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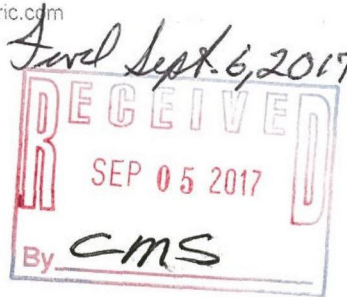
500 N. Wakefield Drive
Newark, DE 19702

atlanticcityelectric.com

August 29, 2017

VIA FEDERAL EXPRESS

Honorable Jacob S. Gertsman
Administrative Law Judge
State of New Jersey
Office of Administrative Law
Post Office Box 049
Trenton, New Jersey 08625-0049



BOARD OF PUBLIC UTILITIES

SEP 05 2017

MAIL RECEIVED

Street Address:

3444 Quakerbridge Road
Quakerbridge Plaza, Building 9
Mercerville (Hamilton Township), New Jersey 08619

RE: In the Matter of the Petition of Atlantic City Electric Company for Approval of Amendments to Its Tariff to Provide for an Increase in Rates and Charges for Electric Service Pursuant to *N.J.S.A. 48:2-21* and *N.J.S.A. 48:2-21.1*, and for Other Appropriate Relief (2017)

Updated Revenue Requirements and Work Papers (Twelve Months of Actual Data for the Period Ending July 31, 2017)

BPU Docket No. ER17030308
OAL Docket No. PUC 04989-2017

Dear Judge Gertsman:

Enclosed please find Atlantic City Electric Company's (herein, "ACE" or the "Company") updated revenue requirement and applicable Schedules and work papers to the Company's Petition, filed on or about March 30, 2017.

The Company's original Petition requested a net annual increase in current retail base rates for electric service of \$70.2 million (\$74.8 million, including Sales and Use Tax ["SUT"]) to cover its cost of service. Based on the update for actuals through July 31, 2017, the Company's request has been modified to a net annual increase in current retail base rates for electric service of \$84.6 million (\$90.2 million, including SUT).

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Honorable Jacob Gertsman
August 29, 2017
Page 2

Please note that ACE has attached paper copies of its most recent updates to the following Schedule(s) and work papers:

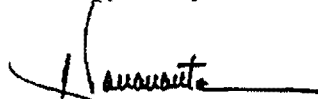
- from the Direct Testimony of Company Witness Jay C. Ziminsky, Schedule (JCZ)-1 *through* Schedule (JCZ)-19;
- from the Direct Testimony of Company Witness Kristin M. McEvoy, Schedule (KMMc)-1 *through* Schedule (KMMc)-14;
- ACE Cost of Service work papers; and
- ACE Test Year Adjustment work papers.

The Company is aware that, in the absence of additional public hearings on this revised revenue requirement, the net annual increase in current retail base rates is limited to the initial \$70.2 million (\$74.8 million, including SUT) request.

Three conformed paper copies of this filing are provided. Kindly return one date-stamped and "filed" copy of this submission in the enclosed self-addressed, postage-prepaid envelope.

Thank you for your cooperation and courtesies. Should your Honor have any questions regarding any of the above-referenced materials, please do not hesitate to contact the undersigned.

Respectfully submitted,



Philip J. Passanante
An Attorney at Law of the
State of New Jersey

Enclosures

cc: Irene Kim Asbury, Secretary (electronic mail and overnight courier)
Nancy Demling, Judicial Assistant, Office of Administrative Law (electronic mail)
Service List (electronic mail, eBridge, and paper copies as noted)

In the Matter of the Petition of Atlantic City Electric Company for Approval of Amendments to Its Tariff to Provide for an Increase in Rates and Charges for Electric Service Pursuant to *N.J.S.A. 48:2-21* and *N.J.S.A. 48:2-21.1*, and for Other Appropriate Relief (2017)

BPU Docket No. ER17030308
OAL Docket No. PUC 04989-2017

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Schedules (JCZ)-1
through 19

Atlantic City Electric Company
12+0 Months Ending July 2017
Rate of Return Analysis

(1) <u>Line No.</u>	(2) <u>Item</u>	(3) (4) <u>12+0 M/E July 2017</u>	
		<u>System Electric</u>	<u>Distribution</u>
1	Rate Base		
2	Electric Plant in Service	\$ 3,608,509,374	\$ 2,375,739,706
3	Less: Depreciation Reserve	\$ 822,306,762	\$ 575,747,341
4	Net Plant in Service	<u>\$ 2,786,202,612</u>	<u>\$ 1,799,992,365</u>
5			
6	Plant Held For Future Use	\$ 12,811,808	\$ 6,695,987
7	Materials & Supplies	\$ 23,112,478	\$ 21,069,335
8	Cash Working Capital	\$ 121,287,155	\$ 84,038,659
9	Customer Advances	\$ (359,535)	\$ (359,535)
10	Customer Deposits	\$ (30,764,439)	\$ (30,764,439)
11	Def Federal and State Tax Bal	\$ (858,688,067)	\$ (564,521,436)
12	Total Rate Base	<u>\$ 2,053,602,012</u>	<u>\$ 1,316,150,936</u>
13			
14	Total Rate Base	\$ 2,053,602,012	\$ 1,316,150,936
15			
16	Earnings		
17	Operating Revenues	\$ 1,244,770,929	\$ 371,267,968
18			
19	O & M Expense	\$ 937,717,760	\$ 237,798,550
20	Deprec and Amort Expense	\$ 148,327,565	\$ 57,419,918
21	Taxes Other than Income Taxes	\$ 6,111,952	\$ 4,892,032
22	Net ITC Adjustment	\$ (369,512)	\$ (156,488)
23	IOCD	\$ 89,262	\$ 89,262
24	State Income Tax	\$ 2,000	\$ -
25	Federal Income Tax	\$ (16,197,917)	\$ (15,991,391)
26	Deferred SIT Expense	\$ 9,688,609	\$ 2,866,297
27	Deferred FIT Expense	\$ 47,258,139	\$ 26,134,898
28			
29	Total Operating Expenses	\$ 1,132,627,857	\$ 313,053,079
30			
31	Operating Income	<u>\$ 112,143,072</u>	<u>\$ 58,214,889</u>
32			
33	Rate of Return	<u>5.46%</u>	<u>4.42%</u>

Atlantic City Electric Company
12+0 Months Ending July 2017
Determination of Revenue Requirements

(1) Line No.	(2) Item	(3) \$
1	Adjusted Net Rate Base	\$ 1,405,437,865
2		
3	Required Rate of Return	<u>7.85%</u>
4		
5	Required Operating Income	\$ 110,326,872
6		
7	Pro Forma Operating Income	<u>\$ 60,453,900</u>
8		
9	Operating Income Deficiency	\$ 49,872,972
10		
11	Revenue Conversion Factor	<u>1.6955</u>
12		
13	Revenue Requirement	\$ 84,559,625
14		
15	Sales & Use Tax Factor	<u>1.06625</u>
16		
17	Revenue Requirement (Adjusted for Sales & Use Tax)	\$ 90,161,700

Atlantic City Electric Company
12+0 Months Ending July 2017
Distribution Adjustments

(1) Line No.	(2) Item	(3) Witness	(4) Earnings	(5) Rate Base	(6) ROR	(7) ROE	(8) Rev. Req. Def. (Exc.) Exclude Sales & Use Tax
1	Per Books - 12+0 Months Ending July 2017	Ziminsky	\$ 58,214,889	\$ 1,316,150,936	4.42%	3.31%	\$ 76,472,068
2							
3	Adjustments:						
4	Adj 1	Weather Normalization	Ziminsky \$ (1,481,099)				
5	Adj 2	Proform Customer Count and Customer Usage as of January 2018	Ziminsky \$ 53,372				
6	Adj 3	Adjust Declining Revenue in Rate Effective Period	Ziminsky \$ (2,558,043)				
7	Adj 4	Annualize Wage and FICA changes through April 2018	McEvoy \$ (1,525,526)				
8	Adj 5	Proform Wage Rate Changes for Rate Effective Period	McEvoy \$ (124,139)				
9	Adj 6	Annualize Benefit changes through July 2018	McEvoy \$ (219,250)				
10	Adj 7	Regulatory Commission Expense Adjustment	McEvoy \$ (32,843)				
11	Adj 8	Include Pension Asset and Return Related Expense	Ziminsky \$ 2,637,485	\$ 36,807,869			
12	Adj 9	Include OPEB Liability and Return Related Expense	Ziminsky \$ 533,195	\$ (23,370,564)			
13	Adj 10	Adjust Pension Service Related Expense	Ziminsky \$ (26,879)				
14	Adj 11	Adjust OPEB Service Related Expense	Ziminsky \$ 14,905				
15	Adj 12	Remove Executive Incentive Expense	Ziminsky \$ 1,298,699				
16	Adj 13	Adjust January 2017 Nor'easter Storm	McEvoy \$ 681,382	\$ 851,727			
17	Adj 14	Bow Echo & Jonas Storm Adjustment	McEvoy \$ (225,658)				
18	Adj 15	Adjust June 2016 Storm	McEvoy \$ (304,955)	\$ 842,126			
19	Adj 16	Normalize Injury & Damage Expense	McEvoy \$ (1,050,888)				
20	Adj 17	Mays Landing Complex Rent	McEvoy \$ -				
21	Adj 18	Annualize Depreciation Expense @ YE December 2016 Plant	McEvoy \$ (855,188)	\$ (855,188)			
22	Adj 19	Servco Assets @ ACE Approved Depreciation Rates	McEvoy \$ 308,727				
23	Adj 20	Annualize BSC Depreciation Expense	McEvoy \$ 1,994				
24	Adj 21	Reflect Plant Additions from August 2017 through January 2018	Ziminsky \$ (908,384)	\$ 61,074,104			
25	Adj 22	Reflect Plant Additions in February 2018 and March 2018	Ziminsky \$ (63,402)	\$ 5,479,332			
26	Adj 23	Credit Facilities Fee	Ziminsky \$ (396,861)	\$ 750,601			
27	Adj 24	Interest on Customer Deposit	McEvoy \$ (19,990)				
28	Adj 25	Adjust Cost To Achieve (CTA)	Ziminsky \$ 2,915,608	\$ 6,838,163			
29	Adj 26	Reflect ACE Revenue Change ER16030252	Ziminsky \$ 1,640,999				
30	Adj 27	Adjust Cash Working Capital	Ziminsky \$ -	\$ (186,576)			
31	Adj 28	Interest Synchronization	Ziminsky \$ 1,101,483				
32	Adj 29	Adjust Stella Storm	McEvoy \$ 844,269	\$ 1,055,336			
33							
34		Adjustment Total	\$ 2,239,011	\$ 89,286,929			
35							
36		Adjusted Total	\$ 60,453,900	\$ 1,405,437,865	4.30%	3.05%	\$ 84,559,625
37							
38		Sales & Use Tax Factor					1.06625
39		Revenue Requirement (Adjusted for Sales & Use Tax)					\$ 90,161,700

Atlantic City Electric Company
12+0 Months Ending July 2017
Rate of Return Analysis

(1) <u>Line No.</u>	(2) <u>Item</u>	(3) <u>System Electric</u>	(4) <u>Distribution</u>	(5) <u>Proforma Adjustments</u>	(6) <u>Fully Adjusted</u>
1	Rate Base				
2	Electric Plant in Service	\$ 3,608,509,374	\$ 2,375,739,706	\$ 57,863,438	\$ 2,433,603,144
3	Less: Depreciation Reserve	\$ 822,306,762	\$ 575,747,341	\$ (9,913,007)	\$ 565,834,335
4	Net Plant in Service	\$ 2,786,202,612	\$ 1,799,992,365	\$ 67,776,444	\$ 1,867,768,810
5					
6	Plant Held For Future Use	\$ 12,811,808	\$ 6,695,987	\$ -	\$ 6,695,987
7	Materials & Supplies	\$ 23,112,478	\$ 21,069,335	\$ -	\$ 21,069,335
8	Cash Working Capital	\$ 121,287,155	\$ 84,038,659	\$ 39,489,903	\$ 123,528,562
9	Customer Advances	\$ (359,535)	\$ (359,535)	\$ -	\$ (359,535)
10	Customer Deposits	\$ (30,764,439)	\$ (30,764,439)	\$ -	\$ (30,764,439)
11	Def Federal and State Tax Bal	\$ (858,688,067)	\$ (564,521,436)	\$ (17,979,418)	\$ (582,500,854)
12	Total Rate Base	\$ 2,053,602,012	\$ 1,316,150,936	\$ 89,286,929	\$ 1,405,437,865
13					
14	Total Rate Base	\$ 2,053,602,012	\$ 1,316,150,936	\$ 89,286,929	\$ 1,405,437,865
15					
16	Earnings				
17	Operating Revenues	\$ 1,244,770,929	\$ 371,267,968	\$ (3,975,480)	\$ 367,292,488
18					
19	O & M Expense	\$ 937,717,760	\$ 237,798,550	\$ (8,484,436)	\$ 229,314,114
20	Deprec and Amort Expense	\$ 148,327,565	\$ 57,419,918	\$ 2,563,406	\$ 59,983,325
21	Taxes Other than Income Taxes	\$ 6,111,952	\$ 4,892,032	\$ (11,370)	\$ 4,880,662
22	Net ITC Adjustment	\$ (369,512)	\$ (156,488)	\$ 33,795	\$ (122,692)
23	IOCD	\$ 89,262	\$ 89,262	\$ -	\$ 89,262
24	State Income Tax	\$ 2,000	\$ -	\$ (69,596)	\$ (69,596)
25	Federal Income Tax	\$ (16,197,917)	\$ (15,991,391)	\$ (246,291)	\$ (16,237,682)
26	Deferred SIT Expense	\$ 9,688,609	\$ 2,866,297	\$ -	\$ 2,866,297
27	Deferred FIT Expense	\$ 47,258,139	\$ 26,134,898	\$ -	\$ 26,134,898
28					
29	Total Operating Expenses	\$ 1,132,627,857	\$ 313,053,079	\$ (6,214,491)	\$ 306,838,588
30					
31	Operating Income	\$ 112,143,072	\$ 58,214,889	\$ 2,239,011	\$ 60,453,900
32					
33	Rate of Return	5.46%	4.42%		4.30%

Atlantic City Electric Company
12+0 Months Ending July 2017
Proforma Earnings Adjustments

(1) Line No.	(2) Adjustment	(3) Revenue	(4) O&M	(5) Deprec Amort	(6) Other Taxes	(7) SIT	(8) FIT	(9) IOCD	(10) Total Expense	(11) Earnings
1	Weather Normalization	\$ (2,511,154)			\$ (7,182)	\$ (225,357)	\$ (797,515)		\$ (1,030,054)	\$ (1,481,099)
2	Proform Customer Count and Customer Usage as of January 2018	\$ 90,491			\$ 259	\$ 8,121	\$ 28,739		\$ 37,119	\$ 53,372
3	Adjust Declining Revenue in Rate Effective Period	\$ (4,337,075)			\$ (12,404)	\$ (389,220)	\$ (1,377,408)		\$ (1,779,032)	\$ (2,558,043)
4	Annualize Wage and FICA changes through April 2018		\$ 2,579,080			\$ (232,117)	\$ (821,437)		\$ 1,525,526	\$ (1,525,526)
5	Proform Wage Rate Changes for Rate Effective Period		\$ 209,871			\$ (18,868)	\$ (66,844)		\$ 124,139	\$ (124,139)
6	Annualize Benefit changes through July 2018		\$ 370,667			\$ (33,360)	\$ (118,057)		\$ 219,250	\$ (219,250)
7	Regulatory Commission Expense Adjustment		\$ 55,524			\$ (4,997)	\$ (17,684)		\$ 32,843	\$ (32,843)
8	Include Pension Asset and Return Related Expense		\$ (4,458,977)			\$ 401,308	\$ 1,420,184		\$ (2,637,485)	\$ 2,637,485
9	Include OPEB Liability and Return Related Expense		\$ (901,428)			\$ 81,129	\$ 287,105		\$ (533,195)	\$ 533,195
10	Adjust Pension Service Related Expense		\$ 45,442			\$ (4,090)	\$ (14,473)		\$ 26,879	\$ (26,879)
11	Adjust OPEB Service Related Expense		\$ (25,198)			\$ 2,268	\$ 8,026		\$ (14,905)	\$ 14,905
12	Remove Executive Incentive Expense		\$ (2,195,603)			\$ 197,604	\$ 699,299		\$ (1,298,699)	\$ 1,298,699
13	Adjust January 2017 Nor'easter Storm		\$ (1,151,955)			\$ 103,676	\$ 366,898		\$ (681,382)	\$ 681,382
14	Bow Echo & Jonas Storm Adjustment		\$ 381,501			\$ (34,335)	\$ (121,508)		\$ 225,658	\$ (225,658)
15	Adjust June 2016 Storm		\$ 515,563			\$ (46,401)	\$ (164,207)		\$ 304,955	\$ (304,955)
16	Normalize Injury & Damage Expense		\$ 1,776,649			\$ (169,898)	\$ (565,863)		\$ 1,050,888	\$ (1,050,888)
17	Mays Landing Complex Rent		\$ -			\$ -	\$ -		\$ -	\$ -
18	Annualize Depreciation Expense @ YE December 2016 Plant			\$ 1,445,796		\$ (130,122)	\$ (480,486)		\$ 855,188	\$ (855,188)
19	Servco Assets @ ACE Approved Depreciation Rates			\$ (521,939)		\$ 46,974	\$ 166,237		\$ (308,727)	\$ 308,727
20	Annualize BSC Depreciation Expense			\$ (3,370)		\$ 303	\$ 1,073		\$ (1,994)	\$ 1,994
21	Reflect Plant Additions from August 2017 through January 2018			\$ 1,535,730		\$ (138,216)	\$ (489,130)		\$ 908,384	\$ (908,384)
22	Reflect Plant Additions in February 2018 and March 2018			\$ 107,189		\$ (9,647)	\$ (34,140)		\$ 63,402	\$ (63,402)
23	Credit Facilities Fee		\$ 670,939			\$ (60,385)	\$ (213,694)		\$ 396,861	\$ (396,861)
24	Interest on Customer Deposit					\$ (3,042)	\$ (10,764)	\$ 33,795	\$ 19,990	\$ (19,990)
25	Adjust Cost To Achieve (CTA)		\$ (4,929,176)			\$ 443,626	\$ 1,569,943		\$ (2,915,608)	\$ 2,915,608
26	Reflect ACE Revenue Change ER16030252	\$ 2,782,258			\$ 7,957	\$ 249,687	\$ 883,615		\$ 1,141,259	\$ 1,640,999
27	Adjust Cash Working Capital					\$ -	\$ -		\$ -	\$ -
28	Interest Synchronization					\$ (242,677)	\$ (858,806)		\$ (1,101,483)	\$ 1,101,483
29	Adjust Storm Stella		\$ (1,427,336)			\$ 128,460	\$ 454,607		\$ (844,269)	\$ 844,269
30										
31	Total	\$ (3,975,480)	\$ (8,484,436)	\$ 2,563,406	\$ (11,370)	\$ (69,596)	\$ (246,291)	\$ 33,795	\$ (6,214,491)	\$ 2,239,011

Atlantic City Electric Company
12+0 Months Ending July 2017
Proforma Rate Base Adjustments

(1) Line No.	(2) Adjustment	(3) Plant In Service	(4) Depreciation Reserve	(5) Net Plant	(6) Cash Working Capital	(7) Deferred SIT	(8) Deferred FIT	(9) Rate Base
1	Weather Normalization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Proform Customer Count and Customer Usage as of January 2018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	Adjust Declining Revenue in Rate Effective Period	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	Annualize Wage and FICA changes through April 2018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5	Proform Wage Rate Changes for Rate Effective Period	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	Annualize Benefit changes through July 2018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7	Regulatory Commission Expense Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	Include Pension Asset and Return Related Expense	\$ -	\$ -	\$ -	\$ 62,228,011	\$ (5,600,521)	\$ (19,819,622)	\$ 36,807,869
9	Include OPEB Liability and Return Related Expense	\$ -	\$ -	\$ -	\$ (39,510,675)	\$ 3,555,961	\$ 12,584,150	\$ (23,370,564)
10	Adjust Pension Service Related Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11	Adjust OPEB Service Related Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12	Remove Executive Incentive Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13	Adjust January 2017 Nor'easter Storm	\$ -	\$ -	\$ -	\$ 1,439,944	\$ (129,595)	\$ (458,622)	\$ 851,727
14	Bow Echo & Jonas Storm Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15	Adjust June 2016 Storm	\$ -	\$ -	\$ -	\$ 1,423,712	\$ (128,134)	\$ (453,452)	\$ 842,126
16	Normalize Injury & Damage Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17	Mays Landing Complex Rent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18	Annualize Depreciation Expense @ YE December 2016 Plant	\$ -	\$ 1,445,796	\$ (1,445,796)	\$ -	\$ 130,122	\$ 460,486	\$ (855,188)
19	Servco Assets @ ACE Approved Depreciation Rates	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
20	Annualize BSC Depreciation Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21	Reflect Plant Additions from August 2017 through January 2018	\$ 53,452,364	\$ (9,361,149)	\$ 62,813,514	\$ -	\$ -	\$ (1,739,410)	\$ 61,074,104
22	Reflect Plant Additions in February 2018 and March 2018	\$ 4,411,073	\$ (1,997,653)	\$ 6,408,727	\$ -	\$ -	\$ (929,394)	\$ 5,479,332
23	Credit Facilities Fee	\$ -	\$ -	\$ -	\$ 750,601	\$ -	\$ -	\$ 750,601
24	Interest on Customer Deposit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25	Adjust Cost To Achieve (CTA)	\$ -	\$ -	\$ -	\$ 11,560,715	\$ (1,040,464)	\$ (3,682,088)	\$ 6,838,163
26	Reflect ACE Revenue Change ER16030252	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27	Adjust Cash Working Capital	\$ -	\$ -	\$ -	\$ (186,576)	\$ -	\$ -	\$ (186,576)
28	Interest Synchronization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
29	Adjust Storm Stella	\$ -	\$ -	\$ -	\$ 1,784,170	\$ (160,575)	\$ (568,258)	\$ 1,055,336
30								
31	Total	\$ 57,863,438	\$ (9,913,007)	\$ 67,776,444	\$ 39,489,903	\$ (3,373,207)	\$ (14,606,210)	\$ 89,286,929

Atlantic City Electric Company
12+0 Months Ending July 2017
Weather Normalization Adjustment
Adjustment No. 1

(1) Line No.	(2) <u>Item</u>	(3) <u>\$</u>
1	Change in Distribution Revenue	\$ (2,511,154)
2		
3	Revenue Tax	\$ (7,182)
4		
5	State Income Tax	\$ (225,357)
6		
7	Federal Income Tax	\$ (797,515)
8		
9	Total Expense	<u>\$ (1,030,054)</u>
10		
11	Earnings	<u><u>\$ (1,481,099)</u></u>

Atlantic City Electric Company
12+0 Months Ending July 2017
Proform Customer Count and Customer Usage as of January 31, 2018
Adjustment No. 2

(1) Line No.	(2) <u>Item</u>	(3) \$
1	Revenues from Customers as of July 31, 2017	\$ 451,859
2		
3	Revenue from Customers as of January 31, 2018	\$ (377,366)
4		
5	Revenue from Change Customer Usage as of January 31, 2018	<u>\$ 15,998</u>
6		
7	Revenue	\$ 90,491
8		
9	Revenue Tax	\$ 259
10		
11	State Income Tax	\$ 8,121
12		
13	Federal Income Tax	\$ 28,739
14		
15	Total Expense	<u>\$ 37,119</u>
16		
17	Earnings	<u><u>\$ 53,372</u></u>

ATLANTIC CITY ELECTRIC
AVERAGE USE PER CUSTOMER BY CUSTOMER CLASS
2009-2016 Average Use & Year over Year Increases/Decreases

(1) Line No.	(2) Year	(3) <u>Average Use Per Customer (kWh/Customer)</u>			
		<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Lighting</u>
1	2008	9,089	69,882	1,159,540	94,759
2	2009	9,052	68,048	1,000,734	93,448
3	2010	9,178	67,965	1,039,300	91,909
4	2011	9,177	66,022	960,062	91,700
5	2012	8,948	65,747	918,280	92,253
6	2013	8,794	64,527	892,911	92,127
7	2014	8,715	63,381	957,442	91,478
8	2015	8,823	64,253	865,428	83,706
9	2016	8,582	61,125	816,981	79,749
10					
11	<u>Year over Year</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Lighting</u>
12	<u>Increase/Decrease</u>				
13					
14	2009	(37)	(1,834)	(158,806)	(1,311)
15	2010	126	(83)	38,566	(1,539)
16	2011	(1)	(1,943)	(79,237)	(209)
17	2012	(229)	(275)	(41,782)	553
18	2013	(154)	(1,219)	(25,369)	(126)
19	2014	(79)	(1,147)	64,530	(649)
20	2015	108	872	(92,014)	(7,772)
21	2016	(241)	(3,128)	(48,447)	(3,956)
22					
23	<u>Year over Year</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Lighting</u>
24	<u>Increase/Decrease</u>				
25					
26	2009	-0.41%	-2.62%	-13.70%	-1.38%
27	2010	1.39%	-0.12%	3.85%	-1.65%
28	2011	-0.01%	-2.86%	-7.62%	-0.23%
29	2012	-2.50%	-0.42%	-4.35%	0.60%
30	2013	-1.72%	-1.85%	-2.76%	-0.14%
31	2014	-0.90%	-1.78%	7.23%	-0.70%
32	2015	1.23%	1.38%	-9.61%	-8.50%
33	2016	-2.73%	-4.87%	-5.60%	-4.73%

Atlantic City Electric Company
12+0 Months Ending July 2017
Impact of Declining Sales Revenue in Rate Effective Period (February 2018 - December 2018)

(1) Line No.	(2) <u>Item</u>	(3) <u>Amount (\$)</u>		
1	<u>ACE Distribution Revenues</u>			
2	2018 Forecasted Revenues - Net	\$ 321,509,637		
3	2017 Forecasted Revenues - Net	<u>\$ 326,240,992</u>		
4	2018 vs. 2017 - Annual Forecasted Net Distribution Revenue Variance	\$ (4,731,355)		
5				
6	<u>Declining Revenue Adjustment Calculation</u>			
7	2018 vs. 2017 - Annual Forecasted Net Distribution Revenue Variance	\$ (4,731,355)		
8	2018 vs. 2017 - Monthly Forecasted Distribution Revenue Variance	\$ (394,280)		
9	Number of applicable months	<u>11</u>		
10	Declining Sales Revenue (February 2018 - December 2018)	\$ (4,337,075)		
11				
12	Revenue tax	\$ (12,404)		
13	State Income Tax	\$ (389,220)		
14	Federal Income Tax	<u>\$ (1,377,408)</u>		
15	Total Expense	\$ (1,779,032)		
16				
17	Earnings	<u>\$ (2,558,043)</u>		
18				
19				
20				
21	<u>Revenue Forecast</u>			
22	<u>Item</u>	<u>2017</u>	<u>2018</u>	<u>2018 vs. 2017 %</u>
23	Total Revenues	\$ 365,567,771	\$ 360,836,416	
24	Realized Revenues - Docket No. ER16030252	<u>\$ 39,326,779</u>	<u>\$ 39,326,779</u>	
25	Net Revenues	<u>\$ 326,240,992</u>	<u>\$ 321,509,637</u>	
26				
27	Variance Versus Prior Year	\$ (3,548,011)	\$ (4,731,355)	-1.45%
28				
29	Usage/Customer/Load (1)	\$ 4,190,472	\$ 2,444,892	0.75%
30	Casinos (2)	\$ (1,026,518)	\$ (1,202,909)	-0.37%
31	Energy Efficiency/Demand Side Management (3)	\$ (2,335,508)	\$ (2,989,933)	-0.92%
32	Distributed Generation (4)	\$ (4,376,458)	\$ (2,983,405)	-0.91%
33	Total	<u>\$ (3,548,011)</u>	<u>\$ (4,731,355)</u>	<u>-1.45%</u>
34				
35	<u>Notes</u>			
36	(1): includes impact of economic conditions, price changes, customer growth and other load growth			
37	(2): includes net impact of 2016 closure of Trump Taj Mahal and Casino as well as reopening of Showboat as a hotel only			
38	including direct and indirect multiplier effects.			
39	(3): estimates based on state level program spend allocated to Atlantic City Electric			
40	(4): represents load changes from photovoltaic solar installations			

Atlantic City Electric Company
12+0 Months Ending July 2017
Pension Balance and Return Related Expense Adjustment
Adjustment No. 8

(1) Line No.	(2) Item	(3) Return-Related Total \$	(4) Expense %	(5) ACE %	(6) ACE Dist %	(7) ACE Dist \$
	Earnings					
1	Pension Expense - Return Related					\$ (4,458,977)
2	State Income Tax					\$ 401,308
3	Federal Income Tax					\$ 1,420,184
4	Total Expense					<u>\$ (2,637,485)</u>
5						
6	Earnings					<u>\$ 2,637,485</u>
7						
8	2017 Forecasted Actuary Report					
9	ACE					
10	Service Cost					
11	Interest Cost					
12	Prior Service Credit					
13	Expected Return on Plan Assets	\$ (13,106,270)	45.49%	100.00%	92.97%	\$ (5,542,669)
14	(Gain)/Loss Amortization	\$ 9,370,408	45.49%	100.00%	92.97%	\$ 3,962,765
15	Total	<u>\$ (3,735,862)</u>	<u>45.49%</u>	<u>100.00%</u>	<u>92.97%</u>	<u>\$ (1,579,904)</u>
16						
17	Service Company					
18	Service Cost					
19	Interest Cost					
20	Prior Service Credit					
21	Expected Return on Plan Assets	\$ (28,234,823)	85.21%	25.50%	92.97%	\$ (5,703,174)
22	(Gain)/Loss Amortization	\$ 16,383,437	85.21%	25.50%	92.97%	\$ 3,309,303
23	Total	<u>\$ (11,851,386)</u>	<u>85.21%</u>	<u>25.50%</u>	<u>92.97%</u>	<u>\$ (2,393,871)</u>
24						
25	Exelon Business Service Company					
26	Service Cost					
27	Interest Cost					
28	Prior Service Credit					
29	Expected Return on Plan Assets	\$ (1,038,549)	91.27%	100.00%	92.97%	\$ (881,248)
30	(Gain)/Loss Amortization	\$ 466,740	91.27%	100.00%	92.97%	\$ 396,046
31	Total	<u>\$ (571,810)</u>	<u>91.27%</u>	<u>100.00%</u>	<u>92.97%</u>	<u>\$ (485,202)</u>
32						
33	Total					
34	Service Cost					
35	Interest Cost					
36	Prior Service Credit					
37	Expected Return on Plan Assets	\$ (42,379,642)				\$ (12,127,091)
38	(Gain)/Loss Amortization	\$ 26,220,585				\$ 7,668,114
39	Total	<u>\$ (16,159,058)</u>				<u>\$ (4,458,977)</u>
40						
41						
42	Rate Base					
43						
44	ACE - July 2017 Balance	\$ 66,933,432				
45						
46	ACE Distribution Allocation	92.97%				
47	Pension Balance - Dist	<u>\$ 62,228,011</u>				
48						
49	Deferred State Income Tax	\$ (5,600,521)				
50	Deferred Federal Income Tax	<u>\$ (19,819,622)</u>				
51	Rate Base	<u>\$ 36,807,869</u>				
52						
53						
54	ACE Pension Balance					
55	ACE Actual Balance 7/31/17	\$78,622,933	\$75,003,336	\$3,619,598		
56						
57	Service Company Balance to ACE					
58	Actual Balance 7/31/17		(\$8,069,904)			

Atlantic City Electric Company
12+0 Months Ending July 2017
OPEB Balance and Return Related Expense Adjustment
Adjustment No. 9

(1) Line No.	(2) Item	(3) Return-Related Total \$	(4) Expense %	(5) ACE %	(6) ACE Dist %	(7) ACE Dist \$
1	Earnings					
2	OPEB Expense - Return Related					\$ (901,428)
3	State Income Tax					\$ 81,129
4	Federal Income Tax					\$ 287,105
5	Total Expense					<u>\$ (533,195)</u>
6						
7	Earnings					<u>\$ 533,195</u>
8						
9	<u>2017 Forecasted Actuary Report</u>					
10	<u>ACE</u>					
11	Service Cost					
12	Interest Cost					
13	Prior Service Credit					
14	Expected Return on Plan Assets	\$ (4,582,769)	45.49%	100.00%	92.97%	\$ (1,938,063)
15	(Gain)/Loss Amortization	\$ 3,671,139	45.49%	100.00%	92.97%	\$ 1,552,532
16	Total	<u>\$ (911,630)</u>	45.49%	100.00%	92.97%	<u>\$ (385,530)</u>
17						
18	<u>Service Company</u>					
19	Service Cost					
20	Interest Cost					
21	Prior Service Credit					
22	Expected Return on Plan Assets	\$ (4,834,460)	85.21%	25.50%	92.97%	\$ (976,516)
23	(Gain)/Loss Amortization	\$ 2,712,894	85.21%	25.50%	92.97%	\$ 547,980
24	Total	<u>\$ (2,121,566)</u>	85.21%	25.50%	92.97%	<u>\$ (428,537)</u>
25						
26	<u>Exelon Business Service Company</u>					
27	Service Cost					
28	Interest Cost					
29	Prior Service Credit					
30	Expected Return on Plan Assets	\$ (132,721)	91.27%	100.00%	92.97%	\$ (112,619)
31	(Gain)/Loss Amortization	\$ 29,766	91.27%	100.00%	92.97%	\$ 25,258
32	Total	<u>\$ (102,955)</u>	91.27%	100.00%	92.97%	<u>\$ (87,361)</u>
33						
34	<u>Total</u>					
35	Service Cost					
36	Interest Cost					
37	Prior Service Credit					
38	Expected Return on Plan Assets	\$ (9,549,950)				\$ (3,027,198)
39	(Gain)/Loss Amortization	\$ 6,413,799				\$ 2,125,770
40	Total	<u>\$ (3,136,151)</u>				<u>\$ (901,428)</u>
41						
42	<u>Rate Base</u>					
43						
44	ACE - July 2017 Balance	\$ (42,498,306)				
45						
46	ACE Distribution Allocation	92.97%				
47	OPEB Balance	<u>\$ (39,510,675)</u>				
48						
49	Deferred State Income Tax	\$ 3,555,961				
50	Deferred Federal Income Tax	<u>\$ 12,584,150</u>				
51	Rate Base	<u>\$ (23,370,564)</u>				
52						
53						
54	<u>ACE OPEB Balance</u>	Total	Utility	Non-Utility		
55	ACE Actual Balance 7/31/17	(\$36,001,362)	(\$34,390,310)	(\$1,611,052)		
56						
57	<u>Service Company Balance to ACE</u>					
58	Actual Balance 7/31/17		(8,107,996)			

Atlantic City Electric Company
12+0 Months Ending July 2017
Pension Expense Adjustment - Service Related
Adjustment No. 10

(1) Line No.	(2) Total \$ \$	(3) Expense %	(4) ACE %	(5) ACE Dist %	(6) ACE Dist \$
1	Adjustment				
2					\$ 45,442
3					\$ (4,090)
4					\$ (14,473)
5					<u>\$ (26,879)</u>
6					
7	2017 Forecasted Actuary Report				
8	ACE				
9	\$ 7,147,958	45.49%	100.00%	92.97%	\$ 3,022,887
10	\$ 8,011,463	45.49%	100.00%	92.97%	\$ 3,388,065
11	\$ (161,923)	45.49%	100.00%	92.97%	\$ (68,478)
12					
13					
14	<u>\$ 14,997,498</u>	<u>45.49%</u>	<u>100.00%</u>	<u>92.97%</u>	<u>\$ 6,342,474</u>
15					
16	Service Company				
17	\$ 20,265,651	85.21%	25.50%	92.97%	\$ 4,093,475
18	\$ 27,114,109	85.21%	25.50%	92.97%	\$ 5,476,800
19	\$ 1,268,029	85.21%	25.50%	92.97%	\$ 256,130
20					
21					
22	<u>\$ 48,647,789</u>	<u>85.21%</u>	<u>25.50%</u>	<u>92.97%</u>	<u>\$ 9,826,405</u>
23					
24	Exelon Business Service Company				
25	\$ 337,500	91.27%	100.00%	92.97%	\$ 286,381
26	\$ 700,314	91.27%	100.00%	92.97%	\$ 594,242
27	\$ (1,477)	91.27%	100.00%	92.97%	\$ (1,253)
28					
29					
30	<u>\$ 1,036,337</u>	<u>91.27%</u>	<u>100.00%</u>	<u>92.97%</u>	<u>\$ 879,371</u>
31					
32	Total				
33	\$ 27,751,109				\$ 7,402,743
34	\$ 35,825,886				\$ 9,459,107
35	\$ 1,104,629				\$ 186,400
36	\$ -				\$ -
37	\$ -				\$ -
38	<u>\$ 64,681,624</u>				<u>\$ 17,048,250</u>
39					
40	12+0 M/E July 2017 Expense				
41	ACE				
42	\$ 7,113,948	45.49%	100.00%	92.97%	\$ 3,008,503
43	\$ 7,901,199	45.49%	100.00%	92.97%	\$ 3,341,434
44	\$ (162,144)	45.49%	100.00%	92.97%	\$ (68,571)
45					
46					
47	<u>\$ 14,853,003</u>	<u>45.49%</u>	<u>100.00%</u>	<u>92.97%</u>	<u>\$ 6,281,366</u>
48					
49	Service Company				
50	\$ 20,815,652	85.21%	25.50%	92.97%	\$ 4,204,570
51	\$ 26,806,179	85.21%	25.50%	92.97%	\$ 5,414,601
52	\$ 1,269,762	85.21%	25.50%	92.97%	\$ 256,480
53					
54					
55	<u>\$ 48,891,593</u>	<u>85.21%</u>	<u>25.50%</u>	<u>92.97%</u>	<u>\$ 9,875,651</u>
56					
57	Exelon Business Service Company				
58	\$ 359,493	91.27%	100.00%	92.97%	\$ 305,043
59	\$ 745,950	91.27%	100.00%	92.97%	\$ 632,966
60	\$ (1,573)	91.27%	100.00%	92.97%	\$ (1,335)
61					
62					
63	<u>\$ 1,103,870</u>	<u>91.27%</u>	<u>100.00%</u>	<u>92.97%</u>	<u>\$ 936,674</u>
64					
65	Total				
66	\$ 28,289,093				\$ 7,518,117
67	\$ 35,453,328				\$ 9,389,001
68	\$ 1,106,044				\$ 186,574
69	\$ -				\$ -
70	\$ -				\$ -
71	<u>\$ 64,848,465</u>				<u>\$ 17,093,692</u>

Atlantic City Electric Company
12+0 Months Ending July 2017
OPEB Expense Adjustment - Service Related
Adjustment No. 11

(1) Line No.	(2) Total \$ \$	(3) Expense %	(4) ACE %	(5) ACE Dist %	(6) ACE Dist \$
1	Adjustment				
2					\$ (25,198)
3					\$ 2,268
4					\$ 8,026
5					<u>\$ 14,905</u>
6					
7	2017 Forecasted Actuary Report				
8	ACE				
9	\$ 974,465	45.49%	100.00%	92.97%	\$ 412,103
10	\$ 3,987,934	45.49%	100.00%	92.97%	\$ 1,686,506
11	\$ (2,200,963)	45.49%	100.00%	92.97%	\$ (930,792)
12					
13					
14					
15					
16	Service Company				
17	\$ 1,553,660	85.21%	25.50%	92.97%	\$ 313,825
18	\$ 5,208,934	85.21%	25.50%	92.97%	\$ 1,052,157
19	\$ (2,449,805)	85.21%	25.50%	92.97%	\$ (494,838)
20					
21					
22					
23					
24	Exelon Business Service Company				
25	\$ 83,393	91.27%	100.00%	92.97%	\$ 70,762
26	\$ 146,633	91.27%	100.00%	92.97%	\$ 124,424
27	\$ (153,977)	91.27%	100.00%	92.97%	\$ (130,655)
28					
29					
30					
31					
32					
33	\$ 2,611,518				\$ 796,690
34	\$ 9,343,501				\$ 2,863,086
35	\$ (4,804,745)				\$ (1,556,285)
36	\$ -				\$ -
37	\$ -				\$ -
38					
39					
40	12+0 M/E July 2017 Expense				
41	ACE				
42	\$ 1,048,269	45.49%	100.00%	92.97%	\$ 443,315
43	\$ 3,960,365	45.49%	100.00%	92.97%	\$ 1,674,847
44	\$ (2,203,970)	45.49%	100.00%	92.97%	\$ (932,064)
45					
46					
47					
48					
49	Service Company				
50	\$ 1,692,960	85.21%	25.50%	92.97%	\$ 341,962
51	\$ 5,208,497	85.21%	25.50%	92.97%	\$ 1,052,068
52	\$ (2,453,152)	85.21%	25.50%	92.97%	\$ (495,514)
53					
54					
55					
56					
57	Exelon Business Service Company				
58	\$ 56,958	91.27%	100.00%	92.97%	\$ 48,331
59	\$ 100,151	91.27%	100.00%	92.97%	\$ 84,982
60	\$ (105,167)	91.27%	100.00%	92.97%	\$ (89,238)
61					
62					
63					
64					
65					
66	\$ 2,798,187				\$ 833,608
67	\$ 9,269,013				\$ 2,811,897
68	\$ (4,762,289)				\$ (1,516,816)
69					\$ -
70					\$ -
71					
	<u>\$ 7,304,911</u>				<u>\$ 2,128,690</u>

Atlantic City Electric Company
12+0 Months Ending July 2017
Remove Executive Incentive Expense
Adjustment No. 12

(1) Line No.	(2) <u>Item</u>	(3)
1	<u>Earnings:</u>	
2	O & M Expense	\$ (2,195,603)
3	State Income Tax	\$ 197,604
4	Federal Income Tax	\$ 699,299
5	Total Expense	<u>\$ (1,298,699)</u>
6		
7	Earnings	<u>\$ 1,298,699</u>

Atlantic City Electric Company
12+0 Months Ending July 2017
August 2017 - January 2018 Plant Closings
Adjustment No. 21

(1) Line No.	(2) <u>Item</u>			(3) Aug 2017 - Jan 2018 \$				
1	Earnings							
2	Distribution							
3	Book Depreciation Expense	2.43%		\$	1,107,054			
4								
5	State Tax Depreciation Expense - MACRS	3.75%	\$		1,951,109			
6	Federal Tax Depreciation Expense - Bonus	50.00%	\$		21,155,131			
7	Federal Tax Depreciation Expense - Bonus	40.00%	\$		3,887,724			
8	Federal Tax Depreciation Expense - MACRS	3.75%	\$		1,012,002			
9								
10	General							
11	Book Depreciation Expense	5.43%		\$	428,676			
12								
13	State Tax Depreciation Expense - MACRS	14.29%	\$		1,820,043			
14	Federal Tax Depreciation Expense - Bonus	50.00%	\$		5,133,378			
15	Federal Tax Depreciation Expense - Bonus	40.00%	\$		989,316			
16	Federal Tax Depreciation Expense - MACRS	14.29%	\$		945,355			
17								
18	Deferred State Income Tax			\$	201,188			
19	Deferred Federal Income Tax			\$	10,985,096			
20	State Income Tax			\$	(339,404)			
21	Federal Income Tax			\$	(11,474,226)			
22	Total Expense			\$	908,384			
23								
24	Earnings			\$	(908,384)			
25								
26	Rate Base							
27	Plant in Service							
28	Distribution Plant Closings			\$	52,029,571			
29	Retirements			\$	(6,471,791)			
30	Adjustment to Plant in Service			\$	45,557,779			
31								
32	General Plant Closings			\$	13,703,395			
33	Retirements			\$	(5,211,854)			
34	Adjustment to General Plant Closings			\$	8,491,540			
35	Distribution Allocation Ratio				92.97%			
36	Adjustment to General Plant Closings			\$	7,894,585			
37								
38	Depreciation Reserve							
39	Depreciation Expense			\$	1,956,103			
40	Retirements			\$	(11,317,253)			
41	Adjustment to Depreciation Reserve			\$	(9,361,149)			
42								
43	Net Plant			\$	62,813,514			
44								
45	Deferred State Income Tax			\$	-	*		
46	Deferred Federal Income Tax			\$	(1,739,410)	**		
47								
48	Net Rate Base Adjustment			\$	61,074,104			
49								
50								
51	Distribution Plant Closings							
52		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
53	Capacity Expansion	\$ 88,965	\$ 77,622	\$ 77,642	\$ 90,545	\$ 130,224	\$ 229,188	\$ 694,186
54	Corrective Capital Replacement	\$ 8,610	\$ 8,610	\$ 8,610	\$ 1,252,069	\$ 903,336	\$ 889,831	\$ 3,071,063
55	System Performance	\$ 14,851,751	\$ 937,443	\$ 866,552	\$ 4,013,812	\$ 4,242,036	\$ 3,019,113	\$ 27,930,708
56	T&D Automation	\$ 426,349	\$ 426,349	\$ 426,349	\$ 1,577,823	\$ 947,737	\$ 755,320	\$ 4,559,926
57	Emergency	\$ 378,463	\$ 378,463	\$ 378,463	\$ 3,134,644	\$ 3,461,362	\$ 3,344,992	\$ 11,076,366
58	Customer Driven	\$ (1,779)	\$ (1,779)	\$ (1,779)	\$ 1,396,615	\$ 1,825,157	\$ 1,480,865	\$ 4,697,302
59	General Plant	\$ 1,504,364	\$ 1,400,946	\$ 1,831,742	\$ 2,679,587	\$ 3,626,446	\$ 2,660,309	\$ 13,703,395
60	Total	\$ 17,256,722	\$ 3,227,654	\$ 3,587,579	\$ 14,145,095	\$ 15,136,298	\$ 12,379,618	\$ 65,732,966

* Company is in State NOLC Position, all Plant Closing adjustments state deferred income taxes show \$0

** Company is projecting its Federal NOLC balance to be increasing in 2017 and decreasing in 2018. Deferred taxes related to Plant Closings in 2017 reflect an NOLC Deferred Tax Asset offset. Plant Closings in 2018 do not reflect an NOLC DTA offset.

Atlantic City Electric Company
Closings to Plant in Service

(Dollar in Thousands)

Budget No.	Budget Description	Forecast Aug-17	Forecast Sep-17	Forecast Oct-17	Forecast Nov-17	Forecast Dec-17	Forecast Jan-18	Total
Capacity Expansion								
UDSALM76D	Court Substation 23 kV Retirement	53	43	43	43	43	-	227
UDLALPM1	Peermont - Reconfigure Feeders	2	1	1	1	1	176	182
UDSALM78M	DOROTHY SUBSTATION UPGRADE T1	33	33	33	33	33	-	167
UDLAPN7D	ACE Reg-Underbuilt Distribution Rebuild	-	-	-	-	40	40	80
UDLALM7P	Feeder Load Relief-P'ville	0	0	0	13	13	13	39
Total Capacity Expansion Plant Closing		<u>\$ 89</u>	<u>\$ 78</u>	<u>\$ 78</u>	<u>\$ 91</u>	<u>\$ 130</u>	<u>\$ 229</u>	<u>\$ 694</u>
Corrective Capital Replacement								
UDLARM4E	Atlantic Reg - Dist Reject Pole Rplmt	(109)	(109)	(109)	442	442	453	1,011
UDSARD9D	IR ATL SUB DETERIORATE DIST BKRS REPLMNT	104	104	104	109	175	174	770
UDLARM42	Differential Pole R/M Bell	-	-	-	399	-	-	399
UDLARM4WA	Misc Distr Blanket -Winstow	3	3	3	39	54	55	156
UDLARM4GA	Misc Distr Blanket-Glassboro	1	1	1	47	47	47	144
UDLARM4H	Avian Protection - Improvements	-	-	-	44	44	41	128
UDLARM4PA	Misc Distr Blanket-P'ville	1	1	1	42	42	42	127
UDSARD8F	ATLANTIC DIST SUBSTATION BUSHING REPLMNT	8	8	8	33	37	16	111
UDLARM4CA	Misc Distr Blanket-Capemay	-	-	-	26	26	26	77
UDSARD8E	ATL BATTERY & CHARGER REPLMNT	1	1	1	38	5	1	47
UDLARM4CC	Cape May-Replace Deteriorated BD Cable	-	-	-	8	8	8	25
UDLARM4GC	Glassboro-Replace Deteriorated BD Cable	-	-	-	8	8	8	25
UDLARM4PC	Pleasantville-Replace Deteriorated BD Ca	-	-	-	8	8	8	25
UDLARM4WC	Winstow - Replace Deteriorated BD Cable	-	-	-	8	8	8	25
Total Corrective Capital Replacement Plant Closing		<u>\$ 9</u>	<u>\$ 9</u>	<u>\$ 9</u>	<u>\$ 1,252</u>	<u>\$ 903</u>	<u>\$ 890</u>	<u>\$ 3,071</u>
System Performance								
UDSALMH2	HIGH ST SUB - ESTABLISH 69/12kV 40MVA	13,790	14	5	9	6	-	13,824
UDLARM4A2	ACR Installatons - ACE	2	2	2	946	946	965	2,863
UDLARM4F	Priority Ckt Improve- All Reg	100	100	100	677	646	129	1,752
UDSARD8G	ATLANTIC - PHI SPARE TRANSFORMERS	178	178	178	363	191	411	1,500
UDLARM63A	ATL Reg-Misc Reliability Improvements	18	18	18	546	551	198	1,350
UDLALMH1	High Street Sub-Reconf Mullica Hill	260	260	202	202	202	201	1,325
UDLALM7G6	High St - Distribution Underbuild	196	196	196	196	196	193	1,173
UDSARD8M	ADD SCADA/RTU CAPABILITY	27	27	27	254	250	117	704
UDLARM4AD	Planned URD Cable Replacement	-	-	-	172	172	177	520
UDSARD8J	Atlantic: Substation Animal Protection	48	48	48	93	93	93	423
UDLARM4J	Atlantic Region - Recloser Replacements	0	0	0	99	99	101	302
UDLARM4AQ	ACE-Upg for Multiple Device Operations	4	4	4	86	86	88	271
UDSARD8F2	Replace GE Type U Bushings	15	15	15	89	98	28	258
UDLARM4A3	ACE - Single Phase Recloser Device	-	-	-	82	82	84	248
UDLARM4AO	Padmount Transformer Replacements	12	12	12	54	54	55	199
UDSARD8A8	ACE: Water Detection Systems	-	-	-	-	156	-	156
UDLARM4M	Atlantic Reg - Customer Reliability Impr	3	3	3	44	44	45	141
UDLARM4SL	Lake Substation-Feeder Getaways	136	-	-	-	-	-	136
UDSARD8A	ATL - SUBSTATION PLANNED IMPROV	10	10	10	26	27	46	129
UDSARD8A13	Relocate 12kV Feeder Arresters	21	21	21	21	21	21	126
UDLARM4N	AC Network Transformer Replacements	6	6	6	6	79	6	109
UDSARD8SE	ADD RECLOSE CONTROL CAPABILITY	8	8	8	23	23	23	92
UDSARD8S2	Scull: New Land	-	-	-	-	91	1	92
UDSARD8SC	ATLANTIC REG CKT SWITCHER UPGRADE	1	1	1	10	38	25	75
UDSARD8A11	Scull T2: Replace LTC	-	-	-	-	42	-	42
UDSARD8B	DIST MISC SUBSTATION RELAY BLANKET	5	5	5	5	5	5	32
UDSARD8RB	Williamstown - Retire 69/34 kV equipment	-	-	-	-	25	-	25
UDLARM4GS1	Carneys Point to Churchtown Transfer	4	5	2	3	11	-	25
UDLARM4A1	Relocate 12kV Feeder Arresters (LineSup)	-	-	-	6	6	6	19
UDSARD9SH	BEESEYS POINT - CONVERT 4 TO 12KV	4	3	2	-	-	-	9
UDLARM4GA1	Carneys Point Sub 4 kV to 12 kV	3	0	2	1	-	-	7
UDSARD8G1	ATLANTIC REG - 40MVA MOBILE TRANSFORMER	1	1	1	1	1	1	4
Total System Performance Plant Closing		<u>\$ 14,852</u>	<u>\$ 937</u>	<u>\$ 867</u>	<u>\$ 4,014</u>	<u>\$ 4,242</u>	<u>\$ 3,019</u>	<u>\$ 27,931</u>
T&D Automation								
UORAORCA	Install Radio Controllers	197	197	197	304	304	304	1,502
UORAOR1P	PVILLE COMM WORK-COLL TO DATA NETWORK	181	181	181	181	181	181	1,087
UORAODA1G	GLASSBORO COM WRK-RADIOS INLINE EQUIPMNT	37	37	37	222	162	37	531
UDLARDA1	DA ATL DISTRIBUTION AUTOMATION	3	3	3	499	3	3	517
UORAODA1P	PVILL COMM WORK: RADIOS INLINE EQUIPMENT	0	0	0	185	64	0	250
UDSARDA1	ATL REG SUB AUTOMATION-DOE REIMBURSABLE	7	7	7	17	78	82	197

UORAORCPP	PVILLE - RADIO CONTROL FOR CAP CNTRL	-	-	-	46	46	46	139
UORAORCPG	Install Radio-Control for Capacitor Cont	1	1	1	43	43	35	124
UDLARM4PT	P'ville Install Capacitor Bank Heads	-	-	-	39	39	40	118
UORAORBAP	Rpic Batteries-Devices & Radio-P'ville	-	-	-	11	11	11	34
UORAORBAG	Rpic Batteries-Devices & Radio-Glassboro	-	-	-	11	11	11	34
UORAODA1W	WINSLOW COMM WORK-RADIOS INLINE EQUIPMNT	0	0	0	15	0	0	17
UORAORBAW	Replace Batteries in Automated Winslow	-	-	-	2	2	2	5
UORAORBAC	Replace Batteries in Auto Field Device	-	-	-	2	2	2	5
Total T&D Automation Plant Closing		\$ 426	\$ 426	\$ 426	\$ 1,578	\$ 948	\$ 755	\$ 4,560

Emergency

UDLARM3G1	Glassboro-Emergency Restoration Blanket	2	2	2	1,137	1,209	1,167	3,519
UDLARM3P1	P'ville-Emergency Restoration Blanket	36	36	36	705	872	928	2,615
UDLARM3C1	Capemay-Emergency Restoration Blanket	104	104	104	471	493	486	1,764
UDLARM3W1	Winslow-Emergency Restoration Blanket	1	1	1	397	452	411	1,263
UDSARD71	ATLANTIC DISTRIBUTION SUBST EMERGENCY	120	120	120	194	197	189	939
UORAOR1	ATL REGION UNSCHEDULE RADIO	33	33	33	101	101	33	336
UORAOR30	ATL EMERGENCY RADIO REPAIR LN EQUIPMNT	44	44	44	44	44	44	266
UDLARM40	Atlantic Reg-Repac Failed Submarine/ Ne	11	11	11	59	67	59	216
UOFAOF1	ATL REGION UNSCHEDULE FIBER	26	26	26	26	26	26	159
Total Emergency Plant Closing		\$ 378	\$ 378	\$ 378	\$ 3,135	\$ 3,461	\$ 3,345	\$ 11,076

Customer Driven

UDLACS1G	Glassboro - New Services & Street Light	2	2	2	411	454	428	1,299
UDLACS1P	P'ville - New Services & Street Light	(15)	(15)	(15)	312	375	345	989
UDLACS1C	Cape May - New Services & Street Light	43	43	43	173	185	181	668
UDLACH0W	Winslow - Highway Relos Blanket	80	80	80	105	109	106	561
UDLACH0G	Glassboro - Highway Relos Blanket	40	40	40	111	113	112	454
UDLACS1W	Winslow - New Services & Street Light	1	1	1	136	161	142	443
UDLACH0C	Capemay - Highway Relocations	49	49	49	81	84	83	393
UDLACS2P	New Load-P'ville-Res Infrastructure	13	13	13	70	82	77	268
UDLACMR1	Atlantic Meter Blanket	-	-	-	17	242	7	266
UDLACH0P	P'ville - Highway Relos Blanket	14	14	14	64	75	69	248
UDLACS2G	New Load-Glassboro-Infrastructure	(5)	(5)	(5)	34	35	35	87
UDLACS2W	New Load-Winslow-Res Infrastructure	1	1	1	13	16	13	45
UDLACS2C	New Load-Capemay-Res Infrastructure	(1)	(1)	(1)	6	7	6	15
UDLACS3C	Capemy - Facility Relocations -Non Hwy	(5)	(5)	(5)	6	8	7	6
UDLACSOL	Solar Projects - Dist Line Upgrades	(23)	(23)	(23)	(7)	(3)	(5)	(84)
UDLACS3W	Winslow - Facility Relocations -Non Hwy	(27)	(27)	(27)	(18)	(15)	(17)	(131)
UDLACS3P	P'ville - Facility Relocations -Non Hwy	(79)	(79)	(79)	(40)	(30)	(35)	(341)
UDLACS3G	Glassboro - Facility Relocations -Non Hwy	(91)	(91)	(91)	(75)	(71)	(73)	(491)
Total Customer Driven Plant Closing		\$ (2)	\$ (2)	\$ (2)	\$ 1,397	\$ 1,825	\$ 1,481	\$ 4,697

General

UOICO055	PD IT Hardware Blanket - PHI (UOICO055)	345	345	345	438	438	438	2,349
UOICONS	North Star Blanket (UOICONS)	-	-	-	765	765	765	2,296
UORAOR22	ACE REG - LAND MOBILE RADIO SYS REPLMNT	299	299	299	299	299	299	1,796
UOFAOF32	ACE ROUTER BINARY UPGRADES	262	262	262	333	333	333	1,785
CMP163	Atlantic Region: Upgrade Fuel Island	-	-	-	-	929	-	929
UOFAOF2	ATL REGION SUBSTATION ENTRANCES	154	154	154	154	154	154	924
UOICO	Technology Blanket (UOICO)	42	42	42	165	167	170	627
UOICBMR10	Smart Grid Services (UOICBMR10)	60	60	60	93	93	93	459
UOICOCFW	Centralized Firewall Clusters & Management Appliance (UOICOCFW)	58	58	58	67	67	67	375
UORAORVR	ATL REGION - VEHICLE RADIO INSTALLATION	61	61	61	61	61	61	367
UOFAOOCR	Churchtown Reconfiguration	-	-	331	-	-	-	331
UOFAOF33	ACE REG - IDS DESIGN BUILD INSTALL	23	23	23	82	82	82	315
UOTAOGT1	All General Equipment Blanket	11	11	11	61	61	61	216
CMP82-2010	ACE Office Furniture & Equipment	17	17	17	101	17	17	184
UORAQ2015	ACE Telemetrics Replacement	28	28	28	28	28	28	169
CMP76-2009	ACE Additions & Improvements	-	-	-	125	-	-	125
UORAORBSP	DA ATL PV Broadband Wireless Base Units	19	19	19	19	19	19	114
UOFAOPSFE	High SVPaulsboro Sub Fiber Entrances	103	-	-	-	-	-	103
CMP172	CP Roof top critical HVAC 4-65 ton units	-	-	100	-	-	-	100
UOICOECH	Telecom Engineering Central Hardware (UOICOECH)	12	12	12	20	20	20	96
UOIAO001	Mobile Data Terminals ACE	-	-	-	25	25	25	75
UOICOCSC	Power Delivery Cyber Security Clusters (UOICOCSC)	8	8	8	14	14	14	64
CMP140	Atl Reg:Electric Vehicles	-	-	-	13	13	13	38
CMP112	Green Initiatives	-	-	-	15	15	-	30
CMP164	HVAC Replacement All OPS	-	-	-	-	25	-	25
UOTAOMR1	Meter - Tools for Atlantic Region	-	-	-	7	7	7	22
UOICOCTC	Power Delivery Network Central Time Clocks (UOICOCTC)	2	2	2	5	5	5	22
UOICONOCH	PHI Network Operating Center Hardware (UOICONOCH)	-	-	-	6	6	6	18
UOICBMR12	Enterprise Network Access Control System (UOICBMR12)	-	-	-	4	4	4	12
UDLAMSS	ACE-Removal & Salvage Capitalized Equip.	-	-	-	(12)	(1)	(1)	(15)

UDLAOSV5	All Reg Salvage Scrap Wire/Cable	-	-	-	(209)	(20)	(20)	(248)
Total General Plant Closing		<u>\$ 1,504</u>	<u>\$ 1,401</u>	<u>\$ 1,832</u>	<u>\$ 2,680</u>	<u>\$ 3,626</u>	<u>\$ 2,660</u>	<u>\$ 13,703</u>
Total Plant Closing		<u>\$ 17,257</u>	<u>\$ 3,228</u>	<u>\$ 3,588</u>	<u>\$ 14,145</u>	<u>\$ 15,136</u>	<u>\$ 12,380</u>	<u>\$ 65,733</u>

Atlantic City Electric Company
12+0 Months Ending July 2017
August 2017 - January 2018 Plant Closings
Tax Calculation to Determine 2017 Portion of Deferred
Income Taxes That Do Defer Tax Due to NOLC in 2017

(1) Line No.	(2) <u>Item</u>			(3) Aug 2017 - Jan 2018 \$			
1	Earnings						
2	Distribution						
3	Book Depreciation Expense	2.43%		\$897,086			
4							
5	State Tax Depreciation Expense - MACRS	3.75%	\$1,586,635				
6	Federal Tax Depreciation Expense - Bonus	50.00%	\$21,155,131				
7	Federal Tax Depreciation Expense - Bonus	40.00%	\$0				
8	Federal Tax Depreciation Expense - MACRS	3.75%	\$793,317				
9							
10	General						
11	Book Depreciation Expense	5.43%		\$338,228			
12							
13	State Tax Depreciation Expense - MACRS	14.29%	\$1,468,709				
14	Federal Tax Depreciation Expense - Bonus	50.00%	\$5,133,378				
15	Federal Tax Depreciation Expense - Bonus	40.00%	\$0				
16	Federal Tax Depreciation Expense - MACRS	14.29%	\$733,354				
17							
18	Deferred State Income Tax			\$163,623			
19	Deferred Federal Income Tax			\$9,245,686			
20	State income Tax			(\$274,801)			
21	Federal Income Tax			(\$9,639,133)			
22	Total Expense			\$730,688			
23							
24	Earnings			<u>(\$730,688)</u>			
25							
26	Rate Base						
27	Plant in Service						
28	Distribution						
29	Distribution Plant Closings			\$42,310,262			
30	Retirements			(\$5,393,160)			
31	Adjustment to Plant in Service			\$36,917,103			
32							
33	General						
34	General Plant Closings			\$11,043,085			
35	Retirements			(\$4,343,212)			
36	Adjustment to General Plant Closings			\$6,699,873			
37	Distribution Allocation Ratio			92.97%			
38	Adjustment to General Plant Closings			\$6,228,872			
39							
40	Depreciation Reserve						
41	Depreciation Expense			\$1,585,624			
42	Retirements			(\$9,431,044)			
43	Adjustment to Depreciation Reserve			(\$7,845,420)			
44							
45	Net Plant			\$50,991,394			
46							
47	Deferred State Income Tax			\$0 *			
48	Deferred Federal Income Tax			(\$9,245,686) **			
49							
50	Net Rate Base Adjustment			<u>\$41,745,708</u>			
51							
52	Plant Closings						
53		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
54	Capacity Expansion	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18
55	Corrective Capital Replacement	88,965	77,622	77,842	90,545	130,224	-
56	System Performance	8,610	8,610	8,610	1,252,069	903,336	-
57	T&D Automation	14,851,751	937,443	866,552	4,013,812	4,242,036	-
58	Emergency	426,349	426,349	426,349	1,577,823	947,737	-
59	Customer Driven	378,463	378,463	378,463	3,134,844	3,461,362	-
60	General Plant	(1,779)	(1,779)	(1,779)	1,396,615	1,825,157	-
61	Total	1,504,364	1,400,946	1,831,742	2,679,587	3,626,446	-
62		17,256,722	3,227,654	3,587,579	14,145,085	15,136,298	-
63							

* Company is in State NOLC Position, all Plant Closing adjustments state deferred income taxes show \$0

** Company is projecting its Federal NOLC balance to be increasing in 2017 and decreasing in 2018. Deferred taxes related to Plant Closings in 2017 reflect an NOLC Deferred Tax Asset offset. Plant Closings in 2018 do not reflect an NOLC DTA offset.

Atlantic City Electric Company
12+0 Months Ending July 2017
February 2018 - March 2018 Plant Closings
Adjustment No. 22

(1) Line No.	(2) <u>Item</u>	(3) Feb 2018 - Mar 2018 \$		
1	<u>Earnings</u>			
2	Distribution			
3	Book Depreciation Expense	2.43%	\$	107,189
4				
5	State Tax Depreciation Expense - MACRS	3.75%	\$	246,313
6	Federal Tax Depreciation Expense - Bonus	40.00%	\$	2,627,335
7	Federal Tax Depreciation Expense - MACRS	3.75%	\$	147,788
8				
9	Deferred State Income Tax			\$12,521
10	Deferred Federal Income Tax			\$929,394
11	State Income Tax			(\$22,168)
12	Federal Income Tax			(\$963,534)
13	Total Expense			<u>\$ 63,402</u>
14				
15	Earnings			<u>\$ (63,402)</u>
16				
17	<u>Rate Base</u>			
18	Plant in Service			
19	Distribution Plant Closings		\$	6,568,337
20	Retirements		\$	(2,157,264)
21	Adjustment to Plant in Service		\$	4,411,073
22				
23	Depreciation Reserve			
24	Depreciation Expense		\$	159,611
25	Retirements		\$	(2,157,264)
26	Adjustment to Depreciation Reserve		\$	(1,997,653)
27				
28	Net Plant		\$	6,408,727
29				
30	Deferred State Income Tax		\$	-
31	Deferred Federal Income Tax		\$	(929,394) **
32				
33	Net Rate Base Adjustment		\$	<u>5,479,332</u>
34				
35				
36	<u>Distribution Plant Closings</u>			
37		Forecast	Forecast	
		Feb-18	Mar-18	Total
38	Capacity Expansion	\$ 86,527	\$ 86,527	\$ 173,055
39	Corrective Capital Replacement	\$ 300,380	\$ 300,380	\$ 600,760
40	System Performance	\$ 1,008,702	\$ 1,695,997	\$ 2,704,700
41	T&D Automation	\$ 169,876	\$ 169,876	\$ 339,752
42	Emergency	\$ 1,375,036	\$ 1,375,036	\$ 2,750,071
43	Total	<u>\$ 2,940,521</u>	<u>\$ 3,627,816</u>	<u>\$ 6,568,337</u>
44				

* Company is in State NOLC Position, all Plant Closing adjustments state deferred income taxes show \$0

** Company is projecting its Federal NOLC balance to be decreasing in 2018.
Thus, there is no Federal NOLC offset for 2018 Plant Closing adjustments.

Atlantic City Electric Company
Forecasted Closings to Plant in Service

(Dollar in Thousands)

Budget No.	Budget Description	Forecast Feb-18	Forecast Mar-18	Total
<u>Capacity Expansion</u>				
UDLAPN7D	ACE Reg-Underbuilt Distribution Rebuild	65	65	130
UDLALM7G	Feeder Load Relief-Glassboro	14	14	28
UDLALM7P	Feeder Load Relief-P'ville	6	6	11
UDLALM7C	Feeder Load Relief-Capemay	2	2	4
Total Capacity Expansion Plant Closing		<u>\$ 87</u>	<u>\$ 87</u>	<u>\$ 173</u>
<u>Corrective Capital Replacement</u>				
UDLARM4E	Atlantic Reg - Dist Reject Pole Rplmt	167	167	333
UDLARM4GA	Misc Distr Blanket-Glassboro	23	23	45
UDLARM4WA	Misc Distr Blanket -Winslow	21	21	43
UDLARM4PA	Misc Distr Blanket-P'ville	21	21	42
UDSARD8V	ACE - DIST SUBST NERC PHYSICLE SECURITY	14	14	28
UDSARD9D	IR ATL SUB DETERIORATE DIST BKRS REPLMNT	13	13	26
UDLARM4H	Avian Protection - Improvements	13	13	26
UDLARM4CA	Misc Distr Blanket-Capemay -Capemay	13	13	26
UDSARD8F	ATLANTIC DIST SUBSTATION BUSHING REPLMNT	3	3	7
UDLARM4CC	Cape May-Replace Deteriorated BD Cable	3	3	6
UDLARM4GC	Glassboro-Replace Deteriorated BD Cable	3	3	6
UDLARM4PC	Pleasantville-Replace Deteriorated BD Ca	3	3	6
UDLARM4WC	Winslow - Replace Deteriorated 8D Cable	3	3	6
UDSARD8E	ATL BATTERY & CHARGER REPLMNT	1	1	3
Total Corrective Capital Replacement Plant Closing		<u>\$ 300</u>	<u>\$ 300</u>	<u>\$ 601</u>
<u>System Performance</u>				
UDLARM4A2	ACR Installatons - ACE	480	480	960
UDLARM4GB	Penns Grove Sub-4kV to 12kV	-	687	687
UDLARM63A	ATL Reg-Misc Reliability Improvements	107	107	213
UDLARM4F	Priority Ckt Improve- Atl Reg	84	84	167
UDSARD8G	ATLANTIC - PHI SPARE TRANSFORMERS	65	65	130
UDLARM4AD	Planned URD Cable Replacement	51	51	102
UDLARM4A3	ACE - Single Phase Recloser Device	42	42	84
UDLARM4AQ	ACE-Upg for Multiple Device Operations	42	42	83
UDLARM4N	AC Network Transformer Replacements	30	30	59
UDLARM4M	Atlantic Reg - Customer Reliability Impr	21	21	42
UDLARM4J	Atlantic Region - Recloser Replacements	17	17	34
UDSARD8A	ATL - SUBSTATION PLANNED IMPROV	17	17	33
UDSARD8J	Atlantic: Substation Animal Protection	15	15	30
UDLARM4AO	Padmount Transformer Replacements	13	13	27
UDSARD8M	ADD SCADA/RTU CAPABILITY	7	7	15
UDSARD8SE	ADD RECLOSE CONTROL CAPABILITY	7	7	15
UDSARD8F2	Replace GE Type U Bushings	6	6	12
UDSARD8SC	ATLANTIC REG CKT SWITCHER UPGRADE	3	3	7
UDLARM4A1	Relocate 12kV Feeder Arresters (LineSup)	2	2	4
Total System Performance Plant Closing		<u>\$ 1,009</u>	<u>\$ 1,696</u>	<u>\$ 2,705</u>
<u>T&D Automation</u>				
UORAORCA	Install Radio Controllers	50	50	100
UDSARDA1	ATL REG SUB AUTOMATION-DOE REIMBURSABLE	41	41	83
UORAORCPP	PVILLE - RADIO CONTROL FOR CAP CNTRL	23	23	45
UDLARM4PT	P'ville Install Capacitor Bank Heads	20	20	40
UORAORCPG	Install Radio-Control for Capacitor Cont	14	14	29
UORAORBAG	Rplc Batteries-Devices & Radio-Glassboro	4	4	7
UORAORBAP	Rplc Batteries-Devices & Radio-P'ville	4	4	7
UDLARM4CT	Cape May: Install Capacitor Bank Head	3	3	6
UDLARM4GT	Glassboro Install Capacitor Bank	3	3	6

UDLARM4WT	Winslow Install Capacitor Bank	3	3	6
UORAORCPC	Install Radio-Control for Capacitor Cont	2	2	3
UORAORCPW	Install Radio-Control for Capacitor Cont	2	2	3
UORAORBAC	Replace Batteries in Auto Field Device	1	1	1
UORAORBAW	Replace Batteries in Automated Winslow	1	1	1
UDLARDA1	DA ATL DISTRIBUTION AUTOMATION	0	0	0
UORAODA1P	PVILL COMM WORK: RADIOS INLINE EQUIPMENT	(0)	(0)	(0)
Total T&D Automation Plant Closing		<u>\$ 170</u>	<u>\$ 170</u>	<u>\$ 340</u>

Emergency

UDLARM3G1	Glassboro-Emergency Restoration Blanket	567	567	1,134
UDLARM3P1	P'ville-Emergency Restoration Blanket	398	398	796
UDLARM3W1	Winslow-Emergency Restoration Blanket	185	185	370
UDLARM3C1	Capemay-Emergency Restoration Blanket	177	177	354
UDSARD71	ATLANTIC DISTRIBUTION SUBST EMERGENCY	24	24	48
UDLARM40	Atlantic Reg-Repace Failed Submarine/ Ne	24	24	47
Total Emergency Plant Closing		<u>\$ 1,375</u>	<u>\$ 1,375</u>	<u>\$ 2,750</u>
Total Plant Closing		<u>\$ 2,941</u>	<u>\$ 3,628</u>	<u>\$ 6,568</u>

Atlantic City Electric Company
12+0 Months Ending July 2017
Reflect Credit Facilities Cost
Adjustment No. 23

(1) Line No.	(2) <u>Item</u>	(3) \$	
1	<u>Earnings</u>		
2	Expense	\$ 670,939	(1)
3			
4	State Income Tax	\$ (60,385)	
5	Federal Income Tax	\$ (213,694)	
6	Total Expense	<u>\$ 396,861</u>	
7			
8	Earnings	<u>\$ (396,861)</u>	
9			
10	<u>Rate Base</u>		
11	Amortizable Balance	<u>\$ 750,601</u>	(2)
12			
13			
14			
15	(1) Annual amortization of start-up costs	\$ 186,863	
16	Annual cost of maintaining credit facility	\$ 534,810	
17	Total ACE expense	<u>\$ 721,673</u>	
18			
19	ACE System	\$ 721,673	
20	Allocation to Distribution	<u>92.97%</u>	
21	ACE Distribution	\$ 670,939	
22			
23			
24	(2) Amortizable Balance	\$ 807,358	
25	Allocation to Distribution	<u>92.97%</u>	
26	ACE Distribution	<u>\$ 750,601</u>	

Atlantic City Electric Company
 12+0 Months Ending July 2017
Adjust Cost To Achieve (CTA)
 Adjustment No. 25

(1) Line No.	(2) Item	(3) Detail
1	<u>Earnings</u>	
2	Remove 12+0 July 2017 Test Period Costs to Achieve - Distribution	\$ (4,929,176)
3		
4	State Income Tax	\$ 443,626
5	Federal Income Tax	<u>\$ 1,569,943</u>
6	Total Expense	\$ (2,915,608)
7		
8	Earnings	<u>\$ 2,915,608</u>
9		
10	<u>Rate Base</u>	
11		
12	Regulatory Asset - CTA Balance	\$ 11,560,715 (1)
13		
14	Deferred State Income Tax	\$ (1,040,464)
15	Deferred Federal Income Tax	\$ (3,682,088)
16		
17	Total Rate Base	<u>\$ 6,838,163</u>
18		
19		
20	(1) Pre Test Period Cost To Achieve Expense - Distribution	\$ 6,631,540
21	Test Period Cost To Achieve Expense - Distribution	<u>\$ 4,929,176</u>
22	Total Cost To Achieve	\$ 11,560,715

Atlantic City Electric Company
12+0 Months Ending July 2017
Revenue Annualization
Resulting from Docket No. 16030252
Adjustment No. 26

(1) Line No.	(2) <u>Item</u>	(3) \$
1	Docket No. ER16030252 Approved - Effective 08/24/16	
2	Distribution Sales Revenues	\$ 45,000,000
3	Adjustment to Annualize Revenues	
4	Distribution Sales Revenues	\$ 2,782,258
5	<u>Expenses</u>	
6	Revenue Tax	\$ 7,957
7	State Income Tax	\$ 249,687
8	Federal Income Tax	\$ 883,615
9	Total Expense	<u>\$ 1,141,259</u>
10	Earnings	<u>\$ 1,640,999</u>

Atlantic City Electric Company
12+0 Months Ending July 2017
Cash Working Capital on Proforma Adjustments
Adjustment No. 27

(1) Line No.	(2) Adjustment	(3) Revenue	(4) O&M	(5) Deprec/Amort	(6) Other Taxes	(7) SIT	(8) DSIT	(9) FIT	(10) DFIT	(11) IOCD	(12) Total Expense	(13) Earnings
1	Weather Normalization	\$ (2,511,154)			\$ (7,182)	\$ (225,357)		\$ (797,515)			\$ (1,030,054)	\$ (1,481,099)
2	Proform Customer Count and Customer Usage as of January 2018	\$ 90,491			\$ 259	\$ 8,121		\$ 28,739			\$ 37,119	\$ 53,372
3	Adjust Declining Revenue in Rate Effective Period	\$ (4,337,075)			\$ (12,404)	\$ (389,220)		\$ (1,377,408)			\$ (1,779,032)	\$ (2,558,043)
4	Annualize Wage and FICA changes through April 2018		\$ 2,579,080			\$ (232,117)		\$ (821,437)			\$ 1,525,526	\$ (1,525,526)
5	Proform Wage Rate Changes for Rate Effective Period		\$ 209,871			\$ (18,888)		\$ (66,844)			\$ 124,139	\$ (124,139)
6	Annualize Benefit changes through July 2018		\$ 370,667			\$ (33,360)		\$ (118,057)			\$ 219,250	\$ (219,250)
7	Regulatory Commission Expense Adjustment		\$ 55,524			\$ (4,997)		\$ (17,684)			\$ 32,843	\$ (32,843)
8	Include Pension Asset and Return Related Expense		\$ (4,458,977)			\$ 401,308		\$ 1,420,184			\$ (2,637,485)	\$ 2,637,485
9	Include OPEB Liability and Return Related Expense		\$ (901,428)			\$ 81,129		\$ 287,105			\$ (533,195)	\$ 533,195
10	Adjust Pension Service Related Expense		\$ 45,442			\$ (4,090)		\$ (14,473)			\$ 26,879	\$ (26,879)
11	Adjust OPEB Service Related Expense		\$ (25,198)			\$ 2,268		\$ 8,026			\$ (14,905)	\$ 14,905
12	Remove Executive Incentive Expense		\$ (2,195,603)			\$ 197,604		\$ 699,299			\$ (1,298,699)	\$ 1,298,699
13	Adjust January 2017 Nor'easter Storm		\$ (1,151,955)			\$ 103,676		\$ 366,898			\$ (681,382)	\$ 681,382
14	Bow Echo & Jonas Storm Adjustment		\$ 381,501			\$ (34,335)		\$ (121,508)			\$ 225,658	\$ (225,658)
15	Adjust June 2016 Storm		\$ 515,563			\$ (46,401)		\$ (164,207)			\$ 304,955	\$ (304,955)
16	Normalize Injury & Damage Expense		\$ 1,776,649			\$ (159,898)		\$ (565,863)			\$ 1,050,888	\$ (1,050,888)
17	Mays Landing Complex Rent		\$ -			\$ -		\$ -			\$ -	\$ -
18	Annualize Depreciation Expense @ YE December 2016 Plant			\$ 1,445,796		\$ -	\$ (130,122)	\$ -	\$ (460,486)		\$ 855,188	\$ (855,188)
19	Servco Assets @ ACE Approved Depreciation Rates			\$ (521,939)		\$ 46,974		\$ 166,237			\$ (308,727)	\$ 308,727
20	Annualize BSC Depreciation Expense			\$ (3,370)		\$ 303		\$ 1,073			\$ (1,994)	\$ 1,994
21	Reflect Plant Additions from August 2017 through January 2018			\$ 1,535,730		\$ (339,404)	\$ 201,188	\$ (11,474,226)	\$ 10,985,096		\$ 908,384	\$ (908,384)
22	Reflect Plant Additions in February 2018 and March 2018			\$ 107,189		\$ (22,168)	\$ 12,521	\$ (963,534)	\$ 929,394		\$ 63,402	\$ (63,402)
23	Credit Facilities Fee		\$ 670,939			\$ (60,385)		\$ (213,694)			\$ 396,861	\$ (396,861)
24	Interest on Customer Deposit					\$ (3,042)		\$ (10,764)		\$ 33,795	\$ 19,990	\$ (19,990)
25	Adjust Cost To Achieve (CTA)		\$ (4,929,176)			\$ 443,626		\$ 1,569,943			\$ (2,915,608)	\$ 2,915,608
26	Reflect ACE Revenue Change ER16030252	\$ 2,782,258			\$ 7,957	\$ 249,687		\$ 883,615			\$ 1,141,259	\$ 1,640,999
27	Interest Synchronization					\$ (242,677)		\$ (858,806)			\$ (1,101,483)	\$ 1,101,483
28	Adjust Stella Storm		\$ (1,427,336)			\$ 128,460		\$ 454,607			\$ (844,269)	\$ 844,269
29												
30	Total	\$ (3,975,480)	\$ (8,484,436)	\$ 2,563,406	\$ (11,370)	\$ (153,183)	\$ 83,587	\$ (11,700,295)	\$ 11,454,004	\$ 33,795	\$ (6,214,491)	\$ 2,239,011
31	Cash Working Capital Ratio		6.723%	15.052%	17.488%	-1.126%	15.052%	-1.126%	15.052%			
32	Cash Working Capital Requirement		\$ (570,433)	\$ 385,845	\$ (1,988)					\$ -		\$ (186,576)

Atlantic City Electric Company
 12+0 Months Ending July 2017
Interest Synchronization
 Adjustment No. 28

(1) Line No.	(2) <u>Item</u>	(3) \$
1	Adjusted Rate Base	\$ 1,405,437,865
2		
3	Weighted Cost Rate	
4	Long Term Debt	2.75%
5		
6	Proforma Interest Expense	\$ 38,649,541
7		
8	Test Year Interest Expense	\$ 35,953,133
9		
10	Change in Interest Expense	\$ 2,696,409
11		
12	Taxable Income	\$ (2,696,409)
13		
14	Operating Expense	
15	State Income Tax	\$ (242,677)
16	Federal Income Tax	\$ (858,806)
17	Total Expense	\$ (1,101,483)
18		
19	Earnings	\$ 1,101,483

PEPCO HOLDINGS INC.		TAXABLE INCOME BY AFFILIATE - 2012 - 2016 (2016 Estimated)							
CONFIDENTIAL									
BUS. ACTIVITY	2012	2013	2014	2015	Estimated 2016	SUM()	Positive	Negative	
REGULATED UTILITIES									
Redacted	Redacted	\$ (113,463,532)	\$ (7,575,416)	\$ 37,603,785	\$ 71,275,980	\$ (83,072,199)	\$ (95,231,372)	\$ (95,231,372)	
Redacted	Redacted	\$ (98,298,322)	\$ (122,070,189)	\$ (120,265,313)	\$ (87,016,071)	\$ (97,052,164)	\$ (504,702,059)	\$ (504,702,059)	
Redacted	Redacted	\$ (353,893,083)	\$ (158,297,949)	\$ (146,949,046)	\$ 10,151,429	\$ (38,347,074)	\$ (687,335,723)	\$ (687,335,723)	
Redacted	Redacted					\$ 126,432,104	\$ 126,432,104	\$ 126,432,104	
Redacted	Redacted					\$ 195,888,270	\$ 195,888,270	\$ 195,888,270	
Redacted	Redacted					\$ (521,353,773)	\$ (521,353,773)	\$ (521,353,773)	
OTHER (*)									
Redacted	Redacted					\$ (432,677,995)	\$ (432,677,995)	\$ (432,677,995)	
Redacted	Redacted					\$ 1,346,602,273	\$ 1,346,602,273	\$ 1,346,602,273	
Redacted	Redacted	\$ (163,912)	\$ (149,208)	\$ (78,841)	\$ (92,614)	\$ (18,119)	\$ (502,694)	\$ (502,694)	
Redacted	Redacted	\$ (1,366,055)	\$ (1,165,945)	\$ (1,017,386)	\$ (1,000,740)	\$ (380,765)	\$ (4,910,891)	\$ (4,910,891)	
Redacted	Redacted	\$ 91,143	\$ (54,694)	\$ 139,535	\$ 183,908	\$ 251,206	\$ 611,098	\$ 611,098	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted	\$ 609,074	\$ 357,192	\$ 710,711	\$ 1,254,095	\$ (900,509)	\$ 2,030,563	\$ 2,030,563	
Redacted	Redacted	\$ (746)	\$ (22,630)	\$ 8,228	\$ 1,141,512	\$ (900,290)	\$ 226,074	\$ 226,074	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted	\$ 3,392,581	\$ 6,592,209	\$ 7,370,494	\$ (307,992)	\$ (3,636,200)	\$ 13,411,092	\$ 13,411,092	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted	\$ (38,520)	\$ 79,444	\$ 140,708	\$ (45,963)	\$ (39,970)	\$ 95,699	\$ 95,699	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted	\$ 356,514	\$ 338,967	\$ 363,869	\$ 389,686	\$ 194,827	\$ 1,643,863	\$ 1,643,863	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted	\$ 404,219	\$ (56,247)	\$ 13,989	\$ 73,522	\$ (503,256)	\$ (67,773)	\$ (67,773)	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted	\$ 1,272,277	\$ 546,701	\$ (3,243,178)	\$ (33,031)	\$ (7,399)	\$ (1,464,630)	\$ (1,464,630)	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted					\$ -	\$ -	\$ -	
Redacted	Redacted	\$ 1,273,532	\$ 717,245	\$ (260,689)	\$ 201,032	\$ (38,938)	\$ 1,892,182	\$ 1,892,182	
Redacted	Redacted	\$ 46,553	\$ (14,612)	\$ (13,849)	\$ 47,625	\$ 22,645	\$ 88,352	\$ 88,352	
Redacted	Redacted					\$ -	\$ -	\$ -	

PEPCO HOLDINGS INC.										
TAXABLE INCOME BY AFFILIATE - 2012 - 2016 (2016 Estimated)										
CONFIDENTIAL										
										Estimated
Redacted	Redacted									\$ -
Redacted	Redacted									\$ -
Redacted	Redacted									\$ -
Redacted	Redacted									\$ -
Redacted	Redacted									\$ -
Redacted	Redacted									\$ -
Redacted	Redacted									\$ -
Redacted	Redacted									\$ -
Redacted	Redacted	\$ (31,087,486)	\$ (66,092,728)	\$ (69,377,199)	\$ (56,530,742)	\$ (36,902,294)	\$ (259,990,449)			\$ (259,990,449)
Redacted	Redacted									\$ -
Redacted	Redacted	\$ (48,803,725)	\$ 14,348,960	\$ 23,644,684	\$ 2,678,998	\$ (9,866,653)	\$ (17,997,736)			\$ (17,997,736)
Redacted	Redacted	\$ 98,156,152	\$ 161,660,800	\$ (24,204,708)	\$ (23,970,958)	\$ (22,213,317)	\$ 189,427,969	\$ 189,427,969		
Redacted	Redacted	\$ -	\$ -	\$ -						\$ -
Redacted	Redacted									\$ -
Redacted	Redacted	\$ (37,551)	\$ (21,202)	\$ -	\$ 72	\$ 41	\$ (58,640)			\$ (58,640)
Redacted	Redacted	\$ (107,753)	\$ (61,244)	\$ -	\$ 227	\$ 135	\$ (168,635)			\$ (168,635)
Redacted	Redacted	\$ -	\$ -	\$ -						\$ -
Redacted	Redacted									\$ -
Redacted	Redacted									\$ -
Redacted	Redacted									\$ -
Redacted	Redacted									\$ -
Redacted	Redacted									\$ -
Redacted	Redacted	\$ 382	\$ 20	\$ 1,514	\$ (1,355)	\$ 1,456	\$ 2,017	\$ 2,017		
Redacted	Redacted									\$ -
Redacted	Redacted									\$ -
Redacted	Redacted	\$ (803,545)	\$ -	\$ -			\$ (803,545)			\$ (803,545)
Redacted	Redacted	\$ -	\$ -	\$ -						\$ -
Redacted	Redacted	\$ -	\$ -	\$ -						\$ -
Redacted	Redacted	\$ -	\$ -	\$ -						\$ -
Redacted	Redacted									\$ -
Redacted	Redacted	\$ (135,157)	\$ (179,060)	\$ 8,754	\$ 149,711	\$ 31,267	\$ (124,485)			\$ (124,485)
Redacted	Redacted									\$ -
Redacted	Redacted									\$ -
Redacted	Redacted	\$ 19,278,799	\$ 178,813,191	\$ 25,830,915	\$ 27,385,986	\$ 6,542,183	\$ 257,831,074	\$ 257,831,074		
Redacted	Redacted	\$ -	\$ -	\$ -						\$ -
Redacted	Redacted	\$ (52,902,350)	\$ 367,260	\$ (24,748,089)	\$ (24,699,348)	\$ (9,599,023)	\$ (111,581,550)			\$ (111,581,550)
Redacted	Redacted									\$ -
Redacted	Redacted									\$ -
Redacted	Redacted									\$ -
Redacted	Redacted									\$ -
Redacted	Redacted	\$ 33,743	\$ 258,546	\$ (3,137)	\$ (4,955)	\$ (773)	\$ 283,424	\$ 283,424		
Redacted	Redacted	\$ 14,022,575	\$ 7,105,348	\$ 13,138,640	\$ 10,611,456	\$ (2,451,371)	\$ 42,426,648	\$ 42,426,648		
Redacted	Redacted	\$ (62,450)	\$ -	\$ -			\$ (62,450)			\$ (62,450)
Redacted	Redacted									\$ -
Redacted	Redacted									\$ -
Redacted	Redacted									\$ -
Redacted	Redacted									\$ -
TOTAL		\$ (562,226,643)	\$ 15,424,759	\$ (281,185,609)	\$ (48,178,520)	\$ 416,024,324	\$ (460,141,689)	\$ 2,178,892,712	\$ 2,639,034,401	
(*) Note: All companies are regulated in some fashion e.g., SEC, IRS and State taxing authorities, etc.										
Item										
Cumulative Losses		\$ (699,448,425)	\$ (340,406,267)	\$ (304,407,840)	\$ (65,042,597)	\$ (1,229,729,272)	\$ (2,639,034,401)			
Cumulative Gains		\$ 137,221,782	\$ 355,831,026	\$ 23,222,231	\$ 16,884,077	\$ 1,645,753,596	\$ 2,178,892,712			
Tax Rate		35.00%	35.00%	35.00%	35.00%	35.00%				
Tax Benefit		\$ (244,806,949)	\$ (119,142,193)	\$ (106,542,744)	\$ (22,764,909)	\$ (430,405,245)	\$ (923,662,040)			
AMT										\$ -
Net Tax Benefit		\$ (244,806,949)	\$ (119,142,193)	\$ (106,542,744)	\$ (22,764,909)	\$ (430,405,245)	\$ (923,662,040)			
ACE's % of Total Taxable Income										0.00%
CTA Balance										\$0
Gross Plant in Service										
Generation		\$ 10,110,124	\$ 10,110,124	\$ 10,110,124	\$ -	\$ -				
Transmission		\$ 739,385,155	\$ 787,143,444	\$ 838,508,779	\$ 967,555,316	\$ 1,124,448,199				
Distribution		\$ 1,706,475,357	\$ 1,821,464,405	\$ 1,930,544,115	\$ 2,012,376,878	\$ 2,084,878,611				
Total		\$ 2,455,970,636	\$ 2,618,717,973	\$ 2,779,161,018	\$ 2,979,932,194	\$ 3,209,326,810				
Generation		0.41%	0.39%	0.36%	0.00%	0.00%				
Transmission		30.11%	30.06%	30.17%	32.47%	35.04%				

PEPCO HOLDINGS INC.						
TAXABLE INCOME BY AFFILIATE - 2012 - 2016 (2016 Estimated)						
CONFIDENTIAL						
						Estimated
Distribution		69.48%	69.56%	69.46%	67.53%	64.96%
Total		100.00%	100.00%	100.00%	100.00%	100.00%

Schedules (KMMc)-1
through 14

Atlantic City Electric Company
12+0 Months Ending July 2017
Wage and FICA Adjustment
Proforma Wage Rate Changes effective within Nine Months of End of Test Year
(for changes effective by April 30, 2018)
Adjustment No. 4

(1) Line No	(2) <u>Item</u>	(3) <u>Total</u>
1	<u>Salary and Wage Adjustment</u>	
2	Change in Expense due to labor rate change	\$ 2,473,123
3		
4	State Income Tax	\$ (222,581)
5	Federal Income Tax	\$ (787,690)
6		
7	Total Expense	\$ 1,462,853
8		
9	Earnings	<u>\$ (1,462,853)</u>
10		
11	<u>FICA Adjustment</u>	
12	Change in FICA Expense due to labor rate change	\$ 105,957
13		
14	State Income Tax	\$ (9,536)
15	Federal Income Tax	\$ (33,747)
16		
17	Total Expense	\$ 62,673
18		
19	Earnings	<u>\$ (62,673)</u>
20	Total Earnings Adjustment	<u>\$ (1,525,526)</u>

Atlantic City Electric Company
 12+0 Months Ending July 2017
Proform Wage Rate Changes effective for Rate Effective Period
 (for changes effective by October 1, 2018)
 Adjustment No. 5

(1) Line No	(2) <u>Item</u>	(3) <u>Total</u>
1	<u>Salary and Wage Adjustment</u>	
2	Change in Expense due to labor rate change	\$ 201,249
3		
4	State Income Tax	\$ (18,112)
5	Federal Income Tax	<u>\$ (64,098)</u>
6		
7	Total Expense	\$ 119,039
8		
9	Earnings	<u>\$ (119,039)</u>
10		
11	<u>FICA Adjustment</u>	
12	Change in FICA Expense due to labor rate change	\$ 8,622
13		
14	State Income Tax	\$ (776)
15	Federal Income Tax	<u>\$ (2,746)</u>
16		
17	Total Expense	\$ 5,100
18		
19	Earnings	<u>\$ (5,100)</u>
20	Total Earnings Adjustment	<u><u>\$ (124,139)</u></u>

Atlantic City Electric Company
 12+0 Months Ending July 2017
Reflect Benefit Change Expense
 Adjustment No. 6

(1) Line No.	(2) Item	(3) Medical \$	(4) Dental \$	(5) Vision \$	(6) Total \$
1	12me July 2017 Benefits - ACE	\$ 13,830,053	\$ 913,919	\$ 454,749	\$ 15,198,720
2					
3	Percent Increase - 3 Year Average	4.21%	1.19%	8.34%	
4					
5	Benefits Increase - Rate Effective Period	\$ 582,245	\$ 10,876	\$ 37,926	\$ 631,047
6					
7	Benefits Recorded to O & M	63.18%	63.18%	63.18%	
8					
9	Benefits Increase to ACE O & M	\$ 367,863	\$ 6,871	\$ 23,962	\$ 398,695
10					
11	Benefits Increase to Distribution Function	92.97%	92.97%	92.97%	
12					
13	O & M Expense	\$ 342,002	\$ 6,388	\$ 22,277	\$ 370,667
14					
15	State Income Tax	\$ (30,780)	\$ (575)	\$ (2,005)	\$ (33,360)
16					
17	Federal Income Tax	\$ (108,928)	\$ (2,035)	\$ (7,095)	\$ (118,057)
18					
19	Total Expense	\$ 202,294	\$ 3,779	\$ 13,177	\$ 219,250
20					
21	Earnings	\$ (202,294)	\$ (3,779)	\$ (13,177)	\$ (219,250)

Atlantic City Electric Company
12+0 Months Ending July 2017
Regulatory Commission Expense Adjustment
Adjustment No. 7

(1) Line No.	(2) <u>Item</u>	(3) <u>\$</u>			
1	<u>Normalized Regulatory Expense</u>				
2	Adjustment to Test Period	\$ 161,552			(1)
3	Company's cost of case	<u>\$ 241,178</u>			(2)
4	Total Regulatory Expense	<u>\$ 402,731</u>			
5					
6	Test Year Regulatory Expenses	<u>\$ 347,206</u>			
7					
8	Adjustment to O & M Expense	\$ 55,524			
9					
10	Distribution Allocation	<u>100%</u>			
11					
12	Distribution Allocation Amount	\$ 55,524			
13					
14	State Income Tax	\$ (4,997)			
15					
16	Federal Income Tax	<u>\$ (17,684)</u>			
17					
18	Total Expense	\$ 32,843			
19					
20	Earnings	<u><u>\$ (32,843)</u></u>			
21					
22					
23	(1)				
24	Account 928:				
25	12 mo July 2015	\$ 3,598,638	Less BPU Assessments	\$ 328,285	Internal Expenses
26	12 mo July 2016	\$ 3,898,003		\$ 809,265	Reg Expense to be Normalized
27	12+0 mo July 2017	\$ 4,766,763		\$ 614,292	<u>\$ 347,206</u>
28	3 Year Average				<u>\$ 161,552</u>
29					
30	(2) Cost of outside counsel	\$ 580,000			
31	Return on Equity witness	\$ 90,035			
32	Public notices	\$ 15,000			
33	Court reporters	\$ 30,000			
34	Miscellaneous	<u>\$ 8,500</u>			
35	Total incremental costs	<u>\$ 723,535</u>			
36					
37	3 Yr. Amortization - Current Base Rate Case	\$ 241,178			

Atlantic City Electric Company
12+0 Months Ending July 2017
January 2017 Nor'easter Storm Adjustment
Adjustment No. 13

(1) Line No.	(2) <u>Item</u>	(3) <u>Distribution</u>
1	<u>Earnings</u>	
2		
3	Remove Test Year Nor'easter Storm Expense	\$ (1,727,933)
4	Amortize January 2017 Nor'easter Storm Expenses	\$ 575,978 (1)
5	Total Operating Expense	<u>\$ (1,151,955)</u>
6		
7	State Income Tax	\$ 103,676
8	Federal Income Tax	\$ 366,898
9	Total Expenses	<u>\$ (681,382)</u>
10		
11	Earnings	<u>\$ 681,382</u>
12		
13	<u>Rate Base</u>	
14	Average Amortizable Balance	\$ 1,439,944 (2)
15		
16		
17	Deferred State Income Tax	\$ (129,595)
18	Deferred Federal Income Tax	\$ (458,622)
19		
20	Total Rate Base	<u>\$ 851,727</u>
21		
22		
23	(1) Jan 2017 Nor'easter Storm O&M Deferral - Amortizable Base	\$ 1,727,933
24	Amortization Period (Years)	<u>3</u>
25	Amortization Expense	575,978 (1)
26		
27		
28	(2) Unamortized Balance - Beg. Of Period	\$ 1,727,933
29	Amortization Expense - 1st Year	<u>\$ 575,978</u>
30	Unamortized Balance - End Of Period	\$ 1,151,955
31	Average - Year 1	\$ 1,439,944 (2)

Atlantic City Electric Company
12+0 Months Ending July 2017
Bow Echo Storm & Winter Storm Jonas Adjustment
Adjustment No. 14

(1) <u>Line</u> <u>No.</u>	(2) <u>Item</u>	(3) <u>Distribution</u>
1	<u>Earnings</u>	
2	Expense	
3	Annual Amount of Bow Echo Storm Amortization	\$ 4,441,298 (1)
4	Bow Echo Amortization in Cost of Service - (08/24/16-07/31/17)	<u>\$ 4,157,548</u>
5	Net Remaining Annual Amount of Bow Echo Amortization	\$ 283,750
6		
7	Annual Amount of Jonas Storm Amortization	\$ 1,530,016 (2)
8	Jonas Amortization in Cost of Service - (08/24/16-07/31/17)	<u>\$ 1,432,265</u>
9	Net Remaining Annual Amount of Jonas Amortization	\$ 97,751
10		
11	Adjust to Test Year -Annualize Bow Echo & Jonas approved treatment	\$ 381,501
12		
13	State Income Tax	\$ (34,335)
14	Federal Income Tax	<u>\$ (121,508)</u>
15	Total Expenses	\$ 225,658
16		
17	Earnings	<u><u>\$ (225,658)</u></u>
18		
19		
20	(1) Dkt No 16030252 Effective August 24, 2016	
21	Bow Echo Cost Per Dkt No 16030252	\$ 13,323,894
22	Amortization Period (Years)	<u>\$ 3</u>
23	Amortization Expense	\$ 4,441,298
24		
25	(2) Dkt No 16030252 Effective August 24, 2016	
26	Jonas Cost Per Dkt No 16030252	\$ 4,590,047
27	Amortization Period (Years)	<u>\$ 3</u>
28	Amortization Expense	<u>\$ 1,530,016</u>

Atlantic City Electric Company
12+0 Months Ending July 2017
June 2016 Storm Adjustment
Adjustment No. 15

(1) Line No.	(2) <u>Item</u>	(3) <u>\$</u>
1	<u>Earnings</u>	
2		
3	Remove Test Year June 2016 Storm Expense	\$ (53,922)
4	Amortize June 2016 Storm Expenses	\$ 569,485 (1)
5	Total Operating Expense	<u>\$ 515,563</u>
6		
7		
8	State Income Tax	\$ (46,401)
9	Federal Income Tax	\$ (164,207)
10	Total Expenses	<u>\$ 304,955</u>
11		
12	Earnings	<u>\$ (304,955)</u>
13		
14		
15	<u>Rate Base</u>	
16	Average Amortizable Balance	\$ 1,423,712 (2)
17		
18	Deferred State Income Tax	\$ (128,134)
19	Deferred Federal Income Tax	\$ (453,452)
20		
21	Total Rate Base	<u>\$ 842,126</u>
22		
23		
24	(1) June 2016 Storm O&M Deferral - Amortizable Base	\$ 1,708,455
25	Amortization Period (Years)	<u>3</u>
26	Amortization Expense	569,485 (1)
27		
28	(2) Unamortized Balance - Beg. Of Period	\$ 1,708,455
29	Amortization Expense - 1st Year	<u>\$ 569,485</u>
30	Unamortized Balance - End Of Period	\$ 1,138,970
31	Average - Year 1	\$ 1,423,712 (2)

Atlantic City Electric Company
12+0 Months Ending July 2017
Normalize Injury & Damage Expense
Adjustment No. 16

(1) Line No.	(2) <u>Item</u>	(3) <u>\$</u>
1	<u>Normalized Injury & Damage Expense</u>	
2	Three year average Injury & Damage Expense	\$ 1,382,331 (1)
3	Test Period Injury & Damage Expense	<u>\$ (528,661)</u>
4	Adjustment to O & M Expense	\$ 1,910,991
5		
6	Distribution Allocation	<u>92.97%</u>
7		
8	Distribution Allocation Amount	\$ 1,776,649
9		
10	State Income Tax	\$ (159,898)
11		
12	Federal Income Tax	<u>\$ (565,863)</u>
13		
14	Total Expense	\$ 1,050,888
15		
16	Earnings	<u><u>\$ (1,050,888)</u></u>
17		
18		
19		
20	(1) Injury & Damage Expense	
21	12 me July 2015	\$ 4,100,870
22	12 me July 2016	\$ 574,783
23	12+0 me July 2017	<u>\$ (528,661)</u>
24	3 Year Average	\$ 1,382,331

Atlantic City Electric Company
12+0 Months Ending July 2017
Reflect Mays Landing Complex Rent - Lower of Cost vs. Market
Adjustment No. 17

(1) Line No.	(2) Item	(3) \$	(4) %	(5) \$
1	<u>Earnings</u>			
2	Expense	\$ -		
3				
4	State Income Tax	\$ -		
5	Federal Income Tax	\$ -		
6	Total Expenses	<u>\$ -</u>		
7				
8	Earnings	\$ -		
9				
10	<u>Lower of Cost vs. Market Analysis</u>			
11	<u>Finished Space</u>			
12	# of Square Feet - Mays Landing Complex	84,885		
13				
14	Market Cost/Square Foot	\$ 21.00	100%	\$1,782,591
15	ACE - Actual Cost/Square Foot	\$ 15.68	75%	\$1,330,724
16	Difference (no adjustment needed - cost < market)	<u>\$ 5.32</u>	25%	\$451,867
17				
18	<u>Unfinished Space</u>			
19	# of Square Feet - Mays Landing Complex	134,386		
20				
21	Market Cost Per Square Foot			
22	Triple Net Rate	\$ 5.00		
23	Common Area Maintenance Rate	<u>\$ 4.21</u>		
24	Total	\$ 9.21	100%	\$1,237,699
25	ACE - Actual Cost/Square Foot	\$ 10.90	118%	\$1,464,310
26	Difference	<u>\$ (1.69)</u>	-18%	(\$226,611)
27				
28				
29				
30	<u>Finished & Unfinished Space</u>			
31	Market Cost/Square Foot		100%	\$3,020,290
32	ACE - Actual Cost/Square Foot		93%	\$2,795,034
33	Total (no adjustment needed - cost < market)		<u>7%</u>	\$225,256

Atlantic City Electric Company
 12+0 Months Ending July 2017
Annualization of Depreciation on Year-End Plant
 Adjustment No. 18

(1) Line No.	(2) Plant Category	(3) Annualized Depreciation Exp	(4) 12 ME July 2017 Depreciation Exp	(5) Adjustment	(6) ACE Distribution Allocator	(7) \$
1	Distribution	\$ 52,425,664	\$ 51,095,546	\$ 1,330,118	100.00%	\$ 1,330,118
2						
3	General	\$ 6,479,399	\$ 6,354,974	\$ 124,425	92.97%	\$ 115,678
4						
5	Total	\$ 58,905,063	\$ 57,450,520	\$ 1,454,543		\$ 1,445,796
6						
7						
8						\$ (130,122)
9						\$ (460,486)
10						<u>\$ 855,188</u>
11						
12						<u>\$ (855,188)</u>
13						
14						<u>\$ (855,188)</u>

Atlantic City Electric Company
12+0 Months Ending July 2017
Depreciation On Service Company Assets Using ACE Depreciation Rates
Adjustment No. 19

(1) Line No.	(2) <u>Item</u>	(3) <u>ACE Total</u>	(4) <u>Distribution %</u>	(5) <u>\$</u>
1	<u>Earnings</u>			
2	Depreciation	\$ (561,406)	92.97%	\$ (521,939)
3				
4	State Income Tax			\$ 46,974
5	Federal Income Tax			\$ 166,237
6	Total Expense			<u>\$ (308,727)</u>
7				
8	Earnings			<u><u>\$ 308,727</u></u>

Atlantic City Electric Company
12+0 Months Ending July 2017
Depreciation on EBSC (Exelon Business Service Company) Using ACE Depreciation Rates
Adjustment No. 20

(1) <u>Line</u> <u>No.</u>	(2) <u>Item</u>	(3) <u>Detail</u>
1	<u>Impact to Operating Income:</u>	
2	Forecasted EBSC Depreciation expenses allocated to ACE	\$ 4,560
3	Depreciation on EBSC using ACE Depreciation Rates	\$ 935
4	Adjustment on EBSC Depreciation allocated to ACE	<u>\$ (3,625)</u>
5	Distribution %	92.97%
6	Adjustment to ACE Distribution	<u>\$ (3,370.36)</u>
7		
8	State Income Tax	\$ 303
9	Federal Income Tax	\$ 1,073
10	Total Expense	<u>\$ (1,994)</u>
11	Earnings	<u>\$ 1,994</u>

Atlantic City Electric Company
12+0 Months Ending July 2017
Interest on Customer Deposits
Adjustment No. 24

(1) <u>Line</u> <u>No.</u>	(2) <u>Item</u>	(3) <u>\$</u>
1	Customer Deposit Balance at July 2017	\$ 30,764,439
2		
3	2017 Interest Rate	<u>0.40%</u>
4		
5	Annual Interest Expense	\$ 123,058
6		
7	12 ME July 2017 Interest Expense	<u>\$ 89,262</u>
8		
9	IOCD Expense	\$ 33,795
10		
11	Distribution Allocation	<u>100%</u>
12		
13	Distribution Allocation Amount	\$ 33,795
14		
15	State Income Tax	\$ (3,042)
16		
17	Federal Income Tax	<u>\$ (10,764)</u>
18		
19	Total Expense	\$ 19,990
20		
21	Earnings	<u><u>\$ (19,990)</u></u>

Atlantic City Electric Company
12+0 Months Ending July 2017
Stella Storm Adjustment
Adjustment No. 29

(1) Line No.	(2) <u>Item</u>	(3) <u>Distribution</u>
1	<u>Earnings</u>	
2		
3	Remove Test Year Stella Storm Expense	\$ (2,141,004)
4	Amortize Stella Storm Expenses	\$ 713,668 (1)
5	Total Operating Expense	<u>\$ (1,427,336)</u>
6		
7		
8	State Income Tax	\$ 128,460
9	Federal Income Tax	\$ 454,607
10	Total Expenses	<u>\$ (844,269)</u>
11		
12	Earnings	<u>\$ 844,269</u>
13		
14		
15	<u>Rate Base</u>	
16	Average Amortizable Balance	\$ 1,784,170 (2)
17		
18	Deferred State Income Tax	\$ (160,575)
19	Deferred Federal Income Tax	\$ (568,258)
20		
21	Total Rate Base	<u>\$ 1,055,336</u>
22		
23		
24	(1) Stella Storm O&M Deferral - Amortizable Base	\$ 2,141,004
25	Amortization Period (Years)	3
26	Amortization Expense	<u>713,668 (1)</u>
27		
28	(2) Unamortized Balance - Beg. Of Period	\$ 2,141,004
29	Amortization Expense - 1st Year	<u>\$ 713,668</u>
30	Unamortized Balance - End Of Period	\$ 1,427,336
31	Average - Year 1	\$ 1,784,170 (2)

ACE Cost of Service Workpapers

Atlantic City Electric
Rate of Return Analysis
12+0 Months Ending July 31, 2017

(1) Line Item	(2) Item	(3) 12+0 M/E July 2017 (4)	
		System Electric	Distribution
1	Rate Base		
2	Electric Plant in Service	\$ 3,608,509,374	\$ 2,375,739,706
3	Less: Depreciation Reserve	\$ 822,306,762	\$ 575,747,341
4	Net Plant in Service	\$ 2,786,202,612	\$ 1,799,992,365
5			
6	Plant Held For Future Use	\$ 12,811,808	\$ 6,695,987
7	Materials & Supplies	\$ 23,112,478	\$ 21,069,335
8	Cash Working Capital	\$ 121,287,155	\$ 84,038,659
9	Customer Advances	\$ (359,535)	\$ (359,535)
10	Customer Deposits	\$ (30,764,439)	\$ (30,764,439)
11	Def Federal and State Tax Balance	\$ (858,688,067)	\$ (564,521,436)
12	Total Rate Base	\$ 2,053,602,012	\$ 1,316,150,936
13			
14	Total Rate Base	\$ 2,053,602,012	\$ 1,316,150,936
15			
16	Earnings		
17	Operating Revenues	\$ 1,244,770,929	\$ 371,267,968
18			
19	O & M Expense	\$ 937,717,760	\$ 237,798,550
20	Deprec and Amort Expense	\$ 148,327,565	\$ 57,419,918
21	Taxes Other than Income Taxes	\$ 6,111,952	\$ 4,892,032
22	Net ITC Adjustment	\$ (369,512)	\$ (156,488)
23	IOCD	\$ 89,262	\$ 89,262
24	State Income Tax	\$ 2,000	\$ -
25	Federal Income Tax	\$ (16,197,917)	\$ (15,991,391)
26	Deferred SIT Expense	\$ 9,688,609	\$ 2,866,297
27	Deferred FIT Expense	\$ 47,258,139	\$ 26,134,898
28			
29	Total Operating Expenses	\$ 1,132,627,857	\$ 313,053,079
30			
31	Operating Income	\$ 112,143,072	\$ 58,214,889
32			
33	Rate of Return	5.46%	4.42%

Atlantic City Electric Company
Rate Base
12+0 Months Ending July 31, 2017

(1) Line Item	(2) Item	(3) Total System	(4) Allocator	(5) Distribution
1	Plant in Service			
2	Total Production	\$ -	DA	
3	Total Transmission	\$ 1,215,998,079	DA	
4	Total Distribution	\$ 2,153,939,631	DA	\$ 2,153,939,631
5	Total General	\$ 119,432,505	Labor	\$ 111,036,399
6	Total Intangible	\$ 15,709,336	Labor	\$ 14,604,970
7				
8	Service Company	\$ 103,429,823	Labor	\$ 96,158,707
9				
10	Total System Electric	\$ 3,608,509,374		\$ 2,375,739,706
11				
12	Depreciation & Amortization Reserves			
13	Production	\$ -	DA	
14	Transmission	\$ 238,765,294	DA	
15	Distribution	\$ 472,671,954	DA	\$ 472,671,954
16	General	\$ 39,009,415	Labor	\$ 36,267,053
17	Intangible	\$ 15,205,696	Labor	\$ 14,136,735
18				
19	Service Company	\$ 56,654,403	Labor	\$ 52,671,599
20				
21	Total Depreciation & Amort. Reserves	\$ 822,306,762		\$ 575,747,341
22				
23	Total Net Plant	\$ 2,786,202,612		\$ 1,799,992,365
24				
25	Plant Held For Future Use			
26	Production	\$ -		
27	Transmission	\$ 5,884,626		
28	Distribution	\$ 3,638,479	DA	\$ 3,638,479
29	General	\$ 3,288,703	Labor	\$ 3,057,507
30	Total Plant Held for Future Use	\$ 12,811,808		\$ 6,695,987
31				
32	Materials & Supplies			
33	Production	\$ -		
34	Transmission	\$ 2,043,143		
35	Distribution	\$ 21,069,335	DA	\$ 21,069,335
36	Labor	\$ -	Labor	\$ -
37	Total Materials & Supplies	\$ 23,112,478		\$ 21,069,335
38				
39	Total Cash Working Capital	\$ 121,287,155		\$ 84,038,659
40				
41	Customer Advances	\$ (359,535)	DA	\$ (359,535)
42				
43	Customer Deposits	\$ (30,764,439)	DA	\$ (30,764,439)
44				
45	Deferred State Income Taxes	\$ (185,005,927)		\$ (121,623,102)
46	- labor	\$ 681,165		\$ 633,279
47	- plant	\$ (185,687,092)		\$ (122,256,381)
48				
49	Deferred Federal Income Taxes	\$ (673,682,139)		\$ (442,898,334)
50	- labor	\$ 2,410,567		\$ 2,241,104
51	- plant	\$ (676,092,706)		\$ (445,139,438)
52				
53	Total Rate Base	\$ 2,053,602,012		\$ 1,316,150,936

Atlantic City Electric Company
Plant In Service
July 31, 2017

(1) Line Item	(2) Item	(3) Jul-17
1	Total Production	\$ -
2		
3	Total Transmission	\$ 1,215,998,079
4		
5	Total Distribution	\$ 2,153,939,631
6		
7	Total General	\$ 119,432,505
8		
9	Total Intangible	<u>\$ 15,709,336</u>
10		
11	Total ACE	\$ 3,505,079,551
12		
13	Service Company	<u>\$ 103,429,823</u>
14		
15	Total	<u><u>\$ 3,608,509,374</u></u>

Atlantic City Electric Company
Accumulated Depreciation Reserve
July 31, 2017

(1)	(2)	(3)
<u>Line</u>		Depreciation
<u>Item</u>	<u>Item</u>	Reserve
		<u>Jul-17</u>
1	Total Production	\$ -
2		
3	Total Transmission	\$ 238,765,294
4		
5	Total Distribution	\$ 472,671,954
6		
7	Total General	\$ 39,009,415
8		
9	Total Intangible	\$ 15,205,696
10		
11	Total ACE	\$ 765,652,359
12		
13	SERVCO	\$ 56,654,403
14		
15	Total	\$ 822,306,762

Atlantic City Electric Company
12+0 Months Ending July 31, 2017
Cash Working Capital Requirements

(1) Line No.	(2) Item	(3) Amount	(4) Revenue Lag	(5) Exp Lag	(6) Net lag	(7) Net lag %	(8) CWC Req.	(9) Distribution
1	O & M Expense							
2	Cost of Electric Supply	\$ 603,532,357	54.94	37.29	17.65	4.84%	\$ 29,184,510	\$ 29,184,510
3	O & M Distribution	\$ 237,798,550	54.94	30.40	24.54	6.72%	\$ 15,987,881	\$ 15,987,881
4	IOCD	\$ 89,262	54.94	365.00	-310.06	-84.95%	\$ (75,827)	\$ (75,827)
5	O & M Non-Distribution	\$ 96,386,853	54.94	30.40	24.54	6.72%	\$ 6,480,365	
6	Total	\$ 937,807,022					\$ 51,576,929	\$ 45,096,564
7								
8	Depreciation							
9	Distribution	\$ 57,419,918	54.94	0.00	54.94	15.05%	\$ 8,642,878	\$ 8,642,878
10	Non-Distribution	\$ 90,907,646	54.94	0.00	54.94	15.05%	\$ 13,683,469	
11	Total Depreciation	\$ 148,327,565					\$ 22,326,346	\$ 8,642,878
12								
13	Other							
14	Other Taxes Distribution	\$ 4,892,032	54.94	(8.89)	63.83	17.49%	\$ 855,503	\$ 855,503
16	Other Taxes Non-Distribution	\$ 1,219,920	54.94	(8.89)	63.83	17.49%	\$ 213,336	
17	Sales Taxes on sales revenues	\$ 71,180,563	54.94	(51.10)	106.04	29.05%	\$ 20,679,416	\$ 20,679,416
18	FIT and SIT Distribution	\$ (15,991,391)	54.94	59.05	(4.11)	-1.13%	\$ 180,067	\$ -
19	FIT and SIT Non-Distribution	\$ (204,527)	54.94	59.05	(4.11)	-1.13%	\$ 2,303	
20	Net ITC Adjustment	\$ (156,488)	54.94	59.05	(4.11)	-1.13%	\$ 1,762	\$ 1,762
21	Deferred Tax Distribution	\$ 29,001,195	54.94	0.00	54.94	15.05%	\$ 4,365,276	\$ -
22	Deferred Tax Non-Distribution	\$ 27,945,553	54.94	0.00	54.94	15.05%	\$ 4,206,380	
23	Invested Capital Distribution	\$ 58,214,889	54.94	0.00	54.94	15.05%	\$ 8,762,537	\$ 8,762,537
24	Invested Capital Non-Distribution	\$ 53,928,183	54.94	0.00	54.94	15.05%	\$ 8,117,300	
25	Total Other	\$ 230,029,930					\$ 47,383,879	\$ 30,299,218
26	Total	\$ 1,316,164,517					\$ 121,287,155	\$ 84,038,659
28								
29								
30								
31								
32								
33								
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49								
50								
51								
52								

Lag
Days

32	Total Revenue Lag	54.94
33	<u>Operation & Maintenance Expenses</u>	
34	Cost of Electric Supply	37.29
35	Fuel Costs	0.00
36	Deferral	0.00
37	Other Operation & Maintenance Expenses	30.40
38	Depreciation & Amortization	0.00
39		
40	Total O&M Expenses	
41		
42	<u>Taxes Other Than Income Taxes</u>	(8.89)
43		
44	<u>NJ State Sales Tax</u>	(51.10)
45		
46	<u>Income Taxes</u>	
47	Current	59.05
48	Deferred	0.00
49	Total Income Taxes	
50		
51	Invested Capital	0.00
52	Total Requirements	25.75

Atlantic City Electric
ADIT Balance
As of July 31, 2017

(1) Line No.	(2) Item	(3) Total	(4) Transmission	(5) Distribution
1	Deferred State Income Taxes \$	(185,005,927) \$	(63,382,825) \$	(121,623,102)
2	- labor \$	681,165 \$	47,886 \$	633,279
3	- plant \$	(195,163,261) \$	(66,667,770) \$	(128,495,491)
4	- State NOL \$	9,476,169 \$	3,237,059 \$	6,239,109
5				
6	Deferred Federal Income Taxes \$	(673,682,139) \$	(230,783,806) \$	(442,898,334)
7	- labor \$	2,410,567 \$	169,463 \$	2,241,104
8	- plant \$	(690,661,095) \$	(235,929,830) \$	(454,731,265)
9	- Federal NOL \$	14,568,388 \$	4,976,561 \$	9,591,827
10				
11	Total Def Federal and State Taxes	\$ (858,688,067) \$	(294,166,630) \$	(564,521,436)

Atlantic City Electric
 Allocation Factor Table
12+0 Months Ending July 31, 2017

<u>(1)</u> <u>Line</u> <u>No.</u>	<u>(2)</u> <u>Item</u>	<u>(3)</u> <u>Allocator</u>	<u>(4)</u> <u>Total System</u>	<u>(5)</u> <u>Production</u>	<u>(6)</u> <u>Transmission</u>	<u>(7)</u> <u>Distribution</u>
1	Dollar Amounts					
2	Transmission & Distribution Plant	TDPLT	\$ 3,608,509,374	\$ -	\$ 1,232,769,667	\$ 2,375,739,706
3	Labor		\$ 37,211,876	\$ -	\$ 2,615,059	\$ 34,596,817
4						
5	Transmission and Distribution Expenses	T&D EXP	\$ 113,000,239	\$ -	\$ 22,779,545	\$ 90,220,694
6	Account 928 -BPU Assessments	ASSESS	\$ 3,805,264	\$ 2,219,735		\$ 1,585,529
7						
8	Ratio					
9	T & D Plant	TDPLT			0.3416	0.6584
10	Labor		1.0000	0.0000	0.0703	0.9297
11	Transmission and Distribution Expenses	T&D EXP			0.2016	0.7984
12	Account 928 -BPU Assessments	ASSESS		0.5833		0.4167

Atlantic City Electric
 Labor Allocator
12+0 Months Ending July 31 2017

(1) Line No.	(2) Item	(3) System Total	(4) Production	(5) Transmission	(6) Distribution	(7) Total
1	Direct Labor					
2	Production	\$ -	\$ -	\$ -	\$ -	\$ -
3	Transmission	\$ 2,506,337	\$ -	\$ 2,506,337	\$ -	\$ 2,506,337
4	Distribution	\$ 27,721,264	\$ -	\$ -	\$ 27,721,264	\$ 27,721,264
5	Customer Accounts	\$ 3,334,839	\$ -	\$ -	\$ 3,334,839	\$ 3,334,839
6	Customer Service & Info.	\$ 2,102,340	\$ -	\$ -	\$ 2,102,340	\$ 2,102,340
7	Sales	\$ -	\$ -	\$ -	\$ -	\$ -
8	Subtotal	\$ 35,664,779	\$ -	\$ 2,506,337	\$ 33,158,442	\$ 35,664,779
9						
10	Administrative & General	\$ 1,547,097	\$ -	\$ 108,722	\$ 1,438,375	\$ 1,547,097
11	Total Direct Labor (O&M)	\$ 37,211,876	\$ -	\$ 2,615,059	\$ 34,596,817	\$ 37,211,876
12						
13						
14	T&D Labor Only			\$ 2,615,059	\$ 34,596,817	\$ 37,211,876
15				7.03%	92.97%	

**Atlantic City Electric
 Material And Supplies
13 Months Average Balance**

<u>(1) Line Item</u>	<u>(2) Date</u>	<u>(3) Regulated Delivery</u>	<u>(4) Energy Supply</u>	<u>(5) Stores Delivery</u>	<u>(6) Stores Energy Supply</u>	<u>(7) Fuel</u>	<u>(8) Total</u>
1	JUL 16	\$22,743,141	\$0	\$0	\$0	\$0	\$22,743,141
2	AUG 16	\$22,493,046	\$0	\$0	\$0	\$0	\$22,493,046
3	SEP 16	\$22,322,455	\$0	\$0	\$0	\$0	\$22,322,455
4	OCT 16	\$21,288,840	\$0	\$0	\$0	\$0	\$21,288,840
5	NOV 16	\$20,835,343	\$0	\$0	\$0	\$0	\$20,835,343
6	DEC 16	\$21,989,456	\$0	\$0	\$0	\$0	\$21,989,456
7	JAN 17	\$22,719,797	\$0	\$0	\$0	\$0	\$22,719,797
8	FEB 17	\$23,336,028	\$0	\$0	\$0	\$0	\$23,336,028
9	MAR 17	\$22,969,616	\$0	\$0	\$0	\$0	\$22,969,616
10	APR 17	\$22,969,616	\$0	\$0	\$0	\$0	\$22,969,616
11	MAY 17	\$24,165,370	\$0	\$0	\$0	\$0	\$24,165,370
12	JUN 17	\$25,431,007	\$0	\$0	\$0	\$0	\$25,431,007
13	JUL 17	\$27,198,508	\$0	\$0	\$0	\$0	\$27,198,508
14							
15	13 Months Avg	\$23,112,478	\$0	\$0	\$0	\$0	\$23,112,478

Atlantic City Electric Company
Earnings
12+0 Months Ending July 31, 2017

(1) Line No.	(2) Item	(3) Total System	(4) Allocator	(5) Distribution
1	Electric Sales Revenues			
2	Total Distribution Base Revenue	\$ 362,637,793	DA	\$ 362,637,793
3	ADER	\$ 2	DA	\$ -
4	Distribution Revenues w/o unbilled	\$ 362,637,795		\$ 362,637,793
5	Transmission	\$ 48,438,115		\$ -
6	Production	\$ 624,277,740		\$ -
7	Retail Total	\$ 1,035,353,650		\$ 362,637,793
8				
9	Unbilled	\$ 1,968,386	DA	\$ -
10				
11	Total Sales to Ultimate Customers	\$ 1,037,322,035	DA	\$ 362,637,793
12				
13	Revenue - Resale Sales	\$ 67,796,645		\$ -
14				
15	Total Sales Revenues	\$ 1,105,118,681		\$ 362,637,793
16				
17	Other Operating Revenues			
18	Late Payments	\$ 239,956	DA	\$ 239,956
19	Miscellaneous Service Revenues	\$ 711,969	DA	\$ 711,969
20	Rent from Electric Property	\$ 7,936,453		\$ 6,986,361
21	Other Electric Revenues	\$ 1,954,186		\$ 691,889
22	Revenues from Transmission of Electricity of Others	\$ 128,809,684	DA	\$ -
23	Total Other Revenue	\$ 139,652,249		\$ 8,630,175
24				
25	Total Revenue	\$ 1,244,770,929		\$ 371,267,968
26				
27				
28	Power Production Expenses			
29	950100 Fuel	\$ -		\$ -
30	951800 Nuclear fuel expense	\$ -		\$ -
31	954700 Fuel	\$ -		\$ -
32	Total Fuel	\$ -		\$ -
33				
34	955500 Purchased power	\$ -		\$ -
35	955583 Purchased Power - NJ DSM	\$ 436,877		\$ -
36	955584 Purchased Power - NJ BGS	\$ 437,131,074		\$ -
37	955586 Purchased Power - NJ NUGS	\$ 165,840,766		\$ -
38	955587 Pur Pwr-NJ El Ds Oth	\$ (192)		\$ -
39	955691 System Control & Load Dispatch - Service Co. CTA	\$ 123,833		\$ -
40	955500 Purchased power - Maryland (MD SOS Generation)	\$ -		\$ -
41	955500 Purchased power - Virginia (VA SOS Generation)	\$ -		\$ -
42	955500 Purchased power - Maryland (MD SOS Transmission)	\$ -		\$ -
43	955500 Purchased power - Other (Transmission Revenue)	\$ -		\$ -
44	955510 Purchased Power Non System	\$ -		\$ -
45	Purchased Power & Interchange	\$ 603,532,357		\$ -
46				
47	955710 Deferred Fuel - Electric	\$ (6,559,099)		\$ -
48	Deferred Fuel	\$ (6,559,099)		\$ -
49				
50	Steam Power Generation			
51	950000 Operation Supervisoon & Eng	\$ -		\$ -
52	950200 Steam Expenses	\$ -		\$ -

Atlantic City Electric Company
Earnings
12+0 Months Ending July 31, 2017

(1) Line No.	(2) Item	(3) Total System	(4) Allocator	(5) Distribution
53	950500 Electric Expenses	\$ -	\$ -	\$ -
54	950600 Misc steam power expenses - Delaware	\$ -	\$ -	\$ -
55	950700 Rents	\$ -	\$ -	\$ -
56	950900 Allowances	\$ -	\$ -	\$ -
57	Steam Subtotal	\$ -	\$ -	\$ -
58	951700 Operation Supervision & Engineering	\$ -	\$ -	\$ -
59	951900 Coolants and water	\$ -	\$ -	\$ -
60	952000 Steam expenses	\$ -	\$ -	\$ -
61	952300 Electric expenses	\$ -	\$ -	\$ -
62	952400 Misc nuclear power exp	\$ -	\$ -	\$ -
63	952500 Rents	\$ -	\$ -	\$ -
64	Nuclear Subtotal	\$ -	\$ -	\$ -
65	954600 Operation Supervision & Engineering	\$ -	\$ -	\$ -
66	954800 Generation expense	\$ -	\$ -	\$ -
67	954900 Misc power generation exp	\$ -	\$ -	\$ -
68	955000 Rents	\$ -	\$ -	\$ -
69	Other Power Subtotal	\$ -	\$ -	\$ -
70	955600 System cont & load dispatch	\$ 1,852,660	\$ -	\$ -
71	955700 Other expenses	\$ 11,443,974	\$ -	\$ -
72	Misc Operation Subtotal	\$ 13,296,634	\$ -	\$ -
73	Other Operation	\$ 13,296,634	\$ -	\$ -
74				
75	951000 Maintenance Supervision & Engineering	\$ -	\$ -	\$ -
76	951100 Maintenance of structures	\$ -	\$ -	\$ -
77	951200 Maintenance of boiler plant	\$ -	\$ -	\$ -
78	951300 Maintenance of electric plant	\$ -	\$ -	\$ -
79	951400 Maintenance of miscellaneous steam plant	\$ -	\$ -	\$ -
80	Steam Subtotal	\$ -	\$ -	\$ -
81	952800 Maintenance Supervision & Engineering	\$ -	\$ -	\$ -
82	952900 Maintenance of structures	\$ -	\$ -	\$ -
83	953000 Maint of Reactor Plant Equip	\$ -	\$ -	\$ -
84	953100 Maintenance of electric plant	\$ -	\$ -	\$ -
85	953200 Misc nuclear plant maint	\$ -	\$ -	\$ -
86	Nuclear Subtotal	\$ -	\$ -	\$ -
87	955100 Maintenance Supervision & Engineering	\$ -	\$ -	\$ -
88	955200 Maintenance of structures	\$ -	\$ -	\$ -
89	955300 Maintenance of generating & electric plant	\$ -	\$ -	\$ -
90	955400 Maintenance of misc other power generation plant	\$ -	\$ -	\$ -
91	Other Subtotal	\$ -	\$ -	\$ -
92	Production Maintenance	\$ -	\$ -	\$ -
93				
94	Total Production	\$ 610,269,892	\$ -	\$ -
95				
96	Transmission Expenses			
97	956000 Operation Supervision & Engineering	\$ 3,999,945	\$ -	\$ -
98	956100 Load dispatching	\$ -	\$ -	\$ -
99	956110 Load dispatching - Reliability	\$ 212,224	\$ -	\$ -
100	956120 Load dispatch - Monitor & Operate Transm System	\$ 430,730	\$ -	\$ -
101	956130 Load dispatch - Transmission Service & Scheduling	\$ 276,490	\$ -	\$ -
102	956140 Scheduling, System Control & Dispatch Services	\$ (972)	\$ -	\$ -
103	956150 Reliability, Planning and Standards	\$ 296,031	\$ -	\$ -
104	956180 L/T Reliability, Planning & Standards Development	\$ 1,084	\$ -	\$ -
105	956200 Station expenses	\$ -	\$ -	\$ -
106	956600 Miscellaneous transmission expenses	\$ 1,599,591	\$ -	\$ -

Atlantic City Electric Company
Earnings
12+0 Months Ending July 31, 2017

(1) Line No.	(2) <u>Item</u>	(3) <u>Total System</u>	(4) <u>Allocator</u>	(5) <u>Distribution</u>
107	Operation	\$ 6,815,122		\$ -
108				
109	956800 Maintenance Supervision & Engineering	\$ 154,509		\$ -
110	956900 Maintenance of Structures & 956920	\$ 505,979		\$ -
111	957000 Maintenance of station equipment	\$ 1,577,130		\$ -
112	957100 Maintenance of overhead lines	\$ 7,487,078		\$ -
113	957200 Maintenance of underground lines	\$ 28,036		\$ -
114	957300 Maintenance of miscellaneous transmission plant	\$ 6,211,691		\$ -
115	Maintenance	<u>\$ 15,964,422</u>		<u>\$ -</u>
116				
117	Transmission Expenses	<u>\$ 22,779,545</u>		<u>\$ -</u>
118				
119	Regional Market Expenses			
120	957570 Market Facilitation, Monitoring & Compliance Svcs	\$ 64,849		\$ -
121	Total	<u>\$ 64,849</u>		<u>\$ -</u>
122				
123	Distribution			
124	958000 Operation Supervision & Engineering	\$ 4,613,553	DA	\$ 4,613,553
125	958100 Load dispatching	\$ 2,080,414		\$ 2,080,414
126	958200 Station expenses	\$ -		\$ -
127	958300 Overhead line expenses	\$ 6,631,279		\$ 6,631,279
128	958400 Underground line expenses	\$ -		\$ -
129	958500 Street lighting	\$ -		\$ -
130	958600 Meter expenses	\$ 4,069,036		\$ 4,069,036
131	958700 Customer installations expenses	\$ 354,036		\$ 354,036
132	958800 Miscellaneous distribution expenses	\$ 16,094,157		\$ 16,094,157
133	958808 Misc Distribution Expe- Jonas Deferral	\$ -		\$ -
134	958808 Misc Distribution Expe- Jonas Amortization	\$ 210,378		\$ 210,378
135	958900 Rents	<u>\$ 3,550,687</u>		<u>\$ 3,550,687</u>
136	Operation	<u>\$ 37,603,539</u>		<u>\$ 37,603,539</u>
137	959000 Maintenance Supervision & Engineering	\$ 539,017		\$ 539,017
138	959100 Maintain structures	\$ 26,676		\$ -
139	959200 Maintain equipment	\$ 4,906,619		\$ 4,906,619
140	959300 Maintain overhead lines			
141	- 959302 Bow Echo Storm Deferral	\$ 80,246		\$ -
142	- 959302 Bow Echo Storm Amortization	\$ 4,006,759		\$ 4,006,759
143	- 959302 Winter Storm Jonas Deferral	\$ (37,031)		\$ -
144	- 959302 Winter Storm Jonas Amortization	\$ 1,132,419		\$ 1,132,419
145	- 959302 June 2016 Storm Deferral	\$ (53,922)		\$ -
146	- 959302 Nor'easter Storm Deferral	\$ (1,713,025)		\$ -
147	- 959302 Stella Storm Deferral	\$ (2,064,198)		\$ -
148	- 95936J Mn OH Ln-Dis-Strm-NJ	\$ 2,587,983		\$ 2,587,983
149	- Other Acct 593	\$ 37,651,828		\$ 37,651,828
150	959400 Maintain underground line	\$ 2,566,006		\$ 2,566,006
151	959500 Maintain line transformers	\$ -		\$ -
152	959600 Maintain street lighting & signal systems	\$ 2,072,130		\$ 2,072,130
153	959700 Maintain meters	\$ 767,711		\$ 767,711
154	959800 Maintain distribution plant	<u>\$ 147,938</u>		<u>\$ 147,938</u>
155	Maintenance	<u>\$ 52,617,155</u>		<u>\$ 56,378,410</u>
156	Distribution Expenses - total	<u>\$ 90,220,694</u>		<u>\$ 93,981,948</u>
157				
158	Customer Accounts Expenses			
159	990200 Meter reading expenses	\$ 5,567,321	DA	\$ 5,567,321
160	990300 Customer records and collection expenses	\$ -		\$ -

Atlantic City Electric Company
Earnings
12+0 Months Ending July 31, 2017

(1) Line No.	(2) Item	(3) Total System	(4) Allocator	(5) Distribution
161	- 990302 Bow Echo Storm Amortization	\$ 122,273		\$ 122,273
162	- 990302 Winter Storm Jonas Amortization	\$ 59,075		\$ 59,075
163	- 990302 Stella Storm Deferral	\$ (50,766)		\$ -
164	- 99036J- Storm NJ	\$ 201,777		\$ 201,777
165	- Other Acct 903	\$ 54,182,299		\$ 54,182,299
166	Customer Accounts Expenses	\$ 60,081,979		\$ 60,132,745
167	990400 Uncollectible accounts	\$ 28,930,964		\$ -
168	Customer Accounts Expenses	\$ 89,012,943		\$ 60,132,745
169	990700 Supervision			
170	-Recovered in supply	\$ 32,138,560		-
171	-Other account 907	\$ (0)		\$ (0)
172	990800 Customer assistance expenses	\$ 3,666,194	DA	\$ 3,666,194
173	99080L Customer assistance Expense - DSM	\$ 1,266,285		
174	990802 Customer Assistance Expense - Jonas Amort	\$ 15,238		\$ 15,238
175	99086J Customer Assistance Expense - Storm NJ	\$ 3,055		\$ 3,055
176	990900 Informational & instructional adv	\$ 667,770	DA	\$ 667,770
177	991000 Miscellaneous customer service & informational exp	\$ (2,800)		\$ (2,800)
178	Customer Service Expenses	\$ 37,754,304		\$ 4,349,458
179	Sales Expense			
180	991100 Supervision			\$ -
181	991200 Demonstrating & selling expenses	\$ -		\$ -
182	991300 Advertising expense	\$ -	DA	\$ -
183	Sales Expense	\$ -		\$ -
184				
185	DSM Expenses in Cust. Serv. & Sales			
186	9907 Supervision	\$ -	DA	\$ -
187	9910 Misc Cust Service and Info. Expense	\$ -		\$ -
188	9911 Supervision	\$ -		\$ -
189	Total DSM	\$ -		\$ -
190				
191	Administrative & General Expenses			
192	992000 Administrative & General salaries	\$ 1,959,696		
193	-Recovered in supply	\$ -		
194	-Other account 920	\$ 1,959,696	Labor	\$ 1,821,929
195	992100 Office supplies & expenses	\$ 347,491	Labor	\$ 323,063
196	992300 Outside services employed	\$ 64,730,554	Labor	\$ 60,179,996
197	992307 Outside Service-Reg Asset Amortization-NJ	\$ -		\$ -
198	992400 Property insurance	\$ 408,406	T&D plant	\$ 268,895
199	992500 Injuries & damages	\$ (528,661)	Labor	\$ (491,496)
200	992800 Regulatory commission expenses	\$ 4,766,763		
201	-Assessments in 928	\$ 3,805,264	Assess	\$ 1,585,529
202	-Non-Assessments in 928	\$ 961,498	DA	\$ 815,607
203	992900 Duplicate charges-Credit	\$ (4,731,004)	Labor	\$ (4,398,414)
204	993010 General ad expenses	\$ 278,237	DA	\$ 278,237
205	993020 Miscellaneous general expenses	\$ 916,903	Labor	\$ 852,445
206	993100 Rents	\$ 360	Labor	\$ 335
207	992320 Outside Services - Deferred Comp Liability Adjust.	\$ 468,793	Labor	\$ 435,837
208	992310 Outside Services - LTIP PARS	\$ 1,438,143	Labor	\$ 1,337,041
209	992330 Outside Services - SERP	\$ 1,296,274	Labor	\$ 1,205,146
210	99236J Outside Services - Storm NJ	\$ 6,779		\$ 6,303
211	Operation	\$ 71,358,734		\$ 64,220,452
212	992600 Employee pensions & benefits	\$ 13,726,859	Labor	\$ 12,761,861
213	Operations	\$ 85,085,594		\$ 76,982,313
214				

Atlantic City Electric Company
Earnings
12+0 Months Ending July 31, 2017

(1) Line No.	(2) Item	(3) Total System	(4) Allocator	(5) Distribution
215	993500 Maintenance of general plant	\$ 2,529,941	Labor	\$ 2,352,086
216	Maintenance	\$ 2,529,941		\$ 2,352,086
217	Total A&G	\$ 87,615,534		\$ 79,334,399
218				
219	Total Operations & Maintenance	\$ 937,717,760		\$ 237,798,550
220				
221	Total Production	\$ 610,269,892		\$ -
222	Transmission Expenses	\$ 22,779,545		\$ -
223	Regional Marketing Expenses	\$ 64,849		\$ -
224	Distribution Expenses - total	\$ 90,220,694		\$ 93,981,948
225	Customer Accounts Expenses	\$ 89,012,943		\$ 60,132,745
226	Customer Service Expenses	\$ 37,754,304		\$ 4,349,458
227	Sales Expense	\$ -		\$ -
228	A&G Operations	\$ 85,085,594		\$ 76,982,313
229	A&G Maintenance	\$ 2,529,941		\$ 2,352,086
230		\$ 937,717,760		\$ 237,798,550
231				
232	Production	\$ -		\$ -
233	Transmission	\$ 28,233,230		\$ -
234	Distribution	\$ 51,095,546	DA	\$ 51,095,546
235	General	\$ 6,354,974	Labor	\$ 5,908,219
236	A/C 403 Total	\$ 85,683,750		\$ 57,003,765
237				
238	Amort of Limited Term Plant	\$ -	Labor	\$ -
239	Amort of Software - Elec	\$ 143,876	Labor	\$ 133,761
240	A/C 404 Total	\$ 143,876		\$ 133,761
241				
242	Intangible (software)	\$ -	Labor	\$ -
243	Excess Depreciation	\$ -	DA	\$ -
244	General	\$ -	Labor	\$ -
245	A/C 405 Total	\$ -		\$ -
246				
247	A/C 406 Total	\$ -		\$ -
248				
249	A/C 407 Total			
250	Production	\$ 57,603,544		\$ -
251	Asbestos Removal	\$ 271,243		\$ 271,243
252	Pfd. Stock Redemption	\$ 11,149		\$ 11,149
253	SERC Amortization	\$ 4,614,003		\$ -
254	Transmission	\$ -		\$ -
255	Distribution	\$ -		\$ -
256	A/C 407 Total	\$ 62,499,938		\$ 282,392
257				
258	Total Depreciation and Amortization	\$ 148,327,565		\$ 57,419,918
259				
260	Payroll Taxes - FICA	\$ 2,210,199	Labor	\$ 2,054,822
261	Payroll Taxes - FUTA/SUTA	\$ 236,472	Labor	\$ 219,848
262	Real Property	\$ 2,458,593	T&D plant	\$ 1,618,738
263	Use Taxes	\$ 1,171,747	T&D EXP	\$ 935,523
264	Franchise Taxes	\$ 29,512	T&D plant	\$ 19,431
265	Other taxes	\$ 2,706	Other	\$ -
266	Bow Echo Storm Amortization	\$ 28,516		\$ 28,516
267	Winter Storm Jonas Amortization	\$ 15,154		\$ 15,154
268	Stella Storm Deferral	\$ (26,040)		\$ -

Atlantic City Electric Company
Earnings
12+0 Months Ending July 31, 2017

(1) Line No.	(2) <u>Item</u>	(3) <u>Total System</u>	(4) <u>Allocator</u>	(5) <u>Distribution</u>
269	Nor'easter Storm Deferral	\$ (14,908)		\$ -
270	Total Other Taxes	\$ 6,111,952		\$ 4,892,032
271				
272	EBIT	\$ 152,613,652		\$ 71,157,468
273				
274	Net ITC			
275	Production	\$ -		\$ -
276	Transmission	\$ (222,490)		\$ -
277	Distribution	\$ (163,444)	DA	\$ (163,444)
278	General	\$ 16,422	DA	\$ 6,956
279	Total Net ITC	\$ (369,512)		\$ (156,488)
280				
281	Total Interest on Customer Deposits	\$ 89,262	DA	\$ 89,262
282				
283	Current SIT	\$ 2,000		\$ -
284	Current FIT	\$ (16,197,917)		\$ (15,991,391)
285				
286	Deferred SIT	\$ 9,688,609		\$ 2,866,297
287	Deferred FIT	\$ 47,258,139		\$ 26,134,896
288				
289	Total Earnings	\$ 112,143,072		\$ 58,214,889

Atlantic City Electric Company
 Revenue
 12+0 Months Ending July 31, 2017

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Line No.	Item	Actual Aug-16	Actual Sep-16	Actual Oct-16	Actual Nov-16	Actual Dec-16	Actual Jan-17	Actual Feb-17	Actual Mar-17	Actual Apr-17	Actual May-17	Actual Jun-17	Actual Jul-17	12+0 M/E Jul 17
1	Retail Total													
2	Distribution Revenues w/o unbilled	42,806,701	44,045,145	23,997,697	23,341,594	27,116,911	30,436,261	26,565,483	25,234,428	25,151,132	23,742,419	29,309,931	40,890,091	362,637,793
3	Transmission	7,801,444	6,616,108	3,260,979	2,665,691	3,309,396	3,964,145	3,199,173	3,069,170	2,992,657	2,672,686	3,524,843	5,361,825	48,438,115
4	Production	85,231,911	78,489,734	38,218,591	39,066,565	46,337,081	54,245,109	46,812,862	43,469,511	42,818,655	38,923,209	47,014,364	63,650,148	624,277,740
5	Retail Total	135,840,056	129,150,987	65,477,267	65,073,851	76,763,388	88,645,515	76,577,517	71,773,109	70,962,444	65,338,314	79,849,139	109,902,063	1,035,353,648
6														
7														
8	Unbilled	(2,960,584)	(15,888,424)	20,910,196	2,997,775	(1,810,235)	(7,772,492)	(8,162,363)	4,731,940	(10,333,029)	4,648,046	12,907,201	2,700,355	1,968,386
9	Total	132,879,471	113,262,563	86,387,463	68,071,625	74,953,153	80,873,023	68,415,154	76,505,048	60,629,416	69,986,360	92,756,339	112,602,418	1,037,322,033

Atlantic City Electric Company
Tax Calculation
12+0 Months Ending July 31, 2017

(1) Line Item	(2) Item	(3) Total System	(4) Distribution
1	Total Revenues	\$ 1,244,770,929	\$ 371,267,968
2	Total Oper & Maint	\$ 937,717,760	\$ 237,798,550
3	Total Depr & Amortization	\$ 148,327,565	\$ 57,419,918
4	Total Taxes Other Than Income Tax	\$ 6,111,952	\$ 4,892,032
5	Operating Income Before Income Taxes	\$ 152,613,652	\$ 71,157,468
6			
7	Other Income and Deduction	\$ 19,302,349	\$ -
8	Interest Expense	\$ (60,635,102)	\$ (35,953,133)
9			
10	Book Income	\$ 111,280,899	\$ 35,204,335
11			
12	Schedule M		
13	Permanent - Labor	\$ 270,992	\$ 251,941
14	Permanent - Other	\$ (689,782)	\$ -
15	Flow through-Plant	\$ (5,480,757)	\$ (3,608,530)
16	AFUDC	\$ (4,560,378)	
17	Timing - Plant	\$ (133,134,511)	\$ (87,655,762)
18	Timing - Labor	\$ 2,055,942	\$ 1,911,409
19	Timing - Other	\$ 79,770,927	\$ -
20	Charitable Contributions	\$ (8,720,280)	
21	Total	\$ (70,487,847)	\$ (89,100,942)
22			
23	Taxable Income	\$ 40,793,052	\$ (53,896,607)
24			
25	State Income Tax	\$ 3,671,375	\$ (4,850,695)
26			
27	STATE TAXES		
28	New Jersey		
29	NJ Depreciation Adjustment(Temporary)	\$ 1,709,884	\$ 1,125,787
30	NJSA Amortization	\$ (1,543,960)	\$ (1,016,544)
31	Revised 2003-2011 Interest Correction	\$ 62,441	
32	NJ Minimum Payment	\$ 2,000	\$ -
33		\$ 230,364	\$ 109,244
34			
35	New Jersey State NOL	\$ (3,899,740)	\$ 4,741,451
36			
37	TOTAL STATE TAXES	\$ 2,000	\$ -
38			9.00%
39	FEDERAL TAXES		
40	Federal Taxable Income	\$ 40,791,052	\$ (53,896,607)
41	Federal Income Tax @ 35%	\$ 14,276,868	\$ (18,863,812)
42			
43	Federal NOL	\$ (38,565,129)	\$ 2,872,421
44			
45	2015 RTA	\$ 7,692,484	
46	RAR Federal Interest Correction	\$ 181,136	
47	Other Federal Discretates	\$ 338	0
48	Federal Assesment	\$ 216,385	0
49			
50	Total Federal Income Tax- Current	\$ (16,197,918)	\$ (15,991,391)
51			35.00%

Atlantic City Electric Company
 Tax Calculation
12+0 Months Ending July 31, 2017

(1) Line Item	(2) Item	(3) Total System	(4) Distribution
52	TOTAL CURRENT TAX EXPENSE	\$ (16,195,918)	\$ (15,991,391)
53			
54	Deferred SIT		
55	Timing - Plant	\$ 12,187,448	\$ 7,889,019
56	Timing - Labor	\$ (185,035)	\$ (172,027)
57	Timing - Other	\$ (6,394,558)	\$ -
58	Timing - State Only	\$ (165,923)	\$ (109,244)
59	STATE NOL	\$ 3,899,740	\$ (4,741,451)
60	2015 RTA	\$ 346,940	
61	FERC FIN 48 Reclass (941012)	\$ (2)	
62	Total	\$ 9,688,610	\$ 2,866,297
63			
64	Deferred FIT		
65	Timing - Plant	\$ 42,061,670	\$ 27,918,360
66	Timing - Labor	\$ (654,817)	\$ (608,784)
67	Timing - Other	\$ (22,634,376)	\$ -
68	Timing - State Only	\$ 58,073	\$ 38,235
69	Timing - Federal Benefit of State NOL	\$ (1,364,909)	\$ 1,659,508
70	FED NOL	\$ 38,565,129	\$ (2,872,421)
71	2015 RTA	\$ (8,772,631)	\$ -
72	RAR Federal Netting	\$ (1)	\$ -
73	Total	\$ 47,258,139	\$ 26,134,898
74			
75	Total Deferred Tax Expense	\$ 56,946,748	\$ 29,001,195
76			
77	Rate Base		1,232,112,276
78	CWC w/o earnings and taxes		75,274,360
79	Net Rate Base w/o CWC		1,307,386,637
80	Weighted COD		2.75%
81	Interest Expense - per cap structure		35,953,133

Atlantic City Electric Company
Depreciation Expenses
12+0 Months Ending July 31, 2017

(1) Line Item	(2) Item	(3) Actual Aug-16	(4) Actual Sep-16	(5) Actual Oct-16	(6) Actual Nov-16	(7) Actual Dec-16	(8) Actual Jan-17	(9) Actual Feb-17	(10) Actual Mar-17	(11) Actual Apr-17	(12) Actual May-17	(13) Actual Jun-17	(14) Actual Jul-17	(15) 12+0 Months Ending Jul-17
1														
2	Acct 403 Depreciation													
3														
4	Production													
5	Transmission	\$ 2,274,725	\$ 2,271,937	\$ 2,274,206	\$ 2,276,742	\$ 2,293,930	\$ 2,313,073	\$ 2,331,973	\$ 2,370,773	\$ 2,393,024	\$ 2,429,006	\$ 2,489,057	\$ 2,514,793	\$ 28,233,230
6	Distribution	\$ 4,158,094	\$ 4,173,055	\$ 4,186,302	\$ 4,203,948	\$ 4,222,664	\$ 4,240,363	\$ 4,265,421	\$ 4,293,366	\$ 4,312,848	\$ 4,330,551	\$ 4,347,005	\$ 4,361,928	\$ 51,095,546
7	General	\$ 519,854	\$ 520,941	\$ 519,664	\$ 525,173	\$ 531,542	\$ 532,475	\$ 531,724	\$ 531,428	\$ 531,001	\$ 534,452	\$ 537,866	\$ 538,853	\$ 6,354,974
8	A/C 403 Total	\$ 6,952,673	\$ 6,965,932	\$ 6,980,172	\$ 7,005,864	\$ 7,048,136	\$ 7,085,911	\$ 7,129,118	\$ 7,195,567	\$ 7,236,873	\$ 7,294,010	\$ 7,373,929	\$ 7,415,565	\$ 85,683,750
9														
10														
11														
12														
13	Acct 404 Amortization of Ltd Term Plant													
14	40400 Amort of Ltd Term Pl	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
15	40401 Amort of Software - Elec	\$ 11,622	\$ 11,622	\$ 11,622	\$ 11,622	\$ 11,622	\$ 11,622	\$ 12,830	\$ 12,357	\$ 12,217	\$ 12,244	\$ 12,247	\$ 12,250	\$ 143,676
16														
17	A/C 404 Total	\$ 11,622	\$ 11,622	\$ 11,622	\$ 11,622	\$ 11,622	\$ 11,622	\$ 12,830	\$ 12,357	\$ 12,217	\$ 12,244	\$ 12,247	\$ 12,250	\$ 143,676
18														
19														
20	Acct 405 Amortization of Intangible													
21														
22	Electric (2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	Transmission													
24	Distribution													
25	General													
26	Common - MIPR													
27	Common													
28	A/C 405 Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
29														
30														
31	(2) Intangible - Software													
32	Transmission													
33	Steam													
34	Nuclear													
35	Excess Depreciation:													
36	Trans													
37	Dist													
38	General													
39	Net Negative Salvage Allowance													
40	General													
41	Total Electric	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
42														
43														
44														
45	Acct 407 Amortization - Other													
46	Regulatory Debits - Supply	\$ 2,974,488	\$ 2,706,795	\$ 1,623,729	\$ 1,523,824	\$ 1,539,561	\$ 1,597,226	\$ 1,425,919	\$ 1,559,177	\$ 1,178,708	\$ 1,425,182	\$ 1,950,600	\$ 2,311,118	\$ 21,816,325
47	Asbestos Removal Costs	\$ 22,604	\$ 22,604	\$ 22,604	\$ 22,604	\$ 22,604	\$ 22,604	\$ 22,604	\$ 22,604	\$ 22,604	\$ 22,604	\$ 22,604	\$ 22,604	\$ 271,243
48	Regulatory Debits - BGS	\$ 6,165,575	\$ 5,435,032	\$ 2,829,910	\$ 1,819,824	\$ 2,108,716	\$ 2,287,068	\$ 2,255,479	\$ 2,277,221	\$ 1,745,063	\$ 2,146,195	\$ 3,065,626	\$ 3,651,507	\$ 35,787,218
49	Preferred Stock Redemption	\$ 929	\$ 929	\$ 929	\$ 929	\$ 929	\$ 929	\$ 929	\$ 929	\$ 929	\$ 929	\$ 929	\$ 929	\$ 11,149
50	SREC Amortization	\$ 728,368	\$ 708,089	\$ 268,575	\$ 387,599	\$ 433,770	\$ 409,085	\$ 280,594	\$ 249,743	\$ 250,546	\$ 233,512	\$ 267,506	\$ 376,617	\$ 4,614,003
51	A/C 407 Total	\$ 9,891,964	\$ 8,873,449	\$ 4,745,746	\$ 3,754,779	\$ 4,105,680	\$ 4,316,911	\$ 3,985,524	\$ 4,109,674	\$ 3,197,850	\$ 3,828,422	\$ 5,327,264	\$ 6,362,774	\$ 62,499,938
52														
53														
54	GRAND TOTAL WORKSHEET	\$ 16,856,259	\$ 15,851,003	\$ 11,737,540	\$ 10,772,285	\$ 11,165,338	\$ 11,414,444	\$ 11,127,472	\$ 11,317,598	\$ 10,446,940	\$ 11,134,676	\$ 12,713,440	\$ 13,780,588	\$ 148,327,565