
8,440,224	1,181,526	10,830,881	424,057	10,406,825	1,416,701	\$ 8,788,254		\$ 8,788,254
8,440,224	1,181,526	10,830,881	424,057	10,406,825	1,416,701	\$ 8,984,346	\$ 8,984,346	
8,063,761	1,145,617	10,406,825	424,057	9,982,768	1,376,253	\$ 8,488,756		\$ 8,488,756
8,063,761	1,145,617	10,406,825	424,057	9,982,768	1,376,253	\$ 8,424,106	\$ 8,424,106	
.....	....	....	....	.....	....			\$ -
.....	....	....	....	.....	....			\$ -
							\$ 207,459,487	\$ 201,047,950

Amy L. Blauman  
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May 15, 2018

Ms. Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E. Room 1A  
Washington, DC 20426

Re: Delmarva Power & Light Company (“Delmarva”), Docket No. ER09-1158  
Informational Filing of 2018 Formula Rate Annual Update;  
Notice of Annual Meeting

Dear Ms. Bose,

Delmarva hereby submits electronically, for informational purposes, its 2018 Annual Formula Rate Update. On November 3, 2015, the Commission approved an uncontested settlement agreement (“Settlement”) filed in Docket Nos. EL13-48, *et al.*<sup>1</sup> Formula Rate implementation protocols contained in the Settlement provide that:

[o]n or before May 15 of each year, Delmarva [Delmarva Power & Light Company] shall recalculate its Annual Transmission Revenue Requirements, producing an “Annual Update” for the upcoming Rate Year, and:

- (i) cause such Annual Update to be posted at a publicly accessible location on PJM’s internet website;
- (ii) cause notice of such posting to be provided to PJM’s membership; and
- (iii) file such Annual Update with the FERC as an informational filing.<sup>2</sup>

The same information contained in this informational filing has been transmitted to PJM for posting on its website as required by the Formula Rate implementation protocols. Thus, all interested parties should have ample notice of and access to the

<sup>1</sup> Baltimore Gas and Electric Company, *et al.*, 153 FERC ¶ 61,140 (2015).

<sup>2</sup> See Settlement, Exhibit A containing PJM Tariff Attachment H3-E, Section 2.b.

Annual Update. The protocols provide specific procedures for notice, review, exchanges of information and potential challenges to aspects of the Annual Update. Consequently, and as the Commission has concluded, there is no need for the Commission to notice this informational filing for comment.<sup>3</sup>

Delmarva's 2018 Annual Update contains no expenses or costs that have been alleged or judged in any administrative or judicial proceeding to be illegal, duplicative, or unnecessary costs that are demonstrably the product of discriminatory employment practices, as defined in 18 C.F.R. § 35.13(b)(7).

Delmarva has made no accounting changes as defined in the Settlement (and any accounting changes, including accounting policy harmonization changes related to the merger between Exelon and Pepco Holdings, Inc., are discussed in applicable disclosure statements filed within the Securities and Exchange Commission Form 10-K and within the FERC Form No. 1).<sup>4</sup> Delmarva has made no change to Other Post-Employment Benefits ("OPEB") charges that exceed the filing threshold set forth in the Settlement.<sup>5</sup>

Thank you for your attention to this informational filing. Please direct any questions to the undersigned.

Very truly yours,

/s/ Amy L. Blauman

Amy L. Blauman

Enclosures

cc: All parties on Service Lists in Docket Nos. ER05-515, EL13-48 and EL15-27.

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<sup>3</sup> See Letter Order Re: Annual Update to Formula Rate in Docket No. ER09-1158 (February 17, 2010).

<sup>4</sup> See Settlement, Exhibit A containing PJM Tariff Attachment H3-E, Section 2.f.(iii)(d). Accounting entries related to the merger between Exelon and Pepco Holdings, Inc. were approved by FERC in Docket AC16-203 on March 17, 2017 and April 11, 2017.

<sup>5</sup> See Settlement, Exhibit A containing PJM Tariff Attachment H3-E, Section 2.h.

**ATTACHMENT H-3D**

<b>Delmarva Power &amp; Light Company</b>		Notes	FERC Form 1 Page # or Instruction	2017
<b>Formula Rate - Appendix A</b>				
<b>Shaded cells are input cells</b>				
<b>Allocators</b>				
<b>Wages &amp; Salary Allocation Factor</b>				
1	Transmission Wages Expense		p354.21.b	\$ 2,726,311
2	Total Wages Expense		p354.28b	\$ 40,525,901
3	Less A&G Wages Expense		p354.27b	\$ 3,571,399
4	Total		(Line 2 - 3)	36,954,502
5	<b>Wages &amp; Salary Allocator</b>		(Line 1 / 4)	<b>7.3775%</b>
<b>Plant Allocation Factors</b>				
6	Electric Plant in Service	(Note B)	p207.104g (see attachment 5)	\$ 3,872,097,440
7	Common Plant In Service - Electric		(Line 24)	96,499,326
8	Total Plant In Service		(Sum Lines 6 & 7)	3,968,596,766
9	Accumulated Depreciation (Total Electric Plant)		p219.29c (see attachment 5)	\$ 935,374,303
10	Accumulated Intangible Amortization	(Note A)	p200.21c (see attachment 5)	\$ 10,355,589
11	Accumulated Common Amortization - Electric	(Note A)	p356	14,396,936
12	Accumulated Common Plant Depreciation - Electric	(Note A)	p356	\$ 53,712,576
13	Total Accumulated Depreciation		(Sum Lines 9 to 12)	1,013,839,404
14	Net Plant		(Line 8 - 13)	2,954,757,362
15	Transmission Gross Plant		(Line 29 - Line 28)	1,494,712,981
16	<b>Gross Plant Allocator</b>		(Line 15 / 8)	<b>37.6635%</b>
17	Transmission Net Plant		(Line 39 - Line 28)	1,141,558,738
18	<b>Net Plant Allocator</b>		(Line 17 / 14)	<b>38.6346%</b>
<b>Plant Calculations</b>				
<b>Plant In Service</b>				
19	Transmission Plant In Service	(Note B)	p207.58.g	\$ 1,426,429,064
20	For Reconciliation only - remove New Transmission Plant Additions for Current Calendar Year	For Reconciliation Only	Attachment 6 - Enter Negative	0
21	New Transmission Plant Additions for Current Calendar Year (weighted by months in service)		Attachment 6	46,979,103
22	<b>Total Transmission Plant In Service</b>		(Line 19 - 20 + 21)	<b>1,473,408,167</b>
23	General & Intangible		p205.5.g & p207.99.g (see attachment 5)	192,282,404
24	Common Plant (Electric Only)	(Notes A & B)	p356	96,499,326
25	Total General & Common		(Line 23 + 24)	288,781,730
26	Wage & Salary Allocation Factor		(Line 5)	7.37748%
27	<b>General &amp; Common Plant Allocated to Transmission</b>		(Line 25 * 26)	<b>21,304,814</b>
28	<b>Plant Held for Future Use (Including Land)</b>	(Note C)	p214	<b>0</b>
29	<b>TOTAL Plant In Service</b>		(Line 22 + 27 + 28)	<b>1,494,712,981</b>
<b>Accumulated Depreciation</b>				
30	Transmission Accumulated Depreciation	(Note B)	p219.25.c	\$ 343,638,525
31	Accumulated General Depreciation		p219.28.c (see attachment 5)	\$ 50,518,211
32	Accumulated Intangible Amortization		(Line 10)	10,355,589
33	Accumulated Common Amortization - Electric		(Line 11)	14,396,936
34	Common Plant Accumulated Depreciation (Electric Only)		(Line 12)	53,712,576
35	Total Accumulated Depreciation		(Sum Lines 31 to 34)	128,983,312
36	Wage & Salary Allocation Factor		(Line 5)	7.37748%
37	<b>General &amp; Common Allocated to Transmission</b>		(Line 35 * 36)	<b>9,515,718</b>
38	<b>TOTAL Accumulated Depreciation</b>		(Line 30 + 37)	<b>353,154,243</b>
39	<b>TOTAL Net Property, Plant &amp; Equipment</b>		(Line 29 - 38)	<b>1,141,558,738</b>
<b>Adjustment To Rate Base</b>				
<b>Accumulated Deferred Income Taxes</b>				
40	ADIT net of FASB 106 and 109		Attachment 1	-349,152,695
41	Accumulated Investment Tax Credit Account No. 255	Enter Negative	(Notes A & I) p266.h	-2,361,544
42	Net Plant Allocation Factor		(Line 18)	38.63%
43	<b>Accumulated Deferred Income Taxes Allocated To Transmission</b>		(Line 41 * 42) + Line 40	<b>-350,065,068</b>
43a	Transmission Related CWIP (Current Year 12 Month weighted average balances)	(Note B)	p216.43.b as Shown on Attachment 6	-
43b	Unamortized Abandoned Transmission Plant		Attachment 5	-
<b>Transmission O&amp;M Reserves</b>				
44	<b>Total Balance Transmission Related Account 242 Reserves</b>	Enter Negative	Attachment 5	<b>-3,057,275</b>
<b>Prepayments</b>				
45	Prepayments	(Note A)	Attachment 5	13,470,222
46	<b>Total Prepayments Allocated to Transmission</b>		(Line 45)	<b>13,470,222</b>
<b>Materials and Supplies</b>				
47	Undistributed Stores Exp	(Note A)	p227.6c & 16.c	\$ -
48	Wage & Salary Allocation Factor		(Line 5)	7.377%
49	Total Transmission Allocated		(Line 47 * 48)	0
50	Transmission Materials & Supplies		p227.8c	2,942,687
51	<b>Total Materials &amp; Supplies Allocated to Transmission</b>		(Line 49 + 50)	<b>2,942,687</b>
<b>Cash Working Capital</b>				
52	Operation & Maintenance Expense		(Line 85)	31,090,229
53	1/8th Rule		x 1/8	12.5%
54	<b>Total Cash Working Capital Allocated to Transmission</b>		(Line 52 * 53)	<b>3,886,279</b>
<b>Network Credits</b>				
55	Outstanding Network Credits	(Note N)	From PJM	0
56	Less Accumulated Depreciation Associated with Facilities with Outstanding Network Credits	(Note N)	From PJM	0
57	Net Outstanding Credits		(Line 55 - 56)	0
58	<b>TOTAL Adjustment to Rate Base</b>		(Line 43 + 43a + 44 + 46 + 51 + 54 - 57)	<b>-332,823,154</b>
59	<b>Rate Base</b>		(Line 39 + 58)	<b>808,735,584</b>

**O&M**

<b>Transmission O&amp;M</b>			
60	Transmission O&M	p321.112.b (see attachment 5)	\$ 24,347,664
61	Less extraordinary property loss	Attachment 5	\$ -
62	Plus amortized extraordinary property loss	Attachment 5	\$ -
63	Less Account 565	p321.96.b	\$ -
64	Plus Schedule 12 Charges billed to Transmission Owner and booked to Account 565	(Note O) PJM Data	\$ -
65	Plus Transmission Lease Payments	(Note A) p200.3.c	\$ -
66	<b>Transmission O&amp;M</b>	(Lines 60 - 63 + 64 + 65)	<b>24,347,664</b>
<b>Allocated General &amp; Common Expenses</b>			
67	Common Plant O&M	(Note A) p356	0
68	Total A&G	p323.197.b (see attachment 5)	\$ 89,028,741
68a	For informational purposes: PBOB expense in FERC Account 926	(Note S) Attachment 5	-199,886
69	Less Property Insurance Account 924	p323.185b	532,303
70	Less Regulatory Commission Exp Account 928	(Note E) p323.189b	5,255,798
71	Less General Advertising Exp Account 930.1	p323.191b	212,864
72	Less DE Enviro & Low Income and MD Universal Funds	p335.b	6,502,685
73	Less EPRI Dues	(Note D) p352-353	210,803
74	<b>General &amp; Common Expenses</b>	(Lines 67 + 68) - Sum (69 to 73)	76,314,288
75	Wage & Salary Allocation Factor	(Line 5)	7.3775%
76	<b>General &amp; Common Expenses Allocated to Transmission</b>	(Line 74 * 75)	<b>5,630,071</b>
<b>Directly Assigned A&amp;G</b>			
77	Regulatory Commission Exp Account 928	(Note G) p323.189b	906,841
78	General Advertising Exp Account 930.1	(Note K) p323.191b	0
79	Subtotal - Transmission Related	(Line 77 + 78)	<b>906,841</b>
80	Property Insurance Account 924	p323.185b	532,303
81	General Advertising Exp Account 930.1	(Note F) p323.191b	0
82	Total	(Line 80 + 81)	<b>532,303</b>
83	Net Plant Allocation Factor	(Line 18)	38.63%
84	<b>A&amp;G Directly Assigned to Transmission</b>	(Line 82 * 83)	<b>205,653</b>
85	<b>Total Transmission O&amp;M</b>	<b>(Line 66 + 76 + 79 + 84)</b>	<b>31,090,229</b>

**Depreciation & Amortization Expense**

<b>Depreciation Expense</b>			
86	Transmission Depreciation Expense	p336.7b&c	34,226,387
86a	Amortization of Abandoned Transmission Plant	Attachment 5	0
87	General Depreciation	p336.10b&c (see attachment 5)	8,842,053
88	Intangible Amortization	(Note A) p336.1d&e (see attachment 5)	248,822
89	Total	(Line 87 + 88)	9,090,875
90	Wage & Salary Allocation Factor	(Line 5)	7.3775%
91	<b>General Depreciation Allocated to Transmission</b>	(Line 89 * 90)	<b>670,677</b>
92	Common Depreciation - Electric Only	(Note A) p336.11.b	3,881,211
93	Common Amortization - Electric Only	(Note A) p356 or p336.11d	0
94	Total	(Line 92 + 93)	3,881,211
95	Wage & Salary Allocation Factor	(Line 5)	7.3775%
96	<b>Common Depreciation - Electric Only Allocated to Transmission</b>	(Line 94 * 95)	<b>286,336</b>
97	<b>Total Transmission Depreciation &amp; Amortization</b>	<b>(Line 86 + 91 + 96)</b>	<b>35,183,400</b>

**Taxes Other than Income**

98	Taxes Other than Income	Attachment 2	9,872,663
99	<b>Total Taxes Other than Income</b>	<b>(Line 98)</b>	<b>9,872,663</b>

**Return / Capitalization Calculations**

<b>Long Term Interest</b>			
100	Long Term Interest	p117.62c through 67c	\$ 52,075,552
101	Less LTD Interest on Securitization Bonds	(Note P) Attachment 8	0
102	<b>Long Term Interest</b>	"(Line 100 - line 101)"	<b>52,075,552</b>
103	Preferred Dividends	enter positive p118.29c	-
<b>Common Stock</b>			
104	Proprietary Capital	p112.16c	1,330,210,085
105	Less Preferred Stock	enter negative (Line 114)	0
106	Less Account 216.1	enter negative p112.12c	2,177,779
107	<b>Common Stock</b>	(Sum Lines 104 to 106)	<b>1,332,387,864</b>
<b>Capitalization</b>			
108	Long Term Debt	p112.17c through 21c	1,308,230,000
109	Less Loss on Reacquired Debt	enter negative p111.81c	-7,674,093
110	Plus Gain on Reacquired Debt	enter positive p113.61c	0
111	Less ADIT associated with Gain or Loss	enter negative Attachment 1	2,126,878
112	Less LTD on Securitization Bonds	(Note P) Attachment 8	0
113	Total Long Term Debt	(Sum Lines Lines 108 to 112)	1,302,682,785
114	Preferred Stock	p112.3c	0
115	Common Stock	(Line 107)	1,332,387,864
116	<b>Total Capitalization</b>	(Sum Lines 113 to 115)	<b>2,635,070,649</b>
117	Debt %	Total Long Term Debt (Line 113 / 116)	49.44%
118	Preferred %	Preferred Stock (Line 114 / 116)	0.00%
119	Common %	Common Stock (Line 115 / 116)	50.56%
120	Debt Cost	Total Long Term Debt (Line 102 / 113)	0.0400
121	Preferred Cost	Preferred Stock (Line 103 / 114)	0.0000
122	Common Cost	Common Stock (Note J) Fixed	0.1050
123	Weighted Cost of Debt	Total Long Term Debt (WCLTD) (Line 117 * 120)	0.0198
124	Weighted Cost of Preferred	Preferred Stock (Line 118 * 121)	0.0000
125	Weighted Cost of Common	Common Stock (Line 119 * 122)	0.0531
126	<b>Total Return ( R )</b>	(Sum Lines 123 to 125)	<b>0.0729</b>
127	<b>Investment Return = Rate Base * Rate of Return</b>	<b>(Line 59 * 126)</b>	<b>58,919,880</b>

**Composite Income Taxes**

Income Tax Rates			
128	FIT=Federal Income Tax Rate		21.00%
129	SIT=State Income Tax Rate or Composite	(Note I)	8.50%
130	p	(percent of federal income tax deductible for state purposes)	0.00%
131	T	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$	27.72%
132	T/(1-T)		38.34%
ITC Adjustment			
133	Amortized Investment Tax Credit	(Note I) enter negative	-153,997
134	T/(1-T)	Attachment 1 (Line 132)	38.34%
135	Net Plant Allocation Factor	(Line 18)	38.6346%
136	<b>ITC Adjustment Allocated to Transmission</b>	(Line 133 * (1 + 134) * 135)	<b>-82,308</b>
137	<b>Income Tax Component =</b>	$CIT=(T/1-T) * Investment\ Return * (1-(WCLTD/R)) =$	[Line 132 * 127 * (1-(123 / 126))] <b>16,462,696</b>
138	<b>Total Income Taxes</b>	<b>(Line 136 + 137)</b>	<b>16,380,388</b>

**REVENUE REQUIREMENT**

Summary			
139	Net Property, Plant & Equipment	(Line 39)	1,141,558,738
140	Adjustment to Rate Base	(Line 58)	-332,823,154
141	<b>Rate Base</b>	(Line 59)	<b>808,735,584</b>
142	O&M	(Line 85)	31,090,229
143	Depreciation & Amortization	(Line 97)	35,183,400
144	Taxes Other than Income	(Line 99)	9,872,663
145	Investment Return	(Line 127)	58,919,880
146	Income Taxes	(Line 138)	16,380,388
147	<b>Gross Revenue Requirement</b>	<b>(Sum Lines 142 to 146)</b>	<b>151,446,560</b>
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities			
148	Transmission Plant In Service	(Line 19)	1,426,429,064
149	Excluded Transmission Facilities	(Note M) Attachment 5	0
150	Included Transmission Facilities	(Line 148 - 149)	1,426,429,064
151	Inclusion Ratio	(Line 150 / 148)	100.00%
152	Gross Revenue Requirement	(Line 147)	151,446,560
153	<b>Adjusted Gross Revenue Requirement</b>	(Line 151 * 152)	<b>151,446,560</b>
Revenue Credits & Interest on Network Credits			
154	Revenue Credits	Attachment 3	6,767,215
155	Interest on Network Credits	(Note N) PJM Data	-
156	<b>Net Revenue Requirement</b>	<b>(Line 153 - 154 + 155)</b>	<b>144,679,345</b>
Net Plant Carrying Charge			
157	Net Revenue Requirement	(Line 156)	144,679,345
158	Net Transmission Plant	(Line 19 - 30)	1,082,790,539
159	Net Plant Carrying Charge	(Line 157 / 158)	13.3617%
160	Net Plant Carrying Charge without Depreciation	(Line 157 - 86) / 158	10.2008%
161	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes	(Line 157 - 86 - 127 - 138) / 158	3.2465%
Net Plant Carrying Charge Calculation per 100 Basis Point increase in ROE			
162	Net Revenue Requirement Less Return and Taxes	(Line 156 - 145 - 146)	69,379,077
163	Increased Return and Taxes	Attachment 4	80,957,406
164	Net Revenue Requirement per 100 Basis Point increase in ROE	(Line 162 + 163)	150,336,483
165	Net Transmission Plant	(Line 19 - 30)	1,082,790,539
166	Net Plant Carrying Charge per 100 Basis Point increase in ROE	(Line 164 / 165)	13.8842%
167	Net Plant Carrying Charge per 100 Basis Point increase in ROE without Depreciation	(Line 163 - 86) / 165	10.7232%
168	<b>Net Revenue Requirement</b>	(Line 156)	<b>144,679,345</b>
169	True-up amount	Attachment 6	13,556,043
170	Plus any increased ROE calculated on Attachment 7 other than PJM Sch. 12 projects	Attachment 7	438,678
171	Facility Credits under Section 30.9 of the PJM OATT and Facility Credits to Vineland per settlement in ER05-515	Attachment 5	-
171a	MAPP Abandonment recovery pursuant to ER13-607	Attachment 5	-
172	<b>Net Zonal Revenue Requirement</b>	(Line 168 + 169 + 170 + 171 + 171a)	<b>158,674,066</b>
Network Zonal Service Rate			
173	1 CP Peak	(Note L) PJM Data	3,813
174	Rate (\$/MW-Year)	(Line 172 / 173)	41,619
175	<b>Network Service Rate (\$/MW/Year)</b>	<b>(Line 174)</b>	<b>41,619</b>



**Notes**

- A Electric portion only
- B Exclude Construction Work In Progress and leases that are expensed as O&M (rather than amortized). New Transmission plant that is expected to be placed in service in the current calendar year weighted by number of months it is expected to be in-service. New Transmission plant expected to be placed in service in the current calendar year that is not included in the PJM Regional Transmission Plan (RTEP) must be separately detailed on Attachment 5. For the Reconciliation, new transmission plant that was actually placed in service weighted by the number of months it was actually in service CWIP will be linked to Attachment 6 which shows detail support by project (incentive and non-incentive).
- C Transmission Portion Only
- D All EPRI Annual Membership Dues
- E All Regulatory Commission Expenses
- F Safety related advertising included in Account 930.1
- G Regulatory Commission Expenses directly related to transmission service, RTO filings, or transmission siting itemized in Form 1 at 351.h.
- I The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and  $p = \frac{\text{FIT}}{\text{FIT} + \text{SIT}}$  "the percentage of federal income tax deductible for state income taxes". If the utility includes taxes in more than one state, it must explain in Attachment 5 the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to use amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by  $(1/1-T)$ . A utility must not include tax credits as a reduction to rate base and as an amortization against taxable income.  
  
The ROE is 10.5% which includes a base ROE of 10.0% ROE per FERC order in Docket No. EL13-48 and a 50 basis point RTO membership adder as authorized by FERC; provided, that the projects identified in Docket Nos. ER08-686 and ER08-1423 have been awarded an additional 150 basis point adder and, thus, their ROE is 12.0%.
- J ER08-686 and ER08-1423 have been awarded an additional 150 basis point adder and, thus, their ROE is 12.0%.
- K Education and outreach expenses relating to transmission, for example siting or billing
- L As provided for in Section 34.1 of the PJM OATT and the PJM established billing determinants will not be revised or updated in the annual rate reconciliations per settlement in ER05-515.
- M Amount of transmission plant excluded from rates per Attachment 5.
- N Outstanding Network Credits is the balance of Network Facilities Upgrades Credits due Transmission Customers who have made lump-sum payments (net of accumulated depreciation) towards the construction of Network Transmission Facilities consistent with Paragraph 657 of Order 2003-A. Interest on the Network Credits as booked each year is added to the revenue requirement to make the Transmission Owner whole on Line 155.
- O Payments made under Schedule 12 of the PJM OATT that are not directly assessed to load in the Zone under Schedule 12 are included in Transmission O&M. If they are booked to Acct 565, they are included in on line 64
- P Securitization bonds may be included in the capital structure per settlement in ER05-515.
- Q ACE capital structure is initially fixed at 50% common equity and 50% debt per settlement in ER05-515 subject to moratorium provisions in the settlement.
- R Per the settlement in ER05-515, the facility credits of \$15,000 per month paid to Vineland will increase to \$37,500 per month (prorated for partial months) effective on the date FERC approves the settlement in ER05-515.**
- S See Attachment 5 - Cost Support, section entitled "PBOP Expense in FERC Account 926" for additional information per FERC orders in Docket Nos. EL13-48 , EL15-27 and ER16-456.**

**Delmarva Power & Light Company**

**Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet Tax Detail**

	<i>Only Transmission Related</i>	<i>Plant Related</i>	<i>Labor Related</i>	<i>Total ADIT</i>
<b>ADIT-282</b>	-	(961,715,870)	-	(961,715,870)
<b>ADIT-283</b>	(3,059,476)	(4,865,504)	(70,572,539)	(78,497,519)
<b>ADIT-190</b>	-	60,015,641	7,560,365	67,576,006
<b>Subtotal</b>	(3,059,476)	(906,565,733)	(63,012,174)	(972,637,383)
<b>Wages &amp; Salary Allocator</b>			7.3775%	
<b>Gross Plant Allocator</b>		37.66351%		
<b>ADIT</b>	(3,059,476)	(341,444,508)	(4,648,711)	(349,152,695)
<b>Total</b>				

Note: ADIT associated with Gain or Loss on Reacquired Debt is included in Column A here and included in Cost of Debt on Appendix A, Line 111  
Amount (2,126,878)

In filling out this attachment, a full and complete description of each item and justification for the allocation to Columns C-F and each separate ADIT item will be listed. Dissimilar items with amounts exceeding \$100,000 will be listed separately.

<b>ADIT-190</b>	<b>A</b>	<b>B Total</b>	<b>C Gas, Prod Or Other Distribution Related</b>	<b>D Only Transmission Related</b>	<b>E Plant Related</b>	<b>F Labor Related</b>	<b>G Justification</b>
Allowance for Doubtful Accounts		4,145,110	4,145,110	-	-	-	Under the Tax Reform Act of 1986, taxpayers are required to account for bad debts using the specific write-off method. The reserve method is used for book purposes. This amount represents the deferred tax asset related to the add-back of book reserves for tax purposes. This deferred tax asset is retail related.
Charitable Contributions		648,296	648,296	-	-	-	DPL is in a Net Operating Loss Carryforward position, therefore, DPL's charitable contributions are carried forward until such time as either DPL or its Parent Company can use them in its consolidated federal income tax return. For book purposes, the contributions are expensed when incurred. Charitable contributions are not included in Operating Income and any related deferred income taxes are excluded from Rate Base.
Claims Reserve		553,388	77,474	-	475,914	-	These deferred taxes are the result of a deduction taken for book purposes to set aside a reserve for General and Auto liability claims. For tax, no deduction is permitted until the "all events" test is met, typically when payment is made. Relates to property across all functions.
Deferred TTC		760,732	106,502	-	654,230	-	Pursuant to the requirements of FAS 109, DPL's accumulated deferred taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These balances primarily represent the deferred taxes on prior flow-through items, including the amount of the required gross-up necessary for full recovery of the prior flow-through amount. Related to all plant. These items are removed below.
Environmental Expense		510,986	510,986	-	-	-	These deferred taxes are the result of deductions taken for book purposes to set aside a reserve for environmental site clean-up expenses. For tax, no deduction is permitted until the "all events" test is met, typically when economic performance has occurred.
Merrill Creek		2,157,639	2,157,639	-	-	-	These deferred taxes are the result of rent being recorded ratably over the life of the Merrill Creek lease for book purposes. For tax purposes, rent is deductible only as economic performance occurs. In addition, an extraordinary charge was recorded for book purposes in a prior year to reflect the impairment of the Merrill Creek asset due to deregulation. For tax purposes, the book impairment did not give rise to a tax deduction when recorded. The accrued impairment liability is being amortized to book income on a monthly basis. The monthly book income is being reversed for tax purposes. This asset is Generation related.
OPEB		3,778,262	528,957	-	-	3,249,306	FAS No. 106 requires accrual basis instead of cash basis accounting for post retirement health care and life insurance benefits for book purposes. Amount paid to participants or funded through the VEBA or 401(h) accounts are currently deductible for tax purposes. Affects Company personnel across all functions.
Other (190)		1,514,552	380,356	-	677,287	456,910	Reflects deferred income taxes on other Property and Labor related items related to all functions.
Other Labor Related Accruals		5,585,462	781,965	-	-	4,803,497	Represents deferred income taxes on labor related book accruals that are only deductible for tax purposes as economic performance occurs. The deferred taxes are related to Company personnel across all functions.
Reg Asset - DSM		212,394	212,394	-	-	-	Represents various Demand Side Management costs that are deducted for tax purposes as incurred. For books, these costs are deferred and amortized to expense when collected in rates. This deferred tax asset is retail related.
Reg Liab - Other		654,436	654,436	-	-	-	When a regulatory asset/liability is established, books credit/debit income, which for tax purposes needs to be reversed along with the associated amortization. This deferred tax asset is retail related.
Renewable Energy Credits		2,850,827	2,850,827	-	-	-	Represents deferred taxes on renewable energy credits which have not been realized yet. This deferred tax asset is retail related.
FAS 109 Deferred Taxes - 190		291,675	40,834	-	250,840	-	Pursuant to the requirements of FAS 109, DPL's accumulated deferred taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These balances primarily represent the deferred taxes on prior flow-through items, including the amount of the required gross-up necessary for full recovery of the prior flow-through amount. Related entirely to plant. These items are removed below.
FAS 109 Deferred Taxes - Property Gross Up		124,196,309	9,851,168	-	114,345,141	-	Pursuant to the requirements of FAS 109, DPL's accumulated deferred taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These balances primarily represent the deferred taxes on prior flow-through items, including the amount of the required gross-up necessary for full recovery of the prior flow-through amount. Related to all plant. These items are removed below.
FAS 109 Deferred Taxes - Tax Cuts and Jobs Act Gross Up		17,082,645	10,938,071	360,558	(1,503,357)	7,287,373	Pursuant to the requirements of FAS 109, DPL's accumulated deferred income taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These balances represent the tax gross-up necessary for full recovery of the 2017 Tax Cuts and Jobs Act (2017 Federal Tax Rate reduction. These amounts are removed from rate base below.
Federal and State NOL		68,191,684	11,479,795	-	56,711,888	-	Represents deferred income tax asset related to federal and state net operating loss carryforwards available to offset future taxable income.
<b>Subtotal - p234</b>		233,134,396	45,364,810	360,558	171,611,942	15,797,086	
<b>Less FASB 109 Above if not separately removed</b>		131,755,866	14,811,591	360,558	111,596,301	4,987,415	
<b>Less FASB 106 Above if not separately removed</b>		3,778,262	528,957	-	-	3,249,306	
<b>Total</b>		97,600,268	30,024,262	-	60,015,641	7,560,365	

**Instructions for Account 190:**  
1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C  
2. ADIT items related only to Transmission are directly assigned to Column D  
3. ADIT items related to Plant and not in Columns C & D are included in Column E  
4. ADIT items related to labor and not in Columns C & D are included in Column F  
5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded  
6. Re: Form I-F filer: Sum of subtotals for Accounts 282 and 283 should tie to Form No. I-F, p.113.57.c

**Delmarva Power & Light Company**  
**Attachment 1- Accumulated Deferred Income Taxes (ADIT) Worksheet**

<b>ADIT- 282</b>	<b>A</b>	<b>B Total</b>	<b>C Gas, Prod Or Other Distribution Related</b>	<b>D Only Transmission Related</b>	<b>E Plant Related</b>	<b>F Labor Related</b>	<b>G Justification</b>
Plant Related - APB 11 Deferred Taxes		(1,068,573,189)	(106,857,319)	-	(961,715,870)	-	This deferred tax balance relates to plant and results from life and method differences. Related to Gas, and T & D plant.
Plant Related - FAS109 Deferred Taxes		340,043,333	34,004,333	-	306,038,999	-	Pursuant to the requirements of FAS 109, DPL's accumulated deferred taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These balances primarily represent the deferred taxes on prior flow-through items, including the amount of the required gross-up necessary for full recovery of the prior flow-through amount. Related to all plant. These items are removed below.
CIAC - Non Rate Base		29,143,880	29,143,880	-	-	-	Deferred taxes resulting from tax basis differences in Contributions in Aid of Construction (CIAC) assets. Since CIAC's are excluded from Rate Base, the related deferred income taxes are excluded as well.
Leased Vehicles - Non Rate Base		(8,360,996)	(8,360,996)	-	-	-	Deferred taxes resulting from tax basis differences in leased vehicles. Since leased vehicles are treated as operating leases for book purposes and not included in Rate Base, the related deferred income taxes are excluded from Rate Base as well.
FAS 109 AFUDC Equity Deferred Taxes		(7,706,581)	(770,658)	-	(6,935,923)	-	Pursuant to the requirements of FAS 109, DPL's accumulated deferred taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These items are removed below.
FAS 109 1/1/2005 Deferred Tax Balance		(970,324)	(97,032)	-	(873,292)	-	Pursuant to the requirements of FAS 109, DPL's accumulated deferred taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These items are removed below.
<b>Subtotal - p275</b>		(716,423,878)	(52,937,793)	-	(663,486,086)	-	
<b>Less FASB 109 Above if not separately removed</b>		323,923,094	25,693,310	-	298,229,785	-	
<b>Less FASB 106 Above if not separately removed</b>		-	-	-	-	-	
<b>Total</b>		(1,040,346,973)	(78,631,103)	-	(961,715,870)	-	

**Instructions for Account 282:**

1. ADIT items related only to Non-Electric Operations
2. ADIT items related only to Transmission are directly assigned to Column D
3. ADIT items related to Plant and not in Columns C & D are included in Column E
4. ADIT items related to labor and not in Columns C & D are included in Column F
5. Deferred income taxes arise when items are included in
6. Re: Form 1-F filer: Sum of subtotals for Accounts 282 and 283 should tie to Form No. 1-F, p.113.57.c

Delmarva Power & Light Company  
Attachment 1- Accumulated Deferred Income Taxes (ADIT) Worksheet

ADIT-283	A	B Total	C Gas, Prod Or Other Distribution Related	D Only Transmission Related	E Plant Related	F Labor Related	G Justification
Blueprint for the Future		(557,020)	(557,020)	-	-	-	When a regulatory asset/liability is established, books credit/debit income, which for tax purposes needs to be reversed along with the associated amortization. This deferred tax liability is retail related.
Deferred Fuel		(1,367,624)	(1,367,624)	-	-	-	Difference between actual fuel expense as compared to the fuel expense computed in accordance with fuel adjustment clause formulas as deferred on book. In accordance with Section 162 Ordinary and Necessary Business Expenses and Section 461 Rules for Taxable year of Deduction, fuel costs are deductible in the year incurred for federal tax purposes. Rate surcharges are includable in the taxable year the underlying monthly bill is adjusted. Refunds are deductible in the taxable year that the liability is fixed and economic performance has occurred. These deferred taxes are the result of this book/tax difference. 100% Gas Related.
Deferred Fuel Interest		(8,133)	(8,133)	-	-	-	This represents deferred tax generated as a result of interest income and/or expense accrued on the deferred fuel balance for book purposes. For tax purposes, interest income is recognized when received. Interest expense is deducted for tax when paid. 100% Gas Related.
Materials Reserve		128,302	17,962	-	110,340	-	This represents deferred tax generated as a result of a deduction taken for amounts set aside in a reserve for book purposes. For tax no deduction is permitted until economic performance takes place. Impacts Gas, Transmission and Distribution.
Merger Commitment Fees		3,491,394	3,491,394	-	-	-	Deferred taxes recognized for commitments made as part of the 2016 merger with Exelon that have not been paid to date. These amounts are excluded from Rate Base.
Pension		(54,569,986)	(7,639,798)	-	-	(46,930,188)	The Company claims tax deductions for payments made to fund its Retirement Income Plan to the extent permitted under the IRC Section 415 contribution limitations. For book purposes, Pension Plan expense is recorded in accordance with SFAS 158. This deferred tax liability reflects the difference between the tax versus book deductions. It affects Company personnel across all functions.
Property Taxes		(6,359,590)	(890,343)	-	(5,469,247)	-	For book purposes, certain real estate taxes were expensed. For tax purposes, those taxes were capitalized and are being depreciated. Relates to property across all functions.
Reacquired Debt		(2,126,878)	(2,126,878)	-	-	-	Reflects the deferred taxes generated as a result of the tax deductions taken for the cost to reacquire debt. For book purposes, these amounts were recorded as an asset in account 189 and are amortized over future periods.
Reg Asset - DSM		(15,658,580)	(15,658,580)	-	-	-	For books, Demand Side Management Costs are deferred. For tax purposes, these costs are expensed when paid. These deferred taxes are the result of the book/tax difference which is retail in nature.
Reg Asset - FERC Formula Rate Adj.		(2,092,373)		(2,092,373)			When a regulatory asset/liability is established, books credit/debit income, which for tax purposes needs to be reversed along with the associated amortization. This item is 100% Transmission related.
Reg Liab - Other		(40,627,560)	(38,520,749)	-	(155,780)	(1,951,031)	When a regulatory asset/liability is established, books credit/debit income, which for tax purposes needs to be reversed along with the associated amortization. Relates to various functions across the Company.
Reg Asset - COPCO Acquisition Adjustment		(1,407,823)	(1,407,823)	-	-	-	Amortization of COPCO acquisition adjustment. Beginning unamortized balance \$40,456,550.00 represents recovery of the regulatory asset per Docket 9093, Order 81518, refers to MD Docket 8583, Order 71719; offset account 114000 Plant Acq Adj. Amortizing monthly. Fully amortized in 2010.
Reg Liab - Other		4,448,786	4,737,930	-	(289,145)	-	When a regulatory asset/liability is established, books credit/debit income, which for tax purposes needs to be reversed along with the associated amortization. These amounts are Gas and Retail related.
Subtotal - p277 (Form 1-F filer: see note 6, below)		(116,707,084)	(59,929,661)	(2,092,373)	(5,803,832)	(48,881,219)	
Less FASB 109 Above if not separately removed		55,129,072	33,408,977	967,103	(938,328)	21,691,320	
Less FASB 106 Above if not separately removed		(7,639,798)	(7,639,798)				The FERC Transmission Pension Asset included in rate base does not include any deferred tax adjustment and therefore an allocated portion from the Attachment 1 should be allocated to the FERC Transmission Accumulated Deferred Income Tax rate base reserve.
Total		(164,196,358)	(85,698,839)	(3,059,476)	(4,865,504)	(70,572,539)	

- Instructions for Account 283:
1. ADIT items related only to Non-Electric Operations
  2. ADIT items related only to Transmission are directly assigned to Column B
  3. ADIT items related to Plant and not in Columns C & D are included in Column E
  4. ADIT items related to labor and not in Columns C & D are included in Column F
  5. Deferred income taxes arise when items are included in
  6. Re: Form 1-F filer: Sum of subtotals for Accounts 282 and 283 should tie to Form No. 1-F, p.113.57.c

Delmarva Power & Light Company  
Attachment 1- Accumulated Deferred Income Taxes (ADIT) Worksheet

ADITC-255	Item	Balance	Amortization	
Rate Base Treatment				
Balance to line 41 of Appendix A	Total	2,361,544	302,119	Post 1980
Amortization				
Amortization to line 133 of Appendix A	Total	383,291	153,997	Pre 1981
Total		2,744,835	456,116	
Total Form No. 1 (p 266 & 267)		2,744,835	456,116	
Difference /1	check	-	-	

/1 Difference must be zero

## Delmarva Power & Light Company

### Attachment 2 - Taxes Other Than Income Worksheet

<i>Other Taxes</i>	<i>Page 263 Col (i)</i>	<i>Allocator</i>	<i>Allocated Amount</i>
<b>Plant Related</b>		<b>Gross Plant Allocator</b>	
1 Real property (State, Municipal or Local)	25,455,658		
2 Personal property			
3 Federal/State Excise	20,319		
4			
5			
6			
<b>Total Plant Related</b>	25,475,977	37.6635%	9,595,148
<b>Labor Related</b>		<b>Wages &amp; Salary Allocator</b>	
7 Federal FICA & Unemployment	3,652,617		
8 State Unemployment	109,025		
9			
10			
11			
<b>Total Labor Related</b>	3,761,642	7.3775%	277,514
<b>Other Included</b>		<b>Gross Plant Allocator</b>	
12 Miscellaneous	-		
<b>Total Other Included</b>	0	37.6635%	0
<b>Total Included</b>	29,237,619		9,872,663
<b>Excluded</b>			
13 MD State Franchise Tax	7,439,812		
14 DE Gross Receipts Tax	344,857		
15 MD Sales and Use Tax	1,941,930		
16 Sales and Use tax VA	1,246		
17 PA Franchise	(3,000)		
18 DE Public Utility Tax	6,740,937		
19 Wilmington City Franchise Tax	898,073		
20 MD Environmental Surcharge	601,306		
21 Excluded merger costs in line 7	64		
22 Total "Other" Taxes (included on p. 263)	47,202,844		
23 Total "Taxes Other Than Income Taxes" - acct 408.10 (p. 114.14)	47,202,844		
24 Difference		(0)	

**Criteria for Allocation:**

- A Other taxes that are incurred through ownership of plant including transmission plant will be allocated based on the Gross Plant Allocator. If the taxes are 100% recovered at retail they will not be included
- B Other taxes that are incurred through ownership of only general or intangible plant will be allocated based on the Wages and Salary Allocator. If the taxes are 100% recovered at retail they will not be included
- C Other taxes that are assessed based on labor will be allocated based on the Wages and Salary Allocator
- D Other taxes except as provided for in A, B and C above, that are incurred and (1) are not fully recovered at retail or (2) are directly or indirectly related to transmission service will be allocated based on the Gross Plant Allocator; provided, however, that overheads shall be treated as in footnote B above
- E Excludes prior period adjustments in the first year of the formula's operation and reconciliation for the first year

**Delmarva Power & Light Company**  
**Attachment 3 - Revenue Credit Workpaper**

<b>Account 454 - Rent from Electric Property</b>		
1 Rent from Electric Property - Transmission Related (Note 3)		1,282,426
2 Total Rent Revenues	(Sum Line 1)	1,282,426
<b>Account 456 - Other Electric Revenues (Note 1)</b>		
3 Schedule 1A		\$ 1,413,575
4 Net revenues associated with Network Integration Transmission Service (NITS) for which the load is not included in the divisor (difference between NITS credits from PJM and PJM NITS charges paid by Transmission Owner) (Note 4)		-
5 Point to Point Service revenues for which the load is not included in the divisor received by Transmission Owner (Note 4)		461,563
6 PJM Transitional Revenue Neutrality (Note 1)		-
7 PJM Transitional Market Expansion (Note 1)		-
8 Professional Services (Note 3)		-
9 Revenues from Directly Assigned Transmission Facility Charges (Note 2)		4,428,577
10 Rent or Attachment Fees associated with Transmission Facilities (Note 3)		-
11 Gross Revenue Credits	(Sum Lines 2-10)	7,586,140
12 Less line 17g		(818,925)
13 Total Revenue Credits		6,767,215
 <b>Revenue Adjustment to determine Revenue Credit</b>		
14	<p>Note 1: All revenues related to transmission that are received as a transmission owner (i.e., not received as a LSE), for which the cost of the service is recovered under this formula, except as specifically provided for elsewhere in this Attachment or elsewhere in the formula will be included as a revenue credit or included in the peak on line 173 of Appendix A.</p>	
15	<p>Note 2: If the costs associated with the Directly Assigned Transmission Facility Charges are included in the Rates, the associated revenues are included in the Rates. If the costs associated with the Directly Assigned Transmission Facility Charges are not included in the Rates, the associated revenues are not included in the Rates.</p>	
16	<p>Note 3: Ratemaking treatment for the following specified secondary uses of transmission assets: (1) right-of-way leases and leases for space on transmission facilities for telecommunications; (2) transmission tower licenses for wireless antennas; (3) right-of-way property leases for farming, grazing or nurseries; (4) licenses of intellectual property (including a portable oil degasification process and scheduling software); and (5) transmission maintenance and consulting services (including energized circuit maintenance, high-voltage substation maintenance, safety training, transformer oil testing, and circuit breaker testing) to other utilities and large customers (collectively, products). Company will retain 50% of net revenues consistent with Pacific Gas and Electric Company, 90 FERC ¶ 61,314. Note: in order to use lines 17a - 17g, the utility must track in separate subaccounts the revenues and costs associated with each secondary use (except for the cost of the associated income taxes).</p>	
17a	Revenues included in lines 1-11 which are subject to 50/50 sharing.	1,282,426
17b	Costs associated with revenues in line 17a	Attachment 5 - Cost Support 355,424
17c	Net Revenues (17a - 17b)	927,001
17d	50% Share of Net Revenues (17c / 2)	463,501
17e	Costs associated with revenues in line 17a that are included in FERC accounts recovered through the formula times the allocator used to functionalize the amounts in the FERC account to the transmission service at issue.	-
17f	Net Revenue Credit (17d + 17e)	463,501
17g	Line 17f less line 17a	(818,925)
18	Note 4: If the facilities associated with the revenues are not included in the formula, the revenue is shown here but not included in the total above and is explained in the Cost Support; for example revenues associated with distribution facilities. In addition, Revenues from Schedule 12 are not included in the total above to the extent they are credited under Schedule 12.	17,985,422
19	Amount offset in line 4 above	136,983,768
20	Total Account 454, 456 and 456.1	162,555,330
21	Note 4: SECA revenues booked in Account 447.	

## Delmarva Power & Light Company

### Attachment 4 - Calculation of 100 Basis Point Increase in ROE

	Return and Taxes with 100 Basis Point increase in ROE		
A	100 Basis Point increase in ROE and Income Taxes	(Line 127 + Line 138)	80,957,406
B	100 Basis Point increase in ROE		1.00%

#### Return Calculation

59	Rate Base		(Line 39 + 58)	808,735,584
	<b>Long Term Interest</b>			
100	Long Term Interest		p117.62c through 67c	52,075,552
101	Less LTD Interest on Securitization Bonds		Attachment 8	0
102	<b>Long Term Interest</b>		"(Line 100 - line 101)"	52,075,552
103	<b>Preferred Dividends</b>	enter positive	p118.29c	-
	<b>Common Stock</b>			
104	Proprietary Capital		p112.16c	1,330,210,085
105	Less Preferred Stock	enter negative	(Line 114)	0
106	Less Account 216.1	enter negative	p112.12c	2,177,779
107	<b>Common Stock</b>		(Sum Lines 104 to 106)	1,332,387,864
	<b>Capitalization</b>			
108	Long Term Debt		p112.17c through 21c	1,308,230,000
109	Less Loss on Reacquired Debt	enter negative	p111.81c	-7,674,093
110	Plus Gain on Reacquired Debt	enter positive	p113.61c	0
111	Less ADIT associated with Gain or Loss	enter negative	Attachment 1	2,126,878
112	Less LTD on Securitization Bonds	enter negative	Attachment 8	0
113	<b>Total Long Term Debt</b>		(Sum Lines Lines 108 to 112)	1,302,682,785
114	Preferred Stock		p112.3c	0
115	Common Stock		(Line 107)	1,332,387,864
116	<b>Total Capitalization</b>		(Sum Lines 113 to 115)	2,635,070,649
117	Debt %	Total Long Term Debt	(Line 113 / 116)	49.44%
118	Preferred %	Preferred Stock	(Line 114 / 116)	0.00%
119	Common %	Common Stock	(Line 115 / 116)	50.56%
120	Debt Cost	Total Long Term Debt	(Line 102 / 113)	0.0400
121	Preferred Cost	Preferred Stock	(Line 103 / 114)	0.0000
122	Common Cost	Common Stock	(Note J from Appendix A) Appendix A % plus 100 Basis Pts	0.1150
123	Weighted Cost o Total Long Term Debt (WCLTD)		(Line 117 * 120)	0.0198
124	Weighted Cost o Preferred Stock		(Line 118 * 121)	0.0000
125	Weighted Cost o Common Stock		(Line 119 * 122)	0.0581
126	<b>Total Return ( R )</b>		(Sum Lines 123 to 125)	<b>0.0779</b>
127	<b>Investment Return = Rate Base * Rate of Return</b>		<b>(Line 59 * 126)</b>	<b>63,009,142</b>

#### Composite Income Taxes

	<b>Income Tax Rates</b>			
128	FIT=Federal Income Tax Rate			21.00%
129	SIT=State Income Tax Rate or Composite			8.50%
130	p	(percent of federal income tax deductible for state purposes)	Per State Tax Code	0.00%
131	T	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		27.72%
132	T/ (1-T)			38.34%
	<b>ITC Adjustment</b>			
133	Amortized Investment Tax Credit	enter negative	Attachment 1	(153,997)
134	T/(1-T)		(Line 132)	38%
135	Net Plant Allocation Factor		(Line 18)	38.6346%
136	<b>ITC Adjustment Allocated to Transmission</b>	(Note I from Appendix A)	(Line 133 * (1 + 134) * 135)	<b>-82,308</b>
137	<b>Income Tax Component =</b>		$CIT=(T/1-T) * Investment Return * (1-(WCLTD/R)) =$	<b>18,030,572</b>
138	<b>Total Income Taxes</b>		<b>(Line 136 + 137)</b>	<b>17,948,264</b>

Delmarva Power & Light Company

Attachment 5 - Cost Support

**Electric / Non-electric Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Electric Portion	Non-electric Portion	Details
10	Plant Allocation Factors Accumulated Intangible Amortization	(Note A)	p200.21c (see attachment)	29,134,135	10,369,787	18,764,348	See Form 1
11	Accumulated Common Amortization - Electric	(Note A)	p356	17,523,048	14,396,936	3,126,112	See Form 1
12	Accumulated Common Plant Depreciation - Electric	(Note A)	p356	65,621,846	53,712,576	11,909,270	See Form 1
24	Plant In Service Common Plant (Electric Only)	(Notes A & B)	p356	117,452,929	96,499,326	20,953,603	See Form 1
41	Accumulated Deferred Income Taxes Accumulated Investment Tax Credit Account No. 255	(Notes A & I)	p266.h	2,744,835	2,471,566	273,269	See Form 1
47	Materials and Supplies Undistributed Stores Exp	(Note A)	p227.6c & 16.c	0	0	0	
65	Allocated General & Common Expenses Plus Transmission Lease Payments	(Note A)	p200.3.c	0	0	0	
67	Common Plant O&M Depreciation Expense	(Note A)	p356	0	0	0	
88	Intangible Amortization	(Note A)	p336.1d&e (see attachment)	263,020	263,020	0	See FERC Form 2, Page 337, Line 1, Column h for non-electric portion.
92	Common Depreciation - Electric Only	(Note A)	p336.11.b	3,881,211	3,881,211	0	See Form 1, electric only.
93	Common Amortization - Electric Only	(Note A)	p356 or p336.11d	0	0	0	See Form 1, electric only.

**Transmission / Non-transmission Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Transmission Related	Non-transmission Related	Details
28	Plant Held for Future Use (Including Land)	(Note C)	p214	3,481,940	0	3,481,940	Specific identification based on plant records: The following plant investments are included: 1 2 3 4 5

**CWIP & Expensed Lease Worksheet**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	CWIP In Form 1 Amount	Expensed Lease In Form 1 Amount	Details
6	Plant Allocation Factors Electric Plant in Service	(Note B)	p207.104g	3,875,028,223	0	0	See ARO Exclusion - Cost Support section below for Electric Plant in Service without AROs
19	Plant In Service Transmission Plant In Service	(Note B)	p207.58.g	1,426,429,064	0	0	See Form 1
24	Common Plant (Electric Only) Accumulated Depreciation	(Notes A & B)	p356	96,499,326	0	0	
30	Transmission Accumulated Depreciation	(Note B)	p219.25.c	343,638,525	0	0	See Form 1

**EPRI Dues Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	EPRI Dues	Details
73	Allocated General & Common Expenses Less EPRI Dues	(Note D)	p352-353	210,803	210,803	See Form 1

Delmarva Power & Light Company

Attachment 5 - Cost Support

**Regulatory Expense Related to Transmission Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Transmission Related	Non-transmission Related	Details
70	Allocated General & Common Expenses Less Regulatory Commission Exp Account 928	(Note E)	p323.189b	5,255,798	906,841	4,348,957	FERC Form 1 page 351 lines 16 (h) to 19 (h)
77	Directly Assigned A&G Regulatory Commission Exp Account 928	(Note G)	p323.189b	5,255,798	906,841	4,348,957	FERC Form 1 page 351 lines 16 (h) to 19 (h)

**Safety Related Advertising Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Safety Related	Non-safety Related	Details
81	Directly Assigned A&G General Advertising Exp Account 930.1	(Note F)	p323.191b	212,864	0	212,864	None

**MultiState Workpaper**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				State 1	State 2	State 3	State 4	State 5	Details
129	Income Tax Rates SIT=State Income Tax Rate or Composite	(Note I)	8.50%	MD 8.25%	DE 8.7%				Enter Calculation Apportioned: DE 5.700%, MD 2.800%

**Education and Out Reach Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Education & Outreach	Other	Details
78	Directly Assigned A&G General Advertising Exp Account 930.1	(Note K)	p323.191b	212,864	0	212,864	None

**Excluded Plant Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Excluded Transmission Facilities	Description of the Facilities
149	Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities Excluded Transmission Facilities	(Note M)	Attachment 5	0	General Description of the Facilities
Instructions:				Enter \$	None
1 Remove all investment below 69 kV or generator step up transformers included in transmission plant in service that are not a result of the RTEP Process				Or	
2 If unable to determine the investment below 69kV in a substation with investment of 69 kV and higher as well as below 69 kV, the following formula will be used:				Enter \$	
Example					
A Total investment in substation				1,000,000	
B Identifiable investment in Transmission (provide workpapers)				500,000	
C Identifiable investment in Distribution (provide workpapers)				400,000	
D Amount to be excluded (A x (C / (B + C)))				444,444	

Add more lines if necessary

**Outstanding Network Credits Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Outstanding Network Credits	Description of the Credits
55	Network Credits Outstanding Network Credits	(Note N)	From PJM	0	General Description of the Credits
Instructions:				Enter \$	None
56	Less Accumulated Depreciation Associated with Facilities with Outstanding Network Credits	(Note N)	From PJM	0	None

Add more lines if necessary



Delmarva Power & Light Company

Attachment 5 - Cost Support

**Transmission Related Account 242 Reserves**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Total	Allocation	Transmission Related	Details
44	Transmission Related Account 242 Reserves (exclude current year environmental site related reserves)	Enter \$		Amount	
	Directly Assignable to Transmission	-	100%	-	
	Labor Related, General plant related or Common Plant related	32,423,059	7.377%	2,392,005	
	Plant Related	1,766,351	37.664%	665,270	
	Other		0.00%	-	
	Total Transmission Related Reserves	34,189,410		3,057,275	

**Prepayments**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Description of the Prepayments	
45	Prepayments		
	Pension Liabilities, if any, in Account 242	Allocator 6.314%	To Line 45 -
	Prepayments	\$ 16,429,271	6.314% 1,037,407
	Prepaid Pensions if not included in Prepayments	\$ 196,896,680	6.314% 12,432,815
		213,325,951	6.31% 13,470,222
			Prepaid Pension is recorded in FERC account 186 (see FERC Form 1 page 233).
5	Wages & Salary Allocator	7.377%	
	Electric vs Gas	86% Based on Modified Wisconsin Method	
	Modified Wages & Salaries Allocator	6.314%	
			Add more lines if necessary

**Extraordinary Property Loss**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Amount	Number of years	Amortization	w/ interest
61	Less extraordinary property loss	\$ -			
62	Plus amortized extraordinary property loss		5	\$ -	\$ -

**Interest on Outstanding Network Credits Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Interest on Network Credits	Description of the Interest on the Credits
155	Revenue Credits & Interest on Network Credits Interest on Network Credits (Note N) PJM Data	0	General Description of the Credits
		Enter \$	None
			Add more lines if necessary

**Facility Credits under Section 30.9 of the PJM OATT and Facility Credits to Vineland per settlement in ER05-515**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Amount	Description & PJM Documentation
171	Net Revenue Requirement Facility Credits under Section 30.9 of the PJM OATT and Facility Credits to Vineland per settlement in ER05-515 Attachment 5	-	

**PJM Load Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		1 CP Peak	Description & PJM Documentation
173	Network Zonal Service Rate 1 CP Peak (Note L) PJM Data	3,812.5	See Form 1

**Statements BG/BH (Present and Proposed Revenues)**

Customer	Billing Determinants	Current Rate	Proposed Rate	Current Revenues	Proposed Revenues	Change in Revenues
DPL zone						
Total						

Delmarva Power & Light Company

Attachment 5 - Cost Support

**Abandoned Transmission Plant**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions			
A	Beginning Balance of Unamortized Transmission Plant	Per FERC Order	
B	Months Remaining in Amortization Period	Per FERC Order	
C	Monthly Ammortization	A/B	
D	Months in Year to be Amortized		
E	Amortization in Rate Year	C*D	Line 86a
F	Deductions		
G	End of Year Balance in Unamortized Transmission Plant	A-E-F	Line 43b

**MAPP Abandonment recovery pursuant to ER13-607**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				
		DPL	Pepco	Total
171a	2013-14 rate period	\$ 9,750,649	\$ 12,725,412	\$ 22,476,061
171a	2014-15 rate period	\$ 14,666,395	\$ 16,524,210	\$ 31,190,605
171a	2015-16 rate period	\$ 12,208,522	\$ 14,624,812	\$ 26,833,334
	<b>Total</b>	<b>\$ 36,625,566</b>	<b>\$ 43,874,434</b>	<b>\$ 80,500,000</b>

**Supporting documentation for FERC Form 1 reconciliation**

Compliance with FERC Order on the Exelon Merger						
Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Merger Costs	Non Merger Related
6	Electric Plant in Service		p207.104g	3,875,028,223	160,533	3,874,867,690
9	Accumulated Depreciation (Total Electric Plant)		p219.29c	935,724,477	1,663	935,722,814
10	Accumulated Intangible Amortization		p200.21c	10,369,787	14,198	10,355,589 Respondent is Electric Utility only.
23	General & Intangible		p205.5.g & p207.99.g	192,581,846	160,533	192,421,313
60	Transmission O&M		p321.112.b	24,433,922	86,258	24,347,664
68	Total A&G		p323.197.b	88,600,092	(428,649)	89,028,741 Removal of \$4,481,440 of 2017 merger related costs, offset by establishment of regulatory asset of \$4,910,089 in A&G accounts.
87	General Depreciation		p336.10b&c	8,843,716	1,663	8,842,053
88	Intangible Amortization		p336.1d&e	263,020	14,198	248,822

**ARO Exclusion - Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions					
		Form 1 Amount	ARO's	Non-ARO's	
6	Electric Plant in Service	3,875,028,223	2,770,250	3,872,257,973	Distribution ARO-\$2,631,341 and General & Intangible ARO-\$138,909
9	Accumulated Depreciation (Total Electric Plant)	935,724,477	348,511	935,375,966	Distribution ARO-\$247,191 and General ARO-\$101,320
23	General & Intangible	192,581,846	138,909	192,442,937	General & Intangible ARO-\$138,909
31	Accumulated General Depreciation	50,621,194	101,320	50,519,874	General ARO-\$101,320

**ARO & Merger Related Exclusion - Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions					
		Form 1 Amount	ARO's	Merger Costs	Non-ARO's & Non Merger Related
6	Electric Plant in Service	3,875,028,223	2,770,250	160,533	3,872,097,440 Distribution ARO-\$2,631,341 and General & Intangible ARO-\$138,909 and Intangible Merger Cost \$160,533
9	Accumulated Depreciation (Total Electric Plant)	935,724,477	348,511	1,663	935,374,303 Distribution ARO-\$247,191 and General ARO-\$101,320 and General Merger Cost \$1,663
23	General & Intangible	192,581,846	138,909	160,533	192,282,404 General & Intangible ARO-\$138,909 and Intangible Merger Cost \$160,533
31	Accumulated General Depreciation	50,621,194	101,320	1,663	50,518,211 General ARO-\$101,320 and General Merger Cost \$1,663

**PBOP Expense in FERC 926**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions						
		Total A&G Form 1 Amount	Account 926 Form 1 Amount	PBOP in FERC 926 current rate year	PBOP in FERC 926 prior rate year	Explanation of change in PBOP in FERC 926
68	Total A&G	88,600,092	14,544,073	(199,886)	(70,821)	The actuarially determined amount of OPEB expense in FERC 926 decreased \$ .129 million from the prior year; the decrease primarily represents a (\$0.2 million) decrease in service cost primarily due to (i) change in the discount rate from 3.80% in 2016 to 4.0% in 2017 and (ii) updated census data, (\$0.3 million) increase in expected return on plan assets due to year over year assets growth, offset by \$0.2 million increase in amortization of unrecognized gain/loss. This decrease was offset by a \$0.169 million (70,821) decrease in OPEB costs directly charged to capital or other income deduction accounts (i.e. below the line).

**Attachment 3 - Revenue Credit Workpaper**

17b	Costs associated with revenues in line 17a	\$	355,424
	Revenue Subject to 50/50 sharing (Attachment 3 - line 17a)	\$	1,282,426
	Federal Income Tax Rate		21.00%
	Federal Tax on Revenue subject to 50/50 sharing		269,309
	Net Revenue subject to 50/50 sharing		1,013,116
	Composite State Income Tax Rate		8.500%
	State Tax on Revenue subject to 50/50 sharing		86,115
	Total Tax on Revenue subject to 50/50 sharing	\$	355,424

Delmarva Power & Light Company

Attachment 5a - Allocations of Costs to Affiliate

	Delmarva Power	Atlantic City	Pepco	Non - Regulated	Total
Executive Management	6,721,922	6,040,279	11,559,004	2,731,918	27,053,123
Procurement & Administrative Services	5,753,548	4,160,116	8,276,756	3,721,474	21,911,894
Financial Services & Corporate Expenses	16,768,656	13,558,856	23,867,875	15,207,024	69,402,411
Insurance Coverage and Services	292,642	563,869	(390,363)	(5,012)	461,136
Human Resources	(1,116,564)	(1,258,037)	(540,100)	5,485,522	2,570,821
Legal Services	2,170,665	1,000,599	4,150,743	6,816,457	14,138,464
Customer Services	52,746,755	47,419,527	45,717,038	2,626	145,885,946
Information Technology	17,257,383	13,248,946	32,727,761	10,871,056	74,105,146
External Affairs	3,411,728	2,935,223	5,190,824	626,833	12,164,608
Environmental Services	2,358,711	2,065,133	2,509,472	346	6,933,662
Safety Services	481,504	493,828	775,837		1,751,169
Regulated Electric & Gas T&D	44,391,825	35,785,749	58,175,755	2,973,981	141,327,310
Internal Consulting Services	241,911	194,452	414,624		850,987
Interns	174,619	133,726	128,150		436,495
Cost of Benefits	13,261,385	8,972,178	22,145,832		44,379,395
Building Services	146,800	96,476	4,309,323	849,170	5,401,769
<b>Total</b>	<b>\$ 165,063,490</b>	<b>\$ 135,410,920</b>	<b>\$ 219,018,531</b>	<b>\$ 49,281,395</b>	<b>\$ 568,774,336</b>

Name of Respondent PHI Service Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Resubmission Date (Mo, Da, Yr) / /	Year/Period of Report Dec 31, 2017
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**Schedule XVII - Analysis of Billing - Associate Companies (Account 457)**

1. For services rendered to associate companies (Account 457), list all of the associate companies.

Line No.	Name of Associate Company (a)	Account 457.1 Direct Costs Charged (b)	Account 457.2 Indirect Costs Charged (c)	Account 457.3 Compensation For Use of Capital (d)	Total Amount Billed (e)
1	Potomac Electric Company	54,658,874	164,339,096	20,561	219,018,531
2	Delmarva Power & Light Company	43,878,996	121,169,503	14,991	165,063,490
3	Atlantic City Electric Company	29,283,609	106,115,313	11,998	135,410,920
4	Exelon Business Services Company, LLC	47,134,513			47,134,513
5	Pepco Energy Services, Inc	415,765	1,111,189		1,526,954
6	Pepco Holdings LLC	45,859	490,907	268	537,034
7	Atlantic Southern Properties, Inc	2,419	39,576		41,995
8	Connectiv Properties & Investments, Inc	250	29,336		29,586
9	Atlantic City Electric Transition Funding, LLC	2,895	2,847	4	5,746
10	Connectiv Holding Company, Inc.	3,279			3,279
11	Potomac Capital Investments Corporation	1,623	255		1,878
12	Connectiv Thermal Systems, Inc.		410		410
13					
14					
15					
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35					
36					
37					
38					
39					
40	<b>Total</b>	<b>175,428,082</b>	<b>393,298,432</b>	<b>47,822</b>	<b>568,774,336</b>

Service Company Billing Analysis by Utility FERC Account  
YTD Dec 2017  
Total PHI

FERC Accounts	FERC Account Name	DPL	ACE	PEPCO	Non-Utility	Total	Inclusion in ATRR
107	Constr Work In Progress	26,393,027	20,238,001	36,545,201	-	83,176,229	Not included
182.3	Other Regulatory Assets	2,372,237	217,458	7,097,229	-	9,686,924	Not included
184	Clearing Accounts - Other	290,866	240,842	743,443	(623,559)	651,592	Not included
408.1	Taxes other than inc taxes, utility operating inc	1,821	705	1,742	-	4,268	Wage & Salary Factor
416-421.2	Other Income -Below the Line	791,529	668,026	953,108	49,904,954	52,317,617	Not included
426.1-426.5	Other Income Deductions - Below the Line	793,436	612,278	1,127,607	-	2,533,321	Not included
430	Interest-Debt to Associated Companies	33,667	27,028	45,561	-	106,256	Not included
431	Interest-Short Term Debt	(16,005)	(12,879)	(21,440)	-	(50,324)	Not included
556	System cont & load dispatch	1,762,459	1,397,736	1,967,404	-	5,127,599	Not included
557	Other expenses	1,289,456	1,123,936	1,209,338	-	3,622,730	Not included
560	Operation Supervision & Engineering	3,383,115	3,135,496	4,630,184	-	11,148,795	100% included
561.1	Load Dispatching - Reliability	14,659	9,981	-	-	24,640	100% included
561.2	Load Dispatch - Monitor & Operate Transmission Sys	67,228	19,453	727,609	-	814,290	100% included
561.3	Load Dispatch - Transmission Service & Scheduling	33,317	44,911	29,401	-	107,629	100% included
561.5	Reliability, Planning and Standards	348,426	219,013	131,562	-	699,001	100% included
563	Overhead line expenses	-	-	225	-	225	100% included
562	Station expenses	-	-	6,587	-	6,587	100% included
564	Underground Line Expenses - Transmission	-	-	525	-	525	100% included
566	Miscellaneous transmission expenses	964,413	829,555	916,409	-	2,710,377	100% included
568	Maintenance Supervision & Engineering	131,952	100,446	465,203	-	697,601	100% included
569	Maint of structures	6,463	6,993	7,169	-	20,625	100% included
569.2	Maintenance of Computer Software	646,321	311,341	457,266	-	1,414,928	100% included
569.4	Maintenance of Transmission Plant	-	-	4	-	4	100% included
570	Maintenance of station equipment	177,361	64,923	367,252	-	609,536	100% included
571	Maintenance of overhead lines	393,340	286,999	590,906	-	1,271,245	100% included
572	Maintenance of underground lines	194	172	1,137	-	1,503	100% included
573	Maintenance of miscellaneous transmission plant	15,358	28,110	145,477	-	188,945	100% included
575.5	Ancillary services market administration	-	-	8,945	-	8,945	Not included
580	Operation Supervision & Engineering	1,205,549	900,876	1,342,800	-	3,449,225	Not included
581	Load dispatching	1,088,271	408,220	1,622,032	-	3,118,523	Not included
582	Station expenses	519,935	-	127,953	-	647,888	Not included
583	Overhead line expenses	79,339	179,386	37,971	-	296,696	Not included
584	Underground line expenses	35,984	-	181,498	-	217,482	Not included
585	Street lighting	1,575	-	27	-	1,602	Not included
587	Customer installations expenses	345,833	349,544	1,003,345	-	1,698,722	Not included
588	Miscellaneous distribution expenses	3,807,435	4,244,289	6,809,195	-	14,860,919	Not included
589	Rents	80,562	409	77,296	-	158,267	Not included
590	Maintenance Supervision & Engineering	948,744	573,387	499,410	-	2,021,541	Not included
591	Maintain structures	7,013	6,792	6,974	-	20,779	Not included
592	Maintain equipment	353,360	427,768	916,673	-	1,697,801	Not included
593	Maintain overhead lines	1,754,068	1,231,469	1,850,015	-	4,835,552	Not included
594	Maintain underground line	129,627	69,299	728,487	-	927,413	Not included
595	Maintain line transformers	2,257	-	150,585	-	152,842	Not included
596	Maintain street lighting & signal systems	41,343	36,511	6,306	-	84,160	Not included
597	Maintain meters	164,705	34,459	132,584	-	331,748	Not included
598	Maintain distribution plant	44,155	20,222	574,205	-	638,582	Not included
800-894	Total Gas Accounts	2,355,199	-	-	-	2,355,199	Not included
902	Meter reading expenses	144,273	36,799	129,651	-	310,723	Not included
903	Customer records and collection expenses	50,866,226	47,660,833	48,331,246	-	146,858,305	Not included
907	Supervision - Customer Svc & Information	88	156,520	42,124	-	198,732	Not included
908	Customer assistance expenses	1,897,100	652,072	545,344	-	3,094,516	Not included
909	Informational & instructional advertising	524,046	539,891	834,890	-	1,898,827	Not included
912	Demonstrating and selling expense	161,461	-	-	-	161,461	Not included
913	Advertising expense	40,738	-	-	-	40,738	Not included
920	Administrative & General salaries	339,115	100,744	689,110	-	1,128,969	Wage & Salary Factor
921	Office supplies & expenses	240	712	361	-	1,313	Wage & Salary Factor
923	Outside services employed	46,996,640	42,150,533	75,985,080	-	165,132,253	Wage & Salary Factor
924	Property insurance	113	91	154	-	358	Net Plant Factor
926	Employee pensions & benefits	7,809,871	4,323,683	12,245,344	-	24,378,898	Wage & Salary Factor
928	Regulatory commission expenses	1,470,858	492,412	2,686,522	-	4,649,792	Direct Transmission Only
929	Duplicate charges-Credit	422,348	150,426	1,117,064	-	1,689,838	Wage & Salary Factor
930.1	General ad expenses	208	186	356	-	750	Direct Transmission Only
930.2	Miscellaneous general expenses	518,497	510,021	999,424	-	2,027,942	Wage & Salary Factor
935	Maintenance of general plant	302,795	135,585	75,371	-	513,751	Wage & Salary Factor
	<b>Total</b>	<b>165,063,490</b>	<b>135,410,920</b>	<b>219,018,531</b>	<b>49,281,395</b>	<b>568,774,336</b>	

## Delmarva Power & Light Company

### Attachment 6 - Estimate and Reconciliation Worksheet

Step Month Year Action

Exec Summary

- 1 April Year 2 TO populates the formula with Year 1 data from FERC Form 1 data for Year 1 (e.g., 2004)
- 2 April Year 2 TO estimates all transmission Cap Adds and CWIP for Year 2 weighted based on Months expected to be in service in Year 2 (e.g., 2005)
- 3 April Year 2 TO adds weighted Cap Adds to plant in service in Formula
- 4 May Year 2 Post results of Step 3 on PJM web site
- 5 June Year 2 Results of Step 3 go into effect for the Rate Year 1 (e.g., June 1, 2005 - May 31, 2006)
  
- 6 April Year 3 TO populates the formula with Year 2 data from FERC Form 1 for Year 2 (e.g., 2005)
- 7 April Year 3 Reconciliation - TO calculates Reconciliation by removing from Year 2 data - the total Cap Adds placed in service in Year 2 and adding weighted average in Year 2 actual Cap Adds and CWIP in Reconciliation (adjusted to include any Reconciliation amount from prior year)
- 8 April Year 3 TO estimates Cap Adds and CWIP during Year 3 weighted based on Months expected to be in service in Year 3 (e.g., 2006)
- 9 April Year 3 Reconciliation - TO adds the difference between the Reconciliation in Step 7 and the forecast in Line 5 with interest to the result of Step 7 (this difference is also added to Step 8 in the subsequent year)
- 10 May Year 3 Post results of Step 9 on PJM web site
- 11 June Year 3 Results of Step 9 go into effect for the Rate Year 2 (e.g., June 1, 2006 - May 31, 2007)

- 1 April Year 2 TO populates the formula with Year 1 data from FERC Form 1 data for Year 1 (e.g., 2004)  
131,214,059 Rev Req based on Year 1 data Must run Appendix A to get this number (without inputs in lines 20, 21 or 43a of Appendix A)

- 2 April Year 2 TO estimates all transmission Cap Adds and CWIP for Year 2 weighted based on Months expected to be in service in Year 2 (e.g., 2005)

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	
	Monthly Additions	Monthly Additions	Monthly Additions	Monthly Additions	Weighting	Other Plant In Service	Other Plant In Service	MAPP CWIP	MAPP In Service	Other Plant In Service	Other Plant In Service	MAPP CWIP	MAPP In Service	
	Other Plant In Service	Other Plant In Service	MAPP CWIP	MAPP In Service		Amount (A x E)	Amount (B x E)	Amount (C x E)	Amount (D x E)	(F / 12)	(G / 12)	(H / 12)	(I / 12)	
Jan					11.5	-	-	-	-	-	-	-	-	
Feb					10.5	-	-	-	-	-	-	-	-	
Mar					9.5	-	-	-	-	-	-	-	-	
Apr					8.5	-	-	-	-	-	-	-	-	
May					7.5	-	-	-	-	-	-	-	-	
Jun					6.5	-	-	-	-	-	-	-	-	
Jul					5.5	-	-	-	-	-	-	-	-	
Aug					4.5	-	-	-	-	-	-	-	-	
Sep					3.5	-	-	-	-	-	-	-	-	
Oct					2.5	-	-	-	-	-	-	-	-	
Nov					1.5	-	-	-	-	-	-	-	-	
Dec	2,741,565				0.5	1,370,783	-	-	-	114,232	-	-	-	
Total	2,741,565	-	-	-		1,370,783	-	-	-	114,232	-	-	-	
New Transmission Plant Additions and CWIP (weighted by months in service)										114,232	-	-	-	
										Input to Line 21 of Appendix A	-	-	-	
										Input to Line 43a of Appendix A	-	-	-	
										Month In Service or Month for CWIP	11.50	#DIV/0!	#DIV/0!	#DIV/0!

- 3 April Year 2 TO adds weighted Cap Adds to plant in service in Formula  
 \$ 114,232 Input to Formula Line 21

- 4 May Year 2 Post results of Step 3 on PJM web site  
131,224,357 Must run Appendix A to get this number (with inputs on lines 21 and 43a of Attachment A)

- 5 June Year 2 Results of Step 3 go into effect for the Rate Year 1 (e.g., June 1, 2005 - May 31, 2006)  
 \$ 131,224,357

- 6 April Year 3 TO populates the formula with Year 2 data from FERC Form 1 for Year 2 (e.g., 2005)  
153,802,694 Rev Req based on Prior Year data Must run Appendix A to get this number (without inputs in lines 20, 21 or 43a of Appendix A)

7 April Year 3 Reconciliation - TO calculates Reconciliation by removing from Year 2 data - the total Cap Adds placed in service in Year 2 and adding weighted average in Year 2 actual Cap Adds and CWIP in Reconciliation (adjusted to include any Reconciliation amount from prior year)

Remove all Cap Adds placed in service in Year 2

For Reconciliation only - remove actual New Transmission Plant Additions for Year 2 \$ 175,951,339 Input to Formula Line 20

Add weighted Cap Adds actually placed in service in Year 2

	(A) Monthly Additions Other Plant In Service	(B) Monthly Additions Other Plant In Service	(C) Monthly Additions MAPP CWIP	(D) Monthly Additions MAPP In Service	(E) Weighting	(F) Other Plant In Service Amount (A x E)	(G) Other Plant In Service Amount (B x E)	(H) MAPP CWIP Amount (C x E)	(I) MAPP In Service Amount (D x E)	(J) Other Plant In Service (F / 12)	(K) Other Plant In Service (G / 12)	(L) MAPP CWIP (H / 12)	(M) MAPP In Service (I / 12)		
Jan	779,121				11.5	8,959,891	-	-	-	746,658	-	-	-		
Feb	1,728,230				10.5	18,146,417	-	-	-	1,512,201	-	-	-		
Mar	1,992,947				9.5	18,933,000	-	-	-	1,577,750	-	-	-		
Apr	22,158,947				8.5	188,351,047	-	-	-	15,695,921	-	-	-		
May	51,832,602				7.5	388,744,518	-	-	-	32,395,377	-	-	-		
Jun	5,123,174				6.5	33,300,633	-	-	-	2,775,053	-	-	-		
Jul	919,412				5.5	5,056,764	-	-	-	421,397	-	-	-		
Aug	12,001,454				4.5	54,006,542	-	-	-	4,500,545	-	-	-		
Sep	1,322,609				3.5	4,629,130	-	-	-	385,761	-	-	-		
Oct	2,502,622				2.5	6,256,555	-	-	-	521,380	-	-	-		
Nov	11,332,404				1.5	16,998,606	-	-	-	1,416,551	-	-	-		
Dec	64,257,817				0.5	32,128,908	-	-	-	2,677,409	-	-	-		
Total	175,951,339	-	-	-		775,512,012	-	-	-	64,626,001	-	-	-		
New Transmission Plant Additions and CWIP (weighted by months in service)										64,626,001	-	-	-		
										Input to Line 21 of Appendix A	-	-	-		
										Input to Line 43a of Appendix A	-	-	-		
										Month In Service or Month for CWIP	7.59	#DIV/0!	#DIV/0!	#DIV/0!	64,626,001

143,727,482 Result of Formula for Reconciliation Must run Appendix A with cap adds in line 21 & line 20  
(Year 2 data with total of Year 2 Cap Adds removed and monthly weighted average of Year 2 actual Cap Adds added in)

8 April Year 3 TO estimates Cap Adds and CWIP during Year 3 weighted based on Months expected to be in service in Year 3 (e.g., 2006)

	(A) Monthly Additions Other Plant In Service	(B) Monthly Additions Other Plant In Service	(C) Monthly Additions MAPP CWIP	(D) Monthly Additions MAPP In Service	(E) Weighting	(F) Other Plant In Service Amount (A x E)	(G) Other Plant In Service Amount (B x E)	(H) MAPP CWIP Amount (C x E)	(I) MAPP In Service Amount (D x E)	(J) Other Plant In Service (F / 12)	(K) Other Plant In Service (G / 12)	(L) MAPP CWIP (H / 12)	(M) MAPP In Service (I / 12)		
Jan					11.5	-	-	-	-	-	-	-	-		
Feb					10.5	-	-	-	-	-	-	-	-		
Mar	5,492,768				9.5	52,181,296	-	-	-	4,348,441	-	-	-		
Apr					8.5	-	-	-	-	-	-	-	-		
May	68,209,058				7.5	511,567,935	-	-	-	42,630,661	-	-	-		
Jun					6.5	-	-	-	-	-	-	-	-		
Jul					5.5	-	-	-	-	-	-	-	-		
Aug					4.5	-	-	-	-	-	-	-	-		
Sep					3.5	-	-	-	-	-	-	-	-		
Oct					2.5	-	-	-	-	-	-	-	-		
Nov					1.5	-	-	-	-	-	-	-	-		
Dec					0.5	-	-	-	-	-	-	-	-		
Total	73,701,826	-	-	-		563,749,231	-	-	-	46,979,103	-	-	-		
New Transmission Plant Additions and CWIP (weighted by months in service)										0	-	-	-		
										Input to Line 21 of Appendix A	46,979,103	-	-	46,979,103	
										Input to Line 43a of Appendix A	-	-	-	-	
										Month In Service or Month for CWIP	4.35	#DIV/0!	#DIV/0!	#DIV/0!	46,979,103

145,118,023



9 April Year 3 Reconciliation - TO adds the difference between the Reconciliation in Step 7 and the forecast in Line 5 with interest to the result of Step 7 (this difference is also added to Step 8 in the subsequent year)

The Reconciliation in Step 7		The forecast in Prior Year				
143,727,482	-	130,763,416	=	12,964,066		
Interest on Amount of Refunds or Surcharges						
Interest rate pursuant to 35.19a for March of		0.3600%				
Month	Yr	1/12 of Step 9	Interest rate for March of the Current Yr	Months	Interest	Surcharge (Refund) Owed
Jun	Year 1	1,080,339	0.3600%	11.5	44,726	1,125,065
Jul	Year 1	1,080,339	0.3600%	10.5	40,837	1,121,176
Aug	Year 1	1,080,339	0.3600%	9.5	36,948	1,117,286
Sep	Year 1	1,080,339	0.3600%	8.5	33,058	1,113,397
Oct	Year 1	1,080,339	0.3600%	7.5	29,169	1,109,508
Nov	Year 1	1,080,339	0.3600%	6.5	25,280	1,105,619
Dec	Year 1	1,080,339	0.3600%	5.5	21,391	1,101,730
Jan	Year 2	1,080,339	0.3600%	4.5	17,501	1,097,840
Feb	Year 2	1,080,339	0.3600%	3.5	13,612	1,093,951
Mar	Year 2	1,080,339	0.3600%	2.5	9,723	1,090,062
Apr	Year 2	1,080,339	0.3600%	1.5	5,834	1,086,173
May	Year 2	1,080,339	0.3600%	0.5	1,945	1,082,283
Total		12,964,066				13,244,089

		Balance	Interest rate from above	Amortization over Rate Year	Balance
Jun	Year 2	13,244,089	0.3600%	1,129,670	12,162,098
Jul	Year 2	12,162,098	0.3600%	1,129,670	11,076,211
Aug	Year 2	11,076,211	0.3600%	1,129,670	9,986,415
Sep	Year 2	9,986,415	0.3600%	1,129,670	8,892,696
Oct	Year 2	8,892,696	0.3600%	1,129,670	7,795,040
Nov	Year 2	7,795,040	0.3600%	1,129,670	6,693,432
Dec	Year 2	6,693,432	0.3600%	1,129,670	5,587,858
Jan	Year 3	5,587,858	0.3600%	1,129,670	4,478,304
Feb	Year 3	4,478,304	0.3600%	1,129,670	3,364,755
Mar	Year 3	3,364,755	0.3600%	1,129,670	2,247,198
Apr	Year 3	2,247,198	0.3600%	1,129,670	1,125,618
May	Year 3	1,125,618	0.3600%	1,129,670	-
Total with interest				13,556,043	

The difference between the Reconciliation in Step 7 and the forecast in Prior Year with interest 13,556,043

Rev Req based on Year 2 data with estimated Cap Adds and CWIP for Year 3 (Step 8) \$ 145,118,023  
 Revenue Requirement for Year 3 158,674,066

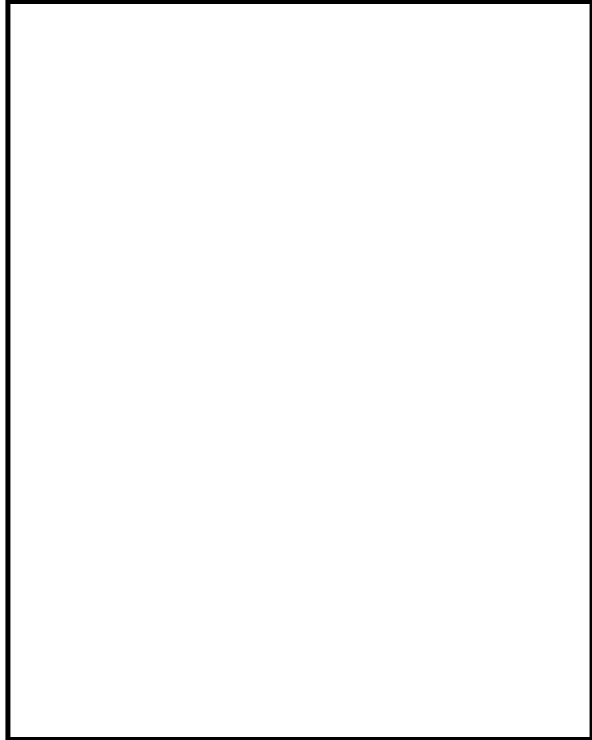
10 May Year 3 ilts of Step 9 on PJM web site  
 \$ 158,674,066

11 June Year 3 r the Rate Year 2 (e.g., June 1, 2006 - May 31, 2007)  
 \$ 158,674,066









Incentive Charged	Revenue Credit
\$ 10,015,762	\$ 9,577,084
\$ 9,741,874	\$ 9,319,443
\$ 9,467,986	\$ 9,061,802
\$ 9,194,098	\$ 8,804,161
\$ 8,920,211	\$ 8,546,520
\$ 8,646,323	\$ 8,288,879
\$ 8,372,435	\$ 8,031,238
\$ 8,098,547	\$ 7,773,597
\$ 7,824,659	\$ 7,515,956
\$ 7,550,771	\$ 7,258,315
\$ -	\$ -
\$ 222,263,706	\$ 213,829,131

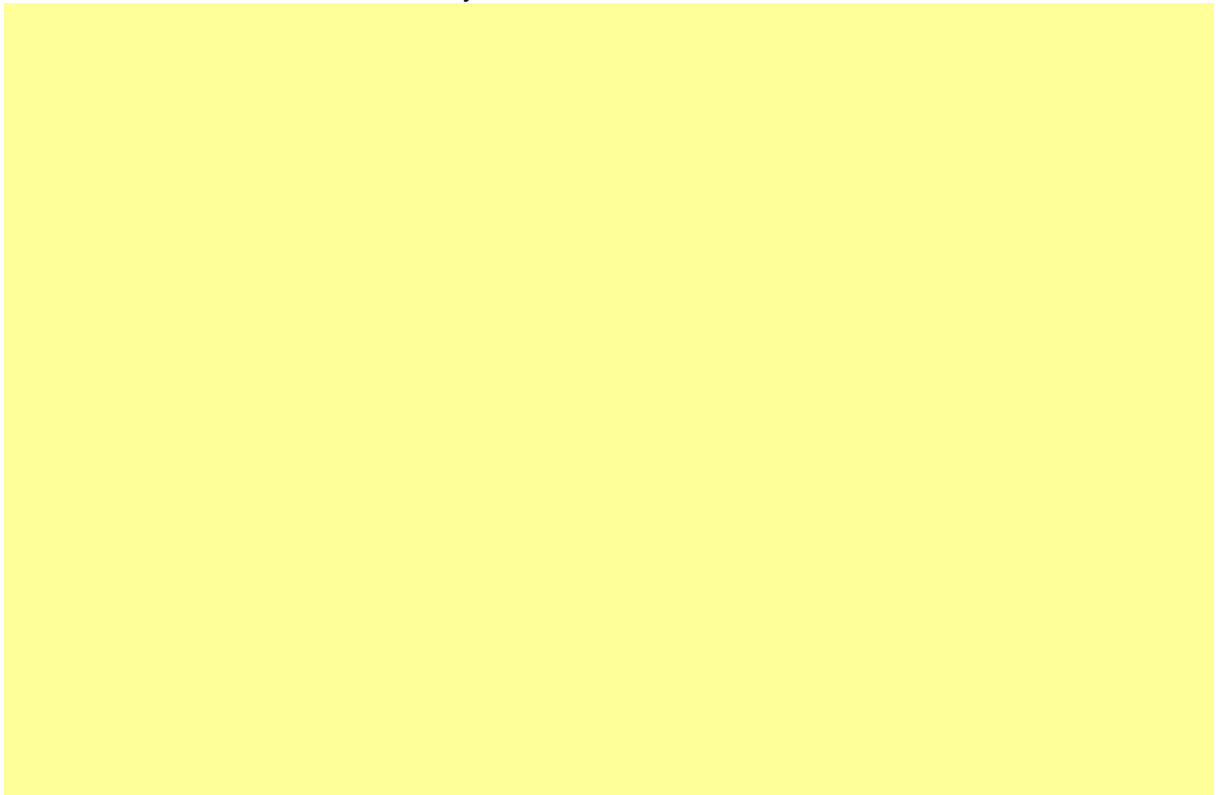
# Delmarva Power & Light Company

## Attachment 8 - Company Exhibit - Securitization Workpaper

Line #

	Long Term Interest		
<b>101</b>	<b>Less LTD Interest on Securitization Bonds</b>		<b>0</b>
	Capitalization		
<b>112</b>	<b>Less LTD on Securitization Bonds</b>		<b>0</b>

Calculation of the above Securitization Adjustments



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May 15, 2018

Ms. Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E. Room 1A  
Washington, DC 20426

Re: Potomac Electric Power Company (“Pepco”), Docket No. ER09-1159  
Informational Filing of 2018 Formula Rate Annual Update;  
Notice of Annual Meeting

Dear Ms. Bose,

Pepco hereby submits electronically, for informational purposes, its 2018 Annual Formula Rate Update. On November 3, 2015, the Commission approved an uncontested settlement agreement (“Settlement”) filed in Docket Nos. EL13-48, *et al.*<sup>1</sup> Formula Rate implementation protocols contained in the Settlement provide that:

[o]n or before May 15 of each year, Pepco [Potomac Electric Power Company] shall recalculate its Annual Transmission Revenue Requirements, producing an “Annual Update” for the upcoming Rate Year, and:

- (i) cause such Annual Update to be posted at a publicly accessible location on PJM’s internet website;
- (ii) cause notice of such posting to be provided to PJM’s membership; and
- (iii) file such Annual Update with the FERC as an informational filing.<sup>2</sup>

The same information contained in this informational filing has been transmitted to PJM for posting on its website as required by the Formula Rate implementation

<sup>1</sup> Baltimore Gas and Electric Company, *et al.*, 153 FERC ¶ 61,140 (2015).

<sup>2</sup> See Settlement, Exhibit A containing PJM Tariff Attachment H9-B, Section 2.b.

protocols. Thus, all interested parties should have ample notice of and access to the Annual Update. The protocols provide specific procedures for notice, review, exchanges of information and potential challenges to aspects of the Annual Update. Consequently, and as the Commission has concluded, there is no need for the Commission to notice this informational filing for comment.<sup>3</sup>

Pepco's 2018 Annual Update contains no expenses or costs that have been alleged or judged in any administrative or judicial proceeding to be illegal, duplicative, or unnecessary costs that are demonstrably the product of discriminatory employment practices, as defined in 18 C.F.R. § 35.13(b)(7).

Pepco has made no accounting changes as defined in the Settlement (and any accounting changes, including accounting policy harmonization changes related to the merger between Exelon and Pepco Holdings, Inc., are discussed in applicable disclosure statements filed within the Securities and Exchange Commission Form 10-K and within the FERC Form No. 1).<sup>4</sup> Pepco has made no change to Other Post-Employment Benefits ("OPEB") charges that exceed the filing threshold set forth in the Settlement.<sup>5</sup>

Thank you for your attention to this informational filing. Please direct any questions to the undersigned.

Very truly yours,

/s/ Amy L. Blauman

Amy L. Blauman

Enclosures

cc: All parties on Service Lists in Docket Nos. ER05-515, EL13-48 and EL15-27.

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<sup>3</sup> See Letter Order Re: Annual Update to Formula Rate in Docket No. ER09-1159 (February 17, 2010).

<sup>4</sup> See Settlement, Exhibit A containing PJM Tariff Attachment H9-B, Section 2.f.(iii)(d). Accounting entries related to the merger between Exelon and Pepco Holdings, Inc. were approved by FERC in Docket AC16-203 on March 17, 2017 and April 11, 2017.

<sup>5</sup> See Settlement, Exhibit A containing PJM Tariff Attachment H9-B, Section 2.h.



**ATTACHMENT H-9A**

**Potomac Electric Power Company**

**Formula Rate -- Appendix A**

Shaded cells are input cells

Notes

FERC Form 1 Page # or Instruction

2017

**Allocators**

1	Wages & Salary Allocation Factor Transmission Wages Expense		p354.21b	\$ 7,990,917
2	Total Wages Expense		p354.28b	\$ 81,232,578
3	Less A&G Wages Expense		p354.27b	\$ 5,959,568
4	Total		(Line 2 - 3)	75,273,010
5	Wages & Salary Allocator		(Line 1 / 4)	10.6159%
<b>Plant Allocation Factors</b>				
6	Electric Plant in Service	(Note B)	p207.104g (See attachment 5) (Line 24)	\$ 8,490,358,236
7	Common Plant In Service - Electric			0
8	Total Plant In Service		(Sum Lines 6 & 7)	8,490,358,236
9	Accumulated Depreciation (Total Electric Plant)		p219.29c See attachment 5)	\$ 2,894,810,748
10	Accumulated Intangible Amortization	(Note A)	p200.21c	\$ 24,819,816
11	Accumulated Common Amortization - Electric	(Note A)	p356	0
12	Accumulated Common Plant Depreciation - Electric	(Note A)	p356	0
13	Total Accumulated Depreciation		(Sum Lines 9 to 12)	2,919,630,565
14	Net Plant		(Line 8 - 13)	5,570,727,671
15	Transmission Gross Plant		(Line 29 - Line 28)	1,589,088,388
16	Gross Plant Allocator		(Line 15 / 8)	18.7164%
17	Transmission Net Plant		(Line 39 - Line 28)	1,107,196,849
18	Net Plant Allocator		(Line 17 / 14)	19.8753%

**Plant Calculations**

<b>Plant In Service</b>				
19	Transmission Plant In Service	(Note B)	p207.58.g	\$ 1,554,445,764
20	For Reconciliation only - remove New Transmission Plant Additions for Current Calendar Year	For Reconciliation Only	Attachment 6 - Enter Negative	0
21	New Transmission Plant Additions for Current Calendar Year (weighted by months in service)		Attachment 6	-
22	Total Transmission Plant In Service		(Line 19 - 20 + 21)	1,554,445,764
23	General & Intangible		p205.5.g & p207.99.g (see attachment 5)	326,327,325
24	Common Plant (Electric Only)	(Notes A & B)	p356	0
25	Total General & Common		(Line 23 + 24)	326,327,325
26	Wage & Salary Allocation Factor		(Line 5)	10.61591%
27	General & Common Plant Allocated to Transmission		(Line 25 * 26)	34,642,624
28	Plant Held for Future Use (Including Land)	(Note C)	p214	0
29	TOTAL Plant In Service		(Line 22 + 27 + 28)	1,589,088,388
<b>Accumulated Depreciation</b>				
30	Transmission Accumulated Depreciation	(Note B)	p219.25.c	466,991,003
31	Accumulated General Depreciation		p219.28.c (see attachment 5)	115,540,571
32	Accumulated Intangible Amortization		(Line 10)	24,819,816
33	Accumulated Common Amortization - Electric		(Line 11)	0
34	Common Plant Accumulated Depreciation (Electric Only)		(Line 12)	0
35	Total Accumulated Depreciation		(Sum Lines 31 to 34)	140,360,388
36	Wage & Salary Allocation Factor		(Line 5)	10.61591%
37	General & Common Allocated to Transmission		(Line 35 * 36)	14,900,536
38	TOTAL Accumulated Depreciation		(Line 30 + 37)	481,891,539
39	TOTAL Net Property, Plant & Equipment		(Line 29 - 38)	1,107,196,849

**Adjustment To Rate Base**

<b>Accumulated Deferred Income Taxes</b>				
40	ADIT net of FASB 106 and 109		Attachment 1	-330,583,532
41	Accumulated Investment Tax Credit Account No. 255	Enter Negative	p266.h	0
42	Net Plant Allocation Factor	(Notes A & I)	(Line 18)	19.88%
43	Accumulated Deferred Income Taxes Allocated To Transmission		(Line 41 * 42) + Line 40	-330,583,532
43a	Transmission Related CWIP (Current Year 12 Month weighted average balances)	(Note B)	p216.43.b as Shown on Attachment 6	0
43b	Unamortized Abandoned Transmission Plant		Attachment 5	0
<b>Transmission O&amp;M Reserves</b>				
44	Total Balance Transmission Related Account 242 Reserves	Enter Negative	Attachment 5	-8,362,856
<b>Prepayments</b>				
45	Prepayments	(Note A)	Attachment 5	40,704,919
46	Total Prepayments Allocated to Transmission		(Line 45)	40,704,919
<b>Materials and Supplies</b>				
47	Undistributed Stores Exp	(Note A)	p227.6c & 16.c	0
48	Wage & Salary Allocation Factor		(Line 5)	10.62%
49	Total Transmission Allocated		(Line 47 * 48)	0
50	Transmission Materials & Supplies		p227.8c	8,987,721
51	Total Materials & Supplies Allocated to Transmission		(Line 49 + 50)	8,987,721
<b>Cash Working Capital</b>				
52	Operation & Maintenance Expense		(Line 85)	48,369,944
53	1/8th Rule		x 1/8	12.5%
54	Total Cash Working Capital Allocated to Transmission		(Line 52 * 53)	6,046,243
<b>Network Credits</b>				
55	Outstanding Network Credits	(Note N)	From PJM	0
56	Less Accumulated Depreciation Associated with Facilities with Outstanding Network Credits	(Note N)	From PJM	0
57	Net Outstanding Credits		(Line 55 - 56)	0
58	TOTAL Adjustment to Rate Base		(Line 43 + 43a + 43b + 44 + 46 + 51 + 54 - 57)	-283,207,505
59	Rate Base		(Line 39 + 58)	823,989,343

O&M			
Transmission O&M			
60	Transmission O&M	p321.112.b (see attachment 5)	31,719,430
61	Less extraordinary property loss	Attachment 5	0
62	Plus amortized extraordinary property loss	Attachment 5	0
63	Less Account 565	p321.96.b	0
64	Plus Schedule 12 Charges billed to Transmission Owner and booked to Account 565	(Note O) PJM Data	0
65	Plus Transmission Lease Payments	(Note A) p200.3.c	0
66	Transmission O&M	(Lines 60 - 63 + 64 + 65)	31,719,430
Allocated General & Common Expenses			
67	Common Plant O&M	(Note A) p356	0
68	Total A&G	p323.197.b (see attachment 5)	159,379,059
68a	For informational purposes: PBOB expense in FERC Account 926	(Note S) Attachment 5	1,830,717
69	Less Property Insurance Account 924	p323.185b	1,210,424
70	Less Regulatory Commission Exp Account 928	(Note E) p323.189b	4,320,061
71	Less General Advertising Exp Account 930.1	p323.191b	409,143
72	Less DE Enviro & Low Income and MD Universal Funds	p335.b	0
73	Less EPRI Dues	(Note D) p352-353	418,896
74	General & Common Expenses	(Lines 67 + 68) - Sum (69 to 73)	153,020,535
75	Wage & Salary Allocation Factor	(Line 5)	10.6159%
76	General & Common Expenses Allocated to Transmission	(Line 74 * 75)	16,244,526
Directly Assigned A&G			
77	Regulatory Commission Exp Account 928	(Note G) p323.189b	165,413
78	General Advertising Exp Account 930.1	(Note K) p323.191b	0
79	Subtotal - Transmission Related	(Line 77 + 78)	165,413
80	Property Insurance Account 924	p323.185b	1,210,424
81	General Advertising Exp Account 930.1	(Note F) p323.191b	0
82	Total	(Line 80 + 81)	1,210,424
83	Net Plant Allocation Factor	(Line 18)	19.88%
84	A&G Directly Assigned to Transmission	(Line 82 * 83)	240,575
85	Total Transmission O&M	(Line 66 + 76 + 79 + 84)	48,369,944

Depreciation & Amortization Expense			
Depreciation Expense			
86	Transmission Depreciation Expense	p336.7b&c	31,604,170
86a	Amortization of Abandoned Transmission Plant	Attachment 5	0
87	General Depreciation	p336.10b&c (see attachment 5)	9,471,130
88	Intangible Amortization	(Note A) p336.1d&e (see attachment 5)	551,834
89	Total	(Line 87 + 88)	10,022,965
90	Wage & Salary Allocation Factor	(Line 5)	10.6159%
91	General Depreciation Allocated to Transmission	(Line 89 * 90)	1,064,029
92	Common Depreciation - Electric Only	(Note A) p336.11.b	0
93	Common Amortization - Electric Only	(Note A) p356 or p336.11d	0
94	Total	(Line 92 + 93)	0
95	Wage & Salary Allocation Factor	(Line 5)	10.6159%
96	Common Depreciation - Electric Only Allocated to Transmission	(Line 94 * 95)	0
97	Total Transmission Depreciation & Amortization	(Line 86 + 86a + 91 + 96)	32,668,199

Taxes Other than Income			
98	Taxes Other than Income	Attachment 2	12,209,747
99	Total Taxes Other than Income	(Line 98)	12,209,747

Return / Capitalization Calculations			
Long Term Interest			
100	Long Term Interest	p117.62c through 67c	130,227,602
101	Less LTD Interest on Securitization Bonds	(Note P) Attachment 8	0
102	Long Term Interest	"(Line 100 - line 101)"	130,227,602
103	Preferred Dividends	enter positive p118.29c	-
Common Stock			
104	Proprietary Capital	p112.16c	\$ 2,533,342,208
105	Less Preferred Stock	(Line 114)	0
106	Less Account 216.1	enter negative p112.12c	-1,646,367
107	Common Stock	enter negative (Sum Lines 104 to 106)	2,531,695,841
Capitalization			
108	Long Term Debt	p112.17c through 21c	2,542,952,327
109	Less Loss on Reacquired Debt	enter negative p111.81c	-15,226,454
110	Plus Gain on Reacquired Debt	enter positive p113.61c	0
111	Less ADIT associated with Gain or Loss	enter negative Attachment 1	4,111,752
112	Less LTD on Securitization Bonds	(Note P) Attachment 8	0
113	Total Long Term Debt	(Sum Lines 108 to 112)	2,531,837,625
114	Preferred Stock	p112.3c	0
115	Common Stock	(Line 107)	2,531,695,841
116	Total Capitalization	(Sum Lines 113 to 115)	5,063,533,466
117	Debt %	Total Long Term Debt (Line 113 / 116)	50%
118	Preferred %	Preferred Stock (Line 114 / 116)	0%
119	Common %	Common Stock (Line 115 / 116)	50%
120	Debt Cost	Total Long Term Debt (Line 102 / 113)	0.0514
121	Preferred Cost	Preferred Stock (Line 103 / 114)	0.0000
122	Common Cost	Common Stock (Note J) Fixed	0.1050
123	Weighted Cost of Debt	Total Long Term Debt (WCLTD) (Line 117 * 120)	0.0257
124	Weighted Cost of Preferred	Preferred Stock (Line 118 * 121)	0.0000
125	Weighted Cost of Common	Common Stock (Line 119 * 122)	0.0525
126	Total Return ( R )	(Sum Lines 123 to 125)	0.0782
127	Investment Return = Rate Base * Rate of Return	(Line 59 * 126)	64,450,181

**Composite Income Taxes**

Income Tax Rates			
128	FIT=Federal Income Tax Rate		21.00%
129	SIT=State Income Tax Rate or Composite	(Note I)	7.60%
130	p	(percent of federal income tax deductible for state purposes)	0.00%
131	T	$T=1 - \frac{((1 - SIT) * (1 - FIT))}{(1 - SIT * FIT * p)}$	27.00%
132	T / (1-T)		36.99%
ITC Adjustment			
133	Amortized Investment Tax Credit	(Note I)	
134	T/(1-T)	enter negative	-167,520
135	Net Plant Allocation Factor	p266.8f	36.99%
136	ITC Adjustment Allocated to Transmission	(Line 132)	19.8753%
		(Line 18)	-45,612
		(Line 133 * (1 + 134) * 135)	
137	Income Tax Component =	$CIT=(T/1-T) * Investment\ Return * (1-(WCLTD/R)) =$	[Line 132 * 127 * (1-(123 / 126))]
			16,002,866
138	Total Income Taxes		(Line 136 + 137)
			15,957,254

**REVENUE REQUIREMENT**

Summary			
139	Net Property, Plant & Equipment		(Line 39)
			1,107,196,849
140	Adjustment to Rate Base		(Line 58)
			-283,207,505
141	Rate Base		(Line 59)
			823,989,343
142	O&M		(Line 85)
			48,369,944
143	Depreciation & Amortization		(Line 97)
			32,668,199
144	Taxes Other than Income		(Line 99)
			12,209,747
145	Investment Return		(Line 127)
			64,450,181
146	Income Taxes		(Line 138)
			15,957,254
147	Gross Revenue Requirement		(Sum Lines 142 to 146)
			173,655,325
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities			
148	Transmission Plant In Service		(Line 19)
			1,554,445,764
149	Excluded Transmission Facilities	(Note M)	Attachment 5
			0
150	Included Transmission Facilities		(Line 148 - 149)
			1,554,445,764
151	Inclusion Ratio		(Line 150 / 148)
			100.00%
152	Gross Revenue Requirement		(Line 147)
			173,655,325
153	Adjusted Gross Revenue Requirement		(Line 151 * 152)
			173,655,325
Revenue Credits & Interest on Network Credits			
154	Revenue Credits		Attachment 3
			5,031,745
155	Interest on Network Credits	(Note N)	PJM Data
			-
156	Net Revenue Requirement		(Line 153 - 154 + 155)
			168,623,581
Net Plant Carrying Charge			
157	Net Revenue Requirement		(Line 156)
			168,623,581
158	Net Transmission Plant		(Line 19 - 30)
			1,087,454,761
159	Net Plant Carrying Charge		(Line 157 / 158)
			15.5063%
160	Net Plant Carrying Charge without Depreciation		(Line 157 - 86) / 158
			12.6000%
161	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes		(Line 157 - 86 - 127 - 138) / 158
			5.2059%
Net Plant Carrying Charge Calculation per 100 Basis Point increase in ROE			
162	Net Revenue Requirement Less Return and Taxes		(Line 156 - 145 - 146)
			88,216,146
163	Increased Return and Taxes		Attachment 4
			86,051,349
164	Net Revenue Requirement per 100 Basis Point increase in ROE		(Line 162 + 163)
			174,267,494
165	Net Transmission Plant		(Line 19 - 30)
			1,087,454,761
166	Net Plant Carrying Charge per 100 Basis Point increase in ROE		(Line 164 / 165)
			16.0253%
167	Net Plant Carrying Charge per 100 Basis Point in ROE without Depreciation		(Line 163 - 86) / 165
			13.1190%
168	Net Revenue Requirement		(Line 156)
			168,623,581
169	True-up amount		Attachment 6
			4,213,939
170	Plus any increased ROE calculated on Attachment 7 other than PJM Sch. 12 projects		Attachment 7
			952,351
171	Facility Credits under Section 30.9 of the PJM OATT and Facility Credits to Vineland per settlement in ER05-515		Attachment 5
			-
171a	MAPP Abandonment recovery pursuant to ER13-607		Attachment 5
			-
172	Net Zonal Revenue Requirement		(Line 168 - 169 + 171)
			173,789,871
Network Zonal Service Rate			
173	1 CP Peak	(Note L)	PJM Data
			6,097
174	Rate (\$/MW-Year)		(Line 172 / 173)
			28,502
175	Network Service Rate (\$/MW/Year)		(Line 174)
			28,502

## Notes

- A Electric portion only
  - B Exclude Construction Work In Progress and leases that are expensed as O&M (rather than amortized). New Transmission plant that is expected to be placed in service in the current calendar year weighted by number of months it is expected to be in-service. New Transmission plant expected to be placed in service in the current calendar year that is not included in the PJM Regional Transmission Plan (RTEP) must be separately detailed on Attachment 5. For the Reconciliation, new transmission plant that was actually placed in service weighted by the number of months it was actually in service CWIP will be linked to Attachment 6 which shows detail support by project (incentive and non-incentive).
  - C Transmission Portion Only
  - D All EPRI Annual Membership Dues
  - E All Regulatory Commission Expenses
  - F Safety related advertising included in Account 930.1
  - G Regulatory Commission Expenses directly related to transmission service, RTO filings, or transmission siting itemized in Form 1 at 351.h.
  - I The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and  $p =$  "the percentage of federal income tax deductible for state income taxes". If the utility includes taxes in more than one state, it must explain in Attachment 5 the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to use amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by  $(1/1-T)$ . A utility must not include tax credits as a reduction to rate base and as an amortization against taxable income.
- The ROE is 10.5% which includes a base ROE of 10.0% ROE per FERC order in Docket No. EL13-48 and a 50 basis point RTO membership adder as authorized by FERC: provided, that the projects identified in Docket Nos. ER08-686 and ER08-1423
- J have been awarded an additional 150 basis point adder and, thus, their ROE is 12.0%.
  - K Education and outreach expenses relating to transmission, for example siting or billing
  - L As provided for in Section 34.1 of the PJM OATT and the PJM established billing determinants will not be revised or updated in the annual rate reconciliations per settlement in ER05-515.
  - M Amount of transmission plant excluded from rates per Attachment 5.
  - N Outstanding Network Credits is the balance of Network Facilities Upgrades Credits due Transmission Customers who have made lump-sum payments (net of accumulated depreciation) towards the construction of Network Transmission Facilities consistent with Paragraph 657 of Order 2003-A. Interest on the Network Credits as booked each year is added to the revenue requirement to make the Transmission Owner whole on Line 155.
  - O Payments made under Schedule 12 of the PJM OATT that are not directly assessed to load in the Zone under Schedule 12 are included in Transmission O&M. If they are booked to Acct 565, they are included in on line 64
  - P **Securitization bonds may be included in the capital structure per settlement in ER05-515.**
  - Q ACE capital structure is initially fixed at 50% common equity and 50% debt per settlement in ER05-515 subject to moratorium provisions in the settlement.
  - R Per the settlement in ER05-515, the facility credits of \$15,000 per month paid to Vineland will increase to \$37,500 per month (prorated for partial months) effective on the date FERC approves the settlement in ER05-515.
  - S See Attachment 5 - Cost Support, section entitled "PBOP Expense in FERC Account 926" for additional information per FERC orders in Docket Nos. EL13-48 , EL15-27 and ER16-456.

Potomac Electric Power Company

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

	Only Transmission Related	Plant Related	Labor Related	Total ADIT
ADIT- 282	0	(1,730,347,201)	0	
ADIT-283	(1,222,254)	(6,850,506)	(146,296,364)	
ADIT-190	0	36,976,338	41,347,776	
Subtotal	(1,222,254)	(1,700,221,369)	(104,948,588)	
Wages & Salary Allocator			10.6159%	
Gross Plant Allocator		18.7164%		
ADIT	(1,222,254)	(318,220,028)	(11,141,250)	(330,583,532)

Note: ADIT associated with Gain or Loss on Recquired Debt is included in Column A here and included in Cost of Debt on Appendix A, Line 111 Amount (4,111,752)

In filling out this attachment, a full and complete description of each item and justification for the allocation to Columns B-E and each separate ADIT item will be listed, dissimilar items with amounts exceeding \$100,000 will be listed separately.

A	B Total	C Gas, Prod Or Other Related	D Only Transmission Related	E Plant Related	F Labor Related	G Justification
ADIT-190						
Deferred Compensation	1,050,678	-	-	-	1,050,678	For book purposes, deferred compensation and deferred payments are expensed when accrued. For tax purposes, they are deducted when paid. Affects Company personnel across all functions.
Allowance for Doubtful Accounts	5,803,794	5,803,794	-	-	-	Under the Tax Reform Act of 1986, taxpayers are required to account for bad debts using the specific write-off method. The reserve method is used for book purposes. This amount represents the deferred tax asset related to the add-back of book reserves for tax purposes. This deferred tax asset is retail related.
Accrued Liabilities	78,513,571	54,496,517	-	-	24,017,054	For book purposes the liabilities are accrued with an offset to book expense. For tax purposes, a deduction is not allowed until the liability is paid.
Environmental Expense	7,206,005	7,206,005	-	-	-	For book purposes an environmental reserve is established with an offset to book expense for future environmental costs to be paid for clean-up. For tax purposes, no deduction is allowed until the environmental liability is paid. Relates to the retail function.
Charitable Contribution Carryforward	3,518,292	3,518,292	-	-	-	Pepco is in a net operating loss carryforward position, therefore, Pepco's charitable contributions are carried forward until such time as Pepco or its Parent company can use them in its consolidated federal income tax return. For book purposes, the contributions are expensed when incurred. Charitable contributions are not included in Operating Income and any related deferred income taxes are excluded from Rate Base.
Capital Loss Limitation	63,332	63,332	-	-	-	Tax capital losses are limited to the amount of tax capital gains.
FAS 106 OPEB Adjustment	9,856,980	-	-	-	9,856,980	FAS No. 106 requires accrual basis instead of cash basis accounting for post retirement health care and life insurance benefits for book purposes. Amounts paid to participants or funded through the VEBA or 401(h) accounts are currently deductible for tax purposes. Affects company personnel across all functions.
Regulatory Liabilities	1,541,500	1,541,500	-	-	-	When a regulatory asset/liability is established, books credits/debits income, which for tax purposes needs to be reversed along with the associated amortization
FAS 109 - Deferred Taxes on ITC	715,724	-	-	715,724	-	Pursuant to the requirements of FAS 109, Pepco's accumulated deferred taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These balances primarily represent the deferred taxes on prior flow-through items, including the amount of the required gross-up necessary for full recovery of the prior flow-through amount. Related to all plant.
FAS 109 - Regulatory Liability	216,731,382	-	-	216,731,382	-	Pursuant to the requirements of FAS 109, Pepco's accumulated deferred taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These balances primarily represent the deferred taxes on prior flow-through items, including the amount of the required gross-up necessary for full recovery of the prior flow-through amount. Related to all plant.
Federal & State NOL	36,370,016	6,842,135	-	29,527,881	-	PHI's consolidated return is in an NOL situation, therefore, they are carried forward until such time as PHI is in a taxable income position.
Other 190 Deferred Taxes	4,211,979	4,211,979	-	-	-	Miscellaneous temporary differences including DC Gross Receipts Tax and Sales and Use Tax
Merger Commitment Deferrals	8,546,200	8,546,200	-	-	-	Deferral of Merger Commitment expenses that are non-deductible until paid.
Interest on Contingent Taxes	82,534	82,534	-	-	-	Estimated book interest expense on prior year taxes not deductible for tax purposes until paid
Subtotal - p234	374,211,987	92,312,288	-	246,974,987	34,924,712	
Less FASB 109 Above if not separately removed	162,533,869	(31,184,736)	-	209,998,649	(16,280,044)	
Less FASB 106 Above if not separately removed	9,856,980				9,856,980	
Total	201,821,138	123,497,024	-	36,976,338	41,347,776	

Instructions for Account 190:  
 1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C  
 2. ADIT items related only to Transmission are directly assigned to Column D  
 3. ADIT items related to Plant and not in Columns C & D are included in Column E  
 4. ADIT items related to labor and not in Columns C & D are included in Column F  
 5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded  
 6. Re: Form 1-F filer: Sum of subtotals for Accounts 282 and 283 should tie to Form No. 1-F, p.113.57.c

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

A	B Total	C Gas, Prod Or Other Related	D Only Transmission Related	E Plant Related	F Labor Related	G Justification
ADIT- 282						
Plant Related Deferred Taxes	(1,730,347,201)	-	-	(1,730,347,201)	-	This deferred tax balance relates to the life and method differences on property related items for book and tax.
FAS109 AFUDC Equity	(27,046,939)	-	-	(27,046,939)	-	Under SFAS 109, deferred income taxes must be provided on all book/tax temporary differences, including AFUDC-Equity. Deferred income taxes on AFUDC-Equity are not recognized for Regulatory purposes and are excluded from Rate Base.
CIAC - Non Rate Base	46,890,907	46,890,907	-	-	-	Contributions in Aid of Construction (CIAC) are a reduction to Plant for book accounting purposes, but are included in taxable income and depreciated for income tax purposes. This different book/tax treatment results in deferred income taxes which must be recorded in accordance with SFAS 109. The company collects an income tax gross-up from the customer which is reimbursement for the time value of money on the additional tax liability incurred until such time as the amounts are fully depreciated for tax purposes. The deferred income tax asset on CIAC's is excluded from Rate Base because the underlying plant is not included in Rate Base.
Leased Vehicles - Non Rate Base	(6,253,896)	(6,253,896)	-	-	-	The Company leases its vehicles under arrangements that are treated as Operating Leases for book purposes, but financing leases for tax purposes. The differing income tax treatment between Rent Expense deducted for book purposes and tax depreciation expense deducted for income tax purposes, results in deferred income taxes being recorded on the books. Since Leased Vehicles are not included in Rate Base, the deferred income

						Pursuant to the requirements of FAS 109, Pepco's accumulated deferred taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These balances primarily represent the deferred taxes on prior flow-through items, including the amount of the required gross-up necessary for full recovery of the prior flow-through amount. Related to all plant.
Plant Related - FAS109 Deferred Taxes	561,841,819			561,841,819		
<b>Subtotal - p275 (Form 1-F filer: see note 6 below)</b>	<b>(1,154,915,310)</b>	<b>40,637,010</b>	<b>-</b>	<b>(1,195,552,320)</b>	<b>-</b>	
Less FASB 109 Above if not separately removed	534,794,880	-	-	534,794,880	-	
Less FASB 106 Above if not separately removed	-	-	-	-	-	
<b>Total</b>	<b>(1,689,710,190)</b>	<b>40,637,010</b>	<b>-</b>	<b>(1,730,347,201)</b>	<b>-</b>	

**Instructions for Account 282:**  
1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C  
2. ADIT items related only to Transmission are directly assigned to Column D  
3. ADIT items related to Plant and not in Columns C & D are included in Column E  
4. ADIT items related to labor and not in Columns C & D are included in Column F  
5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded  
6. Re: Form 1-F filer: Sum of subtotals for Accounts 282 and 283 should tie to Form No. 1-F, p.113.57.c

**Deferred Income Taxes (ADIT) Worksheet**

A	B	C	D	E	F	G
ADIT-283	Total	Gas, Prod Or Other	Only Transmission	Plant	Labor	Justification
		Related	Related	Related	Related	
Reacquired Debt	(4,111,752)	(4,111,752)	-	-	-	The cost of bond redemption is deductible currently for tax purposes and is amortized over the life of the new bond issue for book purposes. Related to all functions. Excluded here since it is included in Cost of Debt.
Maryland Property Taxes	(6,850,506)	-	-	(6,850,506)	-	For book purposes, the MD property taxes are accrued over the fiscal year. For tax purposes payments are deducted when paid based on the lien date.
Prepaid Interest	(400,843)	-	-	-	(400,843)	For book purposes, prepaid expenses, which related to a future period but are paid in the current period, must be capitalized and amortized to the balance sheet as an asset. For tax purposes, there is "12-month rule" which allows taxpayers that meet the 12-month rule to currently deduct the amount, as long as the benefits does not extend beyond 12 months. The prepaid interest relates to the Life Insurance plans, that is why this is labor related
Prepayments	(166,135)	-	-	-	(166,135)	For book purposes, prepaid expenses, which related to a future period but are paid in the current period, must be capitalized and amortized to the balance sheet as an asset. For tax purposes, there is "12-month rule" which allows taxpayers that meet the 12-month rule to currently deduct the amount, as long as the benefits does not extend beyond 12 months
Regulatory Asset - DSM	(59,126,549)	(59,126,549)	-	-	-	For books, Demand Side Management Costs are deferred. For tax these costs are expensed when paid. These deferred taxes are the result of this book/tax difference which is retail in nature.
Regulatory Asset - FERC Formula Rate True-up	(826,383)	-	(826,383)	-	-	For book purposes, a regulatory asset has been established for the FERC Formula Rate Filing true-up and book income has been increased. For tax purposes, this regulatory asset is not recognized and the book income must be reversed.
Regulatory Assets	(119,456,960)	(110,112,393)	-	-	(9,344,567)	For book purposes, regulatory assets are established with an increase to book income. For tax purposes the regulatory assets are not recognized and book income is reversed.
Pension Plan Contribution	(89,001,504)	-	-	-	(89,001,504)	The company is allowed to deduct for tax purposes all payments made to fund the General Retirement Plan per ERISA. For book purposes pension plan contributions are governed by FAS 106. This timing difference represents the excess tax payment over book. Affects company personnel across all functions.
<b>Subtotal - p277 (Form 1-F filer: see note 6, below)</b>	<b>(279,940,631)</b>	<b>(173,350,693)</b>	<b>(826,383)</b>	<b>(6,850,506)</b>	<b>(98,913,049)</b>	
Less FASB 109 Above if not separately removed	130,821,117	83,041,931	395,871	-	47,383,315	
Less FASB 106 Above if not separately removed	-	-	-	-	-	
<b>Total</b>	<b>(410,761,749)</b>	<b>(256,392,624)</b>	<b>(1,222,254)</b>	<b>(6,850,506)</b>	<b>(146,296,364)</b>	

**Instructions for Account 283:**  
1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C  
2. ADIT items related only to Transmission are directly assigned to Column D  
3. ADIT items related to Plant and not in Columns C & D are included in Column E  
4. ADIT items related to labor and not in Columns C & D are included in Column F  
5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded  
6. Re: Form 1-F filer: Sum of subtotals for Accounts 282 and 283 should tie to Form No. 1-F, p.113.57.c

**Attachment 1- Accumulated Deferred Income Taxes (ADIT) Worksheet**

**ADITC-255**

	Item	Balance	Amortization
1	Rate Base Treatment		
2	Balance to line 41 of Appendix A	Total	
3	Amortization		
4	Amortization to line 133 of Appendix A	Total	1,934,714 167,520
5	Total	1,934,714	167,520
6	Total Form No. 1 (p 266 & 267)	Form No. 1 balance (p	1,934,714 167,520
7	Difference /1	-	-

/1 Difference must be zero

**Potomac Electric Power Company**  
**Attachment 2 - Taxes Other Than Income Worksheet**

<b>Other Taxes</b>	<b>Page 263 Col (i)</b>	<b>Allocator</b>	<b>Allocated Amount</b>
<b>Plant Related</b>	<b>Gross Plant Allocator</b>		
1 Transmission Personal Property Tax (directly assigned to Transmission)	\$ 11,559,085	100%	\$ 11,559,085
1a Other Personal Property Tax (excluded)	\$ 37,431,297	0%	\$ -
2 Capital Stock Tax		18.7164%	\$ -
3 Gross Premium (insurance) Tax		18.7164%	\$ -
4 PURTA		18.7164%	\$ -
5 Corp License		18.7164%	\$ -
<b>Total Plant Related</b>	48,990,382		11,559,085
<b>Labor Related</b>	<b>Wages &amp; Salary Allocator</b>		
6 Federal FICA & Unemployment & state unemployment	\$ 6,029,495		
<b>Total Labor Related</b>	6,029,495	10.6159%	640,086
<b>Other Included</b>	<b>Gross Plant Allocator</b>		
7 Miscellaneous	56,505		
<b>Total Other Included</b>	56,505	18.7164%	10,576
<b>Total Included</b>			12,209,747

**Currently Excluded**

8 MD Franchise Tax	24,597,612
9 MD Environmental Surcharge	1,987,081
10 MD Universal Surcharge	8,421,696
11 MD Montgomery County Fuel	132,582,733
12 MD PSC Assessment	2,490,651
13 MD Sales & Use Tax	3,282,847
14 MD Real Property Taxes	720,978
15 DC PSC Assessment	8,281,765
16 DC Delivery Tax	82,463,981
17 DC Real Property Tax	7,581,579
18 DC Business Improvement Tax	124,929
19 DC Ballpark	16,500
20 DC Right-of-Way	22,764,888
21 DC RETF, SETF and EATF Funds	18,602,973
22 VA Property Taxes	551,388
23 Misc. Other-Sales and Use DC	333,255
24.1 Excluded merger costs in line 6	3,319
25 Total "Other" Taxes (included on p. 263)	369,884,559
26 Total "Taxes Other Than Income Taxes" - acct 408.10 (p. 114.14)	369,884,559
27 Difference	(0)

Criteria for Allocation:

- A Other taxes that are incurred through ownership of plant including transmission plant will be allocated based on the Gross Plant Allocator. If the taxes are 100% recovered at retail they will not be included
- B Other taxes that are incurred through ownership of only general or intangible plant will be allocated based on the Wages and Salary Allocator. If the taxes are 100% recovered at retail they will not be included
- C Other taxes that are assessed based on labor will be allocated based on the Wages and Salary Allocator
- D Other taxes except as provided for in A, B and C above, that are incurred and (1) are not fully recovered at retail or (2) are directly or indirectly related to transmission service will be allocated based on the Gross Plant Allocator; provided, however, that overheads shall be treated as in footnote B above
- E Excludes prior period adjustments in the first year of the formula's operation and reconciliation for the first year

**Allocation of Property taxes to  
Transmission Function  
Year Ended December 31, 2017**

**Assessable Plant**

Transmission	\$ 1,024,086,086
Distribution	\$ 3,217,077,649
General	\$ 180,298,644
Total T,D&Genl	<u>\$ 4,421,462,379</u>

**Plant ratios by Jurisdiction**

Transmission Ratio	0.2316170530
Distribution ratio	0.7276048902
General Ratio	0.0407780568
	<u>1.0000000000</u>

**Property Taxes** \$ 48,990,382

Transmission Property Tax	\$ 11,347,008
Distribution Property tax	\$ 35,645,642
General Property Tax	\$ 1,997,733
Total check	<u>\$ 48,990,382</u>

General Property Tax	\$ 1,997,733
Trans Labor Ratio	10.616%
Trans General	212,078

<b><u>Total Transmission Property Taxes</u></b>	
Transmission	\$ 11,347,008
General	\$ 212,078
Total Transmission Property Taxes	<u>\$ 11,559,085</u>



**Potomac Electric Power Company**  
**Attachment 3 - Revenue Credit Workpaper**

**Account 454 - Rent from Electric Property**

1 Rent from Electric Property - Transmission Related (Note 3)		\$ 10,874,987
2 Total Rent Revenues	(Sum Lines 1)	10,874,987

**Account 456 - Other Electric Revenues (Note 1)**

3 Schedule 1A		\$ 578,001
4 Net revenues associated with Network Integration Transmission Service (NITS) for which the load is not included in the divisor (difference between NITS credits from PJM and PJM NITS charges paid by Transmission Owner) (Note 4)		
5 Point to Point Service revenues for which the load is not included in the divisor received by Transmission Owner (Note 4)		\$ 484,591
6 PJM Transitional Revenue Neutrality (Note 1)		
7 PJM Transitional Market Expansion (Note 1)		
8 Professional Services (Note 3)		-
9 Revenues from Directly Assigned Transmission Facility Charges (Note 2)		-
10 Rent or Attachment Fees associated with Transmission Facilities (Note 3)		-
11 Gross Revenue Credits	(Sum Lines 2-10)	11,937,579
12 Less line 17g		(6,905,834)
13 Total Revenue Credits		5,031,745

**Revenue Adjustment to determine Revenue Credit**

14 Note 1: All revenues related to transmission that are received as a transmission owner (i.e., not received as a LSE), for which the cost of the service is recovered under this formula, except as specifically provided for elsewhere in this Attachment or elsewhere in the formula will be included as a revenue credit or included in the peak on line 173 of Appendix A.

15 Note 2: If the costs associated with the Directly Assigned Transmission Facility Charges are included in the Rates, the associated revenues are included in the Rates. If the costs associated with the Directly Assigned Transmission Facility Charges are not included in the Rates, the associated revenues are not included in the Rates.

16 Note 3: Ratemaking treatment for the following specified secondary uses of transmission assets: (1) right-of-way leases and leases for space on transmission facilities for telecommunications; (2) transmission tower licenses for wireless antennas; (3) right-of-way property leases for farming, grazing or nurseries; (4) licenses of intellectual property (including a portable oil degasification process and scheduling software); and (5) transmission maintenance and consulting services (including energized circuit maintenance, high-voltage substation maintenance, safety training, transformer oil testing, and circuit breaker testing) to other utilities and large customers (collectively, products). Company will retain 50% of net revenues consistent with Pacific Gas and Electric Company, 90 FERC ¶ 61,314. Note: in order to use lines 17a - 17g, the utility must track in separate subaccounts the revenues and costs associated with each secondary use (except for the cost of the associated income taxes).

17a Revenues included in lines 1-11 which are subject to 50/50 sharing.		10,874,987
17b Costs associated with revenues in line 17a	Attachment 5 - Cost Support	2,936,682
17c Net Revenues (17a - 17b)		7,938,306
17d 50% Share of Net Revenues (17c / 2)		3,969,153
17e Costs associated with revenues in line 17a that are included in FERC accounts recovered through the formula times the allocator used to functionalize the amounts in the FERC account to the transmission service at issue.		-
17f Net Revenue Credit (17d + 17e)		3,969,153
17g Line 17f less line 17a		(6,905,834)
18 Note 4: If the facilities associated with the revenues are not included in the formula, the revenue is shown here but not included in the total above and is explained in the Cost Support; for example revenues associated with distribution facilities. In addition, Revenues from Schedule 12 are not included in the total above to the extent they are credited under Schedule 12.		96,229,101
19 Amount offset in line 4 above		168,688,738
20 Total Account 454, 456 and 456.1		276,855,418
21 Note 4: SECA revenues booked in Account 447.		

**Potomac Electric Power Company**

Attachment 4 - Calculation of 100 Basis Point Increase in ROE

A	Return and Taxes with 100 Basis Point increase in ROE 100 Basis Point increase in ROE and Income Taxes	(Line 127 + Line 138)	86,051,349
B	100 Basis Point increase in ROE		1.00%

**Return Calculation**

59	Rate Base		(Line 39 + 58)	823,989,343
	Long Term Interest			
100	<b>Long Term Interest</b>		p117.62c through 67c	130,227,602
101	Less LTD Interest on Securitization Bc (Note P)		Attachment 8	0
102	Long Term Interest		"(Line 100 - line 101)"	130,227,602
103	Preferred Dividends	enter positive	p118.29c	0
	Common Stock			
104	Proprietary Capital		p112.16c	2,533,342,208
105	Less Preferred Stock	enter negative	(Line 114)	0
106	Less Account 216.1	enter negative	p112.12c	-1,646,367
107	Common Stock		(Sum Lines 104 to 106)	2,531,695,841
	Capitalization			
108	Long Term Debt		p112.17c through 21c	2,542,952,327
109	Less Loss on Reacquired Debt	enter negative	p111.81c	-15,226,454
110	Plus Gain on Reacquired Debt	enter positive	p113.61c	0
111	Less ADIT associated with Gain or Loss	enter negative	Attachment 1	4,111,752
112	Less LTD on Securitization Bonds	enter negative	Attachment 8	0
113	Total Long Term Debt		(Sum Lines 108 to 112)	2,531,837,625
114	Preferred Stock		p112.3c	0
115	Common Stock		(Line 107)	2,531,695,841
116	Total Capitalization		(Sum Lines 113 to 115)	5,063,533,466
117	Debt %	Total Long Term Debt	(Line 113 / 116)	50%
118	Preferred %	Preferred Stock	(Line 114 / 116)	0%
119	Common %	Common Stock	(Line 115 / 116)	50%
120	Debt Cost	Total Long Term Debt	(Line 102 / 113)	0.0514
121	Preferred Cost	Preferred Stock	(Line 103 / 114)	0.0000
122	Common Cost	(Note J from Appendix A) Common Stock	Appendix A % plus 100 Basis Pts	0.1150
123	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 117 * 120)	0.0257
124	Weighted Cost of Preferred	Preferred Stock	(Line 118 * 121)	0.0000
125	Weighted Cost of Common	Common Stock	(Line 119 * 122)	0.0575
126	Total Return ( R )		<b>(Sum Lines 123 to 125)</b>	<b>0.0832</b>
127	Investment Return = Rate Base * Rate of Return		<b>(Line 59 * 126)</b>	<b>68,570,012</b>

**Composite Income Taxes**

	<b>Income Tax Rates</b>			
128	FIT=Federal Income Tax Rate			21.00%
129	SIT=State Income Tax Rate or Composite			7.60%
130	p = percent of federal income tax deductible for state purposes		Per State Tax Code	0.00%
131	T	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		27.00%
132	T / (1-T)			36.99%
	<b>ITC Adjustment</b>			
133	Amortized Investment Tax Credit	enter negative	p266.8f	(167,520)
134	T/(1-T)		(Line 132)	37%
135	Net Plant Allocation Factor		(Line 18)	19.8753%
136	<b>ITC Adjustment Allocated to Transmission</b>	(Note I from Appendix A)	(Line 133 * (1 + 134) * 135)	<b>-45,612</b>
137	<b>Income Tax Component =</b>	$CIT=(T/1-T) * Investment Return * (1-(WCLTD/R)) =$		17,526,949
138	<b>Total Income Taxes</b>			<b>17,481,337</b>

Potomac Electric Power Company

Attachment 5 - Cost Support

**Electric / Non-electric Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Electric Portion	Non-electric Portion	Details
Plant Allocation Factors							
10	Accumulated Intangible Amortization	(Note A)	p200.21c	\$ 24,847,329	24,847,329	0	Respondent is Electric Utility only.
11	Accumulated Common Amortization - Electric	(Note A)	p356	0	0	0	
12	Accumulated Common Plant Depreciation - Electric	(Note A)	p356	0	0	0	
Plant In Service							
24	Common Plant (Electric Only)	(Notes A & B)	p356	0	0	0	
Accumulated Deferred Income Taxes							
41	Accumulated Investment Tax Credit Account No. 255	(Notes A & I)	p266.h	\$ 1,934,714	1,934,714	0	Respondent is Electric Utility only.
Materials and Supplies							
47	Undistributed Stores Exp	(Note A)	p227.6c & 16.c	\$ -	0	0	Respondent is Electric Utility only.
Allocated General & Common Expenses							
65	Plus Transmission Lease Payments	(Note A)	p200.3.c				
67	Common Plant O&M	(Note A)	p356	0	0	0	
Depreciation Expense							
88	Intangible Amortization	(Note A)	p336.1d&e (see attachm	\$ 579,347	579,347	0	Respondent is Electric Utility only.
92	Common Depreciation - Electric Only	(Note A)	p336.11.b	0	0	0	
93	Common Amortization - Electric Only	(Note A)	p356 or p336.11d	0	0	0	

**Transmission / Non-transmission Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Transmission Related	Non-transmission Related	Details
28	Plant Held for Future Use (Including Land)	(Note C)	p214	\$ 48,702,678	0	48,702,678	Specific identification based on plant records: The following plant investments are included: 1 2 3 4 5

**CWIP & Expensed Lease Worksheet**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	CWIP In Form 1 Amount	Expensed Lease in Form 1 Amount	Details
Plant Allocation Factors							
6	Electric Plant in Service	(Note B)	p207.104g	\$ 8,494,209,866	0	0	See ARO Exclusion - Cost Support section below for Electric Plant in Service without AROs
Plant In Service							
19	Transmission Plant In Service	(Note B)	p207.58.g	\$ 1,554,445,764	0	0	See Form 1
24	Common Plant (Electric Only)	(Notes A & B)	p356	0	0	0	
Accumulated Depreciation							
30	Transmission Accumulated Depreciation	(Note B)	p219.25.c	\$ 466,991,003	0	0	See Form 1

**EPRI Dues Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	EPRI Dues	Details	
Allocated General & Common Expenses							
73	Less EPRI Dues	(Note D)	p352-353	\$ 418,896	418,896		See Form 1

**Regulatory Expense Related to Transmission Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Transmission Related	Non-transmission Related	Details
70	Allocated General & Common Expenses Less Regulatory Commission Exp Account 928	(Note E)	p323.189b	\$ 4,320,061	165,413	4,154,648	FERC Form 1 page 351.1 line 13 (h) and 15 (h), transmission related only.
77	Directly Assigned A&G Regulatory Commission Exp Account 928	(Note G)	p323.189b	\$ 4,320,061	165,413	4,154,648	FERC Form 1 page 351.1 line 13 (h) and 15 (h), transmission related only.

**Safety Related Advertising Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Safety Related	Non-safety Related	Details
81	Directly Assigned A&G General Advertising Exp Account 930.1	(Note F)	p323.191b	\$ 409,143	-	409,143	None

**MultiState Workpaper**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				State 1	State 2	State 3	State 4	State 5	Details
129	Income Tax Rates SIT=State Income Tax Rate or Composite	(Note I)	7.60%	Maryland 8.25%	DC 8.25%	Enter State Enter %	Enter State Enter %	Enter State Enter %	Enter Calculation Apportioned: MD 4.50%, DC 3.10%

**Education and Out Reach Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Education & Outreach	Other	Details
78	Directly Assigned A&G General Advertising Exp Account 930.1	(Note K)	p323.191b	\$ 409,143	0	409,143	None

**Excluded Plant Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Excluded Transmission Facilities	Description of the Facilities
149	Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities Excluded Transmission Facilities	(Note M)	Attachment 5	0	General Description of the Facilities
Instructions:				Enter \$	None
1 Remove all investment below 69 kV or generator step up transformers included in transmission plant in service that are not a result of the RTEP Process				Or	
2 If unable to determine the investment below 69kV in a substation with investment of 69 kV and higher as well as below 69 kV, the following formula will be used:				Enter \$	
Example					
A Total investment in substation				1,000,000	
B Identifiable investment in Transmission (provide workpapers)				500,000	
C Identifiable investment in Distribution (provide workpapers)				400,000	
D Amount to be excluded (A x (C / (B + C)))				444,444	
<i>Add more lines if necessary</i>					

**Transmission Related Account 242 Reserves**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Total	Allocation	Transmission Related	Details
44	Transmission Related Account 242 Reserves (exclude current year environmental site related reserves)	Enter \$		Amount	
	Directly Assignable to Transmission	-	100%	-	
	Labor Related, General plant related or Common Plant related	75,418,110	10.62%	8,006,321	
	Plant Related	1,904,937	18.72%	356,535	
	Other		0.00%	-	
	Total Transmission Related Reserves	77,323,047		8,362,856	

**Prepayments**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Description of the Prepayments
45	Prepayments		To Line 45	
5	Wages & Salary Allocator		10.616%	
	Pension Liabilities, if any, in Account 242	-	10.616%	
	Prepayments - DC ROW	\$ 4,673,066	0.000%	Prepayments related to DC ROW
	Prepayments - Transmission Personal Property Tax	\$ 24,368,593	23.595%	Prepayments related to Transmission Personal Property Tax. See "Prop taxes to function" worksheet for total Transmission assessable plant factor (total transmission property taxes/total property taxes).
	Prepayments	\$ 3,685,837	10.616%	Remaining balance of Prepayments
	Prepaid Pensions if not included in Prepayments	\$ 325,586,334	10.616%	Prepaid Pension is recorded in FERC account 186 (see FERC Form 1 page 233).
		358,313,830		

**Outstanding Network Credits Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Outstanding Network Credits	Description of the Credits
55	Network Credits Outstanding Network Credits (Note N) From PJM	Enter \$ 0	General Description of the Credits  None
56	Less Accumulated Depreciation Associated with Facilities with Outstanding Network Credits (Note N) From PJM	0	None

Add more lines if necessary

**Extraordinary Property Loss**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Amount	Number of years	Amortization	w/ interest
61	Less extraordinary property loss Attachment 5	\$ -			
62	Plus amortized extraordinary property loss Attachment 5	\$ -	5	\$ -	\$ -

**Interest on Outstanding Network Credits Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Interest on Network Credits	Description of the Interest on the Credits
155	Revenue Credits & Interest on Network Credits Interest on Network Credits	(Note N)	PJM Data	0	General Description of the Credits
				Enter \$	None
<i>Add more lines if necessary</i>					

**Facility Credits under Section 30.9 of the PJM OATT and Facility Credits to Vineland per settlement in ER05-515**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Amount	Description & PJM Documentation
171	Net Revenue Requirement Facility Credits under Section 30.9 of the PJM OATT and Facility Credits to Vineland per settlement in ER05-515			-	

**PJM Load Cost Support**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				1 CP Peak	Description & PJM Documentation
173	Network Zonal Service Rate 1 CP Peak	(Note L)	PJM Data	6,097.4	See Form 1

**Statements BG/BH (Present and Proposed Revenues)**

Customer	Billing Determinants	Current Rate	Proposed Rate	Current Revenues	Proposed Revenues	Change in Revenues
Pepco zone				-	-	-
Total				-	-	-

**Abandoned Transmission Plant**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions			
A	Beginning Balance of Unamortized Transmission Plant	Per FERC Order	
B	Months Remaining in Amortization Period	Per FERC Order	
C	Monthly Ammortization	A/B	
D	Months in Year to be Amortized		
E	Amortization in Rate Year	C*D	Line 86a
F	Deductions		
G	End of Year Balance in Unamortized Transmission Plant	A-E-F	Line 43b

**MAPP Abandonment recovery pursuant to ER13-607**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions					
		DPL	Pepco	Total	
171a	2013-14 rate period	\$ 9,750,649	\$ 12,725,412	\$ 22,476,061	
171a	2014-15 rate period	\$ 14,666,395	\$ 16,524,210	\$ 31,190,605	
171a	2015-16 rate period	\$ 12,208,522	\$ 14,624,812	\$ 26,833,334	
	Total	\$ 36,625,566	\$ 43,874,434	\$ 80,500,000	

**Brandywine Fly Ash Landfill Environmental Expenses**

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		
Step 9	Attachment 6 - Estimate and Reconciliation Worksheet - Footnote 1	\$ (2,617,572)
<p>Pepco shall make a negative adjustment to its transmission revenue requirement in its 2015 Annual Update in the amount of \$2,617,572, to offset the \$2,617,572 of Brandywine fly ash landfill environmental expenses included in Pepco's 2014 Annual Update ("2013 Brandywine Fly Ash Expenses"). Pepco shall not include the 2013 Brandywine Fly Ash Expenses in a future Annual Update while recovery of such expenses is being pursued from a party outside of the PJM Tariff, but once Pepco is no longer pursuing recovery of such expenses outside of the PJM Tariff, Pepco may include such costs in a future Annual Update to the extent such expenses have not been recovered outside of the PJM Tariff, subject to SMECO's right to challenge such inclusion at that time on any grounds permitted pursuant to Attachment H-9, including the Formula Rate Implementation Protocols, as though the costs had been included in the 2014 Annual Update. Any payments to Pepco for its 2013 Brandywine Fly Ash Expenses shall not be included in any Pepco Annual Update.</p>		

**Supporting documentation for FERC Form 1 reconciliation**

Compliance with FERC Order on the Exelon Merger					
Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions			Form 1 Amount	Merger Costs	Non Merger Related
6	Electric Plant in Service	p207.104g	8,494,209,866	301,285	8,493,908,581
9	Accumulated Depreciation (Total Electric Plant)	p219.29c	2,895,219,919	965	2,895,218,954
10	Accumulated Intangible Amortization	p200.21c	24,847,329	27,513	24,819,816
23	General & Intangible	p205.5.g & p207.99.g	326,887,552	301,285	326,586,267
60	Transmission O&M	p321.112.b	31,874,937	155,507	31,719,430
68	Total A&G	p323.197.b	156,729,695	(2,649,364)	159,379,059
87	General Depreciation	p336.10b&c	9,472,095	965	9,471,130
88	Intangible Amortization	(Note A) p336.1d&e	579,347	27,513	551,834

ARO Exclusion - Cost Support					
Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions			Form 1 Amount	ARO's	Non-ARO's
6	Electric Plant in Service	p207.104g	8,494,209,866	3,550,345	8,490,659,521
9	Accumulated Depreciation (Total Electric Plant)	p219.29c	2,895,219,919	408,206	2,894,811,713
23	General & Intangible	p205.5.g & p207.99.g	326,887,552	258,942	326,628,610
31	Accumulated General Depreciation	p219.28.c	115,712,875	171,339	115,541,537

ARO & Merger Related Exclusion- Cost Support						
Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions			Form 1 Amounts	ARO's	Merger Costs	Non-ARO's & Non Merger Related
6	Electric Plant in Service	p207.104g	8,494,209,866	3,550,345	301,285	8,490,358,236
9	Accumulated Depreciation (Total Electric Plant)	p219.29c	2,895,219,919	408,206	965	2,894,810,748
23	General & Intangible	p205.5.g & p207.99.g	326,887,552	258,942	301,285	326,327,325
31	Accumulated General Depreciation	p219.28c	115,712,875	171,339	965	115,540,571

PBOP Expense in FERC 926							
Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions			Total A&G Form 1 Amount	Account 926 Form 1 Amount	PBOP in FERC 926 current rate year	PBOP in FERC 926 prior rate year	Explanation of change in PBOP in FERC 926
68	Total A&G	Total: p.323.197.b Account 926: p.323.187.b and c	156,729,695	27,423,342	1,830,717	1,882,600	The actuarially determined amount of OPEB expense in FERC 926 decreased \$.1 million from the prior year: the decrease primarily represents a (\$0.2 million) decrease in service cost primarily due to (i) change in the discount rate from 3.80% in 2016 to 4.0% in 2017 and (ii) updated census data, (\$0.3 million) increase in expected return on plan assets due to year over year assets growth, (\$0.1 million) decrease in interest, offset by \$0.2 million increase in amortization of unregonized gain/loss. This decrease was offset by a \$0.323 million decrease in OPEB costs directly charged to capital or other income deduction accounts (i.e. below the line).

**Attachment 3 - Revenue Credit Workpaper**

17b	Costs associated with revenues in line 17a	\$	2,936,682
	Revenue Subject to 50/50 sharing (Attachment 3 - line 17a)	\$	10,874,987
	Federal Income Tax Rate		21.00%
	Federal Tax on Revenue subject to 50/50 sharing		2,283,747
	Net Revenue subject to 50/50 sharing		8,591,240
	Composite State Income Tax Rate		7.600%
	State Tax on Revenue subject to 50/50 sharing		652,934
	Total Tax on Revenue subject to 50/50 sharing	\$	<u>2,936,682</u>



## Potomac Electric Power Company

### Attachment 5a - Allocations of Costs to Affiliate

	Delmarva Power	Atlantic City	Pepco	Non - Regulated	Total
Executive Management	6,721,922	6,040,279	11,559,004	2,731,918	27,053,123
Procurement & Administrative Services	5,753,548	4,160,116	8,276,756	3,721,474	21,911,894
Financial Services & Corporate Expenses	16,768,656	13,558,856	23,867,875	15,207,024	69,402,411
Insurance Coverage and Services	292,642	563,869	(390,363)	(5,012)	461,136
Human Resources	(1,116,564)	(1,258,037)	(540,100)	5,485,522	2,570,821
Legal Services	2,170,665	1,000,599	4,150,743	6,816,457	14,138,464
Customer Services	52,746,755	47,419,527	45,717,038	2,626	145,885,946
Information Technology	17,257,383	13,248,946	32,727,761	10,871,056	74,105,146
External Affairs	3,411,728	2,935,223	5,190,824	626,833	12,164,608
Environmental Services	2,358,711	2,065,133	2,509,472	346	6,933,662
Safety Services	481,504	493,828	775,837		1,751,169
Regulated Electric & Gas T&D	44,391,825	35,785,749	58,175,755	2,973,981	141,327,310
Internal Consulting Services	241,911	194,452	414,624		850,987
Interns	174,619	133,726	128,150		436,495
Cost of Benefits	13,261,385	8,972,178	22,145,832		44,379,395
Building Services	146,800	96,476	4,309,323	849,170	5,401,769
<b>Total</b>	<b>\$ 165,063,490</b>	<b>\$ 135,410,920</b>	<b>\$ 219,018,531</b>	<b>\$ 49,281,395</b>	<b>\$ 568,774,336</b>

Name of Respondent PHI Service Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Resubmission Date (Mo, Da, Yr) / /	Year/Period of Report Dec 31, 2017
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**Schedule XVII - Analysis of Billing - Associate Companies (Account 457)**

1. For services rendered to associate companies (Account 457), list all of the associate companies.

Line No.	Name of Associate Company (a)	Account 457.1 Direct Costs Charged (b)	Account 457.2 Indirect Costs Charged (c)	Account 457.3 Compensation For Use of Capital (d)	Total Amount Billed (e)
1	Potomac Electric Company	54,658,874	164,339,096	20,561	219,018,531
2	Delmarva Power & Light Company	43,878,996	121,169,503	14,991	165,063,490
3	Atlantic City Electric Company	29,283,609	106,115,313	11,998	135,410,920
4	Exelon Business Services Company, LLC	47,134,513			47,134,513
5	Pepco Energy Services, Inc	415,765	1,111,189		1,526,954
6	Pepco Holdings LLC	45,859	490,907	268	537,034
7	Atlantic Southern Properties, Inc	2,419	39,576		41,995
8	Connectiv Properties & Investments, Inc	250	29,336		29,586
9	Atlantic City Electric Transition Funding, LLC	2,895	2,847	4	5,746
10	Connectiv Holding Company, Inc.	3,279			3,279
11	Potomac Capital Investments Corporation	1,623	255		1,878
12	Connectiv Thermal Systems, Inc.		410		410
13					
14					
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38					
39					
40	<b>Total</b>	<b>175,428,082</b>	<b>393,298,432</b>	<b>47,822</b>	<b>568,774,336</b>

Service Company Billing Analysis by Utility FERC Account  
YTD Dec 2017  
Total PHI

FERC Accounts	FERC Account Name	DPL	ACE	PEPCO	Non-Utility	Total	Inclusion in ATRR
107	Constr Work In Progress	26,393,027	20,238,001	36,545,201	-	83,176,229	Not included
182.3	Other Regulatory Assets	2,372,237	217,458	7,097,229	-	9,686,924	Not included
184	Clearing Accounts - Other	290,866	240,842	743,443	(623,559)	651,592	Not included
408.1	Taxes other than inc taxes, utility operating inc	1,821	705	1,742	-	4,268	Wage & Salary Factor
416-421.2	Other Income -Below the Line	791,529	668,026	953,108	49,904,954	52,317,617	Not included
426.1-426.5	Other Income Deductions - Below the Line	793,436	612,278	1,127,607	-	2,533,321	Not included
430	Interest-Debt to Associated Companies	33,667	27,028	45,561	-	106,256	Not included
431	Interest-Short Term Debt	(16,005)	(12,879)	(21,440)	-	(50,324)	Not included
556	System cont & load dispatch	1,762,459	1,397,736	1,967,404	-	5,127,599	Not included
557	Other expenses	1,289,456	1,123,936	1,209,338	-	3,622,730	Not included
560	Operation Supervision & Engineering	3,383,115	3,135,496	4,630,184	-	11,148,795	100% included
561.1	Load Dispatching - Reliability	14,659	9,981	-	-	24,640	100% included
561.2	Load Dispatch - Monitor & Operate Transmission Sys	67,228	19,453	727,609	-	814,290	100% included
561.3	Load Dispatch - Transmission Service & Scheduling	33,317	44,911	29,401	-	107,629	100% included
561.5	Reliability, Planning and Standards	348,426	219,013	131,562	-	699,001	100% included
563	Overhead line expenses	-	-	225	-	225	100% included
562	Station expenses	-	-	6,587	-	6,587	100% included
564	Underground Line Expenses - Transmission	-	-	525	-	525	100% included
566	Miscellaneous transmission expenses	964,413	829,555	916,409	-	2,710,377	100% included
568	Maintenance Supervision & Engineering	131,952	100,446	465,203	-	697,601	100% included
569	Maint of structures	6,463	6,993	7,169	-	20,625	100% included
569.2	Maintenance of Computer Software	646,321	311,341	457,266	-	1,414,928	100% included
569.4	Maintenance of Transmission Plant	-	-	4	-	4	100% included
570	Maintenance of station equipment	177,361	64,923	367,252	-	609,536	100% included
571	Maintenance of overhead lines	393,340	286,999	590,906	-	1,271,245	100% included
572	Maintenance of underground lines	194	172	1,137	-	1,503	100% included
573	Maintenance of miscellaneous transmission plant	15,358	28,110	145,477	-	188,945	100% included
575.5	Ancillary services market administration	-	-	8,945	-	8,945	Not included
580	Operation Supervision & Engineering	1,205,549	900,876	1,342,800	-	3,449,225	Not included
581	Load dispatching	1,088,271	408,220	1,622,032	-	3,118,523	Not included
582	Station expenses	519,935	-	127,953	-	647,888	Not included
583	Overhead line expenses	79,339	179,386	37,971	-	296,696	Not included
584	Underground line expenses	35,984	-	181,498	-	217,482	Not included
585	Street lighting	1,575	-	27	-	1,602	Not included
586	Meter expenses	709,279	447,257	1,114,080	-	2,270,616	Not included
587	Customer installations expenses	345,833	349,544	1,003,345	-	1,698,722	Not included
588	Miscellaneous distribution expenses	3,807,435	4,244,289	6,809,195	-	14,860,919	Not included
589	Rents	80,562	409	77,296	-	158,267	Not included
590	Maintenance Supervision & Engineering	948,744	573,387	499,410	-	2,021,541	Not included
591	Maintain structures	7,013	6,792	6,974	-	20,779	Not included
592	Maintain equipment	353,360	427,768	916,673	-	1,697,801	Not included
593	Maintain overhead lines	1,754,068	1,231,469	1,850,015	-	4,835,552	Not included
594	Maintain underground line	129,627	69,299	728,487	-	927,413	Not included
595	Maintain line transformers	2,257	-	150,585	-	152,842	Not included
596	Maintain street lighting & signal systems	41,343	36,511	6,306	-	84,160	Not included
597	Maintain meters	164,705	34,459	132,584	-	331,748	Not included
598	Maintain distribution plant	44,155	20,222	574,205	-	638,582	Not included
800-894	Total Gas Accounts	2,355,199	-	-	-	2,355,199	Not included
902	Meter reading expenses	144,273	36,799	129,651	-	310,723	Not included
903	Customer records and collection expenses	50,866,226	47,660,833	48,331,246	-	146,858,305	Not included
907	Supervision - Customer Svc & Information	88	156,520	42,124	-	198,732	Not included
908	Customer assistance expenses	1,897,100	652,072	545,344	-	3,094,516	Not included
909	Informational & instructional advertising	524,046	539,891	834,890	-	1,898,827	Not included
912	Demonstrating and selling expense	161,461	-	-	-	161,461	Not included
913	Advertising expense	40,738	-	-	-	40,738	Not included
920	Administrative & General salaries	339,115	100,744	689,110	-	1,128,969	Wage & Salary Factor
921	Office supplies & expenses	240	712	361	-	1,313	Wage & Salary Factor
923	Outside services employed	46,996,640	42,150,533	75,985,080	-	165,132,253	Wage & Salary Factor
924	Property insurance	113	91	154	-	358	Net Plant Factor
926	Employee pensions & benefits	7,809,871	4,323,683	12,245,344	-	24,378,898	Wage & Salary Factor
928	Regulatory commission expenses	1,470,858	492,412	2,686,522	-	4,649,792	Direct Transmission Only
929	Duplicate charges-Credit	422,348	150,426	1,117,064	-	1,689,838	Wage & Salary Factor
930.1	General ad expenses	208	186	356	-	750	Direct Transmission Only
930.2	Miscellaneous general expenses	518,497	510,021	999,424	-	2,027,942	Wage & Salary Factor
935	Maintenance of general plant	302,795	135,585	75,371	-	513,751	Wage & Salary Factor
<b>Total</b>		<b>165,063,490</b>	<b>135,410,920</b>	<b>219,018,531</b>	<b>49,281,395</b>	<b>568,774,336</b>	

## Potomac Electric Power Company

### Attachment 6 - Estimate and Reconciliation Worksheet

Step Month Year Action

Exec Summary

- 1 April Year 2 TO populates the formula with Year 1 data from FERC Form 1 data for Year 1 (e.g., 2004)
- 2 April Year 2 TO estimates all transmission Cap Adds and CWIP for Year 2 weighted based on Months expected to be in service in Year 2 (e.g., 2005)
- 3 April Year 2 TO adds weighted Cap Adds to plant in service in Formula
- 4 May Year 2 Post results of Step 3 on PJM web site
- 5 June Year 2 Results of Step 3 go into effect for the Rate Year 1 (e.g., June 1, 2005 - May 31, 2006)
  
- 6 April Year 3 TO populates the formula with Year 2 data from FERC Form 1 for Year 2 (e.g., 2005)
- 7 April Year 3 Reconciliation - TO calculates Reconciliation by removing from Year 2 data - the total Cap Adds placed in service in Year 2 and adding weighted average in Year 2 actual Cap Adds and CWIP in Reconciliation (adjusted to include any Reconciliation amount from prior year)
- 8 April Year 3 TO estimates Cap Adds and CWIP during Year 3 weighted based on Months expected to be in service in Year 3 (e.g., 2006)
- 9 April Year 3 Reconciliation - TO adds the difference between the Reconciliation in Step 7 and the forecast in Line 5 with interest to the result of Step 7 (this difference is also added to Step 8 in the subsequent year)
- 10 May Year 3 Post results of Step 9 on PJM web site
- 11 June Year 3 Results of Step 9 go into effect for the Rate Year 2 (e.g., June 1, 2006 - May 31, 2007)

- 1 April Year 2 TO populates the formula with Year 1 data from FERC Form 1 data for Year 1 (e.g., 2004)  
166,094,793 Rev Req based on Year 1 data Must run Appendix A to get this number (without inputs in lines 20, 21 or 43a of Appendix A)

- 2 April Year 2 TO estimates all transmission Cap Adds and CWIP for Year 2 weighted based on Months expected to be in service in Year 2 (e.g., 2005)

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	
	Monthly Additions Other Plant In Service	Monthly Additions Other Plant In Service	Monthly Additions MAPP CWIP	Monthly Additions MAPP In Service	Weighting	Other Plant In Service Amount (A x E)	Other Plant In Service Amount (B x E)	MAPP CWIP Amount (C x E)	MAPP In Service Amount (D x E)	Other Plant In Service (F / 12)	Other Plant In Service (G / 12)	MAPP CWIP (H / 12)	MAPP In Service (I / 12)	
Jan					11.5	-	-	-	-	-	-	-	-	
Feb					10.5	-	-	-	-	-	-	-	-	
Mar					9.5	-	-	-	-	-	-	-	-	
Apr					8.5	-	-	-	-	-	-	-	-	
May					7.5	-	-	-	-	-	-	-	-	
Jun					6.5	-	-	-	-	-	-	-	-	
Jul					5.5	-	-	-	-	-	-	-	-	
Aug					4.5	-	-	-	-	-	-	-	-	
Sep					3.5	-	-	-	-	-	-	-	-	
Oct					2.5	-	-	-	-	-	-	-	-	
Nov					1.5	-	-	-	-	-	-	-	-	
Dec					0.5	-	-	-	-	-	-	-	-	
Total														
New Transmission Plant Additions and CWIP (weighted by months in service)														
										Input to Line 21 of Appendix A				
										Input to Line 43a of Appendix A				
										Month In Service or Month for CWIP	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

- 3 April Year 2 TO adds weighted Cap Adds to plant in service in Formula  
 \$ - Input to Formula Line 21

- 4 May Year 2 Post results of Step 3 on PJM web site  
166,094,793 Must run Appendix A to get this number (with inputs on lines 21 and 43a of Attachment A)

- 5 June Year 2 Results of Step 3 go into effect for the Rate Year 1 (e.g., June 1, 2005 - May 31, 2006)  
 \$ 166,094,793

- 6 April Year 3 TO populates the formula with Year 2 data from FERC Form 1 for Year 2 (e.g., 2005)  
183,256,065 Rev Req based on Prior Year data Must run Appendix A to get this number (without inputs in lines 20, 21 or 43a of Appendix A)

7 April Year 3 Reconciliation - TO calculates Reconciliation by removing from Year 2 data - the total Cap Adds placed in service in Year 2 and adding weighted average in Year 2 actual Cap Adds and CWIP in Reconciliation (adjusted to include any Reconciliation amount from prior year)

Remove all Cap Adds placed in service in Year 2  
 For Reconciliation only - remove actual New Transmission Plant Additions for Year 2 **\$ 212,364,621** Input to Formula Line 20

Add weighted Cap Adds actually placed in service in Year 2

	(A) Monthly Additions Other Plant In Service	(B) Monthly Additions Other Plant In Service	(C) Monthly Additions MAPP CWIP	(D) Monthly Additions MAPP In Service	(E) Weighting	(F) Other Plant In Service Amount (A x E)	(G) Other Plant In Service Amount (B x E)	(H) MAPP CWIP Amount (C x E)	(I) MAPP In Service Amount (D x E)	(J) Other Plant In Service (F / 12)	(K) Other Plant In Service (G / 12)	(L) MAPP CWIP (H / 12)	(M) MAPP In Service (I / 12)	
Jan	\$141,088				11.5	1,622,516	-	-	-	135,210	-	-	-	
Feb	\$10,407,274				10.5	109,276,376	-	-	-	9,106,365	-	-	-	
Mar	\$228,188				9.5	2,167,790	-	-	-	180,649	-	-	-	
Apr	\$8,692,183				8.5	73,883,558	-	-	-	6,156,963	-	-	-	
May	\$22,291,199				7.5	167,183,989	-	-	-	13,931,999	-	-	-	
Jun	\$2,217,195				6.5	14,411,767	-	-	-	1,200,981	-	-	-	
Jul	\$4,549,159				5.5	25,020,374	-	-	-	2,085,031	-	-	-	
Aug	\$1,842,955				4.5	8,293,296	-	-	-	691,108	-	-	-	
Sep	\$378,989				3.5	1,326,463	-	-	-	110,539	-	-	-	
Oct	(\$658,760)				2.5	(1,646,899)	-	-	-	(137,242)	-	-	-	
Nov	\$50,188,490				1.5	75,282,735	-	-	-	6,273,561	-	-	-	
Dec	\$112,086,660				0.5	56,043,330	-	-	-	4,670,278	-	-	-	
Total	212,364,621	-	-	-		532,865,296	-	-	-	44,405,441	-	-	-	
New Transmission Plant Additions and CWIP (weighted by months in service)										44,405,441	-	-	-	
										Input to Line 21 of Appendix A	44,405,441	-	-	44,405,441
										Input to Line 43a of Appendix A				
										Month In Service or Month for CWIP	9.49	#DIV/0!	#DIV/0!	#DIV/0!
<b>168,034,596</b> Result of Formula for Reconciliation														
(Year 2 data with total of Year 2 Cap Adds removed and monthly weighted average of Year 2 actual Cap Adds added in)														

8 April Year 3 TO estimates Cap Adds and CWIP during Year 3 weighted based on Months expected to be in service in Year 3 (e.g., 2006)

	(A) Monthly Additions Other Plant In Service	(B) Monthly Additions Other Plant In Service	(C) Monthly Additions MAPP CWIP	(D) Monthly Additions MAPP In Service	(E) Weighting	(F) Other Plant In Service Amount (A x E)	(G) Other Plant In Service Amount (B x E)	(H) MAPP CWIP Amount (C x E)	(I) MAPP In Service Amount (D x E)	(J) Other Plant In Service (F / 12)	(K) Other Plant In Service (G / 12)	(L) MAPP CWIP (H / 12)	(M) MAPP In Service (I / 12)	
Jan					11.5	-	-	-	-	-	-	-	-	
Feb					10.5	-	-	-	-	-	-	-	-	
Mar					9.5	-	-	-	-	-	-	-	-	
Apr					8.5	-	-	-	-	-	-	-	-	
May					7.5	-	-	-	-	-	-	-	-	
Jun					6.5	-	-	-	-	-	-	-	-	
Jul					5.5	-	-	-	-	-	-	-	-	
Aug					4.5	-	-	-	-	-	-	-	-	
Sep					3.5	-	-	-	-	-	-	-	-	
Oct					2.5	-	-	-	-	-	-	-	-	
Nov					1.5	-	-	-	-	-	-	-	-	
Dec					0.5	-	-	-	-	-	-	-	-	
Total														
New Transmission Plant Additions and CWIP (weighted by months in service)										0	-	-	-	
<b>169,575,932</b>										Input to Line 21 of Appendix A				
										Input to Line 43a of Appendix A				
										Month In Service or Month for CWIP	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

9 April Year 3 Reconciliation - TO adds the difference between the Reconciliation in Step 7 and the forecast in Line 5 with interest to the result of Step 7 (this difference is also added to Step 8 in the subsequent year)

Footnote 1: See Attachment 5 - Cost Support in regards to Brandywine Fly Ash Environmental Expenses

The Reconciliation in Step 7		The forecast in Prior Year			
168,034,596	-	164,004,674	=	4,029,921	See footnote 1 Attachment 5 - Cost Support 1

Interest on Amount of Refunds or Surcharges

Interest rate pursuant to 35.19a for March of the		0.3600%				
Month	Yr	1/12 of Step 9	Interest rate for March of the Current Yr	Months	Interest	Surcharge (Refund) Owed
Jun	Year 1	335,827	0.3600%	11.5	13,903	349,730
Jul	Year 1	335,827	0.3600%	10.5	12,694	348,521
Aug	Year 1	335,827	0.3600%	9.5	11,485	347,312
Sep	Year 1	335,827	0.3600%	8.5	10,276	346,103
Oct	Year 1	335,827	0.3600%	7.5	9,067	344,894
Nov	Year 1	335,827	0.3600%	6.5	7,858	343,685
Dec	Year 1	335,827	0.3600%	5.5	6,649	342,476
Jan	Year 2	335,827	0.3600%	4.5	5,440	341,267
Feb	Year 2	335,827	0.3600%	3.5	4,231	340,058
Mar	Year 2	335,827	0.3600%	2.5	3,022	338,849
Apr	Year 2	335,827	0.3600%	1.5	1,813	337,640
May	Year 2	335,827	0.3600%	0.5	604	336,431
Total		4,029,921				4,116,968

		Balance	Interest rate from above	Amortization over Rate Year	Balance
Jun	Year 2	4,116,968	0.3600%	351,162	3,780,627
Jul	Year 2	3,780,627	0.3600%	351,162	3,443,076
Aug	Year 2	3,443,076	0.3600%	351,162	3,104,309
Sep	Year 2	3,104,309	0.3600%	351,162	2,764,323
Oct	Year 2	2,764,323	0.3600%	351,162	2,423,113
Nov	Year 2	2,423,113	0.3600%	351,162	2,080,675
Dec	Year 2	2,080,675	0.3600%	351,162	1,737,003
Jan	Year 3	1,737,003	0.3600%	351,162	1,392,095
Feb	Year 3	1,392,095	0.3600%	351,162	1,045,945
Mar	Year 3	1,045,945	0.3600%	351,162	698,549
Apr	Year 3	698,549	0.3600%	351,162	349,902
May	Year 3	349,902	0.3600%	351,162	-
Total with interest				4,213,939	

The difference between the Reconciliation in Step 7 and the forecast in Prior Year with interest 4,213,939

Rev Req based on Year 2 data with estimated Cap Adds and CWIP for Year 3 (Step 8)	\$	169,575,932
Revenue Requirement for Year 3		173,789,871

10 May Year 3 Post results of Step 9 on PJM web site  
\$ 173,789,871 Post results of Step 3 on PJM web site

11 June Year 3 Results of Step 9 go into effect for the Rate Year 2 (e.g., June 1, 2006 - May 31, 2007)  
\$ 173,789,871

Potomac Electric Power Company

Attachment 7 - Transmission Enhancement Charge Worksheet

1	New Plant Carrying Charge				
2	<b>Fixed Charge Rate (FCR) if not a CIAC</b>				
3	Formula Line				
4	A	160	Net Plant Carrying Charge without Depreciation	12.6000%	
5	B	167	Net Plant Carrying Charge per 100 Basis Point in ROE without Depreciati	13.1190%	
6	C		Line B less Line A	0.5190%	
7	<b>FCR if a CIAC</b>				
8	D	161	Net Plant Carrying Charge without Depreciation, Return, nor Income Tax	5.2059%	

The FCR resulting from Formula in a given year is used for that year only.

Therefore actual revenues collected in a year do not change based on cost data for subsequent years

The ROE is 10.5% which includes a base ROE of 10.0% ROE per FERC order in Docket No. EL13-48 and a 50 basis point RTO membership adder as authorized by FERC:

Details		B0288 Brighton Sub				B0251 Bells Mill 230kV Capacitors				
12 "Yes" if a project under PJM OATT Schedule 12, otherwise "No"	Schedule 12 (Yes or No)	Yes				No				
13 Useful life of project	Life	35				35				
14 "Yes" if the customer has paid a lump sum payment in the amount of the investment on line 18, otherwise "No"	CIAC (Yes or No)	No				No				
15 Input the allowed ROE Incentive From line 4 above if "No" on line 14 and From line 8 above if "Yes" on line 14	Increased ROE (Basis Points)	150				0				
16 Line 6 times line 15 divided by 100 basis points	Base FCR	12.6000%				12.6000%				
17 Columns A, B or C from Attachment 6	FCR for This Project	13.3785%				12.6000%				
18 Attachment 6	Investment	33,558,380				6,986,903				
19 Line 18 divided by line 13	Annual Depreciation/ Amortization Exp	958,811				199,626				
20 From Columns H, I or J from Attachment 6	Month In Service or Month for CWIP	6.50				5.50				
41	Base FCR	Invest Yr	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue
42	W Increased ROE	2018	25,448,438	958,811	24,489,627	4,044,506	5,481,392	199,626	5,281,766	865,129
43	Base FCR	2019	24,489,627	958,811	23,530,816	3,923,696	5,281,766	199,626	5,082,140	839,976
44	W Increased ROE	2019	24,489,627	958,811	23,530,816	4,106,884	5,281,766	199,626	5,082,140	839,976
45	Base FCR	2020	23,530,816	958,811	22,572,006	3,802,886	5,082,140	199,626	4,882,514	814,823
46	W Increased ROE	2020	23,530,816	958,811	22,572,006	3,978,610	5,082,140	199,626	4,882,514	814,823
47	Base FCR	2021	22,572,006	958,811	21,613,195	3,682,076	4,882,514	199,626	4,682,889	789,670
48	W Increased ROE	2021	22,572,006	958,811	21,613,195	3,850,335	4,882,514	199,626	4,682,889	789,670
49	Base FCR	2022	21,613,195	958,811	20,654,384	3,561,265	4,682,889	199,626	4,483,263	764,517
50	W Increased ROE	2022	21,613,195	958,811	20,654,384	3,722,060	4,682,889	199,626	4,483,263	764,517
51	Base FCR	2023	20,654,384	958,811	19,695,573	3,440,455	4,483,263	199,626	4,283,637	739,364
52	W Increased ROE	2023	20,654,384	958,811	19,695,573	3,593,786	4,483,263	199,626	4,283,637	739,364
53	Base FCR	2024	19,695,573	958,811	18,736,762	3,319,645	4,283,637	199,626	4,084,011	714,212
54	W Increased ROE	2024	19,695,573	958,811	18,736,762	3,465,511	4,283,637	199,626	4,084,011	714,212
55	Base FCR	2025	18,736,762	958,811	17,777,951	3,198,835	4,084,011	199,626	3,884,385	689,059
56	W Increased ROE	2025	18,736,762	958,811	17,777,951	3,337,236	4,084,011	199,626	3,884,385	689,059
57	Base FCR	2026	17,777,951	958,811	16,819,140	3,078,024	3,884,385	199,626	3,684,760	663,906
58	W Increased ROE	2026	17,777,951	958,811	16,819,140	3,208,962	3,884,385	199,626	3,684,760	663,906
59	Base FCR	2027	16,819,140	958,811	15,860,330	2,957,214	3,684,760	199,626	3,485,134	638,753
60	W Increased ROE	2027	16,819,140	958,811	15,860,330	3,080,687	3,684,760	199,626	3,485,134	638,753

provided, that the projects identified in Docket Nos. ER08-686 and ER08-1423 have been awarded an additional 150 basis point adder and, thus, their ROE is 12.0%.

B0252 Northern System Rel -3 230 Caps				B0319 Burches Hill 500/230 kV transformer - second 1000 MVA				B0367.1/B0367.2 Reconductor Dickerson-Quince Orchard 230 kV				B0512.7 Chalk Point 230 kV Breaker 1A			
No				No				Yes				Yes			
35				35				35				35			
No				No				No				No			
0				150				150				0			
12.6000%				12.6000%				12.6000%				12.6000%			
12.6000%				13.3785%				13.3785%				12.6000%			
5,013,166				36,700,000				20,000,000				2,000,000			
143,233				1,048,571				571,429				57,143			
5.50				8.00				8.00				8.00			
Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue
3,932,948	143,233	3,789,715	620,738	30,059,048	1,048,571	29,010,476	4,703,894	16,380,952	571,429	15,809,524	2,563,430	1,638,095	57,143	1,580,952	256,343
3,932,948	143,233	3,789,715	620,738	30,059,048	1,048,571	29,010,476	4,929,742	16,380,952	571,429	15,809,524	2,686,508	1,638,095	57,143	1,580,952	256,343
3,789,715	143,233	3,646,481	602,690	29,010,476	1,048,571	27,961,905	4,571,774	15,809,524	571,429	15,238,095	2,491,430	1,580,952	57,143	1,523,810	249,143
3,789,715	143,233	3,646,481	602,690	29,010,476	1,048,571	27,961,905	4,789,459	15,809,524	571,429	15,238,095	2,610,059	1,580,952	57,143	1,523,810	249,143
3,646,481	143,233	3,503,248	584,643	27,961,905	1,048,571	26,913,333	4,439,654	15,238,095	571,429	14,666,667	2,419,430	1,523,810	57,143	1,466,667	241,943
3,646,481	143,233	3,503,248	584,643	27,961,905	1,048,571	26,913,333	4,649,175	15,238,095	571,429	14,666,667	2,533,611	1,523,810	57,143	1,466,667	241,943
3,503,248	143,233	3,360,015	566,596	26,913,333	1,048,571	25,864,762	4,307,534	14,666,667	571,429	14,095,238	2,347,430	1,466,667	57,143	1,409,524	234,743
3,503,248	143,233	3,360,015	566,596	26,913,333	1,048,571	25,864,762	4,508,892	14,666,667	571,429	14,095,238	2,457,162	1,466,667	57,143	1,409,524	234,743
3,360,015	143,233	3,216,782	548,548	25,864,762	1,048,571	24,816,190	4,175,414	14,095,238	571,429	13,523,810	2,275,430	1,409,524	57,143	1,352,381	227,543
3,360,015	143,233	3,216,782	548,548	25,864,762	1,048,571	24,816,190	4,368,609	14,095,238	571,429	13,523,810	2,380,713	1,409,524	57,143	1,352,381	227,543
3,216,782	143,233	3,073,548	530,501	24,816,190	1,048,571	23,767,619	4,043,294	13,523,810	571,429	12,952,381	2,203,430	1,352,381	57,143	1,295,238	220,343
3,216,782	143,233	3,073,548	530,501	24,816,190	1,048,571	23,767,619	4,228,326	13,523,810	571,429	12,952,381	2,304,265	1,352,381	57,143	1,295,238	220,343
3,073,548	143,233	2,930,315	512,453	23,767,619	1,048,571	22,719,048	3,911,174	12,952,381	571,429	12,380,952	2,131,430	1,295,238	57,143	1,238,095	213,143
3,073,548	143,233	2,930,315	512,453	23,767,619	1,048,571	22,719,048	4,088,042	12,952,381	571,429	12,380,952	2,227,816	1,295,238	57,143	1,238,095	213,143
2,930,315	143,233	2,787,082	494,406	22,719,048	1,048,571	21,670,476	3,779,054	12,380,952	571,429	11,809,524	2,059,430	1,238,095	57,143	1,180,952	205,943
2,930,315	143,233	2,787,082	494,406	22,719,048	1,048,571	21,670,476	3,947,759	12,380,952	571,429	11,809,524	2,151,367	1,238,095	57,143	1,180,952	205,943
2,787,082	143,233	2,643,848	476,358	21,670,476	1,048,571	20,621,905	3,646,934	11,809,524	571,429	11,238,095	1,987,430	1,180,952	57,143	1,123,810	198,743
2,787,082	143,233	2,643,848	476,358	21,670,476	1,048,571	20,621,905	3,807,476	11,809,524	571,429	11,238,095	2,074,919	1,180,952	57,143	1,123,810	198,743
2,643,848	143,233	2,500,615	458,311	20,621,905	1,048,571	19,573,333	3,514,813	11,238,095	571,429	10,666,667	1,915,430	1,123,810	57,143	1,066,667	191,543
2,643,848	143,233	2,500,615	458,311	20,621,905	1,048,571	19,573,333	3,667,192	11,238,095	571,429	10,666,667	1,998,470	1,123,810	57,143	1,066,667	191,543



BO512.8 Chalk Point 230 kV Breaker 1B				BO512.9 Chalk Point 230 kV Breaker 2A				BO512.12 Chalk Point 230 kV Breaker 3A				BO478 Burches Hill-Palmer Cr Upgrade 23090, 91, 92, 93			
Yes 35				Yes 35				Yes 35				Yes 35			
No 0				No 0				No 0				No 150			
12.6000%				12.6000%				12.6000%				12.6000%			
12.6000%				12.6000%				12.6000%				13.3785%			
2,000,000				2,000,000				2,000,000				15,875,382			
57,143				57,143				57,143				453,582			
8.00				8.00				12.00				6.00			
Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue
1,638,095	57,143	1,580,952	256,343	1,638,095	57,143	1,580,952	256,343	1,657,143	57,143	1,600,000	258,743	13,380,679	453,582	12,927,097	2,082,398
1,638,095	57,143	1,580,952	256,343	1,638,095	57,143	1,580,952	256,343	1,657,143	57,143	1,600,000	258,743	13,380,679	453,582	12,927,097	2,183,036
1,580,952	57,143	1,523,810	249,143	1,580,952	57,143	1,523,810	249,143	1,600,000	57,143	1,542,857	251,543	12,927,097	453,582	12,473,514	2,025,246
1,580,952	57,143	1,523,810	249,143	1,580,952	57,143	1,523,810	249,143	1,600,000	57,143	1,542,857	251,543	12,927,097	453,582	12,473,514	2,122,353
1,523,810	57,143	1,466,667	241,943	1,523,810	57,143	1,466,667	241,943	1,542,857	57,143	1,485,714	244,343	12,473,514	453,582	12,019,932	1,968,095
1,523,810	57,143	1,466,667	241,943	1,523,810	57,143	1,466,667	241,943	1,542,857	57,143	1,485,714	244,343	12,473,514	453,582	12,019,932	2,061,671
1,466,667	57,143	1,409,524	234,743	1,466,667	57,143	1,409,524	234,743	1,485,714	57,143	1,428,571	237,143	12,019,932	453,582	11,566,350	1,910,944
1,466,667	57,143	1,409,524	234,743	1,466,667	57,143	1,409,524	234,743	1,485,714	57,143	1,428,571	237,143	12,019,932	453,582	11,566,350	2,000,988
1,409,524	57,143	1,352,381	227,543	1,409,524	57,143	1,352,381	227,543	1,428,571	57,143	1,371,429	229,943	11,566,350	453,582	11,112,767	1,853,792
1,409,524	57,143	1,352,381	227,543	1,409,524	57,143	1,352,381	227,543	1,428,571	57,143	1,371,429	229,943	11,566,350	453,582	11,112,767	1,940,305
1,352,381	57,143	1,295,238	220,343	1,352,381	57,143	1,295,238	220,343	1,371,429	57,143	1,314,286	222,743	11,112,767	453,582	10,659,185	1,796,641
1,352,381	57,143	1,295,238	220,343	1,352,381	57,143	1,295,238	220,343	1,371,429	57,143	1,314,286	222,743	11,112,767	453,582	10,659,185	1,879,623
1,295,238	57,143	1,238,095	213,143	1,295,238	57,143	1,238,095	213,143	1,314,286	57,143	1,257,143	215,543	10,659,185	453,582	10,205,603	1,739,489
1,295,238	57,143	1,238,095	213,143	1,295,238	57,143	1,238,095	213,143	1,314,286	57,143	1,257,143	215,543	10,659,185	453,582	10,205,603	1,818,940
1,238,095	57,143	1,180,952	205,943	1,238,095	57,143	1,180,952	205,943	1,257,143	57,143	1,200,000	208,343	10,205,603	453,582	9,752,020	1,682,338
1,238,095	57,143	1,180,952	205,943	1,238,095	57,143	1,180,952	205,943	1,257,143	57,143	1,200,000	208,343	10,205,603	453,582	9,752,020	1,758,258
1,180,952	57,143	1,123,810	198,743	1,180,952	57,143	1,123,810	198,743	1,200,000	57,143	1,142,857	201,143	9,752,020	453,582	9,298,438	1,625,186
1,180,952	57,143	1,123,810	198,743	1,180,952	57,143	1,123,810	198,743	1,200,000	57,143	1,142,857	201,143	9,752,020	453,582	9,298,438	1,697,575
1,123,810	57,143	1,066,667	191,543	1,123,810	57,143	1,066,667	191,543	1,142,857	57,143	1,085,714	193,943	9,298,438	453,582	8,844,856	1,568,035
1,123,810	57,143	1,066,667	191,543	1,123,810	57,143	1,066,667	191,543	1,142,857	57,143	1,085,714	193,943	9,298,438	453,582	8,844,856	1,636,893

BO499 Burches Hill Sub: Add 3rd 500/230kV				BO526 Ritchie-Benning: Install (2) 230kV Lines				BO701.1 Benning Sub: Add 3rd 230/69kV, 250MVA				BO496 Brighton Sub: Upgrade T1 500/230kv Transormer			
Yes				Yes				Yes				Yes			
35				35				35				35			
No				No				No				No			
150				0				0				150			
12.6000%				12.6000%				12.6000%				12.6000%			
13.3785%				12.6000%				12.6000%				13.3785%			
29,544,357				58,581,170				5,226,954				19,021,804			
844,124				1,673,748				149,342				543,480			
6.00				6.00				6.00				2.00			
Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue
24,901,672	844,124	24,057,548	3,875,378	49,375,558	1,673,748	47,701,810	7,684,181	4,405,576	149,342	4,256,234	685,627	16,580,284	543,480	16,036,804	2,564,119
24,901,672	844,124	24,057,548	4,062,667	49,375,558	1,673,748	47,701,810	7,684,181	4,405,576	149,342	4,256,234	685,627	16,580,284	543,480	16,036,804	2,688,966
24,057,548	844,124	23,213,423	3,769,018	47,701,810	1,673,748	46,028,062	7,473,288	4,256,234	149,342	4,106,892	666,810	16,036,804	543,480	15,493,324	2,495,641
24,057,548	844,124	23,213,423	3,949,735	47,701,810	1,673,748	46,028,062	7,473,288	4,256,234	149,342	4,106,892	666,810	16,036,804	543,480	15,493,324	2,616,257
23,213,423	844,124	22,369,299	3,662,658	46,028,062	1,673,748	44,354,314	7,262,396	4,106,892	149,342	3,957,551	647,993	15,493,324	543,480	14,949,844	2,427,162
23,213,423	844,124	22,369,299	3,836,804	46,028,062	1,673,748	44,354,314	7,262,396	4,106,892	149,342	3,957,551	647,993	15,493,324	543,480	14,949,844	2,543,547
22,369,299	844,124	21,525,174	3,556,299	44,354,314	1,673,748	42,680,567	7,051,503	3,957,551	149,342	3,808,209	629,176	14,949,844	543,480	14,406,364	2,358,683
22,369,299	844,124	21,525,174	3,723,873	44,354,314	1,673,748	42,680,567	7,051,503	3,957,551	149,342	3,808,209	629,176	14,949,844	543,480	14,406,364	2,470,837
21,525,174	844,124	20,681,050	3,449,939	42,680,567	1,673,748	41,006,819	6,840,611	3,808,209	149,342	3,658,868	610,359	14,406,364	543,480	13,862,884	2,290,205
21,525,174	844,124	20,681,050	3,610,942	42,680,567	1,673,748	41,006,819	6,840,611	3,808,209	149,342	3,658,868	610,359	14,406,364	543,480	13,862,884	2,398,128
20,681,050	844,124	19,836,925	3,343,579	41,006,819	1,673,748	39,333,071	6,629,719	3,658,868	149,342	3,509,526	591,542	13,862,884	543,480	13,319,404	2,221,726
20,681,050	844,124	19,836,925	3,498,010	41,006,819	1,673,748	39,333,071	6,629,719	3,658,868	149,342	3,509,526	591,542	13,862,884	543,480	13,319,404	2,325,418
19,836,925	844,124	18,992,801	3,237,219	39,333,071	1,673,748	37,659,324	6,418,826	3,509,526	149,342	3,360,185	572,725	13,319,404	543,480	12,775,923	2,153,248
19,836,925	844,124	18,992,801	3,385,079	39,333,071	1,673,748	37,659,324	6,418,826	3,509,526	149,342	3,360,185	572,725	13,319,404	543,480	12,775,923	2,252,709
18,992,801	844,124	18,148,676	3,130,860	37,659,324	1,673,748	35,985,576	6,207,934	3,360,185	149,342	3,210,843	553,908	12,775,923	543,480	12,232,443	2,084,769
18,992,801	844,124	18,148,676	3,272,148	37,659,324	1,673,748	35,985,576	6,207,934	3,360,185	149,342	3,210,843	553,908	12,775,923	543,480	12,232,443	2,179,999
18,148,676	844,124	17,304,552	3,024,500	35,985,576	1,673,748	34,311,828	5,997,042	3,210,843	149,342	3,061,502	535,091	12,232,443	543,480	11,688,963	2,016,291
18,148,676	844,124	17,304,552	3,159,216	35,985,576	1,673,748	34,311,828	5,997,042	3,210,843	149,342	3,061,502	535,091	12,232,443	543,480	11,688,963	2,107,290
17,304,552	844,124	16,460,427	2,918,140	34,311,828	1,673,748	32,638,080	5,786,149	3,061,502	149,342	2,912,160	516,274	11,688,963	543,480	11,145,483	1,947,812
17,304,552	844,124	16,460,427	3,046,285	34,311,828	1,673,748	32,638,080	5,786,149	3,061,502	149,342	2,912,160	516,274	11,688,963	543,480	11,145,483	2,034,580

B1125 Convert Buzzard to Ritchie Line - 138kV to 230kV				b2008 Reconductor feeder Dickerson to Quince Orchard						
Yes				Yes						
35				35						
No				No						
0				0						
12.6000%				12.6000%						
12.6000%				12.6000%						
51,852,352				8,623,505						
1,481,496				246,386						
10.00				2.00						
Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Total	Incentive Charged	Revenue Credit
47,126,667	1,481,496	45,645,171	7,232,792	7,936,145	246,386	7,689,759	1,215,296	\$ 39,165,261		\$ 39,165,261
47,126,667	1,481,496	45,645,171	7,232,792	7,936,145	246,386	7,689,759	1,215,296	\$ 40,117,612	\$ 40,117,612	
45,645,171	1,481,496	44,163,675	7,046,123	7,689,759	246,386	7,443,373	1,184,252	\$ 38,088,918		\$ 38,088,918
45,645,171	1,481,496	44,163,675	7,046,123	7,689,759	246,386	7,443,373	1,184,252	\$ 39,006,859	\$ 39,006,859	
44,163,675	1,481,496	42,682,179	6,859,455	7,443,373	246,386	7,196,987	1,153,207	\$ 37,012,574		\$ 37,012,574
44,163,675	1,481,496	42,682,179	6,859,455	7,443,373	246,386	7,196,987	1,153,207	\$ 37,896,106	\$ 37,896,106	
42,682,179	1,481,496	41,200,683	6,672,786	7,196,987	246,386	6,950,601	1,122,162	\$ 35,936,231		\$ 35,936,231
42,682,179	1,481,496	41,200,683	6,672,786	7,196,987	246,386	6,950,601	1,122,162	\$ 36,785,353	\$ 36,785,353	
41,200,683	1,481,496	39,719,188	6,486,117	6,950,601	246,386	6,704,215	1,091,118	\$ 34,859,888		\$ 34,859,888
41,200,683	1,481,496	39,719,188	6,486,117	6,950,601	246,386	6,704,215	1,091,118	\$ 35,674,600	\$ 35,674,600	
39,719,188	1,481,496	38,237,692	6,299,449	6,704,215	246,386	6,457,829	1,060,073	\$ 33,783,545		\$ 33,783,545
39,719,188	1,481,496	38,237,692	6,299,449	6,704,215	246,386	6,457,829	1,060,073	\$ 34,563,847	\$ 34,563,847	
38,237,692	1,481,496	36,756,196	6,112,780	6,457,829	246,386	6,211,444	1,029,028	\$ 32,707,202		\$ 32,707,202
38,237,692	1,481,496	36,756,196	6,112,780	6,457,829	246,386	6,211,444	1,029,028	\$ 33,453,094	\$ 33,453,094	
36,756,196	1,481,496	35,274,700	5,926,112	6,211,444	246,386	5,965,058	997,984	\$ 31,630,859		\$ 31,630,859
36,756,196	1,481,496	35,274,700	5,926,112	6,211,444	246,386	5,965,058	997,984	\$ 32,342,341	\$ 32,342,341	
35,274,700	1,481,496	33,793,205	5,739,443	5,965,058	246,386	5,718,672	966,939	\$ 30,554,515		\$ 30,554,515
35,274,700	1,481,496	33,793,205	5,739,443	5,965,058	246,386	5,718,672	966,939	\$ 31,231,588	\$ 31,231,588	
33,793,205	1,481,496	32,311,709	5,552,774	5,718,672	246,386	5,472,286	935,894	\$ 29,478,172		\$ 29,478,172
33,793,205	1,481,496	32,311,709	5,552,774	5,718,672	246,386	5,472,286	935,894	\$ 30,120,835	\$ 30,120,835	
								\$	702,221,291	\$ 683,489,121

# Potomac Electric Power Company

## Attachment 8 - Company Exhibit - Securitization Workpaper

Line #

Long Term Interest

<b>101</b>	<b>Less LTD Interest on Securitization Bonds</b>		<b>0</b>
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Capitalization

<b>112</b>	<b>Less LTD on Securitization Bonds</b>		<b>0</b>
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Calculation of the above Securitization Adjustments





May 11, 2018

Ms. Kimberly D. Bose  
Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E. Room 1A  
Washington, DC 20426  
*Via e-filing*

**Re: PECO Energy Company  
Docket No. ER17-1519-000  
Informational Filing of 2018 Formula Rate Annual Update; Notice of Annual Meeting**

Dear Ms. Bose,

PECO Energy Company (“PECO”) hereby submits electronically, for informational purposes, its Annual Update Information pursuant to the Formula Rate Implementation Protocols (“Protocols”) of PECO contained in Attachment H-7C of the PJM Interconnection, L.L.C. (“PJM”) Open Access Transmission Tariff (“Tariff”).<sup>1</sup>

The Protocols provide that:

On or before May 15 of each year, PECO shall provide its Annual Update and True-Up Adjustment to PJM Interconnection, L.L.C. (“PJM”), cause such information to be posted on the PJM website and OASIS, and file such information with the Federal Energy Regulatory Commission (“FERC”) as an informational filing. Within five (5) days of such posting, PECO shall cause notice of such posting to be provided via an exploder list. ... On or before May 15 of each year, PECO shall provide its projected net revenue requirement to PJM, cause such information to be posted on the PJM website and OASIS, and file such information with the FERC as an informational filing. Within five (5) days of posting of the projected net revenue requirement, PECO shall cause notice of such posting to be provided to an email exploder list.<sup>2</sup>

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<sup>1</sup> On June 26, 2017 (with an errata issued on June 27, 2017), the Commission issued a delegated letter order accepting and suspending PECO’s Formula Rate and Protocols, subject to refund, with an effective date of December 1, 2017.

<sup>2</sup> See PJM Tariff, Attachment H-7C, Section §§ II.B-C.

The same information contained in this informational filing has been transmitted to PJM for posting on its website as required by the Protocols. Thus, all interested parties should have ample notice of and access to the Annual Update Information. The Protocols provide specific procedures for notice, review, exchanges of information and potential challenges to aspects of the Annual Update Information.

As required by the Protocols, notice of an Annual Meeting to be held on June 15, 2018 is also being provided on the PJM website. The Annual Meeting will permit PECO to explain and clarify the Annual Update and True-up Adjustment and will provide interested parties an opportunity to seek information and clarifications about the Annual Update and True-up Adjustment.

PECO has prepared the 2018 Annual Update Information in a manner consistent with its Protocols, as set forth in Attachment H-7C of the PJM Tariff. Appendix 1 is the projected net revenue requirement that will be used by PJM to determine charges for service to the PECO zone during the June 1, 2018 through May 31, 2019 rate period. Appendix 2 is the True-Up Calculation that provides the formula worksheets that reflect 2017 actuals and support the True-Up Adjustment.

Sections II.F and II.G of the Protocols identify certain information that is to be provided in the Annual Update and projected net revenue requirement. This information is provided herein.

A. Changes to Formula References to the FERC Form No. 1

In accordance with Section II.F.5 of the Protocols, PECO has identified two changes in the formula references to the FERC Form No 1. Appendix 3 hereto identifies these changes.

The first change relates to the adjustment of lines related to the calculation for Taxes Other than Income Taxes as a result of line adjustments to the FERC Form No. 1. Accordingly, the instruction for the calculation on Attachment 5-P3 Support, Line 2, Columns c-h, of the Formula Rate has been updated to include the appropriate FERC Form No. 1 references.

The second change relates to the transmission revenue that PECO received in 2017 as part of the true up adjustment calculation. Attachment 3-Project True-up, Note 3, explains that the "Revenue Received" on line 2, Col. (E), should be the total amount of revenue distributed to the company in the year as shown on pages 328-330 of the FERC Form No. 1. PECO's formula rate went into effect on December 1, 2017, and the revenue recognized in the true-up adjustment should only reflect the period for which the rate was in effect. The "Revenue Received" reflects the actual transmission revenue that PECO received from PJM for the month of December 2017. The other amounts on Attachment 3-Project True-up have been updated to reflect this one-month proration.

B. Material Adjustments to the FERC Form No. 1

In accordance with Section II.F.6 of the Protocols, PECO confirms the Annual Update Information contains no material adjustments to FERC Form No. 1 data.

C. Affiliate Cost Allocation

In accordance with Section II.F.7 of the Protocols, PECO is hereby providing information about affiliate cost allocation. Exelon Business Services Company (“EBSC”) offers a range of services to PECO and other affiliated members of the Exelon family of companies. Under the terms of the General Services Agreement (“GSA”) between PECO and the EBSC, which was approved in the PECO/Unicom merger proceeding with the Pennsylvania Public Utility Commission (“PA PUC”) at Docket No. A-110550F0147, the services furnished by the EBSC to PECO are to be billed at the EBSC’s cost. Direct charges are made for services where possible. Otherwise, costs are allocated to affiliates of EBSC on the basis of the allocation factors/methodologies identified in the attachment to the GSA, which were previously reviewed and approved by the U.S. Securities and Exchange Commission (“SEC”). Costs distributed to PECO are recorded to the appropriate common Administrative & General expense accounts on PECO's books. No changes to cost allocation methodologies were made from the prior year. Refer to pages 429 and 429.1 of the FERC Form No. 1 for the magnitude of such costs that have been allocated or directly assigned to PECO and each affiliate by service category or function.

D. Accounting Changes

In accordance with Sections II.F.8 and II.G.5 of the Protocols, PECO confirms the Annual Update Information contains no material accounting change. Any material accounting change is discussed in applicable disclosure statements filed within the SEC Form 10-K and within the FERC Form No. 1.

E. Items Included on a Non-Historical Cost Basis

In accordance with Sections II.F.9 and II.G.6 of the Protocols, PECO has identified the following items included in the projected net revenue requirement that are on a non-historical cost basis:

- (1) Income Tax Rate. PECO has updated the federal income tax rate from 35% to 21%, as a reduction to the projected net revenue requirement, to reflect the impact of the 2017 Tax Cuts and Jobs Act (“TCJA”).
- (2) Excess Deferred Amortization. PECO has included excess deferred amortization, as a reduction to the projected net revenue requirement, to reflect the impact of the TCJA.
- (3) Other Post-Employment Benefits (“OPEB”). PECO has made no change to OPEB costs reflected in the formula.

F. Reorganization or Merger Transaction

In accordance with Sections II.F.10 and II.G.7 of the Protocols, PECO confirms there are no reorganization or merger transactions.

G. 2018 Annual Depreciation Report

In accordance with Note 7 in Attachment 8 Depreciation Rates of PECO's formula rate, a copy of PECO's 2018 Annual Depreciation Report as filed with the Pennsylvania Public Utility Commission is included as Appendix No. 4.

Thank you for your attention to this informational filing. Please direct any questions to the undersigned.

Very truly yours,

/s/ Jack R. Garfinkle  
Associate General Counsel

Enclosures

cc: All parties on Service Lists in Docket No. ER17-1519-000





An Exelon Company

**PECO Electric Company Annual Meeting  
For the May 11, 2018 Formula Transmission Rate Annual Update**

Section II.H of the formula rate protocols requires an open meeting among interested parties (“Annual Meeting”) to be held no later than forty-five (45) days after the Publication Date of the Annual Update. This meeting is to explain and clarify the Annual Update and True-up Adjustment filed on May 11, 2018, and give interested parties an opportunity to seek information and clarifications about the Annual Update and True-up Adjustment.

Accordingly, the following Notice is being posted by PJM on its internet website:

**I. Meeting Location**

June 15, 2018  
10:00 AM  
PECO Main Office Building  
2301 Market Street  
Philadelphia, PA 19103

PECO invites those interested in participating in the meeting to contact Jennedy Johnson at (215) 841-4353 or via e-mail at [Jennedy.Johnson@exeloncorp.com](mailto:Jennedy.Johnson@exeloncorp.com) by June 13, 2018, to arrange for building access or for a teleconference access number.

**II. Information Requests**

Information requests should be submitted to [Jennedy.Johnson@exeloncorp.com](mailto:Jennedy.Johnson@exeloncorp.com).

**Appendix 1**  
**Populated Projected Net Revenue Requirement**

Attachment H-7  
Formula Rate - Non-Levelized

Rate Formula Template  
Utilizing FERC Form 1 Data  
**PECO Energy Company**

For the 12 months ended 12/31/2018

Line No.	(1)	(2)	(3)	(4)	(5) Allocated Amount
1	GROSS REVENUE REQUIREMENT	(page 3, line 48)			197,291,637
2	REVENUE CREDITS	Attachment 5A, line 15	<u>Total</u> 9,293,775.59	<u>Allocator</u> TP 100.00%	9,293,776
3	NET REVENUE REQUIREMENT	(line 1 minus line 2)			<u>187,997,861</u>
4	REGIONAL NET REVENUE REQUIREMENT	Attachment 1, line 18, col. 14 - Attachment 1, line 17a, col. 14			32,813,135
5	Regional True-up Adjustment with Interest	Attachment 1, line 18, col. 15 - Attachment 1, line 17a, col. 15			490,738
6	REGIONAL NET REVENUE REQUIREMENT with TRUE-UP	Attachment 1, line 18, col. 16 - Attachment 1, line 17a, col. 16			33,303,873
7	ZONAL NET REVENUE REQUIREMENT	Attachment 1, line 17a, col. 14 less line 2			155,184,726
8	Zonal True-up Adjustment with Interest	Attachment 1, line 17a, col. 15			254,374
9	ZONAL NET REVENUE REQUIREMENT with TRUE-UP	Attachment 1, line 17a, col. 16			155,439,100
10	Competitive Bid Concessions	Attachment 1, line 18, col. 13			-
11	Zonal Load	1 CP from PJM in MW			8,141
12	Network Integration Transmission Service rate for PECO Zone	(line 9/11)			\$19,093

Formula Rate - Non-Levelized

Rate Formula Template  
Utilizing FERC Form 1 Data  
PECO Energy Company

For the 12 months ended 12/31/2018

Line No.	(1)	(2)	(3)	(4)	(5)
		Source	Company Total	Allocator	Transmission (Col 3 times Col 4)
	<b>RATE BASE:</b>				
	GROSS PLANT IN SERVICE (Notes U and R)				
1	Production	205.46.g for end of year, records for other months	-	NA	-
2	Transmission	Attachment 4, Line 14, Col. (b)	1,575,609,663	TP	100.00% 1,575,609,663
3	Distribution	207.75.g for end of year, records for other months	6,163,196,087	NA	0.00% -
4	General	Attachment 4, Line 14, Col. (c)	273,671,452	W/S	11.76% 32,183,834
5	Intangible	Attachment 4D, Line 19, Col. (s) and Line 21, Col. (s)	181,747,006	DA	16,349,475
6	Common	Attachment 4, Line 14, Col. (d)	569,789,786	W/S	11.76% 67,007,426
7	Costs To Achieve	(enter negative) Attach. 4E, Line 25, Col. (x)	(2,960,087)	W/S	11.76% (348,107)
8	TOTAL GROSS PLANT	(Sum of Lines 1 through 7)	8,761,053,906	GP=	19.30% 1,690,802,291
9	ACCUMULATED DEPRECIATION (Notes U and R)				
10	Production	219.20-24.c for end of year, records for other months	-	NA	-
11	Transmission	Attachment 4, Line 14, Col. (i)	507,162,514	TP	100.00% 507,162,514
12	Distribution	219.26.c for end of year, records for other months	1,735,908,212	NA	0.00% -
13	General	Attachment 4, Line 14, Col. (j)	69,584,406	W/S	11.76% 8,183,144
14	Intangible	Attachment 4D, Line 40, Col. (s) and Line 42, Col. (s)	101,664,008	DA	5,959,767
15	Common	Attachment 4, Line 14, Col. (k)	277,854,376	W/S	11.76% 32,675,746
16	Costs To Achieve	(enter negative) Attach. 4E, Line 39, Col. (x)	(213,052)	W/S	11.76% (25,055)
17	TOTAL ACCUM. DEPRECIATION	(Sum of Lines 10 through 16)	2,691,960,462		553,956,116
18	NET PLANT IN SERVICE				
19	Production	(line 1 minus line 10)	-		-
20	Transmission	(line 2 minus line 11)	1,068,447,150		1,068,447,150
21	Distribution	(line 3 minus line 12)	4,427,287,875		-
22	General	(line 4 minus line 13)	204,087,046		24,000,689
23	Intangible	(line 5 minus line 14)	80,082,998		10,389,708
24	Common	(line 6 minus line 15)	291,935,410		34,331,680
25	Costs To Achieve	(line 7 minus line 16)	(2,747,035)		(323,052)
26	TOTAL NET PLANT	(Sum of Lines 19 through 25)	6,069,093,444	NP=	18.73% 1,136,846,175
27	ADJUSTMENTS TO RATE BASE (Note R)				
28	Account No. 281 (enter negative)	Attachment 4, Line 28, Col. (d) (Notes B and X)	Zero	NA	zero -
29	Account No. 282 (enter negative)	Attachment 4, Line 28, Col. (e) (Notes B and X)	(276,574,829)	TP	100.00% (276,574,829)
30	Account No. 283 (enter negative)	Attachment 4, Line 28, Col. (f) (Notes B and X)	(13,817,012)	TP	100.00% (13,817,012)
31	Account No. 190	Attachment 4, Line 28, Col. (g) (Notes B and X)	18,643,206	TP	100.00% 18,643,206
32	Account No. 255 (enter negative)	Attachment 4, Line 28, Col. (h) (Notes B and X)	-	TP	100.00% -
33	Unfunded Reserves (enter negative)	Attachment 4, Line 31, Col. (h) (Note Y)	(6,493,905)	DA	100.00% (6,493,905)
34	CWIP	Attachment 4, Line 14, Col. (e)	-	DA	100.00% -
35	Pension Asset	Attachment 4, Line 28, Col. (i)	32,679,469	DA	100.00% 32,679,469
36	Unamortized Regulatory Asset	Attachment 4, Line 28, Col. (b) (Note T)	-	DA	100.00% -
37	Unamortized Abandoned Plant	Attachment 4, Line 28, Col. (c) (Note S)	-	DA	100.00% -
38	Outstanding Network Credits	From PJM	-	DA	100.00% -
39	Less Accum. Deprec. associated with Facilities with Outstanding Network Credits	From PJM	-	DA	100.00% -
40	TOTAL ADJUSTMENTS	(Sum of Lines 28 through 39)	(245,563,071)		(245,563,071)
41	LAND HELD FOR FUTURE USE	Attachment 4, Line 14, Col. (f) (Note C)	1,137,057	TP	100.00% 1,137,057
42	WORKING CAPITAL (Note D)				
43	CWC	1/8*(Page 3, Line 12 minus Page 3, Line 7)	29,776,494		8,719,755
44	Materials & Supplies	Attachment 4, Line 14, Col. (g)	12,972,612	TP	100.00% 12,972,612
45	Prepayments (Account 165)	Attachment 4, Line 14, Col. (h)	1,425,117	DA	100.00% 1,425,117
46	TOTAL WORKING CAPITAL	(Sum of Lines 43 through 45)	44,174,223		23,117,485
47	RATE BASE	(Sum of Lines 26, 40, 41 & 46)	5,868,841,653		915,537,646

Formula Rate - Non-Levelized

Rate Formula Template  
Utilizing FERC Form 1 Data  
PECO Energy Company

For the 12 months ended 12/31/2018

Line No.	(1)	(2)	(3)	(4)	(5)	
		Source	Company Total	Allocator	Transmission (Col 3 times Col 4)	
	O&M					
1	Transmission	Attachment 5, Line 1, Col. (a)	184,929,330	TP	100.00%	184,929,330
2	Less Account 566 (Misc Trans Expense)	Attachment 5, Line 1, Col. (b)	11,680,412	TP	100.00%	11,680,412
3	Less Account 565	Attachment 5, Line 1, Col. (c)	-	TP	100.00%	-
4	Less Accounts 561.4 and 561.8	Attachment 5, Line 1, Col. (d)	136,281,037	TP	100.00%	136,281,037
5	A&G	Attachment 5B, Line 15, Col. (e) and Line 17, Col. (e)	192,457,819	DA		21,450,103
6	Account 566					
7	Amortization of Regulatory Asset	(Note T) Attachment 5, Line 1, Col. (e)	-	DA	100.00%	-
8	Miscellaneous Transmission Expense (less amortization of regulatory asset)	Attachment 5, Line 1, Col. (f)	11,680,412	TP	100.00%	11,680,412
9	Total Account 566	(Line 7 plus Line 8) Ties to 321.97.b	11,680,412			11,680,412
10	PBOP Adjustment	Attachment 7, line 3, Col. (d)	576,524	W/S	11.76%	67,799
11	O&M Cost to Achieve Included in O&M Above	Attachment 4F, Line 11, Col. (m)	3,470,687	W/S	11.76%	408,154
12	TOTAL O&M	(Sum of Lines 1, 5, 9, & 10 less Lines 2, 3, 4 & 11)	238,211,948			69,758,042
13	DEPRECIATION EXPENSE (Note U)					
14	Transmission	Attachment 5, Line 1, Col. (g)	23,761,763	TP	100.00%	23,761,763
15	General	Attachment 5, Line 2, Col. (a)	14,965,330	W/S	11.76%	1,759,927
16	Intangible	Attachment 4D, Line 82, Col. (f) and Line 84, Col. (f)	19,876,263	DA		2,442,807
17	Common - Electric	Attachment 5, Line 1, Col. (h)	23,761,593	W/S	11.76%	2,794,369
18	Common Depreciation Expense Related to Costs To Achieve	(enter negative) Attachment 4E, Line 66, Col (x)	(246,292)	W/S	11.76%	(28,964)
19	Amortization of Abandoned Plant	(Note S) Attachment 5, Line 2, Col. (b)	-	DA	100.00%	-
20	TOTAL DEPRECIATION	(Sum of Lines 14 through 19)	82,118,657			30,729,902
21	TAXES OTHER THAN INCOME TAXES	(Note F)				
22	LABOR RELATED					
23	Payroll	Attachment 5, Line 2, Col. (c)	11,792,061	W/S	11.76%	1,386,749
24	Other Payroll Related	Attachment 5, Line 2, Col. (d)	-	W/S	11.76%	-
25	PLANT RELATED					
26	Property	Attachment 5, Line 2, Col. (e)	10,739,456	GP	19.30%	2,072,616
27	Gross Receipts	Attachment 5, Line 2, Col. (f)	125,049,113	NA	zero	-
28	Other	Attachment 5, Line 2, Col. (g)	484,130	GP	19.30%	93,433
29	Misc.	Attachment 5, Line 2, Col. (h)	3,262	GP	19.30%	630
30	TOTAL OTHER TAXES	(Sum of Lines 23 through 29)	148,068,022			3,553,427
31	INTEREST ON NETWORK CREDITS	From PJM	-	DA	100.00%	-
32	INCOME TAXES	(Note G)				
33	$T=1 - \{(1 - SIT) * (1 - FIT)\} / (1 - SIT * FIT * p)$	WCLTD = Page 4, Line 19	0.2889			
34	$CIT=(T/1-T) * (1-(WCLTD/R)) =$	R = Page 4, Line 15	0.3063			
35	FIT & SIT & P	(Note G)				
36						
37	$1 / (1 - T) = (T \text{ from line 33})$		1.4063			
38	Amortized Investment Tax Credit	(enter negative) Attachment 5, Line 2, Col. (i)	(5,343)			
39	Excess Deferred Income Taxes	(enter negative) Attachment 5, Line 2, Col. (j)	(2,194,023)			
40	Tax Effect of Permanent Differences	Attachment 5, Line 2, Col. (k) (Note W)	356,305			
41	Income Tax Calculation	(Line 34 times Line 47)	144,049,518	NA		22,471,684
42	ITC adjustment	(Line 37 times Line 38)	(7,513)	TP	100.00%	(7,513)
43	Excess Deferred Income Tax Adjustment	(Line 37 times Line 39)	(3,085,484)	NP	100.00%	(3,085,484)
44	Permanent Differences Tax Adjustment	(Line 37 times Line 40)	501,077	TP	100.00%	501,077
45	Total Income Taxes	(Sum of Lines 41 through 44)	141,457,598			19,879,764
46	RETURN					
47	Rate Base times Return	(Page 2, Line 47 times Page 4, Line 18)	470,324,576	NA		73,370,501
48	REV. REQUIREMENT	(Sum of Lines 12, 20, 30, 31, 45, 47)	1,080,180,801			197,291,637

Formula Rate - Non-Levelized

Rate Formula Template  
Utilizing FERC Form 1 Data  
PECO Energy Company

For the 12 months ended 12/31/2018

(1) (2) (3) (4) (5)

**SUPPORTING CALCULATIONS AND NOTES**

Line No.	TRANSMISSION PLANT INCLUDED IN ISO RATES				
1	Total Transmission plant	(Page 2, Line 2, Column 3)			1,575,609,663
2	Less Transmission plant excluded from PJM rates	(Note H)			-
3	Less Transmission plant included in OATT Ancillary Services	(Note I)			-
4	Transmission plant included in PJM rates	(Line 1 minus Lines 2 & 3)			<u>1,575,609,663</u>
5	Percentage of Transmission plant included in PJM Rates	(Line 4 divided by Line 1)		TP=	100.00%
6	WAGES & SALARY ALLOCATOR (W&S)				
		Form 1 Reference	\$	TP	Allocation
7	Electric Production	354.20.b	-	0.0%	-
8	Electric Transmission	354.21.b	15,099,686	100.0%	15,099,686
9	Electric Distribution	354.23.b	79,576,225	0.0%	-
10	Electric Other	354.24,25,26.b	33,722,497	0.0%	-
11	Total (W& S Allocator is 1 if lines 7-10 are zero)	(Sum of Lines 7 through 10)	<u>128,398,408</u>		<u>15,099,686</u> = <u>11.76%</u> = WS
12	RETURN (R)	(Note V)			\$
13					
14			\$	%	Cost (Notes K, Q, & R)
15	Long Term Debt	(Attachment 5, line 10 Notes Q & R)	<u>2,884,418,609</u>	45.08%	4.38%
16	Preferred Stock (112.3.c)	(Attachment 5, line 11 Notes Q & R)	-	0.00%	0.00%
17	Common Stock	(Attachment 5, line 12 Notes K, Q & R)	<u>3,513,575,910</u>	54.92%	11.00%
18	Total	(Attachment 5, line 13)	<u>6,397,994,519</u>		<u>8.01%</u> =R

Formula Rate - Non-Levelized

Rate Formula Template  
Utilizing FERC Form 1 Data  
PECO Energy Company

For the 12 months ended 12/31/2018

General Note: References to pages in this formulary rate are indicated as: (page#, line#, col.#)  
References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Note Letter										
A	Reserved									
B	The balances in Accounts 190, 281, 282 and 283, as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106 or 109. Balance of Account 255 is reduced by prior flow throughs and excluded if the utility chose to utilize amortization of tax credits against taxable income. Account 281 is not allocated.									
C	Reserved									
D	Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission at page 3, line 12, column 5 minus amortization of Regulatory Asset at page 3, line 7, column 5. Prepayments are the electric related prepayments booked to Account No. 165 and reported on pages 111, line 57 in the Form 1.									
E	Page 3, Line 5 - EPRI Annual Membership Dues listed in Form 1 at 353.f, all Regulatory Commission Expenses itemized at 351.h, and non-safety related advertising included in Account 930.1 found at 323.191.b. Attachment 5B, Line 9-Regulatory Commission Expenses directly related to transmission service, ISO filings, or transmission siting itemized at 351.h.									
F	Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year. Taxes related to income are excluded. Gross receipts taxes are not included in transmission revenue requirement in the Rate Formula Template, since they are recovered elsewhere.									
G	The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = "the percentage of federal income tax deductible for state income taxes". If the utility is taxed in more than one state it must attach a work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by (1/1-T) (page 3, line 36). Excess Deferred Income Taxes reduce income tax expense by the amount of the expense multiplied by (T/1-T).									
	<table border="0" style="width: 100%;"> <tr> <td style="width: 30%;">Inputs Required:</td> <td style="width: 20%;">FIT =</td> <td style="width: 50%; text-align: right;">21.00%</td> </tr> <tr> <td></td> <td>SIT=</td> <td style="text-align: right;">9.99% (State Income Tax Rate or Composite SIT)</td> </tr> <tr> <td></td> <td>p =</td> <td style="text-align: right;">0.00% (percent of federal income tax deductible for state purposes)</td> </tr> </table>	Inputs Required:	FIT =	21.00%		SIT=	9.99% (State Income Tax Rate or Composite SIT)		p =	0.00% (percent of federal income tax deductible for state purposes)
Inputs Required:	FIT =	21.00%								
	SIT=	9.99% (State Income Tax Rate or Composite SIT)								
	p =	0.00% (percent of federal income tax deductible for state purposes)								
H	Removes transmission plant determined by Commission order to be state-jurisdictional according to the seven-factor test (until Form 1 balances are adjusted to reflect application of seven-factor test).									
I	Removes dollar amount of transmission plant to be included in the development of OATT ancillary services rates and generation step-up facilities, which are deemed included in OATT ancillary services. For these purposes, generation step-up facilities are those facilities at a generator substation on which there is no through-flow when the generator is shut down.									
J	Reserved									
K	ROE will be supported in the original filing and no change in ROE may be made absent a filing with FERC.									
L	Reserved									
M	Reserved									
N	Reserved									
O	Reserved									
P	Reserved									
Q	Reserved									
R	Calculate using 13 month average balance, except ADIT.									
S	Unamortized Abandoned Plant and Amortization of Abandoned Plant will be zero until the Commission accepts or approves recovery of the cost of abandoned plant. Utility must receive FERC authorization before recovering the cost of abandoned plant.									
T	Recovery of Regulatory Asset is permitted only as authorized by the Commission. Recovery of any regulatory assets requires authorization from the Commission.									
U	Excludes Asset Retirement Obligation balances									
V	Company shall be allowed recovery of costs related to interest rate locks. Absent a Section 205 filing, Company shall not include in the Formula Rate, the gains, losses, or costs related to other hedges.									
W	The Tax Effect of Permanent Differences captures the differences in the income taxes due under the Federal and State calculations and the income taxes calculated in Attachment H that are not the result of a timing difference									
X	Calculated on Attachment 4A.									
Y	Unfunded Reserves are customer contributed capital such as when Injuries and Damages expense is accrued but not yet incurred. Also, pursuant to Special Instructions to Accounts 228.1 through 228.4, no amounts shall be credited to accounts 228.1 through 228.4 unless authorized by a regulatory authority or authorities to be collected in a utility's rates.									

Attachment 1  
Project Revenue Requirement Worksheet  
PECO Energy Company

To be completed in conjunction with Attachment H-7.

Line No.	(1)	(2) Attachment H-7 Page, Line, Col.	(3) Transmission	(4) Allocator
1	Gross Transmission Plant - Total	Attach H-7, p 2, line 2 col 5 (Note A)	1,575,609,663	
2	Net Transmission Plant - Total	Attach H-7, p 2, line 20 col 5 plus line 34 & 37 col 5 (Note B)	1,068,447,150	
<b>O&amp;M EXPENSE</b>				
3	Total O&M Allocated to Transmission	Attach H-7, p 3, line 12 col 5	69,758,042.1	
4	Annual Allocation Factor for O&M	(line 3 divided by line 1 col 3)	0.04	0.04
<b>GENERAL, INTANGIBLE AND COMMON (G&amp;C) DEPRECIATION EXPENSE</b>				
5	Total G, I & C Depreciation Expense	Attach H-7, p 3, lines 15 to 18, col 5 (Note H)	6,968,138.9	
6	Annual Allocation Factor for G, I & C Depreciation Expense	(line 5 divided by line 1 col 3)	0.00	0.00
<b>TAXES OTHER THAN INCOME TAXES</b>				
7	Total Other Taxes	Attach H-7, p 3, line 30 col 5	3,553,427.15	
8	Annual Allocation Factor for Other Taxes	(line 7 divided by line 1 col 3)	0.00	0.00
9	Less Revenue Credits	Attach H-7, p 1, line 2 col 5	9,293,776	
10	Annual Allocation Factor Revenue Credits	(line 9 divided by line 1 col 3)	-	-
<b>11</b>	<b>Annual Allocation Factor for Expense</b>	<b>Sum of line 4, 6, 8, and 10</b>		<b>0.05</b>
<b>INCOME TAXES</b>				
12	Total Income Taxes	Attach H-7, p 3, line 45 col 5	19,879,764	
13	Annual Allocation Factor for Income Taxes	(line 12 divided by line 2 col 3)	0.02	0.02
<b>RETURN</b>				
14	Return on Rate Base	Attach H-7, p 3, line 47 col 5	73,370,501	
15	Annual Allocation Factor for Return on Rate Base	(line 14 divided by line 2 col 3)	0.07	0.07
<b>16</b>	<b>Annual Allocation Factor for Return</b>	<b>Sum of line 13 and 15</b>	<b>0.09</b>	<b>0.09</b>



Attachment 1  
Project Revenue Requirement Worksheet  
PECO Energy Company

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(12a)	(13)	(14)	(15)	(16)	
Line No.	Project Name	RTO Project Number or Zonal	Project Gross Plant	Annual Allocation Factor for Expense	Annual Expense Charge	Project Net Plant or CWIP Balance	Annual Allocation Factor for Return	Annual Return Charge	Project Depreciation/Amortization Expense	Annual Revenue Requirement	Incentive Return in basis Points	Incentive Return	Ceiling Rate	Competitive Bid Concession	Total Annual Revenue Requirement	True-Up Adjustment	Net Rev Req
		(Note C)	(Page 1 line 11)	(Col. 3 * Col. 4)	(Notes D & I)	(Page 1 line 16)	(Col. 6 * Col. 7)	(Notes E & I)	(Sum Col. 5, 8 & 9)	(Note K)	(Attachment 2, Line 28 /100 * Col. 11 * Col. 6)	(Sum Col. 10 & 12)	(Note J)	(Sum Col. 10 & 12 Less Col. 13)	(Note F)	Sum Col. 14 & 15 (Note G)	
17a	Zonal	Zonal	\$ 1,364,563,091	0.05	69,526,478	\$ 872,402,102	0.09	76,140,151	18,811,873	164,478,502	-	-	164,478,502	-	164,478,502	254,374	164,732,876
17b	Center Point 500-230 kV Substation Addition	b0269	\$ 34,906,892	0.05	1,778,557	\$ 14,717,712	0.09	1,284,510	343,532	3,406,599	-	-	3,406,599	-	3,406,599	(150,988)	3,255,611
17c	Center Point 500-230 kV Substation Addition	b0269	\$ 17,453,446	0.05	889,278	\$ 29,435,423	0.09	2,569,019	687,064	4,145,362	-	-	4,145,362	-	4,145,362	176,826	4,322,188
17d	Richmond-Waneeta 230 kV Line Re-conductor	b1591	\$ 4,605,741	0.05	234,669	\$ 4,387,749	0.09	382,947	110,157	727,774	-	-	727,774	-	727,774	(164,226)	563,547
17e	Richmond-Waneeta 230 kV Line Re-conductor	b1398.8	\$ 1,535,247	0.05	78,223	\$ 1,462,583	0.09	127,649	36,719	242,591	-	-	242,591	-	242,591	24,091	266,683
17f	Whitpain 500 kV Circuit Breaker Addition	b0269.6	\$ 3,258,302	0.05	166,015	\$ 2,742,607	0.09	239,365	63,904	469,284	-	-	469,284	-	469,284	1,471	470,755
17g	Elroy-Hosensack 500 kV Line Rating Increase	b0171.1	\$ 4,456,731	0.05	227,077	\$ 3,663,958	0.09	319,777	85,372	632,226	-	-	632,226	-	632,226	946	633,172
17h	Camden-Richmond 230 kV Line Rating Increase	b1590.1 and b1590.2	\$ 13,978,667	0.05	712,233	\$ 12,896,559	0.09	1,125,566	332,356	2,170,156	-	-	2,170,156	-	2,170,156	153,358	2,323,514
17i	Chichester-Linwood 230 kV Line Upgrades	b1900	\$ 24,061,125	0.05	1,225,949	\$ 31,816,969	0.09	2,776,872	827,818	4,830,639	-	-	4,830,639	-	4,830,639	280,865	5,111,504
17j	Bryn Mawr-Plymouth 138 kV Line Rebuild	b0727	\$ 18,633,213	0.05	949,389	\$ 16,868,388	0.09	1,472,213	518,467	2,940,069	-	-	2,940,069	-	2,940,069	4,359	2,944,428
17k	Emilie 230-138 kV Transformer Addition	b2140	\$ 17,048,149	0.05	868,628	\$ 16,204,806	0.09	1,414,298	383,211	2,666,137	-	-	2,666,137	-	2,666,137	10,306	2,676,443
17l	Chichester-Saville 138 kV Line Re-conductor	b1182	\$ 17,950,807	0.05	914,620	\$ 15,726,100	0.09	1,372,518	439,238	2,726,376	-	-	2,726,376	-	2,726,376	4,242	2,730,618
17m	Waneeta 230-138 kV Transformer Addition	b1717	\$ 11,220,087	0.05	571,680	\$ 10,737,050	0.09	937,092	258,033	1,766,805	-	-	1,766,805	-	1,766,805	5,020	1,771,825
17n	Chichester 230-138 kV Transformer Addition	b1178	\$ 8,362,590	0.05	426,086	\$ 7,342,445	0.09	640,823	171,215	1,238,124	-	-	1,238,124	-	1,238,124	3,157	1,241,281
17o	Bradford-Planebrook 230 kV Line Upgrades	b0790	\$ 1,712,754	0.05	87,267	\$ 1,585,530	0.09	138,379	36,944	262,590	-	-	262,590	-	262,590	433	263,024
17p	North Wales-Hartman 230 kV Line Re-conductor	b0506	\$ 2,229,232	0.05	113,583	\$ 1,866,447	0.09	162,897	52,028	328,507	-	-	328,507	-	328,507	(75)	328,432
17q	North Wales-Whitpain 230 kV Line Re-conductor	b0505	\$ 2,546,903	0.05	129,768	\$ 2,063,845	0.09	180,125	57,530	367,424	-	-	367,424	-	367,424	573	367,997
17r	Bradford-Planebrook 230 kV Line Upgrades	b0789	\$ 2,359,200	0.05	120,205	\$ 2,163,071	0.09	188,785	50,401	359,391	-	-	359,391	-	359,391	584	359,974
17s	Planebrook 230 kV Capacitor Bank Addition	b0206	\$ 3,631,396	0.05	185,025	\$ 2,748,576	0.09	239,886	64,043	488,954	-	-	488,954	-	488,954	1,537	490,492
17t	Newlinville 230 kV Capacitor Bank Addition	b0207	\$ 4,811,873	0.05	245,172	\$ 3,742,282	0.09	326,613	87,197	658,982	-	-	658,982	-	658,982	2,070	661,052
17u	Chichester-Mickleton 230 kV Series Reactor Addition	b0209	\$ 2,699,444	0.05	137,541	\$ 2,133,084	0.09	186,168	49,702	373,411	-	-	373,411	-	373,411	1,173	374,583
17v	Chichester-Mickleton 230 kV Line Re-conductor	B0264	\$ 2,221,241	0.05	113,175	\$ 1,731,116	0.09	151,086	48,255	312,516	-	-	312,516	-	312,516	462	312,979
17w	Buckingham-Pleasant Valley 230 kV Line Re-conductor	b0357	\$ 1,723,078	0.05	87,793	\$ 1,940,978	0.09	169,402	58,719	315,914	-	-	315,914	-	315,914	(2,198)	313,716
17x	Elroy 500 kV Dynamic Reactive Device	b0287	\$ 5,325,225	0.05	271,328	\$ 4,711,735	0.09	411,223	109,786	792,337	-	-	792,337	-	792,337	78,455	870,793
17y	Heaton 230 kV Capacitor Bank Addition	b0208	\$ 4,315,230	0.05	219,867	\$ 3,356,034	0.09	292,903	78,197	590,967	-	-	590,967	-	590,967	58,296	649,264
18	Annual Totals		1,575,609,663			1,068,447,150		93,250,265	23,761,763	197,291,637		-	197,291,637	-	197,291,637	745,113	198,036,749

- Note Letter
- A Gross Transmission Plant is that identified on page 2 line 2 of Attachment H
  - B Inclusive of any CWIP or unamortized abandoned plant included in rate base when authorized by FERC order less any prefunded AFUDC, if applicable.
  - C Project Gross Plant is the total capital investment for the project calculated in the same method as the gross plant value in line 1. This value includes subsequent capital investments required to maintain the facilities to their original capabilities. Gross plant does not include Unamortized Abandoned Plant.
  - D Project Net Plant is the Project Gross Plant Identified in Column 3 less the associated Accumulated Depreciation. Net Plant includes CWIP and Unamortized Abandoned Plant and excludes any regulatory asset, which are to be entered as a separate line item.
  - E Project Depreciation Expense is the actual value booked for the project and included in the Depreciation Expense in Attachment H, page 3, line 14. Project Depreciation Expense includes the amortization of Abandoned Plant
  - F True-Up Adjustment is calculated on the Project True-up Schedule for the Rate Year
  - G The Net Rev Req is the value to be used in the rate calculation under the applicable Schedule under the PJM OATT for each project.
  - H The Total General, Intangible and Common Depreciation Expense excludes any depreciation expense directly associated with a project and thereby included in page 2 column 9.
  - I The Unamortized Abandoned Plant balance is included in Net Plant, and Amortization of Abandoned Plant is included in Depreciation/Amortization Expense.
  - J The Competitive Bid Concession is the reduction in revenue, if any, that the company agreed to, for instance, to be selected to build facilities as the result of a competitive process and equals the amount by which the annual revenue requirement is reduced from the ceiling rate
  - K Requires approval by FERC of incentive return applicable to the specified project(s)
  - M All transmission facilities reflected in the revenue requirement on Attachment H-7, page 1 line 3 are to be included in this Attachment 1.
  - N Facilities that provide Wholesale Distribution Service are not to be listed as projects on lines 15, the revenue requirements associated with these facilities are calculated on Attachment 11
  - O When an updated projected net revenue requirement is posted due to an asset acquisition as provided for in the Protocols, the difference between the updated net revenue requirement in Col (16) and the revenues collected to date will be recovered over the remaining months of the Rate Year.
  - P Zonal on line 17a refers to all projects not qualifying for regional recovery

Attachment 2  
Incentive ROE  
PECO Energy Company

Page 1 of 1

1	Rate Base	Attachment H-7, Page 2 line 47, Col.5						915,537,646
2	100 Basis Point Incentive Return							
							\$	
						Cost		
			\$	%			Weighted	
3	Long Term Debt	(Attachment H-7, Notes Q and R)	2,884,418,609	45.1%		4.4%		2.0%
4	Preferred Stock	(Attachment H-7, Notes Q and R)	-	0.0%		0.0%		0.0%
5	Common Stock	(Attachment H-7, Notes K, Q and R)			Cost = Attachment H-7, Page 4 Line 17, Cost plus .01			
			3,513,575,910	54.9%		12.0%		6.6%
6	Total (sum lines 3-5)		6,397,994,519					8.6%
7	100 Basis Point Incentive Return multiplied by Rate Base (line 1 * line 6)							78,398,344.13
8	INCOME TAXES							
9	T=1 - {[ (1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)} =		28.8921%					
10	CIT=(T/1-T) * (1-(WCLTD/R)) =		31.2692%					
11	WCLTD = Line 3							
12	and FIT, SIT & p are as given in footnote K.							
13	1 / (1 - T) = (from line 9)		1.4063					
14	Amortized Investment Tax Credit (266.8f) (enter negative)	Attachment H-7, Page 3, Line 38	(5,343)					
15	Excess Deferred Income Taxes (enter negative)	Attachment H-7, Page 3, Line 39	(2,194,023)					
16	Tax Effect of Permanent Differences (Note B)	Attachment H-7, Page 3, Line 40	356,305					
17	Income Tax Calculation = line 10 * line 22		32,028,267		NA		24,514,565	
18	ITC adjustment (line 13 * line 14)		(7,513)		NP	18.7%	(1,407)	
19	Excess Deferred Income Tax Adjustment (line 13 * line 15)		(3,085,484)		NP	18.7%	(577,965)	
20	Permanent Differences Tax Adjustment (line 13 * 16)		501,077		NP	18.7%	93,860	
21	Total Income Taxes (sum lines 17 - 20)		29,436,346				24,029,053	24,029,053
22	Return and Income Taxes with 100 basis point increase in ROE	(Sum lines 7 & 21)						102,427,397
23	Return (Attach. H-7, page 3 line 47 col 5)							73,370,501
24	Income Tax (Attach. H-7, page 3 line 45 col 5)							19,879,764
25	Return and Income Taxes without 100 basis point increase in ROE	(Sum lines 23 & 24)						93,250,265
26	Incremental Return and Income Taxes for 100 basis point increase in ROE	(Line 22 - line 25)						9,177,132
27	Rate Base (line 1)							915,537,646
28	Incremental Return and Income Taxes for 100 basis point increase in ROE divided by Rate Base	(Line 26 / line 27)						0.0100

Notes:

- A Line 5 includes a 100 basis point increase in ROE that is used only to determine the increase in return and income taxes associated with a 100 basis point increase in ROE. Any actual ROE incentive must be approved by the Commission. For example, if the Commission were to grant a 137 basis point ROE incentive, the increase in return and taxes for a 100 basis point increase in ROE would be multiplied by 1.37 on Attachment 1 column 12.
- B The Tax Effect of Permanent Differences captures the differences in the income taxes due under the Federal and State calculations and the income taxes calculated in Attachment H-7 that are not the result of a timing difference

Attachment 3  
Project True-Up  
PECO Energy Company

1	Rate Year being Trued-Up	Revenue Requirement Projected		Revenue Received <sup>3</sup>	Actual Revenue	Annual True-Up Calculation				
		For Rate Year		\$ 16,454,764	Requirement					
2	A	B	C	D	E	F	G	H	I	J
	Project Name	PJM Project Number or Zonal	Projected Net Revenue Requirement <sup>1</sup>	% of Total Revenue Requirement	Revenue Received (E, Line 2) x (D)	Actual Net Revenue Requirement <sup>2</sup>	Net Under/(Over) Collection (F)-(E)	Prior Period Adjustment <sup>5</sup>	Interest Income (Expense) <sup>4</sup>	Total True-Up (G) + (H) + (I)
3	Zonal	Zonal	175,013,004	0.85	14,013,298	14,254,023	240,725	-	13,649	254,374
3a	Center Point 500-230 kV Substation Addition	b0269	5,680,503	0.03	454,838	311,952	(142,886)	-	(8,102)	(150,988)
3b	Center Point 500-230 kV Substation Addition	b0269	2,840,252	0.01	227,419	394,757	167,338	-	9,488	176,826
3c	Richmond-Waneeta 230 kV Line Re-conductor	b1591	2,795,184	0.01	223,810	68,396	(155,414)	-	(8,812)	(164,226)
3d	Richmond-Waneeta 230 kV Line Re-conductor	b1398.8	-	-	-	22,799	22,799	-	1,293	24,091
3e	Whitpain 500 kV Circuit Breaker Addition	b0269.6	531,023	0.00	42,519	43,911	1,392	-	79	1,471
3f	Elroy-Hosensack 500 kV Line Rating Increase	b0171.1	727,138	0.00	58,222	59,117	895	-	51	946
3g	Camden-Richmond 230 kV Line Rating Increase	b1590.1 and b1590.2	729,239	0.00	58,390	203,520	145,130	-	8,229	153,358
3h	Chichester-Linwood 230 kV Line Upgrades	b1900	252,171	0.00	20,191	285,985	265,794	-	15,071	280,865
3i	Bryn Mawr-Plymouth 138 kV Line Rebuild	b0727	3,381,919	0.02	270,790	274,915	4,125	-	234	4,359
3j	Emilie 230-138 kV Transformer Addition	b2140	2,994,166	0.01	239,743	249,496	9,753	-	553	10,306
3k	Chichester-Saville 138 kV Line Re-conductor	b1182	3,137,737	0.02	251,239	255,253	4,014	-	228	4,242
3l	Waneeta 230-138 kV Transformer Addition	b1717	2,012,578	0.01	161,147	165,898	4,751	-	269	5,020
3m	Chichester 230-138 kV Transformer Addition	b1178	1,411,309	0.01	113,004	115,991	2,988	-	169	3,157
3n	Bradford-Planebrook 230 kV Line Upgrades	b0790	302,577	0.00	24,227	24,637	410	-	23	433
3o	North Wales-Hartman 230 kV Line Re-conductor	b0506	384,968	0.00	30,824	30,753	(71)	-	(4)	(75)
3p	North Wales-Whitpain 230 kV Line Re-conductor	b0505	422,395	0.00	33,821	34,364	543	-	31	573
3q	Bradford-Planebrook 230 kV Line Upgrades	b0789	414,112	0.00	33,158	33,711	553	-	31	584
3r	Planebrook 230 kV Capacitor Bank Addition	b0206	551,434	0.00	44,153	45,608	1,455	-	82	1,537
3s	Newlinville 230 kV Capacitor Bank Addition	b0207	743,831	0.00	59,559	61,518	1,959	-	111	2,070
3t	Chichester-Mickleton 230 kV Series Reactor Addition	b0209	421,702	0.00	33,766	34,875	1,110	-	63	1,173
3u	Chichester-Mickleton 230 kV Line Re-conductor	B0264	359,163	0.00	28,758	29,196	437	-	25	462
3v	Buckingham-Pleasant Valley 230 kV Line Re-conductor	b0357	398,228	0.00	31,886	29,806	(2,080)	-	(118)	(2,198)
3w	Elroy 500 kV Dynamic Reactive Device	b0287	-	-	-	74,246	74,246	-	4,210	78,455
3x	Heaton 230 kV Capacitor Bank Addition	b0208	-	-	-	55,168	55,168	-	3,128	58,296
4	Total Annual Revenue Requirements (Note A)		205,504,630	1	16,454,764	17,159,895	705,132		39,981	745,113

Monthly Interest Rate 0.0033  
Interest Income (Expense) 39,981

- Notes:
- From Attachment 1, line 15, col. 14 for the projection for the Rate Year.
  - From Attachment 1, line 15, col. 14 for that project based on the actual costs for the Rate Year.
  - The "Revenue Received" on line 2, Col. (E), is the total amount of revenue distributed to company in the year as shown on pages 328-330 of the Form No 1. The Revenue Received is input on line 2, Col. E excludes any True-Up revenues. Column E, lines 3 are the dollar amounts of Revenue Received reflecting the % in Column D. This assigns to each project a percentage of the revenue received based on the percentage of the Projected Net Revenue Requirement in Column C. Column D, lines 3 are sourced from the projected revenue requirement for the year at issue.
  - Interest from Attachment 6.
  - Prior Period Adjustment from line 5 is pro rata to each project, unless the error was project specific.

Prior Period Adjustments

	(a)	(b)	(c)	(d)
	Prior Period Adjustments (Note B)	Amount In Dollars	Interest Note B	Total Col. (b) + Col. (c)
5	-	-	-	-

- Notes:
- For each project or Attachment H, the utility will populate the formula rate with the inputs for the True-Up Year. The revenue requirements, based on actual operating results for the True-Up Year, associated with the projects and Attachment H will then be entered in Col. (F) above. Column (E) above contains the actual revenues received associated with Attachment H and any Projects paid by the RTO to the utility during the True-Up Year. Then in Col. (G), Col. (E) is subtracted from Col. (F) to calculate the True-up Adjustment. The Prior Period Adjustment from Line 5 below is input in Col. (H). Column (I) is the applicable interest rate from Attachment 6. Column (I) adds the interest on the sum of Col.(G) and (H). Col. (J) is the sum of Col. (G), (H), and (I).
  - Prior Period Adjustment is the amount of an adjustment to correct an error in a prior period. The FERC Refund interest rate specified in CFR 35.19(a) for the period up to the date the projected rates that are subject to True Up here went into effect.

Attachment 4  
Rate Base Worksheet  
PECO Energy Company

Line No	Month (a)	Gross Plant In Service			CWIP	LHFFU	Working Capital	Accumulated Depreciation			
		Transmission (b)	General (c)	Common (d)	CWIP in Rate Base (e)	Held for Future Use (f)	Materials & Supplies (g)	Prepayments (h)	Transmission (i)	General (j)	Common (k)
	Attachment H, Page 2, Line No:	2	4	5	27	31	34	35	9	11	12
		207.58.g minus 207.57.g. Projected monthly balances that are the amounts expected to be included in 207.58.g for end of year and records for other months (Note I)		207.99.g minus 207.98.g for end of year, records for other months	Electric Only, Form No 1, page 356 for end of year, records for other months (Note C)	214.17,d, 214.20,d and 214.22,d for end of year, records for other months	227. 8. c + (227.16.c * Labor Ratio) for end of year, records for other months	111.57.c for end of year, records for other months	Projected monthly balances that are expected to be included in 219.25.c for end of year and records for other months (Note I)		Electric Only, Form No 1, page 356 for end of year, records for other months
1	December Prior Year	1,547,012,084	254,708,195	558,388,839	-	1,127,275	12,954,107	1,590,663	494,610,735	63,297,973	264,599,972
2	January	1,545,817,812	255,587,400	563,437,237	-	1,127,275	13,198,270	1,474,925	496,677,799	64,349,149	266,757,675
3	February	1,547,575,763	253,241,208	566,108,859	-	1,127,275	13,153,882	1,167,915	498,752,452	65,394,628	268,904,701
4	March	1,550,423,492	255,462,590	566,488,000	-	1,127,275	13,070,208	1,489,936	500,827,786	66,436,125	271,011,253
5	April	1,551,385,138	257,680,013	567,552,524	-	1,141,405	13,254,835	1,274,659	502,902,697	67,473,961	273,126,789
6	May	1,554,330,717	265,483,331	568,318,173	-	1,141,405	12,822,381	1,381,460	504,977,289	68,525,719	275,266,783
7	June	1,578,028,013	278,226,922	569,020,533	-	1,141,405	13,101,071	1,778,639	507,075,343	69,589,730	277,461,526
8	July	1,582,044,499	281,329,477	569,486,433	-	1,141,405	13,243,817	1,417,073	509,197,928	70,647,238	279,691,870
9	August	1,588,336,917	284,492,521	570,787,342	-	1,141,405	13,204,483	1,136,311	511,326,791	71,698,762	281,952,951
10	September	1,593,159,799	287,949,865	571,798,160	-	1,141,405	12,826,018	1,445,046	513,462,762	72,744,371	284,374,390
11	October	1,598,979,233	291,414,478	573,004,108	-	1,141,405	12,393,762	1,684,776	515,605,332	73,783,631	286,934,540
12	November	1,602,446,584	294,800,210	579,552,244	-	1,141,405	12,521,319	1,469,865	517,753,069	74,816,199	289,608,976
13	December	1,643,385,575	297,352,664	583,324,766	-	1,141,405	12,899,808	1,215,256	519,942,695	75,839,788	292,415,459
14	Average of the 13 Monthly Balances	1,575,609,663	273,671,452	569,789,786	-	1,137,057	12,972,612	1,425,117	507,162,514	69,584,406	277,854,376

Adjustments to Rate Base

Line No	Month (a)	Unamortized Regulatory Asset (b)	Unamortized Abandoned Plant (c)	Account No. 281	Account No. 282	Account No. 283	Account No. 190	Account No. 255	Pension Asset (i)
				Accumulated Deferred Income Taxes (Note D) (d)	Accumulated Deferred Income Taxes (Note D) (e)	Accumulated Deferred Income Taxes (Note D) (f)	Accumulated Deferred Income Taxes (Note D) (g)	Accumulated Deferred Investment Credit (h)	
	Attachment H, Page 2, Line No:	28	29	22	23	24	25	26	27a
		Notes A & E	Notes B & F	Attachment 4A, line 20 for the projection and line 44 for the true-up	Attachment 4A, line 14 for the projection and line 38 for the true-up	Attachment 4A, line 17 for the projection and line 41 for the true-up	Attachment 4A, line 34 for the projection and line 47 for the true-up	Consistent with 266.8,b, 266.17.b, 267.8.h & 267.17.h	Pension Asset booked to Account 186
15	December Prior Year	-	-	-	-	-	-	-	32,025,610
16	January	-	-	-	-	-	-	-	33,911,149
17	February	-	-	-	-	-	-	-	33,693,342
18	March	-	-	-	-	-	-	-	33,482,044
19	April	-	-	-	-	-	-	-	33,261,440
20	May	-	-	-	-	-	-	-	33,059,650
21	June	-	-	-	-	-	-	-	32,843,995
22	July	-	-	-	-	-	-	-	32,628,341
23	August	-	-	-	-	-	-	-	32,412,686
24	September	-	-	-	-	-	-	-	32,197,031
25	October	-	-	-	-	-	-	-	31,985,804
26	November	-	-	-	-	-	-	-	31,769,907
27	December	-	-	-	-	-	-	-	31,562,100
28	Average of the 13 Monthly Balances	-	-	Zero	(276,574,829)	(13,817,012)	18,643,206	-	32,679,469

(except ADIT which is the amount shown on Attachment 4A)

Attachment 4  
Rate Base Worksheet  
PECO Energy Company

Unfunded Reserves (Notes G & H)  
(a)

(b)

(c)

(d)

(e)

(f)

(g)

(h)

Page 2 of 2

		Amount	Enter 1 if NOT in a trust or reserved account, enter zero (0) if included in a trust or reserved account	Enter 1 if the accrual account is included in the formula rate, enter (0) if NOT included in the formula rate	Enter the percentage paid for by the transmission formula customers	Allocation (Plant or Labor Allocator)	Amount Allocated, col. c x col. d x col. e x col. f x col. g
29	List of all reserves:						
30a	Environmental Liab - Superfund	(1,421,870)	1.00	1.00	100%	11.76%	(167,212)
30b	Accrued Severance Plans	(171,563)	1.00	1.00	100%	11.76%	(20,176)
30c	Workers Compensation - short term	(1,060,592)	1.00	1.00	100%	11.76%	(124,726)
30d	Workers Compensation - long term	(10,007,486)	1.00	1.00	100%	11.76%	(1,176,883)
30e	Public claims - Short Term	(487,971)	1.00	1.00	100%	11.76%	(57,385)
30f	Public Claims - Long term	(23,255,262)	1.00	1.00	100%	11.76%	(2,734,825)
30g	Accrued Septa Railroad Rent - transmission	(2,212,697)	1.00	1.00	100%	100.00%	(2,212,697)
30h							
30i							
30x	---	-	-	-	-	-	-
31	Total	(38,617,441)					(6,493,905)

Notes:

- A Recovery of regulatory asset is limited to any regulatory assets authorized by FERC.
- B Recovery of abandoned plant is limited to any abandoned plant recovery authorized by FERC.
- C Includes only CWIP authorized by the Commission for inclusion in rate base. The annual report filed pursuant to Section 7 of the Protocols will include for each project under construction (i) the CWIP balance eligible for inclusion in rate base; (ii) the CWIP balance ineligible for inclusion in rate base; and (iii) a demonstration that AFUDC is only applied to the CWIP balance that is not included in rate base. The annual report will reconcile the project-specific CWIP balances to the total Account 107 CWIP balance reported on p. 216.b of the FERC Form 1. The demonstration in (iii) above will show that monthly debts and credits do not contain entries for AFUDC for each CWIP project in rate base.
- D ADIT and Accumulated Deferred Income Tax Credits are computed using the average of the beginning of the year and the end of the year balances. The projection will use line 108 of Attachment 4a to populate the average ADIT balance on line 28 above.
- E Recovery of a Regulatory Asset is permitted only for pre-commercial and formation expenses, and is subject to FERC approval before the amortization of the Regulatory Asset can be included in rates. Recovery of any other regulatory assets requires authorization from the Commission. A carrying charge equal to the weighted cost of capital will be applied to the Regulatory Asset prior to the rate year when costs are first recovered.
- F Unamortized Abandoned Plant and Amortization of Abandoned Plant will be zero until the Commission accepts or approves recovery of the cost of abandoned plant.
- G The Formula Rate shall include a credit to rate base for all unfunded reserves (funds collected from customers that (1) have not been set aside in a trust, escrow or restricted account; (2) whose balance are collected from customers through cost accruals to accounts that are recovered under the Formula Rate; and (3) exclude the portion of any balance offset by a balance sheet account). Each unfunded reserve will be included on lines 30 above. The allocator in Col. (g) will be the same allocator used in the formula for the cost accruals to the account that is recovered under the Formula Rate. Since reserves can be created by an offsetting balance sheet account, rather than through cost accruals, the amount to be deducted from rate base should exclude the portion offset by another balance sheet account.
- H Calculate using 13 month average balance, except ADIT.
- I Projected balances are for the calendar year the revenue under this formula begins to be charged.



For True-Up  
Page 1 of 1

PECO Energy Company  
ADIT Worksheet for True-Up

DIT for True-Up

True-Up for the 12 months ended 12/31/2017

	(a) Balance	(b) Month	(c) Year	(d) Weighting for Projection	(e) Balance from ADIT BOY and ADIT EOY workpapers	(f) 100% Transmission	(g) 100% Allocator (f) x Allocator 100%	(h) Plant Related	(i) NP Allocator (h) x Allocator 0.1873 From Attach H Page 2, Line 18	(j) Labor Related	(k) S/W Allocator (j) x Allocator 0.1176 From Attach H Page 4, Line 16	(l) Total ADIT (d) x [(g)+(i)+(k)]
38	Balance	ADIT- 282 December	2016		(1,156,481,650)	(247,557,156)		-	-	(24,520,024)		
39	Balance	December	2017		(1,217,638,235)	(266,240,038)		-	-	(33,359,806)		
40		Average			(1,187,059,943)	(256,898,597)	(256,898,597)	-	-	(28,939,915)	(3,403,341)	(260,301,938)
41	Balance	ADIT-283 December	2016		(40,972,532)	-	-	(9,584,442)	(1,795,332)	(2,701,892)	(317,743)	
42	Balance	December	2017		(139,744,365)	-	-	(6,327,128)	(1,185,180)	(108,024,770)	(12,703,741)	
43		Average			(90,358,449)	-	-	(7,955,785)	(1,490,256)	(55,363,331)	(6,510,742)	(8,000,998)
44	Balance	ADIT-281 December	2016		Zero	Zero	Zero	Zero	Zero	Zero	Zero	Zero
45	Balance	December	2017		Zero	Zero	Zero	Zero	Zero	Zero	Zero	Zero
46		Average			Zero	Zero	Zero	Zero	Zero	Zero	Zero	Zero
47	Balance	ADIT-190 December	2016		83,060,062	1,763,437	1,763,437	370,525	69,406	26,695,124	3,139,353	4,972,196
48	Balance	December	2017		185,826,860	-	-	7,420,671	1,390,020	153,189,182	18,015,087	19,405,107
49		Average			134,443,461	881,719	881,719	3,895,598	729,713	89,942,153	10,577,220	12,188,652

Attachment 4B  
PECO Energy Company

ADIT BOY Worksheet

ADIT BOY Worksheet  
Page 1 of 3

	A	B	C	D	E	F
		Total		Only Related	Related	Related
a	ADIT- 282	(1,156,481,650)		(247,557,156)	-	(24,520,024) (From line 5 for the column)
b	ADIT-283	(40,972,532)		-	(9,584,442)	(2,701,892) (From line 17 for the column)
c	ADIT-190	83,060,062		1,763,437	370,525	26,695,124 (From line 29 for the column)
d	Subtotal	(1,114,394,120)		(245,793,719)	(9,213,917)	(526,792) (Sum a - c)

In filling out this attachment, a full and complete description of each item and justification for the allocation to Columns C-F and each separate ADIT item will be listed. Dissimilar items with amounts exceeding \$100,000 will be listed separately.

Line	A	B	C	D	E	F	G
		Total	Gas, Prod Retail Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
1	ACCRUED BENEFITS	2,523,784	-	-	-	2,523,784	Related to employer costs of benefits, such as health insurance, 401 (k), etc. The amounts are recorded to the liability and cleared through payments during each bi-weekly payroll. Any balance in the account at the end of the month would relate to the month-end accrual that is recorded at the end of the month and reversed on the first calendar day of the next month. As such, there is a book to tax timing difference.
1a	ADDBACK OF NQSO EXPENSE	2,851,343	-	-	-	2,851,343	No current book activity, tax deducts as distributions are made from the trust - employees in all functions.
1b	ADDBACK OF OTHER EQUITY COMP EXPENSE	1,304,790	-	-	-	1,304,790	Book expense recorded when stock is granted, tax expense when stock is issued at market price - employees in all functions.
1c	AMORT-ORGANIZATIONAL COSTS	3,558	3,558	-	-	-	Excluded because the underlying account(s) are not included in model
1d	BAD DEBT - CHANGE IN PROVISION	18,150,879	18,150,879	-	-	-	Retail bad debt. For book, expense taken as it's identified; tax deduction not taken until fully written-off and all collection efforts abandoned. Relates to retail operations.
1e	CHARITABLE CARRYFORWARD	2,900,278	2,900,278	-	-	-	Excluded because the underlying account(s) are not included in model
1f	CUSTOMER ADVANCES - CONSTRUCTION	318,231	318,231	-	-	-	Excluded because the underlying account(s) are not included in model
1g	DEFERRED COMPENSATION	4,500,812	-	-	-	4,500,812	Book records estimated accrued compensation; tax deducts only upon the retirement or other separation from service by the employees. Relates to all functions.
1h	DEFERRED REVENUE - CURRENT	2,477,917	2,477,917	-	-	-	Excluded because the underlying account(s) are not included in model
1i	FAS 112	298,985	-	-	-	298,985	Employer provided benefits to former employees but before retirement.
1j	FIN 47 ARO	876,157	876,157	-	-	-	Accrual of future removal/retirements. Book recognized the expense estimate accrual, tax recognizes when paid. Related to all functions.
1k	Gross Up-Bill E Credit	31,256,623	31,256,623	-	-	-	Excluded because the underlying account(s) are not included in model
1l	INCENTIVE PAY	13,750,207	-	-	-	13,750,207	Book records an accrual in filing year on estimated payouts; tax reverses the accrual and deducts the actual paid out. Relates to all functions.
1m	INJURIES AND DAMAGE PAYMENTS	8,185,168	-	-	-	8,185,168	Books records an estimated liability for injuries and damages; tax purposes a deduction is only taken when actual payments are made.
1n	MERGER COSTS NC	13,056,046	13,056,046	-	-	-	Excluded because the underlying account(s) are not included in model
1o	DEFERRED CHARGES - TAX REPAIRS BILL CREDIT-DIST	830,838	830,838	-	-	-	Excluded because the underlying account(s) are not included in model
1p	OBSOLETE MATERIALS PROVISION	642,817	642,817	-	-	-	Excluded because the underlying account(s) are not included in model
1q	OTHER CURRENT	-	-	-	-	-	0
1r	FACILITY COMMITMENT FEES	22,565	-	-	22,565	-	Debt related
1s	FINES & OTHER	254,707	254,707	-	-	-	Excluded because the underlying account(s) are not included in model
1t	OTHER NONCURRENT- RAILROAD LIABILITY	106,198	-	-	106,198	-	Related to reserve for required maintenance on right of ways.
1u	OTHER UNEARNED REVENUE-DEFERRED RENTS	241,762	-	-	241,762	-	Rent expense deferred and amortized ratably for books, tax deduction when paid - used for all functions.
1v	PENSION EXPENSE PROVISION	(131,642,226)	-	-	-	(131,642,226)	Book accrues and capitalizes anticipated Pension costs based on actuarial analysis. Tax deducts or capitalizes retirement benefits only when the amounts are paid. Related to all functions.
1w	POLE ATTACHMENT RESERVE	3,990,295	3,990,295	-	-	-	Excluded because the underlying account(s) are not included in model
1x	POST RETIREMENT BENEFITS	116,640,780	-	-	-	116,640,780	Book accrues anticipated post retirement costs based on actuarial analysis. Tax deducts retirement benefits only when the amounts are paid or contributed to a fund.
1y	RESERVE FOR EMPLOYEE LITIGATIONS Current	31,598	31,598	-	-	-	Related to reserves associated with ongoing and/or pending litigation. These are not legal service fees, but accrual for possible liability payments upon resolution of ongoing litigation matters. Since we have accrued, but not yet paid, we have to book the tax reserve.
1z	SA UNBILLED RESERVE	8,280,528	8,280,528	-	-	-	Retail related
1aa	SECA REFUND	234,547	234,547	-	-	-	Retail related
1ab	SEPTA RAILROAD RENT	1,763,437	-	1,763,437	-	-	Reserve for potential transmission rent expense
1ac	SEVERANCE PMTS CHANGE IN PROVISION	65,881	-	-	-	65,881	Book records an accrual; tax takes the deduction when actually paid. Relates to all functions.
1ad	VACATION PAY CHANGE IN PROVISION	2,034,503	-	-	-	2,034,503	Capitalized portion of vacation pay earned and expensed for books, tax takes the deduction when paid out. Related to all functions.
1ae	VEGETATION MGMT ACCRUAL	2,182,580	2,182,580	-	-	-	Excluded because the underlying account(s) are not included in model
1af	WORKERS COMPENSATION RESERVE	6,181,097	-	-	-	6,181,097	These accounts are reserves for public claims, workers compensation and other third party incidents. For tax purposes these are not deductible until paid. Related to all functions.
1ag							
1ah							
1ai							
1aj							
1ak							
1al							
1am							
2	Subtotal - p234.8.b	114,316,685	85,487,599	1,763,437	370,525	26,695,124	
3	Less FASB 109 Above if not separately removed	31,256,623	31,256,623				
4	Less FASB 106 Above if not separately removed						
5	Total	83,060,062	54,230,976	1,763,437	370,525	26,695,124	



6 Instructions for Account 190:  
 7 1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C  
 8 2. ADIT items related only to Transmission are directly assigned to Column D  
 9 3. ADIT items related to Plant other than general plant, intangible plant or common plant and not in Columns C & D are included in Column E  
 10 4. ADIT items related to labor, general plant, intangible plant, or common plant and not in Columns C & D are included in Column F  
 11 5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula,  
 12 the associated ADIT amount shall be excluded

PECO Energy Company

ADIT BOY Worksheet

ADIT BOY Worksheet  
Page 2 of 3

	A	B	C	D	E	F	G
ADIT- 282		Total	Gas, Prod Retail Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
13a	Property Related ADIT, Excl. ARO	-	-	-	-	-	0
13b	Common	(39,051,003)	-	-	-	(39,051,003)	Included because plant in service is included in rate base.
13c	Distribution	(1,913,939,237)	(1,913,939,237)	-	-	-	Related to Distribution property.
13d	Electric General	(5,406,256)	-	-	-	(5,406,256)	Included because plant in service is included in rate base.
13e	Transmission	(369,697,372)	-	(369,697,372)	-	-	Included because plant in service is included in rate base.
13f							
13g							
13h							
...							
14	Subtotal - p275.2.b	(2,328,093,868)	(1,913,939,237)	(369,697,372)	-	(44,457,259)	
15	Less FASB 109 Above if not separately removed	(1,171,612,218)	(1,029,534,767)	(122,140,216)	-	(19,937,235)	
16	Less FASB 106 Above if not separately removed						
17	Total	(1,156,481,650)	(884,404,470)	(247,557,156)	-	(24,520,024)	

18 Instructions for Account 282:  
 19 1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C  
 20 2. ADIT items related only to Transmission are directly assigned to Column D  
 21 3. ADIT items related to Plant other than general plant, intangible plant or common plant and not in Columns C & D are included in Column E  
 22 4. ADIT items related to labor, general plant, intangible plant, or common plant and not in Columns C & D are included in Column F  
 23 5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula,  
 24 the associated ADIT amount shall be excluded

ADIT BOY Worksheet

PECO Energy Company

ADIT BOY Worksheet  
Page 3 of 3

	A	B	C	D	E	F	G
ADIT-283		Total	Gas, Prod Retail Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
25	ACT 129 SMART METER	(14,378,386)	(14,378,386)	-	-	-	Retail related
25a	AEC RECEIVABLE	(2,480,113)	(2,480,113)	-	-	-	Retail related
25b	AMORT-BK-PREMIUMS ON REACQD DEBT-9.5%	(685,252)	-	-	(685,252)	-	Book recapitalizes costs incurred to retire or reacquire debt issuances. Tax deducts these costs when incurred.
25c	CAP FORGIVENESS REG ASSET	(4,307,298)	(4,307,298)	-	-	-	Retail related
25d	CAP SHOPPING REG ASSET	(179,578)	(179,578)	-	-	-	Retail related
25e	DSP 2 - REGULATORY ASSET	(52,703)	(52,703)	-	-	-	Retail related
25f	ELEC RATE CASE EXP - REG ASSET	(183,943)	(183,943)	-	-	-	Retail related
25g	ENERGY EFFICIENCY REG ASSET	(404,019)	(404,019)	-	-	-	Retail related
25h	Gross Up on State Def Tax Adj- AMR Reg Asset	(1,344,007)	(1,344,007)	-	-	-	Retail related
25i	HOLIDAY PAY CHANGE IN PROVISION	-	-	-	-	-	The book expense on Jan 1 of calendar year; accelerated tax expense taken in previous calendar year. Related to all functions.
25j	OCI-Def FIT & SIT	(668,412)	(668,412)	-	-	-	Excluded because the underlying account(s) are not included in model
25k	OTHER CURRENT REG ASSET:	-	-	-	-	-	0
25l	LOSS OF REAQUIRED DEBT	(291,120)	-	-	(291,120)	-	Book recapitalizes costs incurred to retire or reacquire debt issuances. Tax deducts these costs when incurred. Included in debt capitalization ratio on Appendix A, line 111.
25m	VACATION ACCRUAL	(2,402,907)	-	-	-	(2,402,907)	Current portion of vacation pay earned and expensed for books, tax takes the deduction when paid out. Related to all functions.
25n	SMART METER	(4,792,796)	(4,792,796)	-	-	-	Retail related
25o	CAP SHOPPING REG ASSET	(352,997)	(352,997)	-	-	-	Retail related
25p	CAP FORGIVENESS REG ASSET	(292,535)	(292,535)	-	-	-	Retail related
25q	FAS 112	(298,985)	-	-	-	(298,985)	Employer provided benefits to former employees but before retirement.
25r	ELEC RATE CASE EXP - REG ASSET	(183,751)	(183,751)	-	-	-	Retail related
25s	PURTA	(2,331)	-	-	(2,331)	-	Property taxes. Book records on an accrual method based on the prior year; tax reverses the book accrual and deducts the actual payments made. . Relates to all functions.
25t	SEAMLESS MOVES	(55,320)	(55,320)	-	-	-	Retail related
25u	ENERGY EFFICIENCY REG ASSET	(118,249)	(118,249)	-	-	-	Retail related
25v	OTHER CURRENT REG ASSET	(236,098)	(236,098)	-	-	-	Gas Related
25w	STATE TAX RESERVE	(8,605,739)	-	-	(8,605,739)	-	The state income tax is cash basis
25x							
....							
26	Subtotal - p276.9.b	(42,316,539)	(30,030,205)	-	(9,584,442)	(2,701,892)	
27	Less FASB 109 Above if not separately removed	(1,344,007)	(1,344,007)				
28	Less FASB 106 Above if not separately removed						
29	Total	(40,972,532)	(28,686,198)	-	(9,584,442)	(2,701,892)	

30 Instructions for Account 283:

- 31 1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
- 32 2. ADIT items related only to Transmission are directly assigned to Column D
- 33 3. ADIT items related to Plant other than general plant, intangible plant or common plant and not in Columns C & D are included in Column E
- 34 4. ADIT items related to labor, general plant, intangible plant, or common plant and not in Columns C & D are included in Column F
- 35 5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula,
- 36 the associated ADIT amount shall be excluded

Attachment 4C  
PECO Energy Company

ADIT EOY Worksheet

ADIT EOY Worksheet  
Page 1 of 3

	A	B	C	D	E	F
		Total		Only Transmission Related	Plant Related	Labor Related
a	<b>ADIT- 282</b>	(1,217,638,235)		(266,240,038)	-	(33,359,806) (From line 5 for the column)
b	<b>ADIT-283</b>	(139,744,365)		-	(6,327,128)	(108,024,770) (From line 17 for the column)
c	<b>ADIT-190</b>	185,826,860		-	7,420,671	153,189,182 (From line 29 for the column)
d	<b>Subtotal</b>	(1,171,555,740)		(266,240,038)	1,093,543	11,804,606 (Sum a - c)

Line In filling out this attachment, a full and complete description of each item and justification for the allocation to Columns C-F and each separate ADIT item will be listed. Dissimilar items with amounts exceeding \$100,000 will be listed separately.

	A	B	C	D	E	F	G
	ADIT-190	Total	Gas, Prod Retail Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
1c	ACCRUED BENEFITS	849,467	-	-	-	849,467	Related to employer costs of benefits, such as health insurance, 401 (k), etc. The amounts are recorded to the liability and cleared through payments during each bi-weekly payroll. Any balance in the account at the end of the month would relate to the month-end accrual that is recorded at the end of the month and reversed on the first calendar day of the next month. As such, there is a book to tax timing difference.
1d	ADDBACK OF NQSO EXPENSE	1,877,516	-	-	-	1,877,516	No current book activity, tax deducts as distributions are made from the trust - employees in all functions.
1e	ADDBACK OF OTHER EQUITY COMP EXPENSE	1,247,830	-	-	-	1,247,830	Book expense recorded when stock is granted, tax expense when stock is issued at market price - employees in all functions.
1f	AMORT-ORGANIZATIONAL COSTS	-	-	-	-	-	Excluded because the underlying account(s) are not included in model
1g	BAD DEBT - CHANGE IN PROVISION	13,778,093	13,778,092	-	-	-	Retail bad debt. For book, expense taken as it's identified; tax deduction not taken until fully written-off and all collection efforts abandoned. Relates to retail operations.
1h	CHARITABLE CARRYFORWARD	1,570,195	1,570,195	-	-	-	Excluded because the underlying account(s) are not included in model
1i	CUSTOMER ADVANCES - CONSTRUCTION	158,593	158,593	-	-	-	Excluded because the underlying account(s) are not included in model
1j	DEFERRED COMPENSATION	2,077,910	-	-	-	2,077,910	Book records estimated accrued compensation; tax deducts only upon the retirement or other separation from service by the employees. Relates to all functions.
1k	DEFERRED REVENUE	220,916	220,916	-	-	-	Excluded because the underlying account(s) are not included in model
1l	FAS 112	207,942	-	-	-	207,942	Employer provided benefits to former employees but before retirement.
1m	FEDERAL NOL	1,141,419	-	-	1,141,419	-	PECO is in a net operating loss situation, therefore, losses are carried forward until such losses can be applied to taxable income.
1n	FIN 47 ARO	-	-	-	-	-	Accrual of future removal/retirements. Book recognized the expense estimate accrual, tax recognizes when paid. Related to all functions.
1o	Gross Up-Bill E Credit	9,573,744	9,573,744	-	-	-	Excluded because the underlying account(s) are not included in model
1p	INCENTIVE PAY	9,947,772	-	-	-	9,947,772	Book records an accrual in filing year on estimated payouts; tax reverses the accrual and deducts the actual paid out. Relates to all functions.
1q	INJURIES AND DAMAGE PAYMENTS	-	-	-	-	-	Books records an estimated liability for injuries and damages; tax purposes a deduction is only taken when actual payments are made.
1r	MERGER COSTS NC	-	-	-	-	-	Excluded because the underlying account(s) are not included in model
1s	DEFERRED CHARGES - TAX REPAIRS BILL CREDIT-DIST	1,153,652	1,153,652	-	-	-	Excluded because the underlying account(s) are not included in model
1t	OBSOLETE MATERIALS PROVISION	429,796	429,796	-	-	-	Excluded because the underlying account(s) are not included in model
1u	OTHER CURRENT	0	0	-	-	-	0
1v	FACILITY COMMITMENT FEES	10,794	-	-	10,794	-	Debt related
1w	FINES & OTHER	192,052	192,052	-	-	-	Excluded because the underlying account(s) are not included in model
1x	OTHER NONCURRENT- RAILROAD LIABILITY	83,758	-	-	83,758	-	Related to reserve for required maintenance on right of ways.
1y	OTHER UNEARNED REVENUE-DEFERRED RENTS	265,981	-	-	265,981	-	Rent expense deferred and amortized ratably for books, tax deduction when paid - used for all functions.
1z	PAYROLL TAXES	626,979	-	-	-	626,979	Book records a payroll tax accrual; tax reverses the accrual and deducts the actual amount paid out. Relates to all functions.
1aa	PENNSYLVANIA NOL	6,078,222	-	-	6,078,222	-	PECO is in a net operating loss situation, therefore, losses are carried forward until such losses can be applied to taxable income.
1ab	PENSION EXPENSE PROVISION	-	-	-	-	-	Book accrues and capitalizes anticipated Pension costs based on actuarial analysis. Tax deducts or capitalizes retirement benefits only when the amounts are paid. Related to all functions.
1ac	POLE ATTACHMENT RESERVE	-	-	-	-	-	Excluded because the underlying account(s) are not included in model
1ad	POST RETIREMENT BENEFITS	77,957,835	-	-	-	77,957,835	Book accrues anticipated post retirement costs based on actuarial analysis. Tax deducts retirement benefits only when the amounts are paid or contributed to a fund.
1ae	RESERVE FOR EMPLOYEE LITIGATIONS Current	-	-	-	-	-	Related to reserves associated with ongoing and/or pending litigation. These are not legal service fees, but accrual for possible liability payments upon resolution of ongoing litigation matters. Since we have accrued, but not yet paid, we have to book the tax reserve.
1af	SA UNBILLED RESERVE	3,827,688	3,827,688	-	-	-	Retail related
1ag	SECA REFUND	-	-	-	-	-	Retail related
1ah	SEPTA RAILROAD RENT	-	-	-	-	-	Reserve for potential transmission rent expense
1ai	SEVERANCE PMTS CHANGE IN PROVISION	61,677	-	-	-	61,677	Book records an accrual; tax takes the deduction when actually paid. Relates to all functions.
1aj	VACATION PAY CHANGE IN PROVISION	1,004,916	-	-	-	1,004,916	Capitalized portion of vacation pay earned and expensed for books, tax takes the deduction when paid out. Related to all functions.
1ak	VEGETATION MGMT ACCRUAL	1,560,924	1,560,924	-	-	-	Excluded because the underlying account(s) are not included in model
1al	WORKERS COMPENSATION RESERVE	10,806,431	-	-	-	10,806,431	Related to all functions.
1am							
1an							
...							
2	Subtotal - p234.8.c	146,712,102	32,465,652	-	7,580,174	106,666,275	
3	Less FASB 109 Above if not separately removed	(39,114,758)	7,248,646	-	159,503	(46,522,907)	Includes FASB 109 related to TCJA
4	Less FASB 106 Above if not separately removed						
5	Total	185,826,860	25,217,006	-	7,420,671	153,189,182	

6 Instructions for Account 190:

- 7 1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
- 8 2. ADIT items related only to Transmission are directly assigned to Column D
- 9 3. ADIT items related to Plant other than general plant, intangible plant or common plant and not in Columns C & D are included in Column E
- 10 4. ADIT items related to labor, general plant, intangible plant, or common plant and not in Columns C & D are included in Column F
- 11 5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula,
- 12 the associated ADIT amount shall be excluded

PECO Energy Company

ADIT EOY Worksheet

ADIT EOY Worksheet  
Page 2 of 3

	A	B	C	D	E	F	G
ADIT- 282		Total	Gas, Prod Retail Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
13a	Property Related ADIT, Excl. ARO	-	-	-	-	-	
13b	Common	(28,709,490)	-	-	-	(28,709,490)	Included because plant in service is included in rate base.
13c	Distribution	(1,121,038,511)	(1,121,038,511)	-	-	-	Related to Distribution property.
13d	Electric General	(3,411,310)	-	-	-	(3,411,310)	Included because plant in service is included in rate base.
13e	Transmission	(213,299,037)	-	(213,299,037)	-	-	Included because plant in service is included in rate base.
13f							
13g		-					
13h							
...							
14	Subtotal - p275.2.k	(1,366,458,348)	(1,121,038,511)	(213,299,037)	-	(32,120,800)	
15	Less FASB 109 Above if not separately removed	(148,820,113)	(203,000,120)	52,941,001	-	1,239,006	
16	Less FASB 106 Above if not separately removed						
17	Total	(1,217,638,235)	(918,038,391)	(266,240,038)	-	(33,359,806)	

18 Instructions for Account 282:  
 19 1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C  
 20 2. ADIT items related only to Transmission are directly assigned to Column D  
 21 3. ADIT items related to Plant other than general plant, intangible plant or common plant and not in Columns C & D are included in Column E  
 22 4. ADIT items related to labor, general plant, intangible plant, or common plant and not in Columns C & D are included in Column F  
 23 5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula,  
 24 the associated ADIT amount shall be excluded

PECO Energy Company

ADIT EOY Worksheet

ADIT EOY Worksheet  
Page 3 of 3

	A	B	C	D	E	F	G
ADIT-283		Total	Gas, Prod Retail Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
25a	ACT 129 SMART METER	(6,674,279)	(6,674,279)	-	-	-	Retail related
25b	AEC RECEIVABLE	(1,172,108)	(1,172,108)	-	-	-	Retail related
25c	AMORT-BK-PREMIUMS ON REACQD DEBT-9.5%	(432,825)	-	-	(432,825)	-	Book recapitalizes costs incurred to retire or reacquire debt issuances. Tax deducts these costs when incurred.
25d	CAP FORGIVENESS REG ASSET	(2,105,889)	(2,105,889)	-	-	-	Retail related
25e	CAP SHOPPING REG ASSET	0	0	-	-	-	Retail related
25f	DSP 2 - REGULATORY ASSET	(74,577)	(74,577)	-	-	-	Retail related
25g	ELEC RATE CASE EXP - REG ASSET	(19,564)	(19,564)	-	-	-	Retail related
25h	ENERGY EFFICIENCY REG ASSET	(198,976)	(198,976)	-	-	-	Retail related
25i	Gross Up on State Def Tax Adj- AMR Reg Asset	(577,496)	(577,496)	-	-	-	Retail related
25j	HOLIDAY PAY CHANGE IN PROVISION	-	-	-	-	-	The book expense on Jan 1 of calendar year; accelerated tax expense taken in previous calendar year. Related to all functions.
25k	OCI-Def FIT & SIT	(568,355)	(568,355)	-	-	-	Excluded because the underlying account(s) are not included in model
25l	OTHER CURRENT REG ASSET:	-	-	-	-	-	0
25m	LOSS OF REAQUIRED DEBT	(153,763)	-	-	(153,763)	-	Book recapitalizes costs incurred to retire or reacquire debt issuances. Tax deducts these costs when incurred. Included in debt capitalization ratio on Appendix A, line 111.
25n	VACATION ACCRUAL	(1,461,442)	-	-	-	(1,461,442)	Current portion of vacation pay earned and expensed for books, tax takes the deduction when paid out. Related to all functions.
25o	SMART METER	(3,581,502)	(3,581,502)	-	-	-	Retail related
25p	CAP SHOPPING REG ASSET - CURRENT	(245,786)	(245,786)	-	-	-	Retail related
25q	CAP FORGIVENESS REG ASSET - CURRENT	(390,761)	(390,761)	-	-	-	Retail related
25r	FAS 112	(208,178)	-	-	-	(208,178)	Employer provided benefits to former employees but before retirement.
25s	ELEC RATE CASE EXP - REG ASSET - CURRENT	(127,943)	-	-	(127,943)	-	Property taxes. Book records on an accrual method based on the prior year; tax reverses the book accrual and deducts the actual payments made. . Relates to all functions.
25t	PURTA	4	4	-	-	-	Retail related
25u	SEAMLESS MOVES	(38,518)	-	-	-	(38,518)	Book accrues and capitalizes anticipated Pension costs based on actuarial analysis. Tax deducts or capitalizes retirement benefits only when the amounts are paid. Related to all functions.
25v	OTHER CURRENT REG ASSET	(2,217,430)	(2,217,430)	-	-	-	Gas Related
25w	PENSION EXPENSE PROVISION	(90,086,556)	-	-	-	(90,086,556)	Book accrues and capitalizes anticipated Pension costs based on actuarial analysis. Tax deducts or capitalizes retirement benefits only when the amounts are paid. Related to all functions.
25x	RATE CHANGE REG ASSET	(9,147,256)	(9,147,256)	-	-	-	Gross up related to non-property tax rate change/TCJA
25y	STATE TAX RESERVE	(3,254,291)	-	-	(3,254,291)	-	The state income tax is cash basis
25z							
....							
26	Subtotal - p277.9.k	(122,737,492)	(26,973,976)	-	(3,968,822)	(91,794,694)	
27	Less FASB 109 Above if not separately removed	17,006,873	(1,581,508)	-	2,358,306	16,230,075	Includes FASB 109 related to TCJA
28	Less FASB 106 Above if not separately removed						
29	Total	(139,744,365)	(25,392,468)	-	(6,327,128)	(108,024,770)	

30 Instructions for Account 283:

- 31 1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
- 32 2. ADIT items related only to Transmission are directly assigned to Column D
- 33 3. ADIT items related to Plant other than general plant, intangible plant or common plant and not in Columns C & D are included in Column E
- 34 4. ADIT items related to labor, general plant, intangible plant, or common plant and not in Columns C & D are included in Column F
- 35 5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula,
- 36 the associated ADIT amount shall be excluded

PECO Energy Company

Attachment 4D - Intangible Plant Workpaper

Total Intangible Plant		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)
Gross Plant		December Prior Year	January	February	March	April	May	June	July	August	September	October	November	December	Average	Transmission	Distribution	S&W Allocation	Total	
																=average(b:n)				=sum(p:r)
1	Intangibles - General	14,332,648	17,629,714	16,345,816	18,245,161	27,396,448	31,814,963	40,907,367	42,522,656	48,285,828	67,787,884	70,889,385	76,030,613	78,685,491	42,374,921				42,374,921	42,374,921
2	IT NERC CIP - Transmission	11,298,011	11,298,011	11,298,011	11,298,011	11,298,011	11,298,011	11,298,011	11,298,011	11,298,011	11,298,011	11,298,011	11,298,011	11,298,011	11,298,011	11,298,011				11,298,011
3	IT NERC CIP - Distribution	2,042,317	2,042,317	2,042,317	2,042,317	2,042,317	2,042,317	2,042,317	2,042,317	2,042,317	2,042,317	2,042,317	2,042,317	2,042,317	2,042,317			2,042,317		2,042,317
4	IT DSP - Distribution	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384			2,231,384		2,231,384
5	IT BIDA GRID T&D	-	-	-	342,500	342,500	342,500	685,000	685,000	685,000	1,027,500	1,027,500	1,027,500	1,370,000	579,615			579,615		579,615
6	IT BIDA - Distribution	16,094,656	16,093,858	16,093,858	16,695,379	16,695,379	16,695,379	17,296,900	17,296,900	17,296,900	17,898,421	19,359,054	19,409,439	20,215,349	17,472,421			17,472,421		17,472,421
7	IT Post 2010 and Other - Distribution	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254			19,638,254		19,638,254
8	IT Smart Meter - Distribution	86,110,084	86,110,084	86,110,084	86,110,084	86,110,084	86,110,084	86,110,084	86,110,084	86,110,084	86,110,084	86,110,084	86,110,084	86,110,084	86,110,084			86,110,084		86,110,084
9																				
10																				
11																				
12																				
13																				
14																				
15																				
16																				
17																				
18																				
19	Total	151,747,354	155,043,620	153,759,723	156,603,089	165,754,375	170,172,890	180,209,316	181,824,605	187,587,777	208,033,853	212,595,987	217,787,600	221,590,888	181,747,006	11,298,011	127,494,459	42,954,536	181,747,006	181,747,006
20															Allocation Factor	100.00%	0.00%	11.76%		
21															Total Intangible - Transmission	11,298,011	-	5,051,465	16,349,475	
22	Intangibles - General	4,923,130	5,134,501	5,346,437	5,558,760	5,833,214	6,172,573	6,550,952	6,968,354	7,393,319	7,828,234	8,279,156	8,744,012	9,215,530	6,765,244			6,765,244		6,765,244
23	IT NERC CIP - Transmission	4,031,408	4,219,691	4,407,975	4,596,259	4,784,543	4,972,827	5,161,111	5,349,395	5,537,679	5,725,963	5,914,247	6,102,531	6,290,814	5,161,111	5,161,111				5,161,111
24	IT NERC CIP - Distribution	586,795	621,278	655,761	690,245	724,728	759,211	793,695	828,178	862,661	897,145	931,628	966,111	1,000,595	793,695			793,695		793,695
25	IT DSP - Distribution	1,961,801	1,961,801	1,961,801	1,961,801	1,961,801	1,961,801	1,961,801	1,961,801	1,961,801	1,961,801	1,961,801	1,961,801	1,961,801	1,961,801			1,961,801		1,961,801
26	IT BIDA GRID T&D	-	-	-	2,039	6,116	10,193	16,310	24,464	32,619	42,813	55,045	67,277	81,548	26,033			26,033		26,033
27	IT BIDA - Distribution	1,493,220	1,531,430	1,569,636	1,611,424	1,656,794	1,702,165	1,751,117	1,803,652	1,856,186	1,912,303	1,980,699	2,058,091	2,140,583	1,774,408			1,774,408		1,774,408
28	IT Post 2010 and Other - Distribution	15,209,326	15,338,148	15,466,970	15,595,793	15,724,615	15,853,437	15,982,259	16,111,082	16,239,904	16,368,726	16,497,548	16,626,371	16,755,193	15,982,259			15,982,259		15,982,259
29	IT Smart Meter - Distribution	65,618,582	66,529,345	67,440,107	68,155,995	68,569,770	68,983,545	69,397,319	69,811,094	70,224,868	70,633,908	71,030,254	71,418,645	71,779,517	69,199,458			69,199,458		69,199,458
30																				
31																				
32																				
33																				
34																				
35																				
36																				
37																				
38																				
39																				
40	Total	93,824,262	95,336,194	96,848,688	98,172,315	99,261,581	100,415,752	101,614,564	102,858,018	104,109,037	105,370,892	106,650,378	107,944,838	109,225,581	101,664,008	5,161,111	89,711,620	6,791,277	101,664,008	101,664,008
41															Allocation Factor	100.00%	0.00%	11.76%		
42															Total Intangible - Transmission	5,161,111	-	798,656	5,959,767	

PECO Energy Company

Attachment 4D - Intangible Plant Workpaper

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)
Net Plant in Service	December Prior Year	January	February	March	April	May	June	July	August	September	October	November	December	Average	Transmission	Distribution	S&W Allocation	Total
Gross Plant Minus Accumulated Depreciation														=average(b:n)			=sum(p:r)	
43 Intangibles - General	9,409,518	12,495,213	10,999,380	12,686,401	21,563,234	25,642,389	34,356,415	35,554,302	40,892,509	59,959,649	62,610,228	67,286,600	69,469,961	35,609,677			35,609,677	35,609,677
44 IT NERC CIP - Transmission	7,266,603	7,078,319	6,890,035	6,701,751	6,513,468	6,325,184	6,136,900	5,948,616	5,760,332	5,572,048	5,383,764	5,195,480	5,007,196	6,136,900	6,136,900			6,136,900
45 IT NERC CIP - Distribution	1,455,522	1,421,038	1,386,555	1,352,072	1,317,589	1,283,105	1,248,622	1,214,139	1,179,655	1,145,172	1,110,689	1,076,205	1,041,722	1,248,622		1,248,622		1,248,622
46 IT DSP - Distribution	269,583	269,583	269,583	269,583	269,583	269,583	269,583	269,583	269,583	269,583	269,583	269,583	269,583	269,583		269,583		269,583
47 IT BIDA GRID T&D	-	-	-	340,461	336,384	332,307	668,690	660,536	652,381	984,687	972,455	960,223	1,288,452	553,583			553,583	553,583
48 IT BIDA - Distribution	14,601,436	14,562,428	14,524,222	15,083,955	15,038,585	14,993,214	15,545,783	15,493,248	15,440,714	15,986,118	17,378,356	17,351,348	18,074,766	15,698,013		15,698,013		15,698,013
49 IT Post 2010 and Other - Distribution	4,428,928	4,300,106	4,171,283	4,042,461	3,913,639	3,784,817	3,655,994	3,527,172	3,398,350	3,269,528	3,140,705	3,011,883	2,883,061	3,655,994		3,655,994		3,655,994
50 IT Smart Meter - Distribution	20,491,502	19,580,739	18,669,976	17,954,088	17,540,314	17,126,539	16,712,764	16,298,990	15,885,215	15,476,176	15,079,829	14,691,439	14,330,566	16,910,626		16,910,626		16,910,626
51	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
52	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
53	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
54	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
55	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
56	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
57	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
58	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
59	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
60	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
61 Total	57,923,092	59,707,426	56,911,035	58,430,773	66,492,794	69,757,138	78,594,751	78,966,586	83,478,740	102,662,961	105,945,609	109,842,762	112,365,308	80,082,998	6,136,900	37,782,839	36,163,260	80,082,998
62														Allocation Factor	100.00%	0.00%	11.76%	
63														Total Intangible - Transmission	6,136,900	-	4,252,809	10,389,708

(a)	(b)	(c)	(d)	(e)	(f)
Depreciation Expense	Total	Transmission	Distribution	S&W Allocation	Total
					=sum(c:e)
64 Intangibles - General	2,176,074			2,176,074	2,176,074
65 IT NERC CIP - Transmission	2,186,900	2,186,900			2,186,900
66 IT NERC CIP - Distribution	338,681		338,681		338,681
67 IT DSP - Distribution	-		-		-
68 IT BIDA - Distribution	210,062		210,062		210,062
69 IT Post 2010 and Other - Distribution	4,226,671		4,226,671		4,226,671
70 IT Smart Meter - Distribution	10,737,875		10,737,875		10,737,875
71	-		-		-
72	-		-		-
73	-		-		-
74	-		-		-
75	-		-		-
76	-		-		-
77	-		-		-
78	-		-		-
79	-		-		-
80	-		-		-
81	-		-		-
82 Total	19,876,263	2,186,900	15,513,289	2,176,074	19,876,263
83		Allocation Factor	100.00%	0.00%	11.76%
84		Total Intangible - Transmission	2,186,900	-	255,907

**PECO Energy Company**

**Attachment 4E - Cost to Achieve Mergers**

	(a)	(b)	(c)	(d)	(e)	(...)	(x)
<b>O&amp;M Cost To Achieve</b>							
FERC Account		Constellation Merger	PHI Merger				Total
1	923	0	\$ 3,470,687				\$ 3,470,687
2							\$ -
3							\$ -
4							\$ -
5							\$ -
6							\$ -
7							\$ -
8							\$ -
9							\$ -
10							\$ -
11 Total		\$ -	\$ 3,470,687				\$ 3,470,687

**Capital Cost To Achieve included in the Electric Portion of Common Plant**

		Constellation Merger	PHI Merger	Total
<b>Gross Plant</b>				
12 December Prior Year		-	720,916	\$ 720,916
13 January		-	3,090,443	\$ 3,090,443
14 February		-	3,134,086	\$ 3,134,086
15 March		-	3,153,569	\$ 3,153,569
16 April		-	3,153,569	\$ 3,153,569
17 May		-	3,153,569	\$ 3,153,569
18 June		-	3,153,569	\$ 3,153,569
19 July		-	3,153,569	\$ 3,153,569
20 August		-	3,153,569	\$ 3,153,569
21 September		-	3,153,569	\$ 3,153,569
22 October		-	3,153,569	\$ 3,153,569
23 November		-	3,153,569	\$ 3,153,569
24 December		-	3,153,569	\$ 3,153,569
25 Average		-	2,960,087	2,960,087

**Accumulated Depreciation**

		Constellation Merger	PHI Merger	Total
26 December Prior Year		-	90,647	\$ 90,647
27 January		-	108,104	\$ 108,104
28 February		-	129,240	\$ 129,240
29 March		-	150,379	\$ 150,379
30 April		-	171,456	\$ 171,456
31 May		-	192,442	\$ 192,442
32 June		-	213,338	\$ 213,338
33 July		-	234,147	\$ 234,147
34 August		-	254,870	\$ 254,870
35 September		-	275,509	\$ 275,509
36 October		-	296,066	\$ 296,066
37 November		-	316,542	\$ 316,542
38 December		-	336,939	\$ 336,939
39 Average		-	213,052	213,052



**PECO Energy Company**

**Attachment 4E - Cost to Achieve Mergers**

(a)	(b)	(c)	(d)	(e)	(...)	(x)
<b>Net Plant = Gross Plant Minus Accumulated Depreciation from above</b>	Constellation Merger	PHI Merger				Total
40 December Prior Year	-	630,269	-	-	-	\$ 630,269
41 January	-	2,982,339	-	-	-	\$ 2,982,339
42 February	-	3,004,846	-	-	-	\$ 3,004,846
43 March	-	3,003,190	-	-	-	\$ 3,003,190
44 April	-	2,982,113	-	-	-	\$ 2,982,113
45 May	-	2,961,127	-	-	-	\$ 2,961,127
46 June	-	2,940,231	-	-	-	\$ 2,940,231
47 July	-	2,919,422	-	-	-	\$ 2,919,422
48 August	-	2,898,699	-	-	-	\$ 2,898,699
49 September	-	2,878,060	-	-	-	\$ 2,878,060
50 October	-	2,857,503	-	-	-	\$ 2,857,503
51 November	-	2,837,027	-	-	-	\$ 2,837,027
52 December	-	2,816,630	-	-	-	\$ 2,816,630
53 Average	-	2,747,035	-	-	-	2,747,035

	Constellation Merger	PHI Merger	Total
54 <b>Depreciation (Monthly Change of Accumulated Depreciation from above)</b>			
54 January	-	17,457	\$ 17,457
55 February	-	21,136	\$ 21,136
56 March	-	21,140	\$ 21,140
57 April	-	21,077	\$ 21,077
58 May	-	20,986	\$ 20,986
59 June	-	20,896	\$ 20,896
60 July	-	20,809	\$ 20,809
61 August	-	20,723	\$ 20,723
62 September	-	20,639	\$ 20,639
63 October	-	20,557	\$ 20,557
64 November	-	20,476	\$ 20,476
65 December	-	20,397	\$ 20,397
66 Total	-	246,292	\$ 246,292

Attachment 5  
Attachment H, Pages 3 and 4, Worksheet  
PECO Energy Company

Line No.	Month	Transmission O&M Expenses	Account No. 566 (Misc. Trans. Expense)	Account No. 565	Accounts 561.4 and 561.8	Amortization of Regulatory Asset	Miscellaneous Transmission Expense (less amortization of regulatory asset)	Depreciation Expense - Transmission	Depreciation Expense - Common			
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)			
	Attachment H, Page 3, Line No.:	1	2	3		11	12	16				
	Form No. 1	321.112.b	321.97.b	321.96.b	321.88.b & 92.b	Portion of Account 566	Balance of Account 566	336.7.b, d & e	336.11.b, d & e			
1	Total	184,929,330	\$ 11,680,412	\$ -	\$ 136,281,037	\$ -	\$ 11,680,412	\$ 23,761,763	\$ 23,761,593			
		Depreciation Expense - General	Amortization of Abandoned Plant	Payroll Taxes	Other Payroll Related	Property Taxes	Gross Receipts Taxes	Other (capital stock, use taxes, etc.)	Miscellaneous	Amortized Investment Tax Credit Consistent with (266.8.f & 266.17.f)	Excess Deferred Income Taxes	Tax Effect of Permanent Differences
	Attachment H, Page 3, Line Number	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
	Form No. 1	17	19	23	24	26	27	28	29	37	38	39
		336.10.b, d & e	(Note S)	263.3.i, 263.5.i & 263.18.i		263.35.i & 263.16.i	263.14.i, & 263.12.i	263.33.i	263.20.i	266.8.f & 266.17.f	(Note G)	(Note W)
2	Total	\$ 14,965,330	\$ -	\$ 11,792,061	\$ -	\$ 10,739,456	\$ 125,049,113	\$ 484,130	\$ 3,262	\$ 5,343	\$ 2,194,023	\$ 356,305

Attachment 5  
Attachment H, Pages 3 and 4, Worksheet  
PECO Energy Company

		\$
3	Long Term Interest (117, sum of 62.c through 67.c)	126,237,140
4	Preferred Dividends (118.29c) (positive number)	-
5	Proprietary Capital (112.16.c)	3,514,768,606
6	Less Preferred Stock (112.3.c)	-
7	Less Account 216.1 (112.12.c) (enter negative) (Note D)	-
8	Less Account 219.1 (112.15.c) (enter negative)	(1,192,696)
9	Common Stock (sum lines 41-43)	3,513,575,910

			\$	%	Cost	Weighted
10	Long Term Debt	Note A	2,884,418,609	45.08%	4.38%	1.97% =WCLTD
11	Preferred Stock (112.3.c)	Note B	-	-	-	0.00%
12	Common Stock	Note C	3,513,575,910	54.92%	11.00%	6.04%
13	Total	(Sum of Lines 48-50)	6,397,994,519			8.01% =R

Note:

- A Long Term Debt balance will reflect the 13 month average of the balances, of which the 1st and 13th are found on page 112 lines 18.c & d to 21.c & d in the Form No. 1, the cost is calculated by dividing line 3 by the Long Term Debt balance in line 10.
- B Preferred Stock balance will reflect the 13 month average of the balances, of which the 1st and 13th are found on page 112 line 3.c & d in the Form No. 1
- C Common Stock balance will reflect the 13 month average of the balances, of which the 1st and 13th are found on page 112 lines 3.c & d, 12.c & d, and 16.c & d in the Form No. 1 as shown on lines 10-12 above  
ROE will be supported in the original filing and no change in ROE may be made absent a filing with FERC.
- D The Account 216.1 balance is input only if positive number in the FERC Form No. 1 (112.12.c).

**PECO Energy Company**  
**Attachment 5A - Revenue Credit Workpaper**

Page 1 of 2

<b>Account 454 - Rent from Electric Property</b>		
1	Rent from Electric Property - Transmission Related, Subject to Sharing (Note 3)	7,167,281
2	Rent from Electric Property - Transmission Related, Pass to Customers (Note 3)	732,244
3	Total Rent Revenues (Sum Lines 1 to 3)	7,899,525
<b>Account 456 &amp; 456.1 - Other Electric Revenues (Note 1)</b>		
4	Schedule 1A Firm Point to Point Service revenues for which the load is not included in the divisor received by transmission owner	\$ 4,951,148
5	Revenues associated with transmission service not provided under the PJM OATT (Note 4)	\$ 850,789
6	Intercompany Professional Services	-
7	PJM Transitional Revenue Neutrality (Note 1)	353,963
8	PJM Transitional Market Expansion (Note 1)	-
9	Professional Services (Note 3)	-
10	Revenues from Directly Assigned Transmission Facility Charges (Note 2)	-
11	Rent or Attachment Fees associated with Transmission Facilities (Note 3)	-
12		-
13	Gross Revenue Credits (Sum Lines 2, 4-10)	14,055,425
14	Less line 17g	(4,761,649)
15	Total Revenue Credits	9,293,776
 <b>Revenue Adjustment to determine Revenue Credit</b>		
16a	Note 1: All revenues related to transmission that are received as a transmission owner (i.e., not received as a LSE), for which the cost of the service is recovered under this formula, except as specifically provided for elsewhere in this Attachment or elsewhere in the formula will be included as a revenue credit or included in the peak on line 173 of Appendix A.	
16b	Note 2: If the costs associated with the Directly Assigned Transmission Facility Charges are included in the Rates, the associated revenues are included in the Rates. If the costs associated with the Directly Assigned Transmission Facility Charges are not included in the Rates, the associated revenues are not included in the Rates.	
16c	Note 3: Ratemaking treatment for the following specified secondary uses of transmission assets: (1) right-of-way leases and leases for space on transmission facilities for telecommunications; (2) transmission tower licenses for wireless antennas; (3) right-of-way property leases for farming, grazing or nurseries; (4) licenses of intellectual property (including a portable oil degasification process and scheduling software); and (5) transmission maintenance and consulting services (including energized circuit maintenance, high-voltage substation maintenance, safety training, transformer oil testing, and circuit breaker testing) to other utilities and large customers (collectively, products). Company will retain 50% of net revenues consistent with Pacific Gas and Electric Company, 90 FERC ¶ 61,314. Note: in order to use lines 17a - 17g, the utility must track in separate subaccounts and by department the revenues and costs associated with each secondary use (except for the cost of the associated income taxes). The cost associated with the secondary transmission use is 3/4 of the total department costs.	
17a	Revenues included in lines 1-11 which are subject to 50/50 sharing.	7,167,281
17b	Costs associated with revenues in line 17a	2,581,064
17c	Net Revenues (17a - 17b)	4,586,217
17d	50% Share of Net Revenues (17c / 2)	2,293,108
17e	Costs associated with revenues in line 17a that are included in FERC accounts recovered through the formula times the allocator used to functionalize the amounts in the FERC account to the transmission service at issue.	112,523
17f	Net Revenue Credit (17d + 17e)	2,405,632
17g	Line 17f less line 17a	(4,761,649)
18	Note 4: If the facilities associated with the revenues are not included in the formula, the revenue is shown here but not included in the total above and is explained in the Cost Support; for example revenues associated with distribution facilities. In addition, Revenues from Schedule 12 are not included in the total above to the extent they are credited under Schedule 12.	
19	Reserved	-
20	Total Account 454, 456 and 456.1	14,055,425
21	Reserved	

Attachment 5A - Revenue Credit Workpaper

Costs associated with revenues in line 17a

Cost Item	Accounts booked to	Total Costs	Costs Allocation to Transmission (Note A)	Transmission Costs	S&W Allocation Factor	Costs Recovered Through A&G Costs
22a Administrative and General Salaries	920000	735,800	75%	551,850	11.76%	86,530
22b Employee Pensions and Benefits	926000	221,030	75%	165,772.50	11.76%	25,993
...						
23 Total Lines 22		\$ 956,830		\$ 717,623		\$ 112,523

FERC Account 454	Total Amount	Other	100% Transmission	Plant Related	Labor Related	Total
24a Rent from Electric Distribution	\$ 11,950,797	\$ 11,950,797				
24b Rent from Electric Transmission	264,766		264,766			
24c Tower Rentals and Land Leasing - Transmission	7,167,281		7,167,281			
24d Tower Rentals and Land Leasing - Distribution	3,708,415	3,708,415				
24e Intercompany Rent	2,495,646			2,495,646		
...						
Total Lines 24	\$ 25,586,905	\$ 15,659,212	\$ 7,432,047	\$ 2,495,646	\$ -	
Allocation Factors		0%	100%	18.73%	11.76%	
Allocated Amount		\$ -	\$ 7,432,047	\$ 467,478	\$ -	\$ 7,899,525

FERC Account 456	Total Amount	Other	100% Transmission	Plant Related	Labor Related	Total
25a Decommissioning remittances to Generation	\$ (23,454,733)	\$ (23,454,733)				
25b Mutual Assistance	4,909,405	4,909,405				
25c Make Ready	4,415,836	4,415,836				
25d Intercompany Billings	2,059,647				\$ 2,059,647	
25e Other	692,136	146,078	11,643	534,415		
...						
Total Lines 25	\$ (11,377,709)	\$ (13,983,414)	\$ 11,643	\$ 534,415	\$ 2,059,647	
Allocation Factors		0%	100%	18.73%	11.76%	
Allocated Amount		\$ -	\$ 11,643	\$ 100,105	\$ 242,215	\$ 353,963

FERC Account 456.1	Total Amount	Other	100% Transmission	Plant Related	Labor Related	Total
26a Network Integration Credit	\$ 174,279,993	\$ 174,279,993				
26b Transmission Owner Scheduling Credits	4,951,148		4,951,148			
26c Transmission Enhancement	2,917,409	2,917,409				
26d Revenue - Firm Point to Point	850,789		850,789			
26e Other	177,702	177,702				
...						
Total Lines 26	\$ 183,177,041	\$ 177,375,104	\$ 5,801,937	\$ -	\$ -	
Allocation Factors		0%	100%	18.73%	11.76%	
Allocated Amount		\$ -	\$ 5,801,937	\$ -	\$ -	\$ 5,801,937

Note A: Number of employees managing secondary transmission service contracts divided by number of employees managing transmission and distribution secondary service contracts.

**PECO Energy Company**  
**Attachment 5B - A&G Workpaper**

		(a)	(b)	(c)	(d)	(e)	
		323.181.b to 323.196.b					
		Total	S&W Allocation	Gross Plant Allocation	Non-Recoverable	Total	
1	Administrative and General Salaries	920.0	\$ 24,913,082	\$ 24,913,082		\$ 24,913,082	
2	Office Supplies and Expenses	921.0	13,031,375	13,031,375		13,031,375	
3	Administrative Expenses Transferred-Credit	922.0	-	-		-	
4	Outside Service Employed	923.0	89,331,098	89,331,098		89,331,098	
5	Property Insurance	924.0	264,261		264,261	264,261	
6	Injuries and Damages	925.0	13,933,064	13,933,064		13,933,064	
7	Employee Pensions and Benefits	926.0	36,174,177	36,174,177		36,174,177	
8	Franchise Requirements	927.0	-	-		-	
9	Regulatory Commission Expenses (Note E)	928.0	8,611,847	-	8,611,847	8,611,847	
10	Duplicate Charges-Credit	929.0	(3,510,762)	(3,510,762)		(3,510,762)	
11	General Advertising Expenses	930.1	1,089,620		1,089,620	1,089,620	
12	Miscellaneous General Expenses	930.2	3,425,561	2,898,236	527,325	3,425,561	
13	Rents	931.0	-	-		-	
14	Maintenance of General Plant	935	\$ 5,194,496	\$ 5,194,496		\$ 5,194,496	
15	<b>Administrative &amp; General - Total</b>		\$ 192,457,819	\$ 181,964,766	\$ 264,261	\$ 10,228,792	\$ 192,457,819
16			Allocation Factor	11.76%	19.30%	0.00%	
17			Transmission A&G	\$ 21,399,104	\$ 51,000	\$ 0.00	\$ 21,450,103

Attachment 6  
True-Up Interest Rate  
PECO Energy Company

Page 1 of 1

	Month (Note A)	[A] FERC Monthly Interest Rate
1	January	0.0030
2	February	0.0027
3	March	0.0030
4	April	0.0030
5	May	0.0032
6	June	0.0030
7	July	0.0034
8	August	0.0034
9	September	0.0033
10	October	0.0036
11	November	0.0035
12	December	0.0036
13	January	0.0036
14	February	0.0033
15	March	0.0036
16	April	0.0037
17	May	0.0038
18	Average of lines 1-17 above	0.0033

Note A:

(1) The FERC Quarterly Interest Rate in column [A] is the interest applicable to the Month indicated.

19 Year  
20

	A	B	C	D	E	F
	Project Name	RTO Project Number or Zonal	Amount	17 Months	Monthly Interest Rate	Interest
			Attachment 3, Col. G + Col H		Line 18 above	Col. C x Col D x Col E
21	Zonal	Zonal	240,725	17	0.0033	13,649
21a	Center Point 500-230 kV Substation Addition	b0269	(142,886)	17	0.0033	(8,102)
21b	Center Point 500-230 kV Substation Addition	b0269	167,338	17	0.0033	9,488
21c	Richmond-Waneeta 230 kV Line Re-conductor	b1591	(155,414)	17	0.0033	(8,812)
21d	Richmond-Waneeta 230 kV Line Re-conductor	b1398.8	22,799	17	0.0033	1,293
21e	Whitpain 500 kV Circuit Breaker Addition	b0269.6	1,392	17	0.0033	79
21f	Elroy-Hosensack 500 kV Line Rating Increase	b0171.1	895	17	0.0033	51
21g	Camden-Richmond 230 kV Line Rating Increase	b1590.1 and b1590.2 (cancelled)	145,130	17	0.0033	8,229
21h	Chichester-Linwood 230 kV Line Upgrades	b1900	265,794	17	0.0033	15,071
21i	Bryn Mawr-Plymouth 138 kV Line Rebuild	b0727	4,125	17	0.0033	234
21j	Emilie 230-138 kV Transformer Addition	b2140	9,753	17	0.0033	553
21k	Chichester-Saville 138 kV Line Re-conductor	b1182	4,014	17	0.0033	228
21l	Waneeta 230-138 kV Transformer Addition	b1717	4,751	17	0.0033	269
21m	Chichester 230-138 kV Transformer Addition	b1178	2,988	17	0.0033	169
21n	Bradford-Planebrook 230 kV Line Upgrades	b0790	410	17	0.0033	23
21o	North Wales-Hartman 230 kV Line Re-conductor	b0506	(71)	17	0.0033	(4)
21p	North Wales-Whitpain 230 kV Line Re-conductor	b0505	543	17	0.0033	31
21q	Bradford-Planebrook 230 kV Line Upgrades	b0789	553	17	0.0033	31
21r	Planebrook 230 kV Capacitor Bank Addition	b0206	1,455	17	0.0033	82
21s	Newlinville 230 kV Capacitor Bank Addition	b0207	1,959	17	0.0033	111
21t	Chichester-Mickleton 230 kV Series Reactor Addition	b0209	1,110	17	0.0033	63
21u	Chichester-Mickleton 230 kV Line Re-conductor	B0264	437	17	0.0033	25
21v	Buckingham-Pleasant Valley 230 kV Line Re-conductor	b0357	(2,080)	17	0.0033	(118)
21w	Elroy 500 kV Dynamic Reactive Device	b0287	74,246	17	0.0033	4,210
21x	Heaton 230 kV Capacitor Bank Addition	b0208	55,168	17	0.0033	3,128
			-	17	0.0033	-
			-	17	0.0033	-
			-	17	0.0033	-
			-	17	0.0033	-

Attachment 7  
PBOPs  
PECO Energy Company

**Calculation of PBOP Expenses**

	(a)	(b) <b>PECO Total</b>	(c) Portion not Capitalized	(d) <b>Electric</b> Col. (b) x Electric Labor in Note B
1	Total PBOP expenses allowed (Note A)	1,066,173	679,716	536,123
2	Total PBOP Expenses in A&G in the current year		(51,221)	(40,400)
3	PBOP Adjustment	Line 1 minus line 2		576,524

Note  
Letter

- A The source of the amounts from the Actuary Study supporting the amount in line 1, column (b) is the 3rd page of the attachment to the January 24, 2017 Willis Towers Watson report on PBOPs for PECO.
- |                             | \$          | %      |
|-----------------------------|-------------|--------|
| B Electric Labor (354.28.b) | 156,974,007 | 78.87% |
| Gas Labor sum(355.62.b)     | 42,043,285  | 21.13% |
| Total                       | 199,017,292 |        |
- C The January 24, 2017 Willis Towers Watson report on PBOPs does not breakout the amount related to construction labor that is capitalized. As a result the portion not capitalized as calculated as labor expensed divided by total labor.



**PECO Energy Company  
Attachment 8 - Depreciation Rates**

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
Number	Plant Type	Estimated Life	Mortality Curve	Weighted Average Remaining Life	Applied Depreciation Rate	Gross Depreciable Plant \$	Accumulated Depreciation \$	Net Depreciable Plant \$	Depreciation Expense \$
		Note 1	Note 1	Note 2	(F) = (J)/(I)	Note 4	Note 4	(I)=(G)-(H)	Note 6
						<b>As of 12/31/2017</b>		<b>FY 2017</b>	
<b>Electric Transmission</b>									
352	Structures and Improvements	50	R2.5	36.74	2.48%	72,934,896	20,227,180	52,707,716	1,308,506
353	Station Equipment	57	R2.5	42.46	2.22%	816,231,943	194,632,452	621,599,491	13,793,899
354	Towers and Fixtures	65	R4	31.91	3.17%	266,736,648	155,676,350	111,060,298	3,519,391
355	Poles and Fixtures	65	R4	54.82	1.85%	16,532,820	2,840,646	13,692,174	253,763
356	Overhead Conductors and Devices	60	R4	35.48	2.70%	193,124,986	81,056,580	112,068,406	3,031,359
357	Underground Conduit	65	R4	46.30	2.18%	14,955,807	4,760,414	10,195,393	221,846
358	Underground Conductors and Devices	60	R3	36.40	2.62%	104,555,952	42,510,961	62,044,991	1,624,817
359	Roads and Trails	50	R4	11.32	9.27%	2,136,664	2,048,416	88,249	8,182
						<b>1,487,209,717</b>	<b>503,753,000</b>	<b>983,456,717</b>	<b>23,761,763</b>
<b>Electric General</b>									
390	Structures and Improvements	40	R1	27.43	3.62%	49,660,750	11,502,855	38,157,896	1,380,996
391.1	Office Furniture and Equipment - Office Machines	10	SQ	3.26	36.45%	142,278	100,605	41,673	15,188
391.2	Office Furniture and Equipment - Furnitures and Fixtures	15	SQ	8.38	12.74%	802,172	370,071	432,102	55,065
391.3	Office Furniture and Equipment - Computers	5	SQ	2.89	25.77%	12,019,818	3,384,020	8,635,798	2,225,611
391.4	Office Furniture and Equipment - Smart Meter Comp. Equip.	5	SQ	2.89	42.02%	2,915,109	1,647,787	1,267,322	532,466
393	Stores Equipment	15	SQ	11.32	9.27%	46,470	2,948	43,522	4,035
394	Tools, Shop, Garage Equipment	15	SQ	9.99	9.74%	32,073,779	8,989,047	23,084,732	2,248,356
395.1	Laboratory Equipment - Testing	20	SQ	8.58	12.43%	318,333	208,141	110,192	13,700
395.2	Laboratory Equipment - Meters	15	SQ	5.50	20.11%	101,382	68,700	32,682	6,571
397	Communication Equipment	20	L3	15.53	6.59%	115,938,777	26,582,587	89,356,190	5,885,549
397.1	Communication Equipment - Smart Meters	15	S2	10.16	8.63%	38,760,270	9,958,599	28,801,671	2,485,786
398	Miscellaneous Equipment	15	SQ	1.74	80.30%	865,598	726,118	139,481	112,007
						<b>253,644,737</b>	<b>63,541,478</b>	<b>190,103,259</b>	<b>14,965,330</b>
<b>Electric Intangible</b>									
303	Software	N/A	N/A	N/A	Note 10	134,622,757	89,292,867	45,329,891	19,876,263
303	Regulatory Initiatives/Depr Charged to Reg Asset	N/A	N/A	N/A	0.00%	16,961,663	4,531,396	12,430,267	Zero
						<b>151,584,420</b>	<b>93,824,262</b>	<b>57,760,158</b>	<b>19,876,263</b>

**PECO Energy Company  
Attachment 8 - Depreciation Rates**

Common General									
303	Software	N/A	N/A	N/A	Note 10	226,115,529	180,054,329	46,061,199	16,412,986
303	Regulatory Initiatives/Depr Charged to Reg Asset	N/A	N/A	N/A	0.00%	190,679	115,996	74,683	Zero
390	Structures and Improvements	50	R1	36.62	2.66%	271,950,717	75,887,587	196,063,130	5,216,014
391.1	Office Furniture and Equipment - Office Machines	10	SQ	2.95	40.99%	124,606	69,712	54,895	22,502
391.2	Office Furniture and Equipment - Furnitures and Fixtures	15	SQ	7.92	7.17%	15,436,121	4,846,265	10,589,856	759,480
391.3	Office Furniture and Equipment - Computers	5	SQ	2.73	31.70%	28,566,526	10,280,665	18,285,861	5,796,202
392.1	Transportation Equipment - Automobiles	6	L3	4.58	58.23%	93,641	92,683	958	558
392.2	Transportation Equipment - Light Trucks	12	L4	7.95	12.34%	31,551,732	14,085,642	17,466,089	2,155,912
392.3	Transportation Equipment - Heavy Trucks	14	R4	9.13	10.66%	75,251,945	30,514,201	44,737,744	4,766,952
392.4	Transportation Equipment - Tractors	11	L2	2.61	-29.63%	279,351	282,605	(3,255)	964
392.5	Transportation Equipment - Trailers	15	R2	10.00	10.54%	4,549,639	2,154,027	2,395,612	252,548
392.6	Transportation Equipment - Other Vehicles	15	R2	7.27	13.66%	5,071,551	3,639,343	1,432,208	195,694
392.7	Transportation Equipment -Medium Trucks	N/A	N/A	8.00	2.41%	4,348,813	102,501	4,246,312	102,501
393	Stores Equipment	15	SQ	7.46	8.30%	1,253,293	207,643	1,045,650	86,741
394.1	Tools, Shop, Garage Equipment - Construction Tools	15	SQ	5.50	20.11%	11,617	(42,829)	54,446	10,947
394.2	Tools, Shop, Garage Equipment - Common Tools	15	SQ	10.25	10.29%	78,687	27,422	51,265	5,276
394.3	Tools, Shop, Garage Equipment - Garage Equipment	20	SQ	8.00	11.01%	2,499,657	1,383,777	1,115,879	122,858
396	Power Operated Equipment	11	L2	3.17	37.61%	185,066	179,897	5,170	1,944
397	Communication Equipment	20	L3	10.02	10.51%	32,006,547	15,508,096	16,498,451	1,733,522
398	Miscellaneous Equipment	15	SQ	7.69	13.78%	1,679,306	848,595	830,710	114,463
						<b>701,245,023</b>	<b>340,238,160</b>	<b>361,006,863</b>	<b>37,758,064</b>

1 Columns (A), (B), (C), and (D) are fixed and cannot be changed absent Commission approval or acceptance. The depreciation expense is calculated separately for each row.

2 Column (E) is the remaining life of the assets in the account for each vintage (amount of plant added in each year is a vintage) weighted by the gross plant balance of each account or subaccount. The remaining life for each vintage is equal to the area under the Mortality Curve specified in Columns (C) and (D) using a half year convention for the first year placed in service. The weighted remaining life is calculated once a year at the beginning of the year.

3 Column (F) is equal to Column (J) / Column (I).

4 Column (G) is the depreciable amount of gross plant investment reported in the annual FERC Form No. 1 filing on pages 207 (Electric) and 356 (Common) by account or subaccount. Column (H) is the accumulated depreciation by account or subaccount.

5 Column (I) is the end of year depreciable net plant in the account or subaccount.

6 Column (J) is equal to depreciation expense as reported in the annual FERC Form No. 1 filing on page 336 (Electric). Annual depreciation expense is determined by multiplying the beginning of the month net plant balance plus additions (using a half month convention for the first month placed in service) by the remaining life rate divided by 12 for each month.

7 Each year, PECO Energy Company will provide a copy of the annual report submitted to the PA PUC and underlying supporting documentation that shows the depreciation expense recognized by account or subaccount for each of the three preceding calendar years.

8 At least every 5 years, PECO Energy Company will file with the Commission a depreciation study supporting its existing Estimated Life and Mortality Curve for each account or subaccount.

9 The depreciation expense associated with Asset Retirement Obligations (booked to accounts 359.1 and 399.1) are not included in the tables above.

10 The amortization rates for Account 303 are weighted based on the relative amount of underlying plant booked to the accounts. The life of each software or other intangible plant will be estimated at the time the plant is placed into service, and will not change over the life of the plant absent Commission approval or acceptance. The combined amortization expense for all intangible plant shall be the sum of each individual plant balance amortized over the life of each individual plant established in this manner.

11 The depreciation expenses related to Common General reflect both gas and electric common plant. The depreciation expenses associated with Transportation Equipment, Garage Equipment and Power Operated Tools are excluded from Account 403 and directly assigned to the functional O&M and capital accounts based on use.

**Appendix 2**  
**2017 True Up Adjustment Calculation**

Attachment H-7  
Formula Rate - Non-Levelized

Rate Formula Template  
Utilizing FERC Form 1 Data  
**PECO Energy Company**

For the 12 months ended 12/31/2017

Line No.	(1)	(2)	(3)	(4)	(5) Allocated Amount
1	GROSS REVENUE REQUIREMENT	(page 3, line 48)			<u>210,926,055</u>
2	REVENUE CREDITS	Attachment 5A, line 15	<u>Total</u> 8,882,124.87	<u>Allocator</u> TP 100.00%	8,882,125
3	NET REVENUE REQUIREMENT	(line 1 minus line 2)			<u>202,043,930</u>
4	REGIONAL NET REVENUE REQUIREMENT	Attachment 1, line 18, col. 14 - Attachment 1, line 17a, col. 14			35,718,411
5	Regional True-up Adjustment with Interest	Attachment 1, line 18, col. 15 - Attachment 1, line 17a, col. 15			-
6	REGIONAL NET REVENUE REQUIREMENT with TRUE-UP	Attachment 1, line 18, col. 16 - Attachment 1, line 17a, col. 16			35,718,411
7	ZONAL NET REVENUE REQUIREMENT	Attachment 1, line 17a, col. 14 less line 2			166,325,519
8	Zonal True-up Adjustment with Interest	Attachment 1, line 17a, col. 15			-
9	ZONAL NET REVENUE REQUIREMENT with TRUE-UP	Attachment 1, line 17a, col. 16			166,325,519
10	Competitive Bid Concessions	Attachment 1, line 18, col. 13			-
11	Zonal Load	1 CP from PJM in MW			8,141
12	Network Integration Transmission Service rate for PECO Zone	(line 9/11)			\$20,430

Formula Rate - Non-Levelized

Rate Formula Template  
Utilizing FERC Form 1 Data  
PECO Energy Company

For the 12 months ended 12/31/2017

Line No.	(1)	(2)	(3)	(4)	(5)
		Source	Company Total	Allocator	Transmission (Col 3 times Col 4)
	<b>RATE BASE:</b>				
	GROSS PLANT IN SERVICE (Notes U and R)				
1	Production	205.46.g for end of year, records for other months	-	NA	-
2	Transmission	Attachment 4, Line 14, Col. (b)	1,492,071,225	TP	100.00% 1,492,071,225
3	Distribution	207.75.g for end of year, records for other months	5,872,659,200	NA	0.00% -
4	General	Attachment 4, Line 14, Col. (c)	245,363,994	W/S	11.76% 28,854,869
5	Intangible	Attachment 4D, Line 19, Col. (s) and Line 21, Col. (s)	142,753,935	DA	12,750,224
6	Common	Attachment 4, Line 14, Col. (d)	534,109,241	W/S	11.76% 62,811,385
7	Costs To Achieve	(enter negative) Attach. 4E, Line 25, Col. (x)	(2,457,769)	W/S	11.76% (289,034)
8	TOTAL GROSS PLANT	(Sum of Lines 1 through 7)	8,284,499,826	GP=	19.27% 1,596,198,668
9	ACCUMULATED DEPRECIATION (Notes U and R)				
10	Production	219.20-24.c for end of year, records for other months	-	NA	-
11	Transmission	Attachment 4, Line 14, Col. (i)	485,852,299	TP	100.00% 485,852,299
12	Distribution	219.26.c for end of year, records for other months	1,634,379,028	NA	0.00% -
13	General	Attachment 4, Line 14, Col. (j)	58,619,091	W/S	11.76% 6,893,620
14	Intangible	Attachment 4D, Line 40, Col. (s) and Line 42, Col. (s)	84,626,667	DA	3,431,398
15	Common	Attachment 4, Line 14, Col. (k)	256,725,873	W/S	11.76% 30,191,029
16	Costs To Achieve	(enter negative) Attach. 4E, Line 39, Col. (x)	(1,718,047)	W/S	11.76% (202,043)
17	TOTAL ACCUM. DEPRECIATION	(Sum of Lines 10 through 16)	2,518,484,911		526,166,304
18	NET PLANT IN SERVICE				
19	Production	(line 1 minus line 10)	-		-
20	Transmission	(line 2 minus line 11)	1,006,218,926		1,006,218,926
21	Distribution	(line 3 minus line 12)	4,238,280,172		-
22	General	(line 4 minus line 13)	186,744,903		21,961,249
23	Intangible	(line 5 minus line 14)	58,127,268		9,318,826
24	Common	(line 6 minus line 15)	277,383,368		32,620,356
25	Costs To Achieve	(line 7 minus line 16)	(739,722)		(86,991)
26	TOTAL NET PLANT	(Sum of Lines 19 through 25)	5,766,014,916	NP=	18.56% 1,070,032,365
27	ADJUSTMENTS TO RATE BASE (Note R)				
28	Account No. 281 (enter negative)	Attachment 4, Line 28, Col. (d) (Notes B and X)	Zero	NA	zero -
29	Account No. 282 (enter negative)	Attachment 4, Line 28, Col. (e) (Notes B and X)	(260,301,938)	TP	100.00% (260,301,938)
30	Account No. 283 (enter negative)	Attachment 4, Line 28, Col. (f) (Notes B and X)	(7,987,143)	TP	100.00% (7,987,143)
31	Account No. 190	Attachment 4, Line 28, Col. (g) (Notes B and X)	12,181,867	TP	100.00% 12,181,867
32	Account No. 255 (enter negative)	Attachment 4, Line 28, Col. (h) (Notes B and X)	-	TP	100.00% -
33	Unfunded Reserves (enter negative)	Attachment 4, Line 31, Col. (h) (Note Y)	(6,493,905)	DA	100.00% (6,493,905)
34	CWIP	Attachment 4, Line 14, Col. (e)	-	DA	100.00% -
35	Pension Asset	Attachment 4, Line 28, Col. (i)	32,679,469	DA	100.00% 32,679,469
36	Unamortized Regulatory Asset	Attachment 4, Line 28, Col. (b) (Note T)	-	DA	100.00% -
37	Unamortized Abandoned Plant	Attachment 4, Line 28, Col. (c) (Note S)	-	DA	100.00% -
38	Outstanding Network Credits	From PJM	-	DA	100.00% -
39	Less Accum. Deprec. associated with Facilities with Outstanding Network Credits	From PJM	-	DA	100.00% -
40	TOTAL ADJUSTMENTS	(Sum of Lines 28 through 39)	(229,921,649)		(229,921,649)
41	LAND HELD FOR FUTURE USE	Attachment 4, Line 14, Col. (f) (Note C)	1,137,057	TP	100.00% 1,137,057
42	WORKING CAPITAL (Note D)				
43	CWC	1/8*(Page 3, Line 12 minus Page 3, Line 7)	29,776,494		8,719,745
44	Materials & Supplies	Attachment 4, Line 14, Col. (g)	12,972,612	TP	100.00% 12,972,612
45	Prepayments (Account 165)	Attachment 4, Line 14, Col. (h)	1,425,117	DA	100.00% 1,425,117
46	TOTAL WORKING CAPITAL	(Sum of Lines 43 through 45)	44,174,223		23,117,475
47	RATE BASE	(Sum of Lines 26, 40, 41 & 46)	5,581,404,547		864,365,247

Formula Rate - Non-Levelized

Rate Formula Template  
Utilizing FERC Form 1 Data  
PECO Energy Company

For the 12 months ended 12/31/2017

Line No.	(1)	(2)	(3)	(4)	(5)	
		Source	Company Total	Allocator	Transmission (Col 3 times Col 4)	
	O&M					
1	Transmission	Attachment 5, Line 1, Col. (a)	184,929,330	TP	100.00%	184,929,330
2	Less Account 566 (Misc Trans Expense)	Attachment 5, Line 1, Col. (b)	11,680,412	TP	100.00%	11,680,412
3	Less Account 565	Attachment 5, Line 1, Col. (c)	-	TP	100.00%	-
4	Less Accounts 561.4 and 561.8	Attachment 5, Line 1, Col. (d)	136,281,037	TP	100.00%	136,281,037
5	A&G	Attachment 5B, Line 15, Col. (e) and Line 17, Col. (e)	192,457,819	DA		21,450,019
6	Account 566					
7	Amortization of Regulatory Asset	(Note T) Attachment 5, Line 1, Col. (e)	-	DA	100.00%	-
8	Miscellaneous Transmission Expense (less amortization of regulatory asset)	Attachment 5, Line 1, Col. (f)	11,680,412	TP	100.00%	11,680,412
9	Total Account 566	(Line 7 plus Line 8) Ties to 321.97.b	11,680,412			11,680,412
10	PBOP Adjustment	Attachment 7, line 3, Col. (d)	576,524	W/S	11.76%	67,799
11	O&M Cost to Achieve Included in O&M Above	Attachment 4F, Line 11, Col. (m)	3,470,687	W/S	11.76%	408,154
12	TOTAL O&M	(Sum of Lines 1, 5, 9, & 10 less Lines 2, 3, 4 & 11)	238,211,948			69,757,958
13	DEPRECIATION EXPENSE (Note U)					
14	Transmission	Attachment 5, Line 1, Col. (g)	23,761,763	TP	100.00%	23,761,763
15	General	Attachment 5, Line 2, Col. (a)	14,965,330	W/S	11.76%	1,759,927
16	Intangible	Attachment 4D, Line 82, Col. (f) and Line 84, Col. (f)	19,876,263	DA		2,442,807
17	Common - Electric	Attachment 5, Line 1, Col. (h)	23,761,593	W/S	11.76%	2,794,369
18	Common Depreciation Expense Related to Costs To Achieve	(enter negative) Attachment 4E, Line 66, Col (x)	(353,659)	W/S	11.76%	(41,590)
19	Amortization of Abandoned Plant	(Note S) Attachment 5, Line 2, Col. (b)	-	DA	100.00%	-
20	TOTAL DEPRECIATION	(Sum of Lines 14 through 19)	82,011,289			30,717,275
21	TAXES OTHER THAN INCOME TAXES	(Note F)				
22	LABOR RELATED					
23	Payroll	Attachment 5, Line 2, Col. (c)	11,792,061	W/S	11.76%	1,386,749
24	Other Payroll Related	Attachment 5, Line 2, Col. (d)	-	W/S	11.76%	-
25	PLANT RELATED					
26	Property	Attachment 5, Line 2, Col. (e)	10,739,456	GP	19.27%	2,069,202
27	Gross Receipts	Attachment 5, Line 2, Col. (f)	125,049,113	NA	zero	-
28	Other	Attachment 5, Line 2, Col. (g)	484,130	GP	19.27%	93,279
29	Misc.	Attachment 5, Line 2, Col. (h)	3,262	GP	19.27%	628
30	TOTAL OTHER TAXES	(Sum of Lines 23 through 29)	148,068,022			3,549,859
31	INTEREST ON NETWORK CREDITS	From PJM	-	DA	100.00%	-
32	INCOME TAXES	(Note G)				
33	$T=1 - \{(1 - SIT) * (1 - FIT)\} / (1 - SIT * FIT * p)$	WCLTD = Page 4, Line 19	0.4149			
34	$CIT=(T/1-T) * (1-(WCLTD/R)) =$	R = Page 4, Line 15	0.5346			
35	FIT & SIT & P	(Note G)				
36						
37	$1 / (1 - T) = (T \text{ from line 33})$		1.7092			
38	Amortized Investment Tax Credit	(enter negative) Attachment 5, Line 2, Col. (i)	(5,343)			
39	Excess Deferred Income Taxes	(enter negative) Attachment 5, Line 2, Col. (j)	-			
40	Tax Effect of Permanent Differences	Attachment 5, Line 2, Col. (k) (Note W)	356,305			
41	Income Tax Calculation	(Line 34 times Line 47)	239,120,943	NA		37,031,509
42	ITC adjustment	(Line 37 times Line 38)	(9,132)	TP	100.00%	(9,132)
43	Excess Deferred Income Tax Adjustment	(Line 37 times Line 39)	-	NP	100.00%	-
44	Permanent Differences Tax Adjustment	(Line 37 times Line 40)	609,001	TP	100.00%	609,001
45	Total Income Taxes	(Sum of Lines 41 through 44)	239,720,813			37,631,379
46	RETURN					
47	Rate Base times Return	(Page 2, Line 47 times Page 4, Line 18)	447,289,581	NA		69,269,584
48	REV. REQUIREMENT	(Sum of Lines 12, 20, 30, 31, 45, 47)	1,155,301,654			210,926,055

Formula Rate - Non-Levelized

Rate Formula Template  
Utilizing FERC Form 1 Data  
PECO Energy Company

For the 12 months ended 12/31/2017

(1) (2) (3) (4) (5)

**SUPPORTING CALCULATIONS AND NOTES**

Line No.	TRANSMISSION PLANT INCLUDED IN ISO RATES				
1	Total Transmission plant	(Page 2, Line 2, Column 3)			1,492,071,225
2	Less Transmission plant excluded from PJM rates	(Note H)			-
3	Less Transmission plant included in OATT Ancillary Services	(Note I)			-
4	Transmission plant included in PJM rates	(Line 1 minus Lines 2 & 3)			1,492,071,225
5	Percentage of Transmission plant included in PJM Rates	(Line 4 divided by Line 1)		TP=	100.00%
6	WAGES & SALARY ALLOCATOR (W&S)				
		Form 1 Reference	\$	TP	Allocation
7	Electric Production	354.20.b	-	0.0%	-
8	Electric Transmission	354.21.b	15,099,686	100.0%	15,099,686
9	Electric Distribution	354.23.b	79,576,225	0.0%	-
10	Electric Other	354.24,25,26.b	33,722,497	0.0%	-
11	Total (W& S Allocator is 1 if lines 7-10 are zero)	(Sum of Lines 7 through 10)	128,398,408		15,099,686 = $\frac{15,099,686}{128,398,408} = 11.76\%$ = WS
12	RETURN (R)	(Note V)			\$
13					
14			\$	%	Cost (Notes K, Q, & R)
15	Long Term Debt	(Attachment 5, line 10 Notes Q & R)	2,884,418,609	45.08%	4.38%
16	Preferred Stock (112.3.c)	(Attachment 5, line 11 Notes Q & R)	-	0.00%	0.00%
17	Common Stock	(Attachment 5, line 12 Notes K, Q & R)	3,513,575,910	54.92%	11.00%
18	Total	(Attachment 5, line 13)	6,397,994,519		1.97% =WCLTD 6.04% 8.01% =R

Formula Rate - Non-Levelized

Rate Formula Template  
Utilizing FERC Form 1 Data  
PECO Energy Company

For the 12 months ended 12/31/2017

General Note: References to pages in this formulary rate are indicated as: (page#, line#, col.#)  
References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Note Letter										
A	Reserved									
B	The balances in Accounts 190, 281, 282 and 283, as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106 or 109. Balance of Account 255 is reduced by prior flow throughs and excluded if the utility chose to utilize amortization of tax credits against taxable income. Account 281 is not allocated.									
C	Reserved									
D	Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission at page 3, line 12, column 5 minus amortization of Regulatory Asset at page 3, line 7, column 5. Prepayments are the electric related prepayments booked to Account No. 165 and reported on pages 111, line 57 in the Form 1.									
E	Page 3, Line 5 - EPRI Annual Membership Dues listed in Form 1 at 353.f, all Regulatory Commission Expenses itemized at 351.h, and non-safety related advertising included in Account 930.1 found at 323.191.b. Attachment 5B, Line 9-Regulatory Commission Expenses directly related to transmission service, ISO filings, or transmission siting itemized at 351.h.									
F	Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year. Taxes related to income are excluded. Gross receipts taxes are not included in transmission revenue requirement in the Rate Formula Template, since they are recovered elsewhere.									
G	The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = "the percentage of federal income tax deductible for state income taxes". If the utility is taxed in more than one state it must attach a work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by (1/1-T) (page 3, line 36). Excess Deferred Income Taxes reduce income tax expense by the amount of the expense multiplied by (T/1-T).									
	<table border="0" style="width: 100%;"> <tr> <td style="width: 25%;">Inputs Required:</td> <td style="width: 25%;">FIT =</td> <td style="width: 50%; text-align: right;">35.00%</td> </tr> <tr> <td></td> <td>SIT=</td> <td style="text-align: right;">9.99% (State Income Tax Rate or Composite SIT)</td> </tr> <tr> <td></td> <td>p =</td> <td style="text-align: right;">0.00% (percent of federal income tax deductible for state purposes)</td> </tr> </table>	Inputs Required:	FIT =	35.00%		SIT=	9.99% (State Income Tax Rate or Composite SIT)		p =	0.00% (percent of federal income tax deductible for state purposes)
Inputs Required:	FIT =	35.00%								
	SIT=	9.99% (State Income Tax Rate or Composite SIT)								
	p =	0.00% (percent of federal income tax deductible for state purposes)								
H	Removes transmission plant determined by Commission order to be state-jurisdictional according to the seven-factor test (until Form 1 balances are adjusted to reflect application of seven-factor test).									
I	Removes dollar amount of transmission plant to be included in the development of OATT ancillary services rates and generation step-up facilities, which are deemed included in OATT ancillary services. For these purposes, generation step-up facilities are those facilities at a generator substation on which there is no through-flow when the generator is shut down.									
J	Reserved									
K	ROE will be supported in the original filing and no change in ROE may be made absent a filing with FERC.									
L	Reserved									
M	Reserved									
N	Reserved									
O	Reserved									
P	Reserved									
Q	Reserved									
R	Calculate using 13 month average balance, except ADIT.									
S	Unamortized Abandoned Plant and Amortization of Abandoned Plant will be zero until the Commission accepts or approves recovery of the cost of abandoned plant. Utility must receive FERC authorization before recovering the cost of abandoned plant.									
T	Recovery of Regulatory Asset is permitted only as authorized by the Commission. Recovery of any regulatory assets requires authorization from the Commission.									
U	Excludes Asset Retirement Obligation balances									
V	Company shall be allowed recovery of costs related to interest rate locks. Absent a Section 205 filing, Company shall not include in the Formula Rate, the gains, losses, or costs related to other hedges.									
W	The Tax Effect of Permanent Differences captures the differences in the income taxes due under the Federal and State calculations and the income taxes calculated in Attachment H that are not the result of a timing difference									
X	Calculated on Attachment 4A.									
Y	Unfunded Reserves are customer contributed capital such as when Injuries and Damages expense is accrued but not yet incurred. Also, pursuant to Special Instructions to Accounts 228.1 through 228.4, no amounts shall be credited to accounts 228.1 through 228.4 unless authorized by a regulatory authority or authorities to be collected in a utility's rates.									



Attachment 1  
Project Revenue Requirement Worksheet  
PECO Energy Company

To be completed in conjunction with Attachment H-7.

Line No.	(1)	(2) Attachment H-7 Page, Line, Col.	(3) Transmission	(4) Allocator
1	Gross Transmission Plant - Total	Attach H-7, p 2, line 2 col 5 (Note A)	1,492,071,225	
2	Net Transmission Plant - Total	Attach H-7, p 2, line 20 col 5 plus line 34 & 37 col 5 (Note B)	1,006,218,926	
<b>O&amp;M EXPENSE</b>				
3	Total O&M Allocated to Transmission	Attach H-7, p 3, line 12 col 5	69,757,958.1	
4	Annual Allocation Factor for O&M	(line 3 divided by line 1 col 3)	0.05	0.05
<b>GENERAL, INTANGIBLE AND COMMON (G&amp;C) DEPRECIATION EXPENSE</b>				
5	Total G, I & C Depreciation Expense	Attach H-7, p 3, lines 15 to 18, col 5 (Note H)	6,955,512.5	
6	Annual Allocation Factor for G, I & C Depreciation Expense	(line 5 divided by line 1 col 3)	0.00	0.00
<b>TAXES OTHER THAN INCOME TAXES</b>				
7	Total Other Taxes	Attach H-7, p 3, line 30 col 5	3,549,858.87	
8	Annual Allocation Factor for Other Taxes	(line 7 divided by line 1 col 3)	0.00	0.00
9	Less Revenue Credits	Attach H-7, p 1, line 2 col 5	8,882,125	
10	Annual Allocation Factor Revenue Credits	(line 9 divided by line 1 col 3)	-	-
<b>11</b>	<b>Annual Allocation Factor for Expense</b>	<b>Sum of line 4, 6, 8, and 10</b>		<b>0.05</b>
<b>INCOME TAXES</b>				
12	Total Income Taxes	Attach H-7, p 3, line 45 col 5	37,631,379	
13	Annual Allocation Factor for Income Taxes	(line 12 divided by line 2 col 3)	0.04	0.04
<b>RETURN</b>				
14	Return on Rate Base	Attach H-7, p 3, line 47 col 5	69,269,584	
15	Annual Allocation Factor for Return on Rate Base	(line 14 divided by line 2 col 3)	0.07	0.07
<b>16</b>	<b>Annual Allocation Factor for Return</b>	<b>Sum of line 13 and 15</b>	<b>0.11</b>	<b>0.11</b>

Attachment 1  
Project Revenue Requirement Worksheet  
PECO Energy Company

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(12a)	(13)	(14)	(15)	(16)	
Line No.	Project Name	RTO Project Number or Zonal	Project Gross Plant	Annual Allocation Factor for Expense	Annual Expense Charge	Project Net Plant or CWIP Balance	Annual Allocation Factor for Return	Annual Return Charge	Project Depreciation/Amortization Expense	Annual Revenue Requirement	Incentive Return in basis Points	Incentive Return	Ceiling Rate	Competitive Bid Concession	Total Annual Revenue Requirement	True-Up Adjustment	Net Rev Req
		(Note C)	(Page 1 line 11)	(Col. 3 * Col. 4)	(Notes D & I)	(Page 1 line 16)	(Col. 6 * Col. 7)	(Notes E & I)	(Sum Col. 5, 8 & 9)	(Note K)	(Attachment 2, Line 28 /100 * Col. 11 * Col. 6)	(Sum Col. 10 & 12)	(Note J)	(Sum Col. 10 & 12 Less Col. 13)	(Note F)	(Sum Col. 14 & 15 Note G)	
17a	Zonal	Zonal	\$ 1,282,323,610	0.05	68,980,328	\$ 820,531,244	0.11	87,173,454	19,053,862	175,207,644	-	-	175,207,644	-	175,207,644	-	175,207,644
17b	Center Point 500-230 kV Substation Addition	b0269	\$ 34,906,892	0.05	1,877,754	\$ 15,067,415	0.11	1,600,766	355,933	3,834,454	-	-	3,834,454	-	3,834,454	-	3,834,454
17c	Center Point 500-230 kV Substation Addition	b0269	\$ 17,453,446	0.05	938,877	\$ 30,134,830	0.11	3,201,532	711,867	4,852,276	-	-	4,852,276	-	4,852,276	-	4,852,276
17d	Richmond-Waneeta 230 kV Line Re-conductor	b1591	\$ 4,605,741	0.05	247,758	\$ 4,500,239	0.11	478,107	114,848	840,712	-	-	840,712	-	840,712	-	840,712
17e	Richmond-Waneeta 230 kV Line Re-conductor	b1398.8	\$ 1,535,247	0.05	82,586	\$ 1,500,080	0.11	159,369	38,283	280,237	-	-	280,237	-	280,237	-	280,237
17f	Whitpain 500 kV Circuit Breaker Addition	b0269.6	\$ 3,258,302	0.05	175,275	\$ 2,807,646	0.11	298,285	66,185	539,744	-	-	539,744	-	539,744	-	539,744
17g	Elroy-Hosensack 500 kV Line Rating Increase	b0171.1	\$ 4,456,731	0.05	239,742	\$ 3,750,846	0.11	398,491	88,419	726,652	-	-	726,652	-	726,652	-	726,652
17h	Camden-Richmond 230 kV Line Rating Increase	b1590.1 and b1590.2	\$ 13,978,667	0.05	751,958	\$ 13,234,529	0.11	1,406,040	343,628	2,501,625	-	-	2,501,625	-	2,501,625	-	2,501,625
17i	Chichester-Linwood 230 kV Line Upgrades	b1900	\$ 22,762,167	0.05	1,224,450	\$ 17,350,336	0.11	1,843,304	447,523	3,515,277	-	-	3,515,277	-	3,515,277	-	3,515,277
17j	Bryn Mawr-Plymouth 138 kV Line Rebuild	b0727	\$ 18,633,213	0.05	1,002,341	\$ 17,392,175	0.11	1,847,749	529,115	3,379,205	-	-	3,379,205	-	3,379,205	-	3,379,205
17k	Emilie 230-138 kV Transformer Addition	b2140	\$ 17,048,149	0.05	917,075	\$ 16,512,427	0.11	1,754,285	395,391	3,066,751	-	-	3,066,751	-	3,066,751	-	3,066,751
17l	Chichester-Saville 138 kV Line Re-conductor	b1182	\$ 17,950,807	0.05	965,632	\$ 16,172,542	0.11	1,718,175	453,711	3,137,518	-	-	3,137,518	-	3,137,518	-	3,137,518
17m	Waneeta 230-138 kV Transformer Addition	b1717	\$ 11,220,087	0.05	603,565	\$ 10,999,561	0.11	1,168,596	267,027	2,039,188	-	-	2,039,188	-	2,039,188	-	2,039,188
17n	Chichester 230-138 kV Transformer Addition	b1178	\$ 8,362,590	0.05	449,851	\$ 7,516,697	0.11	798,576	177,317	1,425,744	-	-	1,425,744	-	1,425,744	-	1,425,744
17o	Bradford-Planebrook 230 kV Line Upgrades	b0790	\$ 1,712,754	0.05	92,135	\$ 1,623,129	0.11	172,442	38,262	302,838	-	-	302,838	-	302,838	-	302,838
17p	North Wales-Hartman 230 kV Line Re-conductor	b0506	\$ 2,229,232	0.05	119,918	\$ 1,919,535	0.11	203,932	54,160	378,009	-	-	378,009	-	378,009	-	378,009
17q	North Wales-Whitpain 230 kV Line Re-conductor	b0505	\$ 2,546,903	0.05	137,006	\$ 2,122,547	0.11	225,500	59,888	422,394	-	-	422,394	-	422,394	-	422,394
17r	Bradford-Planebrook 230 kV Line Upgrades	b0789	\$ 2,359,200	0.05	126,909	\$ 2,214,367	0.11	235,255	52,199	414,363	-	-	414,363	-	414,363	-	414,363
17s	Planebrook 230 kV Capacitor Bank Addition	b0206	\$ 3,631,396	0.05	195,345	\$ 2,813,757	0.11	298,934	66,329	560,608	-	-	560,608	-	560,608	-	560,608
17t	Newlinville 230 kV Capacitor Bank Addition	b0207	\$ 4,811,873	0.05	258,846	\$ 3,831,028	0.11	407,009	90,309	756,165	-	-	756,165	-	756,165	-	756,165
17u	Chichester-Mickleton 230 kV Series Reactor Addition	b0209	\$ 2,699,444	0.05	145,212	\$ 2,183,668	0.11	231,994	51,476	428,681	-	-	428,681	-	428,681	-	428,681
17v	Chichester-Mickleton 230 kV Line Re-conductor	B0264	\$ 2,221,241	0.05	119,488	\$ 1,780,355	0.11	189,145	50,233	358,866	-	-	358,866	-	358,866	-	358,866
17w	Buckingham-Pleasant Valley 230 kV Line Re-conductor	b0357	\$ 1,723,078	0.05	92,690	\$ 2,000,886	0.11	212,575	61,108	366,373	-	-	366,373	-	366,373	-	366,373
17x	Elroy 500 kV Dynamic Reactive Device	b0287	\$ 5,325,225	0.05	286,461	\$ 4,823,470	0.11	512,447	113,704	912,612	-	-	912,612	-	912,612	-	912,612
17y	Heaton 230 kV Capacitor Bank Addition	b0208	\$ 4,315,230	0.05	232,130	\$ 3,435,620	0.11	365,001	80,988	678,119	-	-	678,119	-	678,119	-	678,119
18	Annual Totals		1,492,071,225			1,006,218,926		106,900,962	23,761,763	210,926,055		-	210,926,055	-	210,926,055	-	210,926,055

Note

- A Gross Transmission Plant is that identified on page 2 line 2 of Attachment H
- B Inclusive of any CWIP or unamortized abandoned plant included in rate base when authorized by FERC order less any prefunded AFUDC, if applicable.
- C Project Gross Plant is the total capital investment for the project calculated in the same method as the gross plant value in line 1. This value includes subsequent capital investments required to maintain the facilities to their original capabilities. Gross plant does not include Unamortized Abandoned Plant.
- D Project Net Plant is the Project Gross Plant Identified in Column 3 less the associated Accumulated Depreciation. Net Plant includes CWIP and Unamortized Abandoned Plant and excludes any regulatory asset, which are to be entered as a separate line item.
- E Project Depreciation Expense is the actual value booked for the project and included in the Depreciation Expense in Attachment H, page 3, line 14. Project Depreciation Expense includes the amortization of Abandoned Plant
- F True-Up Adjustment is calculated on the Project True-up Schedule for the Rate Year
- G The Net Rev Req is the value to be used in the rate calculation under the applicable Schedule under the PJM OATT for each project.
- H The Total General, Intangible and Common Depreciation Expense excludes any depreciation expense directly associated with a project and thereby included in page 2 column 9.
- I The Unamortized Abandoned Plant balance is included in Net Plant, and Amortization of Abandoned Plant is included in Depreciation/Amortization Expense.
- J The Competitive Bid Concession is the reduction in revenue, if any, that the company agreed to, for instance, to be selected to build facilities as the result of a competitive process and equals the amount by which the annual revenue requirement is reduced from the ceiling rate
- K Requires approval by FERC of incentive return applicable to the specified project(s)
- M All transmission facilities reflected in the revenue requirement on Attachment H-7, page 1 line 3 are to be included in this Attachment 1.
- N Facilities that provide Wholesale Distribution Service are not to be listed as projects on lines 15, the revenue requirements associated with these facilities are calculated on Attachment 11
- O When an updated projected net revenue requirement is posted due to an asset acquisition as provided for in the Protocols, the difference between the updated net revenue requirement in Col (16) and the revenues collected to date will be recovered over the remaining months of the Rate Year.
- P Zonal on line 17a refers to all projects not qualifying for regional recovery

Attachment 2  
Incentive ROE  
PECO Energy Company

Page 1 of 1

1	Rate Base	Attachment H-7, Page 2 line 47, Col.5						864,365,247
2	100 Basis Point Incentive Return							
							\$	
						Cost		
			\$	%			Weighted	
3	Long Term Debt	(Attachment H-7, Notes Q and R)	2,884,418,609	45.1%		4.4%		2.0%
4	Preferred Stock	(Attachment H-7, Notes Q and R)	-	0.0%		0.0%		0.0%
		Cost = Attachment H-7, Page 4 Line 17, Cost plus .01						
5	Common Stock	(Attachment H-7, Notes K, Q and R)	3,513,575,910	54.9%		12.0%		6.6%
6	Total (sum lines 3-5)		6,397,994,519					8.6%
7	100 Basis Point Incentive Return multiplied by Rate Base (line 1 * line 6)							74,016,403.79
8	INCOME TAXES							
9	T=1 - {[ (1 - SIT) * (1 - FIT) ] / (1 - SIT * FIT * p) } =		41.4935%					
10	CIT=(T/1-T) * (1-(WCLTD/R)) =		54.5798%					
11	WCLTD = Line 3							
12	and FIT, SIT & p are as given in footnote K.							
13	1 / (1 - T) = (from line 9)		1.7092					
14	Amortized Investment Tax Credit (266.8f) (enter negative)	Attachment H-7, Page 3, Line 38	(5,343)					
15	Excess Deferred Income Taxes (enter negative)	Attachment H-7, Page 3, Line 39	-					
16	Tax Effect of Permanent Differences (Note B)	Attachment H-7, Page 3, Line 40	356,305					
17	Income Tax Calculation = line 10 * line 22		62,507,924		NA		40,398,010	
18	ITC adjustment (line 13 * line 14)		(9,132)		NP	18.6%	(1,695)	
19	Excess Deferred Income Tax Adjustment (line 13 * line 15)		-		NP	18.6%	-	
20	Permanent Differences Tax Adjustment (line 13 * 16)		609,001		NP	18.6%	113,016	
21	Total Income Taxes (sum lines 17 - 20)		63,107,794				40,509,331	40,509,331
22	Return and Income Taxes with 100 basis point increase in ROE	(Sum lines 7 & 21)						114,525,735
23	Return (Attach. H-7, page 3 line 47 col 5)							69,269,584
24	Income Tax (Attach. H-7, page 3 line 45 col 5)							37,631,379
25	Return and Income Taxes without 100 basis point increase in ROE	(Sum lines 23 & 24)						106,900,962
26	Incremental Return and Income Taxes for 100 basis point increase in ROE	(Line 22 - line 25)						7,624,773
27	Rate Base (line 1)							864,365,247
28	Incremental Return and Income Taxes for 100 basis point increase in ROE divided by Rate Base	(Line 26 / line 27)						0.0088

Notes:

- A Line 5 includes a 100 basis point increase in ROE that is used only to determine the increase in return and income taxes associated with a 100 basis point increase in ROE. Any actual ROE incentive must be approved by the Commission. For example, if the Commission were to grant a 137 basis point ROE incentive, the increase in return and taxes for a 100 basis point increase in ROE would be multiplied by 1.37 on Attachment 1 column 12.
- B The Tax Effect of Permanent Differences captures the differences in the income taxes due under the Federal and State calculations and the income taxes calculated in Attachment H-7 that are not the result of a timing difference

Attachment 3  
Project True-Up  
PECO Energy Company

1	Rate Year being Trued-Up		Revenue Requirement Projected For Rate Year		Revenue Received <sup>3</sup>	Actual Revenue Requirement	Annual True-Up Calculation			
	A	B	C	D	E	F	G	H	I	J
2	Project Name	PJM Project Number or Zonal	Projected Net Revenue Requirement <sup>1</sup>	% of Total Revenue Requirement	Revenue Received (E, Line 2 ) x (D)	Actual Net Revenue Requirement <sup>2</sup>	Net Under/(Over) Collection (F)-(E)	Prior Period Adjustment <sup>5</sup>	Interest Income (Expense) <sup>4</sup>	Total True-Up (G) + (H) + (I)
3	Zonal	Zonal								
3a										
3b										
3c										
3d										
3e										
3f										
3g										
3h										
3i										
3j										
3k										
3l										
3m										
3n										
3o										
3p										
3q										
3r										
3s										
3t										
3u										
3v										
3w										
3x										
3y										
3z										
4	Total Annual Revenue Requirements (Note A)									

Monthly Interest Rate -  
Interest Income (Expense) -

- Notes:
- 1) From Attachment 1, line 15, col. 14 for the projection for the Rate Year.
  - 2) From Attachment 1, line 15, col. 14 for that project based on the actual costs for the Rate Year.
  - 3) The "Revenue Received" on line 2, Col. (E), is the total amount of revenue distributed to company in the year as shown on pages 328-330 of the Form No 1. The Revenue Received is input on line 2, Col. E excludes any True-Up revenues. Column E, lines 3 are the dollar amounts of Revenue Received reflecting the % in Column D. This assigns to each project a percentage of the revenue received based on the percentage of the Projected Net Revenue Requirement in Column C. Column D, lines 3 are sourced from the projected revenue requirement for the year at issue.
  - 4) Interest from Attachment 6.
  - 5) Prior Period Adjustment from line 5 is pro rata to each project, unless the error was project specific.

**Prior Period Adjustments**

	(a)	(b)	(c)	(d)
	Prior Period Adjustments (Note B)	Amount In Dollars	Interest Note B	Total Col. (b) + Col. (c)
5				

- Notes:
- A For each project or Attachment H, the utility will populate the formula rate with the inputs for the True-Up Year. The revenue requirements, based on actual operating results for the True-Up Year, associated with the projects and Attachment H will then be entered in Col. (F) above. Column (E) above contains the actual revenues received associated with Attachment H and any Projects paid by the RTO to the utility during the True-Up Year. Then in Col. (G), Col. (E) is subtracted from Col. (F) to calculate the True-up Adjustment. The Prior Period Adjustment from Line 5 below is input in Col. (H). Column (I) is the applicable interest rate from Attachment 6. Column (I) adds the interest on the sum of Col.(G) and (H). Col. (J) is the sum of Col. (G), (H), and (I).
  - B Prior Period Adjustment is the amount of an adjustment to correct an error in a prior period. The FERC Refund interest rate specified in CFR 35.19(a) for the period up to the date the projected rates that are subject to True Up here went into effect.

Attachment 4  
Rate Base Worksheet  
PECO Energy Company

Line No	Month (a)	Gross Plant In Service			CWIP	LHFFU	Working Capital	Accumulated Depreciation			
		Transmission (b)	General (c)	Common (d)	CWIP in Rate Base (e)	Held for Future Use (f)	Materials & Supplies (g)	Prepayments (h)	Transmission (i)	General (j)	Common (k)
	Attachment H, Page 2, Line No:	2	4	5	27	31	34	35	9	11	12
		207.58.g minus 207.57.g. Projected monthly balances that are the amounts expected to be included in 207.58.g for end of year and records for other months (Note I)		207.99.g minus 207.98.g for end of year, records for other months	Electric Only, Form No 1, page 356 for end of year, records for other months (Note C)	214.17,d, 214.20,d and 214.22,d for end of year, records for other months	227. 8. c + (227.16.c * Labor Ratio) for end of year, records for other months	111.57.c for end of year, records for other months	Projected monthly balances that are expected to be included in 219.25.c for end of year and records for other months (Note I)		Electric Only, Form No 1, page 356 for end of year, records for other months
1	December Prior Year	1,454,810,923	235,764,213	526,823,779	-	1,127,275	12,954,107	1,590,663	480,585,852	54,398,462	249,457,293
2	January	1,455,430,125	242,085,871	530,029,408	-	1,127,275	13,198,270	1,474,925	480,919,875	55,543,528	251,960,466
3	February	1,457,285,279	244,830,106	531,557,657	-	1,127,275	13,153,882	1,167,915	481,663,042	56,754,099	254,461,140
4	March	1,459,094,086	241,086,093	530,403,643	-	1,127,275	13,070,208	1,489,936	483,071,231	58,055,176	253,467,690
5	April	1,460,472,187	241,741,651	531,880,381	-	1,141,405	13,254,835	1,274,659	483,460,953	59,238,002	255,903,048
6	May	1,484,134,150	242,810,787	532,280,302	-	1,141,405	12,822,381	1,381,460	485,036,583	60,434,890	258,340,119
7	June	1,511,180,730	248,208,961	534,376,847	-	1,141,405	13,101,071	1,778,639	474,347,769	56,739,352	253,191,364
8	July	1,510,541,869	244,968,620	529,679,273	-	1,141,405	13,243,817	1,417,073	488,061,837	56,835,224	255,541,518
9	August	1,510,973,611	245,716,282	531,682,012	-	1,141,405	13,204,483	1,136,311	489,823,078	58,134,924	257,917,094
10	September	1,512,210,333	246,716,554	533,971,333	-	1,141,405	12,826,018	1,445,046	489,940,758	59,615,024	259,907,381
11	October	1,515,141,724	250,134,960	533,595,711	-	1,141,405	12,393,762	1,684,776	491,459,029	60,905,907	260,236,071
12	November	1,518,638,822	250,959,634	538,750,951	-	1,141,405	12,521,319	1,469,865	493,099,147	62,095,625	262,453,190
13	December	1,547,012,084	254,708,195	558,388,839	-	1,141,405	12,899,808	1,215,256	494,610,735	63,297,973	264,599,972
14	Average of the 13 Monthly Balances	1,492,071,225	245,363,994	534,109,241	-	1,137,057	12,972,612	1,425,117	485,852,299	58,619,091	256,725,873

Adjustments to Rate Base

Line No	Month (a)	Unamortized Regulatory Asset (b)	Unamortized Abandoned Plant (c)	Account No. 281	Account No. 282	Account No. 283	Account No. 190	Account No. 255	Pension Asset (i)
				Accumulated Deferred Income Taxes (Note D) (d)	Accumulated Deferred Income Taxes (Note D) (e)	Accumulated Deferred Income Taxes (Note D) (f)	Accumulated Deferred Income Taxes (Note D) (g)	Accumulated Deferred Investment Credit (h)	
	Attachment H, Page 2, Line No:	28	29	22	23	24	25	26	27a
		Notes A & E	Notes B & F	Attachment 4A, line 20 for the projection and line 44 for the true-up	Attachment 4A, line 14 for the projection and line 38 for the true-up	Attachment 4A, line 17 for the projection and line 41 for the true-up	Attachment 4A, line 34 for the projection and line 47 for the true-up	Consistent with 266.8,b, 266.17.b, 267.8.h & 267.17.h	Pension Asset booked to Account 186
15	December Prior Year	-	-	-	-	-	-	-	32,025,610
16	January	-	-	-	-	-	-	-	33,911,149
17	February	-	-	-	-	-	-	-	33,693,342
18	March	-	-	-	-	-	-	-	33,482,044
19	April	-	-	-	-	-	-	-	33,261,440
20	May	-	-	-	-	-	-	-	33,059,650
21	June	-	-	-	-	-	-	-	32,843,995
22	July	-	-	-	-	-	-	-	32,628,341
23	August	-	-	-	-	-	-	-	32,412,686
24	September	-	-	-	-	-	-	-	32,197,031
25	October	-	-	-	-	-	-	-	31,985,804
26	November	-	-	-	-	-	-	-	31,769,907
27	December	-	-	-	-	-	-	-	31,562,100
28	Average of the 13 Monthly Balances	-	-	Zero	(260,301,938)	(7,987,143)	12,181,867	-	32,679,469

(except ADIT which is the amount shown on Attachment 4A)

Attachment 4  
Rate Base Worksheet  
PECO Energy Company

Unfunded Reserves (Notes G & H)  
(a)

(b)

(c)

(d)

(e)

(f)

(g)

(h)

Page 2 of 2

			Enter 1 if NOT in a trust or reserved account, enter zero (0) if included in a trust or reserved account	Enter 1 if the accrual account is included in the formula rate, enter (0) if NOT included in the formula rate	Enter the percentage paid for by the transmission formula customers	Allocation (Plant or Labor Allocator)	Amount Allocated, col. c x col. d x col. e x col. f x col. g
29	List of all reserves:	Amount					
30a	Environmental Liab - Superfund	(1,421,870)	1.00	1.00	100%	11.76%	(167,212)
30b	Accrued Severance Plans	(171,563)	1.00	1.00	100%	11.76%	(20,176)
30c	Workers Compensation - short term	(1,060,592)	1.00	1.00	100%	11.76%	(124,726)
30d	Workers Compensation - long term	(10,007,486)	1.00	1.00	100%	11.76%	(1,176,883)
30e	Public claims - Short Term	(487,971)	1.00	1.00	100%	11.76%	(57,385)
30f	Public Claims - Long term	(23,255,262)	1.00	1.00	100%	11.76%	(2,734,825)
30g	Accrued Septa Railroad Rent - transmission	(2,212,697)	1.00	1.00	100%	100.00%	(2,212,697)
30h							
30i							
30x	---	-	-	-	-	-	-
31	Total	(38,617,441)					(6,493,905)

Notes:

- A Recovery of regulatory asset is limited to any regulatory assets authorized by FERC.
- B Recovery of abandoned plant is limited to any abandoned plant recovery authorized by FERC.
- C Includes only CWIP authorized by the Commission for inclusion in rate base. The annual report filed pursuant to Section 7 of the Protocols will include for each project under construction (i) the CWIP balance eligible for inclusion in rate base; (ii) the CWIP balance ineligible for inclusion in rate base; and (iii) a demonstration that AFUDC is only applied to the CWIP balance that is not included in rate base. The annual report will reconcile the project-specific CWIP balances to the total Account 107 CWIP balance reported on p. 216.b of the FERC Form 1. The demonstration in (iii) above will show that monthly debts and credits do not contain entries for AFUDC for each CWIP project in rate base.
- D ADIT and Accumulated Deferred Income Tax Credits are computed using the average of the beginning of the year and the end of the year balances. The projection will use line 108 of Attachment 4a to populate the average ADIT balance on line 28 above.
- E Recovery of a Regulatory Asset is permitted only for pre-commercial and formation expenses, and is subject to FERC approval before the amortization of the Regulatory Asset can be included in rates. Recovery of any other regulatory assets requires authorization from the Commission. A carrying charge equal to the weighted cost of capital will be applied to the Regulatory Asset prior to the rate year when costs are first recovered.
- F Unamortized Abandoned Plant and Amortization of Abandoned Plant will be zero until the Commission accepts or approves recovery of the cost of abandoned plant.
- G The Formula Rate shall include a credit to rate base for all unfunded reserves (funds collected from customers that (1) have not been set aside in a trust, escrow or restricted account; (2) whose balance are collected from customers through cost accruals to accounts that are recovered under the Formula Rate; and (3) exclude the portion of any balance offset by a balance sheet account). Each unfunded reserve will be included on lines 30 above. The allocator in Col. (g) will be the same allocator used in the formula for the cost accruals to the account that is recovered under the Formula Rate. Since reserves can be created by an offsetting balance sheet account, rather than through cost accruals, the amount to be deducted from rate base should exclude the portion offset by another balance sheet account.
- H Calculate using 13 month average balance, except ADIT.
- I Projected balances are for the calendar year the revenue under this formula begins to be charged.



For True-Up  
Page 1 of 1

PECO Energy Company  
ADIT Worksheet for True-Up

DIT for True-Up

True-Up for the 12 months ended 12/31/2017

	(a) Balance	(b) Month	(c) Year	(d) Weighting for Projection	(e) Balance from ADIT BOY and ADIT EOY workpapers	(f) 100% Transmission	(g) 100% Allocator (f) x Allocator 100%	(h) Plant Related	(i) NP Allocator (h) x Allocator 0.1856 From Attach H Page 2, Line 18	(j) Labor Related	(k) S/W Allocator (j) x Allocator 0.1176 From Attach H Page 4, Line 16	(l) Total ADIT (d) x [(g)+(i)+(k)]
38	Balance	ADIT- 282 December	2016		(1,156,481,650)	(247,557,156)		-	-	(24,520,024)		
39	Balance	December	2017		(1,217,638,235)	(266,240,038)		-	-	(33,359,806)		
40		Average			(1,187,059,943)	(256,898,597)	(256,898,597)	-	-	(28,939,915)	(3,403,341)	(260,301,938)
41	Balance	ADIT-283 December	2016		(40,972,532)	-	-	(9,584,442)	(1,778,640)	(2,701,892)	(317,743)	
42	Balance	December	2017		(139,744,365)	-	-	(6,327,128)	(1,174,161)	(108,024,770)	(12,703,741)	
43		Average			(90,358,449)	-	-	(7,955,785)	(1,476,400)	(55,363,331)	(6,510,742)	(7,987,143)
44	Balance	ADIT-281 December	2016		Zero	Zero	Zero	Zero	Zero	Zero	Zero	Zero
45	Balance	December	2017		Zero	Zero	Zero	Zero	Zero	Zero	Zero	Zero
46		Average			Zero	Zero	Zero	Zero	Zero	Zero	Zero	Zero
47	Balance	ADIT-190 December	2016		83,060,062	1,763,437	1,763,437	370,525	68,760	26,695,124	3,139,353	4,971,551
48	Balance	December	2017		185,826,860	-	-	7,420,671	1,377,096	153,189,182	18,015,087	19,392,184
49		Average			134,443,461	881,719	881,719	3,895,598	722,928	89,942,153	10,577,220	12,181,867



Attachment 4B  
PECO Energy Company

ADIT BOY Worksheet

ADIT BOY Worksheet  
Page 1 of 3

	A	B	C	D	E	F
		Total		Only Related	Related	Related
a	<b>ADIT- 282</b>	(1,156,481,650)		(247,557,156)	-	(24,520,024) (From line 5 for the column)
b	<b>ADIT-283</b>	(40,972,532)		-	(9,584,442)	(2,701,892) (From line 17 for the column)
c	<b>ADIT-190</b>	83,060,062		1,763,437	370,525	26,695,124 (From line 29 for the column)
d	<b>Subtotal</b>	(1,114,394,120)		(245,793,719)	(9,213,917)	(526,792) (Sum a - c)

In filling out this attachment, a full and complete description of each item and justification for the allocation to Columns C-F and each separate ADIT item will be listed. Dissimilar items with amounts exceeding \$100,000 will be listed separately.

Line	A	B	C	D	E	F	G
		Total	Gas, Prod Retail Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
1	ACCRUED BENEFITS	2,523,784	-	-	-	2,523,784	Related to employer costs of benefits, such as health insurance, 401 (k), etc. The amounts are recorded to the liability and cleared through payments during each bi-weekly payroll. Any balance in the account at the end of the month would relate to the month-end accrual that is recorded at the end of the month and reversed on the first calendar day of the next month. As such, there is a book to tax timing difference.
1a	ADDBACK OF NQSO EXPENSE	2,851,343	-	-	-	2,851,343	No current book activity, tax deducts as distributions are made from the trust - employees in all functions.
1b	ADDBACK OF OTHER EQUITY COMP EXPENSE	1,304,790	-	-	-	1,304,790	Book expense recorded when stock is granted, tax expense when stock is issued at market price - employees in all functions.
1c	AMORT-ORGANIZATIONAL COSTS	3,558	3,558	-	-	-	Excluded because the underlying account(s) are not included in model
1d	BAD DEBT - CHANGE IN PROVISION	18,150,879	18,150,879	-	-	-	Retail bad debt. For book, expense taken as it's identified; tax deduction not taken until fully written-off and all collection efforts abandoned. Relates to retail operations.
1e	CHARITABLE CARRYFORWARD	2,900,278	2,900,278	-	-	-	Excluded because the underlying account(s) are not included in model
1f	CUSTOMER ADVANCES - CONSTRUCTION	318,231	318,231	-	-	-	Excluded because the underlying account(s) are not included in model
1g	DEFERRED COMPENSATION	4,500,812	-	-	-	4,500,812	Book records estimated accrued compensation; tax deducts only upon the retirement or other separation from service by the employees. Relates to all functions.
1h	DEFERRED REVENUE - CURRENT	2,477,917	2,477,917	-	-	-	Excluded because the underlying account(s) are not included in model
1i	FAS 112	298,985	-	-	-	298,985	Employer provided benefits to former employees but before retirement.
1j	FIN 47 ARO	876,157	876,157	-	-	-	Accrual of future removal/retirements. Book recognized the expense estimate accrual, tax recognizes when paid. Related to all functions.
1k	Gross Up-Bill E Credit	31,256,623	31,256,623	-	-	-	Excluded because the underlying account(s) are not included in model
1l	INCENTIVE PAY	13,750,207	-	-	-	13,750,207	Book records an accrual in filing year on estimated payouts; tax reverses the accrual and deducts the actual paid out. Relates to all functions.
1m	INJURIES AND DAMAGE PAYMENTS	8,185,168	-	-	-	8,185,168	Books records an estimated liability for injuries and damages; tax purposes a deduction is only taken when actual payments are made.
1n	MERGER COSTS NC	13,056,046	13,056,046	-	-	-	Excluded because the underlying account(s) are not included in model
1o	DEFERRED CHARGES - TAX REPAIRS BILL CREDIT-DIST	830,838	830,838	-	-	-	Excluded because the underlying account(s) are not included in model
1p	OBSOLETE MATERIALS PROVISION	642,817	642,817	-	-	-	Excluded because the underlying account(s) are not included in model
1q	OTHER CURRENT	-	-	-	-	-	0
1r	FACILITY COMMITMENT FEES	22,565	-	-	22,565	-	Debt related
1s	FINES & OTHER	254,707	254,707	-	-	-	Excluded because the underlying account(s) are not included in model
1t	OTHER NONCURRENT- RAILROAD LIABILITY	106,198	-	-	106,198	-	Related to reserve for required maintenance on right of ways.
1u	OTHER UNEARNED REVENUE-DEFERRED RENTS	241,762	-	-	241,762	-	Rent expense deferred and amortized ratably for books, tax deduction when paid - used for all functions.
1v	PENSION EXPENSE PROVISION	(131,642,226)	-	-	-	(131,642,226)	Book accrues and capitalizes anticipated Pension costs based on actuarial analysis. Tax deducts or capitalizes retirement benefits only when the amounts are paid. Related to all functions.
1w	POLE ATTACHMENT RESERVE	3,990,295	3,990,295	-	-	-	Excluded because the underlying account(s) are not included in model
1x	POST RETIREMENT BENEFITS	116,640,780	-	-	-	116,640,780	Book accrues anticipated post retirement costs based on actuarial analysis. Tax deducts retirement benefits only when the amounts are paid or contributed to a fund.
1y	RESERVE FOR EMPLOYEE LITIGATIONS Current	31,598	31,598	-	-	-	Related to reserves associated with ongoing and/or pending litigation. These are not legal service fees, but accrual for possible liability payments upon resolution of ongoing litigation matters. Since we have accrued, but not yet paid, we have to book the tax reserve.
1z	SA UNBILLED RESERVE	8,280,528	8,280,528	-	-	-	Retail related
1aa	SECA REFUND	234,547	234,547	-	-	-	Retail related
1ab	SEPTA RAILROAD RENT	1,763,437	-	1,763,437	-	-	Reserve for potential transmission rent expense
1ac	SEVERANCE PMTS CHANGE IN PROVISION	65,881	-	-	-	65,881	Book records an accrual; tax takes the deduction when actually paid. Relates to all functions.
1ad	VACATION PAY CHANGE IN PROVISION	2,034,503	-	-	-	2,034,503	Capitalized portion of vacation pay earned and expensed for books, tax takes the deduction when paid out. Related to all functions.
1ae	VEGETATION MGMT ACCRUAL	2,182,580	2,182,580	-	-	-	Excluded because the underlying account(s) are not included in model
1af	WORKERS COMPENSATION RESERVE	6,181,097	-	-	-	6,181,097	These accounts are reserves for public claims, workers compensation and other third party incidents. For tax purposes these are not deductible until paid. Related to all functions.
1ag							
1ah							
1ai							
1aj							
1ak							
1al							
1am							
2	Subtotal - p234.8.b	114,316,685	85,487,599	1,763,437	370,525	26,695,124	
3	Less FASB 109 Above if not separately removed	31,256,623	31,256,623				
4	Less FASB 106 Above if not separately removed						
5	Total	83,060,062	54,230,976	1,763,437	370,525	26,695,124	

6 Instructions for Account 190:  
 7 1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C  
 8 2. ADIT items related only to Transmission are directly assigned to Column D  
 9 3. ADIT items related to Plant other than general plant, intangible plant or common plant and not in Columns C & D are included in Column E  
 10 4. ADIT items related to labor, general plant, intangible plant, or common plant and not in Columns C & D are included in Column F  
 11 5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula,  
 12 the associated ADIT amount shall be excluded

PECO Energy Company

ADIT BOY Worksheet

ADIT BOY Worksheet  
Page 2 of 3

	A	B	C	D	E	F	G
ADIT- 282		Total	Gas, Prod Retail Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
13a	Property Related ADIT, Excl. ARO	-	-	-	-	-	0
13b	Common	(39,051,003)	-	-	-	(39,051,003)	Included because plant in service is included in rate base.
13c	Distribution	(1,913,939,237)	(1,913,939,237)	-	-	-	Related to Distribution property.
13d	Electric General	(5,406,256)	-	-	-	(5,406,256)	Included because plant in service is included in rate base.
13e	Transmission	(369,697,372)	-	(369,697,372)	-	-	Included because plant in service is included in rate base.
13f							
13g							
13h							
...							
14	Subtotal - p275.2.b	(2,328,093,868)	(1,913,939,237)	(369,697,372)	-	(44,457,259)	
15	Less FASB 109 Above if not separately removed	(1,171,612,218)	(1,029,534,767)	(122,140,216)	-	(19,937,235)	
16	Less FASB 106 Above if not separately removed						
17	Total	(1,156,481,650)	(884,404,470)	(247,557,156)	-	(24,520,024)	

18 Instructions for Account 282:  
 19 1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C  
 20 2. ADIT items related only to Transmission are directly assigned to Column D  
 21 3. ADIT items related to Plant other than general plant, intangible plant or common plant and not in Columns C & D are included in Column E  
 22 4. ADIT items related to labor, general plant, intangible plant, or common plant and not in Columns C & D are included in Column F  
 23 5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula,  
 24 the associated ADIT amount shall be excluded

ADIT BOY Worksheet

PECO Energy Company

ADIT BOY Worksheet  
Page 3 of 3

	A	B	C	D	E	F	G
ADIT-283		Total	Gas, Prod Retail Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
25	ACT 129 SMART METER	(14,378,386)	(14,378,386)	-	-	-	Retail related
25a	AEC RECEIVABLE	(2,480,113)	(2,480,113)	-	-	-	Retail related
25b	AMORT-BK-PREMIUMS ON REACQD DEBT-9.5%	(685,252)	-	-	(685,252)	-	Book recapitalizes costs incurred to retire or reacquire debt issuances. Tax deducts these costs when incurred.
25c	CAP FORGIVENESS REG ASSET	(4,307,298)	(4,307,298)	-	-	-	Retail related
25d	CAP SHOPPING REG ASSET	(179,578)	(179,578)	-	-	-	Retail related
25e	DSP 2 - REGULATORY ASSET	(52,703)	(52,703)	-	-	-	Retail related
25f	ELEC RATE CASE EXP - REG ASSET	(183,943)	(183,943)	-	-	-	Retail related
25g	ENERGY EFFICIENCY REG ASSET	(404,019)	(404,019)	-	-	-	Retail related
25h	Gross Up on State Def Tax Adj- AMR Reg Asset	(1,344,007)	(1,344,007)	-	-	-	Retail related
25i	HOLIDAY PAY CHANGE IN PROVISION	-	-	-	-	-	The book expense on Jan 1 of calendar year; accelerated tax expense taken in previous calendar year. Related to all functions.
25j	OCI-Def FIT & SIT	(668,412)	(668,412)	-	-	-	Excluded because the underlying account(s) are not included in model
25k	OTHER CURRENT REG ASSET:	-	-	-	-	-	0
25l	LOSS OF REAQUIRED DEBT	(291,120)	-	-	(291,120)	-	Book recapitalizes costs incurred to retire or reacquire debt issuances. Tax deducts these costs when incurred. Included in debt capitalization ratio on Appendix A, line 111.
25m	VACATION ACCRUAL	(2,402,907)	-	-	-	(2,402,907)	Current portion of vacation pay earned and expensed for books, tax takes the deduction when paid out. Related to all functions.
25n	SMART METER	(4,792,796)	(4,792,796)	-	-	-	Retail related
25o	CAP SHOPPING REG ASSET	(352,997)	(352,997)	-	-	-	Retail related
25p	CAP FORGIVENESS REG ASSET	(292,535)	(292,535)	-	-	-	Retail related
25q	FAS 112	(298,985)	-	-	-	(298,985)	Employer provided benefits to former employees but before retirement.
25r	ELEC RATE CASE EXP - REG ASSET	(183,751)	(183,751)	-	-	-	Retail related
25s	PURTA	(2,331)	-	-	(2,331)	-	Property taxes. Book records on an accrual method based on the prior year; tax reverses the book accrual and deducts the actual payments made. . Relates to all functions.
25t	SEAMLESS MOVES	(55,320)	(55,320)	-	-	-	Retail related
25u	ENERGY EFFICIENCY REG ASSET	(118,249)	(118,249)	-	-	-	Retail related
25v	OTHER CURRENT REG ASSET	(236,098)	(236,098)	-	-	-	Gas Related
25w	STATE TAX RESERVE	(8,605,739)	-	-	(8,605,739)	-	The state income tax is cash basis
25x							
....							
26	Subtotal - p276.9.b	(42,316,539)	(30,030,205)	-	(9,584,442)	(2,701,892)	
27	Less FASB 109 Above if not separately removed	(1,344,007)	(1,344,007)				
28	Less FASB 106 Above if not separately removed						
29	Total	(40,972,532)	(28,686,198)	-	(9,584,442)	(2,701,892)	

30 Instructions for Account 283:

- 31 1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
- 32 2. ADIT items related only to Transmission are directly assigned to Column D
- 33 3. ADIT items related to Plant other than general plant, intangible plant or common plant and not in Columns C & D are included in Column E
- 34 4. ADIT items related to labor, general plant, intangible plant, or common plant and not in Columns C & D are included in Column F
- 35 5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula,
- 36 the associated ADIT amount shall be excluded

Attachment 4C  
PECO Energy Company

ADIT EOY Worksheet

ADIT EOY Worksheet  
Page 1 of 3

	A	B	C	D	E	F
		Total		Only Transmission Related	Plant Related	Labor Related
a	<b>ADIT- 282</b>	(1,217,638,235)		(266,240,038)	-	(33,359,806) (From line 5 for the column)
b	<b>ADIT-283</b>	(139,744,365)		-	(6,327,128)	(108,024,770) (From line 17 for the column)
c	<b>ADIT-190</b>	185,826,860		-	7,420,671	153,189,182 (From line 29 for the column)
d	<b>Subtotal</b>	(1,171,555,740)		(266,240,038)	1,093,543	11,804,606 (Sum a - c)

Line In filling out this attachment, a full and complete description of each item and justification for the allocation to Columns C-F and each separate ADIT item will be listed. Dissimilar items with amounts exceeding \$100,000 will be listed separately.

	A	B	C	D	E	F	G
	ADIT-190	Total	Gas, Prod Retail Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
1c	ACCRUED BENEFITS	849,467	-	-	-	849,467	Related to employer costs of benefits, such as health insurance, 401 (k), etc. The amounts are recorded to the liability and cleared through payments during each bi-weekly payroll. Any balance in the account at the end of the month would relate to the month-end accrual that is recorded at the end of the month and reversed on the first calendar day of the next month. As such, there is a book to tax timing difference.
1d	ADDBACK OF NQSO EXPENSE	1,877,516	-	-	-	1,877,516	No current book activity, tax deducts as distributions are made from the trust - employees in all functions.
1e	ADDBACK OF OTHER EQUITY COMP EXPENSE	1,247,830	-	-	-	1,247,830	Book expense recorded when stock is granted, tax expense when stock is issued at market price - employees in all functions.
1f	AMORT-ORGANIZATIONAL COSTS	-	-	-	-	-	Excluded because the underlying account(s) are not included in model
1g	BAD DEBT - CHANGE IN PROVISION	13,778,093	13,778,092	-	-	-	Retail bad debt. For book, expense taken as it's identified; tax deduction not taken until fully written-off and all collection efforts abandoned. Relates to retail operations.
1h	CHARITABLE CARRYFORWARD	1,570,195	1,570,195	-	-	-	Excluded because the underlying account(s) are not included in model
1i	CUSTOMER ADVANCES - CONSTRUCTION	158,593	158,593	-	-	-	Excluded because the underlying account(s) are not included in model
1j	DEFERRED COMPENSATION	2,077,910	-	-	-	2,077,910	Book records estimated accrued compensation; tax deducts only upon the retirement or other separation from service by the employees. Relates to all functions.
1k	DEFERRED REVENUE	220,916	220,916	-	-	-	Excluded because the underlying account(s) are not included in model
1l	FAS 112	207,942	-	-	-	207,942	Employer provided benefits to former employees but before retirement.
1m	FEDERAL NOL	1,141,419	-	-	1,141,419	-	PECO is in a net operating loss situation, therefore, losses are carried forward until such losses can be applied to taxable income.
1n	FIN 47 ARO	-	-	-	-	-	Accrual of future removal/retirements. Book recognized the expense estimate accrual, tax recognizes when paid. Related to all functions.
1o	Gross Up-Bill E Credit	9,573,744	9,573,744	-	-	-	Excluded because the underlying account(s) are not included in model
1p	INCENTIVE PAY	9,947,772	-	-	-	9,947,772	Book records an accrual in filing year on estimated payouts; tax reverses the accrual and deducts the actual paid out. Relates to all functions.
1q	INJURIES AND DAMAGE PAYMENTS	-	-	-	-	-	Books records an estimated liability for injuries and damages; tax purposes a deduction is only taken when actual payments are made.
1r	MERGER COSTS NC	-	-	-	-	-	Excluded because the underlying account(s) are not included in model
1s	DEFERRED CHARGES - TAX REPAIRS BILL CREDIT-DIST	1,153,652	1,153,652	-	-	-	Excluded because the underlying account(s) are not included in model
1t	OBSOLETE MATERIALS PROVISION	429,796	429,796	-	-	-	Excluded because the underlying account(s) are not included in model
1u	OTHER CURRENT	0	0	-	-	-	-
1v	FACILITY COMMITMENT FEES	10,794	-	-	10,794	-	Debt related
1w	FINES & OTHER	192,052	192,052	-	-	-	Excluded because the underlying account(s) are not included in model
1x	OTHER NONCURRENT- RAILROAD LIABILITY	83,758	-	-	83,758	-	Related to reserve for required maintenance on right of ways.
1y	OTHER UNEARNED REVENUE-DEFERRED RENTS	265,981	-	-	265,981	-	Rent expense deferred and amortized ratably for books, tax deduction when paid - used for all functions.
1z	PAYROLL TAXES	626,979	-	-	-	626,979	Book records a payroll tax accrual; tax reverses the accrual and deducts the actual amount paid out. Relates to all functions.
1aa	PENNSYLVANIA NOL	6,078,222	-	-	6,078,222	-	PECO is in a net operating loss situation, therefore, losses are carried forward until such losses can be applied to taxable income.
1ab	PENSION EXPENSE PROVISION	-	-	-	-	-	Book accrues and capitalizes anticipated Pension costs based on actuarial analysis. Tax deducts or capitalizes retirement benefits only when the amounts are paid. Related to all functions.
1ac	POLE ATTACHMENT RESERVE	-	-	-	-	-	Excluded because the underlying account(s) are not included in model
1ad	POST RETIREMENT BENEFITS	77,957,835	-	-	-	77,957,835	Book accrues anticipated post retirement costs based on actuarial analysis. Tax deducts retirement benefits only when the amounts are paid or contributed to a fund.
1ae	RESERVE FOR EMPLOYEE LITIGATIONS Current	-	-	-	-	-	Related to reserves associated with ongoing and/or pending litigation. These are not legal service fees, but accrual for possible liability payments upon resolution of ongoing litigation matters. Since we have accrued, but not yet paid, we have to book the tax reserve.
1af	SA UNBILLED RESERVE	3,827,688	3,827,688	-	-	-	Retail related
1ag	SECA REFUND	-	-	-	-	-	Retail related
1ah	SEPTA RAILROAD RENT	-	-	-	-	-	Reserve for potential transmission rent expense
1ai	SEVERANCE PMTS CHANGE IN PROVISION	61,677	-	-	-	61,677	Book records an accrual; tax takes the deduction when actually paid. Relates to all functions.
1aj	VACATION PAY CHANGE IN PROVISION	1,004,916	-	-	-	1,004,916	Capitalized portion of vacation pay earned and expensed for books, tax takes the deduction when paid out. Related to all functions.
1ak	VEGETATION MGMT ACCRUAL	1,560,924	1,560,924	-	-	-	Excluded because the underlying account(s) are not included in model
1al	WORKERS COMPENSATION RESERVE	10,806,431	-	-	-	10,806,431	Related to all functions.
1am							
2	Subtotal - p234.8.c	146,712,102	32,465,652	-	7,580,174	106,666,275	
3	Less FASB 109 Above if not separately removed	(39,114,758)	7,248,646	-	159,503	(46,522,907)	Includes FASB 109 related to TCJA
4	Less FASB 106 Above if not separately removed						
5	Total	185,826,860	25,217,006	-	7,420,671	153,189,182	

- Instructions for Account 190:
- ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
  - ADIT items related only to Transmission are directly assigned to Column D
  - ADIT items related to Plant other than general plant, intangible plant or common plant and not in Columns C & D are included in Column E
  - ADIT items related to labor, general plant, intangible plant, or common plant and not in Columns C & D are included in Column F
  - Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded

PECO Energy Company

ADIT EOY Worksheet

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	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>
<b>ADIT- 282</b>		<b>Total</b>	<b>Gas, Prod Retail Or Other Related</b>	<b>Only Transmission Related</b>	<b>Plant Related</b>	<b>Labor Related</b>	<b>Justification</b>
13a	Property Related ADIT, Excl. ARO	-	-	-	-	-	
13b	Common	(28,709,490)	-	-	-	(28,709,490)	Included because plant in service is included in rate base.
13c	Distribution	(1,121,038,511)	(1,121,038,511)	-	-	-	Related to Distribution property.
13d	Electric General	(3,411,310)	-	-	-	(3,411,310)	Included because plant in service is included in rate base.
13e	Transmission	(213,299,037)	-	(213,299,037)	-	-	Included because plant in service is included in rate base.
13f							
13g		-					
13h							
...							
14	Subtotal - p275.2.k	(1,366,458,348)	(1,121,038,511)	(213,299,037)	-	(32,120,800)	
15	Less FASB 109 Above if not separately removed	(148,820,113)	(203,000,120)	52,941,001	-	1,239,006	
16	Less FASB 106 Above if not separately removed						
17	Total	(1,217,638,235)	(918,038,391)	(266,240,038)	-	(33,359,806)	

18 Instructions for Account 282:

19 1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C

20 2. ADIT items related only to Transmission are directly assigned to Column D

21 3. ADIT items related to Plant other than general plant, intangible plant or common plant and not in Columns C & D are included in Column E

22 4. ADIT items related to labor, general plant, intangible plant, or common plant and not in Columns C & D are included in Column F

23 5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula,

24 the associated ADIT amount shall be excluded

PECO Energy Company

ADIT EOY Worksheet

ADIT EOY Worksheet  
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	A	B	C	D	E	F	G
ADIT-283		Total	Gas, Prod Retail Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
25a	ACT 129 SMART METER	(6,674,279)	(6,674,279)	-	-	-	Retail related
25b	AEC RECEIVABLE	(1,172,108)	(1,172,108)	-	-	-	Retail related
25c	AMORT-BK-PREMIUMS ON REACQD DEBT-9.5%	(432,825)	-	-	(432,825)	-	Book recapitalizes costs incurred to retire or reacquire debt issuances. Tax deducts these costs when incurred.
25d	CAP FORGIVENESS REG ASSET	(2,105,889)	(2,105,889)	-	-	-	Retail related
25e	CAP SHOPPING REG ASSET	0	0	-	-	-	Retail related
25f	DSP 2 - REGULATORY ASSET	(74,577)	(74,577)	-	-	-	Retail related
25g	ELEC RATE CASE EXP - REG ASSET	(19,564)	(19,564)	-	-	-	Retail related
25h	ENERGY EFFICIENCY REG ASSET	(198,976)	(198,976)	-	-	-	Retail related
25i	Gross Up on State Def Tax Adj- AMR Reg Asset	(577,496)	(577,496)	-	-	-	Retail related
25j	HOLIDAY PAY CHANGE IN PROVISION	-	-	-	-	-	The book expense on Jan 1 of calendar year; accelerated tax expense taken in previous calendar year. Related to all functions.
25k	OCI-Def FIT & SIT	(568,355)	(568,355)	-	-	-	Excluded because the underlying account(s) are not included in model
25l	OTHER CURRENT REG ASSET:	-	-	-	-	-	0
25m	LOSS OF REAQUIRED DEBT	(153,763)	-	-	(153,763)	-	Book recapitalizes costs incurred to retire or reacquire debt issuances. Tax deducts these costs when incurred. Included in debt capitalization ratio on Appendix A, line 111.
25n	VACATION ACCRUAL	(1,461,442)	-	-	-	(1,461,442)	Current portion of vacation pay earned and expensed for books, tax takes the deduction when paid out. Related to all functions.
25o	SMART METER	(3,581,502)	(3,581,502)	-	-	-	Retail related
25p	CAP SHOPPING REG ASSET - CURRENT	(245,786)	(245,786)	-	-	-	Retail related
25q	CAP FORGIVENESS REG ASSET - CURRENT	(390,761)	(390,761)	-	-	-	Retail related
25r	FAS 112	(208,178)	-	-	-	(208,178)	Employer provided benefits to former employees but before retirement.
25s	ELEC RATE CASE EXP - REG ASSET - CURRENT	(127,943)	-	-	(127,943)	-	Property taxes. Book records on an accrual method based on the prior year; tax reverses the book accrual and deducts the actual payments made. . Relates to all functions.
25t	PURTA	4	4	-	-	-	Retail related
25u	SEAMLESS MOVES	(38,518)	-	-	-	(38,518)	Book accrues and capitalizes anticipated Pension costs based on actuarial analysis. Tax deducts or capitalizes retirement benefits only when the amounts are paid. Related to all functions.
25v	OTHER CURRENT REG ASSET	(2,217,430)	(2,217,430)	-	-	-	Gas Related
25w	PENSION EXPENSE PROVISION	(90,086,556)	-	-	-	(90,086,556)	Book accrues and capitalizes anticipated Pension costs based on actuarial analysis. Tax deducts or capitalizes retirement benefits only when the amounts are paid. Related to all functions.
25x	RATE CHANGE REG ASSET	(9,147,256)	(9,147,256)	-	-	-	Gross up related to non-property tax rate change/TCJA
25y	STATE TAX RESERVE	(3,254,291)	-	-	(3,254,291)	-	The state income tax is cash basis
25z							
....							
26	Subtotal - p277.9.k	(122,737,492)	(26,973,976)	-	(3,968,822)	(91,794,694)	
27	Less FASB 109 Above if not separately removed	17,006,873	(1,581,508)	-	2,358,306	16,230,075	Includes FASB 109 related to TCJA
28	Less FASB 106 Above if not separately removed						
29	Total	(139,744,365)	(25,392,468)	-	(6,327,128)	(108,024,770)	

30 Instructions for Account 283:

- 31 1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
- 32 2. ADIT items related only to Transmission are directly assigned to Column D
- 33 3. ADIT items related to Plant other than general plant, intangible plant or common plant and not in Columns C & D are included in Column E
- 34 4. ADIT items related to labor, general plant, intangible plant, or common plant and not in Columns C & D are included in Column F
- 35 5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula,
- 36 the associated ADIT amount shall be excluded

PECO Energy Company

Attachment 4D - Intangible Plant Workpaper

Total Intangible Plant																			
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	
Gross Plant	December Prior Year	January	February	March	April	May	June	July	August	September	October	November	December	Average =average(b:n)	Transmission	Distribution	S&W Allocation	Total =sum(p:r)	
1	Intangibles - General	10,302,412	13,993,544	14,781,082	11,963,216	11,967,152	14,073,259	14,903,080	12,718,488	12,910,519	13,083,189	13,027,294	13,201,224	14,332,648			13,173,624	13,173,624	
2	IT NERC CIP - Transmission	11,304,551	11,306,758	11,306,758	11,338,399	11,340,400	11,284,553	11,519,007	10,929,111	10,965,736	10,955,547	10,942,303	11,121,894	11,298,011	11,201,002	11,201,002		11,201,002	
3	IT NERC CIP - Distribution	1,613,218	1,613,593	1,613,593	1,616,968	1,617,181	1,678,137	1,912,516	1,793,387	1,830,012	1,819,823	1,806,579	1,892,208	2,042,317	1,757,656		1,757,656	1,757,656	
4	IT DSP - Distribution	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384		2,231,384	2,231,384	
5	IT BIDA - Distribution	-	8,535,347	8,535,347	9,247,193	9,247,193	9,231,602	9,403,458	12,439,882	12,439,882	12,439,882	12,439,882	12,439,882	16,094,656	10,191,862		10,191,862	10,191,862	
6	IT Post 2010 and Other - Distribution	19,162,699	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254		19,638,254	19,638,254	
7	IT Smart Meter - Distribution	83,763,016	83,791,380	84,273,901	84,335,435	83,830,786	83,830,654	83,830,679	83,830,679	83,830,679	86,110,084	86,110,084	86,110,084	84,596,734		84,596,734		84,596,734	
8																		-	
9																		-	
10																		-	
11																		-	
12																		-	
13																		-	
14																		-	
15																		-	
16																		-	
17																		-	
18																		-	
19	Total	128,377,280	141,110,260	142,380,319	140,370,849	139,872,350	141,967,843	143,438,378	143,581,185	143,846,466	146,278,163	146,195,780	146,634,930	151,747,354	142,753,935	11,201,002	118,379,309	13,173,624	142,753,935
20															Allocation Factor	100.00%	0.00%	11.76%	
21														Total Intangible - Transmission	11,201,002	-	1,549,222	12,750,224	
22	Intangibles - General	3,915,875	4,034,565	4,236,394	3,255,002	3,422,463	3,604,893	3,808,154	4,001,801	4,181,313	4,363,413	4,546,340	4,730,106	4,923,130	4,078,727		4,078,727	4,078,727	
23	IT NERC CIP - Transmission	1,844,508	2,036,183	2,227,881	2,420,934	2,613,155	2,804,481	2,996,824	3,114,947	3,296,979	3,479,244	3,661,291	3,844,767	4,031,408	2,951,739	2,951,739		2,951,739	
24	IT NERC CIP - Distribution	248,114	275,887	303,663	331,589	359,421	387,651	418,237	431,863	462,101	492,573	522,834	553,733	586,795	413,420		413,420	413,420	
25	IT DSP - Distribution	1,517,580	1,554,769	1,591,959	1,629,149	1,666,339	1,703,528	1,740,718	1,777,908	1,815,098	1,852,287	1,889,477	1,926,667	1,961,801	1,740,560		1,740,560	1,740,560	
26	IT BIDA - Distribution	-	50,208	151,221	256,523	366,166	475,712	586,234	717,063	867,355	1,017,648	1,167,940	1,318,233	1,493,220	651,348		651,348	651,348	
27	IT Post 2010 and Other - Distribution	13,487,443	13,699,241	13,836,482	13,974,246	14,111,477	14,248,708	14,385,939	14,523,170	14,660,401	14,797,633	14,934,864	15,072,095	15,209,326	14,380,079		14,380,079	14,380,079	
28	IT Smart Meter - Distribution	55,406,168	56,410,430	57,203,162	58,148,850	58,482,382	59,363,321	60,236,351	61,109,377	61,982,404	62,874,425	63,797,057	64,707,820	65,618,582	60,410,795		60,410,795	60,410,795	
29																		-	
30																		-	
31																		-	
32																		-	
33																		-	
34																		-	
35																		-	
36																		-	
37																		-	
38																		-	
39																		-	
40	Total	76,419,688	78,061,283	79,550,762	80,016,293	81,021,403	82,588,294	84,172,457	85,676,129	87,265,651	88,877,223	90,519,803	92,153,421	93,824,262	84,626,667	2,951,739	77,596,201	4,078,727	84,626,667
41															Allocation Factor	100.00%	0.00%	11.76%	
42														Total Intangible - Transmission	2,951,739	-	479,659	3,431,398	

PECO Energy Company

Attachment 4D - Intangible Plant Workpaper

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)
Net Plant in Service	December Prior Year	January	February	March	April	May	June	July	August	September	October	November	December	Average	Transmission	Distribution	S&W Allocation	Total
Gross Plant Minus Accumulated Depreciation														=average(b:n)			=sum(p:r)	
43 Intangibles - General	6,386,537	9,958,979	10,544,688	8,708,214	8,544,689	10,468,366	11,094,926	8,716,687	8,729,206	8,719,776	8,480,954	8,471,118	9,409,518	9,094,897			9,094,897	9,094,897
44 IT NERC CIP - Transmission	9,460,043	9,270,575	9,078,877	8,917,465	8,727,245	8,480,072	8,522,183	7,814,164	7,668,757	7,476,303	7,281,012	7,277,127	7,266,603	8,249,264	8,249,264			8,249,264
45 IT NERC CIP - Distribution	1,365,104	1,337,706	1,309,930	1,285,379	1,257,760	1,290,486	1,494,279	1,361,524	1,367,911	1,327,250	1,283,745	1,338,475	1,455,522	1,344,236		1,344,236		1,344,236
46 IT DSP - Distribution	713,804	676,615	639,425	602,235	565,045	527,856	490,666	453,476	416,286	379,097	341,907	304,717	269,583	490,824		490,824		490,824
47 IT BIDA - Distribution	-	8,485,139	8,384,126	8,990,670	8,881,027	8,755,890	8,817,224	11,722,819	11,572,527	11,422,234	11,271,942	11,121,649	14,601,436	9,540,514		9,540,514		9,540,514
48 IT Post 2010 and Other - Distribution	5,675,256	5,939,013	5,801,772	5,664,008	5,526,777	5,389,546	5,252,315	5,115,084	4,977,853	4,840,621	4,703,390	4,566,159	4,428,928	5,221,594		5,221,594		5,221,594
49 IT Smart Meter - Distribution	28,356,848	27,380,950	27,070,739	26,186,585	25,348,404	24,467,333	23,594,328	22,721,302	21,848,275	23,235,659	22,313,027	21,402,264	20,491,502	24,185,940		24,185,940		24,185,940
50	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
51	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
52	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
53	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
54	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
55	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
56	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
57	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
58	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
59	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
60	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		-
61 Total	51,957,592	63,048,977	62,829,557	60,354,556	58,850,947	59,379,549	59,265,921	57,905,056	56,580,815	57,400,940	55,675,977	54,481,509	57,923,092	58,127,268	8,249,264	40,783,108	9,094,897	58,127,268
62														Allocation Factor	100.00%	0.00%	11.76%	
63														Total Intangible - Transmission	8,249,264	-	1,069,562	9,318,826

(a)	(b)	(c)	(d)	(e)	(f)
Depreciation Expense	Total	Transmission	Distribution	S&W Allocation	Total
					=sum(c:e)
64 Intangibles - General	2,176,074			2,176,074	2,176,074
65 IT NERC CIP - Transmission	2,186,900	2,186,900			2,186,900
66 IT NERC CIP - Distribution	338,681		338,681		338,681
67 IT DSP - Distribution	-		-		-
68 IT BIDA - Distribution	210,062		210,062		210,062
69 IT Post 2010 and Other - Distribution	4,226,671		4,226,671		4,226,671
70 IT Smart Meter - Distribution	10,737,875		10,737,875		10,737,875
71	-		-		-
72	-		-		-
73	-		-		-
74	-		-		-
75	-		-		-
76	-		-		-
77	-		-		-
78	-		-		-
79	-		-		-
80	-		-		-
81	-		-		-
82 Total	19,876,263	2,186,900	15,513,289	2,176,074	19,876,263
83		Allocation Factor	100.00%	0.00%	11.76%
84		Total Intangible - Transmission	2,186,900	-	255,907



PECO Energy Company

Attachment 4E - Cost to Achieve Mergers

	(a)	(b)	(c)	(d)	(e)	(...)	(x)
<b>O&amp;M Cost To Achieve</b>							
FERC Account		Constellation Merger	PHI Merger				Total
1	923	0	\$ 3,470,687				\$ 3,470,687
2							\$ -
3							\$ -
4							\$ -
5							\$ -
6							\$ -
7							\$ -
8							\$ -
9							\$ -
10							\$ -
11	Total	\$ -	\$ 3,470,687				\$ 3,470,687

Capital Cost To Achieve included in the Electric Portion of Common Plant

		Constellation Merger	PHI Merger	Total
<b>Gross Plant</b>				
12	December Prior Year	8,306,017	47,486	\$ 8,353,503
13	January	8,306,017	49,047	\$ 8,355,065
14	February	8,306,017	49,015	\$ 8,355,033
15	March	3,204,423	70,874	\$ 3,275,296
16	April	-	132,439	\$ 132,439
17	May	-	148,934	\$ 148,934
18	June	-	318,444	\$ 318,444
19	July	-	325,342	\$ 325,342
20	August	-	320,293	\$ 320,293
21	September	-	547,737	\$ 547,737
22	October	-	547,990	\$ 547,990
23	November	-	550,003	\$ 550,003
24	December	-	720,916	\$ 720,916
25	Average	2,163,267	294,502	2,457,769

Accumulated Depreciation

		Constellation Merger	PHI Merger	Total
26	December Prior Year	6,333,884	4,274	\$ 6,338,158
27	January	6,441,154	5,158	\$ 6,446,312
28	February	6,563,328	5,923	\$ 6,569,250
29	March	2,578,486	9,576	\$ 2,588,062
30	April	-	12,668	\$ 12,668
31	May	-	14,906	\$ 14,906
32	June	-	24,284	\$ 24,284
33	July	-	29,374	\$ 29,374
34	August	-	33,827	\$ 33,827
35	September	-	54,491	\$ 54,491
36	October	-	63,985	\$ 63,985
37	November	-	68,646	\$ 68,646
38	December	-	90,647	\$ 90,647
39	Average	1,685,912	32,135	1,718,047

**PECO Energy Company**

**Attachment 4E - Cost to Achieve Mergers**

(a)	(b)	(c)	(d)	(e)	(...)	(x)
<b>Net Plant = Gross Plant Minus Accumulated Depreciation from above</b>	Constellation Merger	PHI Merger				Total
40 December Prior Year	1,972,133	43,212	-	-	-	\$ 2,015,345
41 January	1,864,864	43,889	-	-	-	\$ 1,908,753
42 February	1,742,690	43,093	-	-	-	\$ 1,785,782
43 March	625,937	61,297	-	-	-	\$ 687,234
44 April	-	119,771	-	-	-	\$ 119,771
45 May	-	134,028	-	-	-	\$ 134,028
46 June	-	294,160	-	-	-	\$ 294,160
47 July	-	295,968	-	-	-	\$ 295,968
48 August	-	286,466	-	-	-	\$ 286,466
49 September	-	493,246	-	-	-	\$ 493,246
50 October	-	484,005	-	-	-	\$ 484,005
51 November	-	481,357	-	-	-	\$ 481,357
52 December	-	630,269	-	-	-	\$ 630,269
53 Average	477,356	262,366	-	-	-	739,722

	Constellation Merger	PHI Merger	Total
<b>Depreciation (Monthly Change of Accumulated Depreciation from above)</b>			
54 January	107,270	884	\$ 108,154
55 February	122,174	765	\$ 122,938
56 March	37,843	3,654	\$ 41,496
57 April	-	3,091	\$ 3,091
58 May	-	2,238	\$ 2,238
59 June	-	9,378	\$ 9,378
60 July	-	5,089	\$ 5,089
61 August	-	4,454	\$ 4,454
62 September	-	20,664	\$ 20,664
63 October	-	9,494	\$ 9,494
64 November	-	4,660	\$ 4,660
65 December	-	22,001	\$ 22,001
66 Total	267,287	86,373	\$ 353,659

Attachment 5  
Attachment H, Pages 3 and 4, Worksheet  
PECO Energy Company

Line No.	Month	Transmission O&M Expenses	Account No. 566 (Misc. Trans. Expense)	Account No. 565	Accounts 561.4 and 561.8	Amortization of Regulatory Asset	Miscellaneous Transmission Expense (less amortization of regulatory asset)	Depreciation Expense - Transmission	Depreciation Expense - Common			
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)			
	Attachment H, Page 3, Line No.:	1	2	3		11	12	16				
	Form No. 1	321.112.b	321.97.b	321.96.b	321.88.b & 92.b	Portion of Account 566	Balance of Account 566	336.7.b, d & e	336.11.b, d & e			
1	Total	184,929,330	\$ 11,680,412	\$ -	\$ 136,281,037	\$ -	\$ 11,680,412	\$ 23,761,763	\$ 23,761,593			
		Depreciation Expense - General	Amortization of Abandoned Plant	Payroll Taxes	Other Payroll Related	Property Taxes	Gross Receipts Taxes	Other (capital stock, use taxes, etc.)	Miscellaneous	Amortized Investment Tax Credit Consistent with (266.8.f & 266.17.f)	Excess Deferred Income Taxes	Tax Effect of Permanent Differences
	Attachment H, Page 3, Line Number	(a) 17	(b) 19	(c) 23	(d) 24	(e) 26	(f) 27	(g) 28	(h) 29	(i) 37	(j) 38	(k) 39
	Form No. 1	336.10.b, d & e	(Note S)	263.3.i, 263.5.i & 263.18.i		263.35.i & 263.16.i	263.14.i, & 263.12.i	263.33.i	263.20.i	266.8.f & 266.17.f	(Note G)	(Note W)
2	Total	\$ 14,965,330	\$ -	\$ 11,792,061	\$ -	\$ 10,739,456	\$ 125,049,113	\$ 484,130	\$ 3,262	\$ 5,343	\$ -	\$ 356,305

Attachment 5  
Attachment H, Pages 3 and 4, Worksheet  
PECO Energy Company

3	Long Term Interest (117, sum of 62.c through 67.c)	\$ <u>126,237,140</u>
4	Preferred Dividends (118.29c) (positive number)	<u>-</u>
5	Proprietary Capital (112.16.c)	3,514,768,606
6	Less Preferred Stock (112.3.c)	-
7	Less Account 216.1 (112.12.c) (enter negative) (Note D)	-
8	Less Account 219.1 (112.15.c) (enter negative)	<u>(1,192,696)</u>
9	Common Stock (sum lines 41-43)	3,513,575,910

			\$	%	Cost	Weighted
10	Long Term Debt	Note A	<u>2,884,418,609</u>	45.08%	4.38%	<u>1.97% =WCLTD</u>
11	Preferred Stock (112.3.c)	Note B	-	-	-	0.00%
12	Common Stock	Note C	<u>3,513,575,910</u>	54.92%	11.00%	<u>6.04%</u>
13	Total	(Sum of Lines 48-50)	<u>6,397,994,519</u>			<u>8.01% =R</u>

Note:

- A Long Term Debt balance will reflect the 13 month average of the balances, of which the 1st and 13th are found on page 112 lines 18.c & d to 21.c & d in the Form No. 1, the cost is calculated by dividing line 3 by the Long Term Debt balance in line 10.
- B Preferred Stock balance will reflect the 13 month average of the balances, of which the 1st and 13th are found on page 112 line 3.c & d in the Form No. 1
- C Common Stock balance will reflect the 13 month average of the balances, of which the 1st and 13th are found on page 112 lines 3.c & d, 12.c & d, and 16.c & d in the Form No. 1 as shown on lines 10-12 above  
ROE will be supported in the original filing and no change in ROE may be made absent a filing with FERC.
- D The Account 216.1 balance is input only if positive number in the FERC Form No. 1 (112.12.c).

PECO Energy Company  
Attachment 5A - Revenue Credit Workpaper

Page 1 of 2

<b>Account 454 - Rent from Electric Property</b>		
1	Rent from Electric Property - Transmission Related, Subject to Sharing (Note 3)	7,167,281
2	Rent from Electric Property - Transmission Related, Pass to Customers (Note 3)	727,897
3	Total Rent Revenues (Sum Lines 1 to 3)	7,895,178
<b>Account 456 &amp; 456.1 - Other Electric Revenues (Note 1)</b>		
4	Schedule 1A Firm Point to Point Service revenues for which the load is not included in the divisor received by transmission owner	\$ 4,951,148
5	Revenues associated with transmission service not provided under the PJM OATT (Note 4)	\$ 850,789
6	Intercompany Professional Services	-
7	PJM Transitional Revenue Neutrality (Note 1)	353,032
8	PJM Transitional Market Expansion (Note 1)	-
9	Professional Services (Note 3)	-
10	Revenues from Directly Assigned Transmission Facility Charges (Note 2)	-
11	Rent or Attachment Fees associated with Transmission Facilities (Note 3)	-
12	Gross Revenue Credits (Sum Lines 2, 4-10)	14,050,148
13	Less line 17g	(5,168,023)
14	Total Revenue Credits	8,882,125
15		
<b>Revenue Adjustment to determine Revenue Credit</b>		
16a	Note 1: All revenues related to transmission that are received as a transmission owner (i.e., not received as a LSE), for which the cost of the service is recovered under this formula, except as specifically provided for elsewhere in this Attachment or elsewhere in the formula will be included as a revenue credit or included in the peak on line 173 of Appendix A.	
16b	Note 2: If the costs associated with the Directly Assigned Transmission Facility Charges are included in the Rates, the associated revenues are included in the Rates. If the costs associated with the Directly Assigned Transmission Facility Charges are not included in the Rates, the associated revenues are not included in the Rates.	
16c	Note 3: Ratemaking treatment for the following specified secondary uses of transmission assets: (1) right-of-way leases and leases for space on transmission facilities for telecommunications; (2) transmission tower licenses for wireless antennas; (3) right-of-way property leases for farming, grazing or nurseries; (4) licenses of intellectual property (including a portable oil degasification process and scheduling software); and (5) transmission maintenance and consulting services (including energized circuit maintenance, high-voltage substation maintenance, safety training, transformer oil testing, and circuit breaker testing) to other utilities and large customers (collectively, products). Company will retain 50% of net revenues consistent with Pacific Gas and Electric Company, 90 FERC ¶ 61,314. Note: in order to use lines 17a - 17g, the utility must track in separate subaccounts and by department the revenues and costs associated with each secondary use (except for the cost of the associated income taxes). The cost associated with the secondary transmission use is 3/4 of the total department costs.	
17a	Revenues included in lines 1-11 which are subject to 50/50 sharing.	7,167,281
17b	Costs associated with revenues in line 17a	3,393,812
17c	Net Revenues (17a - 17b)	3,773,469
17d	50% Share of Net Revenues (17c / 2)	1,886,735
17e	Costs associated with revenues in line 17a that are included in FERC accounts recovered through the formula times the allocator used to functionalize the amounts in the FERC account to the transmission service at issue.	112,523
17f	Net Revenue Credit (17d + 17e)	1,999,258
17g	Line 17f less line 17a	(5,168,023)
18	Note 4: If the facilities associated with the revenues are not included in the formula, the revenue is shown here but not included in the total above and is explained in the Cost Support; for example revenues associated with distribution facilities. In addition, Revenues from Schedule 12 are not included in the total above to the extent they are credited under Schedule 12.	
19	Reserved	-
20	Total Account 454, 456 and 456.1	14,050,148
21	Reserved	

Attachment 5A - Revenue Credit Workpaper

Costs associated with revenues in line 17a

Cost Item	Accounts booked to	Total Costs	Costs Allocation to Transmission (Note A)	Transmission Costs	S&W Allocation Factor	Costs Recovered Through A&G Costs
22a Administrative and General Salaries	920000	735,800	75%	551,850	11.76%	86,530
22b Employee Pensions and Benefits	926000	221,030	75%	165,772.50	11.76%	25,993
...						
23 Total Lines 22		\$ 956,830		\$ 717,623		\$ 112,523

FERC Account 454	Total Amount	Other	100% Transmission	Plant Related	Labor Related	Total
24a Rent from Electric Distribution	\$ 11,950,797	\$ 11,950,797				
24b Rent from Electric Transmission	264,766		264,766			
24c Tower Rentals and Land Leasing - Transmission	7,167,281		7,167,281			
24d Tower Rentals and Land Leasing - Distribution	3,708,415	3,708,415				
24e Intercompany Rent	2,495,646			2,495,646		
...						
Total Lines 24	\$ 25,586,905	\$ 15,659,212	\$ 7,432,047	\$ 2,495,646	\$ -	
Allocation Factors		0%	100%	18.56%	11.76%	
Allocated Amount		\$ -	\$ 7,432,047	\$ 463,131	\$ -	\$ 7,895,178

FERC Account 456	Total Amount	Other	100% Transmission	Plant Related	Labor Related	Total
25a Decommissioning remittances to Generation	\$ (23,454,733)	\$ (23,454,733)				
25b Mutual Assistance	4,909,405	4,909,405				
25c Make Ready	4,415,836	4,415,836				
25d Intercompany Billings	2,059,647				\$ 2,059,647	
25e Other	692,136	146,078	11,643	534,415		
...						
Total Lines 25	\$ (11,377,709)	\$ (13,983,414)	\$ 11,643	\$ 534,415	\$ 2,059,647	
Allocation Factors		0%	100%	18.56%	11.76%	
Allocated Amount		\$ -	\$ 11,643	\$ 99,174	\$ 242,215	\$ 353,032

FERC Account 456.1	Total Amount	Other	100% Transmission	Plant Related	Labor Related	Total
26a Network Integration Credit	\$ 174,279,993	\$ 174,279,993				
26b Transmission Owner Scheduling Credits	4,951,148		4,951,148			
26c Transmission Enhancement	2,917,409	2,917,409				
26d Revenue - Firm Point to Point	850,789		850,789			
26e Other	177,702	177,702				
...						
Total Lines 26	\$ 183,177,041	\$ 177,375,104	\$ 5,801,937	\$ -	\$ -	
Allocation Factors		0%	100%	18.56%	11.76%	
Allocated Amount		\$ -	\$ 5,801,937	\$ -	\$ -	\$ 5,801,937

Note A: Number of employees managing secondary transmission service contracts divided by number of employees managing transmission and distribution secondary service contracts.

**PECO Energy Company**  
**Attachment 5B - A&G Workpaper**

		(a)	(b)	(c)	(d)	(e)	
		323.181.b to 323.196.b					
		Total	S&W Allocation	Gross Plant Allocation	Non-Recoverable	Total	
1	Administrative and General Salaries	920.0	\$ 24,913,082	\$ 24,913,082		\$ 24,913,082	
2	Office Supplies and Expenses	921.0	13,031,375	13,031,375		13,031,375	
3	Administrative Expenses Transferred-Credit	922.0	-	-		-	
4	Outside Service Employed	923.0	89,331,098	89,331,098		89,331,098	
5	Property Insurance	924.0	264,261		264,261	264,261	
6	Injuries and Damages	925.0	13,933,064	13,933,064		13,933,064	
7	Employee Pensions and Benefits	926.0	36,174,177	36,174,177		36,174,177	
8	Franchise Requirements	927.0	-	-		-	
9	Regulatory Commission Expenses (Note E)	928.0	8,611,847	-	8,611,847	8,611,847	
10	Duplicate Charges-Credit	929.0	(3,510,762)	(3,510,762)		(3,510,762)	
11	General Advertising Expenses	930.1	1,089,620		1,089,620	1,089,620	
12	Miscellaneous General Expenses	930.2	3,425,561	2,898,236	527,325	3,425,561	
13	Rents	931.0	-	-		-	
14	Maintenance of General Plant	935	\$ 5,194,496	\$ 5,194,496		\$ 5,194,496	
15	<b>Administrative &amp; General - Total</b>		\$ 192,457,819	\$ 181,964,766	\$ 264,261	\$ 10,228,792	\$ 192,457,819
16			Allocation Factor	11.76%	19.27%	0.00%	
17			Transmission A&G	\$ 21,399,104	\$ 50,916	\$ 0.00	\$ 21,450,019

Attachment 6  
True-Up Interest Rate  
PECO Energy Company

	Month (Note A)	[A] FERC Monthly Interest Rate
1	January	-
2	February	-
3	March	-
4	April	-
5	May	-
6	June	-
7	July	-
8	August	-
9	September	-
10	October	-
11	November	-
12	December	-
13	January	-
14	February	-
15	March	-
16	April	-
17	May	-
18	Average of lines 1-17 above	-

Note A:  
(1) The FERC Quarterly Interest Rate in column [A] is the interest applicable to the Month indicated.

19	Year	A	B	C	D	E	F
20		Project Name	RTO Project Number or Zonal	Amount	17 Months	Monthly Interest Rate	Interest
				Attachment 3, Col. G + Col H		Line 18 above	Col. C x Col D x Col E
21		Zonal	Zonal	-	17	-	-
21a		Old Schedule 12 Project 1	b0269	-	17	-	-
21b		Old Schedule 12 Project 2	b0287	-	17	-	-
21c		Old Schedule 12 Project 3	b1591	-	17	-	-
...		Old Schedule 12 Project 4	b0269.6	-	17	-	-
		Old Schedule 12 Project 5	b0171.1	-	17	-	-
		Old Schedule 12 Project 6	b1590.1	-	17	-	-
		Old Schedule 12 Project 7	b1398.8	-	17	-	-
		Old Schedule 12 Project 8	b1398.13 (b2572)	-	17	-	-
		Old Schedule 12 Project 9	b1398.6 (b1590.1 & 1590.2)	-	17	-	-
		Old Schedule 12 Project 11	b0727	-	17	-	-
		Old Schedule 12 Project 12	b0269	-	17	-	-
		Old Schedule 12 Project 13	b2140	-	17	-	-
		Old Schedule 12 Project 14	b1182	-	17	-	-
		Old Schedule 12 Project 15	b1717	-	17	-	-
		Old Schedule 12 Project 16	b1178	-	17	-	-
		Old Schedule 12 Project 17	b0790	-	17	-	-
		Old Schedule 12 Project 18	b0506	-	17	-	-
		Old Schedule 12 Project 19	b0505	-	17	-	-
		Old Schedule 12 Project 20	b0789	-	17	-	-
		Old Schedule 12 Project 22	b0206	-	17	-	-
		Old Schedule 12 Project 23	b0207	-	17	-	-
		Old Schedule 12 Project 24	b0208	-	17	-	-
		Old Schedule 12 Project 25	b0209	-	17	-	-
		Old Schedule 12 Project 26	b0264	-	17	-	-
		Old Schedule 12 Project 27	b0357	-	17	-	-
				-	17	-	-
				-	17	-	-
				-	17	-	-



Attachment 7  
PBOPs  
PECO Energy Company

**Calculation of PBOP Expenses**

	(a)	(b) <b>PECO Total</b>	(c) Portion not Capitalized	(d) <b>Electric</b> Col. (b) x Electric Labor in Note B
1	Total PBOP expenses allowed (Note A)	1,066,173	679,716	536,123
2	Total PBOP Expenses in A&G in the current year		(51,221)	(40,400)
3	PBOP Adjustment	Line 1 minus line 2		576,524

Note  
Letter

- A The source of the amounts from the Actuary Study supporting the amount in line 1, column (b) is the 3rd page of the attachment to the January 24, 2017 Willis Towers Watson report on PBOPs for PECO.
- |                             | \$          | %      |
|-----------------------------|-------------|--------|
| B Electric Labor (354.28.b) | 156,974,007 | 78.87% |
| Gas Labor sum(355.62.b)     | 42,043,285  | 21.13% |
| Total                       | 199,017,292 |        |
- C The January 24, 2017 Willis Towers Watson report on PBOPs does not breakout the amount related to construction labor that is capitalized. As a result the portion not capitalized as calculated as labor expensed divided by total labor.

**PECO Energy Company  
Attachment 8 - Depreciation Rates**

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
Number	Plant Type	Estimated Life	Mortality Curve	Weighted Average Remaining Life	Applied Depreciation Rate	Gross Depreciable Plant \$	Accumulated Depreciation \$	Net Depreciable Plant \$	Depreciation Expense \$
		Note 1	Note 1	Note 2	(F) = (J)/(I)	Note 4	Note 4	(I)=(G)-(H)	Note 6
						<b>As of 12/31/2017</b>		<b>FY 2017</b>	
<b>Electric Transmission</b>									
352	Structures and Improvements	50	R2.5	36.74	2.48%	72,934,896	20,227,180	52,707,716	1,308,506
353	Station Equipment	57	R2.5	42.46	2.22%	816,231,943	194,632,452	621,599,491	13,793,899
354	Towers and Fixtures	65	R4	31.91	3.17%	266,736,648	155,676,350	111,060,298	3,519,391
355	Poles and Fixtures	65	R4	54.82	1.85%	16,532,820	2,840,646	13,692,174	253,763
356	Overhead Conductors and Devices	60	R4	35.48	2.70%	193,124,986	81,056,580	112,068,406	3,031,359
357	Underground Conduit	65	R4	46.30	2.18%	14,955,807	4,760,414	10,195,393	221,846
358	Underground Conductors and Devices	60	R3	36.40	2.62%	104,555,952	42,510,961	62,044,991	1,624,817
359	Roads and Trails	50	R4	11.32	9.27%	2,136,664	2,048,416	88,249	8,182
						<b>1,487,209,717</b>	<b>503,753,000</b>	<b>983,456,717</b>	<b>23,761,763</b>
<b>Electric General</b>									
390	Structures and Improvements	40	R1	27.43	3.62%	49,660,750	11,502,855	38,157,896	1,380,996
391.1	Office Furniture and Equipment - Office Machines	10	SQ	3.26	36.45%	142,278	100,605	41,673	15,188
391.2	Office Furniture and Equipment - Furnitures and Fixtures	15	SQ	8.38	12.74%	802,172	370,071	432,102	55,065
391.3	Office Furniture and Equipment - Computers	5	SQ	2.89	25.77%	12,019,818	3,384,020	8,635,798	2,225,611
391.4	Office Furniture and Equipment - Smart Meter Comp. Equip.	5	SQ	2.89	42.02%	2,915,109	1,647,787	1,267,322	532,466
393	Stores Equipment	15	SQ	11.32	9.27%	46,470	2,948	43,522	4,035
394	Tools, Shop, Garage Equipment	15	SQ	9.99	9.74%	32,073,779	8,989,047	23,084,732	2,248,356
395.1	Laboratory Equipment - Testing	20	SQ	8.58	12.43%	318,333	208,141	110,192	13,700
395.2	Laboratory Equipment - Meters	15	SQ	5.50	20.11%	101,382	68,700	32,682	6,571
397	Communication Equipment	20	L3	15.53	6.59%	115,938,777	26,582,587	89,356,190	5,885,549
397.1	Communication Equipment - Smart Meters	15	S2	10.16	8.63%	38,760,270	9,958,599	28,801,671	2,485,786
398	Miscellaneous Equipment	15	SQ	1.74	80.30%	865,598	726,118	139,481	112,007
						<b>253,644,737</b>	<b>63,541,478</b>	<b>190,103,259</b>	<b>14,965,330</b>
<b>Electric Intangible</b>									
303	Software	N/A	N/A	N/A	Note 10	134,622,757	89,292,867	45,329,891	19,876,263
303	Regulatory Initiatives/Depr Charged to Reg Asset	N/A	N/A	N/A	0.00%	16,961,663	4,531,396	12,430,267	Zero
						<b>151,584,420</b>	<b>93,824,262</b>	<b>57,760,158</b>	<b>19,876,263</b>

**PECO Energy Company  
Attachment 8 - Depreciation Rates**

Common General									
303	Software	N/A	N/A	N/A	Note 10	226,115,529	180,054,329	46,061,199	16,412,986
303	Regulatory Initiatives/Depr Charged to Reg Asset	N/A	N/A	N/A	0.00%	190,679	115,996	74,683	Zero
390	Structures and Improvements	50	R1	36.62	2.66%	271,950,717	75,887,587	196,063,130	5,216,014
391.1	Office Furniture and Equipment - Office Machines	10	SQ	2.95	40.99%	124,606	69,712	54,895	22,502
391.2	Office Furniture and Equipment - Furnitures and Fixtures	15	SQ	7.92	7.17%	15,436,121	4,846,265	10,589,856	759,480
391.3	Office Furniture and Equipment - Computers	5	SQ	2.73	31.70%	28,566,526	10,280,665	18,285,861	5,796,202
392.1	Transportation Equipment - Automobiles	6	L3	4.58	58.23%	93,641	92,683	958	558
392.2	Transportation Equipment - Light Trucks	12	L4	7.95	12.34%	31,551,732	14,085,642	17,466,089	2,155,912
392.3	Transportation Equipment - Heavy Trucks	14	R4	9.13	10.66%	75,251,945	30,514,201	44,737,744	4,766,952
392.4	Transportation Equipment - Tractors	11	L2	2.61	-29.63%	279,351	282,605	(3,255)	964
392.5	Transportation Equipment - Trailers	15	R2	10.00	10.54%	4,549,639	2,154,027	2,395,612	252,548
392.6	Transportation Equipment - Other Vehicles	15	R2	7.27	13.66%	5,071,551	3,639,343	1,432,208	195,694
392.7	Transportation Equipment -Medium Trucks	N/A	N/A	8.00	2.41%	4,348,813	102,501	4,246,312	102,501
393	Stores Equipment	15	SQ	7.46	8.30%	1,253,293	207,643	1,045,650	86,741
394.1	Tools, Shop, Garage Equipment - Construction Tools	15	SQ	5.50	20.11%	11,617	(42,829)	54,446	10,947
394.2	Tools, Shop, Garage Equipment - Common Tools	15	SQ	10.25	10.29%	78,687	27,422	51,265	5,276
394.3	Tools, Shop, Garage Equipment - Garage Equipment	20	SQ	8.00	11.01%	2,499,657	1,383,777	1,115,879	122,858
396	Power Operated Equipment	11	L2	3.17	37.61%	185,066	179,897	5,170	1,944
397	Communication Equipment	20	L3	10.02	10.51%	32,006,547	15,508,096	16,498,451	1,733,522
398	Miscellaneous Equipment	15	SQ	7.69	13.78%	1,679,306	848,595	830,710	114,463
						<b>701,245,023</b>	<b>340,238,160</b>	<b>361,006,863</b>	<b>37,758,064</b>

1 Columns (A), (B), (C), and (D) are fixed and cannot be changed absent Commission approval or acceptance. The depreciation expense is calculated separately for each row.

2 Column (E) is the remaining life of the assets in the account for each vintage (amount of plant added in each year is a vintage) weighted by the gross plant balance of each account or subaccount. The remaining life for each vintage is equal to the area under the Mortality Curve specified in Columns (C) and (D) using a half year convention for the first year placed in service. The weighted remaining life is calculated once a year at the beginning of the year.

3 Column (F) is equal to Column (J) / Column (I).

4 Column (G) is the depreciable amount of gross plant investment reported in the annual FERC Form No. 1 filing on pages 207 (Electric) and 356 (Common) by account or subaccount. Column (H) is the accumulated depreciation by account or subaccount.

5 Column (I) is the end of year depreciable net plant in the account or subaccount.

6 Column (J) is equal to depreciation expense as reported in the annual FERC Form No. 1 filing on page 336 (Electric). Annual depreciation expense is determined by multiplying the beginning of the month net plant balance plus additions (using a half month convention for the first month placed in service) by the remaining life rate divided by 12 for each month.

7 Each year, PECO Energy Company will provide a copy of the annual report submitted to the PA PUC and underlying supporting documentation that shows the depreciation expense recognized by account or subaccount for each of the three preceding calendar years.

8 At least every 5 years, PECO Energy Company will file with the Commission a depreciation study supporting its existing Estimated Life and Mortality Curve for each account or subaccount.

9 The depreciation expense associated with Asset Retirement Obligations (booked to accounts 359.1 and 399.1) are not included in the tables above.

10 The amortization rates for Account 303 are weighted based on the relative amount of underlying plant booked to the accounts. The life of each software or other intangible plant will be estimated at the time the plant is placed into service, and will not change over the life of the plant absent Commission approval or acceptance. The combined amortization expense for all intangible plant shall be the sum of each individual plant balance amortized over the life of each individual plant established in this manner.

11 The depreciation expenses related to Common General reflect both gas and electric common plant. The depreciation expenses associated with Transportation Equipment, Garage Equipment and Power Operated Tools are excluded from Account 403 and directly assigned to the functional O&M and capital accounts based on use.

**Appendix 3**  
**Formula Reference Changes**

**PECO Energy Company**  
*Formula Reference Changes*

<b>Tab</b>	<b>Line</b>	<b>Column</b>	<b>Change</b>
3-Project True-Up	2	E	Amount does not reflect pages 328-330 of the FERC Form No 1, but instead the total amount of revenue PECO received for the 2017 time period that the formula rate was in effect (December 1-31, 2017).
5-P3 Support	2	c	Reference to 263.22.i changed to 263.18.i
5-P3 Support	2	e	Reference to 263.1.6.i & 263.20.i changed to 263.35.i & 263.16.i
5-P3 Support	2	f	Reference to 263.16.i changed to 263.12.i
5-P3 Support	2	g	Reference to 263.1.2.i & 263.9.i changed to 263.33.i
5-P3 Support	2	h	Reference to 263.24.i changed to 263.20.i

**Appendix 4**  
**2018 Annual Depreciation Report**

**PECO ENERGY COMPANY**

**2018 ANNUAL DEPRECIATION REPORT**

**PECO Energy Company**  
**2018 Annual Depreciation Report**  
**Executive Summary**

**Depreciation Methods**

The depreciation methods utilized in the 2018 Annual Depreciation Report are consistent with those utilized in the 2017 Annual Depreciation Report. Such methods are as follows:

**Electric and Common Plant** - The Company uses the straight-line method, remaining life technique, average service life group procedure for electric and common plant which is consistent with accepted Pennsylvania Public Utility Commission (PAPUC) practices.

The Iowa curves for the Electric Distribution, Transmission, General, and Common accounts that are the basis of the Company's depreciation calculations were developed in the 2013 Service Life Study and filed in March 2015 in accordance with Section 73.5 of the Public Utility Code.

**Gas Plant** - The remaining life method of depreciation is also used for gas plant. The life span procedure is applied to the city gate station facilities, the propane air plant at Tilghman Street, and the liquefied natural gas storage (LNG) plant at West Conshohocken. The average service life group procedure is applied to all other gas plant. The terminal dates and the Iowa curves were developed in the 2013 Service Life Study and filed in March 2015 in accordance with Section 73.5 of the Public Utility Code.

**Net Negative Salvage Methodology**

The remaining life technique of depreciation incorporates the recovery of net negative salvage through the depreciation accrual without any additional adjustments. Basically, depreciation expense is calculated by taking the value of plant in service less the book reserve, divided by the remaining life. Since salvage and removal cost are part of the book reserve, the unrecovered net negative salvage is recovered over the remaining life of the plant. This treatment was reviewed and found acceptable by the PAPUC in the Company's most recent electric and gas rate proceedings, R-2015-2468981 and R-2010-2161592, respectively.



### **Depreciation Expense Comparison**

Attachments A, B, and C provide a comparison of 2017, 2016, and 2015 depreciation expense by class of service, functional grouping, and plant account.

#### **Attachment A - Electric Plant Depreciation Expense**

The change in electric plant depreciation between 2017 and 2016 is primarily due to additions to plant in service. The change between 2016 and 2015 is due to a reclassification of depreciation expense on regulatory assets from the 404 Amortization of Utility Plant account to the 407.3 Regulatory Debits account. In 2015 the expense was charged to the 404 Amortization of Utility Plant account.

#### **Attachment B - Gas Plant Depreciation Expense**

The change in gas plant depreciation between 2017 and 2016 is primarily due to additions to plant in service.

#### **Attachment C - Common Plant Depreciation Expense**

The change in common plant depreciation between 2017 and 2016 is primarily due to software additions to plant in service during the year.

### **Information Provided on CD-ROM**

The following summary and detail data are provided on CD-ROM:

1. Electric and Gas functional group summaries, including respective allocated common.
2. Calculation of the factors used in 2017 to allocate common plant.
3. Additional data for PECO by Functional Class and FERC Account showing year-end plant in service, current year accrual, year-end reserve and net plant.
4. Book life by FERC Account.

ATTACHMENT A

PECO ENERGY COMPANY

2018 Annual Depreciation Report - Executive Summary

Comparison of 2015 thru 2017 Depreciation Expense

(in \$ thousands)

Account	Depreciation Expense			2017 vs 2016	2017 vs 2016
	2017	2016	2015	\$ Change	% Change
<b>ELECTRIC</b>					
<b>Intangible Plant</b>					
303	\$ 19,876	\$ 18,199	\$ 30,270	\$ 1,678	9.22%
Total	\$ 19,876	\$ 18,199	\$ 30,270	\$ 1,678	9.22%
<b>Transmission Plant</b>					
352	\$ 1,309	\$ 991	\$ 619	\$ 318	32.09%
353	13,794	12,868	12,039	925	7.19%
354	3,519	3,435	3,339	84	2.46%
355	254	253	251	1	0.49%
356	3,031	2,961	2,949	70	2.36%
357	222	208	204	14	6.74%
358	1,625	1,493	1,531	132	8.86%
359	8	8	9	(0)	-3.33%
Total	\$ 23,762	\$ 22,217	\$ 20,941	\$ 1,545	6.95%
<b>Distribution Plant</b>					
361	\$ 2,060	\$ 1,826	\$ 1,719	\$ 234	12.79%
362	18,544	17,705	19,439	839	4.74%
364	13,580	13,091	12,670	488	3.73%
365	23,222	21,961	20,837	1,261	5.74%
366	5,961	5,593	5,433	368	6.58%
367	23,491	22,197	21,614	1,294	5.83%
368	12,121	11,774	12,171	348	2.95%
369	7,919	7,751	8,486	168	2.16%
370	19,080	19,929	20,163	(849)	-4.26%
371	5	5	5	(0)	-0.98%
373	1,364	1,283	1,737	81	6.31%
Total	\$ 127,346	\$ 123,115	\$ 124,274	\$ 4,231	3.44%
<b>General Plant</b>					
390	\$ 1,381	\$ 1,372	\$ 1,051	\$ 9	0.64%
391	2,828	2,295	2,034	533	23.24%
393	4	5	5	(1)	-18.01%
394	2,248	1,994	1,832	255	12.76%
395	20	20	20	(0)	-0.02%
397	8,371	7,268	6,444	1,103	15.17%
398	112	108	120	4	3.60%
Total	\$ 14,965	\$ 13,063	\$ 11,506	\$ 1,903	14.57%
<b>TOTAL</b>					
<b>ELECTRIC</b>	\$ 185,950	\$ 176,593	\$ 186,991	\$ 9,356	5.30%

## ATTACHMENT B

PECO ENERGY COMPANY					
2018 Annual Depreciation Report - Executive Summary					
Comparison of 2015 thru 2017 Depreciation Expense					
(in \$ thousands)					
Depreciation Expense					
Account	2017	2016	2015	2017 vs 2016 \$ Change	2017 vs 2016 % Change
<b>GAS</b>					
Intangible Plant					
1303	\$ 3,214	\$ 1,948	\$ 1,565	\$ 1,267	65.03%
Total	\$ 3,214	\$ 1,948	\$ 1,565	\$ 1,267	65.03%
Production Plant					
1305	\$ 33	\$ 13	\$ 13	\$ 20	154.32%
1311	193	195	199	(3)	-1.32%
Total	\$ 226	\$ 208	\$ 212	\$ 17	8.32%
Storage Plant					
1361	\$ 597	\$ 176	\$ 126	\$ 421	238.87%
1362	18	18	19	-	0.00%
1363	1,054	809	769	246	30.36%
Total	\$ 1,670	\$ 1,003	\$ 914	\$ 666	66.42%
Distribution Plant					
1375	\$ 279	\$ 276	\$ 274	\$ 3	1.09%
1376	17,658	16,292	15,491	1,365	8.38%
1377	-	-	-	-	0.00%
1378	306	299	301	7	2.45%
1379	630	626	653	5	0.73%
1380	13,924	12,955	12,564	969	7.48%
1381	4,797	4,663	4,727	135	2.89%
1382	3,057	2,914	2,952	143	4.90%
1387	162	172	199	(10)	-5.55%
Total	\$ 40,813	\$ 38,197	\$ 37,160	\$ 2,617	6.85%
General Plant					
1390	\$ 147	\$ 130	\$ 108	\$ 17	13.08%
1391	53	38	44	15	39.06%
1394	459	400	381	59	14.81%
1395	8	-	48	8	100.00%
1397	847	454	479	393	86.67%
1398	11	6	5	6	101.68%
1399	16	9	-	7	81.81%
Total	\$ 1,541	\$ 1,036	\$ 1,065	\$ 505	48.73%
<b>TOTAL GAS</b>	<b>\$47,464</b>	<b>\$42,392</b>	<b>\$40,917</b>	<b>\$5,072</b>	<b>11.96%</b>

ATTACHMENT C

**PECO ENERGY COMPANY**  
**2018 Annual Depreciation Report - Executive Summary**  
**Comparison of 2015 thru 2017 Depreciation Expense**  
**(in \$ thousands)**

Account	Depreciation Expense			2017 vs 2016	2017 vs 2016
	2017	2016	2015	\$ Change	% Change
<b>COMMON</b>					
General Plant					
4303	\$ 16,413	\$ 14,606	\$ 13,125	\$ 1,807	12.37%
4390	5,216	5,088	5,043	128	2.52%
4391	6,578	5,190	4,661	1,388	26.75%
4393	87	92	83	(5)	-5.40%
4394	16	16	18	0	0.06%
4397	1,734	1,780	1,867	(47)	-2.62%
4398	114	115	113	(0)	-0.12%
4399	-	-	-	-	0.00%
Total	\$ 30,158	\$ 26,887	\$ 24,912	\$ 3,271	12.17%
Transportation (See Note Below)					
4392	\$ 7,475	\$ 6,584	\$ 7,416	\$ 892	13.54%
4394	123	119	126	3	2.82%
4396	2	3	3	(1)	-24.22%
Total	\$ 7,600	\$ 6,706	\$ 7,544	\$ 894	13.34%
<b>TOTAL COMMON</b>	<b>\$ 37,758</b>	<b>\$ 33,592</b>	<b>\$ 32,456</b>	<b>\$ 4,166</b>	<b>12.40%</b>
<p><b>Note:</b> Fleet depreciation is charged to a clearing account and then allocated between capital and expense. These amounts represent the total fleet depreciation prior to being charged to the clearing account and being allocated between capital and expense.</p>					

Comparative Analysis of Electric Utilities  
Year Ending 12-31-2017  
PECO Energy Company ADR 110550

INTANGIBLE PLANT			2017	2016	2015
Original Cost (Depreciable)	A		151,584,420	128,214,346	101,806,620
Book Accrued Depreciation	B		93,824,261	76,419,687	58,200,240
Book Reserve % of O. C.	C	= B/A	61.90%	59.60%	57.17%
Original Cost Depreciated	D	= A-B	57,760,159	51,794,659	43,606,380
Annual Depreciation Expense	E		19,876,263	18,198,653	30,270,000
Annual % of O. C.		= E/A	13.11%	14.19%	29.73%

TRANSMISSION PLANT			2017	2016	2015
Original Cost (Depreciable)	G		1,487,211,494	1,395,173,474	1,310,387,430
Book Accrued Depreciation	H		503,753,019	487,783,614	475,474,108
Book Reserve % of O. C.	I	= H/G	33.87%	34.96%	36.29%
Original Cost Depreciated	J	= G-H	983,458,475	907,389,860	834,913,322
Annual Depreciation Expense	K		23,761,763	22,216,942	20,941,000
Annual % of O. C.		= K/G	1.60%	1.59%	1.60%

DISTRIBUTION PLANT			2017	2016	2015
Original Cost (Depreciable)	M		5,976,992,545	5,728,491,991	5,496,995,052
Book Accrued Depreciation	N		1,689,861,434	1,617,888,458	1,548,820,410
Book Reserve % of O. C.	O	= N/M	28.27%	28.24%	28.18%
Original Cost Depreciated	P	= M-N	4,287,131,111	4,110,603,533	3,948,174,642
Annual Depreciation Expense	Q		127,346,289	123,114,990	124,274,000
Annual % of O. C.		= Q/M	2.13%	2.15%	2.26%

GENERAL PLANT			2017	2016	2015
Original Cost (Depreciable)	S		255,333,466	235,203,471	218,644,099
Book Accrued Depreciation	T		63,845,903	55,085,737	47,113,826
Book Reserve % of O. C.	U	= T/S	25.00%	23.42%	21.55%
Original Cost Depreciated	V	= S-T	191,487,563	180,117,734	171,530,273
Annual Depreciation Expense	W		14,965,330	13,062,714	11,506,000
Annual % of O. C.		= W/S	5.86%	5.55%	5.26%

ALLOCATED COMMON PLANT (Including Transportation)			2017	2016	2015
Original Cost (Depreciable)	Y		553,511,064	516,931,630	481,238,615
Book Accrued Depreciation	Z		267,919,312	248,937,023	233,259,524
Book Reserve % of O. C.	AA	= Z/Y	48.40%	48.16%	48.47%
Original Cost Depreciated	AB	= Y-Z	285,591,752	267,994,607	247,979,091
Annual Depreciation Expense	AC		29,749,587	26,212,219	25,069,242
Annual % of O. C.		= AC/Y	5.37%	5.07%	5.21%

TOTAL COMPANY			2017	2016	2015
Original Cost (Depreciable)	AE	= A+G+M+S+Y	8,424,632,989	8,004,014,912	7,609,071,816
Book Accrued Depreciation	AF	= B+H+N+T+Z	2,619,203,928	2,486,114,520	2,362,868,108
Book Reserve % of O. C.	AG	= AF/AE	31.09%	31.06%	31.05%
Original Cost Depreciated	AH	= AE-AF	5,805,429,060	5,517,900,393	5,246,203,708
Annual Depreciation Expense	AI	= E+K+Q+W+AC	215,699,231	202,805,518	212,060,242
Annual % of O. C.		= AI/AE	2.56%	2.53%	2.79%

NON-DEPRECIABLE PLANT			2017	2016	2015
Land and Land Rights - Electric	AK		103,749,415	103,529,085	102,865,866
Land and Land Rights - Allocated Common	AJ		5,344,370	5,317,569	5,263,732
Intangible Property - Electric	X		162,934	162,934	162,934
Intangible Property - Allocated Common	R		533,515	528,369	523,020
Total Non-Depreciable Plant	AL	= AK+AJ+X+R	109,790,234	109,537,957	108,815,552

Plant Held for Future Use			2017	2016	2015
Plant Held for Future Use - Electric	L		6,964,858	6,950,728	6,767,053
Plant Held for Future Use - Allocated Common	F		0	0	0
Total Plant Held for Future Use	AM	= L+F	6,964,858	6,950,728	6,767,053

TOTAL PLANT IN SERVICE			2017	2016	2015
		= AE+AL+AM	8,541,388,081	8,120,503,597	7,724,654,420

Comparative Analysis of Gas Utilities  
Year Ending 12-31-2017  
PECO Energy Company ADR 122300

INTANGIBLE PLANT		2017	2016	2015
Original Cost (Depreciable)	A	15,727,137	13,158,843	9,780,256
Book Accrued Depreciation	B	9,069,606	6,110,192	3,889,412
Book Reserve % of O. C.	C = B/A	57.67%	46.43%	39.85%
Original Cost Depreciated	D = A-B	6,657,531	7,048,650	5,870,844
Annual Depreciation Expense	E	3,214,102	1,947,540	1,565,211
Annual % of O. C.	= E/A	20.44%	14.80%	16.04%

PRODUCTION PLANT		2017	2016	2015
Original Cost (Depreciable)	F	15,652,508	15,899,476	15,174,244
Book Accrued Depreciation	G	12,486,408	12,260,726	12,052,367
Book Reserve % of O. C.	H = G/F	79.77%	77.11%	79.43%
Original Cost Depreciated	I = F-G	3,166,100	3,638,750	3,121,857
Annual Depreciation Expense	J	225,682	208,339	212,028
Annual % of O. C.	= J/F	1.44%	1.31%	1.40%

STORAGE PLANT		2017	2016	2015
Original Cost (Depreciable)	K	51,566,433	49,372,996	40,260,447
Book Accrued Depreciation	L	28,173,844	26,999,986	26,129,833
Book Reserve % of O. C.	M = L/K	54.64%	54.69%	64.90%
Original Cost Depreciated	N = K-L	23,392,589	22,373,010	14,130,614
Annual Depreciation Expense	O	1,669,823	1,003,396	913,825
Annual % of O. C.	= O/K	3.24%	2.03%	2.27%

DISTRIBUTION PLANT		2017	2016	2015
Original Cost (Depreciable)	P	2,395,419,985	2,247,909,439	2,119,895,644
Book Accrued Depreciation	Q	697,466,200	672,440,885	647,473,823
Book Reserve % of O. C.	S = Q/P	29.12%	29.91%	30.54%
Original Cost Depreciated	T = P-Q	1,697,953,785	1,575,468,554	1,472,421,820
Annual Depreciation Expense	U	40,813,477	38,196,610	37,160,127
Annual % of O. C.	= U/P	1.70%	1.70%	1.75%

GENERAL PLANT		2017	2016	2015
Original Cost (Depreciable)	V	21,550,945	17,820,991	16,463,515
Book Accrued Depreciation	W	8,973,797	7,732,101	6,928,967
Book Reserve % of O. C.	X = W/V	41.64%	43.39%	42.09%
Original Cost Depreciated	Y = V-W	12,577,148	10,088,890	9,534,548
Annual Depreciation Expense	Z	1,540,951	1,036,098	1,065,415
Annual % of O. C.	= Z/V	7.15%	5.81%	6.47%

ALLOCATED COMMON PLANT		2017	2016	2015
Original Cost (Depreciable)	AA	149,003,296	145,546,430	141,804,646
Book Accrued Depreciation	AB	72,122,967	70,090,304	68,733,645
Book Reserve % of O. C.	AC = AB/AA	48.40%	48.16%	48.47%
Original Cost Depreciated	AD = AA-AB	76,880,328	75,456,126	73,071,001
Annual Depreciation Expense	AE	8,008,488	7,380,270	7,387,053
Annual % of O. C.	= AE/AA	5.37%	5.07%	5.21%

TOTAL COMPANY		2017	2016	2015
Original Cost (Depreciable)	AF = A+F+K+P+V+AA	2,648,920,304	2,489,708,174	2,343,358,752
Book Accrued Depreciation	AG = B+G+L+Q+W+AB	828,292,822	795,634,195	765,208,068
Book Reserve % of O. C.	AH = AG/AF	31.27%	31.96%	32.65%
Original Cost Depreciated	AI = AF-AG	1,820,627,482	1,694,073,980	1,578,150,684
Annual Depreciation Expense	AJ = E+J+O+U+Z+AE	55,472,522	49,772,253	48,303,658
Annual % of O. C.	= AJ/AF	2.09%	2.00%	2.06%

NON-DEPRECIABLE PLANT		2017	2016	2015
Land and Land Rights - Gas	AK	3,598,281	3,913,478	3,800,085
Land and Land Rights - Common	AL	1,438,686	1,497,206	1,551,043
Intangible Property - Gas	AM	50,033	50,033	50,033
Intangible Property - Common	AN	143,621	148,767	154,116
Total Non-Depreciable Plant	AO = AK+AL+AM+AN	5,230,621	5,609,483	5,555,277

Plant Held for Future Use		2017	2016	2015
Plant Held for Future Use - Gas		-	-	-
Plant Held for Future Use - Allocated Common	AP	-	-	-
Total Plant Held for Future Use	AQ = AP	-	-	-

TOTAL PLANT IN SERVICE		2017	2016	2015
	= AF+AO+AQ	2,654,150,925	2,495,317,658	2,348,914,029

**PECO Energy Company**  
**Development of Factors for Allocation of Common Plant - 2017**  
**Data as of December 31, 2016**

		<b>[A]</b>		<b>[B]</b>		<b>[C]</b>
		<b>Plant in Service</b>		<b>Total Revenue</b>		<b>Total Customers</b>
		<b>@ 12/31/2016</b>		<b>YTD Dec 2016</b>		<b>Month-end Dec 16</b>
Electric	\$	7,590,779,745	\$	2,469,277,946		1,619,646
Gas		2,348,125,255		463,380,763		517,065
Subtotal	\$	9,938,905,001	\$	2,932,658,709		2,136,711
Common		669,965,526				
Total	\$	10,608,870,527	\$	2,932,658,709		2,136,711

<b>Allocation Factors:</b>	<b>Plant in Service</b>	<b>Total Revenue</b>	<b>Total Customers</b>	<b>2017</b>
<b>Electric</b>	76.37%	84.20%	75.80%	<b>78.79%</b>
<b>Gas</b>	23.63%	15.80%	24.20%	<b>21.21%</b>
<b>Total</b>	100.00%	100.00%	100.00%	<b>100.00%</b>

Net Plant as of December 31, 2017

TYPE	Plant Category	FERC ACCT	Acct Description	Asset Balance at 12/31/2017	Less: Non Depreciable	Depreciable Asset Balance 12/31/2017	Reserve - 12/31/2017	Net Plant
COMMON	General Plant	301	Organization	677,136	(677,136)	0	0	0
COMMON	General Plant	303	Software	228,115,529	0	228,115,529	180,054,329	46,061,199
COMMON	General Plant	303	Regulatory Initiatives/Depr charged to Reg Asset	180,679	0	180,679	115,996	74,683
COMMON	General Plant	388	Land and Land Rights	6,783,056	(6,783,056)	0	0	0
COMMON	General Plant	390	Structures and Improvements	271,950,717	0	271,950,717	75,887,587	196,063,130
COMMON	General Plant	391	Office Furniture and Equipment	44,127,253	0	44,127,253	15,195,642	28,930,612
COMMON	General Plant	392	Transportation Equipment	121,146,872	0	121,146,872	50,871,003	70,275,869
COMMON	General Plant	393	Stores Equipment	1,253,293	0	1,253,293	207,643	1,045,650
COMMON	General Plant	394	Tools, Shop, Garage Equipment	2,589,861	0	2,589,861	1,368,371	1,221,490
COMMON	General Plant	395	Power Generated Equipment	185,066	0	185,066	179,897	5,170
COMMON	General Plant	397	Communication Equipment	32,006,547	0	32,006,547	15,508,066	16,498,481
COMMON	General Plant	398	Miscellaneous Equipment	1,679,305	0	1,679,305	848,595	830,710
COMMON	General Plant	399.1	ARC	1,289,336	0	1,289,336	-195,881	1,465,217
<b>COMMON PLANT GRAND TOTAL</b>				<b>709,874,851</b>	<b>(7,460,192)</b>	<b>702,414,659</b>	<b>340,042,279</b>	<b>362,472,000</b>
GAS	Intangible Plant	G302	Franchises & Consents	50,033	(50,033)	0	0	0
GAS	Intangible Plant	G303	Regulatory Initiatives/Depr charged to Reg Asset	13,833,332	0	13,833,332	7,429,824	6,403,509
GAS	Intangible Plant	G303	Regulatory Initiatives/Depr charged to Reg Asset	1,893,805	0	1,893,805	1,639,682	254,123
<b>Intangible Plant</b>				<b>15,777,170</b>	<b>(50,033)</b>	<b>15,727,137</b>	<b>9,069,506</b>	<b>6,657,631</b>
GAS	Production Plant	G305	Structures and Improvements	1,318,670	0	1,318,670	714,854	604,016
GAS	Production Plant	G311	Liquified Petroleum Gas Exp	14,333,838	0	14,333,838	11,771,753	2,562,085
<b>Production Plant</b>				<b>15,652,508</b>	<b>0</b>	<b>15,652,508</b>	<b>12,486,608</b>	<b>3,166,100</b>
GAS	Storage	G360	Land and Land Rights	15,923	(15,923)	0	0	0
GAS	Storage	G361	Structures & Improvements	13,869,211	0	13,869,211	5,209,608	8,659,604
GAS	Storage	G382	Gas Holders	7,083,540	0	7,083,540	266,478	6,817,062
GAS	Storage	G383	Gas Storage Equipment	30,614,682	0	30,614,682	16,147,174	14,467,508
<b>Storage</b>				<b>51,582,356</b>	<b>(15,923)</b>	<b>51,566,433</b>	<b>28,173,644</b>	<b>23,392,789</b>
GAS	Distribution Plant	G374	Land and Land Rights	3,582,359	(3,582,359)	0	0	0
GAS	Distribution Plant	G375	Structures and Improvements	12,916,895	0	12,916,895	4,860,109	8,056,786
GAS	Distribution Plant	G376	Gas Mains	1,248,232,872	0	1,248,232,872	318,160,517	930,072,355
GAS	Distribution Plant	G377	Compressor Station Equipment	0	0	0	0	0
GAS	Distribution Plant	G378	Measure & Regulate Sta Equip	16,421,702	0	16,421,702	7,255,395	9,166,307
GAS	Distribution Plant	G379	City Gate Station	40,219,359	0	40,219,359	20,327,103	19,892,257
GAS	Distribution Plant	G380	Services	782,837,882	0	782,837,882	232,974,248	549,863,634
GAS	Distribution Plant	G381	Meters	144,655,643	0	144,655,643	50,007,754	94,647,889
GAS	Distribution Plant	G382	Meter Installations	186,613,387	0	186,613,387	62,833,816	123,779,571
GAS	Distribution Plant	G387	Other Equipment	2,118,323	0	2,118,323	798,639	1,319,684
GAS	ARC	G388	ARC	1,401,921	0	1,401,921	249,618	1,153,304
<b>Distribution Plant</b>				<b>2,399,002,343</b>	<b>(3,582,359)</b>	<b>2,395,419,985</b>	<b>697,466,200</b>	<b>1,697,953,785</b>
GAS	General Plant	G390	Structures & Improvements	6,479,948	0	6,479,948	2,515,453	3,964,494
GAS	General Plant	G391	Office Furniture & Equipment	373,610	0	373,610	78,504	295,106
GAS	General Plant	G394	Tools, Shop & Garage Equip	9,983,428	0	9,983,428	3,537,149	6,446,279
GAS	General Plant	G395	Laboratory Equipment	0	0	0	(18,499)	18,499
GAS	General Plant	G397	Communication Equipment	4,414,460	0	4,414,460	2,795,170	1,619,290
GAS	General Plant	G398	Miscellaneous Equipment	168,788	0	168,788	49,764	119,034
GAS	General Plant	G399.1	Other Tangible Property	150,701	0	150,701	16,254	134,447
<b>General Plant</b>				<b>21,650,945</b>	<b>0</b>	<b>21,650,945</b>	<b>8,973,797</b>	<b>12,577,148</b>
<b>GAS PLANT GRAND TOTAL</b>				<b>2,503,565,322</b>	<b>(3,640,314)</b>	<b>2,499,917,008</b>	<b>756,169,854</b>	<b>1,743,747,154</b>



Net Plant as of December 31, 2017

TYPE	Plant Category	FERC ACCT	Acct Description	Asset Balance at 12/31/2017	Less: Non Depreciable	Depreciable Asset Balance 12/31/2017	Reserve - 12/31/2017	Net Plant
ELECTRIC	INTANGIBLE PLANT	E302	Franchises & Consents	162,934	(162,934)	0	0	0
ELECTRIC	INTANGIBLE PLANT	E303	Miscellaneous Intangible Plant	134,622,757		134,622,757	89,292,867	45,329,891
ELECTRIC	INTANGIBLE PLANT	E303	Regulatory Initiatives/Depr charged to Reg Asset	16,961,663		16,961,663	4,531,396	12,430,267
	<b>Intangible Plant Total</b>			<b>151,747,354</b>	<b>(162,934)</b>	<b>151,584,420</b>	<b>93,824,262</b>	<b>57,760,158</b>
ELECTRIC	Transmission Plant	E350	Land and Land Rights	59,602,368	(59,602,368)	0	0	0
ELECTRIC	Transmission Plant	E352	Structures and Improvements	72,934,896		72,934,896	20,227,180	52,707,716
ELECTRIC	Transmission Plant	E353	Station Equipment	816,231,943		816,231,943	194,632,452	621,599,491
ELECTRIC	Transmission Plant	E354	Towers and Fixtures	266,736,648		266,736,648	155,676,350	111,060,298
ELECTRIC	Transmission Plant	E355	Poles and Fixtures	16,532,850		16,532,820	2,840,646	13,692,174
ELECTRIC	Transmission Plant	E356	Overhead Conductors, Devices	193,124,886		193,124,886	81,056,580	112,068,408
ELECTRIC	Transmission Plant	E357	Underground Conduit	14,955,807		14,955,807	4,760,414	10,195,393
ELECTRIC	Transmission Plant	E358	Underground Conductors, Devices	104,555,952		104,555,952	42,510,961	62,044,991
ELECTRIC	Transmission Plant	E359	Roads and Trails	2,136,664		2,136,664	2,048,416	88,249
ELECTRIC	Transmission Plant	E359.1	APC	1,778		1,778	19	1,759
	<b>Transmission Plant Total</b>			<b>1,547,013,882</b>	<b>(59,602,368)</b>	<b>1,487,411,494</b>	<b>503,753,019</b>	<b>983,658,475</b>
ELECTRIC	Distribution Plant	E360	Land and Land Rights	42,883,568	(42,883,568)	0	0	0
ELECTRIC	Distribution Plant	E361	Structures and Improvements	113,662,305		113,662,305	37,680,347	75,981,958
ELECTRIC	Distribution Plant	E362	Station Equipment	1,033,049,272		1,033,049,272	437,329,252	595,720,021
ELECTRIC	Distribution Plant	E363	Regulatory Initiatives/Depr Charged to Reg Asset	939,828		939,828	172,941	766,887
ELECTRIC	Distribution Plant	E364	Poles, Towers and Fixtures	685,536,322		685,536,322	145,478,432	539,057,890
ELECTRIC	Distribution Plant	E365	Overhead Conductors, Devices	1,176,140,310		1,176,140,310	259,080,282	917,060,028
ELECTRIC	Distribution Plant	E366	Regulatory Initiatives/Depr Charged to Reg Asset	875,927		875,927	159,793	716,134
ELECTRIC	Distribution Plant	E367	Underground Conduit	407,267,898		407,267,898	157,087,242	250,180,646
ELECTRIC	Distribution Plant	E368	Underground Conductors, Devices	1,187,119,385		1,187,119,385	180,405,488	996,713,897
ELECTRIC	Distribution Plant	E369	Line Transformers	578,337,807		578,337,807	186,687,352	391,650,455
ELECTRIC	Distribution Plant	E370	Services	410,589,531		410,589,531	154,201,172	256,388,359
ELECTRIC	Distribution Plant	E371	Meters	304,938,954		304,938,954	77,710,236	227,228,718
ELECTRIC	Distribution Plant	E372	Installs on Customer Premiss	1,030,123		1,030,123	948,216	81,907
ELECTRIC	Distribution Plant	E373	Regulatory Initiatives/Depr Charged to Reg Asset	12,742,223		12,742,223	5,365,250	7,376,973
ELECTRIC	Distribution Plant	E374	Street Lighting, Signal System	62,823,959		62,823,959	34,304,563	28,519,396
ELECTRIC	Distribution Plant	E374	APC	1,938,911		1,938,911	2,270,869	(331,958)
	<b>Distribution Plant Total</b>			<b>6,019,376,133</b>	<b>(42,883,568)</b>	<b>5,976,492,545</b>	<b>1,690,951,434</b>	<b>4,285,541,111</b>
ELECTRIC	General Plant	E389	Land and Land Rights	1,063,459	(1,063,459)	0	0	0
ELECTRIC	General Plant	E390	Structures and Improvements	49,660,750		49,660,750	11,502,855	38,157,895
ELECTRIC	General Plant	E391	Office Furniture, Equipment	15,879,377		15,879,377	5,502,483	10,376,895
ELECTRIC	General Plant	E393	Stores Equipment	48,470		46,470	2,948	43,522
ELECTRIC	General Plant	E394	Tools, Shop, Garage Equipment	32,073,779		32,073,779	8,969,047	23,064,731
ELECTRIC	General Plant	E395	Laboratory Equipment	419,715		419,715	276,841	142,875
ELECTRIC	General Plant	E397	Communication Equipment	154,699,047		154,699,047	36,541,187	118,157,860
ELECTRIC	General Plant	E398	Miscellaneous Equipment	855,596		855,596	726,118	139,481
ELECTRIC	General Plant	E399.1	APC	1,688,730		1,688,730	304,425	1,384,305
	<b>General Plant Total</b>			<b>286,286,925</b>	<b>(1,063,459)</b>	<b>285,223,466</b>	<b>63,845,903</b>	<b>191,487,563</b>
	<b>ELECTRIC PLANT GRAND TOTAL</b>			<b>7,975,034,274</b>	<b>(103,912,349)</b>	<b>7,871,121,925</b>	<b>2,351,284,618</b>	<b>5,519,837,307</b>
	<b>TOTAL</b>			<b>11,188,574,147</b>	<b>(115,020,855)</b>	<b>11,073,553,293</b>	<b>3,447,496,751</b>	<b>7,626,056,542</b>

**PECO Energy Company**

**Non-Depreciable Plant as of December 31, 2017**

<b>Description</b>	<b>Utility Account</b>	<b>Common</b>	<b>Electric</b>	<b>Gas</b>	<b>Grand Total</b>
Utility Intangible Acct	301	677,136			677,136
Utility Intangible Acct	302		162,934	50,033	212,967
Utility Land Acct	350		59,802,368		59,802,368
Utility Land Acct	360		42,883,588	15,923	42,899,511
Utility Land Acct	374			3,582,359	3,582,359
Utility Land Acct	389	6,783,056	1,063,459		7,846,515
	<b>Grand Total</b>	<b>7,460,192</b>	<b>103,912,349</b>	<b>3,648,314</b>	<b>115,020,855</b>

<b>PECO Energy Company</b>			
<b>Book Life (Average Service Life) by FERC Account</b>			
<b>Product</b>	<b>FERC</b>	<b>Life(Yrs)</b>	
Electric	303	5	
Electric	352	50	
Electric	353	57	
Electric	354	65	
Electric	355	65	
Electric	356	60	
Electric	357	65	
Electric	358	60	
Electric	359	50	
Electric	361	50	
Electric	362	50	
Electric	364	53	
Electric	365	52	
Electric	366	65	
Electric	367	53	
Electric	368	46	
Electric	3691	50	
Electric	3692	53	
Electric	370	35	
Electric	3705	15	
Electric	3706	15	
Electric	3707	15	
Electric	3708	15	
Electric	3709	15	
Electric	371	35	
Electric	3711	15	
Electric	3730	24	
Electric	3731	24	
Electric	3732	24	
Electric	3733	24	
Electric	390	40	
Electric	3911	10	
Electric	3912	15	
Electric	3913	5	
Electric	393	15	
Electric	394	15	
Electric	3951	20	
Electric	3952	15	
Electric	397	20	
Electric	398	15	
Gas	303	5	
Gas	305	2032	Terminal End date used to develop rate
Gas	311	2032	Terminal End date used to develop rate
Gas	361	2032	Terminal End date used to develop rate
Gas	362	2032	Terminal End date used to develop rate
Gas	363	2031	Terminal End date used to develop rate

<b>PECO Energy Company</b>		
<b>Book Life (Average Service Life) by FERC Account</b>		
<b>Product</b>	<b>FERC</b>	<b>Life(Yrs)</b>
Gas	375	50
Gas	3761	70
Gas	3762	60
Gas	3763	65
Gas	378	48
Gas	379	48
Gas	3801	37
Gas	3802	55
Gas	3810	40
Gas	3811	20
Gas	382	48
Gas	387	22
Gas	390	40
Gas	3911	10
Gas	3912	15
Gas	3913	5
Gas	394	20
Gas	395	15
Gas	397	5
Gas	398	15
Common	303	5
Common	390	50
Common	3911	10
Common	3912	15
Common	3913	5
Common	3921	8
Common	3922	10
Common	3923	13
Common	3924	11
Common	3925	15
Common	3926	15
Common	3930	15
Common	3941	15
Common	3942	15
Common	3943	20
Common	396	11
Common	397	20
Common	398	15