

Attachment 4A

TrailCo Formula Rate Update Compliance Filing

Attachment 4B

BG&E Formula Rate Update Compliance Filing

Attachment 4C

PPL Formula Rate Update Compliance Filing

Attachment 4D

ACE Formula Rate Update Compliance Filing

Attachment 4E

Delmarva Formula Rate Update Compliance Filing

Attachment 4F

PEPCO Formula Rate Update Compliance Filing

Attachment 4G

PECO Formula Rate Update Compliance Filing

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May 15, 2018

By eFiling

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

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

Dear Secretary Bose:

Pursuant to the Commission's order dated May 31, 2007 in Docket No. ER07-562-000¹ and the uncontested settlement approved by the Commission in an order dated July 21, 2008 in Docket No. ER07-562-004,² Trans-Allegheny Interstate Line Company ("TrAILCo") hereby submits for informational purposes its 2018 Annual Update to recalculate its annual transmission revenue requirements ("Annual Update"). The Annual Update includes (i) a reconciliation of the annual transmission revenue requirements for the 2017 Rate Year³ (Attachment 1), (ii) the annual transmission revenue requirements for the 2018 Rate Year to become effective on June 1, 2018 (Attachment 2), and (iii) a detailed accounting of transfers between construction work in progress ("CWIP") and Plant in Service as required by the May 31 Order (Attachment 3).

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

² Trans-Allegheny Interstate Line Co., 124 FERC ¶ 61,075 (2008).

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

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

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

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

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

Respectfully submitted,

/s/ Mike Naeve

Mike Naeve

*Attorney for
Trans-Allegheny Interstate Line Company*

Enclosures

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

ATTACHMENT 1
Reconciliation of 2017
Annual Transmission Revenue Requirements

ATTACHMENT H-18A

Trans-Allegheny Interstate Line Company

Formula Rate -- Appendix A

Notes

FERC Form 1 Page # or Instruction

TrAILCo

Shaded cells are input cells

2017 Reconciliation

Allocators

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

Plant Calculations

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

Adjustment To Rate Base

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

O&M

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

Depreciation & Amortization Expense

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

Taxes Other than Income

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

Return / Capitalization Calculations

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

Composite Income Taxes

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

REVENUE REQUIREMENT

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

124	Gross Revenue Requirement	(Sum Lines 119 to 123)	262,873,632

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

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

132	Net Revenue Requirement	(Line 130 - Line 131)	261,390,106

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

Net Plant Carrying Charge Calculation with Incentive ROE			
139	Net Revenue Requirement Less Return and Taxes	(Line 132 - Line 122 - Line 123)	60,423,574
140	Increased Return and Taxes	Attachment 4	216,085,105
141	Net Revenue Requirement with Incentive ROE	(Line 139 + Line 140)	276,508,679
142	Net Transmission Plant + CWIP	(Line 17 - Line 23 + Line 33)	1,818,856,167
143	FCR with Incentive ROE	(Line 141 / Line 142)	15.2023%
144	FCR with Incentive ROE without Depreciation	(Line 141 - Line 75) / Line 142	12.8455%
145	FCR with Incentive ROE without Depreciation and Pre-Commercial	(Line 141 - Line 70 - Line 71 - Line 75) / Line 142	12.8455%
146	Net Revenue Requirement	(Line 132)	261,390,106.43
147	Reconciliation amount	Attachment 6	0.00
148	Plus any increased ROE calculated on Attach 7 other than PJM Sch. 12 projects not paid by other PJM trans zones	Attachment 7	8,115,359.16
149	Facility Credits under Section 30.9 of the PJM OATT	Attachment 5	0.00
150	Net Zonal Revenue Requirement	(Line 146 + 147 + 148 + 149)	269,505,465.60

Network Zonal Service Rate			
151	1 CP Peak	(Note K) PJM Data	N/A
152	Rate (\$/MW-Year)	(Line 150 / 151)	N/A

153	Network Service Rate (\$/MW/Year)	(Line 152)	N/A

Notes

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

Example:

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

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

Trans-Allegheny Interstate Line Company

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

Line	Trans-Allegheny Interstate Company							
	B1	B2	B3	C	D	E	F	G
			End of Year for					
	Beg of Year Total	End of Year Total	Est. Average for Final Total	Retail Related	Only Transmission Related	Plant Related	Labor Related	Total ADIT
1 ADIT- 282 From Account Total Below	545,228,004	559,422,845	552,325,424		552,325,424	-	-	552,325,424
2 ADIT-283 From Account Total Below	101,839,033	99,335,630	100,587,115		99,357,115	-	-	99,357,115
3 ADIT-190 From Account Total Below	(334,216,000)	(246,128,398)	(290,172,199)		(288,875,384)	-	-	(288,875,384)
4 Subtotal					362,807,155			362,807,155
5 Wages & Salary Allocator							100.0000%	
6 Gross Plant Allocator						100.0000%		
7 ADIT					362,807,155			362,807,155
Enter Negative								

Enter Negative

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

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

A	B1	B2	B3	C	D	E	F	G	
	Trans-Allegheny Interstate Company								
	End of Year for Est. Average for								
ADIT-190	Beg of Year Balance p234.18.b	End of Year Balance p234.18.c	Final Total	Retail Related	Gas, Prod Or Other Related	Only Transmission Related	Plant Related	Labor Related	JUSTIFICATION
AMT Carryforward	-	982,089	491,045			491,045			Disallowance in current year for charitable deduction due to tax loss, tax attribute carries forward five years
Charitable Contribution - WV RTA	-	280	140			140			Reclass of the tax portion (gross-up) for property items included in account 190
Charitable Contribution Carryforward	10,899	13,455	12,177			12,177			Result of bonus depreciation
Charitable Contribution State & Local RTA	249	-	125			125			Accounting change relating to A&G expense
CIAC-Fed-Norm	-	341,077	170,539			170,539			Accounting change relating to A&G expense
CIAC-Fed-Norm-Incurred-CWIP	1,862,609	1,892,583	1,877,596			1,877,596			Costs incurred as a result of Allegheny merging with FirstEnergy which are not to be included within the revenue requirement
CIAC-Fed-Norm-Reversal-CWIP	4,631,520	-	2,315,760			2,315,760			Costs incurred as a result of Allegheny merging with FirstEnergy which are not to be included within the revenue requirement
CIAC-MD-Norm-Incurred-CWIP	21,252	21,594	21,423			21,423			Result of bonus depreciation
CIAC-MD-Norm-Reversal-CWIP	50,842	-	25,421			25,421			Result of bonus depreciation
CIAC-PA-Norm	-	60,344	30,172			30,172			Result of bonus depreciation
CIAC-PA-Norm-Incurred-CWIP	70,048	71,176	70,612			70,612			Pension related temporary difference associated with Service Company allocations
CIAC-PA-Norm-Reversal-CWIP	167,099	-	83,550			83,550			Additional tax depreciation over book
CIAC-VA-Norm	-	(48,080)	(24,040)			(24,040)			Additional tax depreciation over book
CIAC-VA-Norm-Incurred-CWIP	20,232	20,557	20,394			20,394			Reflects the adjustments and subsequent amortization of the regulatory asset associated with the adjusted debt balances resulting from the FE/AEYE merger (Offer is PAA - LT Regulatory Asset Amort below in 285)
CIAC-VA-Norm-Reversal-CWIP	49,701	-	24,851			24,851			Temporary difference resulting from purchase accounting transactions
CIAC-WV-Norm	-	22,367	11,183			11,183			Deductions related to state income taxes
CIAC-WV-Norm-Incurred-CWIP	155,180	157,678	156,429			156,429			Unamortized discounts on long-term debt
CIAC-WV-Norm-Reversal-CWIP	381,360	-	190,690			190,690			Additional tax depreciation over book
FASB 109 Gross-Up	11,882,116	(3,457,109)	4,212,503			4,212,503			Portion of AFUDC Equity that relates to property and booked to account 190
Federal NOL	225,521,300	146,951,695	186,236,498			186,236,498			Portion of AFUDC Equity that relates to property and booked to account 190
Merger Costs: DAO Insurance	1,493	1,333	1,413		1,413				Portion of AFUDC Equity that relates to property and booked to account 190
Merger Costs: Licenses	68,888	61,482	65,185		65,185				Portion of AFUDC Equity that relates to property and booked to account 190
NOL Deferred Tax Asset - LT PA	4,400,386	3,563,101	3,981,743			3,981,743			Paid AMT tax which generates a credit
NOL Deferred Tax Asset - LT WV	17,735,335	17,735,335	17,735,335						Temporary difference that is capitalized for book purposes but deductible for tax purposes
Pension/OP&B - Other Def Cr. or Dr.	2,183,288	2,187,156	2,185,222			2,185,222			Taxable CIAC
Purch Acct-LTD FMV	1,229,128	1,231,306	1,230,217		1,230,217				Taxable CIAC
State Income Tax Deductible	5,039,440	443,800	2,741,620			2,741,620			Taxable CIAC
Tax Interest Capitalized-Fed-Norm	29,576,802	29,507,775	29,542,288			29,542,288			Taxable CIAC
Tax Interest Capitalized-Fed-Norm-Incurred-CWIP	32,238,748	32,415,858	32,327,303			32,327,303			Taxable CIAC
Tax Interest Capitalized-MD-Norm	476,552	418,062	447,307			447,307			Temporary difference arising for removal of plant/property
Tax Interest Capitalized-MD-Norm-Incurred-CWIP	306,436	308,401	307,419			307,419			Result of bonus depreciation
Tax Interest Capitalized-PA-Norm	682,978	693,023	686,001			686,001			Other property related temporary differences
Tax Interest Capitalized-PA-Norm-Incurred-CWIP	995,377	1,016,849	1,006,113			1,006,113			Actual amount of tax interest capitalized
Tax Interest Capitalized-VA-Norm	627,601	499,957	563,779			563,779			Actual amount of tax interest capitalized
Tax Interest Capitalized-VA-Norm-Incurred-CWIP	331,599	331,688	331,643			331,643			Actual amount of tax interest capitalized
Tax Interest Capitalized-WV-Norm	2,831,360	2,671,993	2,751,676			2,751,676			Actual amount of tax interest capitalized
Tax Interest Capitalized-WV-Norm-Incurred-CWIP	2,548,278	2,554,466	2,551,372			2,551,372			Actual amount of tax interest capitalized
Subtotal	346,098,116	242,671,288	294,384,702	-	1,296,815	293,087,887	-	-	
Less FASB 109 included above	11,882,116	(3,457,109)	4,212,503	-	-	4,212,503	-	-	
Less FASB 106 included above	-	-	-	-	-	-	-	-	
Total	334,216,000	246,128,398	290,172,199	-	1,296,815	288,875,384	-	-	

Instructions for Account 190:

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

PJM TRANSMISSION OWNER

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

A	B1	B2	B3	C	D	E	F	G	
	Trans-Allegheny Interstate Company								
	Beg of Year Balance	End of Year Balance	End of Year for Est. Average for Final Total	Retail Related	Gas, Prod Or Other Related	Only Transmission Related	Plant Related	Labor Related	
ADIT- 282	p274.9.b	p275.9.k							JUSTIFICATION
A&G Expenses Capitalized	5,860,076	7,837,378	6,848,727			6,848,727			Allowance for borrowed funds used during construction (ABFUDC)
Accelerated Tax Depreciation	510,293,001	520,865,679	515,479,340			515,479,340			Additional tax depreciation over book
Additional State Depreciation MD	2,044,318	2,433,745	2,239,031			2,239,031			Tax depreciation
Additional State Depreciation PA	7,055,017	7,539,621	7,297,319			7,297,319			Increase in AOFDC
Additional State Depreciation VA	3,272,806	3,602,727	3,437,767			3,437,767			Reclass of the tax portion (gross-up) for property items included in account 282
Additional State Depreciation WV	46,156,850	46,894,821	46,525,836			46,525,836			Book depreciation
AFUDC Debt	4,217,661	4,248,659	4,233,160			4,233,160			Book depreciation / amortization
AFUDC Equity Flow Through	-	3	2			2			Tax depreciation
Capitalized Vertical Tree Trimming	88,162	109,560	98,861			98,861			Property True-Up
Cost of Removal	(2,596,487)	(2,537,660)	(2,567,074)			(2,567,074)			Portion of Repairs & Maintenance 481a Adjustment offset in Account 182
FASB 109 Gross-Up	13,453,841	(176,952,100)	(81,749,129)			(81,749,129)			Temporary difference for additional state depreciation allowed for WV tax return
Other Basis Differences	(34,005,677)	(34,044,286)	(34,024,981)			(34,024,981)			Portion of AFUDC Debt that relates to property and booked to account 282
Sale of Property - Book Gain or (Loss)	(73,032)	(123,056)	(98,044)			(98,044)			
T&D Repairs	3,077,998	2,930,713	3,004,355			3,004,355			Vegetation management transmission corridor capital cost and depreciation expenses required for the regulatory financial statement schedules
Vegetation Management - Transmission	(162,689)	(135,059)	(148,874)			(148,874)			Repair deduction on capitalized book asset deductible for tax purposes under Rev. Proc. 2011-43
Subtotal	558,681,845	382,470,745	470,576,295	-	-	470,576,295	-	-	
Less FASB 109 included above	13,453,841	(176,952,100)	(81,749,129)			(81,749,129)			
Less FASB 106 included above	-	-	-			-			
Total	545,228,004	559,422,845	552,325,424			552,325,424			

Instructions for Account 282:

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

PJM TRANSMISSION OWNER

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

A	B1	B2	B3	C	D	E	F	G	JUSTIFICATION
	Trans-Allegheny Interstate Company								
ADIT-283	Beg of Year Balance	End of Year Balance	End of Year for Est. Average for Final Total	Retail Related	Gas, Prod Or Other Related	Only Transmission Related	Plant Related	Labor Related	
	p276.19.b	p277.19.k							
Charitable Contribution State & Local RTA	-	260	130			130			West Virginia property tax payment
CIAC-Fed-Norm	5,076,307	-	2,538,154			2,538,154			Reclass of the tax portion (gross-up) for property items included in account 283
CIAC-Fed-Norm-Reversal-CWIP	-	848,550	424,275			424,275			Accounting change relating to A&G expense
CIAC-MD-Norm	(8,334)	(68,524)	(38,429)			(38,429)			Allocated portion of total liabilities relating to captive insurance
CIAC-MD-Norm-Reversal-CWIP	-	11,542	5,771			5,771			Additional tax depreciation over book
CIAC-PA-Norm	142,194	-	71,097			71,097			Additional tax depreciation over book
CIAC-PA-Norm-Reversal-CWIP	-	75,880	37,940			37,940			Additional tax depreciation over book
CIAC-VA-Norm	108,190	-	54,095			54,095			Portion of AFUDC debt that relates to property and booked to account 189
CIAC-VA-Norm-Reversal-CWIP	-	5,256	2,628			2,628			Portion of AFUDC debt that relates to property and booked to account 190
CIAC-WV-Norm	429,182	-	214,591			214,591			Portion of AFUDC debt that relates to property and booked to account 191
CIAC-WV-Norm-Reversal-CWIP	-	53,850	26,925			26,925			Reflects the adjustments and subsequent amortization of adjusted debt balances associated with the FE/AYE merger
Deferred Charge-EB	16,118	20,304	18,211			18,211			
FASB 109 Gross-Up	21,814,827	9,066,511	15,440,669			15,440,669			
PAA - LT Regulatory Asset Amort	1,229,128	1,231,305	1,230,217		1,230,217				Portion of AFUDC Equity that relates to property and booked to account 283
PJM Receivable	40,638,686	42,616,309	41,627,497			41,627,497			Portion of AFUDC Equity that relates to property and booked to account 285
SC01 Timing Allocation	381,593	382,269	381,931			381,931			Taxable CIAC
Tax Interest Capitalized-Fed-Norm-Reversal-CWIP	31,516,799	32,111,359	31,814,079			31,814,079			Taxable CIAC
Tax Interest Capitalized-MD-Norm	55,650	-	27,825			27,825			Taxable CIAC
Tax Interest Capitalized-MD-Norm-Reversal-CWIP	299,285	305,994	302,640			302,640			Taxable CIAC
Tax Interest Capitalized-PA-Norm-Reversal-CWIP	972,064	1,013,950	993,007			993,007			
Tax Interest Capitalized-VA-Norm	122,568	-	61,284			61,284			Temporary difference arising for removal of plant/property
Tax Interest Capitalized-VA-Norm-Reversal-CWIP	324,084	328,125	326,104			326,104			Misc Liability
Tax Interest Capitalized-WV-Norm	146,931	-	73,466			73,466			Result of bonus depreciation
Tax Interest Capitalized-WV-Norm-Reversal-CWIP	2,490,564	2,528,807	2,509,685			2,509,685			Other property related temporary differences
Valuation Allowance NOL WV	17,735,335	17,735,335	17,735,335			17,735,335			
Vegetation Management	162,689	135,059	148,874			148,874			Valuation allowances recorded against state NOL carryforwards not expected to be realized
									Vegetation management transmission corridor capital cost and depreciation expenses required for the regulatory financial statement schedules
Subtotal	123,653,860	108,402,141	116,028,001		1,230,217	114,797,784	-	-	
Less FASB 109 included above	21,814,827	9,066,511	15,440,669	-	-	15,440,669	-	-	
Less FASB 106 included above									
Total	101,839,033	99,335,630	100,587,332		1,230,217	99,357,115	-	-	

Instructions for Account 283:

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

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

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

Criteria for Allocation:

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

Trans-Allegheny Interstate Line Company

Attachment 3 - Revenue Credit Workpaper

		Amount	FERC Form No.1 page, line & Col
Account 454 - Rent from Electric Property			
1	Rent from Electric Property - Transmission Related (Note 3)	-	Page 300 Line: 19 Column: b
2	Total Rent Revenues (Line 1)	-	
Account 456 - Other Electric Revenues (Note 1)			
3	Schedule 1A	-	
4	Net revenues associated with Network Integration Transmission Service (NITS) for which the load is not included in the divisor (difference between NITS credits from PJM and PJM NITS charges paid by Transmission Owner) (Note 4)	-	
5	Point to Point Service revenues for which the load is not included in the divisor received by Transmission Owner	1,483,526	p328-330 Footnote Data Schedule Page: 328 Line: 1 Column: m
6	PJM Transitional Revenue Neutrality (Note 1)		
7	PJM Transitional Market Expansion (Note 1)		
8	Professional Services (Note 3)	-	
9	Revenues from Directly Assigned Transmission Facility Charges (Note 2)		
10	Rent or Attachment Fees associated with Transmission Facilities (Note 3)	-	
11	Gross Revenue Credits (Sum Lines 2-10)	1,483,526	
12	Less line 14g	-	
13	Total Revenue Credits (Line 11 - Line 12)	1,483,526	Input to Appendix A, Line 131
Revenue Adjustment to determine Revenue Credit			
14a	Revenues associated with lines 14b-g are to be included in lines 2-10 and total of those revenues entered here	-	
14b	Costs associated with revenues in line 14a	-	
14c	Net Revenues (14a - 14b)	-	
14d	50% Share of Net Revenues (14c / 2)	-	
14e	Costs associated with revenues in line 14a that are included in FERC accounts recovered through the formula times the allocator used to functionalize the amounts in the FERC account to the transmission service at issue.	-	
14f	Net Revenue Credit (14d + 14e)	-	
14g	Line 14a less line 14f	-	
15	Amount offset in line 4 above	-	
16	Total Account 454 and 456	1,483,526	
17	Note 1: All revenues related to transmission that are received as a transmission owner (i.e., not received as a LSE), for which the cost of the service is recovered under this formula, except as specifically provided for elsewhere in this Attachment or elsewhere in the formula will be included as a revenue credit or included in the peak on line 178 of Appendix A.		
18	Note 2: If the costs associated with the Directly Assigned Transmission Facility Charges are included in the Rates, the associated revenues are included in the Rates. If the costs associated with the Directly Assigned Transmission Facility Charges are not included in the Rates, the associated revenues are not included in the Rates.		
19	Note 3: Ratemaking treatment for the following specified secondary uses of transmission assets: (1) right-of-way leases and leases for space on transmission facilities for telecommunications; (2) transmission tower licenses for wireless antennas; (3) right-of-way property leases for farming, grazing or nurseries; (4) licenses of intellectual property (including a portable oil degasification process and scheduling software); and (5) transmission maintenance and consulting services (including energized circuit maintenance, high-voltage substation maintenance, safety training, transformer oil testing, and circuit breaker testing) to other utilities and large customers (collectively, products). Company will retain 50% of net revenues consistent with Pacific Gas and Electric Company, 90 FERC ¶ 61,314. Note: in order to use lines 14a - 14g, the utility must track in separate subaccounts the revenues and costs associated with each secondary use (except for the cost of the associated income taxes).		
20	Note 4: If the facilities associated with the revenues are not included in the formula, the revenue is shown here, but not included in the total above and explained in the Cost Support. For example revenues associated with distribution facilities. In addition Revenues from Schedule 12 of the PJM OATT are not included in the total above to the extent they are credited under Schedule 12 of the PJM OATT.		

Trans-Allegheny Interstate Line Company

Attachment 4 - Calculation with Incentive ROE

EXHIBIT NO. TRC-203
ATTACHMENT H-18A
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A	Return and Taxes at High End of the range of Reasonableness	(Sum Lines 26 and 33 from below)	216,085,105	Input to Appendix A, Line 140
B	Difference between Base ROE and Incentive ROE		100	

Return Calculation

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

Composite Income Taxes

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

Trans-Allegheny Interstate Line Company

Attachment 5 - Cost Support

Plant in Service Worksheet

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				EOY Balance for Estimate															
13 Month Balance for Reconciliation				EOY Balance for Estimate															
Calculation of Transmission Plant in Service				EOY Balance for Estimate															
Source				EOY Balance for Estimate															
p206.58.b				EOY Balance for Estimate															
December				EOY Balance for Estimate															
January				EOY Balance for Estimate															
February				EOY Balance for Estimate															
March				EOY Balance for Estimate															
April				EOY Balance for Estimate															
May				EOY Balance for Estimate															
June				EOY Balance for Estimate															
July				EOY Balance for Estimate															
August				EOY Balance for Estimate															
September				EOY Balance for Estimate															
October				EOY Balance for Estimate															
November				EOY Balance for Estimate															
December				EOY Balance for Estimate															
p207.58.g				EOY Balance for Estimate															
15				EOY Balance for Estimate															
Transmission Plant in Service				EOY Balance for Estimate															

Details																	
Cable SS	Armstrong	Farmers Valley Capacitor	Harvey Run Capacitor	Doubs SS	Meadowbrook SS	Grandview Capacitor	902 Jct Substation	Coremaugh-Seward	Luxor	Grandpoint & Guilford	Handsome Lake - Homer City	Altoona	Blairsville	Carbon Center	Hunterstown	Johnstown	Buffalo Road
7,119,671	15,623,574	1,800,807	832,202	4,993,604	60,762,197	607,191	10,130,932	27,408,598	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	1,800,807	832,202	4,993,604	61,018,354	607,191	10,130,932	27,408,598	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	1,800,807	832,202	4,993,604	61,018,354	607,191	10,130,932	27,412,100	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	1,800,807	832,202	4,993,604	61,018,354	607,191	10,130,932	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	1,800,807	832,202	4,993,604	61,018,354	607,191	10,130,932	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	1,800,807	832,202	4,993,604	61,018,354	607,191	10,130,932	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	1,802,346	832,202	4,993,604	61,020,631	607,191	10,130,932	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	1,801,420	832,202	4,993,604	61,034,739	607,191	10,130,932	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	1,801,420	832,202	4,993,604	61,034,739	607,191	10,130,932	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	1,801,420	832,202	4,993,604	61,034,739	607,191	10,130,932	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	2,025,074	832,202	4,993,604	61,034,739	607,191	10,130,932	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	2,025,074	832,202	4,993,604	61,034,739	607,191	10,621,689	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	2,096,754	832,202	4,993,604	61,034,739	607,191	10,796,107	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	2,096,954	832,202	4,993,604	61,103,947	607,191	10,796,107	27,412,434	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837
7,119,671	15,623,574	1,876,453	832,202	4,993,604	61,027,634	607,191	10,216,619	27,411,818	1,199,446	1,781,380	12,863,994	36,258,335	3,327,672	569,408	43,993,222	4,942,684	438,837

Trans-Allegheny Interstate Line

				Attachment 5 - Cost Supp	
				Link to Appendix A, line 15	Link to Appendix A, line 15
Calculation of Distribution Plant In Service					
December	Source		For 2016	-	
January	p206.75.b	company records	For 2017	-	
February		company records	For 2017	-	
March		company records	For 2017	-	
April		company records	For 2017	-	
May		company records	For 2017	-	
June		company records	For 2017	-	
July		company records	For 2017	-	
August		company records	For 2017	-	
September		company records	For 2017	-	
October		company records	For 2017	-	
November		company records	For 2017	-	
December	p207.75.g		For 2017	-	-
Distribution Plant In Service					
Calculation of Intangible Plant In Service					
December	Source		For 2016	21,416,232	
December	p204.5.b		For 2017	21,131,459	21,131,459
18	Intangible Plant In Service	p205.5.g		21,573,853	21,131,459
Calculation of General Plant In Service					
December	Source		For 2016	57,280,481	-
December	p206.99.b		For 2017	61,996,454	61,996,454
18	General Plant In Service	p207.99.g		69,438,469	61,996,454
Calculation of Production Plant In Service					
December	Source		For 2016	-	
January	p204.46b	company records	For 2017	-	
February		company records	For 2017	-	
March		company records	For 2017	-	
April		company records	For 2017	-	
May		company records	For 2017	-	
June		company records	For 2017	-	
July		company records	For 2017	-	
August		company records	For 2017	-	
September		company records	For 2017	-	
October		company records	For 2017	-	
November		company records	For 2017	-	
December	p205.46.g		For 2017	-	-
Production Plant In Service					
6 Total Plant In Service				Sum of averages above	
				2,092,437,058	2,131,490,070
				Link to Appendix A, line 6	Link to Appendix A, line 6

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Details																	
13 Month Balance For Reconciliation																	
		Farmers Valley	Harvey Run														
Armstrong		Capacitor	Capacitor	Doubs SS	Meadowbrook	Grandview	502 Jct Substation	Conemaugh-Seward	Luxor	Grandpoint & Guilford	Handsome Lake - Homer City	Altoona	Blairsville	Carbon Center	Hunterstown	Johnstown	Buffalo Road
841,133	58,227	48,787	207,382		3,227,831	45,051	502,773	1,448,574	58,153	95,166	734,902	1,895,402	175,755	28,837	2,341,211	258,397	22,900
858,844	59,888	50,343	301,067		3,334,375	46,202	513,112	1,503,122	60,265	96,272	758,609	1,958,864	181,578	29,833	2,418,200	267,546	22,828
898,566	61,509	51,699	314,752		3,442,018	47,353	523,451	1,556,674	62,377	101,378	781,055	2,022,308	187,401	30,830	2,495,188	275,696	23,598
924,287	63,150	53,156	325,437		3,548,581	48,504	533,790	1,610,229	64,490	104,484	804,102	2,085,758	193,255	31,828	2,572,176	284,346	24,364
951,979	64,790	54,812	332,122		3,652,804	49,655	544,129	1,663,794	66,602	107,590	827,149	2,148,210	199,048	32,823	2,648,164	292,995	25,132
979,690	66,431	56,598	340,807		3,759,348	50,807	554,469	1,717,340	68,714	110,695	850,196	2,212,662	204,872	33,819	2,726,152	301,645	25,900
1,007,402	68,072	57,525	349,492		3,865,291	51,958	564,808	1,770,891	70,826	113,801	873,243	2,276,114	210,695	34,816	2,803,140	310,295	26,668
1,035,113	69,713	58,981	357,177		3,971,534	53,109	575,147	1,824,446	72,938	116,907	896,290	2,339,568	216,519	35,812	2,880,128	318,944	27,436
1,062,825	71,354	60,437	366,822		4,077,778	54,260	585,585	1,878,002	75,050	120,013	919,338	2,403,018	222,342	36,809	2,957,116	327,594	28,204
1,090,536	72,995	61,894	375,547		4,184,021	55,411	595,883	1,931,557	77,162	123,119	942,386	2,466,470	228,165	37,805	3,034,105	336,244	28,972
1,118,248	74,636	63,350	384,204		4,290,264	56,562	606,280	1,985,112	79,274	126,225	965,433	2,529,922	233,989	38,802	3,111,093	344,894	29,740
1,145,959	76,277	64,807	392,917		4,396,507	57,713	616,638	2,038,667	81,386	129,331	988,481	2,593,374	239,812	39,898	3,188,081	353,543	30,508
1,173,671	77,918	66,263	401,602		4,502,751	58,865	627,018	2,092,203	83,498	132,437	1,011,529	2,656,827	245,636	40,894	3,265,069	362,193	31,276
1,007,402	68,072	57,525	349,492		3,865,291	51,958	564,845	1,770,894	70,826	113,801	873,244	2,276,114	210,695	34,816	2,803,140	310,295	26,668

Trans-Allegheny Interstate Line

Attachment S - Cost Supp

Calculation of Distribution Accumulated Depreciation		Source			
December		Prior year FERC Form 1 p219.26.b	For 2016	-	-
January		company records	For 2017	-	-
February		company records	For 2017	-	-
March		company records	For 2017	-	-
April		company records	For 2017	-	-
May		company records	For 2017	-	-
June		company records	For 2017	-	-
July		company records	For 2017	-	-
August		company records	For 2017	-	-
September		company records	For 2017	-	-
October		company records	For 2017	-	-
November		company records	For 2017	-	-
December		p219.26.b	For 2017	-	-
Distribution Accumulated Depreciation				-	-
Calculation of Intangible Accumulated Depreciation		Source			
December		Prior year FERC Form 1 p200.21.b	For 2016	9,878,559	12,460,765
December		p200.21.b	For 2017	12,460,765	12,460,765
25	Accumulated Intangible Depreciation			11,159,660	12,460,765
				Link to Appendix A, line 25	Link to Appendix A, line 25
Calculation of General Accumulated Depreciation		Source			
December		Prior year FERC Form 1 p219.28b	For 2016	8,244,119	9,930,498
December		p219.28.b	For 2017	9,930,498	9,930,498
24	Accumulated General Depreciation			9,930,498	9,930,498
				Link to Appendix A, line 24	Link to Appendix A, line 24
Calculation of Production Accumulated Depreciation		Source			
December		Prior year FERC Form 1 p219.20.b-24.b	For 2016	-	-
January		company records	For 2017	-	-
February		company records	For 2017	-	-
March		company records	For 2017	-	-
April		company records	For 2017	-	-
May		company records	For 2017	-	-
June		company records	For 2017	-	-
July		company records	For 2017	-	-
August		company records	For 2017	-	-
September		company records	For 2017	-	-
October		company records	For 2017	-	-
November		company records	For 2017	-	-
December		p219.20.b thru 219.24.b	For 2017	-	-
Production Accumulated Depreciation				-	-
8	Total Accumulated Depreciation	Sum of averages above		213,283,030	237,013,629
				Link to Appendix A, line 8	Link to Appendix A, line 8

Trans-Allegheny Interstate Line Company

Attachment 5 - Cost Support

Electric / Non-electric Cost Support

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

Transmission / Non-transmission Cost Support

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

CWIP & Expensed Lease Worksheet

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Begin of year	CWIP in Form 1 Amount	Expensed Lease in Form 1 Amount	Details
6	Plant Allocation Factors			2,058,179,304	-	-	
	Electric Plant in Service	(Note B)	Attachment 5	-	-	-	
15	Plant in Service			1,979,490,595	-	-	
	Transmission Plant in Service	(Note B)	Attachment 5	-	-	-	
23	Accumulated Depreciation			172,311,811	-	-	
	Transmission Accumulated Depreciation	(Note B)	Attachment 5	-	-	-	

Pre-Commercial Costs Capitalized

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

EPRI Dues Cost Support

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

Regulatory Expense Related to Transmission Cost Support

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Transmission Related	Non-transmission Related	Details
62	Directly Assigned A&G			-	-	-	Link to Appendix A, line 62
	Regulatory Commission Exp Account 928	(Note G)	p323.188.b	-	-	-	Enter Details Here

Safety Related Advertising Cost Support

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Safety Related	Non-safety Related	Details
66	Directly Assigned A&G			-	-	-	Link to Appendix A, line 66
	General Advertising Exp Account 930.1	(Note F)	p323.191.b	-	-	-	Enter Details Here

Trans-Allegheny Interstate Line Company

Attachment 5 - Cost Support

MultiState Workpaper

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions		State 1	State 2	State 3	State 4	State 5	Details
Income Tax Rates		MD 8.25%	WV 6.5%	PA 9.9%	VA 6.0%		
110 SIT-State Income Tax Rate or Composite	(Note H)	Composite 7.854%	Composite is calculated based on sales, payroll and property for each jurisdiction				

Education and Out Reach Cost Support

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Form 1 Amount	Subvention & Outreach	Other	Details
Directly Assigned A&G					
69 General Advertising Exp Account 930.1	(Note J) p.921.191.b	-	-	-	Enter Details Here

Excluded Plant Cost Support

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

Prepayments

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Reg. year	End of Year	Average of Beginning and Ending Balances	Allocation	Transmission Related	Details
36 Prepayments				Enter \$		Amount	
Prepayments	Prepaid Insurance	142,535	237,647	190,091	100%	190,091	
Prepaid Pensions if not included in Prepayments		-	0	0	100%	0	
Total Prepayments		142,535	237,647	190,091		190,091	

Detail of Account 566 Miscellaneous Transmission Expenses

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Total	Summary of Pre-Commercial Expenses
70 Amortization Expense on Pre-Commercial Cost		\$ -	
71 Pre-Commercial Expense		672,064	
72 Miscellaneous Transmission Expense			
Total Account 566 Miscellaneous Transmission Expenses	p.321.97.b	\$ 672,064	
			Cost Element Name
			Total
			Labor & Overhead (1)
			Miscellaneous (2)
			Outside Services Legal (3)
			Outside Services Other (4)
			Outside Services Notes (5)
			Advertising (6)
			Travel, Lodging and Meals (7)
			Total
			(1) Labor & overhead amount includes costs allocated to preparation of the preliminary survey and investigation.
			(2) Miscellaneous amount includes rental of volunteer fire department facilities for open houses, Paid EX fees for various meetings from Legal, Procurement, Transmission & Finance, fees for various conference calls and PJM application fees.
			(3) Outside legal services includes the cost for research and preparation of the filing to determine incentive rate availability.
			(4) Other services other includes fees for website development, media relations services, campaign management, open houses and research services.
			(5) Outside services rates includes the advice of a rate consultant regarding rate design.
			(6) Advertising includes newspaper and other media announcements of public scoping meetings related to the proposed project.
			(7) Travel, lodging and meals are the direct expenses for Allegheny staff to attend the scoping meetings.
Net Revenue Requirement			
149 Facility Credits under Section 303.9 of the PJM OATT			

Depreciation Rates

TRANSMISSION PLANT																		
			Survivor		Net Salvage		Actual Rate (Annual)											
TRANSMISSION PLANT			Life	Curve	Percent	Percent	Black Oak	Wyle Ridge	502 Junction Terrestrial Line	Meadowbrook Transformer	North Sherradish	Bedington Transformer	Meadowbrook Capacitor	Kammer Transformers	Doubs Replacement Transformer #2	Doubs Replacement Transformer #3	Doubs Replacement Transformer #4	
350.2	Land & Land Rights - Easements	70	-	R4	0	1.43				2,483,141								
352	Structures & Improvements	50	-	R3	(10)	2.26	36,761			1,363,766								
	SVC	35	-			2.86												
353	Station Equipment	50	-	R2	(5)	2.10	1,399,321	581,116		793,587	389,905	40,402	162,194	145,082	830,268	94,890	82,296	149,570
	Other	Note 1	-	80 R2 - 35-yr truncation		2.96												
	SVC	15	-	S3	0	6.67												
	SCADA																	
354	Towers & Fixtures	65	-	R4	(25)	1.92				7,306,837								
355	Poles & Fixtures	55	-	R2.5	(20)	2.18				2,961,859								
356	Overhead Conductors & Devices	55	-	R2.5	(40)	2.85				6,399,054								
	Other	70	-	R4	0	1.43				38,390								
	Clearing																	
357	Underground conduit	55	-	S3	(5)	1.91												
358	Underground conductor and devices	45	-	R3	(5)	2.33												
	SVC	35	-			2.86												
Total Transmission Plant Depreciation							1,376,042	581,116	21,176,597	169,905	40,402	162,194	145,082	830,268	94,890	82,296	149,570	
Total Transmission Depreciation Expense (must tie to p336.7.f)							1,376,042	581,116	21,176,597	169,905	40,402	162,194	145,082	830,268	94,890	82,296	149,570	
Note 1: Depreciation rate is based on an 80 R2 survivor curve with a 35-year truncation.																		

Annual Depreciation Expense														
Cabot SS	Grandview Capacitor	Potter	Osage Whitley	Armstrong	Farmers Valley	Harvey Run	Doubs SS	Meadowbrook SS	502 Jct Substation	Conemaugh-Seward	Luxor	Grandpoint & Guilford	Handsome Lake-Homer City	Altoona
152	281		14,882	326	1,295				124,243	2,865	3,450			
149,368	13,533	34,383	110,953	329,706	18,436	17,476	104,220	1,274,919		246,957	21,996	37,270		761,425
			96,585							8,427			35,708	
			346,321							388,002			42,703	
149,520	13,814	34,383	570,472	332,538	19,691	17,476	104,220	1,274,919	124,243	642,652	25,345	37,270	276,567	761,425
149,520	13,814	34,383	570,472	332,538	19,691	17,476	104,220	1,274,919	124,243	642,652	25,345	37,270	276,567	761,425

Blairsville	Carbon Center	Hunterstown	Johnstown	Buffalo Road	Moshannon	Waldo Run	Four Mile Junction	West Union SS	Shuman Hill/Mobley	Bartonville	Squab Hollow SS	Squab Hollow SVC	Shingletown	Claysburg Ring Bus	Johnstown SS Capacitor
						41,514	6,329		2,073		333,906				38,608
69,881	11,958	923,858	103,796	9,216	156,518	1,296,120	184,385	18,717	32,206	12,710	326,367	922,123	44,183	144,521	28,746
						80,358			78						
						29,888									
69,881	11,958	923,858	103,796	9,216	156,518	1,449,790	190,714	18,717	32,206	12,710	482,263.87	922,123	44,183	163,129	28,746
69,881	11,958	923,858	103,796	9,216	156,518	1,449,790	190,714	18,717	32,206	12,710	482,264	922,123	44,183	163,129	28,746

														Total
Grover Sub	Rider Sub	Shawville	Monocacy SS	Mainburg SS	Yeagerstown	Nyswamer	Oak Mound	Joffre SS	Erie South	Farmers Valley Substation	Richwood Hill	Damascus SS	Warren Substation	Total
	111,341													2,577,274
	40,830							44,439	8,580	176,270	230,931		4,736	2,247,460
														-
11,307	124,736	47,011	804,196	401,047	23,836	19,669	62,514	803,156	1,364,830	641,464	1,612,767	15,217	269,016	18,021,176
														-
														-
														-
	(21,300)						1,137,005							7,422,703
														4,370,788
														-
														-
	180,457						923,769							391,224
														7,818,230
														18,369
														-
														-
11,307	445,819	47,011	804,196	401,047	23,836	19,669	2,123,289	864,575	1,373,413	817,724	1,843,698	15,217	273,742	42,867,247
11,307	445,819	47,011	804,196	401,047	23,836	19,669	2,123,289	864,575	1,373,413	817,724	1,843,698	15,217	273,742	42,867,247

1	Total PROOP expenses	22,856,433
2	Amount relating to retired personnel	8,766,372
3	Amount allocated on FTEs	14,070,061
4	Number of FTEs for Allegheny	4,408
5	Cost per FTE	3,162
6	TrailCo FTEs (labor not capitalized) current year	0,000
7	TrailCo PROOP Expense for base year	-
8	TrailCo PROOP Expense in Account 926 for current year	0
9	PROOP adjustment for Appendix A Line 57	-
57	Lines 1-5 cannot change absent approval or acceptance by FERC in a separate proceeding.	

Trans-Allegheny Interstate Line Company

Attachment 5a - Pre-Commercial Costs and CWIP

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

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

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

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

Column A	Column B	Column C	Column D	Column E	Column F	Column G
	Pre-Commercial Costs			CWIP		
Step 1 For Estimate:	Expensed (Estimated)	Deferred	Amount of Deferred Amortized in Year	Average of 13 Monthly Balances		
Prexy - 502 Junction 138 kV (CWIP)	-	-	-	-		
Prexy - 502 Junction 500 kV (CWIP)	-	-	-	-		
502 Junction - Territorial Line (CWIP)	-	-	-	-		
Total	-	-	-	-		
Step 3 For Reconciliation:	Pre-Commercial Costs			For Reconciliation Step 2	CWIP	AFUDC In CWIP
Prexy - 502 Junction 138 kV (CWIP)	Expensed (Actual)	Deferred	Amount of Deferred Amortized in Year			AFUDC (if CWIP was not in Rate Base)
1	-	-	-	-	-	-
2	-	-	-	-	-	-
3	-	-	-	-	-	-
4	-	-	-	-	-	-
...	-	-	-	-	-	-
Total	-	-	-	-	-	-
Prexy - 502 Junction 500 kV (CWIP)	-	-	-	-	-	-
1	-	-	-	-	-	-
2	-	-	-	-	-	-
3	-	-	-	-	-	-
4	-	-	-	-	-	-
...	-	-	-	-	-	-
Total	-	-	-	-	-	-
502 Junction - Territorial Line (CWIP)	-	-	-	145,754	-	136,129,170
1	-	-	-	-	-	-
2	-	-	-	-	-	-
3	-	-	-	-	-	-
4	-	-	-	-	-	-
...	-	-	-	-	-	-
Total	-	-	-	145,754	-	136,129,170
Total Additions to Plant in Service (sum of the above for each project)			Refer to Attachment 5 - Cost Support Plant in Service Worksheet			136,129,170
Total Additions to Plant in Service reported on pages 204-207 of the Form No. 1			Refer to Attachment 5 - Cost Support Plant in Service Worksheet			
Difference (must be zero)						

Notes:

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

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

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

Trans-Allegheny Interstate Line Company
Attachment 6 - Estimate and Reconciliation Worksheet

EXHIBIT NO. TRC-203
ATTACHMENT H-18A
Page 29 of 49

Step	Month	Year	Action
Exec Summary			
1	April	Year 2	TO populates the formula with Year 1 data
2	April	Year 2	TO estimates all transmission Cap Adds and CWP for Year 2 based on each project's cost using the average of 13 monthly balances. Cap Adds are the projects expected to be in service in Year 2.
3	April	Year 2	TO adds Cap Adds and CWP to plant in service in Formula (Appendix A, Lines 16 and 33)
4	May	Year 2	Post results of Step 3 on PJM web site
5	June	Year 2	Results of Step 3 go into effect

6	April	Year 3	TO estimates all transmission Cap Adds and CWP during Year 3 based each project's cost using the average of 13 monthly balances. Cap Adds are expected be in service in Year 3.
7	April	Year 3	Reconciliation - TO calculates Reconciliation by populating the 13 monthly plant balances and beginning and end of year. balances for the other rate base items and the 13 monthly averages for CWP in Reconciliation (adjusted to include any Reconciliation amount from prior year).
8	April	Year 3	Reconciliation - TO adds the difference between the Reconciliation in Step 7 and the forecast in Step 5 with interest to the result of Step 7 (this difference is also added to Step 7 in the subsequent year)
9	May	Year 3	Post results of Step 8 on PJM web site
10	June	Year 3	Results of Step 8 go into effect

Reconciliation Details

1	April	Year 2	TO populates the formula with Year 1 data Rev Req based on Year 1 data	Must run Appendix A to get this number (without any cap adds in Appendix A line 16 and without CWP in Appendix A line 33)
2	April	Year 2	TO estimates all transmission Cap Adds and CWP for Year 2 based on each project's cost using the average of 13 monthly balances. Cap Adds are the projects expected to be in service in Year 2.	

	(A)	(B)		(C)		(D)		(E)		(F)		(G)		(H)		(I)	
		Richwood Hill		Erie South		Joffre Sub		Oak Mound		Black Oak		Damascus Substation		Conemaugh		502 Junction - Territorial Line (monthly additions)	
		(in service)		(in service)		(in service)		(in service)		(in service)		(in service)		(in service)		CWP	
Dec (Prior Year CWP) (2216.5.43)		Actual	16,757,542	59,666	15,549,157	600,367	-	-	-	42	526,720						
Jan 2017		Actual	1,568,402	(13,355)	413,696	212,461	-	-	-	-	(35,315)						
Feb		Actual	(106,130)	23,963	(153,096)	579,141	-	-	-	3,507	(97,623)						
Mar		Actual	(26,906)	15,511	127,277	380,062	-	-	-	328	(4,014)						
Apr		Budget	(839,288)	2	144,253	194,678	-	-	-	-	-						
May		Budget	-	-	20,436,553	610,238	-	585,239	-	-	1,707,954						
Jun		Budget	-	-	6,633	344,917	-	-	-	-	510,000						
Jul		Budget	-	-	8,806,130	-	-	-	-	-	125,000						
Aug		Budget	-	61,488	-	-	-	-	-	-	-						
Sep		Budget	-	13,770	-	-	250,000	-	-	-	515,200						
Oct		Budget	-	-	-	-	-	-	-	-	-						
Nov		Budget	-	-	-	-	-	-	-	-	-						
Dec		Budget	-	-	-	-	-	-	-	-	-						
Total			17,353,621	161,045	45,332,603	2,921,864	250,000	585,239	3,877	3,247,922							

	(A)	(B)		(C)		(D)		(E)		(F)		(G)		(H)		(I)	
		Meadowbrook SS		Warren Substation		Joffre Substation S1041						Bartonville		Squab Hollow SS			
		(in service)		(in service)		(in service)		(in service)		(in service)		(in service)		(in service)		(in service)	
Dec (Prior Year CWP) (2216.5.43)		Actual	(101)	-	-	-	-	-	-	-	8,257						
Jan 2017		Actual	256,157	-	-	-	-	-	-	(9)	(8,102)						
Feb		Actual	-	-	-	-	-	-	-	-	-						
Mar		Actual	-	-	-	-	-	-	-	-	1,439						
Apr		Budget	-	-	-	-	-	-	-	-	-						
May		Budget	-	-	-	-	-	-	-	-	-						
Jun		Budget	-	22,317,409	-	-	-	-	-	-	-						
Jul		Budget	126,000	-	-	-	-	-	-	-	-						
Aug		Budget	-	-	-	-	-	-	-	-	-						
Sep		Budget	-	-	140,222	-	-	-	-	-	-						
Oct		Budget	-	-	-	-	-	-	-	-	-						
Nov		Budget	-	-	-	-	-	-	-	-	-						
Dec		Budget	-	-	-	-	-	-	-	-	-						
Total			382,057	22,317,409	140,222	-	-	-	-	(9)	1,594						

	(A)	(B)		(C)		(D)		(E)		(F)		(G)		(H)		(I)	
				Shingletown		Clayburg Ring Bus						Rider				Monocacy	
		(in service)		(in service)		(in service)		(in service)		(in service)		(in service)		(in service)		(in service)	
Dec (Prior Year CWP) (2216.5.43)		Actual	-	2	2,861	-	-	3,050	-	16,272							
Jan 2017		Actual	-	33	2,951	-	-	(1,280,169)	-	51							
Feb		Actual	-	-	-	-	-	(876,514)	-	36							
Mar		Actual	-	-	-	-	-	(108,591)	-	-							
Apr		Budget	-	-	-	-	-	-	-	-							
May		Budget	-	-	-	-	-	-	-	-							
Jun		Budget	-	-	-	-	-	-	-	-							
Jul		Budget	-	-	-	-	-	-	-	-							
Aug		Budget	-	-	-	-	-	-	-	-							
Sep		Budget	-	-	-	-	-	-	-	-							
Oct		Budget	-	-	-	-	-	-	-	-							
Nov		Budget	-	-	-	-	-	-	-	-							
Dec		Budget	-	-	-	-	-	-	-	-							
Total			-	35	5,813	-	-	(2,262,224)	-	16,359							

Month End Balances										
Other Projects PIS (Monthly additions)	Richwood Hill	Joffre Sub	Oak Mound	Black Oak	Damascus Substation	Conemaugh	502 Junction - Territorial Line (monthly additions)			
	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	CWP			
	16,757,542	59,666	15,549,157	600,367	-	42	526,720			
	18,325,944	46,312	15,962,853	812,828	-	42	491,405			
	18,219,814	70,274	15,809,757	1,391,969	-	3,549	393,782			
	18,192,909	85,785	15,937,034	1,772,031	-	3,877	389,768			
	17,353,621	85,787	16,081,287	1,966,709	-	3,877	389,768			
	17,353,621	85,787	36,519,840	2,576,947	-	585,239	3,877			
	17,353,621	85,787	36,526,473	2,921,864	-	585,239	3,877			
	17,353,621	85,787	45,332,603	2,921,864	-	585,239	3,877			
	17,353,621	147,275	45,332,603	2,921,864	-	585,239	3,877			
	17,353,621	161,045	45,332,603	2,921,864	250,000	585,239	3,877			
	17,353,621	161,045	45,332,603	2,921,864	250,000	585,239	3,877			
	17,353,621	161,045	45,332,603	2,921,864	250,000	585,239	3,877			
	17,353,621	161,045	45,332,603	2,921,864	250,000	585,239	3,877			
	227,678,796	1,396,642	424,382,015	29,573,898	1,000,000	4,681,912	42,407			
	17,513,754	107,434	32,644,770	2,274,915	76,923	360,147	5,262			
(Appendix A, Line 16)		(Appendix A, Line 16)	(Appendix A, Line 16)	(Appendix A, Line 16)		(Appendix A, Line 33)				

Month End Balances										
Other Projects PIS (Monthly additions)	Meadowbrook SS	Warren Substation	Joffre Substation S1041	0	0	0	Bartonville	Squab Hollow SS		
	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)		
	(101)	-	-	-	-	-	-	8,257		
	256,057	-	-	-	-	-	(9)	155		
	256,057	-	-	-	-	-	(9)	155		
	256,057	-	-	-	-	-	(9)	1,594		
	256,057	-	-	-	-	-	(9)	1,594		
	256,057	-	-	-	-	-	(9)	1,594		
	256,057	22,317,409	-	-	-	-	(9)	1,594		
	382,057	22,317,409	-	-	-	-	(9)	1,594		
	382,057	22,317,409	-	-	-	-	(9)	1,594		
	382,057	22,317,409	140,222	-	-	-	(9)	1,594		
	382,057	22,317,409	140,222	-	-	-	(9)	1,594		
	382,057	22,317,409	140,222	-	-	-	(9)	1,594		
	382,057	22,317,409	140,222	-	-	-	(9)	1,594		
	3,828,578	156,221,863	560,888	-	-	-	(111)	24,512		

Month End Balances										
Other Projects PIS (Monthly additions)	0	Shingletown	Clayburg Ring Bus	0	0	0	Rider	0	Monocacy	
	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	
	-	2	2,861	-	-	3,050	-	16,272		
	-	35	5,813	-	-	(1,277,119)	-	16,272		
	-	35	5,813	-	-	(2,153,633)	-	16,323		
	-	35	5,813	-	-	(2,262,224)	-	16,359		
	-	35	5,813	-	-	(2,262,224)	-	16,359		
	-	35	5,813	-	-	(2,262,224)	-	16,359		
	-	35	5,813	-	-	(2,262,224)	-	16,359		
	-	35	5,813	-	-	(2,262,224)	-	16,359		
	-	35	5,813	-	-	(2,262,224)	-	16,359		
	-	35	5,813	-	-	(2,262,224)	-	16,359		
	-	35	5,813	-	-	(2,262,224)	-	16,359		
	-	422	72,613	-	-	(26,048,943)	-	212,458		

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
		Mainsburg		Farmers Valley Substation					
		(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)
Grants	Actual	7,988	-	-	83,713	-	-	-	-
	Actual	60,185	-	-	156,412	-	-	-	-
	Actual	74,864	-	-	88,568	-	-	-	-
	Actual	942	-	-	319,578	-	-	-	-
	Budget	1,432,329	-	-	-	-	-	-	-
	Budget	99,495	-	-	-	-	-	-	-
	Budget	-	-	-	-	-	-	-	-
	Budget	-	-	-	-	-	-	-	-
	Budget	-	-	-	-	-	-	-	-
	Budget	-	-	-	-	-	-	-	-
Total	1,675,804	-	-	648,271	-	-	-	-	-

Month End Balances						EXHIBIT NO. TRC-203	
Other Projects PIS (Monthly additions)						ATTACHMENT H-18A	
Mainsburg	0	0	Farmers Valley Substation	0	0	Page 60 of 49	
(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	
7,988	-	-	83,713	-	-	-	-
68,173	-	-	240,126	-	-	-	-
143,037	-	-	328,694	-	-	-	-
143,980	-	-	648,271	-	-	-	-
1,576,309	-	-	648,271	-	-	-	-
1,675,804	-	-	648,271	-	-	-	-
1,675,804	-	-	648,271	-	-	-	-
1,675,804	-	-	648,271	-	-	-	-
1,675,804	-	-	648,271	-	-	-	-
1,675,804	-	-	648,271	-	-	-	-
1,675,804	-	-	648,271	-	-	-	-
1,675,804	-	-	648,271	-	-	-	-
1,675,804	-	-	648,271	-	-	-	-
1,675,804	-	-	648,271	-	-	-	-
15,345,916	-	-	7,135,244	-	-	-	-

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

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

					Meadow Brook SS Capacitor (Monthly additions)	Kammer Transformers (Monthly additions)	Doubs Transformer #2 (Monthly additions)	Doubs Transformer #3 (Monthly additions)	Doubs Transformer #4 (Monthly additions)	Cabot SS (Monthly Additions)	Hunterston	Farmers Valley	Harvey Run	Doubs SS	Potter SS (Monthly Additions)	Osgae Whiskey (Monthly Additions)	Meadowbrook SS		502 Junction - Tentorial Line (Monthly additions)
Wyle Ridge (Monthly additions)	Black Oak (Monthly additions)	North Shenandoah	Meadowbrook Transformer (Monthly additions)	Bedington Transformer (Monthly additions)															
\$ 2,970,840	5,938,701.18	232,346.28	1,004,457.12	954,096.80	817,459.18	4,949,027	652,982	597,966	739,498	933,649	6,037,934	233,655	113,669	680,851	265,630	3,337,025	8,375,477	146,581,162	
502 Junction Substation	Waldo Run	Conemaugh	Blairsville	Four Mile Junction	Johnstown	Yeagertown	Grandview Capacitor	Altoona SVC	Luxor	Grandpoint & Gulford	Moshannon	Carbon Center	Shawille	Oak Mound	Shuman Hill	Buffalo Road	Conemaugh Capacitor	Grover SS Capacitor	
\$ 1,306,273.69	7,814,900.82	3,830,202.82	456,892.81	1,330,033.24	678,962.06	159,883	88,976	4,980,673	165,480	244,612	1,019,486	78,357	317,817	13,257,802	207,523	62,901	-	118,529	
Richwood Hill	Handsome Lake - Homer City	West Union	Rider Sub (West Millford)	Erie South	Monacaoy SS	Bartonville SS Capacitor	Mainburg SS	Johnson Sub Capacitor	Clayburn Ring Bus	Joffre Sub	Squabb Hollow SS	Squabb Hollow SVC	Shingletown Capacitor	Nyawaner	Armstrong	Farmers Valley Substation	Damascus Substation	Warren Substation	
\$ 11,348,238.70	1,769,154.96	123,325.52	2,773,257.85	6,427,754.65	5,379,789.37	70,713	3,200,314	191,735	1,078,590	6,015,964	2,571,165	4,619,959	252,145	120,665	2,147,763	5,179,590	44,221	1,475,529	
Total Revenue Requirement																			
\$ 276,330,902.71																			Joffre Substation S104I 5,298

502 Junction Substation	Waldo Run	Conemaugh	Blairsville	Four Mile Junction	Johnstown	Yeagertown	Grandview Capacitor	Altoona SVC	Luxor	Grandpoint & Gulford	Moshannon	Carbon Center	Shawville	Oak Mound	Shuman Hill	Buffalo Road	Conemaugh Capacitor	Grover SS Capacitor	
\$	1,306,273.69	7,814,900.82	3,830,202.82	456,892.81	1,330,033.24	678,962.06	159,883	88,976	4,980,673	165,480	244,612	1,019,486	78,357	317,817	13,257,802	207,523	62,901	-	118,529

	Richwood Hill	Handsome Lake - Homer City	West Union	Rider Sub (West Milford)	Erie South	Monaca SS	Bartonville SS Capacitor	Mainsburg SS	Johnstown Sub Capacitor	Claysburg Ring Bus	Joffre Sub	Squab Hollow SS	Squab Hollow SVC	Shingletown Capacitor	Nywarner	Armstrong	Farmers Valley Substation	Damascus Substation	Warren Substation
\$	11,348,238.70	1,769,154.96	123,325.52	2,773,257.85	6,427,754.65	5,379,789.37	70,713	3,200,314	191,735	1,078,590	6,015,964	2,571,165	4,619,959	252,145	120,665	2,147,763	5,179,590	44,221	1,475,529

Total Revenue Requirement	
\$ 276,330,902.71	Joffe Substation S1041
	5,296

[illegible]

New Transmission Plant Additions for Year 3 (13 month average balance)

[illegible][illegible]

7	April	Year 3	Reconciliation - TO calculates Reconciliation by populating the 13 monthly plant balances and beginning and end of year balances for the other rate base items and the 13 monthly averages for CWIP in Reconciliation (adjusted to include any Reconciliation amount from prior year).

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
							502 Junction - Territorial Line (monthly additions)		
							CWP		
Actual	-	-	-	-	-		138,957		
Actual	-	-	-	-	-		(280)		
Actual	-	-	-	-	-		18,267		
Actual	-	-	-	-	-		(2,788)		
Actual	-	-	-	-	-		(2,779)		
Actual	-	-	-	-	-		3,652		
Actual	-	-	-	-	-		23,429		
Actual	-	-	-	-	-		(17,612)		
Actual	-	-	-	-	-		(12,421)		
Actual	-	-	-	-	-		605		
Actual	-	-	-	-	-		(5,038)		
Actual	-	-	-	-	-		81,576		
Actual	-	-	-	-	-		(79,813)		
	-	-	-	-	-		145,754		

Month End Balances							
Other Projects PIS (Monthly additions)				502 Junction - Territorial Line (monthly additions)			
CWP							
-	-	-	-	-	138,957	-	-
-	-	-	-	-	138,677	-	-
-	-	-	-	-	156,944	-	-
-	-	-	-	-	154,156	-	-
-	-	-	-	-	151,378	-	-
-	-	-	-	-	155,029	-	-
-	-	-	-	-	178,458	-	-
-	-	-	-	-	160,846	-	-
-	-	-	-	-	148,425	-	-
-	-	-	-	-	149,030	-	-
-	-	-	-	-	143,992	-	-
-	-	-	-	-	225,567	-	-
-	-	-	-	-	145,754	-	-
-	-	-	-	-	2,047,214	-	-
-	-	-	-	-	157,478	-	-

Result of Formula for Reconciliation

Page 32 of 49																		
Total Revenue Requirement	Potter SS	Cabot SS Transformer	Doubs Transformer #4 (Monthly additions)	Doubs Transformer #3 (Monthly additions)	Doubs Transformer #2 (Monthly additions)	Kammer Transformers (Monthly additions)	Meadow Brook SS Capacitor (Monthly additions)	Bedington Transformer (Monthly additions)	Meadowbrook Transformer (Monthly additions)	North Shenandoah (Monthly additions)	Black Oak (Monthly additions)	Wyle Ridge (Monthly additions)	502 Junction - Territorial Line (Monthly additions)	Osage Whiteley	Armstrong	Farmers Valley	Harvey Run	Doubs SS
\$ 269,505,465.60	258,578.68	907,787.86	717,813.86	582,053.33	635,268.21	4,810,031	794,270	927,307	976,398	240,096	5,742,055	2,867,214	142,224,811	3,245,456	2,088,569	236,955	110,548	662,178
Meadowbrook SS	Buffalo Road Capacitor	Handsome Lake-Homer City	Grandview Capacitor	Luxor Capacitor	Grand Point & Guilford SS	Altoona	Blairsville	Conemaugh Transformer	502 Junction Substation	Cabron Center	Hunterstown	Johnstown	Moshannon	Waldo Run	Four Mile Junction	West Union SS	Bartonville SS Capacitor	
8,142,575	58,735	1,717,172	86,528	160,941	237,618	4,844,151	444,364	3,723,230	1,284,076	76,209	5,872,558	660,346	1,010,281	7,653,004	1,294,052	119,949	82,888	
Yeagertown	Rider	Monocacy SS	Shuman Hill Sub	Mainsburg SS	Johnstown Sub Capacitor	Grover SS	Claysburg Ring Bus	Squab Hollow SS	Squab Hollow SVC	Shingletown Capacitor	Nywaner	Shawville	Oak Mound	Joffre SS	Erie South	Farmers Valley Substation	Richwood Hill	
155,522	2,265,079	5,239,324	201,870	3,140,021	186,522	115,190	1,051,461	2,623,792	4,486,757	244,928	128,537	308,592	14,265,519	4,897,877	6,771,141	5,363,391	10,642,294	
Damascus SS	Warren Substation																	
100,749	1,820,835																	

8 April Year 3

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

The Reconciliation in Step 8		The forecast in Prior Year				(6,825,437) <Note: for the first rate year, divide this reconciliation amount by 12 and multiply by the number of months and fractional months the rate was in effect.	
269,505,466		276,330,903					
Interest on Amount of Refunds or Surcharges		0.3500%					
Interest 35.19a for March Current Yr		1/12 of Step 9		Interest 35.19a for March Current Yr		Interest	
Month	Yr				Months		
Jun	Year 1	(568,786)	0.3500%		11.5	(22,894)	
Jul	Year 1	(568,786)	0.3500%		10.5	(20,903)	
Aug	Year 1	(568,786)	0.3500%		9.5	(18,912)	
Sep	Year 1	(568,786)	0.3500%		8.5	(16,921)	
Oct	Year 1	(568,786)	0.3500%		7.5	(14,931)	
Nov	Year 1	(568,786)	0.3500%		6.5	(12,940)	
Dec	Year 1	(568,786)	0.3500%		5.5	(10,949)	
Jan	Year 2	(568,786)	0.3500%		4.5	(8,958)	
Feb	Year 2	(568,786)	0.3500%		3.5	(6,968)	
Mar	Year 2	(568,786)	0.3500%		2.5	(4,977)	
Apr	Year 2	(568,786)	0.3500%		1.5	(2,986)	
May	Year 2	(568,786)	0.3500%		0.5	(995)	
Total		(6,825,437)					
		Balance	Interest	Amort		Balance	
Jun	Year 2	(6,968,771)	0.3500%	(594,027)		(6,399,135)	
Jul	Year 2	(6,399,135)	0.3500%	(594,027)		(5,827,505)	
Aug	Year 2	(5,827,505)	0.3500%	(594,027)		(5,253,874)	
Sep	Year 2	(5,253,874)	0.3500%	(594,027)		(4,678,236)	
Oct	Year 2	(4,678,235)	0.3500%	(594,027)		(4,100,582)	
Nov	Year 2	(4,100,582)	0.3500%	(594,027)		(3,520,906)	
Dec	Year 2	(3,520,906)	0.3500%	(594,027)		(2,939,202)	
Jan	Year 3	(2,939,202)	0.3500%	(594,027)		(2,355,462)	
Feb	Year 3	(2,355,462)	0.3500%	(594,027)		(1,769,679)	
Mar	Year 3	(1,769,679)	0.3500%	(594,027)		(1,181,846)	
Apr	Year 3	(1,181,846)	0.3500%	(594,027)		(591,955)	
May	Year 3	(591,955)	0.3500%	(594,027)		(0)	
Total with interest				(7,128,326)			
The difference between the Reconciliation in Step 8 and the forecast in Prior Year with interest				(7,128,326) Input to Appendix A, Line 143			
Rev Req based on Year 2 data with estimated Cap Adds for Year 3 (Step 8)				\$			
Revenue Requirement for Year 3				(7,128,326)			

Reconciliation Amount by Project																		
Total Revenue Requirement	Potter SS	Cabot SS Transformer	Doubs Transformer #4 (Monthly additions)	Doubs Transformer #3 (Monthly additions)	Doubs Transformer #2 (Monthly additions)	Kammer Transformers (Monthly additions)	Meadow Brook SS Capacitor (Monthly additions)	Bedington Transformer (Monthly additions)	Meadowbrook Transformer (Monthly additions)	North Shenandoah (Monthly additions)	Black Oak (Monthly additions)	Wyle Ridge (Monthly additions)	502 Junction - Territorial Line (Monthly additions)	Osage Whiteley	Armstrong	Farmers Valley	Harvey Run	Doubs SS
\$ (7,128,326)	(7,364)	(27,009)	(22,646)	(16,619)	(18,500)	(145,165)	(24,218)	(27,979)	(29,305)	8,093	(205,373)	(108,225)	(4,549,671)	(95,632)	(61,821)	3,446	(3,259)	(19,502)
Meadowbrook SS	Buffalo Road Capacitor	Handsome Lake-Homer City	Grandview Capacitor	Luxor Capacitor	Grand Point & Guilford SS	Altoona	Blairsville	Conemaugh Transformer	502 Junction Substation	Cabron Center	Hunterstown	Johnstown	Moshannon	Waldo Run	Four Mile Junction	West Union SS	Bartonville SS Capacitor	
(243,238)	(4,351)	(54,290)	(2,556)	(4,741)	(7,304)	(142,580)	(13,085)	(111,720)	(23,182)	(2,243)	(172,714)	(19,443)	(9,614)	(169,082)	(37,578)	(3,526)	12,716	
Yeagertown	Rider	Monocacy SS	Shuman Hill Sub	Mainsburg SS	Johnstown Sub Capacitor	Grover SS	Clayburg Ring Bus	Squab Hollow SS	Squab Hollow SVC	Shingletown Capacitor	Nywaner	Shawville	Oak Mound	Joffre SS	Erie South	Farmers Valley Substation	Richwood Hill	
(4,555)	(530,730)	(146,698)	(5,904)	(62,970)	(5,444)	(3,488)	(28,333)	54,962	(139,113)	(7,537)	8,221	(9,635)	1,052,436	(1,167,704)	358,625	191,958	(737,272)	
Damascus SS	Warren Substation	Joffre SS																
59,037	360,629	(5,533)																

9 May Year 3

Post results of Step 8 on PJM web site
\$ (7,128,326)

10 June Year 3

Results of Step 8 go into effect
\$ (7,128,326)

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

Revenue Requirement By Project

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

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

		PJM Upgrade ID: b0328.1 b0328.2; b0347.1; b0347.2; b0347.3; b0347.4				PJM Upgrade ID: b0218				PJM Upgrade ID: b0216			
Details		502 Junction - Territorial Line (CWIP + Plant In Service)				Wylie Ridge Transformer (Plant In Service)				Black Oak (SVC) Dynamic Reactive Device (Plant In Service)			
10	"Yes" if a project under PJM OATT Schedule 12, otherwise "No"	Schedule 12	(Yes or No)	Yes		Yes		Yes		Yes			
11	"Yes" if the customer has paid a lump sum payment in the amount of the investment on line 29, Otherwise "No"	CIAC	(Yes or No)	No		No		No		No			
12	Input the allowed ROE	Allowed ROE		12.70%		11.70%		12.70%		12.70%			
13	From line 3 above if "No" on line 12 and From line 7 above if "Yes" on line 12	FCR without Incentive ROE		12.0143%		12.0143%		12.0143%		12.0143%			
14	If line 13 equals 12.7%, then line 4, if line 13 equals 11.7% then line 3, and if line 12 is "Yes" then line 7	FCR for This Project		12.8455%		12.0143%		12.8455%					
15	Forecast - End of prior year net plant plus current year forecast of CWIP or Cap Adds.	Investment		942,338,390		19,028,140		33,988,630					
16	reconciliation - Average of 13 month prior year net plant balances plus prior year 13-mo CWIP balances.			21,176,597		581,116		1,376,042					
17	Annual Depreciation Exp from Attachment 5												
		Invest Yr		Return	Depreciation	Pre-Commercial Exp.	Reconciliation Amount	Revenue		Return	Depreciation	Pre-Commercial Exp.	Reconciliation Amount
18	See Calculations for each item below	2011		113,215,372.83	21,176,597.13	0.00	0.00	134,391,969.96		2,286,096.02	581,115.99	0.00	2,867,214.01
19	See Calculations for each item below	2011		121,046,214.09	21,176,597.13	0.00	0.00	142,224,611.22		2,286,096.02	581,115.99	0.00	2,867,214.01
20													
		Return		4,063,495.20	1,376,041.82	0.00	0.00	5,439,537.02		4,063,495.20	1,376,041.82	0.00	5,439,537.02
		Revenue		4,356,013.10	1,376,041.82	0.00	0.00	5,732,054.92		4,356,013.10	1,376,041.82	0.00	5,732,054.92

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

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

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

PJM Upgrade ID: b0323					PJM Upgrade ID: b0230					PJM Upgrade ID: b0229					PJM Upgrade ID: b0559				
North Shenandoah Transformer (Plant In Service)					Meadowbrook Transformer (Plant In Service)					Bedington Transformer (Plant In Service)					Meadowbrook Capacitor (Plant In Service)				
Yes					Yes					Yes					Yes				
	No					No					No					No			
	11.70%					11.70%					11.70%					11.70%			
	12.0143%					12.0143%					12.0143%					12.0143%			
	12.0143%					12.0143%					12.0143%					12.0143%			
1,662,132					6,712,773					6,368,348					5,403,460				
40,402					169,905					162,194					145,082				
Reconciliation Amount					Reconciliation Amount					Reconciliation Amount					Reconciliation Amount				
Return	Depreciation		Revenue		Return	Depreciation		Revenue		Return	Depreciation		Revenue		Return	Depreciation		Revenue	
199,693.60	40,401.95	0.00	240,095.55	806,492.78	169,904.81	0.00	976,397.59	765,112.47	162,194.28	0.00	927,306.75	649,188.00	145,082.04	0.00	794,270.04	649,188.00	145,082.04	0.00	794,270.04
199,693.60	40,401.95	0.00	240,095.55	806,492.78	169,904.81	0.00	976,397.59	765,112.47	162,194.28	0.00	927,306.75	649,188.00	145,082.04	0.00	794,270.04	649,188.00	145,082.04	0.00	794,270.04

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

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

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

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

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

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10 "Yes" if a project under PJM OATT Schedule 12,
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forecast of CWIP or Cap Adds.
reconciliation - Average of 13 month prior year net plant
balances plus prior year 13-mo CWIP balances.
17 Annual Depreciation Exp from Attachment 5

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

PJM Upgrade ID: b0704					PJM Upgrade ID: b1941					PJM Upgrade ID: b0563					PJM Upgrade ID: b0564				
Cabot SS - Install Autotransformer					Armstrong					Farmers Valley Capacitor					Harvey Run Capacitor				
Yes					Yes					Yes					Yes				
No					No					No					No				
11.70%					11.70%					11.70%					11.70%				
12.0143%					12.0143%					12.0143%					12.0143%				
12.0143%					12.0143%					12.0143%					12.0143%				
6,311,377					14,616,172					1,808,380					774,677				
149,520					332,538					19,691					17,476				
Return	Depreciation	Reconciliation	Amount	Revenue	Return	Depreciation	Reconciliation	Amount	Revenue	Return	Depreciation	Reconciliation	Amount	Revenue	Return	Depreciation	Reconciliation	Amount	Revenue
758,267.86	149,520.00	0.00	907,787.86	1,756,030.91	332,538.12	0.00	2,088,569.03	217,264.26	19,690.58	0.00	236,954.84	93,072.00	17,476.20	0.00	110,546.20	93,072.00	17,476.20	0.00	110,546.20
758,267.86	149,520.00	0.00	907,787.86	1,756,030.91	332,538.12	0.00	2,088,569.03	217,264.26	19,690.58	0.00	236,954.84	93,072.00	17,476.20	0.00	110,546.20	93,072.00	17,476.20	0.00	110,546.20

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

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the amount of the investment on line 29, Otherwise "No"
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above if "Yes" on line 12
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11.7% then line 3, and if line 12 is "Yes" then line 7
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forecast of CWIP or Cap Adds.
reconciliation - Average of 13 month prior year net plant
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17 Annual Depreciation Exp from Attachment 5

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

PJM Upgrade ID: b1803					PJM Upgrade ID: b1243					PJM Upgrade ID: b0674, b1023, b1023.3					PJM Upgrade ID: b1804					
Doubts SS					Potter SS					Osage Whiteley					Meadowbrook SS					
Yes					Yes					Yes					Yes					
No					No					No					No					
11.70%					11.70%					11.70%					11.70%					
12.0143%					12.0143%					12.0143%					12.0143%					
12.0143%					12.0143%					12.0143%					12.0143%					
4,644,112					1,866,070					22,264,998					57,162,343					
104,220					34,383					570,472					1,274,919					
Return	Depreciation	Reconciliation Amount	Revenue		Return	Depreciation	Pre-Commercial Exp.	Reconciliation Amount	Revenue		Return	Depreciation	Pre-Commercial Exp.	Reconciliation amount	Revenue		Return	Depreciation	Reconciliation Amount	Revenue
557,957.59	104,220.36	0.00	662,177.95		224,195	34,383	0	0	256,578.68		2,674,984	570,472	0	0	3,245,456.05		1,274,919.24		0.00	8,142,575.32
557,957.59	104,220.36	0.00	662,177.95		224,195	34,383	0	0	256,578.68		2,674,984	570,472	0	0	3,245,456.05		1,274,919.24		0.00	8,142,575.32

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

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

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

PJM Upgrade ID: b1990					PJM Upgrade ID: b0674 & b1023.1					PJM Upgrade ID: b1153					PJM Upgrade ID: b1965				
Grandview Capacitor					502 Jct Substation					Conemaugh-Seward					Luxor				
Yes					Yes					Yes					Yes				
No					No					No					No				
11.70%					11.70%					11.70%					11.70%				
12.0143%					12.0143%					12.0143%					12.0143%				
12.0143%					12.0143%					12.0143%					12.0143%				
605,233					9,653,774					25,640,924					1,128,620				
13,814					124,243					642,652					25,345				
Return	Depreciation	Reconciliation	Amount	Revenue	Return	Depreciation	Reconciliation	Amount	Revenue	Return	Depreciation	Reconciliation	Amount	Revenue	Return	Depreciation	Reconciliation	Amount	Revenue
72,714.50	13,813.68	0.00	86,528.18	1,159,833.54	124,242.73	0.00	1,284,076.27	3,080,577.89	642,652.37	0.00	3,723,230.26	135,595.83	25,345.20	0.00	180,941.03	135,595.83	25,345.20	0.00	180,941.03
72,714.50	13,813.68	0.00	86,528.18	1,159,833.54	124,242.73	0.00	1,284,076.27	3,080,577.89	642,652.37	0.00	3,723,230.26	135,595.83	25,345.20	0.00	180,941.03	135,595.83	25,345.20	0.00	180,941.03

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

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

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

PJM Upgrade ID: b1839				PJM Upgrade ID: b1941				PJM Upgrade ID: b1801				PJM Upgrade ID: b1967			
Grandpoint & Guilford				Handsome Lake-Homer City				Altoona				Blairsville			
Yes				Yes				Yes				Yes			
No				No				No				No			
11.70%				11.70%				11.70%				11.70%			
12.0143%				12.0143%				12.0143%				12.0143%			
12.0143%				12.0143%				12.0143%				12.0143%			
1,667,578				11,990,750				33,982,221				3,116,977			
37,270				276,567				761,425				69,881			
Return	Depreciation	Reconciliation Amount	Revenue	Return	Depreciation	Reconciliation Amount	Revenue	Return	Depreciation	Reconciliation Amount	Revenue	Return	Depreciation	Reconciliation Amount	Revenue
200,347.89	37,270.44	0.00	237,618.33	1,440,804.80	276,567.28	0.00	1,717,372.08	4,082,726.39	761,424.95	0.00	4,844,151.35	374,482.95	69,881.04	0.00	444,363.99
200,347.89	37,270.44	0.00	237,618.33	1,440,804.80	276,567.28	0.00	1,717,372.08	4,082,726.39	761,424.95	0.00	4,844,151.35	374,482.95	69,881.04	0.00	444,363.99

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

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10 "Yes" if a project under PJM OATT Schedule 12,
11 otherwise "No"
12 "Yes" if the customer has paid a lump sum payment in
the amount of the investment on line 29, Otherwise "No"
13 Input the allowed ROE
14 From line 3 above if "No" on line 12 and From line 7
above if "Yes" on line 12
15 If line 13 equals 12.7%, then line 4, if line 13 equals
11.7% then line 3, and if line 12 is "Yes" then line 7
16 Forecast - End of prior year net plant plus current year
forecast of CWIP or Cap Adds.
reconciliation - Average of 13 month prior year net plant
balances plus prior year 13-mo CWIP balances.
17 Annual Depreciation Exp from Attachment 5
18
19 See Calculations for each item below
20 See Calculations for each item below

PJM Upgrade ID: b1672					PJM Upgrade ID: b1800					PJM Upgrade ID: b1945					PJM Upgrade ID: b1770					PJM Upgrade ID: b1964				
Carbon Center					Hunsterstown					Johnstown					Buffalo Road					Moshannon				
Yes					Yes					Yes					Yes					Yes				
No					No					No					No					No				
11.70%					11.70%					11.70%					11.70%					11.70%				
12.0143%					12.0143%					12.0143%					12.0143%					12.0143%				
12.0143%					12.0143%					12.0143%					12.0143%					12.0143%				
534,793					41,190,082					4,632,390					412,169					7,106,222				
11,958					923,858					103,796					9,216					156,518				
Reconciliation					Reconciliation					Reconciliation					Reconciliation					Reconciliation				
Return	Depreciation	Amount	Revenue		Return	Depreciation	Amount	Revenue		Return	Depreciation	Amount	Revenue		Return	Depreciation	Amount	Revenue		Return	Depreciation	Amount	Revenue	
64,251.61	11,957.52	0.00	76,209.13		4,948,700.47	923,857.68	0.00	5,872,558.15		556,549.24	103,796.38	0.00	660,345.62		49,519.18	9,215.64	0.00	58,734.82		853,762.90	156,517.62	0.00	1,010,280.52	
64,251.61	11,957.52	0.00	76,209.13		4,948,700.47	923,857.68	0.00	5,872,558.15		556,549.24	103,796.38	0.00	660,345.62		49,519.18	9,215.64	0.00	58,734.82		853,762.90	156,517.62	0.00	1,010,280.52	

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balances plus prior year 13-mo CWIP balances.
17 Annual Depreciation Exp from Attachment 5

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

PJM Upgrade ID: b2433.1, b2433.2, b2433.3				PJM Upgrade ID: b1609, b1769				PJM Upgrade ID: b2343				PJM Upgrade ID: b2342				PJM Upgrade ID: b1610				PJM Upgrade ID: b1840			
Waldo Run				Four Mile Junction				West Union SS				Shuman Hill/Mobley				Yeagertown				Rider Sub			
Yes				Yes				Yes				Yes				Yes				Yes			
No				No				No				No				No				No			
11.70%				11.70%				11.70%				11.70%				11.70%				11.70%			
12.0143%				12.0143%				12.0143%				12.0143%				12.0143%				12.0143%			
12.0143%				12.0143%				12.0143%				12.0143%				12.0143%				12.0143%			
51,631,914				9,183,540				842,600				1,412,178				1,096,079				15,142,449			
1,449,790				190,714				18,717				32,206				23,836				445,819			
Return	Depreciation	Reconciliation Amount	Revenue	Return	Depreciation	Reconciliation Amount	Revenue	Return	Depreciation	Reconciliation Amount	Revenue	Return	Depreciation	Reconciliation Amount	Revenue	Return	Depreciation	Reconciliation Amount	Revenue	Return	Depreciation	Reconciliation Amount	Revenue
6,203,213.68	1,449,789.92	0.00	7,653,003.60	1,103,338.11	190,713.53	0.00	1,294,051.64	101,232.44	18,716.88	0.00	119,949.32	169,663.27	32,206.34	0.00	201,869.61	131,686.24	23,836.60	0.00	155,521.84	1,819,259.45	445,819.24	0.00	2,265,078.69
6,203,213.68	1,449,789.92	0.00	7,653,003.60	1,103,338.11	190,713.53	0.00	1,294,051.64	101,232.44	18,716.88	0.00	119,949.32	169,663.27	32,206.34	0.00	201,869.61	131,686.24	23,836.60	0.00	155,521.84	1,819,259.45	445,819.24	0.00	2,265,078.69

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balances plus prior year 13-mo CWIP balances.
17 Annual Depreciation Exp from Attachment 5

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

PJM Upgrade ID: b2235					PJM Upgrade ID: b2260					PJM Upgrade ID: b1802					PJM Upgrade ID: b0555					PJM Upgrade ID: b0556					PJM Upgrade ID: b1943				
Monocacy SS					Bartonville SS Capacitor					Mainsburg SS					Johnstown Sub Capacitor					Grover SS					Claysburg Ring Bus				
Yes					Yes					Yes					Yes					Yes					Yes				
No					No					No					No					No					No				
11.70%					11.70%					11.70%					11.70%					11.70%					11.70%				
12.0143%					12.0143%					12.0143%					12.0143%					12.0143%					12.0143%				
12.0143%					12.0143%					12.0143%					12.0143%					12.0143%					12.0143%				
36,915,408					584,120					22,767,614					1,313,231					864,662					7,393,955				
804,196					12,710					401,047					28,746					11,307					163,129				
Return	Depreciation	Reconciliation Amount	Revenue		Return	Depreciation	Reconciliation Amount	Revenue		Return	Depreciation	Reconciliation Amount	Revenue		Return	Depreciation	Reconciliation Amount	Revenue		Return	Depreciation	Reconciliation Amount	Revenue		Return	Depreciation	Reconciliation Amount	Revenue	
4,435,128.32	804,196.06	0.00	5,239,324.38		70,177.89	12,710.05	0.00	82,887.94		2,738,973.99	401,046.51	0.00	3,140,020.50		157,775.50	28,746.48	0.00	186,521.98		103,883.15	11,306.52	0.00	115,189.67		888,332.05	163,129.09	0.00	1,051,461.14	
4,435,128.32	804,196.06	0.00	5,239,324.38		70,177.89	12,710.05	0.00	82,887.94		2,738,973.99	401,046.51	0.00	3,140,020.50		157,775.50	28,746.48	0.00	186,521.98		103,883.15	11,306.52	0.00	115,189.67		888,332.05	163,129.09	0.00	1,051,461.14	

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balances plus prior year 13-mo CWIP balances.
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18
19 See Calculations for each item below
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PJM Upgrade ID: b2364 & b2364.1				PJM Upgrade ID: b2362				PJM Upgrade ID: b2156				PJM Upgrade ID: b2546				PJM Upgrade ID: b1998			
Squab Hollow SS				Squab Hollow SVC				Shingletown Capacitor				Nyswaner				Shawville			
Yes				Yes				Yes				Yes				Yes			
No				No				No				No				No			
11.70%				11.70%				11.70%				11.70%				11.70%			
12.0143%				12.0143%				12.0143%				12.0143%				12.0143%			
12.0143%				12.0143%				12.0143%				12.0143%				12.0143%			
17,824,822				29,669,930				1,670,889				906,152				2,177,240			
482,264				922,123				44,183				19,669				47,011			
Reconciliation				Reconciliation				Reconciliation				Reconciliation				Reconciliation			
Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue
2,141,527.80	482,263.87	0.00	2,623,791.67	3,564,634.78	922,122.50	0.00	4,486,757.28	200,745.61	44,182.62	0.00	244,928.23	108,867.80	19,668.72	0.00	128,536.52	261,580.21	47,011.44	0.00	308,591.65
2,141,527.80	482,263.87	0.00	2,623,791.67	3,564,634.78	922,122.50	0.00	4,486,757.28	200,745.61	44,182.62	0.00	244,928.23	108,867.80	19,668.72	0.00	128,536.52	261,580.21	47,011.44	0.00	308,591.65

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PJM Upgrade ID: b2475				PJM Upgrade ID: b2547.1				PJM Upgrade ID: b2441				PJM Upgrade ID: b1991				PJM Upgrade ID: b2545				PJM Upgrade ID: b2261			
Oak Mound				Joffre SS				Erie South				Farmers Valley Substation				Richwood Hill				Damascus SS			
Yes				Yes				Yes				Yes				Yes				Yes			
No				No				No				No				No				No			
11.70%				11.70%				11.70%				11.70%				11.70%				11.70%			
12.0143%				12.0143%				12.0143%				12.0143%				12.0143%				12.0143%			
12.0143%				12.0143%				12.0143%				12.0143%				12.0143%				12.0143%			
101,064,806				33,654,080				44,927,524				37,835,472				73,234,352				711,918			
2,123,289				854,575				1,373,413				817,724				1,843,698				15,217			
Return	Depreciation	Reconciliation on Amount	Revenue	Return	Depreciation	Reconciliation on Amount	Revenue	Return	Depreciation	Reconciliation on Amount	Revenue	Return	Depreciation	Reconciliation on Amount	Revenue	Return	Depreciation	Reconciliation on Amount	Revenue	Return	Depreciation	Reconciliation Amount	Revenue
12,142,230.26	2,123,288.53	0.00	14,265,518.79	4,043,302.61	854,574.60	0.00	4,897,877.21	5,397,728.08	1,373,412.82	0.00	6,771,140.90	4,545,667.54	817,723.70	0.00	5,363,391.24	8,798,595.62	1,843,698.11	0.00	10,642,293.73	85,531.96	15,217.27	0.00	100,749.33
12,142,230.26	2,123,288.53	0.00	14,265,518.79	4,043,302.61	854,574.60	0.00	4,897,877.21	5,397,728.08	1,373,412.82	0.00	6,771,140.90	4,545,667.54	817,723.70	0.00	5,363,391.24	8,798,595.62	1,843,698.11	0.00	10,642,293.73	85,531.96	15,217.27	0.00	100,749.33

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

\$8,115,359.16
Ax A Line 148

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

TABLE 1: Summary Cost of Long Term Debt

CALCULATION OF COST OF DEBT

YEAR ENDED		12/31/2017															
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)							
	Issue Date	Maturity Date	ORIGINAL ISSUANCE	Net Proceeds At Issuance	Net Amount Outstanding at t+N	Months Outstanding at t+N	Average Net Outstanding in Year* z*	Weighted Cost Rate	Effective Cost Rate (Tables 2 and 3)	Weighted Debt Cost at t + N (h) * (i)							
	t=N																
Long Term Debt (12/31/2017)																	
First Mortgage Bonds:																	
(1)	12/1/2014	6/2/2025	\$ 550,000,000	\$ 545,247,429	\$ 546,627,492	12	\$ 546,627,492.00	88.00%	3.95%	3.48%							
(2)	10/16/2015	5/30/2025	\$ 75,000,000	\$ 74,437,647	\$ 74,565,066	12	\$ 74,565,066.00	12.004%	3.85%	0.46%							
Total			\$ 625,000,000		\$ 621,192,558		\$ 621,192,558	100.000%		3.94%							
t = time																	
The current portion of long term debt is included in the Net Amount Outstanding at t + N in these calculations.																	
The outstanding amount (column (g)) for debt retired during the year is the outstanding amount at the last month it was outstanding.																	
z = Average of monthly balances for months outstanding during the year (average of the balances for the 12 months of the year, with zero in months that the issuance is not outstanding in a month).																	
Interim individual debenture debt cost calculations shall be taken to four decimals in percentages (1.2000%, 5.2682%, First Total Weighted Average Debt Cost for the Formula Rate shall be rounded to two decimals of a percent (7.03%).																	
* The Total Weighted Average Debt Cost will be shown on Line 101 of Formula Rate Appendix A.																	

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

	YEAR ENDED 12/31/2017	(aa)	(bb)	(cc)	(dd) (Discount) at Issuance	(ee) Issuance Expense	(ff) Loss/Gain on ADT Recalculated Debt	(gg) Less Related Proceeds (Attachment 1)	(hh) Net Proceeds	(ii) Net Proceeds Ratio	(jj) Coupon Rate	(kk) Annual Interest	(ll) Effective Cost Rate (Yield to Maturity at Issuance, i = 0)
		Issue Date	Maturity Date	Amount Issued									
		Long Term Debt II Affiliate											
(1)	3.86%, Senior Unsecured N/A	12/11/2014	6/2/2025	\$ 850,000,000	\$ (418,000)	4,334,971	-	xxx	\$ 545,247,429	99.1359	0.03850	\$ 21,175,000	3.95%
(2)	3.76%, Senior Unsecured Notes	10/16/2015	5/30/2025	75,000,000		592,359			\$ 74,437,647	99.2602	0.0376	\$ 2,820,000	3.89%
												-	
		TOTALS		\$ 625,000,000	(418,000)	4,896,924	-	xxx	\$ 619,685,076			\$ 23,995,000	

Trans-Allegheny Interstate Line Company

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

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

Total Loan Amount	\$ 900,000,000

Internal Rate of Return ¹	4.886348%

Based on following Financial Formula²:

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

Origination Fees	
Origination Fees	7,780,954
Addition Origination Fees	15,125
Total Issuance Expense	7,796,079
Revolving Credit Commitment Fee	New Borrowing 0.005 Old Borrowing 0.0050
Revolving Credit Commitment Fee	0.0037

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

	2008	2008	2008	2008	2009	2010	2011	2012	2013	2014	2015
LIBOR Rate	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
Spread											
Interest Rate	6.13%	3.86%	4.05%	4.34%	2.12%	2.12%	2.12%	2.12%	2.12%	2.12%	2.12%
Bond \$450M Interest Rate	\$ 450,000,000					4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Revolver Interest Rate	\$ 350,000,000	Draw 1	DONE			3.249%	4.50%	6.21%			
Revolver Interest Rate	\$ 350,000,000	Draw 2, 3, 4	DONE			3.247%	4.50%	6.21%			
Revolver Interest Rate	\$ 350,000,000	Draw 5	DONE			3.251%	4.50%	6.21%			
Revolver Interest Rate	\$ 350,000,000	Draw 6	DONE - Roll over Draw 1 and 4			3.316%	4.50%	6.21%			
Revolver Interest Rate	\$ 350,000,000	Draw 7	DONE			3.361%	4.50%	6.21%			
Revolver Interest Rate	\$ 350,000,000	Draw 8	DONE - Roll over Draw 2, 3 and 5			3.422%	4.50%	6.21%			
Revolver Interest Rate	\$ 350,000,000	Draw 9	DONE			3.417%	4.50%	6.21%			
Revolver Interest Rate	\$ 350,000,000	Draw 10	DONE			3.348%	4.50%	6.21%			
Revolver Interest Rate	\$ 350,000,000	Draw 11	DONE - Roll over Draw 6 and 9			3.498%	4.50%	6.21%			
Revolver Interest Rate	\$ 450,000,000	Draw 12	DONE - Roll over Draw 10			3.418%	4.50%	6.21%			
Revolver Interest Rate	\$ 450,000,000	Draw 13	DONE - Roll over Draw 7 and 8			3.398%	4.50%	6.21%			
Revolver Interest Rate	\$ 450,000,000	Draw 14	DONE			3.275%	4.50%	6.21%			
Revolver Interest Rate	\$ 450,000,000	Draw 15	DONE			3.275%	4.50%	6.21%			
Revolver Interest Rate	\$ 450,000,000	Draw 16	DONE - Roll over Draw 11			3.289%	4.50%	6.21%			
Revolver Interest Rate	\$ 450,000,000	Draw 17	DONE			3.248%	4.50%	6.21%			
Revolver Interest Rate	\$ 450,000,000	Draw 17A	DONE - Roll over Draw 12, 14 and 15			3.286%	4.50%	6.21%			
Revolver Interest Rate	\$ 450,000,000	Draw 18	DONE - Roll over Draw 13 and 17			3.286%	4.50%	6.21%			
Revolver Interest Rate	\$ 450,000,000	Draw 19	DONE				3.283%	6.21%			
Revolver Interest Rate	\$ 450,000,000	Draw 20	DONE - Roll over Draw 16				3.304%	6.21%			
Revolver Interest Rate	\$ 450,000,000	Draw 21	DONE - Roll over Draw 17A and 19				3.312%	6.21%			
Revolver Interest Rate	\$ 450,000,000	Draw 22	DONE - Roll over Draw 18				3.312%	6.21%			
Revolver Interest Rate	\$ 450,000,000	Draw 23	DONE				3.222%	6.21%			
Revolver Interest Rate	\$ 450,000,000	Draw 24	DONE Roll over Draw 20				3.213%	6.21%			
Revolver Interest Rate	\$ 450,000,000	Draw 25	DONE Roll over Draw 21, 22 and 23				3.174%	6.21%			
Revolver Interest Rate	\$ 450,000,000	Draw 26	DONE Roll over Draw 25				3.169%	6.21%			
Revolver Interest Rate	\$ 450,000,000	Draw 27	DONE - Pay off Draw 26				3.196%	6.21%			
Revolver Interest Rate	\$ 450,000,000	Draw 28	DONE				1.936%	6.21%			

		GL '224100		GL '820204		GL '181100/654106		GL '820202		(I)	Interest at effective rate	Amortization of origination fees and commitment fees
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)					
Year		Capital Expenditures	Principle Drawn In Quarter (\$000's)	Principle Drawn To Date	Outstanding Debt Balance	Interest Expense	Origination Fees	Commitment	Net Cash Flows (D-F-G-H)			
2008												
12/24/2007	Q4	68,183,000	10,000,000	10,000,000	10,000,000		734,955.02		9,265,045	-	-	-
01/31/2008	Q1			10,000,000	9,265,045		31,013.00		(31,013)	46,132	46,132	46,132
02/24/2008	Q1			10,000,000	9,280,164		69,578.45		(69,578)	4,853	4,853	4,853
02/6/2008	Q1			10,000,000	9,215,438		137.50		(138)	2,409	2,409	2,409
02/29/2008	Q1			10,000,000	9,217,710		2,960.00		(2,960)	27,752	27,752	27,752
03/5/2008	Q1			10,000,000	9,242,502		125,384.16		(125,384)	6,042	6,042	6,042
3/24/2008	Q1	25,543,000		10,000,000	9,123,160	155,047.57			(155,048)	22,684	(132,363)	
03/31/2008	Q1			10,000,000	8,990,797		17,011.00		(17,011)	8,230	8,230	8,230
04/30/2008	Q2			10,000,000	8,982,016		197,269.56		(197,270)	35,289	35,289	35,289
05/19/2008	Q2			10,000,000	8,820,035		109,824.88		(109,825)	21,931	21,931	21,931
6/23/2008	Q2	20,509,000		10,000,000	8,732,141	97,477.43			(97,477)	40,038	(57,439)	
06/26/2008	Q2			10,000,000	8,674,702		43,098.82		(43,099)	3,402	3,402	3,402
06/30/2008	Q2			10,000,000	8,635,005		13,267.50		(13,268)	4,516	4,516	4,516
08/8/2008	Q3			10,000,000	8,626,253		1,577.79		(1,578)	44,084	44,084	44,084
08/13/2008	Q3			10,000,000	8,668,760		62,776.98		(62,777)	5,667	5,667	5,667
8/15/2008	Q3		55,000,000	65,000,000	8,611,650	59,689.48	7,780,953.85		47,159,357	2,251	(57,438)	
8/20/2008	Q3			65,000,000	55,773,258		530.00		(530)	36,461	36,461	36,461
8/25/2008	Q3			65,000,000	55,809,189		15,125.00		(15,125)	36,485	36,485	36,485
9/3/2008	Q3			65,000,000	55,830,549		82,654.66		(82,655)	65,714	65,714	65,714
9/8/2008	Q3			65,000,000	55,813,609		1,957.50		(1,958)	36,487	36,487	36,487
9/11/2008	Q3			65,000,000	55,848,138		41,845.84		(41,846)	21,903	21,903	21,903
9/15/2008	Q3		(20,000,000)	45,000,000	55,828,196	243,199.31			(20,243,199)	29,196	(214,004)	
9/25/2008	Q3			45,000,000	35,614,192		7,525.25		(7,525)	46,580	46,580	46,580
9/29/2008	Q3			45,000,000	35,653,247		98,058.08		(98,058)	18,645	18,645	18,645
9/30/2008	Q3	24,995,000		45,000,000	35,573,834		18,136.90	235,520.83	(253,658)	4,650	4,650	4,650
10/2/2008	Q4		20,000,000	65,000,000	35,324,826			78,506.96	19,921,493	9,235	9,235	9,235
10/17/2008	Q4			65,000,000	55,255,554		2,030.03		(2,030)	108,439	108,439	108,439
10/29/2008	Q4			65,000,000	55,361,963		266.90		(267)	86,901	86,901	86,901
11/19/2008	Q4			65,000,000	55,448,597		96,048.71		(96,049)	152,404	152,404	152,404
11/21/2008	Q4			65,000,000	55,504,952		730.00		(730)	14,511	14,511	14,511

Trans-Allegheny Interstate Line Company

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

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

Total Loan Amount	\$ 900,000,000

Internal Rate of Return ¹	4.886348%
Based on following Financial Formula ² :	

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

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

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

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

(1)	12/15/2008	Q4		25,000,000	90,000,000	55,518,734	718,999.31		24,281,001	174,431	(544,569)
	1/6/2009	Q1	42,068,000	-	90,000,000	79,974,165	-	618,333.53	(618,334)	230,297	230,297
	2/17/2009	Q1		30,000,000	120,000,000	79,586,128	-	-	30,000,000	438,097	438,097
	3/16/2009	Q1	75,475,000	40,000,000	160,000,000	110,024,225	933,987.50	-	39,086,013	388,964	(545,023)
	3/25/2009	Q1		-	160,000,000	149,479,202	-	1,100,000.00	(1,100,000)	175,942	175,942
	4/8/2009	Q2		-	160,000,000	148,555,144	-	549,166.67	(549,167)	272,085	272,085
	5/15/2009	Q2		50,000,000	210,000,000	148,278,062	-	-	50,000,000	718,820	718,820
	6/16/2009	Q2		40,000,000	250,000,000	198,996,882	1,405,039.11	-	38,594,961	834,057	(570,982)
	6/30/2009	Q2		-	250,000,000	238,425,899	-	-	-	436,686	436,686
	7/31/2009	Q3		-	250,000,000	238,862,586	-	453,194.44	(453,194)	969,797	969,797
	8/3/2009	Q3		30,000,000	280,000,000	239,379,198	-	-	30,000,000	93,882	93,882
	9/4/2009	Q3		50,000,000	330,000,000	269,473,071	-	-	50,000,000	1,129,444	1,129,444
	9/16/2009	Q3		-	330,000,000	320,602,515	1,596,826.11	-	(1,596,826)	503,245	(1,093,581)
	10/5/2009	Q4		45,000,000	375,000,000	319,508,934	207,916.06	-	44,792,084	794,450	586,534
	10/16/2009	Q4		-	375,000,000	365,095,468	-	321,250.00	(321,250)	525,294	525,294
	11/5/2009	Q4		30,000,000	405,000,000	365,299,512	-	-	30,000,000	956,176	956,176
	12/4/2009	Q4		50,000,000	455,000,000	396,255,688	-	-	50,000,000	1,504,831	1,504,831
	12/16/2009	Q4	73,715,000	-	455,000,000	447,760,519	1,374,479.16	-	(1,374,479)	702,843	(671,636)
	1/4/2010	Q1		-	447,088,883	447,088,883	-	138,489.58	(138,490)	1,111,675	1,111,675
	1/5/2010	Q1		30,000,000	485,000,000	448,062,068	892,331.11	-	29,107,669	58,568	(833,764)
	1/15/2010	Q1		-	485,000,000	477,228,304	-	18,489.58	(440,625)	624,167	183,542
	1/25/2010	Q1		(485,000,000)	477,411,847	477,411,847	423,000.00	-	(485,441,490)	624,407	201,407
	1/25/2010	Q1		450,000,000	450,000,000	(7,405,236)	-	4,533,000.00	445,467,000	-	-
	1/25/2010	Q1		45,000,000	495,000,000	439,061,764	-	5,852,578.67	39,147,421	-	-
	1/27/2010	Q1		-	495,000,000	477,209,186	-	6,979.59	(6,980)	124,763	124,763
	2/3/2010	Q1		-	495,000,000	477,326,969	-	58,000.00	(58,000)	436,922	436,922
	2/3/2010	Q1		-	495,000,000	477,705,891	-	5,500.00	(5,500)	-	-
	2/5/2010	Q1		-	495,000,000	477,700,391	-	82,116.73	(85,051)	124,892	124,892
	2/12/2010	Q1		20,000,000	515,000,000	477,740,231	-	-	20,000,000	437,300	437,300
	2/24/2010	Q1		-	515,000,000	498,177,531	-	23,770.00	(23,770)	781,982	781,982
	3/10/2010	Q1		30,000,000	545,000,000	498,935,743	-	90,000.00	29,910,000	913,821	913,821
	3/17/2010	Q1		-	545,000,000	529,759,564	-	195,720.20	(195,720)	484,916	484,916
	3/26/2010	Q1		20,000,000	565,000,000	530,048,759	-	17,821.04	19,982,179	623,885	623,885
	4/1/2010	Q2		-	565,000,000	550,854,823	-	255,416.67	(255,417)	432,008	432,008
	4/5/2010	Q2		-	565,000,000	550,831,415	-	123,660.90	(123,661)	288,060	288,060
	4/7/2010	Q2		-	565,000,000	550,995,814	-	201,250.00	(201,250)	144,054	144,054
	4/8/2010	Q2		-	565,000,000	550,938,618	-	224,587.75	(224,588)	72,015	72,015
	4/12/2010	Q1		30,000,000	595,000,000	550,786,045	-	-	30,000,000	288,036	288,036
	4/14/2010	Q2		-	595,000,000	581,074,082	-	194,134.74	(194,135)	151,918	151,918
	4/21/2010	Q2		-	595,000,000	581,031,865	-	18,977.41	(18,977)	531,848	531,848
	4/26/2010	Q2	(65,000,000)	530,000,000	581,544,735	-	369,573.75	-	(65,369,574)	380,177	10,603
	4/26/2010	Q2	65,000,000	595,000,000	516,555,339	55,920.56	-	-	64,944,079	-	(55,921)
	4/28/2010	Q2		595,000,000	581,499,418	-	-	2,300.79	(2,301)	152,029	152,029
	4/30/2010	Q2		595,000,000	581,649,147	-	-	2,156.70	(2,157)	152,068	152,068
	5/7/2010	Q2		30,000,000	625,000,000	581,799,058	-	-	30,000,000	532,550	532,550
	5/12/2010	Q2	(80,000,000)	545,000,000	612,331,608	-	-	-	(80,000,000)	400,304	400,304
	5/12/2010	Q2	80,000,000	625,000,000	532,731,912	160,694.44	-	-	79,839,306	-	(160,694)
	5/12/2010	Q2		625,000,000	612,571,218	-	170,100.00	-	(81,275)	-	(81,275)
	5/12/2010	Q2		625,000,000	612,489,943	-	-	-	(170,100)	-	(170,100)
	5/20/2010	Q2		625,000,000	612,319,843	-	-	182,500.00	(182,500)	640,599	640,599
	5/26/2010	Q2		20,000,000	645,000,000	612,777,942	-	-	20,000,000	480,746	480,746
	6/14/2010	Q2		-	645,000,000	633,258,687	-	150,071.58	(150,072)	1,574,581	1,574,581
	7/1/2010	Q3		-	645,000,000	634,683,197	-	-	(230,764)	1,411,820	1,411,820
	7/2/2010	Q3		-	645,000,000	635,864,253	-	1,168.50	(1,169)	83,116	83,116
	7/7/2010	Q3		35,000,000	680,000,000	635,946,200	-	-	35,000,000	415,741	415,741
	7/15/2010	Q3		-	680,000,000	671,361,942	8,500,000.00	-	(8,500,000)	702,368	(7,797,632)
	7/26/2010	Q3	(65,000,000)	615,000,000	663,564,309	-	-	-	(65,000,000)	954,726	954,726
	7/26/2010	Q3		595,000,000	599,519,036	-	-	-	(20,000,000)	-	-
	7/26/2010	Q3	115,000,000	710,000,000	579,519,036	-	-	-	115,000,000	-	-
	7/26/2010	Q3		-	710,000,000	694,519,036	115,798.33	-	(115,798)	-	(115,798)
	7/26/2010	Q2		710,000,000	694,403,237	-	-	-	(544,837)	-	(544,837)
	8/9/2010	Q3	(35,000,000)	675,000,000	693,858,400	-	107,415.00	-	(35,107,415)	1,270,829	1,163,414
	8/9/2010	Q3		35,000,000	710,000,000	660,021,814	-	-	35,000,000	-	-
	8/12/2010	Q3	(30,000,000)	680,000,000	695,021,814	-	271,680.83	-	(30,271,681)	272,581	900
	8/12/2010	Q3	(80,000,000)	600,000,000	665,022,714	-	699,608.89	-	(80,699,609)	-	(699,609)
	8/12/2010	Q3	110,000,000	710,000,000	584,323,106	-	-	-	110,000,000	-	-
	8/30/2010	Q3		-	710,000,000	694,323,106	-	407,816.09	(407,816)	1,635,445	1,635,445
	9/7/2010	Q3	30,000,000	740,000,000	695,550,735	-	-	-	30,000,000	727,674	727,674
	9/26/2010	Q3	-	740,000,000	726,278,408	-	-	-	-	1,805,872	1,805,872
	10/1/2010	Q4		740,000,000	728,084,280	-	-	-	(162,778)	475,975	475,975
	10/8/2010	Q4		30,000,000	770,000,000	728,397,478	-	-	30,000,000	666,739	666,739
	10/26/2010	Q4	(115,000,000)	655,000,000	759,064,217	1,028,023.33	-	-	(116,028,023)	1,787,940	759,916
	10/26/2010	Q4		115,000,000	644,824,133	-	-	-	115,000,000	-	-
	11/5/2010	Q4		30,000,000	800,000,000	759,824,133	-	-	30,000,000	993,774	993,774
	11/9/2010	Q4	(35,000,000)	765,000,000	790,817,908	305,721.11	-	-	(35,305,721)	413,562	107,841
	11/9/2010	Q4	(30,000,000)	735,000,000	755,925,749	171,937.50	-	-	(30,171,938)	-	(171,938)
	11/9/2010	Q4	(30,000,000)	705,000,000	725,753,811	86,853.33	-	-	(30,086,853)	-	(86,853)
	11/9/2010	Q4		95,000,000	800,000,000	695,666,958	-	-	95,000,000	-	-
	11/12/2010	Q4	(110,000,000)	690,000,000	790,666,958	955,215.56	-	-	(110,955,216)	310,092	(645,123)
	11/12/2010	Q4	(30,000,000)	660,000,000	680,021,835	18,946.67	-	-	(30,018,947)	-	(18,947)
	11/12/2010	Q4		140,000,000	800,000,000	650,002,888	5.83	-	139,999,994	-	(6)
	12/6/2010	Q4		20,000,000	820,000,000	790,002,882	-	-	20,000,000	2,482,059	2,482,059
	12/23/2010	Q4		-	820,000,000	812,484,941	-	8,281.46	(8,281)	1,807,331	1,807,331
	1/3/2011	Q1		-	820,000,000	814,283,991	-	-	(140,278)	1,171,579	1,171,579
	1/18/2011	Q1		-	820,000,000	815,315,292	9,000,000	-	(9,000,000)	1,600,050	(7,399,950)
	1/26/2011	Q1	(115,000,000)	705,000,000	807,915,342	966,600.56	-	-	(115,966,601)	845,228	(121,373)
	1/26/2011	Q1		115,000,000	820,000,000	692,793,969	-	-	115,000,000	-	-
	2/9/2011	Q1		(20,000,000)	800,000,000	807,793,969	118,552.78	-	(20,118,553)	1,479,507	1,360,954

Trans-Allegheny Interstate Line Company

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

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

Total Loan Amount	\$ 900,000,000
Internal Rate of Return ¹	4.886348%
Based on following Financial Formula ² :	
$NPV = 0 = \sum_{t=1}^N \frac{C_t}{(1+IRR)^{pwr(t)}}$	
Origination Fees	7,780,954
Origination Fees	15,125
Addition Origination Fees	
Total Issuance Expense	7,796,079
Revolving Credit Commitment Fee	New Borrowing 0.005 Old Borrowing 0.0050
Revolving Credit Commitment Fee	0.0037

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

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

Commitment fees for 4th quarter 2008

ATTACHMENT 2
Annual Transmission Revenue Requirements
For 2018 Rate Year

ATTACHMENT H-18A

Trans-Allegheny Interstate Line Company

Formula Rate -- Appendix A

Shaded cells are input cells

Notes

FERC Form 1 Page # or Instruction

TrAILCo

2018 Forecast

Allocators

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

Plant Calculations

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

Adjustment To Rate Base

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

O&M

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

Depreciation & Amortization Expense

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

Taxes Other than Income

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

Return / Capitalization Calculations

84	Preferred Dividends	enter positive	p118.29.c	0
Common Stock				
85	Proprietary Capital		p112.16.c	925,958,342
86	Less Accumulated Other Comprehensive Income Account 219		p112.15.c	0
87	Less Preferred Stock		(Line 95)	0
88	Less Account 216.1		p112.12.c	0
89	Common Stock		(Line 85 - 86 - 87 - 88)	925,958,342
Capitalization				
90	Long Term Debt (Note N)			624,703,932
91	Less Unamortized Loss on Reacquired Debt		p111.81.c	0
92	Plus Unamortized Gain on Reacquired Debt		p113.61.c	0
93	Less ADIT associated with Gain or Loss		Attachment 1	0
94	Total Long Term Debt		(Line 90 - 91 + 92 - 93)	624,703,932
95	Preferred Stock		p112.3.c	0
96	Common Stock		(Line 89)	925,958,342
97	Total Capitalization		(Sum Lines 94 to 96)	1,550,662,274
98	Debt %	Total Long Term Debt	(Note N) (Line 94 /Line 97)	40.2863%
99	Preferred %	Preferred Stock	(Note N) (Line 95 /Line 97)	0.0000%
100	Common %	Common Stock	(Note N) (Line 96 /Line 97)	59.7137%
101	Debt Cost	Total Long Term Debt		0.0394
102	Preferred Cost	Preferred Stock	(Line 84 / Line 95)	0.0000
103	Common Cost	Common Stock	(Note I) The most recent FERC approved ROE	0.1170
104	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 98 * Line 101)	0.0159
105	Weighted Cost of Preferred	Preferred Stock	(Line 99 * Line 102)	0.0000
106	Weighted Cost of Common	Common Stock	(Line 100 * Line 103)	0.0699
107	Rate of Return on Rate Base (ROR)		(Sum Lines 104 to 106)	0.0857
108	Investment Return = Rate Base * Rate of Return		(Line 46 * Line 107)	127,997,325

Composite Income Taxes

Income Tax Rates			
109	FIT=Federal Income Tax Rate	(Note H)	21.00%
110	SIT=State Income Tax Rate or Composite		7.82%
111	p	(percent of federal income tax deductible for state purp	0.00%
112	T	$T = 1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\}$	27.18%
113	T / (1-T)		37.32%
114	Income Tax Component =	$CIT = (T / (1 - T)) * \text{Investment Return} * (1 - (WCLTD / R)) =$	38,925,023
115	Total Income Taxes	(Line 114)	38,925,023

REVENUE REQUIREMENT

Summary			
116	Net Property, Plant & Equipment	(Line 30)	1,905,075,673
117	Total Adjustment to Rate Base	(Line 45)	-412,184,097
118	Rate Base	(Line 46)	1,492,891,577
119	Total Transmission O&M	(Line 74)	2,549,636
120	Total Transmission Depreciation & Amortization	(Line 81)	47,106,418
121	Taxes Other than Income	(Line 83)	12,251,046
122	Investment Return	(Line 108)	127,997,325
123	Income Taxes	(Line 115)	38,925,023

124	Gross Revenue Requirement	(Sum Lines 119 to 123)	228,829,448

Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities			
125	Transmission Plant In Service	(Line 22)	2,142,089,302
126	Excluded Transmission Facilities	(Note L) Attachment 5	0
127	Included Transmission Facilities	(Line 125 - Line 126)	2,142,089,302
128	Inclusion Ratio	(Line 127 / Line 125)	100.00%
129	Gross Revenue Requirement	(Line 124)	228,829,448
130	Adjusted Gross Revenue Requirement	(Line 128 * Line 129)	228,829,448

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

132	Net Revenue Requirement	(Line 130 - Line 131)	227,345,922

Net Plant Carrying Charge			
133	Net Revenue Requirement	(Line 132)	227,345,922
134	Net Transmission Plant + CWIP	(Line 17 - Line 23 + Line 33)	1,844,739,032
135	FCR	(Line 133 / Line 134)	12.3240%
136	FCR without Depreciation	(Line 133 - Line 75) / Line 134	10.0003%
137	FCR without Depreciation and Pre-Commercial Costs	(Line 133 - Line 70 - Line 71 - Line 75) / Line 134	10.0003%
138	FCR without Depreciation, Return, nor Income Taxes	(Line 133 - Line 75 - Line 108 - Line 115) / Line 134	0.9517%

Net Plant Carrying Charge Calculation with Incentive ROE			
139	Net Revenue Requirement Less Return and Taxes	(Line 132 - Line 122 - Line 123)	60,423,574
140	Increased Return and Taxes	Attachment 4	179,163,886
141	Net Revenue Requirement with Incentive ROE	(Line 139 + Line 140)	239,587,460
142	Net Transmission Plant + CWIP	(Line 17 - Line 23+ Line 33)	1,844,739,032
143	FCR with Incentive ROE	(Line 141 / Line 142)	12.9876%
144	FCR with Incentive ROE without Depreciation	(Line 141 - Line 75) / Line 142	10.6639%
145	FCR with Incentive ROE without Depreciation and Pre-Commercial	(Line 141 - Line 70 - Line 71 - Line 75) / Line 142	10.6639%

146	Net Revenue Requirement	(Line 132)	227,345,922.11
147	Reconciliation amount	Attachment 6	-7,128,326.34
148	Plus any increased ROE calculated on Attach 7 other than PJM Sch. 12 projects not paid by other PJM trans zones	Attachment 7	6,434,522.04
149	Facility Credits under Section 30.9 of the PJM OATT	Attachment 5	0.00
150	Net Zonal Revenue Requirement	(Line 146 + 147 + 148 + 149)	226,652,117.80

Network Zonal Service Rate			
151	1 CP Peak	(Note K) PJM Data	N/A
152	Rate (\$/MW-Year)	(Line 150 / 151)	N/A

153	Network Service Rate (\$/MW/Year)	(Line 152)	N/A

Notes

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

Example:

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

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

Trans-Allegheny Interstate Line Company

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

Line	Trans-Allegheny Interstate Company							
	B1	B2	B3	C	D	E	F	G
	Beg of Year Total	End of Year Total	End of Year Est. for Final Total	Retail Related	Transmission Related	Plant Related	Labor Related	Total ADIT
1 ADIT- 282 From Account Total Below	545,228,004	559,422,845	559,422,845		559,422,845	-	-	559,422,845
2 ADIT-283 From Account Total Below	101,839,033	99,335,630	99,335,630		98,104,325	-	-	98,104,325
3 ADIT-190 From Account Total Below	(334,216,000)	(246,128,398)	(246,128,398)		(244,834,277)	-	-	(244,834,277)
4 Subtotal					412,692,892	-	-	412,692,892
5 Wages & Salary Allocator							100.0000%	
6 Gross Plant Allocator						100.0000%		
7 ADIT					412,692,892			412,692,892

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

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

A	B1	B2	B3	C	D	E	F	G	
	Trans-Allegheny Interstate Company								
ADIT-190	Beg of Year Balance p234.18.b	End of Year Balance p234.18.c	End of Year Est. for Final Total	Retail Related	Gas, Prod Or Other Related	Only Transmission Related	Plant Related	Labor Related	JUSTIFICATION
AMT Carryforward	-	982,089	982,089			982,089			Disallowance in current year for charitable deduction due to tax loss, tax attribute carries forward five years
Charitable Contribution - WV RTA		280	280			280			Reclass of the tax portion (gross-up) for property items included in account 190
Charitable Contribution Carryforward	10,899	13,455	13,455			13,455			Result of bonus depreciation
Charitable Contribution State & Local RTA	249	-	-			-			Accounting change relating to A&G expense
CIAC-Fed-Norm	-	341,077	341,077			341,077			Accounting change relating to A&G expense
CIAC-Fed-Norm-Incurred-CWIP	1,862,609	1,892,583	1,892,583			1,892,583			Long term disability accrual
CIAC-Fed-Norm-Reversal-CWIP	4,631,520	-	-			-			Costs incurred as a result of Allegheny merging with FirstEnergy which are not to be included within the revenue requirement
CIAC-MD-Norm-Incurred-CWIP	21,252	21,594	21,594			21,594			Costs incurred as a result of Allegheny merging with FirstEnergy which are not to be included within the revenue requirement
CIAC-MD-Norm-Reversal-CWIP	50,842	-	-			-			Result of bonus depreciation
CIAC-PA-Norm	-	60,344	60,344			60,344			Result of bonus depreciation
CIAC-PA-Norm-Incurred-CWIP	70,048	71,176	71,176			71,176			Result of bonus depreciation
CIAC-PA-Norm-Reversal-CWIP	167,099	-	-			-			Additional tax depreciation over book
CIAC-VA-Norm	-	(48,080)	(48,080)			(48,080)			Additional tax depreciation over book
CIAC-VA-Norm-Incurred-CWIP	20,232	20,557	20,557			20,557			Set-up of a reserve on transmission companies for the amount of merger expenses that have been overcollected and are owed to customers - timing difference between book and tax
CIAC-VA-Norm-Reversal-CWIP	49,701	-	-			-			Reflects the adjustments and subsequent amortization of the regulatory asset associated with the adjusted debt balances resulting from the FE/AYE merger (Offset is PAA - LT Regulatory Asset Amort below in 283)
CIAC-WV-Norm	-	22,367	22,367			22,367			Temporary difference resulting from purchase accounting transactions
CIAC-WV-Norm-Incurred-CWIP	155,180	157,678	157,678			157,678			Deductions related to state income taxes
CIAC-WV-Norm-Reversal-CWIP	381,380	-	-			-			Additional tax depreciation over book
FASB 109 Gross-Up	11,882,116	(3,457,109)	(3,457,109)			(3,457,109)			Portion of AFUDC Equity that relates to property and booked to account 190
Federal NOL	225,521,300	146,951,695	146,951,695			146,951,695			Portion of AFUDC Equity that relates to property and booked to account 190
Merger Costs: D&O Insurance	1,493	1,333	1,333		1,333				Portion of AFUDC Equity that relates to property and booked to account 190
Merger Costs: Licenses	68,888	61,482	61,482		61,482				Portion of AFUDC Equity that relates to property and booked to account 190
NOL Deferred Tax Asset - LT PA	4,400,386	3,563,101	3,563,101			3,563,101			Paid AMT tax which generates a credit
NOL Deferred Tax Asset - LT WV	17,735,335	17,735,335	17,735,335			17,735,335			Temporary difference that is capitalized for book purposes but deductible for tax purposes
Pension/CPFB - Other Def Cr. or Dr.	2,183,288	2,187,156	2,187,156			2,187,156			Taxable CIAC
Purch Acct-LTD FMV	1,229,128	1,231,306	1,231,306		1,231,306				Taxable CIAC
State Income Tax Deductible	5,039,440	443,800	443,800			443,800			Taxable CIAC
Tax Interest Capitalized-Fed-Norm	29,576,802	29,507,775	29,507,775			29,507,775			Taxable CIAC
Tax Interest Capitalized-Fed-Norm-Incurred-CWIP	32,238,748	32,415,858	32,415,858			32,415,858			Taxable CIAC
Tax Interest Capitalized-MD-Norm	476,552	418,062	418,062			418,062			Temporary difference arising for removal of plant/property
Tax Interest Capitalized-MD-Norm-Incurred-CWIP	306,436	308,401	308,401			308,401			Result of bonus depreciation
Tax Interest Capitalized-PA-Norm	682,978	693,023	693,023			693,023			Other property related temporary differences
Tax Interest Capitalized-PA-Norm-Incurred-CWIP	995,377	1,016,849	1,016,849			1,016,849			Actual amount of tax interest capitalized
Tax Interest Capitalized-VA-Norm	627,601	499,957	499,957			499,957			Actual amount of tax interest capitalized
Tax Interest Capitalized-VA-Norm-Incurred-CWIP	331,599	331,688	331,688			331,688			Actual amount of tax interest capitalized
Tax Interest Capitalized-WV-Norm	2,831,360	2,671,993	2,671,993			2,671,993			Actual amount of tax interest capitalized
Tax Interest Capitalized-WV-Norm-Incurred-CWIP	2,548,278	2,554,466	2,554,466			2,554,466			Actual amount of tax interest capitalized
Subtotal	340,090,116	242,671,288	242,671,288	-	1,294,120	241,377,168	-	-	
Less FASB 109 included above	11,882,116	(3,457,109)	(3,457,109)	-	-	(3,457,109)	-	-	
Less FASB 106 included above									
Total	324,216,000	246,128,398	246,128,398	-	1,294,120	244,834,277	-	-	

Instructions for Account 190:

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

PJM TRANSMISSION OWNER

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

A	B1	B2	B3	C	D	E	F	G	
	Trans-Allegheny Interstate Company								
	Beg of Year Balance	End of Year Balance	End of Year Est. for Final Total	Retail Related	Gas, Prod Or Other Related Related	Only Transmission Related Related	Plant Related Related	Labor Related Related	JUSTIFICATION
ADIT- 282	p274.9.b	p275.9.k							
A&G Expenses Capitalized	5,860,076	7,837,378	7,837,378			7,837,378			Allowance for borrowed funds used during construction (ABFUDC)
Accelerated Tax Depreciation	510,293,001	520,665,679	520,665,679			520,665,679			Additional tax deprecation over book
Additional State Depreciation MD	2,044,318	2,433,745	2,433,745			2,433,745			Tax deprecation
Additional State Depreciation PA	7,055,017	7,539,621	7,539,621			7,539,621			Increase in ADFDC
Additional State Depreciation VA	3,272,806	3,602,727	3,602,727			3,602,727			Reclass of the tax portion (gross-up) for property items included in account 282
Additional State Depreciation WV	46,156,850	46,894,821	46,894,821			46,894,821			Book deprecation
AFUDC Debt	4,217,661	4,248,659	4,248,659			4,248,659			Book deprecation / amortization
AFUDC Equity Flow Through	-	3	3			3			Tax deprecation
Capitalized Vertical Tree Trimming	88,162	109,560	109,560			109,560			Property True-Up
Cost of Removal	(2,596,487)	(2,537,660)	(2,537,660)			(2,537,660)			Portion of Repairs & Maintenance 481a Adjustment offset in Account 182
FASB 109 Gross-Up	13,453,841	(176,952,100)	(176,952,100)			(176,952,100)			Temporary difference for additional state depreciation allowed for WV tax return
Other Basis Differences	(34,005,677)	(34,044,286)	(34,044,286)			(34,044,286)			Portion of AFUDC Debt that relates to property and booked to account 282
Sale of Property - Book Gain or (Loss)	(73,032)	(123,056)	(123,056)			(123,056)			Sale of book gains and losses
T&D Repairs	3,077,998	2,930,713	2,930,713			2,930,713			Vegetation management transmission corridor capital cost and depreciation
Vegetation Management - Transmission	(162,689)	(135,059)	(135,059)			(135,059)			expenses required for the regulatory financial statement schedules
									Repair deduction on capitalized book asset deductible for tax purposes under
									Rev. Proc. 2011-43
Subtotal	558,681,845	382,470,745	382,470,745	-	-	382,470,745	-	-	
Less FASB 109 included above	13,453,841	(176,952,100)	(176,952,100)	-	-	(176,952,100)	-	-	
Less FASB 106 included above	-	-	-	-	-	-	-	-	
Total	545,228,004	559,422,845	559,422,845	-	-	559,422,845	-	-	

Instructions for Account 282:

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

PJM TRANSMISSION OWNER

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

A	B1	B2	B3	C	D	E	F	G	
	Trans-Allegheny Interstate Company								
ADIT-283	Beg of Year Balance p276.19.b	End of Year Balance p277.19.k	End of Year Est. for Final Total	Retail Related	Gas, Prod Or Other Related	Only Transmission Related	Plant Related	Labor Related	JUSTIFICATION
Charitable Contribution State & Local RTA	-	260	260			260			West Virginia property tax payment Reclass of the tax portion (gross-up) for property items included in account 283
CIAC-Fed-Norm	5,076,307	-	-			-			
CIAC-Fed-Norm-Reversal-CWIP	-	848,550	848,550			848,550			Accounting change relating to A&G expense
CIAC-MD-Norm	(8,334)	(68,524)	(68,524)			(68,524)			Accounting change relating to A&G expense
CIAC-MD-Norm-Reversal-CWIP	-	11,542	11,542			11,542			Allocated portion of total liabilities relating to captive insurance
CIAC-PA-Norm	142,194	-	-			-			Deferred revenues associated with attachments to FirstEnergy poles
CIAC-PA-Norm-Reversal-CWIP	-	75,880	75,880			75,880			Additional tax depreciation over book
CIAC-VA-Norm	108,190	-	-			-			Additional tax depreciation over book
CIAC-VA-Norm-Reversal-CWIP	-	5,256	5,256			5,256			Portion of AFUDC Debt that relates to property and booked to account 189
CIAC-WV-Norm	429,182	-	-			-			Portion of AFUDC Debt that relates to property and booked to account 191
CIAC-WV-Norm-Reversal-CWIP	-	53,850	53,850			53,850			Reflects the adjustments and subsequent amortization of adjusted debt balances associated with the FE/AYE merger
Deferred Charge-EIB	16,118	20,304	20,304			20,304			
FASB 109 Gross-Up	21,814,827	9,066,511	9,066,511			9,066,511			
PAA - LT Regulatory Asset Amort	1,229,128	1,231,305	1,231,305		1,231,305	-			Portion of AFUDC Equity that relates to property and booked to account 283
PJM Receivable	40,638,686	42,616,309	42,616,309			42,616,309			Portion of AFUDC Equity that relates to property and booked to account 285
SC01 Timing Allocation	381,593	382,269	382,269			382,269			Taxable CIAC
Tax Interest Capitalized-Fed-Norm-Reversal-CWIP	31,516,799	32,111,359	32,111,359			32,111,359			Taxable CIAC
Tax Interest Capitalized-MD-Norm	55,650	-	-			-			Taxable CIAC
Tax Interest Capitalized-MD-Norm-Reversal-CWIP	299,285	305,994	305,994			305,994			Taxable CIAC
Tax Interest Capitalized-PA-Norm-Reversal-CWIP	972,064	1,013,950	1,013,950			1,013,950			Temporary difference arising for removal of plant/property
Tax Interest Capitalized-VA-Norm	122,568	-	-			-			Temporary difference arising for removal of plant/property
Tax Interest Capitalized-VA-Norm-Reversal-CWIP	324,084	328,125	328,125			328,125			Misc Liability
Tax Interest Capitalized-WV-Norm	146,931	-	-			-			Result of bonus depreciation
Tax Interest Capitalized-WV-Norm-Reversal-CWIP	2,490,564	2,528,807	2,528,807			2,528,807			Other property related temporary differences
Valuation Allowance NOL WV	17,735,335	17,735,335	17,735,335			17,735,335			
Vegetation Management	162,689	135,059	135,059			135,059			Valuation allowances recorded against state NOL carryforwards not expected to be realized
									Vegetation management transmission corridor capital cost and depreciation expenses required for the regulatory financial statement schedules
Subtotal	123,653,860	108,402,141	108,402,141		1,231,305	107,170,836	-	-	
Less FASB 109 included above	21,814,827	9,066,511	9,066,511	-		9,066,511	-	-	
Less FASB 106 included above									
Total	101,839,033	99,335,630	99,335,630	-	1,231,305	98,104,325	-	-	

Instructions for Account 283:

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

Trans-Allegheny Interstate Line Company

Attachment 3 - Revenue Credit Workpaper

Amount FERC Form No.1
page, line & Col

Account 454 - Rent from Electric Property

1	Rent from Electric Property - Transmission Related (Note 3)		-	Page 300 Line: 19 Column: b
2	Total Rent Revenues	(Line 1)	-	

Account 456 - Other Electric Revenues (Note 1)

3	Schedule 1A		-	
4	Net revenues associated with Network Integration Transmission Service (NITS) for which the load is not included in the divisor (difference between NITS credits from PJM and PJM NITS charges paid by Transmission Owner) (Note 4)		-	
				p328-330 Footnote Data Schedule Page:
5	Point to Point Service revenues for which the load is not included in the divisor received by Transmission Owner		1,483,526	328 Line: 1 Column: m
6	PJM Transitional Revenue Neutrality (Note 1)			
7	PJM Transitional Market Expansion (Note 1)			
8	Professional Services (Note 3)		-	
9	Revenues from Directly Assigned Transmission Facility Charges (Note 2)			
10	Rent or Attachment Fees associated with Transmission Facilities (Note 3)		-	
11	Gross Revenue Credits	(Sum Lines 2-10)	1,483,526	
12	Less line 14g		-	
13	Total Revenue Credits	(Line 11 - Line 12)	1,483,526	Input to Appendix A, Line 131

Revenue Adjustment to determine Revenue Credit

14a	Revenues associated with lines 14b-g are to be included in lines 2-10 and total of those revenues entered here		-	
14b	Costs associated with revenues in line 14a		-	
14c	Net Revenues (14a - 14b)		-	
14d	50% Share of Net Revenues (14c / 2)		-	
14e	Costs associated with revenues in line 14a that are included in FERC accounts recovered through the formula times the allocator used to functionalize the amounts in the FERC account to the transmission service at issue.		-	
14f	Net Revenue Credit (14d + 14e)		-	
14g	Line 14a less line 14f		-	
15	Amount offset in line 4 above		-	
16	Total Account 454 and 456		1,483,526	

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

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

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

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

Trans-Allegheny Interstate Line Company

Attachment 4 - Calculation with Incentive ROE

EXHIBIT NO. TRC-203
ATTACHMENT H-18A
Page 12 of 52

A	Return and Taxes at High End of the range of Reasonableness	(Sum Lines 26 and 33 from below)	179,163,886	Input to Appendix A, Line 140
B	Difference between Base ROE and Incentive ROE		100	

Return Calculation

		Source	Reference	
1	Rate Base	Appendix A, Line 46		1,492,891,577
2	Preferred Dividends	enter positive	Appendix A, Line 84	0
	Common Stock			
3	Proprietary Capital	Appendix A, Line 85		925,958,342
4	Less Accumulated Other Comprehensive Income Account 219	Appendix A, Line 86		0
5	Less Preferred Stock	Appendix A, Line 87		0
6	Less Account 216.1	Appendix A, Line 88		0
7	Common Stock	Appendix A, Line 89		925,958,342
	Capitalization			
8	Long Term Debt	Appendix A, Line 90		624,703,932
9	Less Unamortized Loss on Reacquired Debt	Appendix A, Line 91		0
10	Plus Unamortized Gain on Reacquired Debt	Appendix A, Line 92		0
11	Less ADIT associated with Gain or Loss	Appendix A, Line 93		0
12	Total Long Term Debt	Appendix A, Line 94		624,703,932
13	Preferred Stock	Appendix A, Line 95		0
14	Common Stock	Appendix A, Line 96		925,958,342
15	Total Capitalization	Appendix A, Line 97		1,550,662,274
16	Debt %	Total Long Term Debt	Appendix A, Line 98	40.2863%
17	Preferred %	Preferred Stock	Appendix A, Line 99	0.0000%
18	Common %	Common Stock	Appendix A, Line 100	59.7137%
19	Debt Cost	Total Long Term Debt	Appendix A, Line 101	0.0394
20	Preferred Cost	Preferred Stock	Appendix A, Line 102	0.0000
21	Common Cost	Common Stock	12.70%	0.1270
22	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 16 * 19)	0.0159
23	Weighted Cost of Preferred	Preferred Stock	(Line 17 * 20)	0.0000
24	Weighted Cost of Common	Common Stock	(Line 18 * 21)	0.0758
25	Rate of Return on Rate Base (ROR)		(Sum Lines 22 to 24)	0.0917
26	Investment Return = Rate Base * Rate of Return		(Line 1 * Line 25)	136,911,938

Composite Income Taxes

	Income Tax Rates			
27	FIT=Federal Income Tax Rate	Appendix A, Line 109		21.00%
28	SIT=State Income Tax Rate or Composite	Appendix A, Line 110		7.82%
29	p = percent of federal income tax deductible for state purposes	Appendix A, Line 111		0.00%
30	T	Appendix A, Line 112		27.18%
31	T/(1-T)	Appendix A, Line 113		37.32%
32	Income Tax Component =	CIT=(T/(1-T) * Investment Return * (1-(WCLTD/R))) =		42,251,948
33	Total Income Taxes	(Line 32)		42,251,948

Attachment 5 - Cost Support

[illegible]

[illegible]

Trans-Allegheny Interstate Line

Attachment 5 - Cost Supp				
Link to Appendix A, line 15				
Calculation of Distribution Plant In Service				
December	Source	For 2016	-	
January	o206.75.b	company records	-	
February	company records	For 2017	-	
March	company records	For 2017	-	
April	company records	For 2017	-	
May	company records	For 2017	-	
June	company records	For 2017	-	
July	company records	For 2017	-	
August	company records	For 2017	-	
September	company records	For 2017	-	
October	company records	For 2017	-	
November	company records	For 2017	-	
December	o207.75.a	For 2017	-	
Distribution Plant In Service				
Calculation of Intangible Plant In Service				
December	Source	For 2016	21,416,232	
December	o204.5.b	For 2016	21,131,450	21,131,450
December	o205.5.a	For 2017	21,273,841	21,131,450
Intangible Plant In Service				
Calculation of General Plant In Service				
December	Source	For 2016	57,280,481	
December	o206.99.b	For 2016	61,596,454	61,596,454
December	o207.99.a	For 2017	59,438,463	61,596,454
General Plant In Service				
Calculation of Production Plant In Service				
December	Source	For 2016	-	
January	o204.46b	company records	-	
February	company records	For 2017	-	
March	company records	For 2017	-	
April	company records	For 2017	-	
May	company records	For 2017	-	
June	company records	For 2017	-	
July	company records	For 2017	-	
August	company records	For 2017	-	
September	company records	For 2017	-	
October	company records	For 2017	-	
November	company records	For 2017	-	
December	o205.46.a	For 2017	-	
Production Plant In Service				
Total Plant In Service				
Sum of averages above			2,092,437,058	2,131,490,070
Link to Appendix A, line 6				

[illegible]

Totals																	
13 Month Balance For Reconciliation																	
Cabot SS	Armstrong	Farmers Valley Capacitor	Harvey Run Capacitor	Doubs SS	Meadowbrook SS	Grandview Capacitor	502 Jct Substation	Cornemaugh Seward	Luxor	Grandpoint & Gulfport	Handsome Lake - Homer City	Albion	Blairsville	Carbon Center	Hunterstown	Johnstown	Buffalo Road
733,534	841,133	58,227	48,787	297,382	3,227,831	48,051	502,773	1,440,074	58,153	95,158	734,982	1,895,482	175,755	28,837	2,341,211	258,397	22,585
745,594	868,844	59,888	50,245	308,387	3,334,076	48,302	513,112	1,503,123	60,285	95,272	758,000	1,998,884	181,978	29,433	2,418,203	287,048	22,838
758,454	896,588	61,509	51,690	314,752	3,440,318	47,353	523,451	1,566,074	62,377	101,378	781,035	2,092,308	187,401	30,830	2,495,188	275,698	23,086
770,814	924,287	63,180	53,198	323,437	3,545,561	46,854	533,792	1,619,229	64,460	104,484	804,152	2,185,788	193,228	31,826	2,572,176	284,348	24,384
783,374	951,979	64,790	54,812	333,122	3,652,804	46,054	544,129	1,683,764	66,602	107,590	827,149	2,148,210	199,548	33,623	2,645,164	292,555	25,132
795,834	979,690	66,437	56,088	340,807	3,759,048	50,807	554,489	1,717,340	68,714	110,895	855,198	2,212,882	204,872	33,819	2,728,152	301,045	25,900
808,294	1,007,402	68,072	57,525	348,462	3,865,291	51,058	564,848	1,770,881	70,826	113,801	873,243	2,278,114	210,655	34,616	2,803,140	310,265	26,688
820,754	1,035,113	69,713	58,981	356,177	3,971,534	53,109	575,147	1,824,448	72,938	116,907	886,250	2,339,588	216,519	35,612	2,885,128	318,944	27,436
833,214	1,062,825	71,354	60,437	363,862	4,077,778	54,260	585,505	1,878,002	75,050	120,013	919,338	2,403,018	222,342	36,608	2,967,116	327,564	28,284
845,674	1,090,536	72,905	61,890	371,547	4,184,021	55,411	595,863	1,931,557	77,162	123,119	942,388	2,468,470	228,165	37,605	3,024,105	336,244	29,072
858,134	1,118,248	74,456	63,350	379,232	4,290,264	56,562	606,260	1,985,112	79,274	126,225	965,430	2,530,942	233,989	38,603	3,111,093	344,864	29,740
870,594	1,145,959	76,077	64,807	386,917	4,396,507	57,713	616,638	2,038,667	81,386	129,331	988,481	2,593,374	239,812	39,598	3,188,081	353,543	30,528
883,054	1,173,671	77,618	66,263	394,602	4,502,751	59,865	627,036	2,092,223	83,498	132,437	1,011,529	2,659,807	245,536	40,594	3,265,069	362,323	31,276
898,294	1,007,402	68,072	57,525	348,462	3,865,291	51,958	564,848	1,770,884	70,826	113,801	873,244	2,278,114	210,695	34,616	2,803,140	310,295	26,688

Moshannon	Waldo Run	Four Mile Junction	West Union SS	Shuman HB/Mobley	Bartonville	Squab Hollow SS	Squab Hollow SVC	Shingletown	Clayburg Ring Bus	Johnstown S5 Capacitor	Grover Sub	Rider Sub	Shawville	Monocacy SS	Mainsburg SS	Yeagerstown	Nynewaner	Oak Mound	Joffre SS	Erie South	Farmers Valley Substation	Richwood HB	Damascus SS	Warren Substation	Total
270,905	2,648,910	396,161	39,320	96,947	14,676	634,023	1,187,265	61,262	202,224	41,277	17,768	501,481	67,794	977,577	504,326	27,030	20,618	658,912	24,466	627,639	457,332	187,667	-	-	172,111,811
284,004	2,787,211	412,054	49,895	99,851	16,698	674,296	1,264,138	64,990	268,810	43,873	18,710	545,526	71,712	1,044,889	535,178	29,916	22,252	841,109	341,931	823,910	346,895	-	-	-	175,970,887
297,012	2,887,517	427,047	42,444	102,318	16,441	714,402	1,340,052	68,656	279,405	46,048	19,693	586,039	75,620	1,111,801	566,147	31,003	23,896	1,024,066	79,748	1,096,175	560,701	494,963	-	-	178,829,292
310,021	3,007,629	443,840	44,054	105,020	16,205	754,501	1,414,939	72,343	292,997	48,444	20,696	585,902	79,647	1,178,813	597,182	32,892	25,536	1,107,948	107,478	1,176,498	607,592	646,184	-	-	182,243,989
323,030	3,128,144	459,733	45,564	107,684	16,205	794,779	1,494,439	76,030	304,589	50,493	21,537	624,840	83,405	1,246,626	629,172	34,975	27,174	1,302,544	107,478	1,285,277	725,552	822,916	-	-	185,703,788
336,039	3,248,460	475,625	47,124	110,369	16,088	834,668	1,571,462	79,717	320,185	53,255	22,479	658,450	87,382	1,312,628	663,440	36,962	28,813	1,377,969	189,232	1,390,502	793,473	955,300	-	-	189,171,634
349,048	3,368,776	491,518	46,853	113,053	20,132	875,157	1,648,126	83,369	333,773	56,650	23,421	692,154	91,350	1,379,652	697,564	38,948	30,453	1,764,451	268,901	1,513,901	861,688	1,107,864	2,827	21,031	192,725,513
362,057	3,489,094	507,411	52,243	115,737	21,338	915,345	1,725,170	87,432	347,368	59,546	24,364	725,068	95,217	1,446,871	732,087	40,934	32,092	1,951,684	355,143	1,628,476	930,292	1,280,638	4,862	63,154	196,231,680
375,066	3,609,414	523,304	51,803	118,422	22,543	955,533	1,802,013	90,754	360,958	61,462	25,308	756,274	99,135	1,513,881	766,179	42,920	33,773	2,139,364	462,486	1,743,975	968,939	1,414,622	6,922	105,286	200,105,062
388,075	3,729,733	539,197	53,363	121,101	23,752	995,722	1,878,657	94,432	374,454	62,837	26,248	795,051	103,053	1,580,711	801,340	44,907	35,370	2,295,572	566,958	1,857,682	1,067,635	1,598,285	8,880	147,454	203,664,953
401,086	3,850,053	555,090	54,922	123,785	24,963	1,035,970	1,955,700	98,109	388,154	65,293	27,190	824,655	106,979	1,647,711	833,348	46,893	37,009	2,455,853	670,983	1,972,266	1,136,324	1,725,820	11,038	188,611	207,265,658
414,099	3,961,211	570,982	56,482	126,469	26,175	1,076,098	2,032,544	101,787	401,753	67,628	28,132	864,660	110,888	1,714,752	870,676	48,879	38,648	2,616,400	774,902	2,086,023	1,205,761	1,877,027	13,007	231,676	211,032,344
427,113	4,074,657	586,875	58,043	129,153	27,386	1,116,287	2,109,457	105,454	415,525	70,544	29,076	902,597	114,805	1,780,773	905,372	50,865	40,287	2,789,291	879,961	2,201,652	1,275,656	2,020,365	15,117	273,742	214,432,368
349,105	3,367,637	491,518	46,863	113,051	20,583	875,156	1,648,126	83,386	333,778	55,650	23,421	698,131	91,390	1,379,663	700,424	38,948	30,453	1,746,095	353,583	1,514,184	863,438	1,108,642	4,912	79,381	193,026,061

Trans-Allegheny Interstate Line

Attachment 5 - Cost Supp				
Link to Appendix A, line				
Link to Appendix A, line 23				
Calculation of Distribution Accumulated Depreciation				
December	Source	Prior year FERC Form 1 p219.26.b	For 2016	-
January	company records	For 2017	-	-
February	company records	For 2017	-	-
March	company records	For 2017	-	-
April	company records	For 2017	-	-
May	company records	For 2017	-	-
June	company records	For 2017	-	-
July	company records	For 2017	-	-
August	company records	For 2017	-	-
September	company records	For 2017	-	-
October	company records	For 2017	-	-
November	company records	For 2017	-	-
December	p219.26.b	For 2017	-	-
Distribution Accumulated Depreciation				
Calculation of Intangible Accumulated Depreciation				
December	Source	Prior year FERC Form 1 p200.21.b	For 2016	9,878,555
December	p200.21.b	For 2017	12,460,795	12,460,795
25	Accumulated Intangible Depreciation		11,193,560	12,460,795
Link to Appendix A, line 25				
Calculation of General Accumulated Depreciation				
December	Source	Prior year FERC Form 1 p219.26b	For 2016	8,244,119
December	p219.26.b	For 2017	9,930,498	9,930,498
24	Accumulated General Depreciation		9,087,308	9,930,498
Link to Appendix A, line 24				
Calculation of Production Accumulated Depreciation				
December	Source	Prior year FERC Form 1 p219.20.b-24.b	For 2016	-
January	company records	For 2017	-	-
February	company records	For 2017	-	-
March	company records	For 2017	-	-
April	company records	For 2017	-	-
May	company records	For 2017	-	-
June	company records	For 2017	-	-
July	company records	For 2017	-	-
August	company records	For 2017	-	-
September	company records	For 2017	-	-
October	company records	For 2017	-	-
November	company records	For 2017	-	-
December	p219.20.b thru 219.24.b	For 2017	-	-
Production Accumulated Depreciation				
Total Accumulated Depreciation				
8	Sum of averages above		213,283,030	237,013,629
Link to Appendix A, line 8				

Trans-Allegheny Interstate Line Company

Attachment 5 - Cost Support

Electric / Non-electric Cost Support

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

Transmission / Non-transmission Cost Support

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

CWIP & Expensed Lease Worksheet

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Beginning of year	CWIP in Form 1 Amount	Expensed Leases in Form 1 Amount	Details
6	Plant Allocation Factors			-	-	-	
6	Electric Plant in Service	(Note B)	Attachment 5	2,098,179,304	-	-	
15	Plant in Service			-	-	-	
15	Transmission Plant in Service	(Note B)	Attachment 5	1,979,482,981	-	-	
23	Accumulated Depreciation			-	-	-	
23	Transmission Accumulated Depreciation	(Note B)	Attachment 5	172,111,811	-	-	

Pre-Commercial Costs Capitalized

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

EPRI Dues Cost Support

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

Regulatory Expense Related to Transmission Cost Support

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Transmission Related	Non-Transmission Related	Details
62	Directly Assigned A&G			-	-	-	Link to Appendix A, line 62
62	Regulatory Commission Exp Account 528	(Note C)	p323.186.b	-	-	-	Enter Details Here

Safety Related Advertising Cost Support

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Safety Related	Non-safety Related	Details
66	Directly Assigned A&G			-	-	-	Link to Appendix A, line 66
66	General Advertising Exp Account 930.1	(Note F)	p323.191.b	-	-	-	Enter Details Here

Trans-Allegheny Interstate Line Company

Attachment 5 - Cost Support

MultiState Workpaper

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions		State 1	State 2	State 3	State 4	State 5	Details
Income Tax Rates		MD: 8.25%	WV: 6.5%	PA: 9.99%	VA: 6.0%		
110	ST-State Income Tax Rate or Composite (Note 10)	Composite	Composite is calculated based on sales, payroll and property for each jurisdiction				
		7.638%					

Education and Out Reach Cost Support

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions		From 1 Amount	Education & Outreach	Other	Details
63	General Advertising Exp Account 930.1 (Note 3) p323.193.b	-	-	-	Enter Details Here

Excluded Plant Cost Support

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

Prepayments

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Beg of year	End of Year	Average of Beginning and Ending Balances	Allocation	Transmission Related	Details
36	Prepayments			Enter \$		Amount	
	Prepayments				100%	190,091	
	Prepaid/Pensions if not included in Prepayments	142,535	237,647	0	100%	0	
	Total Prepayments	142,535	237,647	190,091		190,091	

Detail of Account 566 Miscellaneous Transmission Expenses

Link to Appendix A, line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Total	Details	
70	Amortization Expense on Pre-Commercial Cost	\$ -	Summary of Pre-Commercial Expenses	
71	Pre-Commercial Expense	-		
72	Miscellaneous Transmission Expense	672,064		
	Total Account 566 Miscellaneous Transmission Expenses	\$ 672,064		
			Cost Element Name	Total
			Labor & Overhead (1)	-
			Miscellaneous (2)	-
			Outside Services Legal (3)	-
			Outside Services Other (4)	-
			Outside Services Rates (5)	-
			Advertising (6)	-
			Travel, Lodging and Meals (7)	-
			Total	-
			(1) Labor & overhead amount includes costs allocated to preparation of the preliminary survey and investigation.	
			(2) Miscellaneous amount includes rental of volunteer fire department facilities for open houses, Post EX fees for various meetings from Legal, Procurement, Transmission & Finance, fees for various conference calls and PJM application fee.	
			(3) Outside legal services includes the cost for research and preparation of the filing to determine incentive rate availability.	
			(4) Other services other includes fees for website development, media relations services, campaign management, open houses and research services.	
			(5) Outside services rates includes the advice of a rate consultant regarding rate design.	
			(6) Advertising includes newspaper and other media announcements of public scoping meetings related to the proposed project.	
			(7) Travel, lodging and meals are the direct expenses for Allegheny staff to attend the scoping meetings.	
Net Revenue Requirement				
149	Facility Credits under Section 30.5 of the PJM OATT	-		

		Survivor		Net Salvage		Accrual Rate (Annual)												
TRANSMISSION PLANT		Life	Curve	Percent	Percent			Black Oak	Wyle Ridge	500 Junction- Wetland Line	Madisonbrook Transformer	North Shenandoah	Bedington Transformer	Madisonbrook Capacitor	Kammer Transformers	Doubs Replacement Transformer #2	Doubs Replacement Transformer #3	Doubs Replacement Transformer #4
350.2	Land & Land Rights - Easements	70	- R4	0	1.43					2,403,141								
352	Structures & Improvements	50	- R3	(10)	2.20			18,763		3,393,788								
	SVC	35	-		2.86													
353	Station Equipment	50	- R2	(5)	2.10			1,359,391	581,116	793,597	169,905	40,402	162,194	145,082	830,268	94,890	82,236	145,570
	Other	Note 1	- 80 R2 - 35-yr truncation		2.96													
	SVC	15	- S3	0	6.67													
	SCADA																	
354	Towers & Fixtures	65	- R4	(25)	1.92					7,306,837								
355	Poles & Fixtures	55	- R2.5	(20)	2.18					2,951,899								
356	Overhead Conductors & Devices																	
	Other	55	- R2.5	(40)	2.80					6,389,004								
	Clearing	70	- R4	0	1.43					18,390								
357	Underground conduit	55	- S3	(5)	1.91													
358	Underground conductor and devices	45	- R3	(5)	2.33													
	SVC	35	-		2.86													
Total Transmission Plant Depreciation								1,376,042	581,116	21,176,597	169,905	40,402	162,194	145,082	830,268	94,890	82,236	145,570
Total Transmission Depreciation Expense (must fit to p356.7 f)																		
Note 1: Depreciation rate is based on an 80 R2 survivor curve with a 35-year truncation.																		

Annual Depreciation Expense													
Cabot SS	Grandview Capacitor	Potter	Osage Whately	Armstrong	Farmers Valley	Harvey Run	Doubs SS	Meadowbrook SS	902 3rd Substation	Cornmaugh- Seward	Luxor	Grandpoint & Gulfport	Handsome Lake- Homer City
152	281		14,882	326 2,506	1,276				124,243	2,866	3,450		
149,368	13,533	34,383	110,500	329,706	18,436	17,476	104,220	1,274,919		248,357	21,896	37,270	
			96,585							5,427			35,798
			348,521							385,002			198,157
													42,703
149,520	13,814	34,383	570,472	332,538	19,691	17,476	104,220	1,274,919	124,243	642,662	25,346	37,270	276,667

Albions	Blairville	Carbon Center	Hunterstown	Johnstown	Buffalo Road	Mohamron	Waldo Run	Four Mile Junction	West Union SS	Shuman HillMobility	Bartonville	Squab Hollow SS	Squab Hollow SVC	Shingletown	Clayburg Ring Bus	Johnstown SS Capacitor
							43,514	6,328		2,073		153,908			18,608	
761,425	69,881	11,958	923,858	103,796	9,216	156,518	1,298,120	184,385	18,717	30,056	12,710	328,357	922,123	44,183	144,521	28,746
							80,158			78						
							25,098									
761,425	69,881	11,958	923,858	103,796	9,216	156,518	1,448,790	180,714	18,717	32,208	12,710	482,264	922,123	44,183	163,129	28,746

Trans-Allegheny Interstate Line Company

Attachment 5 - Cost Support

GENERAL PLANT		Life	Survivor Curve	Net Salvage Percent	Accrual Rate (Annual) Percent	Total
390	Structures & Improvements	50	R1	0	2.00	899,094
391	Office Furniture & Equipment	20	SQ	0	5.00	96,332
	Information Systems	10	SQ	0	10.00	24,944
	Data Handling	10	SQ	0	10.00	
392	Transportation Equipment	15	SQ	20	5.33	
	Other	7	S3	20	11.43	
	Auto	11.5	L4	20	6.96	1,855
	Light Trucks	11.5	L4	20	6.96	
	Medium Truck	18	L1	20	4.44	
	Trailers	15	SQ	20	5.33	
393	Stores Equipment	20	SQ	0	5.00	
	Tools, Shop & Garage Equipment	20	SQ	0	5.00	
396	Power Operated Equipment	18	L1	25	4.17	
397	Communication Equipment	15	SQ	0	6.67	374,395
398	Miscellaneous Equipment	15	SQ	0	6.67	
Total General Plant						1,696,385
Total General Plant Depreciation Expense (must tie to p336, 10 b & c)						1,696,385
INTANGIBLE PLANT		Life	Survivor Curve	Net Salvage Percent	Accrual Rate (Annual) Percent	Total
303	Miscellaneous Intangible Plant	5	SQ	0	20.00	2,552,791
Total Intangible Plant						2,552,791
Total Intangible Plant Amortization (must tie to p336, 1 d & e)						2,552,791

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

PBOP Expenses

1	Total PBOP expenses	22,858,433
2	Amount relating to retired personnel	9,786,372
3	Amount allocated on FTEs	14,070,061
4	Number of FTEs for Allegheny	4,408
5	Cost per FTE	3,192
6	TAI/Co FTEs (labor not capitalized) current year	9,000
7	TAI/Co PBOP Expense for base year	-
8	TAI/Co PBOP Expense in Account 526 for current year	0
87	PBOP Adjustment for Appendix A, Line 57	-
Lines 1-8 cannot change absent approval or acceptance by FERC in a separate proceeding.		

Trans-Allegheny Interstate Line Company

Attachment 5a - Pre-Commercial Costs and CWIP

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

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

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

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

Column A		Column B	Column C	Column D	Column E	Column F	Column G
		Pre-Commercial Costs			CWIP		
Step 1	For Estimate:	Expensed (Estimated)	Deferred	Amount of Deferred Amortized in Year	Estimate Step 2	Average of 13 Monthly Balances	
	Prexy - 502 Junction 138 kV (CWIP)	-	-	-	-	-	
	Prexy - 502 Junction 500 kV (CWIP)	-	-	-	-	-	
	502 Junction - Territorial Line (CWIP)	-	-	-	-	-	
	Total	-	-	-	-	-	
Step 3	For Reconciliation:	Pre-Commercial Costs			For Reconciliation Step 2	CWIP	AFUDC In CWIP
	Prexy - 502 Junction 138 kV (CWIP)	Expensed (Actual)	Deferred	Amount of Deferred Amortized in Year			AFUDC (if CWIP was not in Rate Base)
	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	-	-	-	-	-	-
	4	-	-	-	-	-	-
	...						
	Total	-	-	-	-	-	-
	Prexy - 502 Junction 500 kV (CWIP)						
	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	-	-	-	-	-	-
	4	-	-	-	-	-	-
	...						
	Total	-	-	-	-	-	-
	502 Junction - Territorial Line (CWIP)						
	1	-	-	-	145,754	-	136,129,170
	2	-	-	-	-	-	-
	3	-	-	-	-	-	-
	4	-	-	-	-	-	-
	...						
	Total	-	-	-	145,754	-	136,129,170
Total Additions to Plant in Service (sum of the above for each project)		Refer to Attachment 5 - Cost Support Plant in Service Worksheet					136,129,170
Total Additions to Plant in Service reported on pages 204-207 of the Form No. 1		Refer to Attachment 5 - Cost Support Plant in Service Worksheet					
Difference (must be zero)							

Notes:

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

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

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

Trans-Allegheny Interstate Line Company
Attachment 6 - Estimate and Reconciliation Worksheet

Step	Month	Year	Action
Exec Summary			
1	April	Year 2	TO populates the formula with Year 1 data
2	April	Year 2	TO estimates all transmission Cap Adds and CWIP for Year 2 based on each project's cost using the average of 13 monthly balances. Cap Adds are the projects expected to be in service in Year 2.
3	April	Year 2	TO adds Cap Adds and CWIP to plant in service in Formula (Appendix A, Lines 16 and 33)
4	May	Year 2	Post results of Step 3 on PJM web site
5	June	Year 2	Results of Step 3 go into effect
6	April	Year 3	TO estimates all transmission Cap Adds and CWIP during Year 3 based each project's cost using the average of 13 monthly balances. Cap Adds are expected to be in service in Year 3.
7	April	Year 3	Reconciliation - TO calculates Reconciliation by populating the 13 monthly plant balances and beginning and end of year balances for the other rate base items and the 13 monthly averages for CWIP in Reconciliation (adjusted to include any Reconciliation amount from prior year).
8	April	Year 3	Reconciliation - TO adds the difference between the Reconciliation in Step 7 and the forecast in Step 5 with interest to the result of Step 7 (this difference is also added to Step 7 in the subsequent year)
9	May	Year 3	Post results of Step 8 on PJM web site
10	June	Year 3	Results of Step 8 go into effect

Reconciliation Details			
1	April	Year 2	TO populates the formula with Year 1 data Rev Req based on Year 1 data
2	April	Year 2	TO estimates all transmission Cap Adds and CWIP for Year 2 based on each project's cost using the average of 13 monthly balances. Cap Adds are the projects expected to be in service in Year 2.

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
		Richwood Hill	Erie South	Joffre Sub	Oak Mound	Black Oak	Damascus Substation	Conemaugh	502 Junction - Teritorial Line (monthly additions)
		(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)
Dec (Prior Year CWP) j2263.43	Actual	16,757,542	59,666	15,549,157	600,367	-	-	42	526,720
Jan 2017	Actual	1,568,402	(13,355)	413,696	212,461	-	-	(35,315)	491,405
Feb	Actual	(106,130)	23,963	(153,096)	579,141	-	-	3,507	393,782
Mar	Actual	(26,906)	15,511	127,277	380,662	-	-	328	389,768
Apr	Budget	(839,288)	2	144,253	194,678	-	-	-	3,877
May	Budget	-	-	20,438,553	610,238	-	585,239	-	3,877
Jun	Budget	-	-	6,633	344,917	-	-	-	2,097,722
Jul	Budget	-	-	8,806,130	-	-	-	-	3,877
Aug	Budget	-	61,488	-	-	-	-	-	2,732,722
Sep	Budget	-	13,770	-	-	250,000	-	-	3,877
Oct	Budget	-	-	-	-	-	-	-	3,877
Nov	Budget	-	-	-	-	-	-	-	3,877
Dec	Budget	-	-	-	-	-	-	-	3,877
Total		17,353,621	161,045	45,332,603	2,921,864	250,000	585,239	3,877	3,247,922

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
		Meadowbrook SS	Warren Substation	Joffre Substation S1041			Barboursville	Squab Hollow SS	
		(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)
Dec (Prior Year CWP) j2263.43	Actual	(101)	-	-	-	-	-	-	8,257
Jan 2017	Actual	256,157	-	-	-	-	(9)	(8,102)	155
Feb	Actual	-	-	-	-	-	-	-	155
Mar	Actual	-	-	-	-	-	-	-	1,594
Apr	Budget	-	-	-	-	-	-	-	(9)
May	Budget	-	-	-	-	-	-	-	(9)
Jun	Budget	-	22,317,409	-	-	-	-	-	1,594
Jul	Budget	126,000	-	-	-	-	-	-	1,594
Aug	Budget	-	-	-	-	-	-	-	1,594
Sep	Budget	-	-	140,222	-	-	-	-	(9)
Oct	Budget	-	-	-	-	-	-	-	(9)
Nov	Budget	-	-	-	-	-	-	-	1,594
Dec	Budget	-	-	-	-	-	-	-	1,594
Total		382,057	22,317,409	140,222	-	-	(9)	-	1,594

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
			Shingletown	Claysburg Ring Bus		Rider		Monocacy	
		(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)
Dec (Prior Year CWP) j2263.43	Actual	-	2	2,861	-	3,050	-	-	16,272
Jan 2017	Actual	-	33	2,951	-	(1,280,169)	-	-	16,272
Feb	Actual	-	-	-	-	(876,514)	-	-	16,323
Mar	Actual	-	-	-	-	(108,591)	-	-	16,359
Apr	Budget	-	-	-	-	-	-	-	16,359
May	Budget	-	-	-	-	-	-	-	16,359
Jun	Budget	-	-	-	-	-	-	-	16,359
Jul	Budget	-	-	-	-	-	-	-	16,359
Aug	Budget	-	-	-	-	-	-	-	16,359
Sep	Budget	-	-	-	-	-	-	-	16,359
Oct	Budget	-	-	-	-	-	-	-	16,359
Nov	Budget	-	-	-	-	-	-	-	16,359
Dec	Budget	-	-	-	-	-	-	-	16,359
Total		-	35	5,813	-	(2,262,224)	-	-	212,458

Month End Balances									
Other Projects PIS (Monthly additions)	Richwood Hill	Erie South	Joffre Sub	Oak Mound	Black Oak	Damascus Substation	Conemaugh	502 Junction - Teritorial Line (monthly additions)	CWIP
	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)
Dec (Prior Year CWP) j2263.43	16,757,542	59,666	15,549,157	600,367	-	-	42	526,720	
Jan 2017	18,325,944	46,312	15,962,853	812,828	-	-	42	491,405	
Feb	18,219,814	70,274	15,809,757	1,391,969	-	-	3,549	393,782	
Mar	18,192,909	85,785	15,937,034	1,772,031	-	-	3,877	389,768	
Apr	17,353,621	85,787	16,081,287	1,966,709	-	-	3,877	389,768	
May	17,353,621	85,787	36,519,840	2,576,947	-	585,239	3,877	2,097,722	
Jun	17,353,621	85,787	36,526,473	2,921,864	-	585,239	3,877	2,607,722	
Jul	17,353,621	85,787	45,332,603	2,921,864	-	585,239	3,877	2,732,722	
Aug	17,353,621	85,787	45,332,603	2,921,864	-	585,239	3,877	2,732,722	
Sep	17,353,621	161,045	45,332,603	2,921,864	250,000	585,239	3,877	3,247,922	
Oct	17,353,621	161,045	45,332,603	2,921,864	250,000	585,239	3,877	3,247,922	
Nov	17,353,621	161,045	45,332,603	2,921,864	250,000	585,239	3,877	3,247,922	
Dec	17,353,621	161,045	45,332,603	2,921,864	250,000	585,239	3,877	3,247,922	
Total	227,678,796	1,396,642	424,382,015	29,573,898	1,000,000	4,681,912	42,407	25,354,020	
(Appendix A, Line 16)	17,513,754	107,434	32,644,770	2,274,915	76,923	360,147	3,262	1,950,309	
(Appendix A, Line 16)		(Appendix A, Line 16)	(Appendix A, Line 16)			(Appendix A, Line 33)			

Month End Balances									
Other Projects PIS (Monthly additions)	Meadowbrook SS	Warren Substation	Joffre Substation S1041	0	0	0	Barboursville	Squab Hollow SS	
	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)
Dec (Prior Year CWP) j2263.43	(101)	-	-	-	-	-	-	-	8,257
Jan 2017	256,057	-	-	-	-	-	(9)	155	
Feb	256,057	-	-	-	-	-	(9)	155	
Mar	256,057	-	-	-	-	-	(9)	1,594	
Apr	256,057	-	-	-	-	-	(9)	1,594	
May	256,057	-	-	-	-	-	(9)	1,594	
Jun	256,057	22,317,409	-	-	-	-	(9)	1,594	
Jul	382,057	22,317,409	-	-	-	-	(9)	1,594	
Aug	382,057	22,317,409	-	-	-	-	(9)	1,594	
Sep	382,057	22,317,409	140,222	-	-	-	(9)	1,594	
Oct	382,057	22,317,409	140,222	-	-	-	(9)	1,594	
Nov	382,057	22,317,409	140,222	-	-	-	(9)	1,594	
Dec	382,057	22,317,409	140,222	-	-	-	(9)	1,594	
Total	3,828,578	156,221,863	560,888	-	-	-	(111)	24,512	

Month End Balances									
Other Projects PIS (Monthly additions)	Shingletown	Claysburg Ring Bus	0	0	Rider	0	Monocacy		
	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)
Dec (Prior Year CWP) j2263.43	-	2	2,861	-	-	3,050	-	-	16,272
Jan 2017	-	35	5,813	-	-	(1,277,119)	-	-	16,272
Feb	-	35	5,813	-	-	(2,153,633)	-	-	16,323
Mar	-	35	5,813	-	-	(2,262,224)	-	-	16,359
Apr	-	35	5,813	-	-	(2,262,224)	-	-	16,359
May	-	35	5,813	-	-	(2,262,224)	-	-	16,359
Jun	-	35	5,813	-	-	(2,262,224)	-	-	16,359
Jul	-	35	5,813	-	-	(2,262,224)	-	-	16,359
Aug	-	35	5,813	-	-	(2,262,224)	-	-	16,359
Sep	-	35	5,813	-	-	(2,262,224)	-	-	16,359
Oct	-	35	5,813	-	-	(2,262,224)	-	-	16,359
Nov	-	35	5,813	-	-	(2,262,224)	-	-	16,359
Dec	-	35	5,813	-	-	(2,262,224)	-	-	16,359
Total	-	422	72,613	-	-	(26,049,943)	-	-	212,458

Dec (Prior Year
CWIP) p216.b.4)
Jan 2017
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec
Total

294,506.03	12,017,066.38	43,145.23	-	-	-	(8.50)

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

Joffre Substation S1041
5,298

5 June Year 2 Results of Step 3 go into effect

6 April Year 3 TO estimates all transmission Cap Adds and CWP during Year 3 based each projects cost using the average of 13 monthly balances. Cap Adds are expected to be in service in Year 3.

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
	Richwood Hill (in service)	Erie South (in service)	Joffre Sub (in service)	Oak Mound (in service)	Damascus Substation (in service)	Warren Substation (in service)	Kammer (in service)	502 Junction - Territorial Line (monthly additions) (in service)
3	Actual	-	-	-	-	-	-	-
	Actual	63,709	10,448	(6,399)	299,580	4,142	(1,950)	7,660
	Actual	3,559	6,962	(4,876)	87,121	1,443	1,194	11,247
	Actual	6,771	2,954	25,819	73,539	-	3,328	(23,826)
	Budget	-	35,000	-	237,047	-	-	-
	Budget	-	-	-	357,090	-	-	-
	Budget	-	-	-	357,090	-	-	-
	Budget	-	-	-	30,391	-	-	-
	Budget	-	-	-	-	-	-	-
	Budget	-	-	-	-	-	-	-
	Budget	-	-	-	-	-	-	-
	Budget	-	-	-	-	-	-	-
	Budget	-	-	-	-	-	-	-
	Budget	-	-	-	-	-	-	-
		74,039	55,364	14,544	1,441,857	5,586	2,573	(4,919)

New Transmission Plant Additions for Year 3 (13 month average balance)

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
	Meadowbrook SS	502 Jct Substation	Black Oak	Doubs Replace Transformer #4	Piercebrosk Substation	Doubs SS	Bartonville		
	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)
3	Actual	-	-	-	-	-	-	-	-
	Actual	4,430	11,773	34,996	-	-	44,040	-	0
	Actual	2,963	328	14,856	-	-	-	-	-
	Actual	3,104	11	197,155	(8,950)	-	-	-	-
	Budget	-	-	-	-	-	-	-	-
	Budget	-	-	-	-	8,649,666	-	-	-
	Budget	-	-	-	-	48,792	-	-	-
	Budget	-	-	-	-	3,793	-	-	-
	Budget	-	-	-	-	3,793	-	-	-
	Budget	-	-	234,412	-	3,793	-	-	-
	Budget	-	-	839,883	-	-	-	-	-
	Budget	-	-	12,341	-	-	-	-	-
Budget	-	-	48,625	-	-	-	-	-	

New Transmission Plant Additions for Year 3 (13 month average balance)

(A)		(B)		(C)		(D)		(E)		(F)		(G)		(H)		(I)	
		Shuman Hill Sub		Farmers Valley Capacitor		Waldo Run SS						Rider				Monocacy	
		(in service)		(in service)		(in service)		(in service)		(in service)		(in service)		(in service)		(in service)	
3	Actual	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Actual	-	-	5	249,985	-	-	-	-	-	-	2,022	-	-	-	-	0
	Actual	47,488	-	-	(147,640)	-	-	-	-	-	-	13,837	-	-	-	-	-
	Actual	-	-	-	51,209	-	-	-	-	-	-	880	-	-	-	-	-
	Budget	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Budget	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Budget	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Budget	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Budget	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Budget	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Budget	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Budget	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

New Transmission Plant Additions for Year 3 (13 month average balance)

Month End Balances									
Other Projects PIS (Monthly additions)	Richwood Hill	Erie South	Joffre Sub	Oak Mound	Damascus Substation	Warren Substation	Kammer	502 Junction - Territorial Line (monthly additions)	
	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	
Dec (Prior Year CWP) 12/26/14	-	-	-	-	-	-	-	-	-
Jan 2018	63,709	10,449	299,580	4,142	(1,950)	7,660	(37,956)		
Feb	67,268	17,410	386,701	5,586	(756)	18,907	(31,327)		
Mar	74,039	20,364	460,239	5,586	2,573	(4,919)	497,452		
Apr	74,039	55,364	697,286	5,586	2,573	(4,919)	1,442,105		
May	74,039	55,364	1,054,376	5,586	2,573	(4,919)	1,538,050		
Jun	74,039	55,364	1,411,466	5,586	2,573	(4,919)	3,245,062		
Jul	74,039	55,364	1,441,857	5,586	2,573	(4,919)	5,203,554		
Aug	74,039	55,364	1,441,857	5,586	2,573	(4,919)	5,881,201		
Sep	74,039	55,364	1,441,857	5,586	2,573	(4,919)	6,234,872		
Oct	74,039	55,364	1,441,857	5,586	2,573	(4,919)	6,570,622		
Nov	74,039	55,364	1,441,857	5,586	2,573	(4,919)	6,757,187		
Dec	74,039	55,364	1,441,857	5,586	2,573	(4,919)	6,791,102		
Total	871,370	546,500	127,767	12,960,791	65,583	23,020	(22,618)	44,091,925	
	67,028	42,038	9,828	996,984	5,045	1,771	(1,740)	3,391,687	

Month End Balances									
Other Projects PIS (Monthly additions)	Meadowbrook SS	502 Jct Substation	Black Oak	Doubs Replace Transformer #4	Piercebrosk Substation	Doubs SS	Bartonville		
	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	
Dec (Prior Year CWP) 12/26/14	-	-	-	-	-	-	-	-	-
Jan 2018	4,430	11,773	34,996	-	-	44,040	0	-	-
Feb	7,393	12,101	49,853	-	-	44,040	0	-	-
Mar	10,498	12,112	247,007	(8,950)	-	44,040	0	-	-
Apr	10,498	12,112	247,007	(8,950)	-	44,040	0	-	-
May	10,498	12,112	247,007	(8,950)	8,649,666	44,040	0	-	-
Jun	10,498	12,112	247,007	(8,950)	8,698,458	44,040	0	-	-
Jul	10,498	12,112	247,007	(8,950)	8,702,251	44,040	0	-	-
Aug	10,498	12,112	247,007	(8,950)	8,706,044	44,040	0	-	-
Sep	10,498	12,112	481,419	(8,950)	8,709,837	44,040	0	-	-
Oct	10,498	12,112	1,321,302	(8,950)	8,709,837	44,040	0	-	-
Nov	10,498	12,112	1,333,643	(8,950)	8,709,837	44,040	0	-	-
Dec	10,498	12,112	1,382,268	(8,950)	8,709,837	44,040	0	-	-
Total	116,799	144,095	6,085,527	(89,505)	69,595,767	528,481	3	-	-
	8,984.51	11,153.45	468,117.47	(6,884.98)	5,353,520.54	40,652.42	0.23	-	-

Month End Balances									
Other Projects PIS (Monthly additions)	Shuman Hill Sub	Farmers Valley Capacitor	Waldo Run SS			Rider	Monocacy		
	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	(in service)	
Dec (Prior Year CWP) 12/26/14	-	-	-	-	-	-	-	-	-
Jan 2018	-	5	249,985	-	2,022	-	0	-	0
Feb	47,488	5	102,345	-	15,859	-	0	-	0
Mar	47,488	5	153,554	-	16,739	-	0	-	0
Apr	47,488	5	153,554	-	16,739	-	0	-	0
May	47,488	5	153,554	-	16,739	-	0	-	0
Jun	47,488	5	153,554	-	16,739	-	0	-	0
Jul	47,488	5	153,554	-	16,739	-	0	-	0
Aug	47,488	5	153,554	-	16,739	-	0	-	0
Sep	47,488	5	153,554	-	16,739	-	0	-	0
Oct	47,488	5	153,554	-	16,739	-	0	-	0
Nov	47,488	5	153,554	-	16,739	-	0	-	0
Dec	47,488	5	153,554	-	16,739	-	0	-	0
Total	522,368	63	1,887,866	-	185,272	-	0	-	0.04
	40,182.17	4.81	145,220.48	-	-	-	-	-	-

Total	(1)
New Transmission Plant Additions for Year 3 (13 month average balance)	

(132,679)	-	-	280,733
(10,206.10)	-	-	21,594.86

Piercebrook Substation	

Reconciliation - TO calculates Reconciliation by populating the 13 monthly plant balances and beginning and end of year balances for the other rate base items and the 13 monthly averages for CWIP in Reconciliation (adjusted to include any Reconciliation amount from prior year).

Dec (Prior Year
CWIP) p216.b.43

Jan 2016

Feb

Mar

Apr

May

Jun

Jul

Aug

Sep

Oct

Nov

Dec

Total

Month End Balances									
(Monthly additions)	0	0	0	0	(monthly additions)				
						(in service)	(in service)	CWIP	
-	-	-	-	-	-	138,957	-	-	-
-	-	-	-	-	-	138,677	-	-	-
-	-	-	-	-	-	156,944	-	-	-
-	-	-	-	-	-	154,156	-	-	-
-	-	-	-	-	-	151,378	-	-	-
-	-	-	-	-	-	155,029	-	-	-
-	-	-	-	-	-	178,458	-	-	-
-	-	-	-	-	-	160,846	-	-	-
-	-	-	-	-	-	148,425	-	-	-
-	-	-	-	-	-	149,030	-	-	-
-	-	-	-	-	-	143,992	-	-	-
-	-	-	-	-	-	225,567	-	-	-
-	-	-	-	-	-	145,754	-	-	-
-	-	-	-	-	-	2,047,214	-	-	-
-	-	-	-	-	-	157,478	-	-	-

[illegible]

8 April Year 3

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

Reconciliation in Step 8		The forecast in Prior Year			
269,505,466		276,330,903		=	
				(6,825,437)	
				~Note: for the first rate year, divide this reconciliation amount by 12 and multiply by the number of months and fractional months the rate was in effect.	
Interest on Amount of Refunds or Surcharges		0.3500%			
Month	Yr	1/12 of Step 9	Interest 35.15% for March Current Yr	Months	Interest
Jun	Year 1	(568,786)	0.3500%	11.5	(22,894)
Jul	Year 1	(568,786)	0.3500%	10.5	(20,903)
Aug	Year 1	(568,786)	0.3500%	9.5	(18,912)
Sep	Year 1	(568,786)	0.3500%	8.5	(16,921)
Oct	Year 1	(568,786)	0.3500%	7.5	(14,931)
Nov	Year 1	(568,786)	0.3500%	6.5	(12,940)
Dec	Year 1	(568,786)	0.3500%	5.5	(10,949)
Jan	Year 2	(568,786)	0.3500%	4.5	(8,958)
Feb	Year 2	(568,786)	0.3500%	3.5	(6,968)
Mar	Year 2	(568,786)	0.3500%	2.5	(4,977)
Apr	Year 2	(568,786)	0.3500%	1.5	(2,986)
May	Year 2	(568,786)	0.3500%	0.5	(995)
Total		(6,825,437)			
		Balance	Interest	Amort	Balance
Jun	Year 2	(6,968,771)	0.3500%	(594,027)	(6,399,135)
Jul	Year 2	(6,399,135)	0.3500%	(594,027)	(5,827,505)
Aug	Year 2	(5,827,505)	0.3500%	(594,027)	(5,253,874)
Sep	Year 2	(5,253,874)	0.3500%	(594,027)	(4,678,235)
Oct	Year 2	(4,678,235)	0.3500%	(594,027)	(4,100,582)
Nov	Year 2	(4,100,582)	0.3500%	(594,027)	(3,520,906)
Dec	Year 2	(3,520,906)	0.3500%	(594,027)	(2,939,202)
Jan	Year 3	(2,939,202)	0.3500%	(594,027)	(2,355,462)
Feb	Year 3	(2,355,462)	0.3500%	(594,027)	(1,769,679)
Mar	Year 3	(1,769,679)	0.3500%	(594,027)	(1,181,846)
Apr	Year 3	(1,181,846)	0.3500%	(594,027)	(591,955)
May	Year 3	(591,955)	0.3500%	(594,027)	(0)
Total with interest				(7,128,326)	
The difference between the Reconciliation in Step 8 and the forecast in Prior Year with interest				(7,128,326)	
Rev Req based on Year 2 data with estimated Cap Adds for Year 3 (Step 8)				\$ 233,780,444	
Revenue Requirement for Year 3				226,652,118	

Reconciliation Amount by Project																		
Total Revenue Requirement	Potter SS	Cabot SS Transformer	Doubs Transformer #4 (Monthly additions)	Doubs Transformer #3 (Monthly additions)	Doubs Transformer #2 (Monthly additions)	Kammer Transformers (Monthly additions)	Meadow Brook SS Capacitor (Monthly additions)	Bedington Transformer (Monthly additions)	Meadowbrook Transformer (Monthly additions)	North Shenandoah (Monthly additions)	Black Oak (Monthly additions)	Wylie Ridge (Monthly additions)	502 Junction - Territorial Line (Monthly additions)	Osage Whiteley	Armstrong	Farmers Valley	Harvey Run	Doubs SS
\$ (7,128,326)	(7,364)	(27,009)	(22,646)	(16,619)	(18,500)	(145,165)	(24,218)	(27,979)	(29,305)	8,093	(205,373)	(108,225)	(4,549,671)	(95,632)	(61,821)	3,446	(3,259)	(19,502)
Meadowbrook SS	Buffalo Road Capacitor	Handsome Lake-Homer City	Grandview Capacitor	Luxor Capacitor	Grand Point & Guilford SS	Albion	Blairville	Conemaugh Transformer	502 Junction Substation	Cabron Center	Hunterstown	Johnstown	Moshannon	Waldo Run	Four Mile Junction	West Union SS	Bartonville SS Capacitor	
(243,238)	(4,351)	(54,290)	(2,556)	(4,741)	(7,304)	(142,580)	(13,085)	(111,720)	(23,182)	(2,243)	(172,714)	(19,443)	(9,614)	(169,082)	(37,578)	(3,526)	12,716	
Yeagerstown	Rider	Monocacy SS	Shuman Hill Sub	Mainsburg SS	Johnstown Sub Capacitor	Grover SS	Clayburg Ring Bus	Squab Hollow SS	Squab Hollow SVC	Shingletown Capacitor	Nyswaner	Shanville	Oak Mound	Joffre SS	Erie South	Farmers Valley Substation	Richwood Hill	
(4,555)	(530,730)	(146,698)	(5,904)	(62,970)	(5,444)	(3,488)	(28,333)	54,962	(139,113)	(7,537)	8,221	(9,635)	1,052,436	(1,167,704)	358,625	191,958	(737,272)	
Damascus SS	Warren Substation	Joffre SS																
58,037	360,629	(5,533)																

9 May Year 3

Post results of Step 8 on PJM web site
\$ 226,652,118

10 June Year 3

Results of Step 8 go into effect
\$ 226,652,118

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

Revenue Requirement By Project

Fixed Charge Rate (FCR) if not a CAC		
Formula Line		
A	137	FCR without Depreciation and Pre-Commercial Costs
B	145	FCR with Incentive ROE without Depreciation and Pre-Commercial
C		Line B less Line A
FCR if a CAC		
D	138	FCR without Depreciation - Default, no Incentive Taxes

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

		PJM Upgrade ID: 30228.1 30229.2 30247.1 30247.2 30247.3 30247.4				PJM Upgrade ID: 30228				PJM Upgrade ID: 30228			
		850 Junction - Turtletail Line (CHWP - Plant in Service)				Wells Ridge Transformer Plant in Service				Black Oak (VVO) Dynamic Reactive Device Plant in Service			
Details													
10	"Yes" if a project under PJM OATT Schedule 12, otherwise "No"	Schedule 12 (Yes or No)				Yes				Yes			
11	"Yes" if the customer has paid a lump sum payment in the amount of the investment on line 29. Otherwise "No"	CAC (Yes or No)				No				No			
12	Input the allowed ROE	Allowed ROE 12.70%				12.70%				12.70%			
13	From line 5 above if "No" on line 12 and From line 7 above if "Yes" on line 12	FCR without Incentive ROE 10.000%				10.000%				10.000%			
14	Forecast - End of prior year net plant plus current year forecast of CHWP or Cap Add.	FCR for This Project 10.603%				10.603%				10.603%			
15	reconciliation - Average of 15 month prior year net plant balances plus prior year 15-mo CHWP balances.	Investment 605,530,253				15,546,269				34,121,287			
16	Annual Depreciation Exp from Attachment 5	21,176,597				551,125				1,370,940			
17													
18		Invest Yr	Return	Depreciation	Pre-Commercial	Reconciliation	Amount	Revenue	Return	Depreciation	Reconciliation	Amount	Revenue
19	See Calculations for each item below	2011	93,555,945.04	21,176,597.13	0.00	(4,549,471.02)	120,182,271.24	1,854,877.35	981,115.99	(109,234.78)	2,327,789.24	3,432,248.94	1,378,041.82
20	See Calculations for each item below	2011	93,720,461.00	21,176,597.13	0.00	(4,549,471.02)	120,182,271.24	1,854,877.35	981,115.99	(109,234.78)	2,327,789.24	3,432,248.94	1,378,041.82

For Plant in Service
"Pre-Commercial Exp" is equal to the amount of pre-commercial expenses on Attachment 6a for each project expensed in year and amortized in year.
Revenue is equal to the "Netnet" Investment times FCR, less "Reconciliation" less "Pre-Commercial Exp" plus prior year "Reconciliation amount"
"Reconciliation Amount" is created in the reconciliation in Attachment 6 and included in the forecasted revenue requirement.

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For Plant in Service
"Pre-Commercial E&P" is equal to the amount of pre-commercial
Revenue is equal to the "Return" ("Prepayment" minus FCR); i
"Reconciliation Amount" is created in the reconciliation in A&S

PJM Upgrade ID: 16221				PJM Upgrade ID: 16226				PJM Upgrade ID: 16229			
North Standalone Transformer (Plant in Service)				Midwestern Transformer (Plant in Service)				Rodriguez Transformer (Plant in Service)			
Yes				Yes				Yes			
No				No				No			
11.70%				11.70%				11.70%			
10.003%				10.003%				10.003%			
10.003%				10.003%				10.003%			
1,641,852				6,634,851				6,387,251			
40,405				169,845				160,194			
Reconciliation				Reconciliation				Reconciliation			
Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue
284,127.40	45,401.56	8,085.17	212,665.93	683,562.27	285,854.81	59,354.73	854,102.36	638,741.31	182,194.28	57,978.03	792,955.69
584,127.40	45,401.56	8,085.17	212,665.93	683,562.27	285,854.81	59,354.73	854,102.36	638,741.31	182,194.28	57,978.03	792,955.69

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

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

PJM Upgrade ID: 10558				PJM Upgrade ID: 10595				PJM Upgrade ID: 10543				PJM Upgrade ID: 10544			
Woodbrook Capacity (Plant in Service)				Karnar Transformer Plant in Service				Doubt Replace Transformer #2				Doubt Replace Transformer #3			
Yes				Yes				Yes				Yes			
No				No				No				No			
11.70%				11.70%				11.70%				11.70%			
10.0000%				10.0000%				10.0000%				10.0000%			
10.0000%				10.0000%				10.0000%				10.0000%			
5,330,000				32,740,000				4,493,342				4,118,542			
146,000				900,000				90,000				62,000			
Reconciliation				Reconciliation				Reconciliation				Reconciliation			
Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue	Return	Depreciation	Amount	Revenue
533,135.12	146,000.04	(24,218.20)	653,965.16	3,274,300.86	830,268.12	(145,164.86)	3,959,496.93	448,045.73	94,896.48	(18,469.98)	531,456.23	411,864.07	82,295.64	(58,618.76)	471,541.75
533,135.12	146,000.04	(24,218.20)	653,965.16	3,274,300.86	830,268.12	(145,164.86)	3,959,496.93	448,045.73	94,896.48	(18,469.98)	531,456.23	411,864.07	82,295.64	(58,618.76)	471,541.75

For Plant in Service
Pre-Commercial Est is equal to the amount of one-dollar
Revenue is equal to the "Recovery" Treatment times FCR
Reconciliation Amount is created in the reconciliation in AIs

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11 "Yes" if a project under PJM OATT Schedule 12,
12 otherwise "No"
13 "Yes" if the customer has paid a lump sum payment in the
14 amount of the investment on line 25. Otherwise "No"
15 Input the allowed ROE
16 From line 3 above if "Yes" on line 12 and From line 7 above
17 if "Yes" on line 15
18 If line 13 equals 12.7%, then line 4, if line 13 equals 11.7%,
19 then line 3, and if line 12 is "Yes" then line 7
20 Forecast - End of prior year net plant plus current year
forecast of CWP or Cap Add.
reconciliation - Average of 15 month prior year net plant
balances plus prior year 15-mo CWP balances.
Annual Depreciation See Item Attachment 5

For Plant in Service
"Pre-Commercial Exp" is equal to the amount of pre-commercial
expense is equal to the "Plant" Investment times FCR 1.
"Reconciliation Amount" is created in the reconciliation in A6

PJM Upgrade ID: 10395				PJM Upgrade ID: 10794				PJM Upgrade ID: 10394				PJM Upgrade ID: 10593			
Debris Replace Transformer A4				Cable SS - Install Autotransformer				Aristotle				Farmers Valley Cavalier			
Yes				Yes				Yes				Yes			
No				No				No				No			
11.70%				11.70%				11.70%				11.70%			
10.000%				10.000%				10.000%				10.000%			
10.000%				10.000%				10.000%				10.000%			
14,440,903				6,236,657				14,440,903				1,980,041			
246,570				246,570				222,539				20,091			
Return	Depreciation	Reconciliation	Revenue	Return	Depreciation	Reconciliation	Revenue	Return	Depreciation	Reconciliation	Revenue	Return	Depreciation	Reconciliation	Revenue
464,617.88	148,570.04	22,846.381	550,742.74	625,677.84	148,520.00	27,008.380	746,188.85	1,445,027.05	155,538.12	86,620.546	1,725,745.25	188,958.28	10,650.68	3,446.02	222,645.97
464,617.88	148,570.04	22,846.381	550,742.74	625,677.84	148,520.00	27,008.380	746,188.85	1,445,027.05	155,538.12	86,620.546	1,725,745.25	188,958.28	10,650.68	3,446.02	222,645.97

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10 "Yes" if a project under PJM OATT Schedule 12,
11 otherwise "No"
12 "Yes" if the customer has paid a lump sum payment in the
13 amount of the investment on line 28. Otherwise "No"
14 Input the allowed ROCE
15 From line 3, select if "No" on line 12 and From line 7, select
16 if "Yes" on line 13
17 If line 13 equals 12.7%, then line 4. If line 13 equals 11.7%,
then line 5, and if line 12 is "Yes" then line 7
Forecast - End of prior year net plant plus current year
forecast of CWP or Cap Add.
reconciliation - Average of 15 month prior year net plant
balances plus prior year 15-mo CWP balances.
Annual Depreciation Exp from Attachment 5

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

PJM Upgrade ID: 50564				PJM Upgrade ID: 51893				PJM Upgrade ID: 51243				PJM Upgrade ID: 50574, 50575, 50576, 5					
Henry Run Capacitor				Doubt SS				Potts SS				Orange Windway					
Yes				Yes				Yes				Yes					
No				No				No				No					
11.70%				11.70%				11.70%				11.70%					
10.0003%				10.0003%				10.0003%				10.0003%					
10.0003%				10.0003%				10.0003%				10.0003%					
765,359				4,632,054				1,946,879				21,985,349					
17,476				359,225				34,385				573,473					
Return	Depreciation	Reconciliation	Revenue	Return	Depreciation	Reconciliation	Revenue	Return	Depreciation	Pre-Commercial	Reconciliation	Revenue	Return	Depreciation	Pre-Commercial	Reconciliation	Revenue
76,585.84	(1,476.25)	(1,258.97)	90,611.07	461,277.39	(34,229.36)	(13,562.12)	547,695.64	354,480	34,385	0	(7,364)	311,812.59	2,188,682	573,473	0	(65,637)	2,675,535.54
76,585.84	(1,476.25)	(1,258.97)	90,611.07	461,277.39	(34,229.36)	(13,562.12)	547,695.64	354,480	34,385	0	(7,364)	311,812.59	2,188,682	573,473	0	(65,637)	2,675,535.54

For Plant in Service
"Pre-Commercial Exp" is equal to the amount of pre-commercial
Repayment is equal to the "Return" Investment times PQR.
"Reconciliation Amount" is created in the reconciliation in ARI

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For Plant in Service
Pre-Commercial E&E is equal to the amount of one-domme
Revenue is equal to the "Recovery" ("Investment" times FCR) +
Reconciliation Amount is created in the reconciliation in Abs

PJM Upgrade ID: 61880, 61884				PJM Upgrade ID: 61880				PJM Upgrade ID: 62433.1, 62433.2, 62433.3				PJM Upgrade ID: 62553			
Restructured SS				Restructured				VASS Run SS				Consensus			
Yes				Yes				Yes				Yes			
No				No				No				No			
11.70%				11.70%				11.70%				11.70%			
10.0000%				10.0000%				10.0000%				10.0000%			
10.0000%				10.0000%				10.0000%				10.0000%			
58,817,185				46,738,353				52,480,067				25,305,211			
2,374,029				623,468				1,446,709				645,052			
Reconciliation				Reconciliation				Reconciliation				Reconciliation			
Return	Depreciation	amount	Revenue	Return	Depreciation	amount	Revenue	Return	Depreciation	amount	Revenue	Return	Depreciation	amount	Revenue
5,881,885	1,274,619	(243,238)	6,113,546.77	4,673,361	623,468	(172,714)	4,824,064.07	5,548,227	1,446,709	(268,062)	6,529,894.77	2,132,087	645,052	(121,705)	3,083,033.15
5,881,885	1,274,619	(243,238)	6,113,546.77	4,673,361	623,468	(172,714)	4,824,064.07	5,548,227	1,446,709	(268,062)	6,529,894.77	2,132,087	645,052	(121,705)	3,083,033.15

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10 "Yes" if a project under PJM OATT Schedule 12,
11 otherwise "No"
12 "Yes" if the customer has paid a lump sum payment in the
13 amount of the investment on line 29. Otherwise "No"
14 Input the allowed ROE
15 From line 3, above "No" on line 12 and From line 7, above
16 If "Yes" on line 1, then line 12 is "Yes" then line 7
17 Forecast - End of prior year net debt plus current year
forecast of CWP or Cap Assets
reconciliation - Average of 15 month prior year net plant
balances plus prior year 15-mo CWP balances.
18 Annual Depreciation Exclusion Amount 5
19
20 See Calculations for each item below
21 See Calculations for each item below

PJM Upgrade ID: 51987				PJM Upgrade ID: 51989, 51789				PJM Upgrade ID: 51945				PJM Upgrade ID: 50830			
Bikaride SS				Fiji Ma Jif				Jincheon SS (2nd step)				Yaguchuan			
Yes				Yes				Yes				Yes			
No				No				No				No			
11.70%				11.70%				11.70%				11.70%			
10.0003%				10.0003%				10.0003%				10.0003%			
10.0003%				10.0003%				10.0003%				10.0003%			
1,082,126				5,085,385				4,583,451				1,084,161			
69,880				230,734				202,786				23,656			
Return	Depreciation	Reconciliation	Revenue	Return	Depreciation	Reconciliation	Revenue	Return	Depreciation	Reconciliation	Revenue	Return	Depreciation	Reconciliation	Revenue
386,212	69,881	(13,080)	365,017.65	699,842	180,714	(17,578)	1,581,877.25	458,061	203,796	(18,440)	542,454.75	108,419	23,838	(6,355)	127,689.65
386,212	69,881	(13,080)	365,017.65	699,842	180,714	(17,578)	1,581,877.25	458,061	203,796	(18,440)	542,454.75	108,419	23,838	(6,355)	127,689.65

For Plant in Service
"Pre-Commercial End" is equal to the amount of pre-commercial
Revenue is equal to the "Recovery" (Investment) times FCR; i
"Reconciliation Amount" is created in the reconciliation in AIs

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10 "Yes" if a project under PJM OATT Schedule 12,
11 otherwise "No"
12 "Yes" if the customer has paid a lump sum payment in the
13 amount of the investment on line 28. Otherwise "No"
14 Input the allowed ROE
15 From line 5 above if "No" on line 12 and From line 7 above
16 if "Yes" on line 13
17 If line 15 equals 12.7%, then line 4, if line 15 equals 11.7%,
then line 5, and if line 12 is "Yes" then line 7
Forecast = End of prior year net plant plus current year
forecast of CHPP or Cap Add.
reconciliation = Average of 15 month prior year net plant
balances plus prior year 15-mo CHPP balances.
Annual Depreciation See Item Attachment 5

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

PJM Upgrade ID: 31880				PJM Upgrade ID: 31881				PJM Upgrade ID: 31885				PJM Upgrade ID: 31889			
Capeview Capacitor				Altoona SVC				Luzon				Grand Point & Gulfport			
Yes				Yes				Yes				Yes			
No				No				No				No			
11.70%				11.70%				11.70%				11.70%			
10.0003%				10.0003%				10.0003%				10.0003%			
10.0003%				10.0003%				10.0003%				10.0003%			
598,305				10,801,539				1,115,948				1,643,343			
13,854				762,425				25,345				37,270			
Return	Depreciation	Reconciliation	Revenue	Return	Depreciation	Reconciliation	Revenue	Return	Depreciation	Reconciliation	Revenue	Return	Depreciation	Reconciliation	Revenue
58,854	11,814	(2,558)	71,061.42	3,960,238	761,425	(642,560)	3,979,083.18	111,598	25,345	(4,761)	132,262.28	384,899	37,270	(7,596)	394,664.85
58,854	11,814	(2,558)	71,061.42	3,960,238	761,425	(642,560)	3,979,083.18	111,598	25,345	(4,761)	132,262.28	384,899	37,270	(7,596)	394,664.85

For Plant in Service
"Pre-Commercial End" is equal to the amount of pre-commercial
Repayment is equal to the "Netplant" Investment" times FCR.
"Reconciliation Amount" is created in the reconciliation in ABB

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PJM Upgrade ID: 61884				PJM Upgrade ID: 61872				PJM Upgrade ID: 61898				PJM Upgrade ID: 61896, 61902				PJM Upgrade ID: 61942			
Shelburne				Canton Center				Browley				Northwood				Shuman Hill Sub			
Yes				Yes				Yes				Yes				Yes			
No				No				No				No				No			
11.70%				11.70%				11.70%				11.70%				11.70%			
10.0000%				10.0000%				10.0000%				10.0000%				10.0000%			
10.0000%				10.0000%				10.0000%				10.0000%				10.0000%			
7,100,146				538,814				2,151,778				0				1,436,028			
166,158				11,868				47,011				0				10,128			
Return	Depreciation	Reconciliation	Revenue	Return	Depreciation	Reconciliation	Revenue	Return	Depreciation	Reconciliation	Revenue	Return	Depreciation	Reconciliation	Revenue	Return	Depreciation	Reconciliation	Revenue
710,033	158,518	(8,814)	858,086.63	52,883	11,868	(2,143)	62,987.34	215,178	47,011	(8,483)	252,755.61	0	0	0	0.00	141,630	10,128	(1,504)	169,055.15
710,033	158,518	(8,814)	858,086.63	52,883	11,868	(2,143)	62,987.34	215,178	47,011	(8,483)	252,755.61	0	0	0	0.00	141,630	10,128	(1,504)	169,055.15

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

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10 "Yes" if a project under PJM OATT Schedule 12,
11 otherwise "No"
12 "Yes" if the customer has paid a lump sum payment in the
13 amount of the investment in line 25. Otherwise "No"
14 input the allowed ROE
15 Four line 3 above if "No" on line 12 and from line 7 above
16 if "Yes" on line 13
17 if line 13 equals 12.7%, then line 4. If line 13 equals 11.7%,
18 then line 5. and if line 12 is "Yes" then line 7
19 Forecast - End of prior year net plant plus current year
20 forecast of CWP or Cap Add.
reconciliation - Average of 13 month prior year net plant
balances plus prior year 13-mo CWP balances.
Annual Depreciation Exp from Attachment 5

PJM Upgrade ID: 00779				PJM Upgrade ID: 00748				PJM Upgrade ID: 00906				PJM Upgrade ID: 00021.1				PJM Upgrade ID: 01041			
Buffalo River				Piscataway Capacitor				Glover GS Capacitor				900 Junction Substation				Waynesboro Lake, Henry City			
Yes				Yes				Yes				Yes				Yes			
No				No				No				No				No			
11.70%				11.70%				11.70%				11.70%				11.70%			
10.0000%				10.0000%				10.0000%				10.0000%				10.0000%			
10.0000%				10.0000%				10.0000%				10.0000%				10.0000%			
407,561				0				856,474				10,164,245				11,852,465			
9,236				0				12,107				126,245				276,567			
Return	Depreciation	Reconciliation	Revenue	Return	Depreciation	Reconciliation	Revenue	Return	Depreciation	Reconciliation	Revenue	Return	Depreciation	Reconciliation	Revenue	Return	Depreciation	Reconciliation	Revenue
40,757	9,236	(4,351)	45,023.53	0	0	0	0.00	85,650	11,107	(3,489)	95,485.58	1,034,451	124,243	(21,182)	1,127,515.05	1,185,277	276,567	(54,260)	1,407,554.72
40,757	9,236	(4,351)	45,023.53	0	0	0	0.00	85,650	11,107	(3,489)	95,485.58	1,034,451	124,243	(21,182)	1,127,515.05	1,185,277	276,567	(54,260)	1,407,554.72

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

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10 "Yes" if a project under PAM OATT Schedule 12,
11 otherwise "No"
12 "Yes" if the customer has paid a lump sum payment in the
13 amount of the investment on line 28. Otherwise "No"
14 Input the allowed ROCE
15 From line 5 above if "No" on line 12 and From line 7 above
16 if "Yes" on line 13
17 If line 15 equals 12.7%, then line 4. If line 15 equals 11.7%,
then line 3, and if line 12 is "Yes" then line 7
Forecast = End of prior year net plant plus current year
forecast of CHWP or Cap Add.
reconciliation = Average of 15 month prior year net plant
balances plus prior year 15-mo CHWP balances.
Annual Depreciation Excess Attached 5

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

PAM Upgrade ID: 32343				PAM Upgrade ID: 32348				PAM Upgrade ID: 32355				PAM Upgrade ID: 32360			
West Union				Rider Sub Area 40000				Monrovia 05				Ridgely 05 Capacitor			
Yes				Yes				Yes				Yes			
No				No				No				No			
11.70%				11.70%				11.70%				11.70%			
10.0000%				10.0000%				10.0000%				10.0000%			
10.0000%				10.0000%				10.0000%				10.0000%			
633,241				16,521,423				35,526,000				684,886			
18,737				465,819				854,136				12,710			
Return	Depreciation	Reconciliation	Revenue	Return	Depreciation	Reconciliation	Revenue	Return	Depreciation	Reconciliation	Revenue	Return	Depreciation	Reconciliation	Revenue
63,326	18,717	(1,526)	66,517.12	1,625,164	446,819	(63,730)	1,538,272.89	3,461,704	854,136	(146,886)	4,308,262.50	66,490	12,710	(12,718)	61,928.67
63,326	18,717	(1,526)	66,517.12	1,625,164	446,819	(63,730)	1,538,272.89	3,461,704	854,136	(146,886)	4,308,262.50	66,490	12,710	(12,718)	61,928.67

For Plant in Service
"Pre-Commercial End" is equal to the amount of pre-commercial
Repeatability is equal to the "Return" ("Investment") times FCR.
"Reconciliation Amount" is created in the reconciliation in A05.

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PJM Upgrade ID: 61882 & 61888				PJM Upgrade ID: 61895				PJM Upgrade ID: 61843				PJM Upgrade ID: 61376				PJM Upgrade ID: 61264 & 61264.1			
Marshburg 55				Johnstown 66 Capacitor				Chattahoochee 55k Bus				Cromwell 66 Capacitor				Spartan 66k Bus			
Yes				Yes				Yes				Yes				Yes			
No				No				No				No				No			
11.70%				11.70%				11.70%				11.70%				11.70%			
10.0003%				10.0003%				10.0003%				10.0003%				10.0003%			
10.0003%				10.0003%				10.0003%				10.0003%				10.0003%			
23,521,272				1,268,857				7,345,587				0				17,953,400			
403,547				20,746				203,129				0				403,294			
Return	Depreciation	Reconciliation	Revenue	Return	Depreciation	Reconciliation	Revenue	Return	Depreciation	Reconciliation	Revenue	Return	Depreciation	Reconciliation	Revenue	Return	Depreciation	Reconciliation	Revenue
2,650,188	402,947	402,947	2,688,264.07	129,889	20,746	20,746	153,161.13	710,578	103,129	103,129	899,371.52	0	0	0	0.00	1,768,986	402,294	54,902	2,295,421.59
2,900,188	403,947	403,947	2,888,264.07	129,889	20,746	20,746	153,161.13	710,578	103,129	103,129	899,371.52	0	0	0	0.00	1,768,986	402,294	54,902	2,295,421.59

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

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

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

For Plant in Service
Pre-Commercial Est is equal to the amount of pre-commercial
Revenue is equal to the "Reconciliation Amount" times FCR - 1
Reconciliation Amount is created in the reconciliation in AIs

PJM Upgrade ID: 102902 & 102932.1				PJM Upgrade ID: 102936				PJM Upgrade ID: 102946				PJM Upgrade ID: 102945				PJM Upgrade ID: 102941, 102947.1, 102947.2							
Single-Wire RVC				Single-Wire Capacitor				None				Revised-WB				Ene South				Joffre Sub			
Yes				Yes				Yes				Yes				Yes				Yes			
No				No				No				No				No				No			
11.70%				11.70%				11.70%				11.70%				11.70%				11.70%			
10.0000%				10.0000%				10.0000%				10.0000%				10.0000%				10.0000%			
10.0000%				10.0000%				10.0000%				10.0000%				10.0000%				10.0000%			
20,208,889				1,648,813				886,127				72,237,126				44,373,888				46,626,129			
802,129				46,383				10,689				1,845,688				1,373,423				854,575			
Return	Depreciation	Reconciliation		Return	Depreciation	Reconciliation		Return	Depreciation	Reconciliation		Return	Depreciation	Reconciliation		Return	Depreciation	Reconciliation		Return	Depreciation	Reconciliation	
2,935,982	802,129	1,133,110	3,769,072.42	166,886	46,383	17,517	261,251.39	88,634	10,689	8,225	117,521.85	7,223,909	1,845,688	772,273	8,389,325.45	4,437,515	1,373,423	5,810,938.47	4,682,735	854,575	5,537,760	4,548,825.46	

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10 "Yes" if a project under P&M O&M Schedule 12,
11 otherwise "No"
12 "Yes" if the customer has paid a lump sum payment in the
13 amount of the investment on line 25. Otherwise "No"
14 Input the allowed ROE
15 From line 3, divide P "No" on line 12 and From line 7 above
16 If "Yes" on line 12
17 If line 12 equals 12.7%, then line 4, if line 12 equals 11.7%
18 then line 3, and if line 12 is "Yes" then line 2
19 Forecast = End of prior year net plant plus current year
20 forecast of CWP or Cap Add
reconciliation - Average of 13 month prior year net plant
balances plus prior year 13-mo CWP balances.
Annual/Investment Cost from Attachment 2

PJM Upgrade ID: 62875				PJM Upgrade ID: 62881				PJM Upgrade ID: 62883				PJM Upgrade ID: 62884				PJM Upgrade ID: 62885				PJM Upgrade ID: 62887						
Cap Ground				Farmers Valley Substation				Damascus Substation				Warren Substation				Joffre Substation 62885				Pinebrook Substation						
Yes				Yes				Yes				Yes				Yes				Yes						
No				No				No				No				No				No						
11.70%				11.70%				11.70%				11.70%				11.70%				11.70%						
10.0000%				10.0000%				10.0000%				10.0000%				10.0000%				10.0000%						
10.0000%				10.0000%				10.0000%				10.0000%				10.0000%				10.0000%						
10.0000%				10.0000%				10.0000%				10.0000%				10.0000%				10.0000%						
206,674.769				30,038.386				1,236.124				23,761.264				0				5,353.521						
2,123.269				607.724				-5,267				273,742				0				0						
Reconciliation amount				Reconciliation amount				Reconciliation amount				Reconciliation amount				Reconciliation amount				Reconciliation amount						
Return	Depreciation	Revenue		Return	Depreciation	Revenue		Return	Depreciation	Revenue		Return	Depreciation	Revenue		Return	Depreciation	Revenue		Return	Depreciation	Revenue		Total	Incentive Charged	Revenue Change
10,667.753	2,123.269	1,052.436	11,843,477.53	1,863.607	607.724	181.958	4,813,638.84	123,625	15,217	59,607	107,888.75	2,596,160	273,742	360,029	3,028,961.66	0	0	0	6,519	6,532.78	6,532.78	0	536,365.96	226,227,595.77	255,217,596.77	
10,667.753	2,123.269	1,052.436	11,843,477.53	1,863.607	607.724	181.958	4,813,638.84	123,625	15,217	59,607	107,888.75	2,596,160	273,742	360,029	3,028,961.66	0	0	0	6,519	6,532.78	6,532.78	0	536,365.96	226,452,117.69	226,452,117.69	

For Plant in Service
"The Commercial Cost" is equal to the amount of one common
Revenue is equal to the "Return" "Investment" times FCR, 1
"Reconciliation Amount" is created in the reconciliation in AIs

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

TABLE 1: Summary Cost of Long Term Debt

CALCULATION OF COST OF DEBT

YEAR ENDED		12/31/2017													
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)					
	Issue Date	Maturity Date	ORIGINAL ISSUANCE	Net Proceeds At Issuance	Net Amount Outstanding at t=N	Months Outstanding at t=N	Average Net Outstanding in Year* z"	Weighted Outstanding Ratio	Effective Cost Rate (Tables z and 3)	Weighted Debt Cost at t = N (h) * (i)					
Long Term Debt (12/31/2017)															
First Mortgage Bonds:															
(1)	12/11/2014	6/2/2025	\$ 550,000,000	\$ 545,247,429	\$ 546,627,492	12	\$ 546,627,492.00	88.00%	3.95%	3.48%					
(2)	10/16/2015	5/30/2025	\$ 75,000,000	\$ 74,437,647	\$ 74,565,066	12	\$ 74,565,066.00	12.004%	3.85%	0.46%					
Total			\$ 625,000,000		\$ 621,192,558		\$ 621,192,558	100.000%		3.94%					

t = time

The current portion of long term debt is included in the Net Amount Outstanding at t = N in these calculations.

The outstanding amount (column (e)) for debt retired during the year is the outstanding amount at the last month it was outstanding.

* z = Average of monthly balances for months outstanding during the year (average of the balances for the 12 months of the year, with zero in months that the issuance is not outstanding in a month).

Interest (and/or debt service) debt cost calculations shall be taken to four decimals in percentages (7.200%, 5.256%, 3.954%, 3.954%, 3.954%, 3.954%, 3.954%, 3.954%, 3.954%, 3.954%, 3.954%, 3.954%).

** The Total Weighted Average Debt Cost will be shown on Line 101 of Formula rate Appendix A.

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

YEAR ENDED		12/31/2017													
	(aa)	(bb)	(cc)	(dd)	14	(ee)	(ff)	(gg)	(hh)	(ii)	(jj)	(kk)	(ll)		
	Issue Date	Maturity Date	Amount Issued	(Discount) Premium at Issuance		Insurance Expense	Loss/Gain on Debt	Less Related ADT (Attachment 1)	Net Proceeds	Net Proceeds Ratio	Coupon Rate	Annual Interest	Effective Cost Rate ^a Yield to Maturity at Issuance, t = 0		
(1)	3.86%, Senior Unsecured N/A	12/11/2014	\$ 550,000,000	\$ (418,000)		4,334,571	-	xxx	\$ 545,247,429	99.1359	0.03860	\$ 21,175,000	3.95%		
(2)	3.78%, Senior Unsecured Notes	10/15/2015	75,000,000			<u>560,393</u>			\$ 74,437,647	99.2502	0.0378	\$ 2,820,000	3.85%		
													-		
TOTALS			\$ 625,000,000	(418,000)		\$ 4,896,924	-	xxx	\$ 619,685,076			\$ 23,995,000			

^a YTM at issuance calculated from an acceptable bond table or from YTM = Internal Rate of Return (IRR) calculation

Source: Moody's Credit Rating of Individual Obligations; (YTM) as of Issuance; "Realized" ("Cumulative") Average Real Discounted Coupon Rate; Semi-annual (or other) interest contribution (C); C = (C1 + C2 + ... + Ct) / T

Trans-Allegheny Interstate Line Company

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

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

Total Loan Amount	\$ 900,000,000

Internal Rate of Return ¹	4.886348%

Based on following Financial Formula²:

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

Origination Fees	
Origination Fees	7,780,954
Addition Origination Fees	15,125
Total Issuance Expense	7,796,079
Revolving Credit Commitment Fee	New Borrowing 0.005 Old Borrowing 0.0050
Revolving Credit Commitment Fee	0.0037

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

	2008	2008	2008	2008	2009	2010	2011	2012	2013	2014	2015
LIBOR Rate	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
Spread											
Interest Rate	6.13%	3.86%	4.05%	4.34%	2.12%	2.12%	2.12%	2.12%	2.12%	2.12%	2.12%
Bond \$450M Interest Rate	\$ 450,000,000				4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Revolver Interest Rate	\$ 350,000,000	Draw 1	DONE		3.249%	4.50%	6.21%				
Revolver Interest Rate	\$ 350,000,000	Draw 2, 3, 4	DONE		3.247%	4.50%	6.21%				
Revolver Interest Rate	\$ 350,000,000	Draw 5	DONE		3.251%	4.50%	6.21%				
Revolver Interest Rate	\$ 350,000,000	Draw 6	DONE - Roll over Draw 1 and 4		3.316%	4.50%	6.21%				
Revolver Interest Rate	\$ 350,000,000	Draw 7	DONE		3.361%	4.50%	6.21%				
Revolver Interest Rate	\$ 350,000,000	Draw 8	DONE - Roll over Draw 2, 3 and 5		3.422%	4.50%	6.21%				
Revolver Interest Rate	\$ 350,000,000	Draw 9	DONE		3.417%	4.50%	6.21%				
Revolver Interest Rate	\$ 350,000,000	Draw 10	DONE		3.348%	4.50%	6.21%				
Revolver Interest Rate	\$ 350,000,000	Draw 11	DONE - Roll over Draw 6 and 9		3.498%	4.50%	6.21%				
Revolver Interest Rate	\$ 450,000,000	Draw 12	DONE - Roll over Draw 10		3.418%	4.50%	6.21%				
Revolver Interest Rate	\$ 450,000,000	Draw 13	DONE - Roll over Draw 7 and 8		3.398%	4.50%	6.21%				
Revolver Interest Rate	\$ 450,000,000	Draw 14	DONE		3.275%	4.50%	6.21%				
Revolver Interest Rate	\$ 450,000,000	Draw 15	DONE		3.275%	4.50%	6.21%				
Revolver Interest Rate	\$ 450,000,000	Draw 16	DONE - Roll over Draw 11		3.289%	4.50%	6.21%				
Revolver Interest Rate	\$ 450,000,000	Draw 17	DONE		3.248%	4.50%	6.21%				
Revolver Interest Rate	\$ 450,000,000	Draw 17A	DONE - Roll over Draw 12, 14 and 15		3.286%	4.50%	6.21%				
Revolver Interest Rate	\$ 450,000,000	Draw 18	DONE - Roll over Draw 13 and 17		3.286%	4.50%	6.21%				
Revolver Interest Rate	\$ 450,000,000	Draw 19	DONE			3.283%	6.21%				
Revolver Interest Rate	\$ 450,000,000	Draw 20	DONE - Roll over Draw 16			3.304%	6.21%				
Revolver Interest Rate	\$ 450,000,000	Draw 21	DONE - Roll over Draw 17A and 19			3.312%	6.21%				
Revolver Interest Rate	\$ 450,000,000	Draw 22	DONE - Roll over Draw 18			3.312%	6.21%				
Revolver Interest Rate	\$ 450,000,000	Draw 23	DONE			3.222%	6.21%				
Revolver Interest Rate	\$ 450,000,000	Draw 24	DONE Roll over Draw 20			3.213%	6.21%				
Revolver Interest Rate	\$ 450,000,000	Draw 25	DONE Roll over Draw 21, 22 and 23			3.174%	6.21%				
Revolver Interest Rate	\$ 450,000,000	Draw 26	DONE Roll over Draw 25			3.169%	6.21%				
Revolver Interest Rate	\$ 450,000,000	Draw 27	DONE - Pay off Draw 26			3.196%	6.21%				
Revolver Interest Rate	\$ 450,000,000	Draw 28	DONE			1.936%	6.21%				

		GL '224100		GL '820204		GL '181100/654106		GL '820202				
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)				
Year		Capital Expenditures	Principle Drawn In Quarter (\$000's)	Principle Drawn To Date	Outstanding Debt Balance	Interest Expense	Origination Fees	Commitment	Net Cash Flows (D-F-G-H)	Interest at effective rate	Amortization of origination fees and commitment fees	
2008												
12/24/2007	Q4	68,183,000	10,000,000	10,000,000	10,000,000		734,955.02		9,265,045	-	-	
01/31/2008	Q1			10,000,000	9,265,045		31,013.00		(31,013)	46,132	46,132	
02/24/2008	Q1			10,000,000	9,280,164		69,578.45		(69,578)	4,853	4,853	
02/6/2008	Q1			10,000,000	9,215,438		137.50		(138)	2,409	2,409	
02/29/2008	Q1			10,000,000	9,217,710		2,960.00		(2,960)	27,752	27,752	
03/5/2008	Q1			10,000,000	9,242,502		125,384.16		(125,384)	6,042	6,042	
3/24/2008	Q1	25,543,000		10,000,000	9,123,160	155,047.57			(155,048)	22,684	(132,363)	
03/31/2008	Q1			10,000,000	8,990,797		17,011.00		(17,011)	8,230	8,230	
04/30/2008	Q2			10,000,000	8,982,016		197,269.56		(197,270)	35,289	35,289	
05/19/2008	Q2			10,000,000	8,820,035		109,824.88		(109,825)	21,931	21,931	
6/23/2008	Q2	20,509,000		10,000,000	8,732,141	97,477.43			(97,477)	40,038	(57,439)	
06/26/2008	Q2			10,000,000	8,674,702		43,098.82		(43,099)	3,402	3,402	
06/30/2008	Q2			10,000,000	8,635,005		13,267.50		(13,268)	4,516	4,516	
08/8/2008	Q3			10,000,000	8,626,253		1,577.79		(1,578)	44,084	44,084	
08/13/2008	Q3			10,000,000	8,668,760		62,776.98		(62,777)	5,667	5,667	
8/15/2008	Q3		55,000,000	65,000,000	8,611,650	59,689.48	7,780,953.85		47,159,357	2,251	(57,438)	
8/20/2008	Q3			65,000,000	55,773,258		530.00		(530)	36,461	36,461	
8/25/2008	Q3			65,000,000	55,809,189		15,125.00		(15,125)	36,485	36,485	
9/3/2008	Q3			65,000,000	55,830,549		82,654.66		(82,655)	65,714	65,714	
9/8/2008	Q3			65,000,000	55,813,609		1,957.50		(1,958)	36,487	36,487	
9/11/2008	Q3			65,000,000	55,848,138		41,845.84		(41,846)	21,903	21,903	
9/15/2008	Q3		(20,000,000)	45,000,000	55,828,196	243,199.31			(20,243,199)	29,196	(214,004)	
9/25/2008	Q3			45,000,000	35,614,192		7,525.25		(7,525)	46,580	46,580	
9/29/2008	Q3			45,000,000	35,653,247		98,058.08		(98,058)	18,645	18,645	
9/30/2008	Q3	24,995,000		45,000,000	35,573,834		18,136.90	235,520.83	(253,658)	4,650	4,650	
10/2/2008	Q4		20,000,000	65,000,000	35,324,826			78,506.96	19,921,493	9,235	9,235	
10/17/2008	Q4			65,000,000	55,255,554		2,030.03		(2,030)	108,439	108,439	
10/29/2008	Q4			65,000,000	55,361,963		266.90		(267)	86,901	86,901	
11/19/2008	Q4			65,000,000	55,448,597		96,048.71		(96,049)	152,404	152,404	
11/21/2008	Q4			65,000,000	55,504,952		730.00		(730)	14,511	14,511	

Trans-Allegheny Interstate Line Company

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

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

Total Loan Amount	\$ 900,000,000

Internal Rate of Return ¹	4.886348%
Based on following Financial Formula ² :	

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

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

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

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

(1)	12/15/2008	Q4		25,000,000	90,000,000	55,518,734	718,999.31		24,281,001	174,431	(544,569)
	1/6/2009	Q1	42,068,000	-	90,000,000	79,974,165	-	618,333.53	(618,334)	230,297	230,297
	2/17/2009	Q1		30,000,000	120,000,000	79,586,128	-	-	30,000,000	438,097	438,097
	3/16/2009	Q1	75,475,000	40,000,000	160,000,000	110,024,225	933,987.50	-	39,086,013	388,964	(545,023)
	3/25/2009	Q1		-	160,000,000	149,479,202	-	1,100,000.00	(1,100,000)	175,942	175,942
	4/8/2009	Q2		-	160,000,000	148,555,144	-	549,166.67	(549,167)	272,085	272,085
	5/15/2009	Q2		50,000,000	210,000,000	148,278,062	-	-	50,000,000	718,820	718,820
	6/16/2009	Q2		40,000,000	250,000,000	198,996,882	1,405,039.11	-	38,594,961	834,057	(570,982)
	6/30/2009	Q2		-	250,000,000	238,425,899	-	-	-	436,686	436,686
	7/31/2009	Q3		-	250,000,000	238,862,586	-	453,194.44	(453,194)	969,797	969,797
	8/3/2009	Q3		30,000,000	280,000,000	239,379,198	-	-	30,000,000	93,882	93,882
	9/4/2009	Q3		50,000,000	330,000,000	269,473,071	-	-	50,000,000	1,129,444	1,129,444
	9/16/2009	Q3		-	330,000,000	320,602,515	1,596,826.11	-	(1,596,826)	503,245	(1,093,581)
	10/5/2009	Q4		45,000,000	375,000,000	319,508,934	207,916.06	-	44,792,084	794,450	586,534
	10/16/2009	Q4		-	375,000,000	365,095,468	-	321,250.00	(321,250)	525,294	525,294
	11/5/2009	Q4		30,000,000	405,000,000	365,299,512	-	-	30,000,000	956,176	956,176
	12/4/2009	Q4		50,000,000	455,000,000	396,255,688	-	-	50,000,000	1,504,831	1,504,831
	12/16/2009	Q4	73,715,000	-	455,000,000	447,760,519	1,374,479.16	-	(1,374,479)	702,843	(671,636)
	1/4/2010	Q1		-	447,088,883	447,088,883	-	138,489.58	(138,490)	1,111,675	1,111,675
	1/5/2010	Q1		30,000,000	485,000,000	448,062,068	892,331.11	-	29,107,669	58,568	(833,764)
	1/15/2010	Q1		-	485,000,000	477,228,304	440,625.00	-	(440,625)	624,167	183,542
	1/25/2010	Q1		(485,000,000)	477,411,847	423,000.00	-	18,489.58	(485,441,490)	624,407	201,407
	1/25/2010	Q1		450,000,000	450,000,000	(7,405,236)	4,533,000.00	-	445,467,000	-	-
	1/25/2010	Q1		45,000,000	495,000,000	439,061,764	5,852,578.67	-	39,147,421	-	-
	1/27/2010	Q1		-	495,000,000	477,209,186	6,979.59	-	(6,980)	124,763	124,763
	2/3/2010	Q1		-	495,000,000	477,326,969	58,000.00	-	(58,000)	436,922	436,922
	2/3/2010	Q1		-	495,000,000	477,705,891	5,500.00	-	(5,500)	-	-
	2/5/2010	Q1		-	495,000,000	477,700,391	82,116.73	2,934.74	(85,051)	124,892	124,892
	2/12/2010	Q1		20,000,000	515,000,000	477,740,231	-	-	20,000,000	437,300	437,300
	2/24/2010	Q1		-	515,000,000	498,177,531	23,770.00	-	(23,770)	781,982	781,982
	3/10/2010	Q1		30,000,000	545,000,000	498,935,743	90,000.00	-	29,910,000	913,821	913,821
	3/17/2010	Q1		-	545,000,000	529,759,564	195,720.20	-	(195,720)	484,916	484,916
	3/26/2010	Q1		20,000,000	565,000,000	530,048,759	17,821.04	-	19,982,179	623,885	623,885
	4/1/2010	Q2		-	565,000,000	550,854,823	-	255,416.67	(255,417)	432,008	432,008
	4/5/2010	Q2		-	565,000,000	550,831,415	123,660.90	-	(123,661)	288,060	288,060
	4/7/2010	Q2		-	565,000,000	550,995,814	201,250.00	-	(201,250)	144,054	144,054
	4/8/2010	Q2		-	565,000,000	550,938,618	224,587.75	-	(224,588)	72,015	72,015
	4/12/2010	Q1		30,000,000	595,000,000	550,786,045	-	-	30,000,000	288,036	288,036
	4/14/2010	Q2		-	595,000,000	581,074,082	194,134.74	-	(194,135)	151,918	151,918
	4/21/2010	Q2		-	595,000,000	581,031,865	18,977.41	-	(18,977)	531,848	531,848
	4/26/2010	Q2	(65,000,000)	530,000,000	581,544,735	369,573.75	-	-	(65,369,574)	380,177	10,603
	4/26/2010	Q2	65,000,000	595,000,000	516,555,339	55,920.56	-	-	64,944,079	-	(55,921)
	4/28/2010	Q2		595,000,000	581,499,418	-	2,300.79	-	(2,301)	152,029	152,029
	4/30/2010	Q2		595,000,000	581,649,147	-	2,156.70	-	(2,157)	152,068	152,068
	5/7/2010	Q2		30,000,000	625,000,000	581,799,058	-	-	30,000,000	532,550	532,550
	5/12/2010	Q2	(80,000,000)	545,000,000	612,331,608	-	-	-	(80,000,000)	400,304	400,304
	5/12/2010	Q2	80,000,000	625,000,000	532,731,912	160,694.44	-	-	79,839,306	-	(160,694)
	5/12/2010	Q2		625,000,000	612,571,218	-	81,275.00	-	(81,275)	-	(81,275)
	5/12/2010	Q2		625,000,000	612,489,943	170,100.00	-	-	(170,100)	-	(170,100)
	5/20/2010	Q2		625,000,000	612,319,843	-	182,500.00	-	(182,500)	640,599	640,599
	5/26/2010	Q2		20,000,000	645,000,000	612,777,942	-	-	20,000,000	480,746	480,746
	6/14/2010	Q2		-	645,000,000	633,258,687	150,071.58	-	(150,072)	1,574,581	1,574,581
	7/1/2010	Q3		-	645,000,000	634,683,197	-	230,764	(230,764)	1,411,820	1,411,820
	7/2/2010	Q3		-	645,000,000	635,864,253	1,168.50	-	(1,169)	83,116	83,116
	7/7/2010	Q3		35,000,000	680,000,000	635,946,200	-	-	35,000,000	415,741	415,741
	7/15/2010	Q3		-	680,000,000	671,361,942	8,500,000.00	-	(8,500,000)	702,368	(7,797,632)
	7/26/2010	Q3	(65,000,000)	615,000,000	663,564,309	-	-	-	(65,000,000)	954,726	954,726
	7/26/2010	Q3		595,000,000	599,519,036	-	-	-	(20,000,000)	-	-
	7/26/2010	Q3	115,000,000	710,000,000	579,519,036	-	-	-	115,000,000	-	-
	7/26/2010	Q3		-	710,000,000	694,519,036	115,798.33	-	(115,798)	-	(115,798)
	7/26/2010	Q2		710,000,000	694,403,237	544,837.22	-	-	(544,837)	-	(544,837)
	8/9/2010	Q3	(35,000,000)	675,000,000	693,858,400	107,415.00	-	-	(35,107,415)	1,270,829	1,163,414
	8/9/2010	Q3		35,000,000	710,000,000	660,021,814	-	-	35,000,000	-	-
	8/12/2010	Q3		(30,000,000)	680,000,000	695,021,814	271,680.83	-	(30,271,681)	272,581	900
	8/12/2010	Q3		(80,000,000)	600,000,000	665,022,714	699,608.89	-	(80,699,609)	-	(699,609)
	8/12/2010	Q3		110,000,000	710,000,000	584,323,106	-	-	110,000,000	-	-
	8/30/2010	Q3		-	710,000,000	694,323,106	407,816.09	-	(407,816)	1,635,445	1,635,445
	9/7/2010	Q3		30,000,000	740,000,000	695,550,735	-	-	30,000,000	727,674	727,674
	9/26/2010	Q3		-	740,000,000	726,278,408	-	-	-	1,805,872	1,805,872
	10/1/2010	Q4		-	740,000,000	728,084,280	-	162,778	(162,778)	475,975	475,975
	10/8/2010	Q4		30,000,000	770,000,000	728,397,478	-	-	30,000,000	666,739	666,739
	10/26/2010	Q4		(115,000,000)	655,000,000	759,064,217	1,028,023.33	-	(116,028,023)	1,787,940	759,916
	10/26/2010	Q4		115,000,000	770,000,000	644,824,133	-	-	115,000,000	-	-
	11/5/2010	Q4		30,000,000	800,000,000	759,824,133	-	-	30,000,000	993,774	993,774
	11/9/2010	Q4		(35,000,000)	765,000,000	790,817,908	305,721.11	-	(35,305,721)	413,562	107,841
	11/9/2010	Q4		(30,000,000)	735,000,000	755,925,749	171,937.50	-	(30,171,938)	-	(171,938)
	11/9/2010	Q4		(30,000,000)	705,000,000	725,753,811	86,853.33	-	(30,086,853)	-	(86,853)
	11/9/2010	Q4		95,000,000	800,000,000	695,666,958	-	-	95,000,000	-	-
	11/12/2010	Q4		(110,000,000)	690,000,000	790,666,958	955,215.56	-	(110,955,216)	310,092	(645,123)
	11/12/2010	Q4		(30,000,000)	660,000,000	680,021,835	18,946.67	-	(30,018,947)	-	(18,947)
	11/12/2010	Q4		140,000,000	800,000,000	650,002,888	5.83	-	139,999,994	-	(6)
	12/6/2010	Q4		20,000,000	820,000,000	790,002,882	-	-	20,000,000	2,482,059	2,482,059
	12/23/2010	Q4		-	820,000,000	812,484,941	8,281.46	-	(8,281)	1,807,331	1,807,331
	1/3/2011	Q1		-	820,000,000	814,283,991	-	140,277.78	(140,278)	1,171,579	1,171,579
	1/18/2011	Q1		-	820,000,000	815,315,292	9,000,000	-	(9,000,000)	1,600,050	(7,399,950)
	1/26/2011	Q1		(115,000,000)	705,000,000	807,915,342	966,600.56	-	(115,966,601)	845,228	(121,373)
	1/26/2011	Q1		115,000,000	820,000,000	692,793,969	-	-	115,000,000	-	-
	2/9/2011	Q1		(20,000,000)	800,000,000	807,793,969	118,552.78	-	(20,118,553)	1,479,507	1,360,954

Trans-Allegheny Interstate Line Company

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

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

Total Loan Amount	\$ 900,000,000
Internal Rate of Return ¹	4.886348%
Based on following Financial Formula ² :	
$NPV = 0 = \sum_{t=1}^N \frac{C_t}{(1+IRR)^{pwr(t)}}$	
Origination Fees	7,780,954
Origination Fees	15,125
Addition Origination Fees	
Total Issuance Expense	7,796,079
Revolving Credit Commitment Fee	New Borrowing 0.005 Old Borrowing 0.0050
Revolving Credit Commitment Fee	0.0037

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

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

Commitment fees for 4th quarter 2008

ATTACHMENT 3
Accounting of Transfers Between
CWIP and Plant In Service

Trans-Allegheny Interstate Line Company
Detail Transfers from CWIP to Plant in Service
2017 Reconciliation of Transmission Revenue Requirement Formula Rate

Work Order ID	Work Order Number	FERC Account 101/106 Sub-Account	Project / Description	Amount	Date of Transfer from CWIP to Plant in Service
TrAIL Projects					
502 Junction to Territorial Line					
13418659	478437863	35500	Line Construction 1	659.13	May 1, 2017
	478437863	35500	Line Construction 1	(30.59)	June 1, 2017
	478437863	35022, 35400, 35610, 35500	Line Construction 1	<u>(291,182.63)</u>	August 1, 2017
			Total	(290,554.09)	
13412255	478229242	35500	Line Construction 2	3,618.97	January 1, 2017
	478229242	35500	Line Construction 2	2,870.99	February 1, 2017
	478229242	35500	Line Construction 2	1,856.42	March 1, 2017
	478229242	35500	Line Construction 2	1,511.60	April 1, 2017
	478229242	35500	Line Construction 2	1,202.62	May 1, 2017
	478229242	35500	Line Construction 2	166,274.37	June 1, 2017
	478229242	35500	Line Construction 2	7,858.28	July 1, 2017
	478229242	35022, 35400, 35610, 35500	Line Construction 2	<u>(260,342.55)</u>	August 1, 2017
	478229242	35022, 35400, 35610, 35500	Line Construction 2	454,134.66	September 1, 2017
	478229242	35022, 35400, 35610, 35500	Line Construction 2	4,107.67	October 1, 2017
	478229242	35022, 35400, 35610, 35500	Line Construction 2	5,497.36	November 1, 2017
	478229242	35022, 35400, 35610, 35500	Line Construction 2	<u>7,257.66</u>	December 1, 2017
			Total	395,848.05	
14083631	686847146	35620	TREP TrAIL Engineering	65,833.66	June 1, 2017
	686847146	35620	TREP TrAIL Engineering	<u>(65,833.62)</u>	July 1, 2017
			Total	0.04	
13420168	478541516	35400	Appalachian TrAIL - Loudoun Line	30,352.72	March 1, 2017
	478541516	35400	Appalachian TrAIL - Loudoun Line	<u>7,688.24</u>	April 1, 2017
			Total	38,040.96	
D-01458.1429C	4410319	35011	Property Purchase	(130,701.14)	December 1, 2017
D-01458.1403C	4401479	35500	Const 500kv line 502J-MTS (WV)	1,357.49	February 1, 2017
D-01458.3411C	4405648	35610	TrAIL - VA TL 500 kv	1,642.51	February 1, 2017
14692817	759166158	35610	TrAIL - VA TL 500 kv	388.39	January 1, 2017
	759166158	35610	TrAIL - VA TL 500 kv	407.64	February 1, 2017
	759166158	35610	TrAIL - VA TL 500 kv	<u>11.80</u>	December 1, 2017
			Total	807.83	
14732069	770275175	35610	502 Jct - Mt Storm 500kV	2.70	December 1, 2017
14732988	770346587	35610	Mt Storm-Mdwbrk 500kV	2.70	December 1, 2017
14692838	759166143	35610	Mt Storm-Meadowbrook 500kv WV	157.08	February 1, 2017
	759166143	35610	Mt Storm-Meadowbrook 500kv WV	<u>108.74</u>	March 1, 2017
			Total	265.82	
13416100	478316423	35022, 35400, 35610, 35500	Line Construction 16	6,269.90	August 1, 2017
	478316423	35022, 35400, 35610	Line Construction 16	9,232.42	October 1, 2017
	478316423	35022, 35400, 35610	Line Construction 16	3,721.25	November 1, 2017
	478316423	35022, 35400, 35610	Line Construction 16	<u>1,915.21</u>	December 1, 2017
			Total	21,138.78	

Trans-Allegheny Interstate Line Company
Detail Transfers from CWIP to Plant in Service
2017 Reconciliation of Transmission Revenue Requirement Formula Rate

Work Order ID	Work Order Number	FERC Account 101/106 Sub-Account	Project / Description	Amount	Date of Transfer from CWIP to Plant in Service
TrAIL Projects					
14620046	740069164	35610	502 Jct. Mt Storm 500kv	615.03	January 1, 2017
	740069164	35610	502 Jct. Mt Storm 500kv	512.71	February 1, 2017
	740069164	35610	502 Jct. Mt Storm 500kv	89.38	March 1, 2017
	740069164	35610	502 Jct. Mt Storm 500kv	308.63	July 1, 2017
	740069164	35610	502 Jct. Mt Storm 500kv	(51.20)	August 1, 2017
	740069164	35610	502 Jct. Mt Storm 500kv	<u>35.07</u>	December 1, 2017
			Total	1,509.62	
14908310	801737170	35610	536 502 Junction Mt Storm 500kv	3,936.22	January 1, 2017
14936079	804969618	35610	502 Jct - Mt Storm #536 Repl OPGW	(43,323.67)	January 1, 2017
	804969618	35610	502 Jct - Mt Storm #536 Repl OPGW	(104,441.06)	February 1, 2017
	804969618	35610	502 Jct - Mt Storm #536 Repl OPGW	(36,290.55)	March 1, 2017
	804969618	35610	502 Jct - Mt Storm #536 Repl OPGW	36,925.25	April 1, 2017
	804969618	35610	502 Jct - Mt Storm #536 Repl OPGW	18.62	May 1, 2017
	804969618	35610	502 Jct - Mt Storm #536 Repl OPGW	18,532.78	November 1, 2017
	804969618	35610	502 Jct - Mt Storm #536 Repl OPGW	<u>44,135.63</u>	December 1, 2017
			Total	(84,443.00)	
15280841	850588822	35610	Meadow Brook - Mt. Storm	213,037.27	May 1, 2017
	850588822	35610	Meadow Brook - Mt. Storm	(3,062.61)	June 1, 2017
	850588822	35610	Meadow Brook - Mt. Storm	9,454.47	July 1, 2017
	850588822	35610	Meadow Brook - Mt. Storm	29,486.26	August 1, 2017
	850588822	35610	Meadow Brook - Mt. Storm	(705.69)	September 1, 2017
	850588822	35610	Meadow Brook - Mt. Storm	(3,070.47)	October 1, 2017
	850588822	35610	Meadow Brook - Mt. Storm	(9,394.95)	November 1, 2017
	850588822	35610	Meadow Brook - Mt. Storm	<u>(25,159.40)</u>	December 1, 2017
			Total	210,584.88	
15302452	853274105	35610	502 Junction - Mt. Storm 500k	(26.82)	June 1, 2017
	853274105	35610	502 Junction - Mt. Storm 500k	<u>26.82</u>	July 1, 2017
			Total	0.00	
13418878	478439181	35022, 35400, 35610, 35500	Line Construction 13	7.13	August 1, 2017
13418900	478439187	35022, 35400, 35610, 35500	Line Construction 14	156.08	August 1, 2017
14991086	811995625	35300	FE South Trans HQ-Inst MPLS Router	352,999.63	August 1, 2017
	811995625	35300	FE South Trans HQ-Inst MPLS Router	(10.00)	September 1, 2017
	811995625	35300	FE South Trans HQ-Inst MPLS Router	<u>197.35</u>	December 1, 2017
			Total	353,186.98	
D-01458.1301C	4401291	35300	TRAIL PID for time MTS	(29,325.18)	September 1, 2017
Various	Various	35620	Vegetation Management	543,964.31	August 1, 2017
			Total 502 Junction to Territorial Line	<u>1,037,428.69</u>	
Other Projects					
	654797117	35300	Bartonville 138 kV 32.4 Cap Topside	(9.21)	January 1, 2017
	654797117	35300	Bartonville 138 kV 32.4 Cap Topside	162.45	May 1, 2017
	654797117	35300	Bartonville 138 kV 32.4 Cap Topside	184,625.15	June 1, 2017
	654797117	35300	Bartonville 138 kV 32.4 Cap Topside	3,126.07	September 1, 2017
	654797117	35300	Bartonville 138 kV 32.4 Cap Topside	156.16	October 1, 2017
	654797117	35300	Bartonville 138 kV 32.4 Cap Topside	3.84	November 1, 2017
	654797117	35300	Bartonville 138 kV 32.4 Cap Topside	<u>8.94</u>	December 1, 2017
			Total	188,073.40	

Trans-Allegheny Interstate Line Company
Detail Transfers from CWIP to Plant in Service
2017 Reconciliation of Transmission Revenue Requirement Formula Rate

Work Order ID	Work Order Number	FERC Account 101/106 Sub-Account	Project / Description	Amount	Date of Transfer from CWIP to Plant in Service
TrAIL Projects					
14265429	536139128	35210, 35300	SS - Claysburg 115 kV Ring Bus - RT	2,951.44	January 1, 2017
	536139128	35210, 35300	SS - Claysburg 115 kV Ring Bus - RT	278.00	June 1, 2017
	536139128	35210, 35300	SS - Claysburg 115 kV Ring Bus - RT	92.67	August 1, 2017
	536139128	35210, 35300	SS - Claysburg 115 kV Ring Bus - RT	<u>4,006.56</u>	September 1, 2017
			Total	7,328.67	
14097794	511281973	35500, 35610	Build 230kV Line - Conemaugh to Sew	2,082.10	February 1, 2017
	775778834	35011	Land Purchase-Pierce Brook Substati	1,539.30	June 1, 2017
	775778834	35011	Land Purchase-Pierce Brook Substati	(925.84)	July 1, 2017
	775778834	35011	Land Purchase-Pierce Brook Substati	<u>223,654.11</u>	September 1, 2017
			Total	224,267.57	
13123150	719157878	35300	Grover Sub - Install a 47.7 MVAR 24	(5,465.53)	June 1, 2017
	719157878	35300	Grover Sub - Install a 47.7 MVAR 24	166.10	August 1, 2017
	719157878	35300	Grover Sub - Install a 47.7 MVAR 24	<u>(166.10)</u>	September 1, 2017
			Total	(5,465.53)	
	495300103	35300	Kammer SS:T2 Xfmr Trans Maint	(2,041.63)	June 1, 2017
14754065	495300103	35300	Kammer SS:T2 Xfmr Trans Maint	<u>622.94</u>	July 1, 2017
			Total	(1,418.69)	
14560598	511281437	35210, 35300	Mansfield-Everts Dr-Build new 345/1	1,875.95	January 1, 2017
	511281437	35210, 35300	Mansfield-Everts Dr-Build new 345/1	11,399.46	February 1, 2017
	511281437	35210, 35300	Mansfield-Everts Dr-Build new 345/1	1,780.64	March 1, 2017
	511281437	35210, 35300	Mansfield-Everts Dr-Build new 345/1	17,477.52	April 1, 2017
	511281437	35210, 35300	Mansfield-Everts Dr-Build new 345/1	6,201.90	May 1, 2017
13526185	511281437	35210, 35300	Mansfield-Everts Dr-Build new 345/1	1,491.66	June 1, 2017
	511281437	35210, 35300	Mansfield-Everts Dr-Build new 345/1	458.84	July 1, 2017
	511281437	35210, 35300	Mansfield-Everts Dr-Build new 345/1	504.52	August 1, 2017
	511281437	35210, 35300	Mansfield-Everts Dr-Build new 345/1	1,891.42	September 1, 2017
	511281437	35210, 35300	Mansfield-Everts Dr-Build new 345/1	1,477.31	October 1, 2017
13302963	511281437	35210, 35300	Mansfield-Everts Dr-Build new 345/1	308.96	November 1, 2017
	511281437	35210, 35300	Mansfield-Everts Dr-Build new 345/1	<u>1,517.70</u>	December 1, 2017
			Total	46,385.88	
	540946841	35300	Monocacy SS - Inst. SVC Facilities	51.37	February 1, 2017
	540946841	35300	Monocacy SS - Inst. SVC Facilities	35.59	March 1, 2017
	540946841	35300	Monocacy SS - Inst. SVC Facilities	1,873.07	June 1, 2017
	540946841	35300	Monocacy SS - Inst. SVC Facilities	3,591.45	July 1, 2017
	540946841	35300	Monocacy SS - Inst. SVC Facilities	(1,587.58)	August 1, 2017
	540946841	35300	Monocacy SS - Inst. SVC Facilities	793.51	September 1, 2017
	540946841	35300	Monocacy SS - Inst. SVC Facilities	(41.99)	October 1, 2017
	540946841	35300	Monocacy SS - Inst. SVC Facilities	<u>476.67</u>	December 1, 2017
			Total	5,192.09	
14203470	503025824	35300	Moshannon 230 kV - Construct 4 brea	92.67	May 1, 2017
	503025824	35300	Moshannon 230 kV - Construct 4 brea	<u>93,984.25</u>	October 1, 2017
			Total	94,076.92	
13609744	544530217	35300	Oak Mound Terminal Addition	39,671.16	January 1, 2017
	544530217	35300	Oak Mound Terminal Addition	73,327.06	February 1, 2017
	544530217	35300	Oak Mound Terminal Addition	21,998.10	March 1, 2017
	544530217	35300	Oak Mound Terminal Addition	14,428.32	April 1, 2017
	544530217	35300	Oak Mound Terminal Addition	2,385.06	May 1, 2017
	544530217	35300	Oak Mound Terminal Addition	(4,871.39)	June 1, 2017
	544530217	35300	Oak Mound Terminal Addition	(1,740.90)	July 1, 2017
	544530217	35300	Oak Mound Terminal Addition	(99.78)	August 1, 2017
	544530217	35300	Oak Mound Terminal Addition	(9,665.37)	September 1, 2017
	544530217	35300	Oak Mound Terminal Addition	1,279.64	October 1, 2017
14258663	544530217	35300	Oak Mound Terminal Addition	<u>9,868.39</u>	December 1, 2017
			Total	146,580.29	
	513124964	35210, 35220, 35300	TrAIL -Rider SS Ring Bus	1,491.30	January 1, 2017
	513124964	35210, 35220, 35300	TrAIL -Rider SS Ring Bus	2,641.07	February 1, 2017
	513124964	35210, 35220, 35300	TrAIL -Rider SS Ring Bus	526.02	March 1, 2017
	513124964	35210, 35220, 35300	TrAIL -Rider SS Ring Bus	(13,245.79)	June 1, 2017
	513124964	35220, 35300	TrAIL -Rider SS Ring Bus	1,280.38	August 1, 2017
	513124964	35210, 35220, 35300	TrAIL -Rider SS Ring Bus	<u>(1,280.38)</u>	September 1, 2017
			Total	(8,587.40)	
	710349743	35500, 35610	138-kV Loop to Rider Sub	12,982,471.49	January 1, 2017
	710349743	35500, 35610	138-kV Loop to Rider Sub	8,129,750.70	February 1, 2017
	710349743	35500, 35610	138-kV Loop to Rider Sub	726,919.01	March 1, 2017

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TrAIL Projects					
13722767	710349743	35500, 35610	138-kV Loop to Rider Sub	(5,322,163.66)	April 1, 2017
	710349743	35500, 35610	138-kV Loop to Rider Sub	90.30	May 1, 2017
			Total	16,517,067.84	
14516970	509201475	35500	Rider 138kV Line ext	(14,265,296.86)	January 1, 2017
	509201475	35500	Rider 138kV Line ext	(9,008,906.03)	February 1, 2017
	509201475	35500	Rider 138kV Line ext	(836,792.12)	March 1, 2017
	509201475	35500	Rider 138kV Line ext	(37,740.60)	April 1, 2017
	509201475	35500	Rider 138kV Line ext	599.27	May 1, 2017
	509201475	35500	Rider 138kV Line ext	(40.74)	June 1, 2017
	509201475	35500	Rider 138kV Line ext	61.12	July 1, 2017
	509201475	35500	Rider 138kV Line ext	130.58	August 1, 2017
	509201475	35500	Rider 138kV Line ext	(342.33)	September 1, 2017
	509201475	35500	Rider 138kV Line ext	1,256.70	October 1, 2017
	509201475	35500	Rider 138kV Line ext	(2,065.29)	November 1, 2017
	509201475	35500	Rider 138kV Line ext	3,364,583.51	December 1, 2017
13469732			Total	(20,784,552.79)	
	713632077	35300	Rider SS: Ring Bus & 138 kV Line	157.06	June 1, 2017
	513060926	35022	Trail ROW-Rider SS Ring Bus & 138 k	1,165.10	January 1, 2017
	513060926	35022	Trail ROW-Rider SS Ring Bus & 138 k	756.53	March 1, 2017
	513060926	35022	Trail ROW-Rider SS Ring Bus & 138 k	191.06	April 1, 2017
	513060926	35022	Trail ROW-Rider SS Ring Bus & 138 k	10,000.00	October 1, 2017
	513060926	35022	Trail ROW-Rider SS Ring Bus & 138 k	20.88	December 1, 2017
			Total	12,133.57	
	545747247	35300	Shingletown SS:Inst 75MVAR 230kV Ca	32.66	January 1, 2017
13722842	534342055	35210, 35300	Squab Hollow SS: TrAILCo CIAC/230-	(8,102.40)	January 1, 2017
13721318	534342055	35210, 35300	Squab Hollow SS: TrAILCo CIAC/230-	1,439.46	March 1, 2017
			Total	(6,662.94)	
	536767657	35610	Glenn Falls Lamberton Loop 138kv	(1,740,182.60)	November 1, 2017
13956791	745092783	35011	Joffre SS Land Purchase	657.69	January 1, 2017
	745092783	35011	Joffre SS Land Purchase	743.44	February 1, 2017
	745092783	35011	Joffre SS Land Purchase	482.85	March 1, 2017
	745092783	35011	Joffre SS Land Purchase	846.57	April 1, 2017
	745092783	35011	Joffre SS Land Purchase	36,376.64	May 1, 2017
14057705	745092783	35011	Joffre SS Land Purchase	4,205.35	June 1, 2017
	745092783	35011	Joffre SS Land Purchase	2,796.33	July 1, 2017
	745092783	35011	Joffre SS Land Purchase	4,535.05	August 1, 2017
			Total	50,643.92	
14082160					
14651143	540699748	35300	Erie South: Install +250/-100 MVAR	(13,354.58)	January 1, 2017
	540699748	35300	Erie South: Install +250/-100 MVAR	23,962.57	February 1, 2017
	540699748	35300	Erie South: Install +250/-100 MVAR	15,510.78	March 1, 2017
	540699748	35210, 35220, 35300	Erie South: Install +250/-100 MVAR	6,721.46	April 1, 2017
	540699748	35210, 35220, 35300	Erie South: Install +250/-100 MVAR	13,734.72	May 1, 2017
	540699748	35210, 35220, 35300	Erie South: Install +250/-100 MVAR	128,061.65	June 1, 2017
	540699748	35210, 35220, 35300	Erie South: Install +250/-100 MVAR	14,624.79	July 1, 2017
	540699748	35210, 35220, 35300	Erie South: Install +250/-100 MVAR	4,981.62	August 1, 2017
	540699748	35210, 35220, 35300	Erie South: Install +250/-100 MVAR	884.27	September 1, 2017
	540699748	35210, 35220, 35300	Erie South: Install +250/-100 MVAR	5,429.75	October 1, 2017
	540699748	35210, 35220, 35300	Erie South: Install +250/-100 MVAR	5,305.86	November 1, 2017
	540699748	35210, 35220, 35300	Erie South: Install +250/-100 MVAR	(1,744.54)	December 1, 2017
			Total	204,118.35	
13547208	523690351	35300	Pierce Brook Sub: Install 345/230 kV	156,412.46	January 1, 2017
	523690351	35300	Pierce Brook Sub: Install 345/230 kV	88,568.04	February 1, 2017
	523690351	35300	Pierce Brook Sub: Install 345/230 kV	319,577.63	March 1, 2017
	523690351	35210, 35220, 35300	Pierce Brook Sub: Install 345/230 kV	(28,662.86)	April 1, 2017
	523690351	35210, 35220, 35300	Pierce Brook Sub: Install 345/230 kV	(60,857.59)	May 1, 2017
	523690351	35210, 35220, 35300	Pierce Brook Sub: Install 345/230 kV	397,145.53	June 1, 2017
	523690351	35210, 35220, 35300	Pierce Brook Sub: Install 345/230 kV	56,996.78	July 1, 2017
	523690351	35210, 35220, 35300	Pierce Brook Sub: Install 345/230 kV	7,357.73	August 1, 2017
	523690351	35210, 35220, 35300	Pierce Brook Sub: Install 345/230 kV	16,895.12	September 1, 2017
	523690351	35210, 35220, 35300	Pierce Brook Sub: Install 345/230 kV	284,540.72	October 1, 2017
	523690351	35210, 35220, 35300	Pierce Brook Sub: Install 345/230 kV	58,397.25	November 1, 2017
	523690351	35210, 35220, 35300	Pierce Brook Sub: Install 345/230 kV	29,524.67	December 1, 2017
			Total	1,325,895.48	
	765959807	35300	Mainsburg Substation	58,309.37	January 1, 2017
	765959807	35300	Mainsburg Substation	63,464.54	February 1, 2017
	765959807	35300	Mainsburg Substation	(838.29)	March 1, 2017
	765959807	35300	Mainsburg Substation	11,194.23	April 1, 2017
	765959807	35300	Mainsburg Substation	183.35	May 1, 2017
	765959807	35300	Mainsburg Substation	248.12	June 1, 2017
	765959807	35300	Mainsburg Substation	127.92	July 1, 2017
	765959807	35300	Mainsburg Substation	(29.30)	August 1, 2017
	765959807	35300	Mainsburg Substation	7,359.86	December 1, 2017
			Total	140,019.80	

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TrAIL Projects					
14716425	542480347	35300	Conemaugh Sub	473.54	February 1, 2017
	542480347	35300	Conemaugh Sub	<u>327.85</u>	March 1, 2017
			Total	801.39	
13123835	544496386	35022	Oak Mound - Waldo Run #1	10,345.80	January 1, 2017
	544496386	35022	Oak Mound - Waldo Run #1	1,122.86	February 1, 2017
	544496386	35022	Oak Mound - Waldo Run #1	8,295.30	March 1, 2017
	544496386	35022	Oak Mound - Waldo Run #1	8,839.52	April 1, 2017
	544496386	35022	Oak Mound - Waldo Run #1	8,525.04	May 1, 2017
	544496386	35022	Oak Mound - Waldo Run #1	165,872.32	June 1, 2017
	544496386	35022	Oak Mound - Waldo Run #1	22,007.20	July 1, 2017
	544496386	35022	Oak Mound - Waldo Run #1	21,504.25	August 1, 2017
	544496386	35022	Oak Mound - Waldo Run #1	914.39	September 1, 2017
	544496386	35022	Oak Mound - Waldo Run #1	23,477.00	October 1, 2017
	544496386	35022	Oak Mound - Waldo Run #1	5,769.48	November 1, 2017
	544496386	35022	Oak Mound - Waldo Run #1	<u>(27,296.64)</u>	December 1, 2017
14258354			Total	249,376.52	
	678978199	35300	Waldo Run Sub	116.32	January 1, 2017
	678978199	35300	Waldo Run Sub	4,582.14	February 1, 2017
	678978199	35300	Waldo Run Sub	3,402.04	March 1, 2017
	678978199	35300	Waldo Run Sub	369.26	April 1, 2017
	678978199	35300	Waldo Run Sub	0.16	May 1, 2017
	678978199	35300	Waldo Run Sub	292.86	September 1, 2017
	678978199	35300	Waldo Run Sub	2,886.58	October 1, 2017
	678978199	35300	Waldo Run Sub	3,203.18	November 1, 2017
	678978199	35300	Waldo Run Sub	<u>4,233.25</u>	December 1, 2017
			Total	19,085.79	
14435971	689555528	35500, 35610	Oak Mound - Waldo Run #1	236,269.26	January 1, 2017
	689555528	35500, 35610	Oak Mound - Waldo Run #1	28.63	February 1, 2017
	689555528	35500, 35610	Oak Mound - Waldo Run #1	19.82	March 1, 2017
	689555528	35500, 35610	Oak Mound - Waldo Run #1	41,276,252.90	August 1, 2017
	689555528	35500, 35610	Oak Mound - Waldo Run #1	<u>12,184,748.21</u>	September 1, 2017
			Total	53,697,318.82	
14464107	6895555910	35500, 35610	Oak Mound - Waldo Run #1	(139,661.78)	January 1, 2017
	6895555910	35500, 35610	Oak Mound - Waldo Run #1	227,715.93	February 1, 2017
	6895555910	35500, 35610	Oak Mound - Waldo Run #1	214,248.72	March 1, 2017
	6895555910	35500, 35610	Oak Mound - Waldo Run #1	124,924.37	April 1, 2017
	6895555910	35500, 35610	Oak Mound - Waldo Run #1	322,565.25	May 1, 2017
	6895555910	35500, 35610	Oak Mound - Waldo Run #1	379,676.56	June 1, 2017
	6895555910	35500, 35610	Oak Mound - Waldo Run #1	118,159.86	July 1, 2017
	6895555910	35500, 35610	Oak Mound - Waldo Run #1	(19,397,600.76)	August 1, 2017
	6895555910	35500, 35610, 35900	Oak Mound - Waldo Run #1	(5,809,858.21)	September 1, 2017
	6895555910	35500, 35610, 35900	Oak Mound - Waldo Run #1	44,868.43	October 1, 2017
	6895555910	35500, 35610, 35900	Oak Mound - Waldo Run #1	(38,469.30)	November 1, 2017
	6895555910	35500, 35610, 35900	Oak Mound - Waldo Run #1	<u>4,849.10</u>	December 1, 2017
			Total	(23,948,581.83)	
14464108	544395083	35610	Oak Mound - Waldo Run 138 kv	65,720.72	January 1, 2017
	544395083	35610	Oak Mound - Waldo Run 138 kv	272,364.24	February 1, 2017
	544395083	35610	Oak Mound - Waldo Run 138 kv	127,229.35	March 1, 2017
	544395083	35610	Oak Mound - Waldo Run 138 kv	220,706.46	April 1, 2017
	544395083	35610	Oak Mound - Waldo Run 138 kv	176,588.87	May 1, 2017
	544395083	35610	Oak Mound - Waldo Run 138 kv	183,288.52	June 1, 2017
	544395083	35610	Oak Mound - Waldo Run 138 kv	26,871.23	July 1, 2017
	544395083	35610	Oak Mound - Waldo Run 138 kv	(28,100,236.67)	August 1, 2017
	544395083	35610	Oak Mound - Waldo Run 138 kv	(561,637.27)	September 1, 2017
	544395083	35610	Oak Mound - Waldo Run 138 kv	<u>5,088,057.46</u>	December 1, 2017
			Total	(22,501,047.09)	
14080138	711507286	35300	Joffre Substation - Construct 138kv	393,433.46	January 1, 2017
	711507286	35300	Joffre Substation - Construct 138kv	(172,125.16)	February 1, 2017
	711507286	35300	Joffre Substation - Construct 138kv	107,701.12	March 1, 2017
	711507286	35300	Joffre Substation - Construct 138kv	154,954.72	April 1, 2017
	711507286	35300	Joffre Substation - Construct 138kv	123,511.59	May 1, 2017
	711507286	35300	Joffre Substation - Construct 138kv	(268,885.55)	June 1, 2017
	711507286	35300	Joffre Substation - Construct 138kv	(22,847.76)	July 1, 2017
	711507286	35210, 35220, 35300	Joffre Substation - Construct 138kv	(13,671.95)	August 1, 2017
	711507286	35210, 35220, 35300	Joffre Substation - Construct 138kv	20,983.45	September 1, 2017
	711507286	35210, 35220, 35300	Joffre Substation - Construct 138kv	20,201.46	October 1, 2017
	711507286	35210, 35220, 35300	Joffre Substation - Construct 138kv	1,131.94	November 1, 2017

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TrAIL Projects					
14528199	711507286	35210, 35220, 35300	Joffre Substation - Construct 138kv Total	1,369.77 345,757.09	December 1, 2017
	545657671	35300	Const New Richwood Hill SS	1,714,462.30	January 1, 2017
	545657671	35300	Const New Richwood Hill SS	(191,748.16)	February 1, 2017
	545657671	35300	Const New Richwood Hill SS	(53,860.15)	March 1, 2017
	545657671	35300	Const New Richwood Hill SS	(845,755.37)	April 1, 2017
	545657671	35300	Const New Richwood Hill SS	(39,113.74)	May 1, 2017
	545657671	35300	Const New Richwood Hill SS	3,381.90	June 1, 2017
	545657671	35300	Const New Richwood Hill SS	(10,352.32)	July 1, 2017
	545657671	35300	Const New Richwood Hill SS	19,004.93	August 1, 2017
	545657671	35300	Const New Richwood Hill SS	79,228.92	September 1, 2017
	545657671	35300	Const New Richwood Hill SS	48,201.31	October 1, 2017
	545657671	35300	Const New Richwood Hill SS	39,627.45	November 1, 2017
14276743	545657671	35300	Const New Richwood Hill SS Total	(118,549.43) 644,527.64	December 1, 2017
	836242181	35300	Richwood Hill SVC-Inst a +90/-30 Mv	(146,060.05)	January 1, 2017
	836242181	35300	Richwood Hill SVC-Inst a +90/-30 Mv	85,618.66	February 1, 2017
	836242181	35300	Richwood Hill SVC-Inst a +90/-30 Mv	26,954.63	March 1, 2017
	836242181	35300	Richwood Hill SVC-Inst a +90/-30 Mv	4,059.27	April 1, 2017
	836242181	35300	Richwood Hill SVC-Inst a +90/-30 Mv	199.86	May 1, 2017
	836242181	35300	Richwood Hill SVC-Inst a +90/-30 Mv	7,291.78	June 1, 2017
	836242181	35300	Richwood Hill SVC-Inst a +90/-30 Mv	1,393.07	July 1, 2017
	836242181	35300	Richwood Hill SVC-Inst a +90/-30 Mv Total	4,807.93 (15,734.85)	December 1, 2017
15165673	833593997	35300	Joffre SS: Construct 138kv Switch	19,605.06	January 1, 2017
	833593997	35300	Joffre SS: Construct 138kv Switch	18,285.91	February 1, 2017
	833593997	35300	Joffre SS: Construct 138kv Switch	19,092.58	March 1, 2017
	833593997	35300	Joffre SS: Construct 138kv Switch	29,460.91	April 1, 2017
	833593997	35300	Joffre SS: Construct 138kv Switch	30,465.25	May 1, 2017
	833593997	35300	Joffre SS: Construct 138kv Switch	(1,152.68)	June 1, 2017
	833593997	35300	Joffre SS: Construct 138kv Switch	984.05	July 1, 2017
	833593997	35300	Joffre SS: Construct 138kv Switch	3,322.52	August 1, 2017
	833593997	35300	Joffre SS: Construct 138kv Switch	(32.03)	September 1, 2017
	833593997	35300	Joffre SS: Construct 138kv Switch Total	2,884.89 122,916.46	December 1, 2017
15144925	511281243	35022	ROW - 230kV Line Conemaugh to Sewar	951.80	February 1, 2017
	850716728	35300	Erie South - Relay Replc-Four Mile	4.99	August 1, 2017
	477989703	35500, 35610	Osage-Whiteley(MP) - 5.8-mi new 138	20,000.00	April 1, 2017
	478369456	35300	Osage - Transmission	1,337.24	May 1, 2017
	501407786	35300	Trail - Belmont SS: 500/138Kv Spare	(10,284.73)	May 1, 2017
	501407786	35300	Trail - Belmont SS: 500/138Kv Spare Total	(302,301.26) (312,585.99)	August 1, 2017
13123478	713634480	35500, 35610	MPDC Mon Power Delivery	4,868.49	March 1, 2017
13256183	696302028	35300	Warren: Install 4 breaker 230Kv	24,035,092.45	June 1, 2017
13395937	696302028	35300	Warren: Install 4 breaker 230Kv	70,316.81	July 1, 2017
	696302028	35210, 35220, 35300	Warren: Install 4 breaker 230Kv	(59,294.14)	August 1, 2017
13416143	696302028	35210, 35220, 35300	Warren: Install 4 breaker 230Kv	98,281.81	September 1, 2017
	696302028	35210, 35220, 35300	Warren: Install 4 breaker 230Kv	(109,474.79)	October 1, 2017
13584606	696302028	35210, 35220, 35300	Warren: Install 4 breaker 230Kv	42.31	November 1, 2017
	696302028	35210, 35220, 35300	Warren: Install 4 breaker 230Kv Total	(1,709.46) 24,033,254.99	December 1, 2017
14471297	751292370	35300	Damascus SS-Inst 230Kv Capacitor	1,041,642.54	May 1, 2017
	751292370	35300	Damascus SS-Inst 230Kv Capacitor	105,559.79	June 1, 2017
14490072	751292370	35300	Damascus SS-Inst 230Kv Capacitor	31,202.53	July 1, 2017
	751292370	35300	Damascus SS-Inst 230Kv Capacitor	(2,615.94)	August 1, 2017
	751292370	35300	Damascus SS-Inst 230Kv Capacitor	510.19	September 1, 2017
	751292370	35300	Damascus SS-Inst 230Kv Capacitor	290.38	October 1, 2017
	751292370	35300	Damascus SS-Inst 230Kv Capacitor	(16.67)	November 1, 2017
	751292370	35300	Damascus SS-Inst 230Kv Capacitor Total	69,713.32 1,246,286.14	December 1, 2017
14667784	753546385	35300	Mainsburg SS-Inst 2nd Pilot Commun	1,518,028.97	April 1, 2017
	753546385	35300	Mainsburg SS-Inst 2nd Pilot Commun	168,418.88	May 1, 2017
	753546385	35300	Mainsburg SS-Inst 2nd Pilot Commun	50,394.45	June 1, 2017
	753546385	35300	Mainsburg SS-Inst 2nd Pilot Commun	412,816.34	July 1, 2017
	753546385	35300	Mainsburg SS-Inst 2nd Pilot Commun	(173,867.46)	August 1, 2017
	753546385	35300	Mainsburg SS-Inst 2nd Pilot Commun	(2,409.02)	September 1, 2017
	753546385	35300	Mainsburg SS-Inst 2nd Pilot Commun	51,375.08	October 1, 2017
	753546385	35300	Mainsburg SS-Inst 2nd Pilot Commun	(27,238.72)	November 1, 2017
	753546385	35300	Mainsburg SS-Inst 2nd Pilot Commun Total	209,778.58 2,207,297.10	December 1, 2017

Trans-Allegheny Interstate Line Company
Detail Transfers from CWIP to Plant in Service
2017 Reconciliation of Transmission Revenue Requirement Formula Rate

Work Order ID	Work Order Number	FERC Account 101/106 Sub-Account	Project / Description	Amount	Date of Transfer from CWIP to Plant in Service
TrAIL Projects					
14674548	799878243	35300	Construct SVC portion of Joffre SS	20,544,554.86	May 1, 2017
	799878243	35300	Construct SVC portion of Joffre SS	(197,236.02)	June 1, 2017
	799878243	35300	Construct SVC portion of Joffre SS	10,158,377.50	July 1, 2017
	799878243	35300	Construct SVC portion of Joffre SS	1,903.36	August 1, 2017
	799878243	35300	Construct SVC portion of Joffre SS	285.94	September 1, 2017
	799878243	35300	Construct SVC portion of Joffre SS	<u>212.42</u>	December 1, 2017
			Total	30,508,098.06	
	827341817	35300	502 Junction-Inst DWDM Node	490,756.61	November 1, 2017
	827341817	35300	502 Junction-Inst DWDM Node	<u>14,232.97</u>	December 1, 2017
			Total	504,989.58	
14901158	819169327	35300	Meadow Brook -Inst DWDM Node	261,498.86	December 1, 2017
	819169432	35300	502 Junction-Inst MPLS Router	144,185.72	December 1, 2017
	823826588	35300	Joffe-Inst Microwave Tower at Joff	130,091.15	May 1, 2017
	823826588	35300	Joffe-Inst Microwave Tower at Joff	<u>923.24</u>	December 1, 2017
			Total	131,014.39	
14991389	824654603	35300	Kammer- T200 Xfmr repair	38,317.43	December 1, 2017
	827587905	35300	Meadow Brook SS: Replace Bushings	256,157.18	January 1, 2017
15045085	827587905	35300	Meadow Brook SS: Replace Bushings	2,277.32	June 1, 2017
	827587905	35300	Meadow Brook SS: Replace Bushings	73.09	July 1, 2017
15045170	827587905	35300	Meadow Brook SS: Replace Bushings	<u>29.79</u>	December 1, 2017
			Total	258,537.38	
15082975	830093982	35210	Meadow Brook SS: Storage Building	9,785.76	July 1, 2017
	834027523	35210	TREP - Waldo Run-Repairs along main	1,740,182.60	October 1, 2017
15085575	834027523	35210	TREP - Waldo Run-Repairs along main	1,578,668.76	November 1, 2017
	834027523	35210	TREP - Waldo Run-Repairs along main	<u>247,960.62</u>	December 1, 2017
15105602			Total	3,566,811.98	
	844707107	35300	Richwood Hill 138KV Line CCVT	4,316.73	June 1, 2017
	844707107	35300	Richwood Hill 138KV Line CCVT	<u>58.95</u>	December 1, 2017
			Total	4,375.68	
15129557	847075149	35300	Meadow Brook SS: Replace Minitor	4,249.22	July 1, 2017
	847075149	35300	Meadow Brook SS: Replace Minitor	<u>59.32</u>	December 1, 2017
15150073			Total	4,308.54	
	857642589	35300	Black Oak MD- Trail EHV	382,103.99	December 1, 2017
	860526747	35300	Joffre Sub-Inst fence within substation	187,659.29	July 1, 2017
15223087	860526747	35300	Joffre Sub-Inst fence within substation	(44,041.57)	August 1, 2017
	860526747	35300	Joffre Sub-Inst fence within substation	(1,520.01)	September 1, 2017
	860526747	35300	Joffre Sub-Inst fence within substation	(31.79)	October 1, 2017
	860526747	35300	Joffre Sub-Inst fence within substation	(45.56)	November 1, 2017
15251957	860526747	35300	Joffre Sub-Inst fence within substation	<u>19,002.71</u>	December 1, 2017
			Total	161,023.07	
	3369924630	35011	Real Estate for Pierce Brook Shunt	41,680.07	November 1, 2017
15330859	3369924630	35011	Real Estate for Pierce Brook Shunt	<u>199.76</u>	December 1, 2017
			Total	41,879.83	
15351980	3389017329	35300	Meadow Brook SVC-Repl Cooper SMP-16	14,619.67	December 1, 2017
			Total Other Projects	<u>68,264,570.29</u>	
			Total Additions	<u>69,301,998.98</u>	



Gary E. Guy

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May 4, 2018

Ms. Kimberly D. Bose
Secretary, Federal Energy Regulatory Commission
888 First Street, N.E., Dockets, Room 1A, East
Washington, D.C. 20426

Re: *Baltimore Gas and Electric Company*, Docket No. ER09-1100-000,
Electronic Informational Filing of 2018 Formula Rate Annual Update; Notice of Annual
Meeting

Dear Ms. Bose:

Attached hereby in electronic PDF format for informational purposes in the above-referenced proceeding, please find the 2018 Annual Update of Baltimore Gas and Electric Company ("BGE").

The attachment is BGE's thirteenth Annual Update, and has been submitted to PJM for posting on its Internet website via link to the Transmission Service page. BGE's first four Annual Updates were accepted by Letter Orders issued on April 3, 2007, January 31, 2008, December 16, 2008, and February 17, 2010, respectively. In that latest February 17th Order, the Commission explained, "This letter also advises BGE that Annual Updates in the forthcoming years should be submitted for informational purposes only, in Docket No. ER09-1100-000. Upon receipt, the **Commission will not act on or notice the informational filing** because the formula rate protocols provide specific procedures for notice, review, and challenges to the Annual Updates." (Emphasis added.)

This Annual Update shows a recalculation of BGE's Annual Transmission Revenue Requirements. In particular, the Annual Update: (1) contains no expenses or costs that have been alleged or judged in any administrative or judicial proceeding to be illegal, duplicative, or unnecessary costs that are demonstrably the product of discriminatory employment practices, as defined in 18 C.F.R. § 35.13(b)(7); (2) contains no material accounting change (and any accounting change is discussed in applicable disclosure statements filed within the Securities and Exchange Commission Form 10-K and within the FERC Form No. 1); and (3) contains no change to the Post-Employment Benefits other than Pension ("PBOP")¹ charges in excess of the filing threshold set forth in said settlement.

Very truly yours,

/s/ Gary E. Guy

cc: All parties on Service Lists in Docket Nos. ER05-515, EL13-48, and EL15-27

¹ PBOP formula rate inputs are defined in Section 2.h of the formula rate protocols as being pursuant to Financial Accounting Standards No. 106, which covers "Employers' Accounting for Postretirement Benefits Other Than Pensions."

ATTACHMENT H-2A

Baltimore Gas and Electric Company			FERC Form 1 Page # or
Formula Rate			Instruction
Notes			2017
Shaded cells are input cells			
Allocators			
Wages & Salary Allocation Factor			
1	Transmission Wages Expense	p354.21.b	21,817,058
2	Total Wages Expense	p354.28b	154,908,737
3	Less A&G Wages Expense	p354.27b	24,154,627
4	Total	(Line 2 - 3)	130,754,110
5	Wages & Salary Allocator	(Line 1 / 4)	16.6856%
Plant Allocation Factors			
6	Electric Plant in Service	Attachment 5	7,463,470,900
7	Common Plant In Service - Electric	(Note A) (Line 24)	565,257,911
8	Total Plant In Service	(Sum Lines 6 & 7)	8,028,728,810
9	Accumulated Depreciation (Total Electric Plant)	Attachment 5	2,659,451,172
10	Accumulated Intangible Amortization	p200.21c	39,063,938
11	Accumulated Common Amortization - Electric	(Note A) p356	0
12	Accumulated Common Plant Depreciation - Electric	(Note A) Attachment 5	187,883,962
13	Total Accumulated Depreciation	(Sum Lines 9 to 12)	2,886,399,073
14	Net Plant	(Line 8 - 13)	5,142,329,738
15	Transmission Gross Plant	(Line 29 - Line 28)	1,765,393,692
16	Gross Plant Allocator	(Line 15 / 8)	21.9885%
17	Transmission Net Plant	(Line 39 - Line 28)	1,309,705,837
18	Net Plant Allocator	(Line 17 / 14)	25.4691%
Plant Calculations			
Plant In Service			
19	Transmission Plant In Service	Attachment 5	1,611,817,591
20	For Reconciliation only - remove New Transmission Plant Additions for Current Calendar	Attachment 6	0
21	New Transmission Plant Additions for Current Calendar Year (weighted by months in ser	(Note B) Attachment 6	39,247,710
22	Total Transmission Plant In Service	(Line 19 - 20 + 21)	1,651,065,301
23	General & Intangible	Attachment 5	119,935,620
24	Common Plant (Electric Only)	(Notes A) Attachment 5	565,257,911
25	Total General & Common	(Line 23 + 24)	685,193,530
26	Wage & Salary Allocation Factor	(Line 5)	16.6856%
27	General & Common Plant Allocated to Transmission	(Line 25 * 26)	114,328,391
28	Plant Held for Future Use (Including Land)	(Note C) Attachment 5	1,003,037
29	TOTAL Plant In Service	(Line 22 + 27 + 28)	1,766,396,729
Accumulated Depreciation			
30	Transmission Accumulated Depreciation	Attachment 5	418,521,519
31	Accumulated General Depreciation	Attachment 5	8,547,159
32	Accumulated Intangible Amortization	Attachment 5	26,314,363
33	Accumulated Common Amortization - Electric	(Line 11)	0
34	Common Plant Accumulated Depreciation (Electric Only)	(Notes A) (Line 12)	187,883,962
35	Total Accumulated Depreciation	(Sum Lines 31 to 34)	222,745,485
36	Wage & Salary Allocation Factor	(Line 5)	16.6856%
37	General & Common Allocated to Transmission	(Line 35 * 36)	37,166,336
38	TOTAL Accumulated Depreciation	(Line 30 + 37)	455,687,855
39	TOTAL Net Property, Plant & Equipment	(Line 29 - 38)	1,310,708,874

Adjustment To Rate Base

Accumulated Deferred Income Taxes				
40	ADIT net of FASB 106 and 109		Attachment 1	-334,639,758
41	Accumulated Investment Tax Credit Account No. 255	(Notes A & I)	p266.h	0
42	Net Plant Allocation Factor		(Line 18)	25.47%
43	Accumulated Deferred Income Taxes Allocated To Transmission		(Line 41 * 42) + Line 40	-334,639,758
Transmission O&M Reserves				
44	Current Period Changes in Transmission Related Account 242 Reserves	Enter Negative	Attachment 5	0
Abandonment Transmission Projects				
44a	Unamortized Abandoned Transmission Projects	(Note R)	Attachment 5	2,670,752
Prepayments				
45	Prepayments	(Note A)	Attachment 5	47,117,396
46	Total Prepayments Allocated to Transmission		(Line 45)	47,117,396
Materials and Supplies				
47	Undistributed Stores Exp	(Note A)	p227.6c & 16.c	0
48	Wage & Salary Allocation Factor		(Line 5)	16.69%
49	Total Transmission Allocated		(Line 47 * 48)	0
50	Transmission Materials & Supplies		p227.8c	3,855,313
51	Total Materials & Supplies Allocated to Transmission		(Line 49 + 50)	3,855,313
Cash Working Capital				
52	Operation & Maintenance Expense		(Line 84)	76,916,895
53	1/8th Rule		x 1/8	12.5%
54	Total Cash Working Capital Allocated to Transmission		(Line 52 * 53)	9,614,612
Network Credits				
55	Outstanding Network Credits	(Note N)	From PJM	0
56	Less Accumulated Depreciation Associated with Facilities with Outstanding Network Credits	(Note N)	From PJM	0
57	Net Outstanding Credits		(Line 55 - 56)	0
58	TOTAL Adjustment to Rate Base		(Line 43 + 44 + 44a + 46 + 51)	-271,381,685
59	Rate Base		(Line 39 + 58)	1,039,327,189

O&M

Transmission O&M				
60	Transmission O&M		p321.112.b	46,869,566
61	Less extraordinary property losses		Attachment 5	0
62	Plus amortization of extraordinary property losses		Attachment 5	0
63	Less Account 565		p321.96.b	0
64	Plus Schedule 12 payments billed to Transmission Owner and booked to Account 565	(Note O)	PJM Data	0
65	Plus Transmission Lease Payments	(Note A)	Attachment 5	0
66	Transmission O&M		(Lines 60 - 61 + 62 - 63 + 64 + 65)	46,869,566
Allocated General & Common Expenses				
67	Common Plant O&M	(Note A)	p356	0
68	Total A&G		Attachment 5	181,047,771
68a	For Informational Purposes: PBOP Expenses in FERC Account 926	(Note S)	Attachment 5	5,872,650
69	Less Property Insurance Account 924		p323.185.b	226,871
70	Less Regulatory Commission Exp Account 928	(Note E)	p323.189.b	150,936
71	Less General Advertising Exp Account 930.1		p323.191.b	938,847
72	Less EPRI Dues	(Note D)	p352-353	0
73	General & Common Expenses		(Lines 67 + 68) - Sum (69 to 72)	179,731,117
74	Wage & Salary Allocation Factor		(Line 5)	16.6856%
75	General & Common Expenses Allocated to Transmission		(Line 73 * 74)	29,989,147
Directly Assigned A&G				
76	Regulatory Commission Exp Account 928	(Note G)	p323.189b	400
77	General Advertising Exp Account 930.1	(Note K)	p323.191.b	0
78	Subtotal - Transmission Related		(Line 76 + 77)	400
79	Property Insurance Account 924		p323.156b	226,871
80	General Advertising Exp Account 930.1	(Note F)	p323.191.b	0
81	Total		(Line 79 + 80)	226,871
82	Net Plant Allocation Factor		(Line 18)	25.47%
83	A&G Directly Assigned to Transmission		(Line 81 * 82)	57,782
84	Total Transmission O&M		(Line 66 + 75 + 78 + 83)	76,916,895

Depreciation & Amortization Expense

Depreciation Expense				
85	Transmission Depreciation Expense		Attachment 5	40,356,835
85a	Transmission Amortization Expense	(Note R)	Attachment 5	593,500
86	General Depreciation		Attachment 5	5,467,519
87	Intangible Amortization	(Note A)	Attachment 5	3,692,021
88	Total		(Line 86 + 87)	9,159,540
89	Wage & Salary Allocation Factor		Line 5	16.6856%
90	General Depreciation Allocated to Transmission		(Line 88 * 89)	1,528,321
91	Common Depreciation - Electric Only	(Note A)	Attachment 5	20,049,664
92	Common Amortization - Electric Only	(Note A)	Attachment 5	26,056,309
93	Total		(Line 91 + 92)	46,105,973
94	Wage & Salary Allocation Factor		(Line 5)	16.6856%
95	Common Depreciation - Electric Only Allocated to Transmission		(Line 93 * 94)	7,693,041
96	Total Transmission Depreciation & Amortization		(Line 85 + 85a + 90 + 95)	50,171,697

Taxes Other than Income

97	Taxes Other than Income		Exhibit B	23,685,844
98	Total Taxes Other than Income		(Line 97)	23,685,844

Return / Capitalization Calculations

Long Term Interest				
99	Long Term Interest		p117.62c through 67c	107,184,224
100	Less LTD Interest on Securitization Bonds	(Note P)	Attachment 8	810,376
101	Long Term Interest		(Line 99 - 100)	106,373,848
102	Preferred Dividends	enter positive	p118.29c	-
Common Stock				
103	Proprietary Capital		p112.16c	3,141,204,460
104	Less Preferred Stock	enter negative	(Line 192)	0
105	Less Account 216.1	enter negative	p112.12c	0
106	Common Stock		(Sum Lines 103 to 105)	3,141,204,460
Capitalization				
107	Long Term Debt		p112.18d through 21d	2,600,000,000
108	Less Loss on Reacquired Debt	enter negative	p111.81.c	-11,428,330
109	Plus Gain on Reacquired Debt	enter positive	p113.61c	0
110	Less ADIT associated with Gain or Loss	enter negative	Attachment 1	2,201,953
111	Less LTD on Securitization Bonds	(Note P)	Attachment 8	0
112	Total Long Term Debt		(Sum Lines 107 to 111)	2,590,773,623
113	Preferred Stock		p112.3c	0
114	Common Stock		(Line 106)	3,141,204,460
115	Total Capitalization		(Sum Lines 112 to 114)	5,731,978,083
116	Debt %	Total Long Term Debt	(Line 112 / 115)	45%
117	Preferred %	Preferred Stock	(Line 113 / 115)	0%
118	Common %	Common Stock	(Line 114 / 115)	55%
119	Debt Cost	Total Long Term Debt	(Line 101 / 112)	0.0411
120	Preferred Cost	Preferred Stock	(Line 102 / 113)	0.0000
121	Common Cost	Common Stock	(Note J) Fixed	0.1050
122	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 116 * 119)	0.0186
123	Weighted Cost of Preferred	Preferred Stock	(Line 117 * 120)	0.0000
124	Weighted Cost of Common	Common Stock	(Line 118 * 121)	0.0575
125	Total Return (R)		(Sum Lines 122 to 124)	0.0761
126	Investment Return = Rate Base * Rate of Return		(Line 59 * 125)	79,092,216

Composite Income Taxes

Income Tax Rates			
127	FIT=Federal Income Tax Rate		21.00%
128	SIT=State Income Tax Rate or Composite	(Note I)	8.25%
129	p	(percent of federal income tax deductible for state pur Per State Tax Code	0.00%
130	T	$T = 1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$	27.52%
131	T / (1-T)		37.96%
ITC Adjustment			
132	Amortized Investment Tax Credit	enter negative	p266.17f
133	T/(1-T)	(Line 131)	37.96%
134	Net Plant Allocation Factor	(Line 18)	25.4691%
135	ITC Adjustment Allocated to Transmission	[Line 129 * (1 + Line 130) * Lir	-56,480
136	Income Tax Component =	CIT=(T/(1-T) * Investment Return * (1-(WCLTD/R)) [Line 131 * 126 * (1-(122 / 125	22,704,351
137	Total Income Taxes	(Line 135 + 136)	22,647,870

REVENUE REQUIREMENT

Summary			
138	Net Property, Plant & Equipment	(Line 39)	1,310,708,874
139	Adjustment to Rate Base	(Line 58)	-271,381,685
140	Rate Base	(Line 59)	1,039,327,189
141	O&M	(Line 84)	76,916,895
142	Depreciation & Amortization	(Line 96)	50,171,697
143	Taxes Other than Income	(Line 98)	23,685,844
144	Investment Return	(Line 126)	79,092,216
145	Income Taxes	(Line 137)	22,647,870
146	Gross Revenue Requirement	(Sum Lines 141 to 145)	252,514,521
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities			
147	Transmission Plant In Service	(Line 19)	1,611,817,591
148	Excluded Transmission Facilities	(Note M) Attachment 5	0
149	Included Transmission Facilities	(Line 147 - 148)	1,611,817,591
150	Inclusion Ratio	(Line 149 / 147)	100.00%
151	Gross Revenue Requirement	(Line 146)	252,514,521
152	Adjusted Gross Revenue Requirement	(Line 150 * 151)	252,514,521
Revenue Credits & Interest on Network Credits			
153	Revenue Credits	Attachment 3	33,861,266
154	Interest on Network Credits	(Note N) PJM Data	-
155	Net Revenue Requirement	(Line 152 - 153 + 154)	218,653,255
Net Plant Carrying Charge			
156	Net Revenue Requirement	(Line 155)	218,653,255
157	Net Transmission Plant and Abandoned Plant	(Line 19 - 30 + 44a)	1,195,966,824
158	Net Plant Carrying Charge	(Line 156 / 157)	18.2826%
159	Net Plant Carrying Charge without Depreciation	(Line 156 - 85) / 157	14.9081%
160	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes	(Line 156 - 85 - 126 - 137) / 157	6.4012%
Net Plant Carrying Charge Calculation per 100 basis point increase in ROE			
161	Net Revenue Requirement Less Return and Taxes	(Line 155 - 144 - 145)	116,913,169
162	Return and Taxes per 100 basis point increase in ROE	Attachment 4	109,598,064
163	Net Revenue Requirement per 100 basis point increase in ROE	(Line 161 + 162)	226,511,233
164	Net Transmission Plant and Abandoned Plant	(Line 19 - 30 + 44a)	1,195,966,824
165	Net Plant Carrying Charge per 100 basis point increase in ROE	(Line 163 / 164)	18.9396%
166	Net Plant Carrying Charge per 100 basis point increase in ROE without Depreciation	(Line 162 - 85) / 164	15.5652%
167	Net Revenue Requirement	(Line 155)	218,653,255
168	True-up amount	Attachment 6	11,262,302
169	Plus any increased ROE calculated on Attachment 7 other than PJM Sch. 12 projects	Attachment 7	679,978
170	Facility Credits under Section 30.9 of the PJM OATT paid by Utility	Attachment 5	-
171	Net Zonal Revenue Requirement	(Line 167 + 168 + 169 + 170)	230,595,535
Network Zonal Service Rate			
172	1 CP Peak	(Note L) PJM Data	6,448
173	Rate (\$/MW-Year)	(Note Q) (Line 171 / 172)	35,762
174	Network Service Rate (\$/MW/Year)	(Line 173)	35,762

Notes

- A Electric portion only
- B Exclude Construction Work In Progress and leases that are expensed as O&M (rather than amortized). New Transmission plant included which is expected to be placed in service in the current calendar year weighted by number of months it is expected to be in-service. For the true-up, new transmission plant which was actually placed in service weighted by the number of months it was actually in service
- C Transmission Portion Only
- D All EPRI Annual Membership Dues
- E All Regulatory Commission Expenses
- F Safety related advertising included in Account 930.1
- G Regulatory Commission Expenses directly related to transmission service, RTO filings, or transmission siting itemized in Form 1 at 351.h.
- I The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and $p = \frac{\text{the percentage of federal income tax deductible for state income taxes}}{1 - \text{the percentage of federal income tax deductible for state income taxes}}$. If the utility is taxed in more than one state it must attach a work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by $(1/1-T)$. A utility must not include tax credits as a reduction to rate base and as an amortization against taxable income.
- J Per FERC's order in Docket No. ER07-576, the Conastone and Waugh Chapel substation projects get an additional 100 basis points to the return on equity on top of a base ROE of 10.0% per FERC order issued in Docket No. EL13-48 and a 50 basis point RTO transmission planning participation adder approved in Baltimore Gas and Electric Co., Docket No. ER07-576, by order issued on July 24, 2007, for a total ROE of 11.5%. The rest of transmission rate base, except as provided in Note Q below, gets an ROE of 10.5% because it excludes the additional 100 basis points approved solely for the Conastone and Waugh Chapel substation projects.
- K Education and outreach expenses relating to transmission, for example siting or billing
- L As provided for in Section 34.1 of the PJM OATT and the PJM established billing determinants will not be revised or updated in the annual rate reconciliations per settlement in ER05-515.
- M Amount of transmission plant excluded from rates, includes investment in generation step-up transformers to the extent included in Plant in Service.
- N Outstanding Network Credits is the balance of Network Facilities Upgrades Credits due Transmission Customers who have made lump-sum payments (net of accumulated depreciation) towards the construction of Network Transmission Facilities consistent with Paragraph 657 of Order 2003-A. Interest on the Network Credits as booked each year is added to the revenue requirement to make the Transmission Owner whole on Line 154.
- O Payments made under Schedule 12 of the PJM OATT that are not directly assessed to load in the zone under Schedule 12 are included in Transmission O&M. If they are booked to account 565, they are included in on line 64.
- P Securitization bonds may be included in the capital structure per settlement in ER05-515.
- Q On November 16, 2007, the Federal Energy Regulatory Commission (FERC) granted Baltimore Gas and Electric (BGE) in Docket No. ER07-576 incentive rate treatment for 6 projects designated in the PJM Regional Transmission Expansion Plan (RTEP) as Transmission Owner Initiated (TOI). Specifically, FERC granted an additional 100 basis points to the return on equity (ROE) for these projects, resulting in a final ROE, for these projects, of 11.5%, inclusive of a base ROE of 10.0% per FERC order issued in Docket No. EL13-48 and a 50 basis point ROE transmission planning adder approved in Baltimore Gas and Electric Co., Docket No. ER07-576, by order issued on July 24, 2007.
- R Costs of Unamortized Abandoned Plant and Amortization of Abandoned Plant for Dedicated Facilities pre-approved for inclusion in this cell subject to Formula Rate Protocols by Commission order issued in PJM Interconnection, LLC and Baltimore Gas and Electric Co., 150 FERC ¶ 61,054 (2015). Costs of Unamortized Abandoned Plant and Amortization of Abandoned Plant for Mid-Atlantic Power Pathway (MAPP) approved for inclusion in this cell subject to Formula Rate Protocols by Commission order issued in PJM Interconnection, L.L.C. and Baltimore Gas and Electric Co., 152 FERC ¶ 61,254 (2015). Costs of Unamortized Abandoned Plant and Amortization of Abandoned Plant for Project Baseline Upgrades b1254 and b1254.1 ("b1254") approved for inclusion in this cell subject to Formula Rate Protocols by Commission order issued in PJM Interconnection, L.L.C. and Baltimore Gas and Electric Co., XXX FERC ¶XX1,XXX (XXXX).
- S See Attachment 5, Cost Support, section entitled "PBOP expense in FERC Account 926" for additional information per FERC orders in Docket Nos. EL13-48, EL15-27, and ER16-456.

Baltimore Gas and Electric Company

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

Page 1 of 4

	Only Transmission Related	Plant Related	Labor Related	Total ADIT
ADIT- 282	0	(1,421,913,094)	(40,524,686)	
ADIT-283	0	(52,900,362)	(1,200,101)	
ADIT-190	0	18,021,503	(44,059,956)	
Subtotal	0	(1,456,791,952)	(85,784,743)	(1,542,576,696)
Wages & Salary Allocator /1		21.9885%	16.6856%	
Gross Plant Allocator				
ADIT	0	(320,326,092)	(14,313,666)	(334,639,758)

Note ADIT associated with Gain or Loss on Reacquired Debt is included in Column A here and included in Cost of Debt on Appendix A, Line 110
Amount (2,201,953)

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

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

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ADIT-190	A Gas, Prod Or Other Related	B Only Transmission Related	C Plant Related	D Labor Related	E Justification for Assignment to Columns A-D
190	Pension Expense Provision Asset	(18,436,435)		(44,059,956)	Included because the pension asset is included in rate base. Related to accrual recognition of expense for book purposes & deductibility of cash fundings for tax purposes. The amount included is the electric portion as allocated by the application of the modified version of the Massachusetts formula.
190	Bad Debt - Change in Provision	4,633,817			Excluded because the underlying account(s) are not included in model
190	Accrued Bonus	8,426,173			Excluded because the underlying account(s) are not included in model
190	Deferred Investment Tax Credit	1,834,327			Excluded as per page 8 line 16 of Alan Heintz's direct testimony in FERC Case No. ER05-515
190	AMI Reg Liability Adjustment CEG	32,729,688			Excluded because the underlying account(s) are not included in model
190	Workers Compensation Reserve	1,080,367			Excluded because the underlying account(s) are not included in model
190	Gas Inventory Overheads CEG	508,680			Gas-related & accordingly excluded
190	BCBS Claim Adjustment CEG	377,887			Excluded because the underlying account(s) are not included in model
190	Addback of Other Equity Compensation	(212,269)			Excluded because the underlying account(s) are not included in model
190	Miscellaneous	2,506,542			Excluded because the underlying account(s) are not included in model
190	Gas Demand Charge CEG	1,213,042			Gas-related & accordingly excluded
190	GCRC Expenses CEG	(18,238)			Gas-related & accordingly excluded
190	Charitable Contributions NC	5,312,466			Excluded because the underlying account(s) are not included in model
190	Miscellaneous Accrued Expenses				Excluded because the underlying account(s) are not included in model
190	Post Retirement Benefits	42,118,994			Excluded because the underlying account(s) are not included in model
190	Net Operating Losses (Federal and State)	8,004,626	18,021,503		Electric portion included because rate base should include BGE's receivable from Maryland for tax benefits accounted for but deferred due to the NOL.
190	Vacation Pay	734,902			Excluded because the underlying account(s) are not included in model
	Subtotal - p234	90,814,569	0	18,021,503	(44,059,956)
	Less FASB 109 Above if not separately removed	0	0	0	0
	Less FASB 106 Above if not separately removed	0	0	0	0
	Total	90,814,569	0	18,021,503	(44,059,956)

Instructions for Account 190:

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

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

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ADIT- 282			A Gas, Prod Or Other Related	B Only Transmission Related	C Plant Related	D Labor Related	E Justification for Assignment to Columns A-D
282	Property Related ADIT, Excl ARO		(342,001,820)		(776,634,188)		Included because plant in service is included in rate base.
282	ARO Adjustment Property		3,003,208				Excluded because the underlying account(s) are not included in model
Subtotal - p275			(338,998,612)	0	(776,634,188)	0	
Less FASB 109 Above if not separately removed			345,985,234		645,278,906	40,524,686	
Less FASB 106 Above if not separately removed							
Total			(684,983,846)	0	(1,421,913,094)	(40,524,686)	

Instructions for Account 282:

1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column A
2. ADIT items related only to Transmission are directly assigned to Column B
3. ADIT items related Plant and not in Columns A & B are directly assigned to Column C
4. ADIT items related to labor and not in Columns A & B are directly assigned to Column D
5. Since deferred income taxes arise when items are included in taxable income in different periods than they are included in rates - therefore, if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

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ADIT-283		A Gas, Prod Or Other Related	B Only Transmission Related	C Plant Related	D Labor Related	E Justification for Assignment to Columns A-D
283	AMI Pilot Program CEG	(2,065,842)				Excluded because the underlying account(s) are not included in model
283	AMI Reg Asset Adjustment CEG	(39,764,101)				Excluded because the underlying account(s) are not included in model
283	Amort of Inc Tax Recov - Reg Asset CEG	0				Excluded because the underlying account(s) are not included in model
283	DEFERRED FUEL - NC	(2,781,501)				Excluded because the underlying account(s) are not included in model
283	DRI Program CEG	(1,094,103)				Excluded because the underlying account(s) are not included in model
283	ENERGY EFFICIENCY PROGRAMS	(55,017,905)				Excluded because the underlying account(s) are not included in model
283	ENVIRONMENTAL CLEAN-UP COSTS PRV	(57,667)				Excluded because the underlying account(s) are not included in model
283	FIN 48 INTEREST - NONCURRENT	0				Excluded because the underlying account(s) are not included in model
283	Interest Income CEG	0				Excluded because the underlying account(s) are not included in model
283	Loss on Recquired Debt CEG	(2,201,953)				Included in cost of debt computation
283	POLR CEG	(923,210)				Excluded because the underlying account(s) are not included in model
283	Reg Asset - Storm Cost Amort CEG	0				Excluded because the underlying account(s) are not included in model
283	Reg Asset Elec Trans Rt True Up CEG	(1,912,150)				Excluded because the underlying account(s) are not included in model
283	Reg Asset - Med D Inc All	0				Excluded because the underlying account(s) are not included in model
283	Reg Asset- ARO Electric & Gas	(2,627,804)				Excluded because the underlying account(s) are not included in model
283	Reg Asset- Cost to Achieve	(1,104,711)				Excluded because the underlying account(s) are not included in model
283	Reg Asset - Rate Case Case Expense	(100,894)				Excluded because the underlying account(s) are not included in model
283	Reg Asset - Smart Energy Rewards	352,539				Excluded because the underlying account(s) are not included in model
283	RIF Reg Asset Amort	(127,287)				Excluded because the underlying account(s) are not included in model
283	RSB Unamort Debt CEG	0				Excluded because the underlying account(s) are not included in model
283	Servmce Cost-Reg Asset	29,768				Excluded because the underlying account(s) are not included in model
283	STRIDE Overrecovery	29,744				Excluded because the underlying account(s) are not included in model
283	ERI Overrecovery	(42,844)				Excluded because the underlying account(s) are not included in model
283	Generation Assets	(1)				Excluded because the underlying account(s) are not included in model
283	Merger Costs Current	0				Excluded because the underlying account(s) are not included in model
283	Prepaid IT Expense	0		(311,337)		Included because prepayments are included in rate base. Related to accelerated deductibility of these amounts for tax purposes.
283	Prepays	0				Included because prepayments are included in rate base. Related to accelerated deductibility of these amounts for tax purposes.
283	Property Tax Payable	(3,908,613)		(9,340,923)		Included because prepayments are included in rate base. Related to accelerated deductibility of these amounts for tax purposes.
283	Rabbie Trust & Maxi Flat Income	(144,480)				Excluded because the underlying account(s) are not included in model
283	Deferred Compensation	709,248				Excluded because the underlying account(s) are not included in model
283	Legacy Meters	(9,782,146)				Excluded because the underlying account(s) are not included in model
283	Tax Reform	(293,062)				Excluded because the underlying account(s) are not included in model
283	Deferral of Maryland State Income Tax	(12,045,214)		(43,248,102)	(1,200,101)	Included to the extent underlying book-tax basis differences are included in the model.
Subtotal - p277		(134,874,189)	-	(52,900,362)	(1,200,101)	
Less FASB 109 Above if not separately removed						
Less FASB 106 Above if not separately removed						
Total		(134,874,189)	-	(52,900,362)	(1,200,101)	
Instructions for Account 283:		(122,828,975)		(9,652,260)	0	

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

Attachment 1- Accumulated Deferred Income Taxes (ADIT) Worksheet

ADITC-255

	Item	Balance	Amortization
1	Rate Base Treatment		0
2	Balance to line 41 of Appendix A	Total	
3	Amortization		
4	Amortization to line 132 of Appendix A	Total	
5	Total	785,346	160,737
6	Total Form No. 1 (p xxx.z)	Form No. 1 balance (p.266)	785,346 160,737
7	Difference /1	-	-
8	/1 Difference must be zero		

Baltimore Gas and Electric Company
Attachment 2 - Taxes Other Than Income Worksheet

Other Taxes	Page 263 Col (i)	Allocator	Allocated Amount
Plant Related		Gross Plant Allocator	
1 Real property (State, Municipal or Local)	8,708,245		
2 Personal property			
3 Capital Stock Tax	90,112,023		
4 Gross Premium (insurance) Tax			
5 PURTA			
6 Corp License			
Total Plant Related	98,820,268	21.9885%	21,729,053
Labor Related		Wages & Salary Allocator	
7 Federal FICA	10,864,449		
8 Unemployment	207,154		
Total Labor Related	11,071,603	16.6856%	1,847,359
Other Included		Gross Plant Allocator	
9 Miscellaneous	464,372		
10 Use & Sales Tax	33,303		
Total Other Included	497,675	21.9885%	109,431
Total Included			23,685,844
Currently Excluded			
11 Federal Income	68,075,779		
12 Maryland Income	15,011,526		
13 Pennsylvania Income			
14 Franchise	44,686,602		
15 PSC Assessment	4,342,938		
16 Environmental Surcharge	4,200,400		
17 Pole License	649,336		
18 Fuel Energy			
19 Montgomery County Fuel Energy	2,869,210		
20 Universal Service Fund	22,498,300		
21 Total as reported on p. 263(i)	<u>272,723,637</u>		
Difference	-		
Criteria for Allocation:			
A Other taxes that are incurred through ownership of plant including transmission plant will be allocated based on the Gross Plant Allocator. If the taxes are 100% recovered at retail they may not be included			
B Other taxes that are incurred through ownership of only general or intangible plant will be allocated based on the Wages and Salary Allocator. If the taxes are 100% recovered at retail they may not be included			
C Other taxes that are assessed based on labor, will be allocated based on the Wages and Salary Allocator			
D Other taxes except as provided for in A, B and C above, that are incurred and (1) are not fully recovered at retail or (2) are directly or indirectly related to transmission service will be allocated based on the Gross Plant Allocator; provided, however, that			

Baltimore Gas and Electric Company

Attachment 3 - Revenue Credit Workpaper

Account 454 - Rent from Electric Property	
1 Rent from Electric Property - Transmission Related (Note 3)	11,747,830
2 Total Rent Revenues (Sum Line 1)	11,747,830
Account 456 - Other Electric Revenues (Note 1)	
3 Schedule 1A	1,047,294
4 Net revenues associated with Network Integration Transmission Service (NITS) for which the load is not included in the divisor (difference between NITS credits from PJM and PJM NITS charges paid by Transmission Owner) (Note 4)	-
Point to Point Service revenues for which the load is not included in the divisor received by	
5 transmission owner	(1,898,667)
6 PJM Transitional Revenue Neutrality (Note 1)	-
7 PJM Transitional Market Expansion (Note 1)	-
8 Professional Services (Note 3)	802,641
9 Revenues from Directly Assigned Transmission Facility Charges (Note 2)	29,871,157
10 Rent or Attachment Fees associated with Transmission Facilities (Note 3)	
11 Gross Revenue Credits (Sum Lines 2-10)	41,570,255
12 Less line 17g	(7,708,989)
13 Total Revenue Credits	33,861,266
Revenue Adjustment to determine Revenue Credit	
14 Note 1: All revenues related to transmission that are received as a transmission owner (i.e., not received as a LSE), for which the cost of the service is recovered under this formula, except as specifically provided for elsewhere in this Attachment or elsewhere in the formula will be included as a revenue credit or included in the peak on line 172 of Appendix A.	
15 Note 2: If the costs associated with the Directly Assigned Transmission Facility Charges are included in the Rates, the associated revenues are included in the Rates. If the costs associated with the Directly Assigned Transmission Facility Charges are not included in the Rates, the associated revenues are not included in the Rates.	
16 Note 3: Ratemaking treatment for the following specified secondary uses of transmission assets: (1) right-of-way leases and leases for space on transmission facilities for telecommunications; (2) transmission tower licenses for wireless antennas; (3) right-of-way property leases for farming, grazing or nurseries; (4) licenses of intellectual property (including a portable oil degasification process and scheduling software); and (5) transmission maintenance and consulting services (including energized circuit maintenance, high-voltage substation maintenance, safety training, transformer oil testing, and circuit breaker testing) to other utilities and large customers (collectively, products). Company will retain 50% of net revenues consistent with Pacific Gas and Electric Company, 90 FERC ¶ 61,314. Note: in order to utilize lines 17a - 17g, the utility must track in separate subaccounts the revenues and costs associated with each secondary use (except for the cost of the associated income taxes).	
17a Revenues included in lines 1-11 which are subject to 50/50 sharing	11,747,830
17b Costs associated with revenues in line 17a	3,892,055
17c Net Revenues (17a - 17b)	7,855,775
17d 50% Share of Net Revenues (17c/2)	3,927,888
17e Costs associated with revenues in line 17a that are included in FERC accounts recovered through the formula times the allocator used to functionalize the amounts in the FERC account to the transmission service at issue.	110,954
17f Net Revenue Credit (17d + 17e)	4,038,841
17g Line 17f less line 17a	(7,708,989)
18 Note 4: If the facilities associated with the revenues are not included in the formula, the revenue is shown here, but not included in the total above and is explained in the Cost Support; for example, revenues associated with distribution facilities. In addition, revenues from Schedule 12 are not included in the total above to the extent they are credited under Schedule 12.	44,273,156
19 Amount offset in line 4 above	228,808,780
20 Total Account 454 and 456	283,978,393
FN1 #	283,978,393
Difference	-

Baltimore Gas and Electric Company

Attachment 4 - Calculation of 100 Basis Point Increase in ROE

A	Return and Taxes with 100 Basis Point increase in ROE 100 Basis Point increase in ROE and Income Taxes	(Line 126 + Line 137)	109,598,064
B	100 Basis Point increase in ROE		1.00%

Return Calculation

59	Rate Base	(Line 39 + 58)	1,039,327,189
99	Long Term Interest		
100	Long Term Interest	p117.62c through 67c	107,184,224
101	Less LTD Interest on Securitization B (Note P)	Attachment 8	810,376
101	Long Term Interest	(Line 105 - 99)	106,373,848
102	Preferred Dividends	enter positive	0
102	Preferred Dividends	p118.29c	0
103	Common Stock		
103	Proprietary Capital	p112.16c	3,141,204,460
104	Less Preferred Stock	enter negative	0
105	Less Account 216.1	enter negative	0
106	Common Stock	(Sum Lines 103 to 105)	3,141,204,460
107	Capitalization		
107	Long Term Debt	p112.18d through 21d	2,600,000,000
108	Less Loss on Reacquired Debt	enter negative	-11,428,330
109	Plus Gain on Reacquired Debt	enter positive	0
110	Less ADIT associated with Gain or Loss	enter negative	2,201,953
111	Less LTD on Securitization Bonds	Attachment 8	0
112	Total Long Term Debt	(Sum Lines 107 to 111)	2,590,773,623
113	Preferred Stock	p112.3c	0
114	Common Stock	(Line 106)	3,141,204,460
115	Total Capitalization	(Sum Lines 112 to 114)	5,731,978,083
116	Debt %	Total Long Term Debt	45%
116	Preferred %	Preferred Stock	0%
116	Common %	Common Stock	55%
119	Debt Cost	Total Long Term Debt	0.0411
120	Preferred Cost	Preferred Stock	0.0000
121	Common Cost	See (Note J) on Appendix A Common Stock	Appendix A % plus 100 Basis Pts 0.1150
122	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 116 * 119) 0.0186
123	Weighted Cost of Preferred	Preferred Stock	(Line 117 * 120) 0.0000
124	Weighted Cost of Common	Common Stock	(Line 118 * 121) 0.0630
125	Total Return (R)	(Sum Lines 122 to 124)	0.0816
126	Investment Return = Rate Base * Rate of Return	(Line 59 * 125)	84,787,875

Composite Income Taxes

(Note L)

127	Income Tax Rates		
127	FIT=Federal Income Tax Rate	0	21.00%
128	SIT=State Income Tax Rate or Composite	0	8.25%
129	p = percent of federal income tax deductible for state purposes	Per State Tax Code	0.00%
130	T	$T = 1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\}$	27.52%
131	T/(1-T)		37.96%
132	ITC Adjustment		
132	Amortized Investment Tax Credit	enter negative	p266.17f -160,737
133	T/(1-T)	(Line 131)	37.96%
134	Net Plant Allocation Factor	(Line 18)	25.4691%
135	ITC Adjustment Allocated to Transmission	(Note I)	[Line 129 * (1 + Line 130) * Line 131] -56,480
136	Income Tax Component =	$CIT = (T/(1-T)) * Investment\ Return * (1 - (WCLTD/R)) =$	24,866,670
137	Total Income Taxes		24,810,189

Baltimore Gas and Electric Company

Attachment 5a - Allocations of Costs to Affiliates

Summary of Administrative and General Expense (A&G) Charged to BGE by Exelon Business Services Company (BSC)

Expense Items	Amount Allocated to	Amount Allocated to
	BG&E Electric	BG&E Gas
A&G	\$99,521,844	\$41,643,892

Explanation of the method

Exelon Business Services Company (BSC) costs are distributed to all affiliates. Appropriate cost allocation factors are assigned to the various headquarters functions to be distributed. This BSC cost distribution approach is documented in BGE's Cost Allocation Manual which is periodically filed with the Maryland Public Service Commission.

Costs distributed to BGE are recorded to the appropriate common A&G expense accounts on BGE's books. All common expenses (including allocations of cost from the BSC) are distributed to the electric and gas lines of business as noted on page 356.1 of the FERC Form 1. Specifically, the ratio to distribute common regulated utility expenses to gas and electric is based on a modified version of the Massachusetts formula and is influenced by each line of business's share of total utility labor, depreciation, amortization, and taxes. BGE has consistently used this approach to distribute common costs to the gas and electric lines of business for the last 20 plus years with no adverse comment from state or federal regulators during this interval.

Actual calculation of the results of the method for 2017:

In 2017 the regulated electric business received 70.5% of common utility expenses and gas received a 29.5% share.

ATTACHMENT H-8G

PPL Electric Utilities Corporation

Formula Rate -- Appendix A

Notes

FERC Form 1 Page # or Instruction

2017 Data

Shaded cells are input cells

Allocators

Wages & Salary Allocation Factor			
1	Transmission Wages Expense	p354.21.b	6,384,739
2	Total Wages Expense	p354.28.b	70,208,567
3	Less A&G Wages Expense	p354.27.b	3,305,978
4	Total Wages Less A&G Wages Expense	(Line 2 - Line 3)	66,902,589
5	Wages & Salary Allocator	(Line 1 / Line 4)	9.5433%
Plant Allocation Factors			
6	Electric Plant in Service	p207.104.g	11,124,975,558
7	Accumulated Depreciation (Total Electric Plant)	(Note J) p219.29.c	2,637,136,607
8	Accumulated Amortization	(Note A) p200.21.c	84,210,361
9	Total Accumulated Depreciation	(Line 7 + 8)	2,721,346,968
10	Net Plant	(Line 6 - Line 9)	8,403,628,590
11	Transmission Gross Plant (excluding Land Held for Future Use)	(Line 25 - Line 24)	4,920,802,764
12	Gross Plant Allocator	(Line 11 / Line 6)	44.2320%
13	Transmission Net Plant (excluding Land Held for Future Use)	(Line 33 - Line 24)	4,305,784,491
14	Net Plant Allocator	(Line 13 / Line 10)	51.2372%

Plant Calculations

Plant In Service			
15	Transmission Plant In Service	(Note B) p207.58.g	4,612,087,161
16	For Reconciliation only - remove New Transmission Plant Additions for Current Calendar Year	For Reconciliation Only Attachment 6	
17	New Transmission Plant Additions for Current Calendar Year (weighted by months in service)	(Note B) Attachment 6	213,250,928
18	Total Transmission Plant	(Line 15 - Line 16 + Line 17)	4,825,338,089
19	General	p207.99.g	790,126,471
20	Intangible	p205.5.g	210,201,642
21	Total General and Intangible Plant	(Line 19 + Line 20)	1,000,328,113
22	Wage & Salary Allocator	(Line 5)	9.5433%
23	Total General and Intangible Functionalized to Transmission	(Line 21 * Line 22)	95,464,675
24	Land Held for Future Use	(Note C) (Note P) Attachment 5	21,532,570
25	Total Plant In Rate Base	(Line 18 + Line 23 + Line 24)	4,942,335,334
Accumulated Depreciation			
26	Transmission Accumulated Depreciation	(Note J) p219.25.c	581,364,550
27	Accumulated General Depreciation	(Note J) p219.28.c	268,430,701
28	Accumulated Amortization	(Line 8)	84,210,361
29	Total Accumulated Depreciation	(Line 27 + 28)	352,641,062
30	Wage & Salary Allocator	(Line 5)	9.5433%
31	Subtotal General and Intangible Accum. Depreciation Allocated to Transmission	(Line 29 * Line 30)	33,653,722
32	Total Accumulated Depreciation	(Sum Lines 26 + 31)	615,018,272
33	Total Net Property, Plant & Equipment	(Line 25 - Line 32)	4,327,317,061

Adjustment To Rate Base

34	Accumulated Deferred Income Taxes ADIT net of FASB 106 and 109		Attachment 1	-760,613,332
35	CWIP for Incentive Transmission Projects CWIP Balances for Current Rate Year	(Note H)	Attachment 6	0
36	Prepayments Prepayments	(Note A) (Note O)	Attachment 5	309,878
37	Materials and Supplies Undistributed Stores Expense	(Note A)	p227.16.c (Line 5)	3,390,269
38	Wage & Salary Allocator			9.5433%
39	Total Undistributed Stores Expense Allocated to Transmission		(Line 37 * Line 38)	323,545
40	Transmission Materials & Supplies		p227.8.c	7,339,850
41	Total Materials & Supplies Allocated to Transmission		(Line 39 + Line 40)	7,663,395
42	Cash Working Capital Operation & Maintenance Expense		(Line 70)	54,612,055
43	1/8th Rule		1/8	12.5%
44	Total Cash Working Capital Allocated to Transmission		(Line 42 * Line 43)	6,826,507
45	Total Adjustment to Rate Base		(Lines 34 + 35 + 36 + 41 + 44)	-745,813,553
46	Rate Base		(Line 33 + Line 45)	3,581,503,509

Operations & Maintenance Expense

47	Transmission O&M Transmission O&M		Attachment 5	148,106,486
48	Less Account 565		Attachment 5	111,467,932
49	Plus Charges billed to Transmission Owner and booked to Account 565	(Note N)	Attachment 5	0
50	Transmission O&M		(Lines 47 - 48 + 49)	36,638,554
51	Allocated Administrative & General Expenses Total A&G		323.197b	188,465,158
52	Less: Administrative & General Expenses on Securitization Bonds	(Note O)	Attachment 8	0
53	Plus: Fixed PBOP expense	(Note J)	Attachment 5	1,518,585
54	Less: Actual PBOP expense		Attachment 5	469,499
55	Less Property Insurance Account 924		p323.185.b	1,181,205
56	Less Regulatory Commission Exp Account 928	(Note E)	p323.189.b	6,295,602
57	Less General Advertising Exp Account 930.1		p323.191.b	43,588
58	Less EPRI Dues	(Note D)	p352 & 353	0
59	Administrative & General Expenses		Sum (Lines 51 + 53) - Line 52 - Sum (Lines 54 to 58)	181,993,849
60	Wage & Salary Allocator		(Line 5)	9.5433%
61	Administrative & General Expenses Allocated to Transmission		(Line 59 * Line 60)	17,368,285
62	Directly Assigned A&G Regulatory Commission Exp Account 928	(Note G)	Attachment 5	0
63	General Advertising Exp Account 930.1	(Note K)	Attachment 5	0
64	Subtotal - Accounts 928 and 930.1 - Transmission Related		(Line 62 + Line 63)	0
65	Property Insurance Account 924	(Note G)	Attachment 5	1,181,205
66	General Advertising Exp Account 930.1	(Note F)	Attachment 5	0
67	Total Accounts 924 and 930.1 - General		(Line 65 + Line 66)	1,181,205
68	Net Plant Allocator		(Line 14)	51.2372%
69	A&G Directly Assigned to Transmission		(Line 67 * Line 68)	605,216
70	Total Transmission O&M		(Lines 50 + 61 + 64 + 69)	54,612,055

Depreciation & Amortization Expense

Depreciation Expense			
71	Transmission Depreciation Expense Including Amortization of Limited Term Plant	(Note J) Attachment 5	85,383,443
72	General Depreciation Expense Including Amortization of Limited Term Plant	(Note J) Attachment 5	39,733,263
73	Intangible Amortization	(Note A) p336.1.d&e	42,200,272
74	Total	(Line 72 + Line 73)	81,933,535
75	Wage & Salary Allocator	(Line 5)	9.5433%
76	General Depreciation & Intangible Amortization Allocated to Transmission	(Line 74 * Line 75)	7,819,193
77	Total Transmission Depreciation & Amortization	(Lines 71 + 76)	93,202,636

Taxes Other than Income Taxes

78	Taxes Other than Income Taxes	Attachment 2	3,238,093
79	Total Taxes Other than Income Taxes	(Line 78)	3,238,093

Return \ Capitalization Calculations

Long Term Interest			
80	Long Term Interest	p117.62.c through 66.c	144,175,545
81	Less LTD Interest on Securitization Bonds	(Note O) Attachment 8	0
82	Long Term Interest	(Line 80 - Line 81)	144,175,545
83	Preferred Dividends	enter positive p118.29.c	-
Common Stock			
84	Proprietary Capital	p112.16.c	3,991,631,591
85	Less Accumulated Other Comprehensive Income Account 219	p112.15.c	0
86	Less Preferred Stock	(Line 94)	0
87	Less Account 216.1	p112.12.c	205,486
88	Common Stock	(Line 84 - 85 - 86 - 87)	3,991,426,105
Capitalization			
89	Long Term Debt	p112.18.c, 19.c & 21.c	3,338,750,000
90	Less Loss on Reacquired Debt	p111.81.c	28,529,555
91	Plus Gain on Reacquired Debt	p113.61.c	0
92	Less LTD on Securitization Bonds	(Note O) Attachment 8	0
93	Total Long Term Debt	(Line 89 - 90 + 91 - 92)	3,310,220,445
94	Preferred Stock	p112.3.c	0
95	Common Stock	(Line 88)	3,991,426,105
96	Total Capitalization	(Sum Lines 93 to 95)	7,301,646,550
97	Debt %	Total Long Term Debt (Line 93 / Line 96)	45.3%
98	Preferred %	Preferred Stock (Line 94 / Line 96)	0.0%
99	Common %	Common Stock (Line 95 / Line 96)	54.7%
100	Debt Cost	Total Long Term Debt (Line 82 / Line 93)	0.0436
101	Preferred Cost	Preferred Stock (Line 83 / Line 94)	0.0000
102	Common Cost	Common Stock (Note J) Fixed	0.1168
103	Weighted Cost of Debt	Total Long Term Debt (WCLTD) (Line 97 * Line 100)	0.0197
104	Weighted Cost of Preferred	Preferred Stock (Line 98 * Line 101)	0.0000
105	Weighted Cost of Common	Common Stock (Line 99 * Line 102)	0.0638
106	Rate of Return on Rate Base (ROR)	(Sum Lines 103 to 105)	0.0836
107	Investment Return = Rate Base * Rate of Return	(Line 46 * Line 106)	299,392,338

Composite Income Taxes

Income Tax Rates				
108	FIT=Federal Income Tax Rate	(Note I)		21.00%
109	SIT=State Income Tax Rate or Composite			9.99%
110	p	(percent of federal income tax deductible for state purposes)	Per State Tax Code	0.00%
111	T	$T = 1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\}$		28.89%
112	T / (1-T)			40.63%
ITC Adjustment				
113	Amortized Investment Tax Credit - Transmission Related		Attachment 5	-20,101
114	ITC Adjust. Allocated to Trans. - Grossed Up	ITC Adjustment x 1 / (1-T)	Line 113 * (1 / (1 - Line 111))	-28,268
115	Income Tax Component =	$(T/(1-T)) * \text{Investment Return} * (1-(WCLTD/ROR)) =$	[Line 112 * Line 107 * (1 - (Line 103 / Line 106))]	92,913,061
116	Total Income Taxes		(Line 114 + Line 115)	92,884,793

Revenue Requirement

Summary				
117	Net Property, Plant & Equipment	(Line 33)		4,327,317,061
118	Total Adjustment to Rate Base	(Line 45)		-745,813,553
119	Rate Base	(Line 46)		3,581,503,509
120	Total Transmission O&M	(Line 70)		54,612,055
121	Total Transmission Depreciation & Amortization	(Line 77)		93,202,636
122	Taxes Other than Income	(Line 79)		3,238,093
123	Investment Return	(Line 107)		299,392,338
124	Income Taxes	(Line 116)		92,884,793
125	Gross Revenue Requirement	(Sum Lines 120 to 124)		543,329,914
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities				
126	Transmission Plant In Service	(Line 15)		4,612,087,161
127	Excluded Transmission Facilities	(Note M)	Attachment 5	0
128	Included Transmission Facilities	(Line 126 - Line 127)		4,612,087,161
129	Inclusion Ratio	(Line 128 / Line 126)		100.00%
130	Gross Revenue Requirement	(Line 125)		543,329,914
131	Adjusted Gross Revenue Requirement	(Line 129 * Line 130)		543,329,914
Revenue Credits				
132	Revenue Credits		Attachment 3	105,972,333
133	Net Revenue Requirement	(Line 131 - Line 132)		437,357,581
Net Plant Carrying Charge				
134	Gross Revenue Requirement	(Line 130)		543,329,914
135	Net Transmission Plant	(Line 18 - Line 26 + Line 35)		4,243,973,539
136	Net Plant Carrying Charge	(Line 134 / Line 135)		12.8024%
137	Net Plant Carrying Charge without Depreciation	(Line 134 - Line 71) / Line 135		10.7905%
138	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes	(Line 134 - Line 71 - Line 107 - Line 116) / Line 135		1.5474%
Net Plant Carrying Charge Calculation per 100 Basis Point increase in ROE				
139	Gross Revenue Requirement Less Return and Taxes	(Line 130 - Line 123 - Line 124)		151,052,784
140	Increased Return and Taxes	Attachment 4		419,810,212
141	Net Revenue Requirement per 100 Basis Point increase in ROE	(Line 139 + Line 140)		570,862,996
142	Net Transmission Plant	(Line 18 - Line 26 + Line 35)		4,243,973,539
143	Net Plant Carrying Charge per 100 Basis Point increase in ROE	(Line 141 / Line 142)		13.4511%
144	Net Plant Carrying Charge per 100 Basis Point in ROE without Depreciation	(Line 141 - Line 71) / Line 142		11.4393%
145	Net Revenue Requirement	(Line 133)		437,357,581
146	True-up amount	Attachment 6		(12,371,575)
147	Facility Credits under Section 30.9 of the PJM OATT	Attachment 5		-
148	Net Zonal Revenue Requirement	(Line 145 + 146 + 147)		424,986,006
Network Zonal Service Rate				
149	1 CP Peak	(Note L)	PJM Data	7,401.1
150	Rate (\$/MW-Year)		(Line 148 / 149)	\$ 57,422
151	Network Service Rate (\$/MW/Year)	(Line 150)		\$ 57,422

Notes

- A Electric portion only.
- B Line 16, for the Reconciliation, includes New Transmission Plant that actually was placed in service weighted by the number of months it actually was in service. Line 17 includes New Transmission Plant to be placed in service in the current calendar year.
- C Includes Transmission portion only.
- D Includes all EPRI Annual Membership Dues.
- E Includes all Regulatory Commission Expenses.
- F Includes Safety-related advertising included in Account 930.1.
- G Includes Regulatory Commission Expenses directly related to transmission service, RTO filings, or transmission siting itemized in Form 1 at page 351.h. Property Insurance excludes prior period adjustment in the first year of the formula's operation and reconciliation for the first year.
- H CWIP can be included only if authorized by the Commission.
- I The currently effective income tax rate where FIT is the Federal income tax rate; SIT is the State income tax rate, and $p =$ the percentage of federal income tax deductible for state income taxes.
The calculation of the Reconciliation revenue requirement according to Step 7 of Attachment 6 ("Estimate and Reconciliation Worksheet") shall reflect the actual tax rates in effect for the Rate Year being reconciled ("Test Year"). When statutory marginal tax rates change during such Test Year, the effective tax rate used in the formula shall be weighted by the number of days each such rate was in effect. For example, a 35% rate in effect for 120 days superseded by a 40% rate in effect for the remainder of the year will be calculated as: $((.3500 \times 120) + (.4000 \times 245))/365 = .3836$.
- J ROE will be as follows: (i.) 11.60% for the period November 1, 2008 through May 31, 2009; (ii.) 11.64% for the period June 1, 2009 through May 31, 2010; (iii.) 11.68% on June 1, 2010 through May 31, 2011 and thereafter. No change in ROE will be made absent a filing at FERC.
PBOP expense is fixed until changed as the result of a filing at FERC.
Depreciation rates shown in Attachment 9 are fixed until changed as the result of a filing at FERC.
Upon request, PPL Electric Utilities Corporation will provide workpapers at the annual update to reconcile formula depreciation expense and depreciation accruals to Form No. 1 amounts.
As set forth in Attachment 5, added to the depreciation expense will be actual removal costs (net of salvage) amortized over five years.
- K Education and outreach expenses related to transmission (e.g., siting or billing).
- L As provided for in Section 34.1 of the PJM OATT, the PJM established billing determinants will not be revised or updated in the annual rate reconciliations.
- M Amount of transmission plant excluded from rates per Attachment 5.
- N Includes only charges incurred for system integration, such as those under the EHV Agreement, and transmission costs paid to others that benefit transmission customers.
- O Amounts associated with transition bonds issued to securitize the recovery of retail stranded costs are removed from account balances, pursuant to an Order entered by the Pennsylvania Public Utility Commission on May 21, 1999 at Docket No. R-00994637, in accordance with Pennsylvania's Electric Generation Customer Choice and Competition Act.
- P Any gain from the sale of land included in Land Held for Future Use in the Formula Rate received during the Rate Year shall be used to reduce the ATRR in the Rate Year. The Formula Rate shall not include any losses on sales of such land.

PPL Electric Utilities Corporation

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

	Transmission Related	Plant Related	Labor Related	Total Transmission ADIT	
ADIT- 282	(861,108,497)	0	(80,464,498)		From Acct. 282 total, below
ADIT-283	(1,573,019)	(8,242,788)	(645,615)		From Acct. 283 total, below
ADIT-190	111,444,757	0	27,112,236		From Acct. 190 total, below
Subtotal	(751,236,759)	(8,242,788)	(53,997,877)		Sum lines 1 through 3
Wages & Salary Allocator			9.5433%		
Net Plant Allocator		51.2372%			
ADIT	(751,236,759)	(4,223,374)	(5,153,199)	(760,613,332)	Sum Cols. D, E, F; Enter as negative Appendix A, line 42.
	row 4	row 5 * row 4	row 5 * row 4		

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

A	B	C	D	E	F	G
ADIT-190	Total	Gas, Prod, Dist Or Other Related	Transmission Related	Plant Related	Labor Related	Justification
Account 190						
Accumulated Deferred Investment Tax Credits (Non-Transmission)	5,646	5,646				Basis difference between book plant and tax plant basis related to investment tax credits on distribution property
Accumulated Deferred Investment Tax Credits (Transmission)	73,507		73,507			Basis difference between book plant and tax plant basis related to investment tax credits on transmission property
Regulatory Liability - Income Taxes Related to ITC (Non-Tx)	2,297	2,297				Liability recorded for regulatory purposes related to accumulated deferred investment tax credit book/tax basis difference on distribution property
Regulatory Liability - Income Taxes Related to ITC (Tx)	29,864		29,864			Liability recorded for regulatory purposes related to accumulated deferred investment tax credit book/tax basis difference on transmission property
Regulatory Liability - Tax Gross-up Related to Plant net of NOLs	192,500,975	96,138,366	96,362,609			Liability recorded for regulatory purposes related to book and tax basis differences related to plant net of NOLs.
Contributions in Aid of Construction (Non-Tx)	93,211,082	93,211,082				Distribution related income that is taxable for tax return purposes, but recorded as a reduction to plant for book purposes.
Contributions in Aid of Construction (Tx-related)	23,763,137		23,763,137			Transmission related income that is taxable for tax return purposes, but recorded as a reduction to plant for book purposes
Pensions and Post-Retirement	10,535,817	10,535,817				Expense and equity(FAS158) adjustments for book purposes not deductible for tax purposes
FAS158 Regulatory Liability	145,537,545	145,537,545				Liability recorded for regulatory purposes for FAS 158 pension and post-retirement costs
Workers Compensation	0				0	Book expense not deductible for tax return purposes - labor related to all functions
Service Company Labor Related Costs	24,871,414				24,871,414	Book expense not deductible for tax return purposes - labor related to all functions
EU Service Company Other Related Costs	0	0				Book expense not deductible for tax return purposes
Variable Pay	0				0	Book expense not deductible for tax return purposes - labor related to all functions
Severance Pay	0				0	Book expense not deductible for tax return purposes - labor related to all functions
Deferred Compensation	289,457				289,457	Book expense not deductible for tax return purposes - labor related to all functions
Taxes Other Than Income Taxes	2,024,208	2,024,208				Book expense not deductible for tax return purposes - retail related gross receipts and sales & use taxes
State Income Tax Adjustment	0	0				Distribution related state income tax expense/(benefit) deferred for book purposes and not deductible
AMT Tax Carryforward	877,273	877,273				Tax credits carryforward to a future period.
RAR Adjustments	0	0				Distribution related IRS audit adjustments
Obsolete Inventory	101,011	101,011				Distribution related book expense not deductible for tax return purposes
Environmental Liability	2,862,874	2,862,874				Distribution related book expense for manufactured gas plants not deductible for tax return purposes
Post Employment Liabilities	1,794,625	1,794,625				Book expense not deductible for tax return purposes
STAS Adjustment	0	0				Distribution related expense deferred for book purposes and deducted for tax purposes.
Tax Credit Carryforward	163,753	163,753				Tax credits carryforward to a future period.
Conservation Program Regulatory Asset	168,207	168,207				Distribution related expense deferred for book purposes and deducted for tax purposes.
Universal Service Rider over/undercollection	7,454,747	7,454,747				Distribution related expense deferred for book purposes and deducted for tax purposes.
Generation Service Charge over/undercollection	9,742,771	9,742,771				Distribution related expense deferred for book purposes and deducted for tax purposes.
Transmission Service Charge over/undercollection	2,639,339	2,639,339				Distribution related expense deferred for book purposes and deducted for tax purposes.
Distribution System Improvement Charge over/undercollection	0	0				Distribution related expense deferred for book purposes and deducted for tax purposes.
Competitive Enhancement Rider over/undercollections	0	0				Distribution related expense deferred for book purposes and deducted for tax purposes.
Storm Damage over/undercollection	2,348,205	2,348,205				Distribution related expense deferred for book purposes and deducted for tax purposes.
Book Contingencies	466,595	466,595				Distribution related book expense not deductible for tax return purposes.
Other Contingencies	6,284	6,284				Distribution related book expense not deductible for tax return purposes.
Charitable Contributions	2,636,860	2,636,860				Distribution related tax deduction carryforward to a future period.
Federal NOL Carryforward	89,457,028	39,680,916	49,776,112			Federal net operating loss carryforward
Deferred Intercompany Transactions	0	0				Retail related income recorded for book purposes not includable in taxable income - related to
Smart Meter Technology Regulatory Liability	0	0				Distribution related expense deferred for book purposes and deducted for tax purposes.
Charitable Contribution Carryforward	0	0				Distribution related tax deduction carryforward to a future period
2018 Rate Change on non-plant deferred taxes assets (Note 6)	2,219,666	0	2,219,666			Presentation adjustment to reverse the impact of the 2018 federal income tax rate change from 35% to
2018 Rate Change on NOL deferred taxes assets (Note 6)	56,246,433	23,062,358	33,184,075			Liability recorded for regulatory purposes related to the impact of the 2018 federal income tax rate
FAS109 Regulatory Liability Related to non-plant DTLs	1,573,019		1,573,019			Liability recorded for regulatory purposes related to the tax gross-up on the impact of the 2018 federal
FAS109 Regulatory Liability Related to Tax Gross-up on non-plant DTLs	639,139		639,139			
Subtotal - p234	685,982,814	448,747,682	210,122,896	0	27,112,236	
Less FASB 109 Above if not separately removed	194,824,447	96,146,309	98,678,139			
Less FASB 106 Above if not separately removed	9,569,049	9,569,049				
Total	481,589,318	343,032,324	111,444,757	0	27,112,236	

Instructions for Account 190:

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

PPL Electric Utilities Corporation

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

A	B	C	D	E	F	G
ADIT- 282	Total	Gas, Prod, Dist Or Other Related	Transmission Related	Plant Related	Labor Related	Justification
Account 282						
ACRS/MACRS Property (Non-Transmission)	(792,687,616)	(792,687,616)				Deductions for distribution related tax depreciation in excess of book depreciation at federal rate
ACRS/MACRS Property (General Plant)	(79,326,219)				(79,326,219)	Deductions for general plant related tax depreciation in excess of book depreciation at applicable federal and state rates
ACRS/MACRS Property (Transmission)	(818,404,239)		(818,404,239)			Deductions for transmission related method/life, book and tax recovery differences on pre-ACRS/MACRS property, ACRS/MACRS property and unamortized net negative salvage at federal and state rates.
FAS109 regulatory assets/liabilities related to plant	473,774,505	236,611,301	237,163,204			Asset recorded for regulatory purposes to adjust plant related deferred taxes to current federal and state rates.
Basis adjustments between book and tax plant (Non-Tx)	(342,416,421)	(342,416,421)				Basis difference between Distribution related book plant and tax plant basis at federal & state rates
Basis adjustments between book and tax plant (General Plant)	(1,138,279)				(1,138,279)	Basis difference between book plant and tax plant basis at federal & state rates
Basis adjustments between book and tax plant (Tx-related)	(42,704,258)		(42,704,258)			Basis difference between Transmission related plant and tax plant basis at federal & state rates
RAR adjustments related to plant (Non-Transmission)	2,698,207	2,698,207				Settled IRS audit adjustments related to Distribution plant
Effectively Settled Audit Adjustments	0	0				Agreed to IRS audit adjustments related to Distribution plant
Non-Utility Property	(5,892)	(5,892)				Difference between net book plant and net tax plant resulting from deductions for non-utility related tax depreciation in excess of book depreciation and cost basis differences between book plant and tax plant at federal and state tax rates
Subtotal - p275	(1,600,210,212)	(895,800,421)	(623,945,293)	0	(80,464,498)	
Less FASB 109 Above if not separately removed	473,774,505	236,611,301	237,163,204			
Less FASB 106 Above if not separately removed	0					
Total	(2,073,984,717)	(1,132,411,722)	(861,108,497)	0	(80,464,498)	

Instructions for Account 282:

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

PPL Electric Utilities Corporation

A	B	C	D	E	F	G
ADIT-283	Total	Gas, Prod, Dist Or Other Related	Transmission Related	Plant Related	Labor Related	Justification
Account 283						
Reacquired debt costs	(8,242,788)			(8,242,788)		Plant related expense deferred for book purposes and deducted for tax purposes
Pension and post-retirement	(74,836,381)	(74,836,381)				Expense and equity(FAS158) adjustments for book purposes not deductible for tax purposes
FAS158 Regulatory Asset	(145,537,545)	(145,537,545)				Asset recorded for regulatory purposes for FAS 158 pension and post-retirement costs
Clearing accounts	(395,725)				(395,725)	Expense deferred for book purposes and deducted for tax purposes
Prepaid Insurance	(1,142,850)	(892,960)			(249,890)	Distribution related expense deferred for book purposes and deducted for tax purposes.
Distribution System Improvement Charge over/undercollection	(275,715)	(275,715)				Distribution related expense deferred for book purposes and deducted for tax purposes.
Competitive Enhancement Rider over/undercollections	(4,762)	(4,762)				Distribution related expense deferred for book purposes and deducted for tax purposes.
Smart Meter Technology Regulatory Asset	(4,214,030)	(4,214,030)				Distribution related expense deferred for book purposes and deducted for tax purposes.
2018 Rate Change on non-plant deferred taxes liabilities (Note 6)	(1,573,019)		(1,573,019)			Presentation adjustment to reverse the impact of the 2018 federal income tax rate change from 35% to
FAS109 Regulatory Asset Related to non-plant DTAs	(2,219,666)		(2,219,666)			Asset recorded for regulatory purposes related to the impact of the 2018 federal income tax rate change
FAS109 Regulatory Asset Related to Tax Gross-up on non-plant DT	(901,880)		(901,880)			Asset recorded for regulatory purposes related to the tax gross-up on the impact of the 2018 federal
Subtotal - p277	(239,344,361)	(225,761,393)	(4,694,565)	(8,242,788)	(645,615)	
Less FASB 109 Above if not separately removed	(3,121,546)	0	(3,121,546)			
Less FASB 106 Above if not separately removed	0					
Total	(236,222,815)	(225,761,393)	(1,573,019,00)	(8,242,788)	(645,615)	

Instructions for Account 283:

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

PPL Electric Utilities Corporation

Attachment 2 - Taxes Other Than Income Worksheet

Other Taxes	Page 263 Col (i)	Allocator	Allocated Amount
Plant Related		Net Plant Allocator	
1 Real Property (State, Municipal or Local)	3,197,833		
2 PURTA	2,144,102		
3			
4			
5			
6			
7			
8 Total Plant Related	5,341,935	51.2372%	2,737,058
Labor Related		Wages & Salary Allocator	
9 Federal FICA	4,641,346		
10 Federal Unemployment	26,040		
11 State Unemployment	453,535		
12			
13			
14 Total Labor Related	5,120,921	9.5433%	488,707
Other Included		Net Plant Allocator	
15 PA Capital Stock Tax	24,001		
16 Tax on Insurance Premiums	0		
17 Local Business License Tax	60		
18			
19 Total Other Included	24,061	51.2372%	12,328
20 Total Included (Lines 8 + 14 + 19)	10,486,917		3,238,093
Currently Excluded			
21 Gross Receipts	102,361,250		
22 Sales and Use	(778,310)		
23			
24			
25			
26			
27			
28 Subtotal, Excluded	101,582,940		
29 Total, Included and Excluded (Line 20 + Line 28)	112,069,857		
30 Total Other Taxes from p114.14.c less Tax on Securitization Bonds	112,069,857		
31 Difference (Line 29 - Line 30)	-		

Criteria for Allocation:

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

PPL Electric Utilities Corporation

Attachment 3 - Revenue Credit Worksheet

Account 454 - Rent from Electric Property		
1	Rent from Electric Property - Transmission Related	3,720,837
Account 456 - Other Electric Revenues (Note 1)		
2	Transmission for Others (Note 3)	-
3	Schedule 12 Revenues (Note 3)	96,386,629
4	Schedule 1A	2,611,326
5	Net revenues associated with Network Integration Transmission Service (NITS) for which the load is not included in the divisor (Note 3)	-
6	Point-to-Point Service revenues for which the load is not included in the divisor received by Transmission Owner (e.g. Schedule 8)	2,172,198
7	Professional Services provided to others	762,203
8	Facilities Charges including Interconnection Agreements (Note 2)	319,140
9	Gross Revenue Credits (Sum Lines 1-10)	<u>105,972,333</u>
10	Amount offset from Note 3 below	-
11	Note 1: All revenues related to transmission that are received as a transmission owner (i.e., not received as a LSE), for which the cost of the service is recovered under this formula, except as specifically provided for elsewhere in this Attachment or elsewhere in the formula, will be included as a revenue credit or included in the peak on line 150 of Appendix A.	
12	Note 2: If the costs associated with the Directly Assigned Transmission Facility Charges are included in the Rates, the associated revenues are included in the Rates. If the costs associated with the Directly Assigned Transmission Facility Charges are not included in the Rates, the associated revenues are not included in the Rates.	
13	Note 3: If the facilities associated with the revenues are not included in the formula, the revenue is shown here, but not included in the total above and explained in the Cost Support, e.g., revenues associated with distribution facilities. In addition, Revenues from Schedule 12 are not included in the total above to the extent they are credited directly by PJM to zonal customers.	

Attachment 4 - Calculation of 100 Basis Point Increase in ROE

A	Return and Taxes with 100 Basis Point increase in ROE 100 Basis Point increase in ROE and Income Taxes	Line 29 + Line 39 from below	419,810,212
B	100 Basis Point increase in ROE		1.00%

Return Calculation

		Appendix A Line or Source	Reference
1	Rate Base	(Attachment A Line 46)	3,581,503,509
	Long Term Interest		
2	Long Term Interest	(Attachment A Line 80)	144,175,545
3	Less LTD Interest on Securitization Bonds	Attachment 8	-
4	Long Term Interest	(Line 2 - Line 3)	144,175,545
5	Preferred Dividends	enter positive	0
	Common Stock		
6	Proprietary Capital	p112.16.c	3,991,631,591
7	Less Accumulated Other Comprehensive Income Account 219	p112.15.c	0
8	Less Preferred Stock	(Attachment A Line 86)	0
9	Less Account 216.1	p112.12.c	205,486
10	Common Stock	(Line 6 - 7 - 8 - 9)	3,991,426,105
	Capitalization		
11	Long Term Debt	p112.18.c, 19.c & 21.c	3,338,750,000
12	Less Loss on Reacquired Debt	p111.81.c	28,529,555
13	Plus Gain on Reacquired Debt	p113.61.c	0
14	Less LTD on Securitization Bonds	Attachment 8	0
15	Total Long Term Debt	(Line 11 - 12 + 13 - 14)	3,310,220,445
16	Preferred Stock	p112.3.c	0
17	Common Stock	(Line 10)	3,991,426,105
18	Total Capitalization	(Sum Lines 15 to 17)	7,301,646,550
19	Debt %	Total Long Term Debt	(Line 15 / Line 18) 45.3%
20	Preferred %	Preferred Stock	(Line 16 / Line 18) 0.0%
21	Common %	Common Stock	(Line 17 / Line 18) 54.7%
22	Debt Cost	Total Long Term Debt	(Line 4 / Line 15) 0.0436
23	Preferred Cost	Preferred Stock	(Line 5 / Line 16) 0.0000
24	Common Cost	Common Stock	Fixed 0.1268
25	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 19 * Line 22) 0.0197
26	Weighted Cost of Preferred	Preferred Stock	(Line 20 * Line 23) 0.0000
27	Weighted Cost of Common	Common Stock	(Line 21 * Line 24) 0.0693
28	Rate of Return on Rate Base (ROR)	(Sum Lines 25 to 27)	0.0891
29	Investment Return = Rate Base * Rate of Return	(Line 1 * Line 28)	318,970,534

Composite Income Taxes

	Income Tax Rates		
30	FIT=Federal Income Tax Rate		21.00%
31	SIT=State Income Tax Rate or Composite		9.99%
32	p = percent of federal income tax deductible for state purposes	Per State Tax Code	0.00%
33	T	$T = 1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\}$	28.89%
34	CIT = T / (1-T)		40.63%
35	1 / (1-T)		140.63%
	ITC Adjustment		
36	Amortized Investment Tax Credit	Attachment 5	(20,101)
37	ITC Adjust. Allocated to Trans. - Grossed Up	(Line 36 * (1 / (1 - Line 33))	-28,268
38	Income Tax Component =	$CIT = (T / (1 - T)) * Investment\ Return * (1 - (WCLTD / R)) =$	100,867,946
39	Total Income Taxes		100,839,678

Attachment 5 - Cost Support

ITC Adjustment

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions	Form No. 1 Amount	Transmission Related	Non-transmission Related	Details
113 Amortized Investment Tax Credit Company Records	-54,023	-20,101	-33,922	Enter Negative

Transmission / Non-transmission Cost Support

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions	Form No. 1 Amount	Transmission Related Major Items	Transmission Related Minor Items	Non-transmission Related	Details
24 Land Held for Future Use (Note C) p.214.d - p214.6.d & Company Records (Note P) Company Records	24,125,739	18,110,548 0 0	3,422,022 0 0	2,593,169	Removal of land held for future use (if any) that is included in CWIP balance Gains from the sale of Land Held for Future Use Balance for Appendix A
		18,110,548	3,422,022		

Adjustments to A & G Expense

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions	Total	Prior Period Adjustment	Adjusted Total	Details
Allocated Administrative & General Expenses				
53 Fixed PBOP expense FERC Authorized	1,518,585			
54 Actual PBOP expense Company Records	469,499			
65 Property Insurance Account 924 p323.185.b	1,181,205	0	1,181,205	Current year actual PBOP expense Annual Premium associated with storm insurance excluding recoveries related to prior periods. (See FM 1 note to page 320 line 185)

Regulatory Expense Related to Transmission Cost Support

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions	Form No. 1 Amount	Transmission Related	Non-transmission Related	Details
Directly Assigned A&G				
62 Regulatory Commission Exp Account 928 (Note G) p350-151h	6,295,602	0	6,295,602	

Safety Related Advertising Cost Support

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions	Form No. 1 Amount	Safety Related	Non-safety Related	Details
Directly Assigned A&G				
66 General Advertising Exp Account 930.1 (Note F) p323.191.b	43,588	-	43,588	

MultiState Workpaper

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions	State 1	State 2	State 3	State 4	State 5	Details
Income Tax Rates	PA					
109 SIT=State Income Tax Rate or Composite (Note I)	9.99%					

Education and Out Reach Cost Support

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions	Form No. 1 Amount	Education & Outreach	Other	Details
Directly Assigned A&G				
63 General Advertising Exp Account 930.1 (Note K) p323.191.b	43,588	-	43,588	-

Attachment 5 - Cost Support

Excluded Plant Cost Support

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Excluded Transmission Facilities	Description of the Facilities
127	Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities Excluded Transmission Facilities (Note M)			General Description of the Facilities
	Instructions:		Enter \$	
	1 Remove all investment below 69 kV or generator step-up transformers included in transmission plant in service that are not a result of the RTEP process		0	None
	2 If unable to determine the investment below 69kV in a substation with investment of 69 kV and higher, as well as below 69 kV, the following formula will be used:		Or	
	Example		Enter \$	
	A Total investment in substation	1,000,000		
	B Identifiable investment in Transmission (provide workpaper)	500,000		
	C Identifiable investment in Distribution (provide workpapers)	400,000		
	D Amount to be excluded (A x (C / (B + C)))	444,444		
Add more lines if necessary				

Prepayments and Prepaid Pension Asset

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Form No. 1 Amount	Prepayments on Securitization Bonds Adjustment	POLR and Retail Related Adjustment	Prepayments	W&S Allocator	Functionalized to TX	Description of the Prepayments
36	Prepayments								
	Prepayments	(Note A) (Note O) Form 1 – p111.57.c	6,337,757	0	3,090,698	3,247,059	9.5433%	309,878	Less amounts related to POLR, Retail Issues and Bond Securitization.

Adjustments to Transmission O&M

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Total	Adjustments	Transmission Related	Details
47	Transmission O&M	p.321.112.b	148,234,166	127,680	148,106,486	Adjustment for Ancillary Services p321.88b and p321.92b.
48	Less Account 565	p.321.96.b	111,467,932	0	111,467,932	None

Facility Credits under Section 30.9 of the PJM OATT

Appendix A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions			Amount	Description & PJM Documentation
147	Net Revenue Requirement			
	Facility Credits under Section 30.9 of the PJM OATT		-	None

PJM Load Cost Support

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			1 CP Peak	Description & PJM Documentation
149	Network Zonal Service Rate			
	1 CP Peak	(Note L) PJM Data	7,401.1	

Depreciation Expense

Appendix A Line #s, Descriptions, Notes, Form No. 1 Page #s and Instructions			Total	Year 1 2012	Year 2 2013	Year 3 2014	Year 4 2015	Year 5 2016	Total	5 - Year Amortization
71	Transmission Depreciation Expense Including Amortization of Limited Term Plant	(Note J) Company Records	68,793,457							
	Transmission Plant Cost of Removal, Net of Salvage	(Note J) Company Records	16,589,986	7,726,933	1,560,069	16,131,452	8,276,939	49,254,536	82,949,929	16,589,986
	Total Transmission Depreciation Expense Including Amortization of Limited Term F	(Note J) Company Records	85,383,443							
72	General Depreciation Expense Including Amortization of Limited Term Plant	(Note J) Company Records	40,330,135							
	General Plant Cost of Removal, Net of Salvage	(Note J) Company Records	-596,872	-952,715	-384,081	-686,454	1,119	-962,228	-2,984,359	-596,872
	Total General Depreciation Expense Including Amortization of Limited Term Plant	(Note J) Company Records	39,733,263							

PPL Electric Utilities Corporation
Attachment 6 - Estimate and Reconciliation Worksheet

Step Month Year Action

Exec Summary

- 1 April Year 2 TO populates the formula with Year 1 data from FERC Form No. 1 data for Year 1 (e.g., 2007)
- 2 April Year 2 TO estimates all transmission Cap Adds and CWIP for Year 2 weighted based on Months expected to be in service in Year 2 (e.g., 2008)
- 3 April Year 2 TO adds weighted Cap Adds to plant in service in Formula
- 4 May Year 2 Post results of Step 3 on PJM web site
- 5 June Year 2 Results of Step 3 go into effect for the Rate Year 1 (e.g., June 1, 2008 - May 31, 2009)
- 6 April Year 3 TO populates the formula with Year 2 data from FERC Form No. 1 for Year 2 (e.g., 2008)
- 7 April Year 3 Reconciliation - TO calculates Reconciliation by removing from Year 2 data - the total Cap Adds placed in service in Year 2 and adding weighted average in Year 2 actual Cap Adds and CWIP in Reconciliation (adjusted to include any Reconciliation amount from prior year)
- 8 April Year 3 TO estimates Cap Adds and CWIP during Year 3 weighted based on Months expected to be in service in Year 3 (e.g., 2009)
- 9 April Year 3 Reconciliation - TO adds the difference between the Reconciliation in Step 7 and the forecast in Line 5 with interest to the result of Step 7 (this difference is also added to Step 8 in the subsequent year)
- 10 May Year 3 Post results of Step 9 on PJM web site
- 11 June Year 3 Results of Step 9 go into effect for the Rate Year 2 (e.g., June 1, 2009 - May 31, 2010)

- 1 April Year 2 TO populates the formula with Year 1 data from FERC Form No. 1 data for Year 1 (e.g., 2007)
- \$ 388,714,596 Rev Req based on Year 1 data Must run Appendix A to get this number (without inputs in lines 16, 17 or 35 of Appendix A)

- 2 April Year 2 TO estimates all transmission Cap Adds and CWIP for Year 2 weighted based on Months expected to be in service in Year 2 (e.g., 2008)

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	Total
	Monthly Additions Other Plant In Service	Monthly Additions Northeast Pocono Reliability Project CWIP	Monthly Additions Susq-Rose CWIP < 500kV (b0487.1)	Monthly Additions Susq-Rose PIS < 500kV (b0487.1)	Monthly Additions Susq-Rose CWIP ≥ 500kV (b0487)	Monthly Additions Susq-Rose PIS ≥ 500kV (b0487)	Weighting	Other Plant In Service Amount (A x G)	NPR CWIP Amount (B x G)	Susq-Rose CWIP Amount (C x G) < 500kV (b0487.1)	Susq-Rose PIS Amount (D x G) < 500kV (b0487.1)	Susq-Rose CWIP Amount (E x G) ≥ 500kV (b0487)	Susq-Rose PIS Amount (F x G) ≥ 500kV (b0487)	Other Plant In Service (H / I)	NPR CWIP (J / I)	Susq-Rose CWIP (L / I)	Susq-Rose PIS (K / I)	Susq-Rose CWIP (M / I)	Susq-Rose PIS (N / I)	
CWIP Balance Dec (prior yr.)																				
Jan	45,551,675	0	-	-	-	-	12	523,844,268	-	-	-	-	-	43,653,689	-	-	-	-	-	-
Feb	37,252,554	0	-	-	-	-	10.5	391,151,822	-	-	-	-	-	32,595,985	-	-	-	-	-	-
Mar	83,378,369	0	-	-	-	-	9.5	792,094,506	-	-	-	-	-	66,007,875	-	-	-	-	-	-
Apr	53,095,625	0	-	-	-	-	8.5	451,312,810	-	-	-	-	-	37,609,401	-	-	-	-	-	-
May	54,938,942	0	-	-	-	-	7.5	412,042,063	-	-	-	-	-	34,336,839	-	-	-	-	-	-
Jun	32,780,739	0	-	-	-	-	6.5	213,074,800	-	-	-	-	-	17,756,233	-	-	-	-	-	-
Jul	42,608,308	0	-	-	-	-	5.5	234,345,692	-	-	-	-	-	19,528,808	-	-	-	-	-	-
Aug	6,474,808	0	-	-	-	-	4.5	29,136,635	-	-	-	-	-	2,428,053	-	-	-	-	-	-
Sep	74,112,868	0	-	-	-	-	3.5	259,365,039	-	-	-	-	-	21,616,253	-	-	-	-	-	-
Oct	33,948,472	0	-	-	-	-	2.5	84,621,179	-	-	-	-	-	7,051,765	-	-	-	-	-	-
Nov	152,031,132	0	-	-	-	-	1.5	228,046,699	-	-	-	-	-	19,003,892	-	-	-	-	-	-
Dec	110,709,627	0	-	-	-	-	0.5	55,354,814	-	-	-	-	-	4,612,901	-	-	-	-	-	-
Total	726,783,119	-	-	-	-	-		3,674,420,327	-	-	-	-	-	306,201,694	-	-	-	-	-	-
New Transmission Plant Additions and CWIP (weighted by months in service)																				
														Input to Line 17 of Appendix A						
														Input to Line 35 of Appendix A						
														Month in Service or Month for CWIP	6.94	-	#DIV/0!	-	#DIV/0!	-

- 3 April Year 2 TO adds weighted Cap Adds to plant in service in Formula
- \$ 428,803,617 Must run Appendix A to get this number (with inputs on lines 17 and 35 of Attachment A)

- 4 May Year 2 Post results of Step 3 on PJM web site
- \$ 428,803,617 Must run Appendix A to get this number (with inputs on lines 17 and 35 of Attachment A)

- 5 June Year 2 Results of Step 3 go into effect for the Rate Year 1 (e.g., June 1, 2008 - May 31, 2009)
- \$ 428,803,617

[illegible]

Attachment 7 - Transmission Enhancement C

New Plant Carrying Charge			
Fixed Charge Rate (FCR) if not a CIAC			
Formula Line			
A	137	Net Plant Carrying Charge without Depreciation	10.7905%
B	144	Net Plant Carrying Charge per 100 Basis Point in ROE without Depreciation	11.4395%
C		Line B less Line A	0.6488%
FCR if a CIAC			
D	138	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes	1.5474%

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

Details		Susquehanna - Roseland CWP (00487) >= 500kV				Actual Susquehanna - Roseland PIS (00487) >= 500kV				Horseshack Wavetrup (00171.2)				Alburtis Wavetrup (00172.1)				Juniata Wavetrup (00284.2)				Susquehanna - Roseland CWP (00487.1) <= 500kV			
Schedule 12	(Yes or No)	Yes	42.00			Yes	42.00			Yes	42.00			Yes	42.00			Yes	42.00			Yes	42.00		
Life		No	125			No	125			No	0			No	0			No	0			No	125		
CIAC	(Yes or No)	No	125			No	125			No	0			No	0			No	0			No	125		
Increased ROE (Basis Points)		No	125			No	125			No	0			No	0			No	0			No	125		
11.68% ROE		10.7905%				10.7905%				10.7905%				10.7905%				10.7905%				10.7905%			
FCR for This Project		11.6015%				11.6015%				10.7905%				10.7905%				10.7905%				11.6015%			
Project subaccount of Plant in Service Account 101 or 106 if not yet classified		0				618,989.594				86.626				62.067				123.504				-			
Line 17 divided by line 12		-				14,737.371				2.063				1.478				2.941				-			
Month in which project is placed in service (e.g. Jan=1)		-				-				-				-				-				-			
Beginning	Invest Yr	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue
W 11.68 % ROE	2008	5,534,456	-	5,534,456	433,646	-	-	-	-	86,626	1,454	85,172	12,921	62,067	991	61,076	8,811	-	-	-	-	-	-	-	-
W Increased ROE	2008	5,534,456	-	5,534,456	453,742	-	-	-	-	86,626	1,454	85,172	12,921	62,067	991	61,076	8,811	-	-	-	-	-	-	-	-
W 11.68 % ROE	2009	25,703,638	-	25,703,638	2,744,759	-	-	-	-	85,172	2,063	83,109	19,606	61,076	1,478	59,598	14,223	123,504	2,941	120,563	28,723	395,068	-	-	-
W Increased ROE	2009	25,703,638	-	25,703,638	3,928,397	-	-	-	-	85,172	2,063	83,109	19,606	61,076	1,478	59,598	14,223	123,504	2,941	120,563	28,723	395,068	-	-	-
W 11.68 % ROE	2010	32,334,326	-	32,334,326	7,002,386	1,707,870	17,350	1,690,519	173,557	83,109	2,063	81,047	19,614	59,598	1,478	58,121	14,064	120,563	2,941	117,623	28,413	983,014	-	-	-
W Increased ROE	2010	32,334,326	-	32,334,326	7,346,302	1,707,870	17,350	1,690,519	181,229	83,109	2,063	81,047	19,614	59,598	1,478	58,121	14,064	120,563	2,941	117,623	28,413	983,014	-	-	-
W 11.68 % ROE	2011	41,267,823	-	41,267,823	8,153,565	1,690,519	40,664	1,649,856	366,637	81,047	2,063	78,984	17,668	58,121	1,478	56,643	12,669	117,623	2,941	114,682	25,599	338,809	-	-	-
W Increased ROE	2011	41,267,823	-	41,267,823	8,573,934	1,690,519	40,664	1,649,856	383,443	81,047	2,063	78,984	17,668	58,121	1,478	56,643	12,669	117,623	2,941	114,682	25,599	338,809	-	-	-
W 11.68 % ROE	2012	49,100,120	-	49,100,120	10,122,908	6,771,105	164,250	6,606,855	1,526,377	78,984	2,063	76,922	17,921	56,643	1,478	55,165	12,851	114,682	2,941	111,742	25,978	362,626	-	-	-
W Increased ROE	2012	49,100,120	-	49,100,120	10,644,117	6,771,105	164,250	6,606,855	1,598,510	78,984	2,063	76,922	17,921	56,643	1,478	55,165	12,851	114,682	2,941	111,742	25,978	362,626	-	-	-
W 11.68 % ROE	2013	188,668,692	-	188,668,692	32,050,437	24,904,453	602,825	24,301,628	4,731,108	76,922	2,063	74,859	14,779	55,165	1,478	53,687	10,598	111,742	2,941	108,801	21,423	1,447,083	-	-	-
W Increased ROE	2013	188,668,692	-	188,668,692	33,942,593	24,904,453	602,825	24,301,628	4,974,829	76,922	2,063	74,859	14,779	55,165	1,478	53,687	10,598	111,742	2,941	108,801	21,423	1,447,083	-	-	-
W 11.68 % ROE	2014	387,890,524	-	387,890,524	57,604,085	49,338,189	1,205,851	48,132,338	8,353,794	74,859	2,063	72,797	12,873	53,687	1,478	52,209	9,231	108,801	2,941	105,861	18,662	4,346,118	-	-	-
W Increased ROE	2014	387,890,524	-	387,890,524	61,557,021	49,338,189	1,205,851	48,132,338	8,844,304	74,859	2,063	72,797	12,873	53,687	1,478	52,209	9,231	108,801	2,941	105,861	18,662	4,346,118	-	-	-
W 11.68 % ROE	2015	148,924,599	-	148,924,599	20,708,389	225,656,515	5,474,192	220,182,322	36,091,169	72,797	2,063	70,734	11,888	52,209	1,478	50,732	8,532	105,861	2,941	102,920	17,252	1,232,451	-	-	-
W Increased ROE	2015	148,924,599	-	148,924,599	22,160,463	225,656,515	5,474,192	220,182,322	38,238,035	72,797	2,063	70,734	11,888	52,209	1,478	50,732	8,532	105,861	2,941	102,920	17,252	1,232,451	-	-	-
W 11.68 % ROE	2016	-	-	-	-	602,372,114	14,715,666	587,656,448	87,109,696	70,734	2,063	68,672	10,522	50,732	1,478	49,254	7,545	102,920	2,941	99,979	15,257	-	-	-	-
W Increased ROE	2016	-	-	-	-	602,372,114	14,715,666	587,656,448	92,694,374	70,734	2,063	68,672	10,522	50,732	1,478	49,254	7,545	102,920	2,941	99,979	15,257	-	-	-	-
W 11.68 % ROE	2017	-	-	-	-	587,656,448	14,737,371	572,933,077	85,333,888	68,672	2,063	66,609	10,268	49,254	1,478	47,776	7,363	99,979	2,941	97,039	14,895	-	-	-	-
W Increased ROE	2017	-	-	-	-	587,656,448	14,737,371	572,933,077	90,760,513	68,672	2,063	66,609	10,268	49,254	1,478	47,776	7,363	99,979	2,941	97,039	14,895	-	-	-	-
W 11.68 % ROE	2018	-	-	-	-	572,933,077	14,737,371	558,181,706	74,968,035	66,609	2,063	64,547	9,027	47,776	1,478	46,298	6,474	97,039	2,941	94,098	13,094	-	-	-	-
W Increased ROE	2018	-	-	-	-	572,933,077	14,737,371	558,181,706	79,494,589	66,609	2,063	64,547	9,027	47,776	1,478	46,298	6,474	97,039	2,941	94,098	13,094	-	-	-	-
W 11.68 % ROE	2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
W Increased ROE	2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
W 11.68 % ROE	2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
W Increased ROE	2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
W 11.68 % ROE	2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
W Increased ROE	2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
W 11.68 % ROE	2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
W Increased ROE	2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
W 11.68 % ROE	2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
W Increased ROE	2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
W 11.68 % ROE	2024	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
W Increased ROE	2024	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
W 11.68 % ROE	2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
W Increased ROE	2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
W 11.68 % ROE	2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
W Increased ROE	2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
W 11.68 % ROE	2027	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
W Increased ROE	2027	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

On the formulas used in the Columns for lines 22+ are as follows

For Plant in service: (first year means first year the project is placed in service)

"Beginning" is the investment on line 17 for the first year and is the "Ending" for the prior year after the first year

"Depreciation" is the annual depreciation in line 18 divided by twelve times the difference of thirteen minus line 19 in the first year and line 18 thereafter if "no" on line 13. "Depreciation" is "0" (zero) if "Yes" on line 13

"Endino" is "Beginning" less "Depreciation"

Revenue is "Endino" times line 16 for the current year times the quotient line 19 divided by 13 plus "Depreciation" for the first year and "Endino" times line 16 plus "Depreciation" thereafter

For CWIP:

Beginning is the line 17 for that year

Depreciation is not used

Endino is the same as Beginning

Revenue

Large Worksheet

New Plant Carrying Charge

Fixed Charge Rate (FCR) if not a CIAC

Formula Line
A 137
B 144
C

FCR if a CIAC

D 138

The FCR resulting from Formula in a c
Therefore actual revenues collected is

Details		20kV	Actual Susquehanna - Roseland PS (b0487.1) < 500kV				Stanton 4th Transformer (b0791)				Laushtown 500/230 kv Sub (b2005)				Alburtis 500kv (b2237)				Actual Copperstone Substation (b0488)						
		(Yes or No)	Yes 42.00					Yes 42.00					Yes 42.00					Yes 42.00							
Schedule 12 Life		(Yes or No)	No 125					No 0					No 0					No 0							
CIAC Increased ROE (Basic Points)		(Yes or No)	No 125					No 0					No 0					No 0							
11.68% ROE FCR for This Project			10.7905% 11.6015%					10.7905% 10.7905%					10.7905% 10.7905%					10.7905% 10.7905%							
Investment			14,971,615					3,733,895					47,556,088					11,890,165					22,735,783		
Annual Depreciation Exp			356,487					88,902					1,132,288					283,099					541,328		
Month in Service or Month for CWP																									
Invest Yr		Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Total	Incentive Charged	Revenue Credit
W 11.68 % ROE	2008	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 455,377	\$	\$ 455,377
W Increased ROE	2008	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 475,473	\$	\$ 475,473
W 11.68 % ROE	2009	43,820	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 3,851,361	\$	\$ 3,851,361
W Increased ROE	2009	45,969	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 4,037,148	\$	\$ 4,037,148
W 11.68 % ROE	2010	212,883	2,138,193	15,476	2,122,717	155,221	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 7,606,140	\$	\$ 7,606,140
W Increased ROE	2010	223,339	2,138,193	15,476	2,122,717	162,094	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ 7,975,046	\$	\$ 7,975,046
W 11.68 % ROE	2011	66,941	2,122,717	50,909	2,071,807	460,250	3,733,895	25,673	3,708,222	237,250	-	-	-	-	-	-	-	-	918,555	11,846	906,709	108,883	\$ 9,449,462	\$	\$ 9,449,462
W Increased ROE	2011	70,392	2,122,717	50,909	2,071,807	481,355	3,733,895	25,673	3,708,222	237,250	-	-	-	-	-	-	-	-	918,555	11,846	906,709	108,883	\$ 9,911,193	\$	\$ 9,911,193
W 11.68 % ROE	2012	74,762	2,547,287	62,474	2,484,814	574,784	3,708,222	88,902	3,619,320	835,093	-	-	-	-	-	-	-	-	906,709	21,870	884,838	204,296	\$ 13,394,951	\$	\$ 13,394,951
W Increased ROE	2012	78,611	2,547,287	62,474	2,484,814	601,141	3,708,222	88,902	3,619,320	835,093	-	-	-	-	-	-	-	-	906,709	21,870	884,838	204,296	\$ 14,016,520	\$	\$ 14,016,520
W 11.68 % ROE	2013	245,826	2,703,748	67,702	2,636,046	515,505	3,619,320	88,902	3,530,418	688,638	-	-	-	-	-	-	-	-	22,244,731	539,606	21,705,126	4,226,803	\$ 42,505,119	\$	\$ 42,505,119
W Increased ROE	2013	260,339	2,703,748	67,702	2,636,046	541,942	3,619,320	88,902	3,530,418	688,638	-	-	-	-	-	-	-	-	22,244,731	539,606	21,705,126	4,226,803	\$ 44,681,943	\$	\$ 44,681,943
W 11.68 % ROE	2014	645,425	3,018,143	77,022	2,941,121	513,176	3,530,418	88,902	3,441,515	599,988	-	-	-	-	-	-	-	-	21,776,090	541,328	21,234,762	3,694,618	\$ 71,452,672	\$	\$ 71,452,672
W Increased ROE	2014	689,715	3,018,143	77,022	2,941,121	543,769	3,530,418	88,902	3,441,515	599,988	-	-	-	-	-	-	-	-	21,776,090	541,328	21,234,762	3,694,618	\$ 75,970,381	\$	\$ 75,970,381
W 11.68 % ROE	2015	171,376	8,894,885	214,806	8,680,079	1,393,985	3,441,515	88,902	3,352,613	555,093	-	-	-	-	-	-	-	-	21,234,762	541,328	20,693,433	3,418,809	\$ 62,376,501	\$	\$ 62,376,501
W Increased ROE	2015	183,393	8,894,885	214,806	8,680,079	1,476,670	3,441,515	88,902	3,352,613	555,093	-	-	-	-	-	-	-	-	21,234,762	541,328	20,693,433	3,418,809	\$ 66,070,144	\$	\$ 66,070,144
W 11.68 % ROE	2016	-	14,328,346	356,796	13,971,549	2,077,966	3,352,613	88,902	3,263,711	490,962	-	-	-	-	11,860,165	216,799	11,643,366	1,405,168	20,693,433	541,328	20,152,105	3,023,888	\$ 94,141,004	\$	\$ 94,141,004
W Increased ROE	2016	-	14,328,346	356,796	13,971,549	2,077,966	3,352,613	88,902	3,263,711	490,962	47,556,088	866,976	46,689,112	5,270,954	11,860,165	216,799	11,643,366	1,405,168	20,693,433	541,328	20,152,105	3,023,888	\$ 99,725,683	\$	\$ 99,725,683
W 11.68 % ROE	2017	-	13,971,550	356,467	13,615,083	2,033,724	3,263,711	88,902	3,174,809	480,010	47,556,088	866,976	46,689,112	5,270,954	11,673,366	283,099	11,390,267	1,686,278	20,152,105	541,328	19,610,777	2,957,201	\$ 97,776,582	\$	\$ 97,776,582
W Increased ROE	2017	-	13,971,550	356,467	13,615,083	2,163,112	3,263,711	88,902	3,174,809	480,010	47,556,088	866,976	46,689,112	5,270,954	11,673,366	283,099	11,390,267	1,686,278	20,152,105	541,328	19,610,777	2,957,201	\$ 103,350,595	\$	\$ 103,350,595
W 11.68 % ROE	2018	-	13,615,083	356,467	13,258,616	1,787,140	3,174,809	88,902	3,085,906	421,887	46,689,112	1,132,288	45,556,824	6,048,102	11,390,267	283,099	11,107,168	1,481,619	19,610,777	541,328	19,069,449	2,599,019	\$ 79,804,676	\$	\$ 79,804,676
W Increased ROE	2018	-	13,615,083	356,467	13,258,616	1,894,660	3,174,809	88,902	3,085,906	421,887	46,689,112	1,132,288	45,556,824	6,048,102	11,390,267	283,099	11,107,168	1,481,619	19,610,777	541,328	19,069,449	2,599,019	\$ 84,438,751	\$	\$ 84,438,751
W 11.68 % ROE	2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$	\$ -
W Increased ROE	2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$	\$ -
W 11.68 % ROE	2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$	\$ -
W Increased ROE	2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$	\$ -
W 11.68 % ROE	2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$	\$ -
W Increased ROE	2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$	\$ -
W 11.68 % ROE	2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$	\$ -
W Increased ROE	2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$	\$ -
W 11.68 % ROE	2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$	\$ -
W Increased ROE	2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$	\$ -
W 11.68 % ROE	2024	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$	\$ -
W Increased ROE	2024	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$	\$ -
W 11.68 % ROE	2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$	\$ -
W Increased ROE	2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$	\$ -
W 11.68 % ROE	2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$	\$ -
W Increased ROE	2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$	\$ -
W 11.68 % ROE	2027	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$	\$ -
W Increased ROE	2027	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$	\$ -

follows
is placed in service)
and the "Ending" for the prior year after it
by twelve times the difference of thirteen
is the quotient line 19 divided by 13 plus *

PPL Electric Utilities Corporation

Attachment 8 - Company Exhibit - Securitization Worksheet

Line #

Prepayments			
36	Less Prepayments on Securitization Bonds	0	(See FM 1, note to page 110, line 57)
Administrative and General Expenses			
52	Less Administrative and General Expenses on Securitization Bonds	0	(See FM 1, note to page 114, line 4)
Taxes Other Than Income			
78	Less Taxes Other Than Income on Securitization Bonds	0	(See FM 1, note to page 114, line 14)
Long Term Interest			
81	Less LTD Interest on Securitization Bonds	0	(See FM 1, note to page 114, lines 62 + 63)
Capitalization			
92	Less LTD on Securitization Bonds	0	(See FM 1, note to page 112, line 18)

Calculation of the above Securitization Adjustments

The amounts above are associated with transition bonds issued to securitize the recovery of retail stranded costs, pursuant to an Order entered by the Pennsylvania Public Utility Commission on May 21, 1999 at Docket No. R-00994637, in accordance with Pennsylvania's Electric Generation Customer Choice and Competition Act.

PPL Electric Utilities Corporation

Exhibit 1
Page 19 of 20

Attachment 9 - Depreciation Rates

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Number	Plant Type	Estimated Life	Mortality Curve	Current Age	Remaining Life	Applied Depreciation Rate	Gross Depreciable Plant \$	Accumulated Depreciation \$	Depreciable Balance \$	Depreciation Expense \$
Transmission										
350.4	Land Rights	80	S4	14.9	65.10	1.6436	209,006,623	48,956,952	160,049,671	2,630,610
352	Structures and Improvements	65	R3	7.5	57.50	1.8647	108,655,464	20,038,978	88,616,486	1,652,473
353	Station Equipment	46	R1.5	6.5	39.50	2.0764	1,457,446,077	192,024,596	1,265,421,481	26,275,347
354	Towers and Fixtures	75	R3	7.5	67.50	1.5374	1,417,573,911	170,136,419	1,247,437,492	19,178,250
354.2	Towers and Fixtures - Clearing Land and Rights of Way	80	R4	22.2	57.80	2.1876	15,058,758	7,583,358	7,475,400	163,535
355	Poles and Fixtures	53	R0.5	11.9	41.10	1.8577	134,713,357	27,277,214	107,436,143	1,995,867
355.2	Poles and Fixtures - Clearing Land and Rights of Way	80	R4	16.9	63.10	1.8362	12,465,211	4,495,455	7,969,756	146,343
356	Overhead Conductors and Devices	65	R2.5	6.8	58.20	1.4550	1,112,541,907	102,665,903	1,009,876,004	14,693,581
357	Underground Conduit	55	S4	8.2	46.80	1.8361	20,116,321	3,649,232	16,467,089	302,356
358	Underground Conductors and Devices	45	S3	7.8	37.20	3.4835	60,014,279	12,039,173	47,975,106	1,671,191
359	Roads and Trails	80	R4	29.4	50.60	2.2597	7,102,915	3,389,933	3,712,982	83,904
General										
389.4	Land Rights	75	R4	44.2	30.80	3.4539	4,399	1,939	2,460	85
390.2	Structures and Improvements - Buildings	52	S0.5	33.1	18.90	2.9514	398,840,783	99,092,515	299,748,268	8,846,720
390.21	Structures and Improvements - Leaseholds	10	SQ		2.60	62.6267	931,828	809,171	122,657	76,816
390.4	Structures and Improvements - Air Conditioning	30	S1	8.5	21.50	4.4611	51,273,056	14,990,898	36,282,158	1,618,599
391.1	Office Furniture and Equipment - RF Mesh Computer Equip.	5	SQ		3.50	16.5363	17,649,097	3,624,573	14,024,524	2,918,507
391.2	Office Furniture and Equipment - Furniture	20	SQ		9.40	5.0074	22,359,834	11,132,728	11,227,106	1,119,655
391.4	Office Furniture and Equipment - Equipment	15	SQ		6.60	6.6282	3,120,340	1,598,797	1,521,543	206,824
391.6	Office Furniture and Equipment - Computers	5	SQ		3.00	18.7075	90,013,213	28,257,914	61,755,299	16,839,227
392.1	Transportation Equipment - Automobiles	9	S3	1.1	7.90	27.8333	8,537,761	7,077,605	1,460,156	406,410
392.2	Transportation Equipment - Light Duty Trucks	9	R1	2.6	6.40	11.4005	23,031,991	14,440,223	8,591,768	979,501
392.3	Transportation Equipment - Heavy Duty Trucks	13	S3	4.0	9.00	11.9164	89,120,941	57,804,959	31,315,982	3,731,740
392.4	Transportation Equipment - Trailers	23	L2	7.4	15.60	3.3739	7,891,087	3,150,671	4,740,416	159,935
392.5	Transportation Equipment - Large Tankers/Tractors	15	L4	9.0	6.00	8.4557	2,696,811	1,283,344	1,413,467	119,518
392.6	Transportation Equipment - Large Crane Trucks	13	S3	10.6	2.40	18.8151	639,715	441,737	197,978	37,250
393	Stores Equipment	25	SQ		8.10	4.4865	2,266,246	1,212,425	1,053,821	101,674
394	Tools and Work Equipment - L&S Line Crews	20	SQ		6.40	5.5582	4,718,182	2,887,205	1,830,977	262,244
394.2	Tools and Work Equipment - Tools	20	SQ		8.50	10.5318	165,319	86,982	78,337	17,411
394.4	Tools and Work Equipment - Construction Dept.	20	SQ		7.60	5.3982	1,253,451	677,585	575,866	67,664
394.6	Tools and Work Equipment - Other	20	SQ		13.10	4.8446	28,403,127	9,429,108	18,974,019	1,376,031
394.8	Tools and Work Equipment - Garage Equipment	20	SQ		12.80	5.1622	1,966,101	663,164	1,302,937	101,494
395	Laboratory Equipment	20	SQ		10.50	5.1850	4,516,414	2,151,238	2,365,176	234,175
396	Power Operated Equipment	16	R1	5.0	11.00	6.7277	2,438,544	1,524,216	914,328	61,513
397	Communication Equipment	15	SQ		11.90	6.1954	15,042,633	5,622,469	9,420,164	931,950
398	Miscellaneous Equipment	20	SQ		13.50	5.2836	3,634,035	991,239	2,642,796	192,009
Intangible										
303.2	Miscellaneous Intangible Plant - Software	5	SQ		2.80	20.0000	136,717,698	65,069,881	71,647,817	29,080,396
303.5	Smart Meter Software	5	SQ		1.30	20.0000	3,367,855	2,738,194	629,661	673,571
303.6	Smart Meter Software - RF Mesh	5	SQ		3.50	20.0000	69,350,454	15,880,279	53,470,175	12,446,305

Notes:

- Columns (A), (B), (C), and (D) are fixed and cannot be changed absent Commission approval or acceptance.
- Column (E) is based on the Estimated Life in Column (C) less the Remaining Life in Column (F) for those accounts for which a Mortality Curve is identified.
- Column (F) is the average remaining life of the assets in the account based on their vintage.
- Column (G) is the depreciation rate from the Mortality Curve specified based on data in Columns (C) and (D).
- Columns (H) and (I) are the depreciable gross plant investment and accumulated depreciation in the account or subaccount.
- Column (J) is the depreciable net plant in the account or subaccount.
- Column (K) is Column (G) multiplied by Column (J) for those accounts that have an identified Mortality Curve.
- Each year, PPL Electric will provide a copy of the annual report submitted to the PA PUC that shows the calculation of the depreciation rates and expenses derived from Columns (C) and (D).
- Every 5 years, PPL Electric will file with the Commission a depreciation study supporting its existing Estimated Life and Mortality Curve for each account or subaccount.
- Column (K) for Accounts Nos. 303.2, 303.5, and 303.6 are calculated using individual asset depreciation and, therefore, are not derived values.
- Column (K) for Account No. 392.3 is net of capitalized depreciation expense. See the applicable note in FERC Form No. 1.
- For those General Plant accounts that do not have Mortality Curves as indicated by "SQ" in Column (D), additional detail is provided in Attachment 9 - Supplemental General Plant Depreciation Details.

PPL Electric Utilities Corporation

Exhibit 1
Page 20 of 20

Attachment 9 - Supplemental
General Plant Depreciation Details

(A) Number	(B) Plant Type	(C) Estimated Life	(G) Applied Depreciation Rate	(H) Gross Depreciable Plant \$	(I) Accumulated Depreciation \$	(J) Depreciable Balance \$	(K) Depreciation Expense \$
General							
390.21	Structures and Improvements - Leaseholds - Net Method	10	62.6267	931,828	809,171	122,657	76,816
391.1	Structures and Improvements - Leaseholds - Net Method	5	16.5363	17,649,097	3,624,572	14,024,525	2,918,507
391.2	Office Furniture and Equipment - Furniture - Gross Method	20	4.9503	20,422,696	9,370,593	11,052,103	1,010,988
391.2	Office Furniture and Equipment - Furniture - Net Method	20	62.0944	1,937,139	1,762,136	175,003	108,667
				22,359,835	11,132,729	11,227,106	1,119,655
391.4	Office Furniture and Equipment - Equipment - Gross Method	15	6.6272	3,115,425	1,594,738	1,520,687	206,464
391.4	Office Furniture and Equipment - Equipment - Net Method	15	41.9580	4,916	4,058	858	360
				3,120,341	1,598,796	1,521,545	206,824
391.6	Office Furniture and Equipment - Computers - Gross Method	5	18.7075	90,013,213	28,257,915	61,755,297	16,839,227
393	Store Equipment - Gross Method	25	4.0000	1,464,824	696,439	768,385	58,593
393	Store Equipment - Net Method	25	15.0931	801,422	515,987	285,435	43,081
				2,266,246	1,212,426	1,053,820	101,674
394	Tools and Work Equipment - L&S Line Crews - Gross Method	20	5.0000	2,371,042	1,301,576	1,069,466	118,553
394	Tools and Work Equipment - L&S Line Crews - Net Method	20	18.8692	2,347,140	1,585,629	761,511	143,691
				4,718,182	2,887,205	1,830,977	262,244
394.2	Tools and Work Equipment - Tools - Gross Method	20	5.0003	133,692	61,996	71,696	6,685
394.2	Tools and Work Equipment - Tools - Net Method	20	161.4875	31,627	24,985	6,642	10,726
				165,319	86,981	78,338	17,411
394.4	Tools and Work Equipment - Construction Dept. - Gross Method	20	5.3846	1,245,500	670,830	574,670	67,065
394.4	Tools and Work Equipment - Construction Dept. - Net Method	20	50.0418	7,951	6,754	1,197	599
				1,253,451	677,584	575,867	67,664
394.6	Tools and Work Equipment - Other - Gross Method	20	4.8461	28,332,923	9,356,515	18,976,408	1,373,042
394.6	Tools and Work Equipment - Other - Net Method	20	(125.0628)	70,204	72,594	(2,390)	2,989
				28,403,127	9,429,109	18,974,018	1,376,031
394.8	Tools and Work Equipment - Garage Equipment - Gross Method	20	4.9219	1,832,917	568,835	1,264,082	90,215
394.8	Tools and Work Equipment - Garage Equipment - Net Method	20	29.0277	133,184	94,328	38,856	11,279
				1,966,101	663,163	1,302,938	101,494
395	Laboratory Equipment - Gross Method	20	5.0000	3,172,894	1,327,547	1,845,347	158,645
395	Laboratory Equipment - Net Method	20	14.5298	1,343,520	823,691	519,829	75,530
				4,516,414	2,151,238	2,365,176	234,175
397	Communication Equipment - Gross Method	15	6.1895	14,967,905	5,560,240	9,407,665	926,433
397	Communication Equipment - Net Method	15	44.1395	74,728	62,229	12,499	5,517
				15,042,633	5,622,469	9,420,164	931,950
398	Miscellaneous Equipment - Gross Method	20	4.8720	3,076,582	708,429	2,368,153	149,891
398	Miscellaneous Equipment - Net Method	20	15.3357	557,452	282,812	274,640	42,118
				3,634,034	991,241	2,642,793	192,009

Notes:

1 This schedule shows additional detail for those General Plant accounts that do not have a Mortality Curve. The calculation of Depreciation Expense by the Gross Plant Method (i.e., Column (G) multiplied by Column (H)) and the Net Plant Method (i.e., Column (G) multiplied by Column (J)) is shown separately for the assets in each account subject to each such method. Assets purchased new are depreciated using the Gross Plant Method. Assets purchased used are depreciated using the Net Plant Method (i.e., over their remaining economic life).

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May 15, 2018

Ms. Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E. Room 1A
Washington, DC 20426

Re: Atlantic City Electric Company ("Atlantic City"), Docket No. ER09-1156
Informational Filing of 2018 Formula Rate Annual Update;
Notice of Annual Update

Dear Ms. Bose,

Atlantic City hereby submits electronically, for informational purposes, its 2018 Annual Formula Rate Update. On November 3, 2015, the Commission approved an uncontested settlement agreement ("Settlement") filed in Docket Nos. EL13-48, *et al.*¹. Formula Rate implementation protocols contained in the Settlement provide that:

[o]n or before May 15 of each year, Atlantic [Atlantic City Electric Company] shall recalculate its Annual Transmission Revenue Requirements, producing an "Annual Update" for the upcoming Rate Year, and:

- (i) cause such Annual Update to be posted at a publicly accessible location on PJM's internet website;
- (ii) cause notice of such posting to be provided to PJM's membership; and
- (iii) file such Annual Update with the FERC as an informational filing.²

The same information contained in this informational filing has been transmitted to PJM for posting on its website as required by the Formula Rate implementation

¹ Baltimore Gas and Electric Company, *et al.*, 153 FERC ¶ 61,140 (2015).

² See Settlement, Exhibit A containing PJM Tariff Attachment H1-B, Section 2.b.

protocols. Thus, all interested parties should have ample notice of and access to the Annual Update. The protocols provide specific procedures for notice, review, exchanges of information and potential challenges to aspects of the Annual Update. Consequently, and as the Commission has concluded, there is no need for the Commission to notice this informational filing for comment.³

Atlantic City's 2018 Annual Update contains no expenses or costs that have been alleged or judged in any administrative or judicial proceeding to be illegal, duplicative, or unnecessary costs that are demonstrably the product of discriminatory employment practices, as defined in 18 C.F.R. § 35.13(b)(7).

Atlantic City has made no accounting changes as defined in the Settlement (and any accounting changes, including accounting policy harmonization changes related to the merger between Exelon and Pepco Holdings, Inc., are discussed in applicable disclosure statements filed within the Securities and Exchange Commission Form 10-K and within the FERC Form No. 1).⁴ Atlantic City has made no change to Other Post-Employment Benefits ("OPEB") charges that exceed the filing threshold set forth in the Settlement.⁵

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

Very truly yours,

/s/ Amy L. Blauman

Amy L. Blauman

Enclosures

cc: All parties on Service Lists in Docket Nos. ER05-515, EL13-48 and EL15-27.

³ See Letter Order Re: Annual Update to Formula Rate in Docket No. ER09-1156 (February 17, 2010).

⁴ See Settlement, Exhibit A containing PJM Tariff Attachment H-1B, Section 2.f.(iii)(d). Accounting entries related to the merger between Exelon and Pepco Holdings, Inc. were approved by FERC in Docket AC16-203 on March 17, 2017 and April 11, 2017.

⁵ See Settlement, Exhibit A containing PJM Tariff Attachment H-1B, Section 2.h.

ATTACHMENT H-1A

Atlantic City Electric Company				
Formula Rate - Appendix A			Notes	FERC Form 1 Page # or Instruction
Shaded cells are input cells				2017
Allocators				
1	Wages & Salary Allocation Factor			
	Transmission Wages Expense	p354.21.b	\$	2,295,571
2	Total Wages Expense	p354.28b	\$	36,223,095
3	Less A&G Wages Expense	p354.27b	\$	1,243,809
4	Total	(Line 2 - 3)		34,979,286
5	Wages & Salary Allocator	(Line 1 / 4)		6.5627%
Plant Allocation Factors				
6	Electric Plant in Service	(Note B) p207.104g (see Attachment 5)	\$	3,605,589,602
7	Common Plant In Service - Electric	(Line 24)		0
8	Total Plant In Service	(Sum Lines 6 & 7)		3,605,589,602
9	Accumulated Depreciation (Total Electric Plant)	p219.29c (see Attachment 5)	\$	752,843,799
10	Accumulated Intangible Amortization	(Note A) p200.21c (see Attachment 5)	\$	15,279,562
11	Accumulated Common Amortization - Electric	(Note A) p356	\$	-
12	Accumulated Common Plant Depreciation - Electric	(Note A) p356	\$	-
13	Total Accumulated Depreciation	(Sum Lines 9 to 12)		768,123,361
14	Net Plant	(Line 8 - 13)		2,837,466,241
15	Transmission Gross Plant	(Line 29 - Line 28)		1,283,293,498
16	Gross Plant Allocator	(Line 15 / 8)		35.5918%
17	Transmission Net Plant	(Line 39 - Line 28)		1,035,003,451
18	Net Plant Allocator	(Line 17 / 14)		36.4763%
Plant Calculations				
Plant In Service				
19	Transmission Plant In Service	(Note B) p207.58.g	\$	1,274,493,121
20	For Reconciliation only - remove New Transmission Plant Additions for Current Calendar Year	For Reconciliation Only Attachment 6 - Enter Negative	\$	-
21	New Transmission Plant Additions for Current Calendar Year (weighted by months in service)	Attachment 6		-
22	Total Transmission Plant In Service	(Line 19 - 20 + 21)		1,274,493,121
23	General & Intangible	p205.5.g & p207.99.g (see Attachment 5)	\$	134,097,754
24	Common Plant (Electric Only)	(Notes A & B) p356	\$	-
25	Total General & Common	(Line 23 + 24)		134,097,754
26	Wage & Salary Allocation Factor	(Line 5)		6.56266%
27	General & Common Plant Allocated to Transmission	(Line 25 * 26)		8,800,377
28	Plant Held for Future Use (Including Land)	(Note C) p214		782,029
29	TOTAL Plant In Service	(Line 22 + 27 + 28)		1,284,075,527
Accumulated Depreciation				
30	Transmission Accumulated Depreciation	(Note B) p219.25.c	\$	245,046,572
31	Accumulated General Depreciation	p219.28.c (see Attachment 5)	\$	34,143,635
32	Accumulated Intangible Amortization	(Line 10)		15,279,562
33	Accumulated Common Amortization - Electric	(Line 11)		0
34	Common Plant Accumulated Depreciation (Electric Only)	(Line 12)		0
35	Total Accumulated Depreciation	(Sum Lines 31 to 34)		49,423,197
36	Wage & Salary Allocation Factor	(Line 5)		6.56266%
37	General & Common Allocated to Transmission	(Line 35 * 36)		3,243,476
38	TOTAL Accumulated Depreciation	(Line 30 + 37)		248,290,048
39	TOTAL Net Property, Plant & Equipment	(Line 29 - 38)		1,035,785,480
Adjustment To Rate Base				
Accumulated Deferred Income Taxes				
40	ADIT net of FASB 106 and 109	Attachment 1		-329,243,425
41	Accumulated Investment Tax Credit Account No. 255	Enter Negative (Notes A & I) p266.h		0
42	Net Plant Allocation Factor	(Line 18)		36.48%
43	Accumulated Deferred Income Taxes Allocated To Transmission	(Line 41 * 42) + Line 40		-329,243,425
43a	Transmission Related CWIP (Current Year 12 Month weighted average balances)	(Note B) p216.43.b as Shown on Attachment 6		0
Transmission O&M Reserves				
44	Total Balance Transmission Related Account 242 Reserves	Enter Negative Attachment 5		-2,046,990
Prepayments				
45	Prepayments	(Note A) Attachment 5		4,876,221
46	Total Prepayments Allocated to Transmission	(Line 45)		4,876,221
Materials and Supplies				
47	Undistributed Stores Exp	(Note A) p227.6c & 16.c		0
48	Wage & Salary Allocation Factor	(Line 5)		6.56%
49	Total Transmission Allocated	(Line 47 * 48)		0
50	Transmission Materials & Supplies	p227.8c	\$	1,857,041
51	Total Materials & Supplies Allocated to Transmission	(Line 49 + 50)		1,857,041
Cash Working Capital				
52	Operation & Maintenance Expense	(Line 85)		27,124,788
53	1/8th Rule	x 1/8		12.5%
54	Total Cash Working Capital Allocated to Transmission	(Line 52 * 53)		3,390,598
Network Credits				
55	Outstanding Network Credits	(Note N) From PJM		0
56	Less Accumulated Depreciation Associated with Facilities with Outstanding Network Credits	(Note N) From PJM		0
57	Net Outstanding Credits	(Line 55 - 56)		0
58	TOTAL Adjustment to Rate Base	(Line 43 + 43a + 44 + 46 + 51 + 54 - 57)		-321,166,555
59	Rate Base	(Line 39 + 58)		714,618,924

O&M				
	Transmission O&M			
60	Transmission O&M		p321.112.b (see Attachment 5)	\$ 21,706,703
61	Less extraordinary property loss		Attachment 5	0
62	Plus amortized extraordinary property loss		Attachment 5	0
63	Less Account 565		p321.96.b	\$ -
64	Plus Schedule 12 Charges billed to Transmission Owner and booked to Account 565	(Note O)	PJM Data	\$ -
65	Plus Transmission Lease Payments	(Note A)	p200.3c	\$ -
66	Transmission O&M		(Lines 60 - 63 + 64 + 65)	21,706,703
	Allocated General & Common Expenses			
67	Common Plant O&M	(Note A)	p356	\$ -
68	Total A&G		p323.197.b (see Attachment 5)	\$ 83,679,206
68a	For informational purposes: PBOB expense in FERC Account 926	(Note S)	Attachment 5	\$ 773,511
69	Less Property Insurance Account 924		p323.185b	\$ 469,686
70	Less Regulatory Commission Exp Account 928	(Note E)	p323.189b	\$ 4,783,058
71	Less General Advertising Exp Account 930.1		p323.191b	\$ 286,452
72	Less DE Enviro & Low Income and MD Universal Funds		p335.b	\$ -
73	Less EPRI Dues	(Note D)	p352-353	\$ 220,349
74	General & Common Expenses		(Lines 67 + 68) - Sum (69 to 73)	77,919,661
75	Wage & Salary Allocation Factor		(Line 5)	6.5627%
76	General & Common Expenses Allocated to Transmission		(Line 74 * 75)	5,113,601
	Directly Assigned A&G			
77	Regulatory Commission Exp Account 928	(Note G)	p323.189b	133,159
78	General Advertising Exp Account 930.1	(Note F)	p323.191b	0
79	Subtotal - Transmission Related		(Line 77 + 78)	133,159
80	Property Insurance Account 924		p323.185b	\$ 469,686
81	General Advertising Exp Account 930.1	(Note K)	p323.191b	0
82	Total		(Line 80 + 81)	469,686
83	Net Plant Allocation Factor		(Line 18)	36.48%
84	A&G Directly Assigned to Transmission		(Line 82 * 83)	171,324
85	Total Transmission O&M		(Line 66 + 76 + 79 + 84)	27,124,788
Depreciation & Amortization Expense				
	Depreciation Expense			
86	Transmission Depreciation Expense		p336.7b&c	29,624,450
87	General Depreciation		p336.10b&c (see Attachment 5)	6,449,388
88	Intangible Amortization	(Note A)	p336.1d&e (see Attachment 5)	159,633
89	Total		(Line 87 + 88)	6,609,021
90	Wage & Salary Allocation Factor		(Line 5)	6.5627%
91	General Depreciation Allocated to Transmission		(Line 89 * 90)	433,727
92	Common Depreciation - Electric Only	(Note A)	p336.11.b	0
93	Common Amortization - Electric Only	(Note A)	p356 or p336.11d	0
94	Total		(Line 92 + 93)	0
95	Wage & Salary Allocation Factor		(Line 5)	6.5627%
96	Common Depreciation - Electric Only Allocated to Transmission		(Line 94 * 95)	0
97	Total Transmission Depreciation & Amortization		(Line 86 + 91 + 96)	30,058,177
Taxes Other than Income				
98	Taxes Other than Income		Attachment 2	1,053,584
99	Total Taxes Other than Income		(Line 98)	1,053,584
Return / Capitalization Calculations				
	Long Term Interest			
100	Long Term Interest		p117.62c through 67c	62,992,469
101	Less LTD Interest on Securitization Bonds	(Note P)	Attachment 8	5,670,914
102	Long Term Interest		"(Line 100 - line 101)"	57,321,555
103	Preferred Dividends	enter positive	p118.29c	\$ -
	Common Stock			
104	Proprietary Capital		p112.16c	\$ 1,042,601,119
105	Less Preferred Stock	enter negative	(Line 114)	0
106	Less Account 216.1	enter negative	p112.12c	\$ -
107	Common Stock		(Sum Lines 104 to 106)	1,042,601,119
	Capitalization			
108	Long Term Debt		p112.17c through 21c	\$ 1,077,521,230
109	Less Loss on Reacquired Debt	enter negative	p111.81.c	\$ (5,278,948)
110	Plus Gain on Reacquired Debt	enter positive	p113.61.c	\$ -
111	Less ADIT associated with Gain or Loss	enter negative	Attachment 1	1,483,912
112	Less LTD on Securitization Bonds	(Note P) enter negative	Attachment 8	-40,506,230
113	Total Long Term Debt		(Sum Lines Lines 108 to 112)	1,033,219,964
114	Preferred Stock		p112.3c	\$ -
115	Common Stock		(Line 107)	1,042,601,119
116	Total Capitalization		(Sum Lines 113 to 115)	2,075,821,083
117	Debt %	Total Long Term Debt	(Note Q) (Line 113 / 116)	50%
118	Preferred %	Preferred Stock	(Note Q) (Line 114 / 116)	0%
119	Common %	Common Stock	(Note Q) (Line 115 / 116)	50%
120	Debt Cost	Total Long Term Debt	(Line 102 / 113)	0.0555
121	Preferred Cost	Preferred Stock	(Line 103 / 114)	0.0000
122	Common Cost	Common Stock	(Note J) Fixed	0.1050
123	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 117 * 120)	0.0277
124	Weighted Cost of Preferred	Preferred Stock	(Line 118 * 121)	0.0000
125	Weighted Cost of Common	Common Stock	(Line 119 * 122)	0.0525
126	Total Return (R)		(Sum Lines 123 to 125)	0.0802
127	Investment Return = Rate Base * Rate of Return		(Line 59 * 126)	57,340,508

Composite Income Taxes

Income Tax Rates				
128	FIT=Federal Income Tax Rate			21.00%
129	SIT=State Income Tax Rate or Composite	(Note I)		9.00%
130	p	(percent of federal income tax deductible for state purposes)	Per State Tax Code	0.00%
131	T	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		28.11%
132	T/ (1-T)			39.10%
ITC Adjustment				
133	Amortized Investment Tax Credit	(Note I)	p266.8f	\$ (363,377)
134	T/(1-T)	enter negative	(Line 132)	39.10%
135	Net Plant Allocation Factor		(Line 18)	36.4763%
136	ITC Adjustment Allocated to Transmission		(Line 133 * (1 + 134) * 135)	-184,374
137	Income Tax Component =	$CIT=(T/(1-T) * Investment\ Return * (1-(WCLTD/R)) =$	[Line 132 * 127 * (1-(123 / 126))]	14,669,867
138	Total Income Taxes		(Line 136 + 137)	14,485,493

REVENUE REQUIREMENT

Summary				
139	Net Property, Plant & Equipment		(Line 39)	1,035,785,480
140	Adjustment to Rate Base		(Line 58)	-321,166,555
141	Rate Base		(Line 59)	714,618,924
142	O&M		(Line 85)	27,124,788
143	Depreciation & Amortization		(Line 97)	30,058,177
144	Taxes Other than Income		(Line 99)	1,053,584
145	Investment Return		(Line 127)	57,340,508
146	Income Taxes		(Line 138)	14,485,493
147	Gross Revenue Requirement		(Sum Lines 142 to 146)	130,062,550
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities				
148	Transmission Plant In Service		(Line 19)	1,274,493,121
149	Excluded Transmission Facilities	(Note M)	Attachment 5	0
150	Included Transmission Facilities		(Line 148 - 149)	1,274,493,121
151	Inclusion Ratio		(Line 150 / 148)	100.00%
152	Gross Revenue Requirement		(Line 147)	130,062,550
153	Adjusted Gross Revenue Requirement		(Line 151 * 152)	130,062,550
Revenue Credits & Interest on Network Credits				
154	Revenue Credits		Attachment 3	2,245,360
155	Interest on Network Credits	(Note N)	PJM Data	-
156	Net Revenue Requirement		(Line 153 - 154 + 155)	127,817,189
Net Plant Carrying Charge				
157	Net Revenue Requirement		(Line 156)	127,817,189
158	Net Transmission Plant		(Line 19 - 30)	1,029,446,549
159	Net Plant Carrying Charge		(Line 157 / 158)	12.4161%
160	Net Plant Carrying Charge without Depreciation		(Line 157 - 86) / 158	9.5384%
161	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes		(Line 157 - 86 - 127 - 138) / 158	2.5613%
Net Plant Carrying Charge Calculation per 100 Basis Point increase in ROE				
162	Net Revenue Requirement Less Return and Taxes		(Line 156 - 145 - 146)	55,991,189
163	Increased Return and Taxes		Attachment 4	76,796,225
164	Net Revenue Requirement per 100 Basis Point increase in ROE		(Line 162 + 163)	132,787,414
165	Net Transmission Plant		(Line 19 - 30)	1,029,446,549
166	Net Plant Carrying Charge per 100 Basis Point increase in ROE		(Line 164 / 165)	12.8989%
167	Net Plant Carrying Charge per 100 Basis Point increase in ROE without Depreciation		(Line 163 - 86) / 165	10.0212%
168	Net Revenue Requirement		(Line 156)	127,817,189
169	True-up amount		Attachment 6	8,525,952
170	Plus any increased ROE calculated on Attachment 7 other than PJM Sch. 12 projects		Attachment 7	289,177
171	Facility Credits under Section 30.9 of the PJM OATT and Facility Credits paid to Vineland per settlement in ER05-515 (Note R)		Attachment 5	-
172	Net Zonal Revenue Requirement		(Line 168 - 169 + 171)	136,632,319
Network Zonal Service Rate				
173	1 CP Peak	(Note L)	PJM Data	2,541
174	Rate (\$/MW-Year)		(Line 172 / 173)	53,775
175	Network Service Rate (\$/MW/Year)		(Line 174)	53,775

Notes

- A Electric portion only
- B Exclude Construction Work In Progress and leases that are expensed as O&M (rather than amortized). New Transmission plant that is expected to be placed in service in the current calendar year weighted by number of months it is expected to be in-service. New Transmission plant expected to be placed in service in the current calendar year that is not included in the PJM Regional Transmission Plan (RTEP) must be separately detailed on Attachment 5. For the Reconciliation, new transmission plant that was actually placed in service weighted by the number of months it was actually in service CWIP will be linked to Attachment 6 which shows detail support by project (incentive and non-incentive).
- C Transmission Portion Only
- D All EPRI Annual Membership Dues
- E All Regulatory Commission Expenses
- F Safety related advertising included in Account 930.1
- G Regulatory Commission Expenses directly related to transmission service, RTO filings, or transmission siting itemized in Form 1 at 351.h.
- I The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = "the percentage of federal income tax deductible for state income taxes". If the utility includes taxes in more than one state, it must explain in Attachment 5 the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to use amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by (1/1-T). A utility must not include tax credits as a reduction to rate base and as an amortization against taxable income.

The ROE is 10.5% which includes a base ROE of 10.0% ROE per FERC order in Docket No. EL13-48 and a 50 basis point RTO membership adder as authorized by FERC: provided, that the projects identified in Docket Nos. ER08-686 and ER08-1423 have been awarded an additional 150 basis point adder and, thus, their ROE is 12.0%.
- J 686 and ER08-1423 have been awarded an additional 150 basis point adder and, thus, their ROE is 12.0%.
- K Education and outreach expenses relating to transmission, for example siting or billing
- L As provided for in Section 34.1 of the PJM OATT and the PJM established billing determinants will not be revised or updated in the annual rate reconciliations per settlement in ER05-515.
- M Amount of transmission plant excluded from rates per Attachment 5.
- N Outstanding Network Credits is the balance of Network Facilities Upgrades Credits due Transmission Customers who have made lump-sum payments (net of accumulated depreciation) towards the construction of Network Transmission Facilities consistent with Paragraph 657 of Order 2003-A. Interest on the Network Credits as booked each year is added to the revenue requirement to make the Transmisison Owner whole on Line 155.
- O Payments made under Schedule 12 of the PJM OATT that are not directly assessed to load in the Zone under Schedule 12 are included in Transmission O&M. If they are booked to Acct 565, they are included in on line 64
- P Securitization bonds may be included in the capital structure per settlement in ER05-515.
- Q ACE capital structure is initially fixed at 50% common equity and 50% debt per settlement in ER05-515 subject to moratorium provisions in the settlement.
- R Per the settlement in ER05-515, the facility credits of \$15,000 per month paid to Vineland will increase to \$37,500 per month (prorated for partial months) effective on the date FERC approves the settlement in ER05-515.
- S See Attachment 5 - Cost Support, section entitled "PBOP Expense in FERC Account 926" for additional information per FERC orders in Docket Nos. EL13-48 , EL15-27 and ER16-456.

Attachment 1- Accumulated Deferred Income Taxes (ADIT) Worksheet

	Only Transmission Related	Plant Related	Labor Related	Total ADIT
ADIT- 282	-	(942,450,108)	-	
ADIT-283	(4,331,250)	48,279	(34,109,695)	
ADIT-190	-	34,472,927	7,228,456	
Subtotal	(4,331,250)	(907,928,901)	(26,881,239)	
Wages & Salary Allocator			6.5627%	
Gross Plant Allocator		35.5918%		
ADIT	(4,331,250)	(323,148,052)	(1,764,124)	(329,243,425)

Note: ADIT associated with Gain or Loss on Reacquired Debt is included in Column A here and included in Cost of Debt on Appendix A, Line 111.

Amount (1,483,912)

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

A	B Total	C	D	E	F	G
ADIT-190		Gas, Prod or Other Related	Only Transmission Related	Plant	Labor	Justifications
190 1999 AMT	443,467	-	-	443,467	-	Reflects the deferred tax asset related to New Jersey Alternative Minimum Assessment (AMA) credit. Relates to both Transmission and Distribution.
190 Accrual Labor Related	5,077,299	-	-	-	5,077,299	Represents deferred income taxes on labor related book accruals that are only deductible for tax purposes as economic performance occurs. The deferred taxes are related to Company personnel across all functions.
190 Accrued Liab - Auto	70,036	-	-	-	70,036	These deferred taxes are the result of a deduction taken for book purposes to set aside a reserve for Auto liability claims. For tax, no deduction is permitted until the "all events" test is met, typically when payment is made. The deferred taxes related to Company personnel across all functions.
190 Accrued Liab - Misc.	3,178,991	2,352,122	-	826,869	-	Represents accrued book liabilities that can not be deducted for tax purposes until the "all events" test is met. Amounts in Gas, Production or Other Related represent deferred taxes on Unbilled Revenues which are retail related. Deferred taxes on Other Miscellaneous Accrued Liabilities relate to both Transmission and Distribution and are being allocated using both the Plant and Labor allocators.
190 Accrued Liability - General	3,102,873	2,161,580	-	941,293	-	Amounts in Gas, Production or Other Related represent deferred income taxes on Accrued Merger Commitments made as part of the 2016 merger with Exelon that have not been paid to date. These amounts are excluded from Rate Base. Other General Accrued liabilities are related to both Transmission and Distribution and are being allocated using the Plant Allocator.
190 Accumulated Deferred Investment Tax Credit	1,039,304	-	-	1,039,304	-	Pursuant to the requirements of FAS 109, ACE's accumulated deferred income taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These balances represent the deferred taxes on the Investment Tax Credit regulatory liability. Related to all plant. These amounts are removed below.
190 BAD DEBT RESERVE	4,995,180	4,995,180	-	-	-	Under the Tax Reform Act of 1986, taxpayers were required to account for bad debts using the specific write-off method. The reserve method is used for book purposes. The amount represents the deferred tax asset related to the add-back of book reserves for tax purposes.. The deferred tax asset is retail related.
190 Charitable Contribution Limit	582,061	582,061	-	-	-	ACE accrued Charitable Contribution Commitments made as part of the 2016 merger with Exelon that have not been paid to date. In addition, ACE has deducted Charitable Contributions for book purposes that could not be used in ACE's federal income tax return because of limitations caused by its tax net operating losses. Charitable Contributions are not included in Operating Income and any related deferred income taxes are excluded from Rate Base.
190 ENVIRONMENTAL EXPENSE	176,796	176,796	-	-	-	These deferred taxes are the result of a deduction taken for book purposes to set aside a reserve for environmental site clean-up expenses. For tax, no deduction is permitted until the "all events" test is met, typically when economic performance has occurred. This book reserve is primarily related to Deepwater and BL England sites which should not be in transmission service. It is Generation related.
190 OPEB	4,162,474	-	-	-	4,162,474	FAS No. 106 requires accrual basis instead of cash basis accounting for post retirement health care and life insurance benefits for book purposes. Amounts paid to participants or funded through the VEBA or 401(h) accounts are currently deductible for tax purposes. Affects Company personnel across all functions.
190 SERP	247,791	-	-	-	247,791	Represents deferred taxes for supplemental executive retirement plan ("SERP"). Accrued SERP expense is included on book but is not deductible for tax until economic performance is met.
190 Stranded Costs	1,218,428	1,218,428	-	-	-	Stranded Costs incurred when Generation was deregulated were deferred for book purposes pending collection from/refund to customers in the future. These amounts were included for tax purposes when incurred. The deferred tax asset is Generation related.
190 Use Tax Reserve	784,569	784,569	-	-	-	Represents deferred taxes for FAS 5/ASC 450 Use Tax Reserves which are not fixed and determinable and therefore not deductible for income tax purposes.
190 Federal NOL	13,246,763	-	-	13,246,763	-	Represents the deferred tax asset related to federal net operating loss carryforwards (offset by the federal benefit of state NOL carryforwards) available to offset future federal taxable income. Related to both Transmission and Distribution.
190 State NOL	21,234,578	7,304,705	-	13,929,873	-	Represents the deferred tax asset related to state net operating loss carryforwards available to offset future state taxable income. Related to both Transmission and Distribution.
190 FAS 109 Deferred Taxes - 190	406,383	-	-	406,383	-	Pursuant to the requirements of FAS 109, ACE's accumulated deferred income taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These balances represent the tax gross-up necessary for full recovery of unamortized ITC. These amoutns are removed from rate base below.
190 Gross up on TCJA FAS 109 Excess Deferred Taxes	5,770,244	-	459,854	2,712,088	2,598,303	Pursuant to the requirements of FAS 109, ACE's accumulated deferred income taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These balances represent the tax gross-up necessary for full recovery of the 2017 Tax Cuts and Jobs Act (2017) Federal Tax Rate reduction. These amounts are removed from rate base below.
190 Gross up on FAS 109 Deferred Taxes	109,423,708	-	-	109,423,708	-	Pursuant to the requirements of FAS 109, ACE's accumulated deferred income taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These balances represent the tax gross-up necessary for full recovery of the prior flow-through amounts. Related to all plant. These amounts are removed from rate base below.
190 Subtotal - p234	175,160,945	19,575,441	459,854	142,969,747	12,155,903	
Less FASB 109 Above if not separately removed	102,712,541	(7,009,106)	459,854	108,496,820	764,973	
190 Less FASB 106 Above if not separately removed	4,162,474	-	-	-	4,162,474	FAS No. 106 requires accrual basis instead of cash basis accounting for post retirement health care and life insurance benefits for book purposes. Amounts paid to participants or funded through the VEBA or 401(h) accounts are currently deductible for tax purposes. Affects company personnel across all functions.
190 Total	68,285,930	26,584,547	-	34,472,927	7,228,456	

Instructions for Account 190:
1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
2. ADIT items related only to Transmission are directly assigned to Column D
3. ADIT items related to Plant and not in Columns C & D are included in Column E
4. ADIT items related to labor and not in Columns C & D are included in Column F
5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded.
6. Re: Form 1-F filer: Sum of subtotals for Accounts 282 and 283 should tie to Form No. 1-F, p.113.57-c

A	B Total	C Gas, Prod or Other Related	D Only Transmission Related	E Plant	F Labor	G Justifications
ADIT-282						
282 Plant Related - APB 11 Deferred Taxes	(942,450,108)			(942,450,108)		This deferred tax balance relates to our plant and results from life and method differences. Related to both T & D plant.
282 CIAC	50,313,891	50,313,891				Contributions in Aid of Construction (CIAC) are a reduction to Plant for book accounting purposes, but are included in taxable income and depreciated for income tax purposes. This different book/tax treatment results in deferred income taxes which must be recorded in accordance with SFAS 109. The Company collects an income tax gross-up from the customer which is reimbursement for the time value of money on the additional tax liability incurred until such time as the amounts are fully depreciated for tax purposes. The deferred income tax asset on CIAC's is excluded from Rate Base because the underlying plant is not included in Rate Base.
282 Leased Vehicles	11,277,468	11,277,468				The Company leases its vehicles under arrangements that are treated as Operating Leases for book purposes, but financing leases for tax purposes. The differing income tax treatment between Rent Expense deducted for book purposes and tax depreciation expense deducted for income tax purposes, results in deferred income taxes being recorded on the books. Since Leased Vehicles are not included in Rate Base, the deferred income taxes are being excluded as well.
282 Plant Related - FAS109 Deferred Taxes	279,845,977	(12,427,784)	-	292,273,761		Pursuant to the requirements of FAS 109, ACE's accumulated deferred income taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These balances represent the deferred taxes on prior flow-through items. Related to all plant. These amounts are removed below.
Subtotal - p275	(601,012,772)	49,163,575	-	(650,176,347)	-	
Less FASB 109 Above if not separately removed	279,845,977	(12,427,784)	-	292,273,761	-	
Less FASB 106 Above if not separately removed	-					
282 Total	(880,858,749)	61,591,359	-	(942,450,108)	-	

Instructions for Account 282:
1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
2. ADIT items related only to Transmission are directly assigned to Column D
3. ADIT items related to Plant and not in Columns C & D are included in Column E
4. ADIT items related to labor and not in Columns C & D are included in Column F
5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded.
6. Re: Form 1-F filer: Sum of subtotals for Accounts 282 and 283 should tie to Form No. 1-F, p.113.57.c

A		B	C	D	E	F	G
ADIT-283		Total	Gas, Prod or Other Related	Only Transmission Related	Plant	Labor	Justifications
283	Accrual Labor Related	(1,458,050)	-	-	-	(1,458,050)	Represents deferred income tax liability on Vacation Accrual Regulatory Asset. The deferred taxes are related to Company personnel across all functions.
283	BGS Deferred Related - Retail	(2,615,558)	(2,615,558)	-	-	-	Relates to deferred costs associated with Basic Generation Service. Retail related.
283	Interest on Contingent Taxes	48,279	-	-	48,279	-	Estimated book interest income on prior year taxes not included in taxable income for tax purposes. Related to both Transmission and Distribution.
283	Loss on Reacquired Debt	(1,483,912)	(1,483,912)	-	-	-	The cost of bond redemption is deductible currently for tax purposes and is amortized over the life of the new bond issue for book purposes. Excluded here since included in Cost of Debt
283	Misc. Deferred Debits - Retail	(484,545)	(484,545)	-	-	-	Represents deferred taxes on miscellaneous deferred debits deducted for tax purposes in advance of book purposes. Retail related.
283	NUG BUYOUT	(6,627,894)	(6,627,894)	-	-	-	These deferred taxes relate to Regulatory Assets created during Generation deregulation. The underlying costs were deducted for tax purposes as incurred. Amortization Expense recorded for book purposes as amounts are collected from customers is reversed for tax purposes. It is Generation related.
	Other- 283	(432,517)	(432,517)				Represents deferred taxes realted to income on books not included for tax.
283	PENSION PAYMENT RESERVE	(22,468,488)	-	-	-	(22,468,488)	The Company claims tax deductions for payments made to fund its Retirement Income Plan to the extent permitted under the IRC Section 415 contribution limitations. For book purposes, Pension Plan expense is recorded in accordance with SFAS 158. This deferred tax liability reflects the difference between the tax versus book deductions. It affects Company personnel across all functions.
283	Reg Asset - FERC Formula Rate Adj. Trans. Svc	(2,980,451)	-	(2,980,451)	-	-	When a regulatory asset/liability is established, books credit/debit income, which for tax purposes needs to be reversed along with the associated amortization. The deferred tax asset is 100% Transmission related.
283	Reg Asset-NJ Rec-Base	(7,770,512)	(7,770,512)	-	-	-	When a regulatory asset/liability is established, books credit/debit income, which for tax purposes needs to be reversed along with the associated amortization. This deferred tax liability is retail related.
283	Regulatory Asset - General	2,814,050	2,814,050				For book purposes, regulatory assets are established with an increase to book income. For tax purposes the regulatory assets are not recognized and book income is reversed.
283	Regulatory Asset - NJ RGGI	(1)	(1)	-	-	-	When a regulatory asset/liability is established, books credit/debit income, which for tax purposes needs to be reversed along with the associated amortization. This deferred tax liability is retail related.
283	Regulatory Asset - SREC Program	(178,463)	(178,463)	-	-	-	Represents deferred income tax liability on the Solar Renewable Energy Certificate Program. Retail related.
283	Stranded Costs	(19,844,720)	(19,844,720)	-	-	-	These deferred taxes relate to Regulatory Assets created during Generation deregulation. The underlying costs were deducted for tax purposes as incurred. Amortization Expense recorded for book purposes as amounts are collected from customers is reversed for tax purposes. It is Generation related.
283	Subtotal - p277 (Form 1-F filer: see note 6, below)	(63,482,782)	(36,624,072)	(2,980,451)	48,279	(23,926,538)	
283	Less FASB 109 Above if not separately removed	28,684,225	17,150,270	1,350,799	-	10,183,157	
283	Less FASB 106 Above if not separately removed	-					
283	Total	(92,167,007)	(53,774,342)	(4,331,250)	48,279	(34,109,695)	

check

Instructions for Account 283:
1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
2. ADIT items related only to Transmission are directly assigned to Column D
3. ADIT items related to Plant and not in Columns C & D are included in Column E
4. ADIT items related to labor and not in Columns C & D are included in Column F
5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded.
6. Re: Form 1-F filer: Sum of subtotals for Accounts 282 and 283 should tie to Form No. 1-F, p.113.57.c

ADITC-255		Balance	Amortization
1	Rate Base Treatment		
2	Balance to line 41 of Appendix A	Total	
3	Amortization		
4	Amortization to line 133 of Appendix A	Total	3,697,280
5	Total	3,697,280	363,377
6	Form No. 1 balance (p.266) for amortization	Total Form No. 1 (p 266 & 267	3,697,280
7	Difference /1	-	-

/1 Difference must be zero

Atlantic City Electric Company

Attachment 2 - Taxes Other Than Income Worksheet

Other Taxes	Page 263 Col (i)	Allocator	Allocated Amount
Plant Related		Gross Plant Allocator	
1 Real property (State, Municipal or Local)	2,444,578		
2 Personal property	-		
3 City License	-		
4 Federal Excise	14,173		
Total Plant Related	2,458,751	35.5918%	875,113
Labor Related		Wages & Salary Allocator	
5 Federal FICA & Unemployment	2,487,661		
6 Unemployment(State)	214,003		
Total Labor Related	2,701,664	6.5627%	177,301
Other Included		Gross Plant Allocator	
7 Miscellaneous	3,286		
Total Other Included	3,286	35.5918%	1,170
Total Included			1,053,584
Excluded			
8 State Franchise tax	-		
9 TEFA	-		
10 Use & Sales Tax	1,140,217		
10.1 Excluded merger costs in line 5	15		
11 Total "Other" Taxes (included on p. 263)	6,303,933		
12 Total "Taxes Other Than Income Taxes" - acct 408.10 (p. 114.14)	<u>6,303,933</u>		
13 Difference	-		

Criteria for Allocation:

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

Atlantic City Electric Company

Attachment 3 - Revenue Credit Workpaper

Account 454 - Rent from Electric Property

1 Rent from Electric Property - Transmission Related (Note 3)		966,076
2 Total Rent Revenues	(Sum Line 1)	966,076

Account 456 - Other Electric Revenues (Note 1)

3 Schedule 1A		\$ 816,004
4 Net revenues associated with Network Integration Transmission Service (NITS) for which the load is not included in the divisor (difference between NITS credits from PJM and PJM NITS charges paid by Transmission Owner) (Note 4)		-
5 Point to Point Service revenues for which the load is not included in the divisor received by Transmission Owner (Note 4)		462,720
6 PJM Transitional Revenue Neutrality (Note 1)		-
7 PJM Transitional Market Expansion (Note 1)		-
8 Professional Services (Note 3)		-
9 Revenues from Directly Assigned Transmission Facility Charges (Note 2)		619,380
10 Rent or Attachment Fees associated with Transmission Facilities (Note 3)		-
11 Gross Revenue Credits	(Sum Lines 2-10)	2,864,180
12 Less line 17g		(618,820)
13 Total Revenue Credits		2,245,360

Revenue Adjustment to determine Revenue Credit

- 14 Note 1: All revenues related to transmission that are received as a transmission owner (i.e., not received as a LSE), for which the cost of the service is recovered under this formula, except as specifically provided for elsewhere in this Attachment or elsewhere in the formula will be included as a revenue credit or included in the peak on line 173 of Appendix A.
- 15 Note 2: If the costs associated with the Directly Assigned Transmission Facility Charges are included in the Rates, the associated revenues are included in the Rates. If the costs associated with the Directly Assigned Transmission Facility Charges are not included in the Rates, the associated revenues are not included in the Rates.
- 16 Note 3: Ratemaking treatment for the following specified secondary uses of transmission assets: (1) right-of-way leases and leases for space on transmission facilities for telecommunications; (2) transmission tower licenses for wireless antennas; (3) right-of-way property leases for farming, grazing or nurseries; (4) licenses of intellectual property (including a portable oil degasification process and scheduling software); and (5) transmission maintenance and consulting services (including energized circuit maintenance, high-voltage substation maintenance, safety training, transformer oil testing, and circuit breaker testing) to other utilities and large customers (collectively, products). Company will retain 50% of net revenues consistent with Pacific Gas and Electric Company, 90 FERC ¶ 61,314. Note: in order to use lines 17a - 17g, the utility must track in separate subaccounts the revenues and costs associated with each secondary use (except for the cost of the associated income taxes).

17a Revenues included in lines 1-11 which are subject to 50/50 sharing.		966,076
17b Costs associated with revenues in line 17a	Attachment 5 - Cost Support	271,564
17c Net Revenues (17a - 17b)		694,512
17d 50% Share of Net Revenues (17c / 2)		347,256
17e Costs associated with revenues in line 17a that are included in FERC accounts recovered through the formula times the allocator used to functionalize the amounts in the FERC account to the transmission service at issue.		-
17f Net Revenue Credit (17d + 17e)		347,256
17g Line 17f less line 17a		(618,820)
18 Note 4: If the facilities associated with the revenues are not included in the formula, the revenue is shown here but not included in the total above and is explained in the Cost Support; for example revenues associated with distribution facilities. In addition, Revenues from Schedule 12 are not included in the total above to the extent they are credited under Schedule 12.		9,741,348
19 Amount offset in line 4 above		133,095,697
20 Total Account 454, 456 and 456.1		145,701,225
21 Note 4: SECA revenues booked in Account 447.		

Atlantic City Electric Company

Attachment 4 - Calculation of 100 Basis Point Increase in ROE

A	Return and Taxes with 100 Basis Point increase in ROE 100 Basis Point increase in ROE and Income Taxes	(Line 127 + Line 138)	76,796,225
B	100 Basis Point increase in ROE		1.00%

Return Calculation

59	Rate Base		(Line 39 + 58)	714,618,924	
	Long Term Interest				
100	Long Term Interest		p117.62c through 67c	62,992,469	
101	Less LTD Interest on Securitization Bonds (Note P)		Attachment 8	5,670,914	
102	Long Term Interest		"(Line 100 - line 101)"	57,321,555	
103	Preferred Dividends	enter positive	p118.29c	0	
	Common Stock				
104	Proprietary Capital		p112.16c	1,042,601,119	
105	Less Preferred Stock	enter negative	(Line 114)	0	
106	Less Account 216.1	enter negative	p112.12c	0	
107	Common Stock		(Sum Lines 104 to 106)	1,042,601,119	
	Capitalization				
108	Long Term Debt		p112.17c through 21c	1,077,521,230	
109	Less Loss on Reacquired Debt	enter negative	p111.81.c	-5,278,948	
110	Plus Gain on Reacquired Debt	enter positive	p113.61.c	0	
111	Less ADIT associated with Gain or Loss	enter negative	Attachment 1	1,483,912	
112	Less LTD on Securitization Bonds	enter negative	Attachment 8	-40,506,230	
113	Total Long Term Debt		(Sum Lines Lines 108 to 112)	1,033,219,964	
114	Preferred Stock		p112.3c	0	
115	Common Stock		(Line 107)	1,042,601,119	
116	Total Capitalization		(Sum Lines 113 to 115)	2,075,821,083	
117	Debt %	(Note Q from Appendix A)	Total Long Term Debt	(Line 113 / 116)	50%
118	Preferred %	(Note Q from Appendix A)	Preferred Stock	(Line 114 / 116)	0%
119	Common %	(Note Q from Appendix A)	Common Stock	(Line 115 / 116)	50%
120	Debt Cost		Total Long Term Debt	(Line 102 / 113)	0.0555
121	Preferred Cost		Preferred Stock	(Line 103 / 114)	0.0000
122	Common Cost	(Note J from Appendix A)	Common Stock	Appendix A % plus 100 Basis Pts	0.1150
123	Weighted Cost of Debt		Total Long Term Debt (WCLTD)	(Line 117 * 120)	0.0277
124	Weighted Cost of Preferred		Preferred Stock	(Line 118 * 121)	0.0000
125	Weighted Cost of Common		Common Stock	(Line 119 * 122)	0.0575
126	Total Return (R)		(Sum Lines 123 to 125)	0.0852	
127	Investment Return = Rate Base * Rate of Return		(Line 59 * 126)	60,913,602	

Composite Income Taxes

(Note L)

	Income Tax Rates			
128	FIT=Federal Income Tax Rate			21.00%
129	SIT=State Income Tax Rate or Composite			9.00%
130	p = percent of federal income tax deductible for state purposes		Per State Tax Code	0.00%
131	T	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		28.11%
132	T / (1-T)			39.10%
	ITC Adjustment			
133	Amortized Investment Tax Credit	enter negative	p266.8f	-363,377
134	T/(1-T)		(Line 132)	39.10%
135	Net Plant Allocation Factor		(Line 18)	36.4763%
136	ITC Adjustment Allocated to Transmission	(Note I from Appendix A)	(Line 133 * (1 + 134) * 135)	-184,374
137	Income Tax Component =	$CIT=(T/(1-T) * Investment Return * (1-(WCLTD/R))) =$		16,066,997
138	Total Income Taxes			15,882,623

Atlantic City Electric Company

Attachment 5 - Cost Support

Electric / Non-electric Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Electric Portion	Non-electric Portion	Details
Plant Allocation Factors							
10	Accumulated Intangible Amortization	(Note A)	p200.21c (see Attachm	15,293,580	15,293,580	0	Respondent is Electric Utility only.
11	Accumulated Common Amortization - Electric	(Note A)	p356	0	0	0	
12	Accumulated Common Plant Depreciation - Electric	(Note A)	p356	0	0	0	
Plant In Service							
24	Common Plant (Electric Only)	(Notes A & B)	p356	0	0	0	
Accumulated Deferred Income Taxes							
41	Accumulated Investment Tax Credit Account No. 255	(Notes A & I)	p266.h	3,697,280	3,697,280	0	Respondent is Electric Utility only.
Materials and Supplies							
47	Undistributed Stores Exp	(Note A)	p227.6c & 16.c	0	0	0	Respondent is Electric Utility only.
Allocated General & Common Expenses							
65	Plus Transmission Lease Payments	(Note A)	p200.3c	0			
67	Common Plant O&M	(Note A)	p356	0	0	0	
Depreciation Expense							
88	Intangible Amortization	(Note A)	p336.1d&e	173,651	173,651	0	Respondent is Electric Utility only.
92	Common Depreciation - Electric Only	(Note A)	p336.11.b	0	0	0	
93	Common Amortization - Electric Only	(Note A)	p356 or p336.11d	0	0	0	

Transmission / Non-transmission Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Transmission Related	Non-transmission Related	Details
28	Plant Held for Future Use (Including Land)	(Note C)	p214	12,883,207	782,029	12,101,178	Transmission Right of Way - Carll's Corner to Landis

CWIP & Expensed Lease Worksheet

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	CWIP In Form 1 Amount	Expensed Lease in Form 1 Amount	Details
Plant Allocation Factors							
6	Electric Plant in Service	(Note B)	p207.104g	3,607,191,404	0	0	See ARO Exclusion - Cost Support section below for Electric Plant in Servie without AROs
Plant In Service							
19	Transmission Plant In Service	(Note B)	p207.58.g	1,274,493,121	0	0	
24	Common Plant (Electric Only)	(Notes A & B)	p356	0	0	0	See Form 1
Accumulated Depreciation							
30	Transmission Accumulated Depreciation	(Note B)	p219.25.c	245,046,572	0	0	See Form 1

EPRI Dues Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	EPRI Dues	Details
Allocated General & Common Expenses						
73	Less EPRI Dues	(Note D)	p352-353	220,349	220,349	See Form 1

Atlantic City Electric Company

Attachment 5 - Cost Support

Regulatory Expense Related to Transmission Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Transmission Related	Non-transmission Related	Details
70	Allocated General & Common Expenses Less Regulatory Commission Exp Account 928	(Note E)	p323.189b	4,783,058	133,159	4,649,899	FERC Form 1 page 351 line 6 (h) and 7 (h)
77	Directly Assigned A&G Regulatory Commission Exp Account 928	(Note G)	p323.189b	4,783,058	133,159	4,649,899	FERC Form 1 page 351 line 6 (h) and 7 (h)

Safety Related Advertising Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Safety Related	Non-safety Related	Details
81	Directly Assigned A&G General Advertising Exp Account 930.1	(Note K)	p323.191b	286,452	-	286,452	None

MultiState Workpaper

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				State 1	State 2	State 3	State 4	State 5	Details
129	Income Tax Rates SIT=State Income Tax Rate or Composite	(Note I)	9.0000%	NJ 9.00%	PA 9.990%				Enter Calculation Apportioned: NJ 100.0000%, PA 0.0000%

Education and Out Reach Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Education & Outreach	Other	Details
78	Directly Assigned A&G General Advertising Exp Account 930.1	(Note F)	p323.191b	286,452	-	286,452	None

Excluded Plant Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Excluded Transmission Facilities	Description of the Facilities
149	Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities Excluded Transmission Facilities	(Note M)	Attachment 5	-	General Description of the Facilities
Instructions:				Enter \$	None
1 Remove all investment below 69 kV or generator step up transformers included in transmission plant in service that are not a result of the RTEP Process					
2 If unable to determine the investment below 69kV in a substation with investment of 69 kV and higher as well as below 69 kV, the following formula will be used:				Or	
Example				Enter \$	
A Total investment in substation					
B Identifiable investment in Transmission (provide workpapers)					
C Identifiable investment in Distribution (provide workpapers)					
D Amount to be excluded (A x (C / (B + C)))					
Add more lines if necessary					

Atlantic City Electric Company

Attachment 5 - Cost Support

Outstanding Network Credits Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Outstanding Network Credits	Description of the Credits
55	Network Credits Outstanding Network Credits	(Note N)	From PJM	Enter \$ 0	General Description of the Credits None
56	Less Accumulated Depreciation Associated with Facilities with Outstanding Network Credits	(Note N)	From PJM	0	None Add more lines if necessary

Transmission Related Account 242 Reserves

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Total	Allocation	Transmission Related	Details
44	Transmission Related Account 242 Reserves (exclude current year environmental site related reserves)			Enter \$		Amount	
	Directly Assignable to Transmission			0	100%	-	
	Labor Related, General plant related or Common Plant related			15,238,358	6.56%	1,000,041	
	Plant Related			2,941,546	35.59%	1,046,949	
	Other				0.00%	-	
	Total Transmission Related Reserves			18,179,904		2,046,990	

Prepayments

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Description of the Prepayments	
45	Prepayments			Prepaid Pension is recorded in FERC account 186 (see FERC Form 1 page 233). Add more lines if necessary	
5	Wages & Salary Allocator	6.563%	To Line 45		
	Pension Liabilities, if any, in Account 242	-	-		
	Prepayments	\$ 371,936	6.563% 24,409		
	Prepaid Pensions if not included in Prepayments	\$ 73,930,586	6.563% 4,851,812		
		74,302,522	4,876,221		

Extraordinary Property Loss

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Amount	Number of years	Amortization	w/ interest
61	Less extraordinary property loss		Attachment 5	\$ -			
62	Plus amortized extraordinary property loss		Attachment 5		5	\$ -	\$ -

Atlantic City Electric Company

Attachment 5 - Cost Support

Interest on Outstanding Network Credits Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Interest on Network Credits	Description of the Interest on the Credits
155	Revenue Credits & Interest on Network Credits Interest on Network Credits	(Note N)	PJM Data	0 Enter \$	General Description of the Credits None Add more lines if necessary

Facility Credits under Section 30.9 of the PJM OATT and Facility Credits paid to Vineland per settlement in ER05-515 (Note R)

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Amount	Description & PJM Documentation
171	Net Revenue Requirement Facility Credits under Section 30.9 of the PJM OATT and Facility Credits paid to Vineland per settlement in ER05-515 (Note R)			-	Settlement agreement.

PJM Load Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				1 CP Peak	Description & PJM Documentation
173	Network Zonal Service Rate 1 CP Peak	(Note L)	PJM Data	2,540.8	See Form 1

Statements BG/BH (Present and Proposed Revenues)

Customer	Billing Determinants	Current Rate	Proposed Rate	Current Revenues	Proposed Revenues	Change in Revenues
ACE zone						
Total						

Supporting documentation for FERC Form 1 reconciliation

Compliance with FERC Order on the Exelon Merger						
Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Merger Costs	Non Merger Related
6	Electric Plant in Service		p207.104g	3,607,191,404	157,222	3,607,034,182
9	Accumulated Depreciation (Total Electric Plant)		p219.29c	753,019,802	198	753,019,604
10	Accumulated Intangible Amortization		p200.21c	15,293,580	14,018	15,279,562
23	General & Intangible		p205.5.g & p207.99.g	134,744,748	157,222	134,587,526
60	Transmission O&M		p321.112.b	21,789,347	82,644	21,706,703
68	Total A&G		p323.197.b	79,823,542	(3,855,664)	83,679,206
87	General Depreciation		p336.10b&c	6,449,586	198	6,449,388
88	Intangible Amortization		p336.1d&e	173,651	14,018	159,633

ARO Exclusion - Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	ARO's	Non-ARO's	
6	Electric Plant in Service		p207.104g	3,607,191,404	1,444,581	3,605,746,823	Distribution ARO-\$954,809 and General & Intangible ARO-\$489,772
9	Accumulated Depreciation (Total Electric Plant)		p219.29c	753,019,802	175,805	752,843,997	Distribution ARO-\$113,267 and General ARO-\$62,538

Atlantic City Electric Company

Attachment 5 - Cost Support

23	General & Intangible	p205.5.g & p207.99.g	134,744,748	489,772	134,254,976	General & Intangible ARO-\$489,772
31	Accumulated General Depreciation	p219.28.c	34,206,372	62,538	34,143,834	General ARO-\$62,538

ARO & Merger Related Exclusion - Cost Support						
Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions			Form 1 Amount	ARO's	Merger Costs	Non-ARO's & Non Merger Related
6	Electric Plant in Service	p207.104g	3,607,191,404	1,444,581	157,222	3,605,589,602 Distribution ARO-\$954,809, General & Intangible ARO-\$489,772 and Intangible Merger Cost \$157,222
9	Accumulated Depreciation (Total Electric Plant)	p219.29c	753,019,802	175,805	198	752,843,799 Distribution ARO-\$113,267 and General ARO-\$62,538 and General Merger Cost \$198
23	General & Intangible	p205.5.g & p207.99.g	134,744,748	489,772	157,222	134,097,754 General & Intangible ARO-\$489,772 and Intangible Merger Cost \$157,222
31	Accumulated General Depreciation	p219.28.c	34,206,372	62,538	198	34,143,635 General ARO-\$62,538 and General Merger Cost \$198

PBOP Expense in FERC 926						
Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions			Total A&G Form 1 Amount	Account 926 Form 1 Amount	PBOP in FERC 926 current rate year	PBOP in FERC 926 prior rate year Explanation of change in PBOP in FERC 926
68	Total A&G	Total: p.323.197.b Account 926: p.323.187.b and c	79,823,542	14,039,705	773,511	1,000,545 The actuarially determined amount of OPEB expense in FERC 926 decreased \$.227 million from the prior year; the decrease primarily represents a (\$0.2 million) decrease in service cost primarily due to (i) change in the discount rate from 3.80% in 2016 to 4.0% in 2017 and (ii) updated census data, (\$0.3 million) increase in expected return on plan assets due to year over year assets growth, offset by \$0.1 million increase in amortization of unregonized gain/loss. This decrease was offset by a \$0.183 million decrease in OPEB costs directly charged to capital or other income deduction accounts (i.e. below the line).

Attachment 3 - Revenue Credit Workpaper

17b	Costs associated with revenues in line 17a	\$	271,564
	Revenue Subject to 50/50 sharing (Attachment 3 - line 17a)	\$	966,076
	Federal Income Tax Rate		21.00%
	Federal Tax on Revenue subject to 50/50 sharing		202,876
	Net Revenue subject to 50/50 sharing		763,200
	Composite State Income Tax Rate		9.000%
	State Tax on Revenue subject to 50/50 sharing		68,688
	Total Tax on Revenue subject to 50/50 sharing	\$	271,564

Atlantic City Electric Company

Attachment 5a - Allocations of Costs to Affiliate

	Delmarva Power	Atlantic City	Pepco	Non - Regulated	Total
Executive Management	6,721,922	6,040,279	11,559,004	2,731,918	27,053,123
Procurement & Administrative Services	5,753,548	4,160,116	8,276,756	3,721,474	21,911,894
Financial Services & Corporate Expenses	16,768,656	13,558,856	23,867,875	15,207,024	69,402,411
Insurance Coverage and Services	292,642	563,869	(390,363)	(5,012)	461,136
Human Resources	(1,116,564)	(1,258,037)	(540,100)	5,485,522	2,570,821
Legal Services	2,170,665	1,000,599	4,150,743	6,816,457	14,138,464
Customer Services	52,746,755	47,419,527	45,717,038	2,626	145,885,946
Information Technology	17,257,383	13,248,946	32,727,761	10,871,056	74,105,146
External Affairs	3,411,728	2,935,223	5,190,824	626,833	12,164,608
Environmental Services	2,358,711	2,065,133	2,509,472	346	6,933,662
Safety Services	481,504	493,828	775,837		1,751,169
Regulated Electric & Gas T&D	44,391,825	35,785,749	58,175,755	2,973,981	141,327,310
Internal Consulting Services	241,911	194,452	414,624		850,987
Interns	174,619	133,726	128,150		436,495
Cost of Benefits	13,261,385	8,972,178	22,145,832		44,379,395
Building Services	146,800	96,476	4,309,323	849,170	5,401,769
Total	\$ 165,063,490	\$ 135,410,920	\$ 219,018,531	\$ 49,281,395	\$ 568,774,336

Name of Respondent PHI Service Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Resubmission Date (Mo, Da, Yr) / /	Year/Period of Report Dec 31, 2017
Schedule XVII - Analysis of Billing - Associate Companies (Account 457)					
1. For services rendered to associate companies (Account 457), list all of the associate companies.					
Line No.	Name of Associate Company (a)	Account 457.1 Direct Costs Charged (b)	Account 457.2 Indirect Costs Charged (c)	Account 457.3 Compensation For Use of Capital (d)	Total Amount Billed (e)
1	Potomac Electric Company	54,658,874	164,339,096	20,561	219,018,531
2	Delmarva Power & Light Company	43,878,996	121,169,503	14,991	165,063,490
3	Atlantic City Electric Company	29,283,609	106,115,313	11,998	135,410,920
4	Exelon Business Services Company, LLC	47,134,513			47,134,513
5	Pepco Energy Services, Inc	415,765	1,111,189		1,526,954
6	Pepco Holdings LLC	45,859	490,907	268	537,034
7	Atlantic Southern Properties, Inc	2,419	39,576		41,995
8	Connectiv Properties & Investments, Inc	250	29,336		29,586
9	Atlantic City Electric Transition Funding, LLC	2,895	2,847	4	5,746
10	Connectiv Holding Company, Inc.	3,279			3,279
11	Potomac Capital Investments Corporation	1,623	255		1,878
12	Connectiv Thermal Systems, Inc.		410		410
13					
14					
15					
16					
17					
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26					
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29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40	Total	175,428,082	393,298,432	47,822	568,774,336

Service Company Billing Analysis by Utility FERC Account
YTD Dec 2017
Total PHI

FERC Accounts	FERC Account Name	DPL	ACE	PEPCO	Non-Utility	Total	Inclusion in ATRR
107	Constr Work In Progress	26,393,027	20,238,001	36,545,201	-	83,176,229	Not included
182.3	Other Regulatory Assets	2,372,237	217,458	7,097,229	-	9,686,924	Not included
184	Clearing Accounts - Other	290,866	240,842	743,443	(623,559)	651,592	Not included
408.1	Taxes other than inc taxes, utility operating inc	1,821	705	1,742	-	4,268	Wage & Salary Factor
416-421.2	Other Income -Below the Line	791,529	668,026	953,108	49,904,954	52,317,617	Not included
426.1-426.5	Other Income Deductions - Below the Line	793,436	612,278	1,127,607	-	2,533,321	Not included
430	Interest-Debt to Associated Companies	33,667	27,028	45,561	-	106,256	Not included
431	Interest-Short Term Debt	(16,005)	(12,879)	(21,440)	-	(50,324)	Not included
556	System cont & load dispatch	1,762,459	1,397,736	1,967,404	-	5,127,599	Not included
557	Other expenses	1,289,456	1,123,936	1,209,338	-	3,622,730	Not included
560	Operation Supervision & Engineering	3,383,115	3,135,496	4,630,184	-	11,148,795	100% included
561.1	Load Dispatching - Reliability	14,659	9,981	-	-	24,640	100% included
561.2	Load Dispatch - Monitor & Operate Transmission Sys	67,228	19,453	727,609	-	814,290	100% included
561.3	Load Dispatch - Transmission Service & Scheduling	33,317	44,911	29,401	-	107,629	100% included
561.5	Reliability, Planning and Standards	348,426	219,013	131,562	-	699,001	100% included
563	Overhead line expenses	-	-	225	-	225	100% included
562	Station expenses	-	-	6,587	-	6,587	100% included
564	Underground Line Expenses - Transmission	-	-	525	-	525	100% included
566	Miscellaneous transmission expenses	964,413	829,555	916,409	-	2,710,377	100% included
568	Maintenance Supervision & Engineering	131,952	100,446	465,203	-	697,601	100% included
569	Maint of structures	6,463	6,993	7,169	-	20,625	100% included
569.2	Maintenance of Computer Software	646,321	311,341	457,266	-	1,414,928	100% included
569.4	Maintenance of Transmission Plant	-	-	4	-	4	100% included
570	Maintenance of station equipment	177,361	64,923	367,252	-	609,536	100% included
571	Maintenance of overhead lines	393,340	286,999	590,906	-	1,271,245	100% included
572	Maintenance of underground lines	194	172	1,137	-	1,503	100% included
573	Maintenance of miscellaneous transmission plant	15,358	28,110	145,477	-	188,945	100% included
575.5	Ancillary services market administration	-	-	8,945	-	8,945	Not included
580	Operation Supervision & Engineering	1,205,549	900,876	1,342,800	-	3,449,225	Not included
581	Load dispatching	1,088,271	408,220	1,622,032	-	3,118,523	Not included
582	Station expenses	519,935	-	127,953	-	647,888	Not included
583	Overhead line expenses	79,339	179,386	37,971	-	296,696	Not included
584	Underground line expenses	35,984	-	181,498	-	217,482	Not included
585	Street lighting	1,575	-	27	-	1,602	Not included
586	Meter expenses	709,279	447,257	1,114,080	-	2,270,616	Not included
587	Customer installations expenses	345,833	349,544	1,003,345	-	1,698,722	Not included
588	Miscellaneous distribution expenses	3,807,435	4,244,289	6,809,195	-	14,860,919	Not included
589	Rents	80,562	409	77,296	-	158,267	Not included
590	Maintenance Supervision & Engineering	948,744	573,387	499,410	-	2,021,541	Not included
591	Maintain structures	7,013	6,792	6,974	-	20,779	Not included
592	Maintain equipment	353,360	427,768	916,673	-	1,697,801	Not included
593	Maintain overhead lines	1,754,068	1,231,469	1,850,015	-	4,835,552	Not included
594	Maintain underground line	129,627	69,299	728,487	-	927,413	Not included
595	Maintain line transformers	2,257	-	150,585	-	152,842	Not included
596	Maintain street lighting & signal systems	41,343	36,511	6,306	-	84,160	Not included
597	Maintain meters	164,705	34,459	132,584	-	331,748	Not included
598	Maintain distribution plant	44,155	20,222	574,205	-	638,582	Not included
800-894	Total Gas Accounts	2,355,199	-	-	-	2,355,199	Not included
902	Meter reading expenses	144,273	36,799	129,651	-	310,723	Not included
903	Customer records and collection expenses	50,866,226	47,660,833	48,331,246	-	146,858,305	Not included
907	Supervision - Customer Svc & Information	88	156,520	42,124	-	198,732	Not included
908	Customer assistance expenses	1,897,100	652,072	545,344	-	3,094,516	Not included
909	Informational & instructional advertising	524,046	539,891	834,890	-	1,898,827	Not included
912	Demonstrating and selling expense	161,461	-	-	-	161,461	Not included
913	Advertising expense	40,738	-	-	-	40,738	Not included
920	Administrative & General salaries	339,115	100,744	689,110	-	1,128,969	Wage & Salary Factor
921	Office supplies & expenses	240	712	361	-	1,313	Wage & Salary Factor
923	Outside services employed	46,996,640	42,150,533	75,985,080	-	165,132,253	Wage & Salary Factor
924	Property insurance	113	91	154	-	358	Net Plant Factor
926	Employee pensions & benefits	7,809,871	4,323,683	12,245,344	-	24,378,898	Wage & Salary Factor
928	Regulatory commission expenses	1,470,858	492,412	2,686,522	-	4,649,792	Direct Transmission Only
929	Duplicate charges-Credit	422,348	150,426	1,117,064	-	1,689,838	Wage & Salary Factor
930.1	General ad expenses	208	186	356	-	750	Direct Transmission Only
930.2	Miscellaneous general expenses	518,497	510,021	999,424	-	2,027,942	Wage & Salary Factor
935	Maintenance of general plant	302,795	135,585	75,371	-	513,751	Wage & Salary Factor
Total		165,063,490	135,410,920	219,018,531	49,281,395	568,774,336	

Atlantic City Electric Company

Attachment 6 - Estimate and Reconciliation Worksheet

Step Month Year Action

Exec Summary

- 1

April

Year 2

TO populates the formula with Year 1 data from FERC Form 1 data for Year 1 (e.g., 2004)
- 2

April

Year 2

TO estimates all transmission Cap Adds and CWIP for Year 2 weighted based on Months expected to be in service in Year 2 (e.g., 2005)
- 3

April

Year 2

TO adds weighted Cap Adds to plant in service in Formula
- 4

May

Year 2

Post results of Step 3 on PJM web site
- 5

June

Year 2

Results of Step 3 go into effect for the Rate Year 1 (e.g., June 1, 2005 - May 31, 2006)
- 6

April

Year 3

TO populates the formula with Year 2 data from FERC Form 1 for Year 2 (e.g., 2005)
- 7

April

Year 3

Reconciliation - TO calculates Reconciliation by removing from Year 2 data - the total Cap Adds placed in service in Year 2 and adding weighted average in Year 2 actual Cap Adds and CWIP in Reconciliation (adjusted to include any Reconciliation amount from prior year)
- 8

April

Year 3

TO estimates Cap Adds and CWIP during Year 3 weighted based on Months expected to be in service in Year 3 (e.g., 2006)
- 9

April

Year 3

Reconciliation - TO adds the difference between the Reconciliation in Step 7 and the forecast in Line 5 with interest to the result of Step 7 (this difference is also added to Step 8 in the subsequent year)
- 10

May

Year 3

Post results of Step 9 on PJM web site
- 11

June

Year 3

Results of Step 9 go into effect for the Rate Year 2 (e.g., June 1, 2006 - May 31, 2007)

- 1

April

Year 2

TO populates the formula with Year 1 data from FERC Form 1 data for Year 1 (e.g., 2004)

134,969,330

Rev Req based on Year 1 data

Must run Appendix A to get this number (without inputs in lines 20, 21 or 43a of Appendix A)

- 2

April

Year 2

TO estimates all transmission Cap Adds and CWIP for Year 2 weighted based on Months expected to be in service in Year 2 (e.g., 2005)

		(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
		Monthly Additions	Monthly Additions	Monthly Additions	Monthly Additions		Other Plant In Service	Other Plant In Service	MAPP CWIP	MAPP In Service	Other Plant In Service	Other Plant In Service	MAPP CWIP	MAPP In Service
		Other Plant In Service	Other Plant In Service	MAPP CWIP	MAPP In Service	Weighting	Amount (A x E)	Amount (B x E)	Amount (C x E)	Amount (D x E)	(F / 12)	(G / 12)	(H / 12)	(I / 12)
	Jan					11.5	-	-	-	-	-	-	-	-
	Feb					10.5	-	-	-	-	-	-	-	-
	Mar	6,321,892				9.5	60,057,974	-	-	-	5,004,831	-	-	-
	Apr	4,268,041				8.5	36,278,349	-	-	-	3,023,196	-	-	-
	May					7.5	-	-	-	-	-	-	-	-
	Jun	11,688,559				6.5	75,975,634	-	-	-	6,331,303	-	-	-
	Jul					5.5	-	-	-	-	-	-	-	-
	Aug					4.5	-	-	-	-	-	-	-	-
	Sep					3.5	-	-	-	-	-	-	-	-
	Oct					2.5	-	-	-	-	-	-	-	-
	Nov					1.5	-	-	-	-	-	-	-	-
	Dec					0.5	-	-	-	-	-	-	-	-
	Total	22,278,492	-	-	-		172,311,956	-	-	-	14,359,330	-	-	-
	New Transmission Plant Additions and CWIP (weighted by months in service)										14,359,330	-	-	-
									Input to Line 21 of Appendix A		14,359,330	-		-
									Input to Line 43a of Appendix A				-	-
									Month In Service or Month for CWIP		4.27	#DIV/0!	#DIV/0!	#DIV/0!

- 3

April

Year 2

TO adds weighted Cap Adds to plant in service in Formula

\$ 14,359,330

Input to Formula Line 21

- 4

May

Year 2

Post results of Step 3 on PJM web site

136,237,027

Must run Appendix A to get this number (with inputs on lines 21 and 43a of Attachment A)

- 5

June

Year 2

Results of Step 3 go into effect for the Rate Year 1 (e.g., June 1, 2005 - May 31, 2006)

\$ 136,237,027

- 6

April

Year 3

TO populates the formula with Year 2 data from FERC Form 1 for Year 2 (e.g., 2005)

139,451,889

Rev Req based on Prior Year data

Must run Appendix A to get this number (without inputs in lines 20, 21 or 43a of Appendix A)

7 April Year 3 Reconciliation - TO calculates Reconciliation by removing from Year 2 data - the total Cap Adds placed in service in Year 2 and adding weighted average in Year 2 actual Cap Adds and CWIP in Reconciliation (adjusted to include any Reconciliation amount from prior year)

Remove all Cap Adds placed in service in Year 2

For Reconciliation only - remove actual New Transmission Plant Additions for Year 2 \$ 165,916,002 Input to Formula Line 20

Add weighted Cap Adds actually placed in service in Year 2

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	
	Monthly Additions	Monthly Additions	Monthly Additions	Monthly Additions		Other Plant In Service	Other Plant In Service	MAPP CWIP	MAPP In Service	Other Plant In Service	Other Plant In Service	MAPP CWIP	MAPP In Service	
	Other Plant In Service	Other Plant In Service	MAPP CWIP	MAPP In Service	Weighting	Amount (A x E)	Amount (B x E)	Amount (C x E)	Amount (D x E)	(F / 12)	(G / 12)	(H / 12)	(I / 12)	
Jan	511,099				11.5	5,877,635	-	-	-	489,803	-	-	-	
Feb	23,017,869				10.5	241,687,625	-	-	-	20,140,635	-	-	-	
Mar	12,390,468				9.5	117,709,450	-	-	-	9,809,121	-	-	-	
Apr	3,126,413				8.5	26,574,509	-	-	-	2,214,542	-	-	-	
May	43,195,708				7.5	323,967,808	-	-	-	26,997,317	-	-	-	
Jun	19,857,062				6.5	129,070,901	-	-	-	10,755,908	-	-	-	
Jul	1,066,553				5.5	5,866,044	-	-	-	488,837	-	-	-	
Aug	(1,192,298)				4.5	(5,365,340)	-	-	-	(447,112)	-	-	-	
Sep	16,096,775				3.5	56,338,711	-	-	-	4,694,893	-	-	-	
Oct	21,329,923				2.5	53,324,807	-	-	-	4,443,734	-	-	-	
Nov	1,960,383				1.5	2,940,575	-	-	-	245,048	-	-	-	
Dec	24,556,048				0.5	12,278,024	-	-	-	1,023,169	-	-	-	
Total	165,916,002	-	-	-		970,270,749	-	-	-	80,855,896	-	-	-	
New Transmission Plant Additions and CWIP (weighted by months in service)										80,855,896	-	-	-	
										Input to Line 21 of Appendix A	80,855,896	-	-	80,855,896
										Input to Line 43a of Appendix A		-	-	-
										Month In Service or Month for CWIP	6.15	#DIV/0!	#DIV/0!	#DIV/0!
131,992,058	Result of Formula for Reconciliation													
Must run Appendix A with cap adds in line 21 & line 20														
(Year 2 data with total of Year 2 Cap Adds removed and monthly weighted average of Year 2 actual Cap Adds added in)														

8 April Year 3 TO estimates Cap Adds and CWIP during Year 3 weighted based on Months expected to be in service in Year 3 (e.g., 2006)

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
	Monthly Additions	Monthly Additions	Monthly Additions	Monthly Additions		Other Plant In Service	Other Plant In Service	MAPP CWIP	MAPP In Service	Other Plant In Service	Other Plant In Service	MAPP CWIP	MAPP In Service
	Other Plant In Service	Other Plant In Service	MAPP CWIP	MAPP In Service	Weighting	Amount (A x E)	Amount (B x E)	Amount (C x E)	Amount (D x E)	(F / 12)	(G / 12)	(H / 12)	(I / 12)
Jan					11.5	-	-	-	-	-	-	-	-
Feb					10.5	-	-	-	-	-	-	-	-
Mar	-				9.5	-	-	-	-	-	-	-	-
Apr	-				8.5	-	-	-	-	-	-	-	-
May					7.5	-	-	-	-	-	-	-	-
Jun	-				6.5	-	-	-	-	-	-	-	-
Jul					5.5	-	-	-	-	-	-	-	-
Aug					4.5	-	-	-	-	-	-	-	-
Sep					3.5	-	-	-	-	-	-	-	-
Oct					2.5	-	-	-	-	-	-	-	-
Nov					1.5	-	-	-	-	-	-	-	-
Dec					0.5	-	-	-	-	-	-	-	-
Total	-	-	-	-		-	-	-	-	-	-	-	-
New Transmission Plant Additions and CWIP (weighted by months in service)										-	-	-	-
128,106,367	Input to Line 21 of Appendix A												
										Input to Line 43a of Appendix A		-	-
										Month In Service or Month for CWIP	#DIV/0!	#DIV/0!	#DIV/0!

9 April Year 3 Reconciliation - TO adds the difference between the Reconciliation in Step 7 and the forecast in Line 5 with interest to the result of Step 7 (this difference is also added to Step 8 in the subsequent year)

The Reconciliation in Step 7		The forecast in Prior Year				
131,992,058	-	123,838,425	=	8,153,633		
Interest on Amount of Refunds or Surcharges						
Interest rate pursuant to 35.19a for March of		0.3600%				
Month	Yr	1/12 of Step 9	Interest rate for March of the Current Yr	Months	Interest	Surcharge (Refund) Owed
Jun	Year 1	679,469	0.3600%	11.5	28,130	707,599
Jul	Year 1	679,469	0.3600%	10.5	25,684	705,153
Aug	Year 1	679,469	0.3600%	9.5	23,238	702,707
Sep	Year 1	679,469	0.3600%	8.5	20,792	700,261
Oct	Year 1	679,469	0.3600%	7.5	18,346	697,815
Nov	Year 1	679,469	0.3600%	6.5	15,900	695,369
Dec	Year 1	679,469	0.3600%	5.5	13,453	692,923
Jan	Year 2	679,469	0.3600%	4.5	11,007	690,477
Feb	Year 2	679,469	0.3600%	3.5	8,561	688,031
Mar	Year 2	679,469	0.3600%	2.5	6,115	685,585
Apr	Year 2	679,469	0.3600%	1.5	3,669	683,139
May	Year 2	679,469	0.3600%	0.5	1,223	680,692
Total		8,153,633				8,329,752

		Amortization over			
		Balance	Interest rate from above	Rate Year	Balance
Jun	Year 2	8,329,752	0.3600%	710,496	7,649,243
Jul	Year 2	7,649,243	0.3600%	710,496	6,966,284
Aug	Year 2	6,966,284	0.3600%	710,496	6,280,867
Sep	Year 2	6,280,867	0.3600%	710,496	5,592,982
Oct	Year 2	5,592,982	0.3600%	710,496	4,902,621
Nov	Year 2	4,902,621	0.3600%	710,496	4,209,774
Dec	Year 2	4,209,774	0.3600%	710,496	3,514,433
Jan	Year 3	3,514,433	0.3600%	710,496	2,816,589
Feb	Year 3	2,816,589	0.3600%	710,496	2,116,233
Mar	Year 3	2,116,233	0.3600%	710,496	1,413,355
Apr	Year 3	1,413,355	0.3600%	710,496	707,947
May	Year 3	707,947	0.3600%	710,496	(0)
Total with interest				8,525,952	

The difference between the Reconciliation in Step 7 and the forecast in Prior Year with interest 8,525,952
Rev Req based on Year 2 data with estimated Cap Adds and CWIP for Year 3 (Step 8) \$ 128,106,367
Revenue Requirement for Year 3 136,632,319

10 May Year 3 lts of Step 9 on PJM web site
\$ 136,632,319

11 June Year 3 r the Rate Year 2 (e.g., June 1, 2006 - May 31, 2007)
\$ 136,632,319

Attachment 7 - Transmission Enhancement Charge Worksheet

63

identified in Docket Nos. ER08-686 and ER08-1423 have been awarded an additional 150 basis point adder and, thus, their ROE is 12.0%.

B0210 Orchard-500kV				B0210 Orchard-Below 500kV				B0277 Cumberland Sub:2nd Xfmr				B1398.5 Reconductor Mickleton - Depford - 230 Kv line				B1398.3.1 Mickleton Dep	
Yes				Yes				No				Yes				Yes	
35				35				35				35				35	
No				No				No				No				No	
150				150				150				0				0	
9.5384%				9.5384%				9.5384%				9.5384%				9.5384%	
10.2626%				10.2626%				10.2626%				9.5384%				9.5384%	
26,046,638				18,572,212				6,759,777				4,045,398				13,176,210	
744,190				530,635				193,136				115,583				376,463	
7.00				7				2				5				5	
Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation
19,038,852	744,190	18,294,662	2,489,208	13,575,403	530,635	13,044,768	1,774,897	5,246,875	193,136	5,053,738	675,182	3,827,154	115,583	3,711,571	469,607	11,828,392	376,463
19,038,852	744,190	18,294,662	2,621,699	13,575,403	530,635	13,044,768	1,869,368	5,246,875	193,136	5,053,738	711,782	3,827,154	115,583	3,711,571	469,607	11,828,392	376,463
18,294,662	744,190	17,550,473	2,418,224	13,044,768	530,635	12,514,133	1,724,283	5,053,738	193,136	4,860,602	656,760	3,711,571	115,583	3,595,988	458,583	11,451,929	376,463
18,294,662	744,190	17,550,473	2,545,326	13,044,768	530,635	12,514,133	1,814,911	5,053,738	193,136	4,860,602	691,961	3,711,571	115,583	3,595,988	458,583	11,451,929	376,463
17,550,473	744,190	16,806,283	2,347,240	12,514,133	530,635	11,983,499	1,673,669	4,860,602	193,136	4,667,465	638,338	3,595,988	115,583	3,480,405	447,558	11,075,466	376,463
17,550,473	744,190	16,806,283	2,468,953	12,514,133	530,635	11,983,499	1,760,454	4,860,602	193,136	4,667,465	672,140	3,595,988	115,583	3,480,405	447,558	11,075,466	376,463
16,806,283	744,190	16,062,093	2,276,257	11,983,499	530,635	11,452,864	1,623,055	4,667,465	193,136	4,474,329	619,916	3,480,405	115,583	3,364,823	436,533	10,699,003	376,463
16,806,283	744,190	16,062,093	2,392,580	11,983,499	530,635	11,452,864	1,705,997	4,667,465	193,136	4,474,329	652,319	3,480,405	115,583	3,364,823	436,533	10,699,003	376,463
16,062,093	744,190	15,317,904	2,205,273	11,452,864	530,635	10,922,229	1,572,441	4,474,329	193,136	4,281,192	601,494	3,364,823	115,583	3,249,240	425,508	10,322,539	376,463
16,062,093	744,190	15,317,904	2,316,206	11,452,864	530,635	10,922,229	1,651,540	4,474,329	193,136	4,281,192	632,499	3,364,823	115,583	3,249,240	425,508	10,322,539	376,463
15,317,904	744,190	14,573,714	2,134,289	10,922,229	530,635	10,391,595	1,521,827	4,281,192	193,136	4,088,056	583,072	3,249,240	115,583	3,133,657	414,484	9,946,076	376,463
15,317,904	744,190	14,573,714	2,239,833	10,922,229	530,635	10,391,595	1,597,083	4,281,192	193,136	4,088,056	612,678	3,249,240	115,583	3,133,657	414,484	9,946,076	376,463
14,573,714	744,190	13,829,524	2,063,305	10,391,595	530,635	9,860,960	1,471,213	4,088,056	193,136	3,894,919	564,649	3,133,657	115,583	3,018,074	403,459	9,569,613	376,463
14,573,714	744,190	13,829,524	2,163,460	10,391,595	530,635	9,860,960	1,542,626	4,088,056	193,136	3,894,919	592,857	3,133,657	115,583	3,018,074	403,459	9,569,613	376,463
13,829,524	744,190	13,085,335	1,992,321	9,860,960	530,635	9,330,326	1,420,598	3,894,919	193,136	3,701,783	546,227	3,018,074	115,583	2,902,491	392,434	9,193,150	376,463
13,829,524	744,190	13,085,335	2,087,086	9,860,960	530,635	9,330,326	1,488,169	3,894,919	193,136	3,701,783	573,036	3,018,074	115,583	2,902,491	392,434	9,193,150	376,463
13,085,335	744,190	12,341,145	1,921,338	9,330,326	530,635	8,799,691	1,369,984	3,701,783	193,136	3,508,646	527,805	2,902,491	115,583	2,786,909	381,409	8,816,687	376,463
13,085,335	744,190	12,341,145	2,010,713	9,330,326	530,635	8,799,691	1,433,713	3,701,783	193,136	3,508,646	553,215	2,902,491	115,583	2,786,909	381,409	8,816,687	376,463
12,341,145	744,190	11,596,955	1,850,354	8,799,691	530,635	8,269,056	1,319,370	3,508,646	193,136	3,315,510	509,383	2,786,909	115,583	2,671,326	370,385	8,440,224	376,463
12,341,145	744,190	11,596,955	1,934,340	8,799,691	530,635	8,269,056	1,379,256	3,508,646	193,136	3,315,510	533,394	2,786,909	115,583	2,671,326	370,385	8,440,224	376,463
....																	
....																	

tford 230kv terminal		B1600 Upgrade Mill T2 138/69 kV Transformer						
		Yes						
		35						
		No						
		0						
		9.5384%						
		9.5384%						
		14,841,978						
		424,057						
		6						
Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Total	Incentive Charged	Revenue Credit
11,451,929	1,468,794	14,223,334	424,057	13,799,277	1,740,287	\$ 11,184,236		\$ 11,184,236
11,451,929	1,468,794	14,223,334	424,057	13,799,277	1,740,287	\$ 11,473,413	\$ 11,473,413	
11,075,466	1,432,885	13,799,277	424,057	13,375,221	1,699,839	\$ 10,884,738		\$ 10,884,738
11,075,466	1,432,885	13,799,277	424,057	13,375,221	1,699,839	\$ 11,162,280	\$ 11,162,280	
10,699,003	1,396,977	13,375,221	424,057	12,951,164	1,659,390	\$ 10,585,241		\$ 10,585,241
10,699,003	1,396,977	13,375,221	424,057	12,951,164	1,659,390	\$ 10,851,147	\$ 10,851,147	
10,322,539	1,361,068	12,951,164	424,057	12,527,107	1,618,942	\$ 10,285,743		\$ 10,285,743
10,322,539	1,361,068	12,951,164	424,057	12,527,107	1,618,942	\$ 10,540,013	\$ 10,540,013	
9,946,076	1,325,160	12,527,107	424,057	12,103,051	1,578,494	\$ 9,986,245		\$ 9,986,245
9,946,076	1,325,160	12,527,107	424,057	12,103,051	1,578,494	\$ 10,228,880	\$ 10,228,880	
9,569,613	1,289,251	12,103,051	424,057	11,678,994	1,538,046	\$ 9,686,747		\$ 9,686,747
9,569,613	1,289,251	12,103,051	424,057	11,678,994	1,538,046	\$ 9,917,746	\$ 9,917,746	
9,193,150	1,253,343	11,678,994	424,057	11,254,938	1,497,598	\$ 9,387,249		\$ 9,387,249
9,193,150	1,253,343	11,678,994	424,057	11,254,938	1,497,598	\$ 9,606,613	\$ 9,606,613	
8,816,687	1,217,434	11,254,938	424,057	10,830,881	1,457,149	\$ 9,087,752		\$ 9,087,752
8,816,687	1,217,434	11,254,938	424,057	10,830,881	1,457,149	\$ 9,295,480	\$ 9,295,480	
8,440,224	1,181,526	10,830,881	424,057	10,406,825	1,416,701	\$ 8,788,254		\$ 8,788,254
8,440,224	1,181,526	10,830,881	424,057	10,406,825	1,416,701	\$ 8,984,346	\$ 8,984,346	
8,063,761	1,145,617	10,406,825	424,057	9,982,768	1,376,253	\$ 8,488,756		\$ 8,488,756
8,063,761	1,145,617	10,406,825	424,057	9,982,768	1,376,253	\$ 8,424,106	\$ 8,424,106	
.....								\$ -
.....							\$ -	
						\$	207,459,487	\$ 201,047,950

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May 15, 2018

Ms. Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E. Room 1A
Washington, DC 20426

Re: Delmarva Power & Light Company ("Delmarva"), Docket No. ER09-1158
Informational Filing of 2018 Formula Rate Annual Update;
Notice of Annual Meeting

Dear Ms. Bose,

Delmarva hereby submits electronically, for informational purposes, its 2018 Annual Formula Rate Update. On November 3, 2015, the Commission approved an uncontested settlement agreement ("Settlement") filed in Docket Nos. EL13-48, *et al.*¹ Formula Rate implementation protocols contained in the Settlement provide that:

[o]n or before May 15 of each year, Delmarva [Delmarva Power & Light Company] shall recalculate its Annual Transmission Revenue Requirements, producing an "Annual Update" for the upcoming Rate Year, and:

- (i) cause such Annual Update to be posted at a publicly accessible location on PJM's internet website;
- (ii) cause notice of such posting to be provided to PJM's membership; and
- (iii) file such Annual Update with the FERC as an informational filing.²

The same information contained in this informational filing has been transmitted to PJM for posting on its website as required by the Formula Rate implementation protocols. Thus, all interested parties should have ample notice of and access to the

¹ Baltimore Gas and Electric Company, *et al.*, 153 FERC ¶ 61,140 (2015).

² See Settlement, Exhibit A containing PJM Tariff Attachment H3-E, Section 2.b.

Annual Update. The protocols provide specific procedures for notice, review, exchanges of information and potential challenges to aspects of the Annual Update. Consequently, and as the Commission has concluded, there is no need for the Commission to notice this informational filing for comment.³

Delmarva's 2018 Annual Update contains no expenses or costs that have been alleged or judged in any administrative or judicial proceeding to be illegal, duplicative, or unnecessary costs that are demonstrably the product of discriminatory employment practices, as defined in 18 C.F.R. § 35.13(b)(7).

Delmarva has made no accounting changes as defined in the Settlement (and any accounting changes, including accounting policy harmonization changes related to the merger between Exelon and Pepco Holdings, Inc., are discussed in applicable disclosure statements filed within the Securities and Exchange Commission Form 10-K and within the FERC Form No. 1).⁴ Delmarva has made no change to Other Post-Employment Benefits ("OPEB") charges that exceed the filing threshold set forth in the Settlement.⁵

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

Very truly yours,

/s/ Amy L. Blauman

Amy L. Blauman

Enclosures

cc: All parties on Service Lists in Docket Nos. ER05-515, EL13-48 and EL15-27.

³ See Letter Order Re: Annual Update to Formula Rate in Docket No. ER09-1158 (February 17, 2010).

⁴ See Settlement, Exhibit A containing PJM Tariff Attachment H3-E, Section 2.f.(iii)(d). Accounting entries related to the merger between Exelon and Pepco Holdings, Inc. were approved by FERC in Docket AC16-203 on March 17, 2017 and April 11, 2017.

⁵ See Settlement, Exhibit A containing PJM Tariff Attachment H3-E, Section 2.h.

ATTACHMENT H-3D

Delmarva Power & Light Company

Formula Rate - Appendix A

Notes

FERC Form 1 Page # or Instruction

2017

Shaded cells are input cells

Allocators

Wages & Salary Allocation Factor			
1	Transmission Wages Expense	p354.21.b	\$ 2,726,311
2	Total Wages Expense	p354.28b	\$ 40,525,901
3	Less A&G Wages Expense	p354.27b	\$ 3,571,399
4	Total	(Line 2 - 3)	36,954,502
5	Wages & Salary Allocator	(Line 1 / 4)	7.3775%
Plant Allocation Factors			
6	Electric Plant in Service	(Note B) p207.104g (see attachment 5)	\$ 3,872,097,440
7	Common Plant In Service - Electric	(Line 24)	96,499,326
8	Total Plant In Service	(Sum Lines 6 & 7)	3,968,596,766
9	Accumulated Depreciation (Total Electric Plant)	p219.29c (see attachment 5)	\$ 935,374,303
10	Accumulated Intangible Amortization	p200.21c (see attachment 5)	\$ 10,355,589
11	Accumulated Common Amortization - Electric	(Note A) p356	14,396,936
12	Accumulated Common Plant Depreciation - Electric	(Note A) p356	\$ 53,712,576
13	Total Accumulated Depreciation	(Sum Lines 9 to 12)	1,013,839,404
14	Net Plant	(Line 8 - 13)	2,954,757,362
15	Transmission Gross Plant	(Line 29 - Line 28)	1,494,712,981
16	Gross Plant Allocator	(Line 15 / 8)	37.6635%
17	Transmission Net Plant	(Line 39 - Line 28)	1,141,558,738
18	Net Plant Allocator	(Line 17 / 14)	38.6346%

Plant Calculations

Plant In Service			
19	Transmission Plant In Service	(Note B) p207.58.g	\$ 1,426,429,064
20	For Reconciliation only - remove New Transmission Plant Additions for Current Calendar Year	For Reconciliation Only Attachment 6 - Enter Negative	0
21	New Transmission Plant Additions for Current Calendar Year (weighted by months in service)	Attachment 6	46,979,103
22	Total Transmission Plant In Service	(Line 19 - 20 + 21)	1,473,408,167
23	General & Intangible	p205.5.g & p207.99.g (see attachment 5)	192,282,404
24	Common Plant (Electric Only)	(Notes A & B) p356	96,499,326
25	Total General & Common	(Line 23 + 24)	288,781,730
26	Wage & Salary Allocation Factor	(Line 5)	7.37748%
27	General & Common Plant Allocated to Transmission	(Line 25 * 26)	21,304,814
28	Plant Held for Future Use (Including Land)	(Note C) p214	0
29	TOTAL Plant In Service	(Line 22 + 27 + 28)	1,494,712,981
Accumulated Depreciation			
30	Transmission Accumulated Depreciation	(Note B) p219.25.c	\$ 343,638,525
31	Accumulated General Depreciation	p219.28.c (see attachment 5)	\$ 50,518,211
32	Accumulated Intangible Amortization	(Line 10)	10,355,589
33	Accumulated Common Amortization - Electric	(Line 11)	14,396,936
34	Common Plant Accumulated Depreciation (Electric Only)	(Line 12)	53,712,576
35	Total Accumulated Depreciation	(Sum Lines 31 to 34)	128,983,312
36	Wage & Salary Allocation Factor	(Line 5)	7.37748%
37	General & Common Allocated to Transmission	(Line 35 * 36)	9,515,718
38	TOTAL Accumulated Depreciation	(Line 30 + 37)	353,154,243
39	TOTAL Net Property, Plant & Equipment	(Line 29 - 38)	1,141,558,738

Adjustment To Rate Base

Accumulated Deferred Income Taxes			
40	ADIT net of FASB 106 and 109		-349,152,695
41	Accumulated Investment Tax Credit Account No. 255	Enter Negative	-2,361,544
42	Net Plant Allocation Factor	(Notes A & I) p266.h	38.63%
43	Accumulated Deferred Income Taxes Allocated To Transmission	(Line 41 * 42) + Line 40	-350,065,068
43a	Transmission Related CWIP (Current Year 12 Month weighted average balances)	(Note B) p216.43.b as Shown on Attachment 6	-
43b	Unamortized Abandoned Transmission Plant	Attachment 5	-
Transmission O&M Reserves			
44	Total Balance Transmission Related Account 242 Reserves	Enter Negative Attachment 5	-3,057,275
Prepayments			
45	Prepayments	(Note A) Attachment 5	13,470,222
46	Total Prepayments Allocated to Transmission	(Line 45)	13,470,222
Materials and Supplies			
47	Undistributed Stores Exp	(Note A) p227.6c & 16.c	\$ -
48	Wage & Salary Allocation Factor	(Line 5)	7.377%
49	Total Transmission Allocated	(Line 47 * 48)	0
50	Transmission Materials & Supplies	p227.8c	2,942,687
51	Total Materials & Supplies Allocated to Transmission	(Line 49 + 50)	2,942,687
Cash Working Capital			
52	Operation & Maintenance Expense	(Line 85)	31,090,229
53	1/8th Rule	x 1/8	12.5%
54	Total Cash Working Capital Allocated to Transmission	(Line 52 * 53)	3,886,279
Network Credits			
55	Outstanding Network Credits	(Note N) From PJM	0
56	Less Accumulated Depreciation Associated with Facilities with Outstanding Network Credits	(Note N) From PJM	0
57	Net Outstanding Credits	(Line 55 - 56)	0
58	TOTAL Adjustment to Rate Base	(Line 43 + 43a + 44 + 46 + 51 + 54 - 57)	-332,823,154
59	Rate Base	(Line 39 + 58)	808,735,584

O&M				
Transmission O&M				
60	Transmission O&M		p321.112.b (see attachment 5)	\$ 24,347,664
61	Less extraordinary property loss		Attachment 5	\$ -
62	Plus amortized extraordinary property loss		Attachment 5	\$ -
63	Less Account 565		p321.96.b	\$ -
64	Plus Schedule 12 Charges billed to Transmission Owner and booked to Account 565	(Note O)	PJM Data	\$ -
65	Plus Transmission Lease Payments	(Note A)	p200.3.c	\$ -
66	Transmission O&M		(Lines 60 - 63 + 64 + 65)	24,347,664
Allocated General & Common Expenses				
67	Common Plant O&M	(Note A)	p356	0
68	Total A&G		p323.197.b (see attachment 5)	\$ 89,028,741
68a	For informational purposes: PBOB expense in FERC Account 926	(Note S)	Attachment 5	-199,886
69	Less Property Insurance Account 924		p323.185b	532,303
70	Less Regulatory Commission Exp Account 928	(Note E)	p323.189b	5,255,798
71	Less General Advertising Exp Account 930.1		p323.191b	212,864
72	Less DE Enviro & Low Income and MD Universal Funds		p335.b	6,502,685
73	Less EPRI Dues	(Note D)	p352-353	210,803
74	General & Common Expenses		(Lines 67 + 68) - Sum (69 to 73)	76,314,288
75	Wage & Salary Allocation Factor		(Line 5)	7.3775%
76	General & Common Expenses Allocated to Transmission		(Line 74 * 75)	5,630,071
Directly Assigned A&G				
77	Regulatory Commission Exp Account 928	(Note G)	p323.189b	906,841
78	General Advertising Exp Account 930.1	(Note K)	p323.191b	0
79	Subtotal - Transmission Related		(Line 77 + 78)	906,841
80	Property Insurance Account 924		p323.185b	532,303
81	General Advertising Exp Account 930.1	(Note F)	p323.191b	0
82	Total		(Line 80 + 81)	532,303
83	Net Plant Allocation Factor		(Line 18)	38.63%
84	A&G Directly Assigned to Transmission		(Line 82 * 83)	205,653
85	Total Transmission O&M		(Line 66 + 76 + 79 + 84)	31,090,229
Depreciation & Amortization Expense				
Depreciation Expense				
86	Transmission Depreciation Expense		p336.7b&c	34,226,387
86a	Amortization of Abandoned Transmission Plant		Attachment 5	0
87	General Depreciation		p336.10b&c (see attachment 5)	8,842,053
88	Intangible Amortization	(Note A)	p336.1d&e (see attachment 5)	248,822
89	Total		(Line 87 + 88)	9,090,875
90	Wage & Salary Allocation Factor		(Line 5)	7.3775%
91	General Depreciation Allocated to Transmission		(Line 89 * 90)	670,677
92	Common Depreciation - Electric Only	(Note A)	p336.11.b	3,881,211
93	Common Amortization - Electric Only	(Note A)	p356 or p336.11d	0
94	Total		(Line 92 + 93)	3,881,211
95	Wage & Salary Allocation Factor		(Line 5)	7.3775%
96	Common Depreciation - Electric Only Allocated to Transmission		(Line 94 * 95)	286,336
97	Total Transmission Depreciation & Amortization		(Line 86 + 91 + 96)	35,183,400
Taxes Other than Income				
98	Taxes Other than Income		Attachment 2	9,872,663
99	Total Taxes Other than Income		(Line 98)	9,872,663
Return / Capitalization Calculations				
Long Term Interest				
100	Long Term Interest		p117.62c through 67c	\$ 52,075,552
101	Less LTD Interest on Securitization Bonds	(Note P)	Attachment 8	0
102	Long Term Interest		"(Line 100 - line 101)"	52,075,552
103	Preferred Dividends	enter positive	p118.29c	-
Common Stock				
104	Proprietary Capital		p112.16c	1,330,210,085
105	Less Preferred Stock	enter negative	(Line 114)	0
106	Less Account 216.1	enter negative	p112.12c	2,177,779
107	Common Stock		(Sum Lines 104 to 106)	1,332,387,864
Capitalization				
108	Long Term Debt		p112.17c through 21c	1,308,230,000
109	Less Loss on Reacquired Debt	enter negative	p111.81c	-7,674,093
110	Plus Gain on Reacquired Debt	enter positive	p113.61c	0
111	Less ADIT associated with Gain or Loss	enter negative	Attachment 1	2,126,878
112	Less LTD on Securitization Bonds	(Note P)	Attachment 8	0
113	Total Long Term Debt		(Sum Lines Lines 108 to 112)	1,302,682,785
114	Preferred Stock		p112.3c	0
115	Common Stock		(Line 107)	1,332,387,864
116	Total Capitalization		(Sum Lines 113 to 115)	2,635,070,649
117	Debt %	Total Long Term Debt	(Line 113 / 116)	49.44%
118	Preferred %	Preferred Stock	(Line 114 / 116)	0.00%
119	Common %	Common Stock	(Line 115 / 116)	50.56%
120	Debt Cost	Total Long Term Debt	(Line 102 / 113)	0.0400
121	Preferred Cost	Preferred Stock	(Line 103 / 114)	0.0000
122	Common Cost	Common Stock	(Note J) Fixed	0.1050
123	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 117 * 120)	0.0198
124	Weighted Cost of Preferred	Preferred Stock	(Line 118 * 121)	0.0000
125	Weighted Cost of Common	Common Stock	(Line 119 * 122)	0.0531
126	Total Return (R)		(Sum Lines 123 to 125)	0.0729
127	Investment Return = Rate Base * Rate of Return		(Line 59 * 126)	58,919,880

Composite Income Taxes

Income Tax Rates				
128	FIT=Federal Income Tax Rate			21.00%
129	SIT=State Income Tax Rate or Composite		(Note I)	8.50%
130	p	(percent of federal income tax deductible for state purposes)	Per State Tax Code	0.00%
131	T	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\}$		27.72%
132	T / (1-T)			38.34%
ITC Adjustment				
133	Amortized Investment Tax Credit		(Note I) enter negative	-153,997
134	T/(1-T)		Attachment 1 (Line 132)	38.34%
135	Net Plant Allocation Factor		(Line 18)	38.6346%
136	ITC Adjustment Allocated to Transmission		(Line 133 * (1 + 134) * 135)	-82,308
137	Income Tax Component =	$CIT=(T/1-T) * Investment\ Return * (1-(WCLTD/R)) =$	[Line 132 * 127 * (1-(123 / 126))]	16,462,696
138	Total Income Taxes		(Line 136 + 137)	16,380,388

REVENUE REQUIREMENT

Summary				
139	Net Property, Plant & Equipment		(Line 39)	1,141,558,738
140	Adjustment to Rate Base		(Line 58)	-332,823,154
141	Rate Base		(Line 59)	808,735,584
142	O&M		(Line 85)	31,090,229
143	Depreciation & Amortization		(Line 97)	35,183,400
144	Taxes Other than Income		(Line 99)	9,872,663
145	Investment Return		(Line 127)	58,919,880
146	Income Taxes		(Line 138)	16,380,388
147	Gross Revenue Requirement		(Sum Lines 142 to 146)	151,446,560
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities				
148	Transmission Plant In Service		(Line 19)	1,426,429,064
149	Excluded Transmission Facilities	(Note M)	Attachment 5	0
150	Included Transmission Facilities		(Line 148 - 149)	1,426,429,064
151	Inclusion Ratio		(Line 150 / 148)	100.00%
152	Gross Revenue Requirement		(Line 147)	151,446,560
153	Adjusted Gross Revenue Requirement		(Line 151 * 152)	151,446,560
Revenue Credits & Interest on Network Credits				
154	Revenue Credits		Attachment 3	6,767,215
155	Interest on Network Credits	(Note N)	PJM Data	-
156	Net Revenue Requirement		(Line 153 - 154 + 155)	144,679,345
Net Plant Carrying Charge				
157	Net Revenue Requirement		(Line 156)	144,679,345
158	Net Transmission Plant		(Line 19 - 30)	1,082,790,539
159	Net Plant Carrying Charge		(Line 157 / 158)	13.3617%
160	Net Plant Carrying Charge without Depreciation		(Line 157 - 86) / 158	10.2008%
161	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes		(Line 157 - 86 - 127 - 138) / 158	3.2465%
Net Plant Carrying Charge Calculation per 100 Basis Point increase in ROE				
162	Net Revenue Requirement Less Return and Taxes		(Line 156 - 145 - 146)	69,379,077
163	Increased Return and Taxes		Attachment 4	80,957,406
164	Net Revenue Requirement per 100 Basis Point increase in ROE		(Line 162 + 163)	150,336,483
165	Net Transmission Plant		(Line 19 - 30)	1,082,790,539
166	Net Plant Carrying Charge per 100 Basis Point increase in ROE		(Line 164 / 165)	13.8842%
167	Net Plant Carrying Charge per 100 Basis Point increase in ROE without Depreciation		(Line 163 - 86) / 165	10.7232%
Net Revenue Requirement				
168	Net Revenue Requirement		(Line 156)	144,679,345
169	True-up amount		Attachment 6	13,556,043
170	Plus any increased ROE calculated on Attachment 7 other than PJM Sch. 12 projects		Attachment 7	438,678
171	Facility Credits under Section 30.9 of the PJM OATT and Facility Credits to Vineland per settlement in ER05-515		Attachment 5	-
171a	MAPP Abandonment recovery pursuant to ER13-607		Attachment 5	-
172	Net Zonal Revenue Requirement		(Line 168 + 169 +170+ 171+171a)	158,674,066
Network Zonal Service Rate				
173	1 CP Peak	(Note L)	PJM Data	3,813
174	Rate (\$/MW-Year)		(Line 172 / 173)	41,619
175	Network Service Rate (\$/MW/Year)		(Line 174)	41,619

Notes

- A Electric portion only
- B Exclude Construction Work In Progress and leases that are expensed as O&M (rather than amortized). New Transmission plant that is expected to be placed in service in the current calendar year weighted by number of months it is expected to be in-service. New Transmission plant expected to be placed in service in the current calendar year that is not included in the PJM Regional Transmission Plan (RTEP) must be separately detailed on Attachment 5. For the Reconciliation, new transmission plant that was actually placed in service weighted by the number of months it was actually in service CWIP will be linked to Attachment 6 which shows detail support by project (incentive and non-incentive).
- C Transmission Portion Only
- D All EPRI Annual Membership Dues
- E All Regulatory Commission Expenses
- F Safety related advertising included in Account 930.1
- G Regulatory Commission Expenses directly related to transmission service, RTO filings, or transmission siting itemized in Form 1 at 351.h.
- I The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = "the percentage of federal income tax deductible for state income taxes". If the utility includes taxes in more than one state, it must explain in Attachment 5 the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to use amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by (1/1-T). A utility must not include tax credits as a reduction to rate base and as an amortization against taxable income.

The ROE is 10.5% which includes a base ROE of 10.0% ROE per FERC order in Docket No. EL13-48 and a 50 basis point RTO membership adder as authorized by FERC: provided, that the projects identified in Docket Nos.
- J ER08-686 and ER08-1423 have been awarded an additional 150 basis point adder and, thus, their ROE is 12.0%.
- K Education and outreach expenses relating to transmission, for example siting or billing
- L As provided for in Section 34.1 of the PJM OATT and the PJM established billing determinants will not be revised or updated in the annual rate reconciliations per settlement in ER05-515.
- M Amount of transmission plant excluded from rates per Attachment 5.
- N Outstanding Network Credits is the balance of Network Facilities Upgrades Credits due Transmission Customers who have made lump-sum payments (net of accumulated depreciation) towards the construction of Network Transmission Facilities consistent with Paragraph 657 of Order 2003-A. Interest on the Network Credits as booked each year is added to the revenue requirement to make the Transmisison Owner whole on Line 155.
- O Payments made under Schedule 12 of the PJM OATT that are not directly assessed to load in the Zone under Schedule 12 are included in Transmission O&M. If they are booked to Acct 565, they are included in on line 64
- P Securitization bonds may be included in the capital structure per settlement in ER05-515.
- Q ACE capital structure is initially fixed at 50% common equity and 50% debt per settlement in ER05-515 subject to moratorium provisions in the settlement.
- R Per the settlement in ER05-515, the facility credits of \$15,000 per month paid to Vineland will increase to \$37,500 per month (prorated for partial months) effective on the date FERC approves the settlement in ER05-515.
- S See Attachment 5 - Cost Support, section entitled "PBOP Expense in FERC Account 926" for additional information per FERC orders in Docket Nos. EL13-48 , EL15-27 and ER16-456.

Delmarva Power & Light Company

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet Tax Detail

	Only Transmission Related	Plant Related	Labor Related	Total ADIT
ADIT-282	-	(961,715,870)	-	(961,715,870)
ADIT-283	(3,059,476)	(4,865,504)	(70,572,539)	(78,497,519)
ADIT-190	-	60,015,641	7,560,365	67,576,006
Subtotal	(3,059,476)	(906,565,733)	(63,012,174)	(972,637,383)
Wages & Salary Allocator			7.3775%	
Gross Plant Allocator		37.66351%		
ADIT	(3,059,476)	(341,444,508)	(4,648,711)	(349,152,695)
Total				

Note: ADIT associated with Gain or Loss on Reacquired Debt is included in Column A here and included in Cost of Debt on Appendix A, Line 111
Amount (2,126,878)

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

A	B Total	C Gas, Prod Or Other Distribution Related	D Only Transmission Related	E Plant Related	F Labor Related	G Justification
ADIT-190						
Allowance for Doubtful Accounts	4,145,110	4,145,110	-	-	-	Under the Tax Reform Act of 1986, taxpayers are required to account for bad debts using the specific write-off method. The reserve method is used for book purposes. This amount represents the deferred tax asset related to the add-back of book reserves for tax purposes. This deferred tax asset is retail related.
Charitable Contributions	648,296	648,296	-	-	-	DPL is in a Net Operating Loss Carryforward position, therefore, DPL's charitable contributions are carried forward until such time as either DPL or its Parent Company can use them in its consolidated federal income tax return. For book purposes, the contributions are expensed when incurred. Charitable contributions are not included in Operating Income and any related deferred income taxes are excluded from Rate Base.
Claims Reserve	553,388	77,474	-	475,914	-	These deferred taxes are the result of a deduction taken for book purposes to set aside a reserve for General and Auto liability claims. For tax, no deduction is permitted until the "all events" test is met, typically when payment is made. Relates to property across all functions.
Deferred TTC	760,732	106,502	-	654,230	-	Pursuant to the requirements of FAS 109, DPL's accumulated deferred taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These balances primarily represent the deferred taxes on prior flow-through items, including the amount of the required gross-up necessary for full recovery of the prior flow-through amount. Related to all plant. These items are removed below.
Environmental Expense	510,986	510,986	-	-	-	These deferred taxes are the result of deductions taken for book purposes to set aside a reserve for environmental site clean-up expenses. For tax, no deduction is permitted until the "all events" test is met, typically when economic performance has occurred.
Merrill Creek	2,157,639	2,157,639	-	-	-	These deferred taxes are the result of rent being recorded ratably over the life of the Merrill Creek lease for book purposes. For tax purposes, rent is deductible only as economic performance occurs. In addition, an extraordinary charge was recorded for book purposes in a prior year to reflect the impairment of the Merrill Creek asset due to deregulation. For tax purposes, the book impairment did not give rise to a tax deduction when recorded. The accrued impairment liability is being amortized to book income on a monthly basis. The monthly book income is being reversed for tax purposes. This asset is Generation related.
OPEB	3,778,262	528,957	-	-	3,249,306	FAS No. 106 requires accrual basis instead of cash basis accounting for post retirement health care and life insurance benefits for book purposes. Amount paid to participants or funded through the VEBA or 401(h) accounts are currently deductible for tax purposes. Affects Company personnel across all functions.
Other (190)	1,514,552	380,356	-	677,287	456,910	Reflects deferred income taxes on other Property and Labor related items related to all functions.
Other Labor Related Accruals	5,585,462	781,965	-	-	4,803,497	Represents deferred income taxes on labor related book accruals that are only deductible for tax purposes as economic performance occurs. The deferred taxes are related to Company personnel across all functions.
Reg Asset - DSM	212,394	212,394	-	-	-	Represents various Demand Side Management costs that are deducted for tax purposes as incurred. For books, these costs are deferred and amortized to expense when collected in rates. This deferred tax asset is retail related.
Reg Liab - Other	654,436	654,436	-	-	-	When a regulatory asset/liability is established, books credit/debit income, which for tax purposes needs to be reversed along with the associated amortization. This deferred tax asset is retail related.
Renewable Energy Credits	2,850,827	2,850,827	-	-	-	Represents deferred taxes on renewable energy credits which have not been realized yet. This deferred tax asset is retail related.
FAS 109 Deferred Taxes - 190	291,675	40,834	-	250,840	-	Pursuant to the requirements of FAS 109, DPL's accumulated deferred taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These balances primarily represent the deferred taxes on prior flow-through items, including the amount of the required gross-up necessary for full recovery of the prior flow-through amount. Related entirely to plant. These items are removed below.
FAS 109 Deferred Taxes - Property Gross Up	124,196,309	9,851,168	-	114,345,141	-	Pursuant to the requirements of FAS 109, DPL's accumulated deferred taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These balances primarily represent the deferred taxes on prior flow-through items, including the amount of the required gross-up necessary for full recovery of the prior flow-through amount. Related to all plant. These items are removed below.
FAS 109 Deferred Taxes - Tax Cuts and Jobs Act Gross Up	17,082,645	10,938,071	360,558	(1,503,357)	7,287,373	Pursuant to the requirements of FAS 109, DPL's accumulated deferred income taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These balances represent the tax gross-up necessary for full recovery of the 2017 Tax Cuts and Jobs Act (2017 Federal Tax Rate reduction. These amounts are removed from rate base below.
Federal and State NOL	68,191,684	11,479,795	-	56,711,888	-	Represents deferred income tax asset related to federal and state net operating loss carryforwards available to offset future taxable income.
Subtotal - p234	233,134,396	45,364,810	360,558	171,611,942	15,797,086	
Less FASB 109 Above if not separately removed	131,755,866	14,811,591	360,558	111,596,301	4,987,415	
Less FASB 106 Above if not separately removed	3,778,262	528,957	-	-	3,249,306	
Total	97,600,268	30,024,262	-	60,015,641	7,560,365	

Instructions for Account 190: 1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C 2. ADIT items related only to Transmission are directly assigned to Column D 3. ADIT items related to Plant and not in Columns C & D are included in Column E 4. ADIT items related to labor and not in Columns C & D are included in Column F 5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded 6. Re: Form I-F filer: Sum of subtotals for Accounts 282 and 283 should tie to Form No. I-F, p.113.57.c

Delmarva Power & Light Company
Attachment 1- Accumulated Deferred Income Taxes (ADIT) Worksheet

A	B Total	C Gas, Prod Or Other Distribution Related	D Only Transmission Related	E Plant Related	F Labor Related	G Justification
ADIT- 282						
Plant Related - APB 11 Deferred Taxes	(1,068,573,189)	(106,857,319)	-	(961,715,870)	-	This deferred tax balance relates to plant and results from life and method differences. Related to Gas, and T & D plant.
Plant Related - FAS109 Deferred Taxes	340,043,333	34,004,333	-	306,038,999	-	Pursuant to the requirements of FAS 109, DPL's accumulated deferred taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These balances primarily represent the deferred taxes on prior flow-through items, including the amount of the required gross-up necessary for full recovery of the prior flow-through amount. Related to all plant. These items are removed below.
CIAC - Non Rate Base	29,143,880	29,143,880	-	-	-	Deferred taxes resulting from tax basis differences in Contributions in Aid of Construction (CIAC) assets. Since CIAC's are excluded from Rate Base, the related deferred income taxes are excluded as well.
Leased Vehicles - Non Rate Base	(8,360,996)	(8,360,996)	-	-	-	Deferred taxes resulting from tax basis differences in leased vehicles. Since leased vehicles are treated as operating leases for book purposes and not included in Rate Base, the related deferred income taxes are excluded from Rate Base as well.
FAS 109 AFUDC Equity Deferred Taxes	(7,706,581)	(770,658)	-	(6,935,923)	-	Pursuant to the requirements of FAS 109, DPL's accumulated deferred taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These items are removed below.
FAS 109 1/1/2005 Deferred Tax Balance	(970,324)	(97,032)	-	(873,292)	-	Pursuant to the requirements of FAS 109, DPL's accumulated deferred taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These items are removed below.
Subtotal - p275	(716,423,878)	(52,937,793)	-	(663,486,086)	-	
Less FASB 109 Above if not separately removed	323,923,094	25,693,310		298,229,785	-	
Less FASB 106 Above if not separately removed	-					
Total	(1,040,346,973)	(78,631,103)	-	(961,715,870)	-	

Instructions for Account 282:

1. ADIT items related only to Non-Electric Operations

2. ADIT items related only to Transmission are directly assigned to Column D

3. ADIT items related to Plant and not in Columns C & D are included in Column E

4. ADIT items related to labor and not in Columns C & D are included in Column F

5. Deferred income taxes arise when items are included in

6. Re: Form 1-F filer: Sum of subtotals for Accounts 282 and 283 should tie to Form No. 1-F, p.113.57.c

Delmarva Power & Light Company

Attachment 1- Accumulated Deferred Income Taxes (ADIT) Worksheet

ADIT-283	A	B	C	D	E	F	G
		Total	Gas, Prod Or Other Distribution Related	Only Transmission Related	Plant Related	Labor Related	Justification
Blueprint for the Future		(557,020)	(557,020)	-	-	-	When a regulatory asset/liability is established, books credit/debit income, which for tax purposes needs to be reversed along with the associated amortization. This deferred tax liability is retail related.
Deferred Fuel		(1,367,624)	(1,367,624)	-	-	-	Difference between actual fuel expense as compared to the fuel expense computed in accordance with fuel adjustment clause formulas as deferred on book. In accordance with Section 162 Ordinary and Necessary Business Expenses and Section 461 Rules for Taxable year of Deduction, fuel costs are deductible in the year incurred for federal tax purposes. Rate surcharges are includible in the taxable year the underlying monthly bill is adjusted. Refunds are deductible in the taxable year that the liability is fixed and economic performance has occurred. These deferred taxes are the result of this book/ tax difference. 100% Gas Related.
Deferred Fuel Interest		(8,133)	(8,133)	-	-	-	This represents deferred tax generated as a result of interest income and/or expense accrued on the deferred fuel balance for book purposes. For tax purposes, interest income is recognized when received. Interest expense is deducted for tax when paid. 100% Gas Related.
Materials Reserve		128,302	17,962	-	110,340	-	This represents deferred tax generated as a result of a deduction taken for amounts set aside in a reserve for book purposes. For tax no deduction is permitted until economic performance takes place. Impacts Gas, Transmission and Distribution.
Merger Commitment Fees		3,491,394	3,491,394	-	-	-	Deferred taxes recognized for commitments made as part of the 2016 merger with Exelon that have not been paid to date. These amounts are excluded from Rate Base.
Pension		(54,569,986)	(7,639,798)	-	-	(46,930,188)	The Company claims tax deductions for payments made to fund its Retirement Income Plan to the extent permitted under the IRC Section 415 contribution limitations. For book purposes, Pension Plan expense is recorded in accordance with SFAS 158. This deferred tax liability reflects the difference between the tax versus book deductions. It affects Company personnel across all functions.
Property Taxes		(6,359,590)	(890,343)	-	(5,469,247)	-	For book purposes, certain real estate taxes were expensed. For tax purposes, those taxes were capitalized and are being depreciated. Relates to property across all functions.
Reacquired Debt		(2,126,878)	(2,126,878)	-	-	-	Reflects the deferred taxes generated as a result of the tax deductions taken for the cost to reacquire debt. For book purposes, these amounts were recorded as an asset in account 189 and are amortized over future periods.
Reg Asset - DSM		(15,658,580)	(15,658,580)	-	-	-	For books, Demand Side Management Costs are deferred. For tax purposes, these costs are expensed when paid. These deferred taxes are the result of the book/tax difference which is retail in nature.
Reg Asset - FERC Formula Rate Adj.		(2,092,373)		(2,092,373)			When a regulatory asset/liability is established, books credit/debit income, which for tax purposes needs to be reversed along with the associated amortization. This item is 100% Transmission related.
Reg Liab - Other		(40,627,560)	(38,520,749)	-	(155,780)	(1,951,031)	When a regulatory asset/liability is established, books credit/debit income, which for tax purposes needs to be reversed along with the associated amortization. Relates to various functions across the Company.
Reg Asset- COPCO Acquisition Adjustment		(1,407,823)	(1,407,823)	-	-	-	Amortization of COPCO acquisition adjustment. Beginning unamortized balance \$40,456,550.00 represents recovery of the regulatory asset per Docket 9093, Order 81518, refers to MD Docket 8583, Order 71719; offset account 114000 Plant Acq Adj. Amortizing monthly. Fully amortized in 2010.
Reg Liab - Other		4,448,786	4,737,930	-	(289,145)	-	When a regulatory asset/liability is established, books credit/debit income, which for tax purposes needs to be reversed along with the associated amortization. These amounts are Gas and Retail related.
Subtotal - p277 (Form 1-F filer: see note 6, below)		(116,707,084)	(59,929,661)	(2,092,373)	(5,803,832)	(48,881,219)	
Less FASB 109 Above if not separately removed		55,129,072	33,408,977	967,103	(938,328)	21,691,320	
Less FASB 106 Above if not separately removed		(7,639,798)	(7,639,798)				The FERC Transmission Pension Asset included in rate base does not include any deferred tax adjustment and therefore an allocated portion from the Attachment 1 should be allocated to the FERC Transmission Accumulated Deferred Income Tax rate base reserve.
Total		(164,196,358)	(85,698,839)	(3,059,476)	(4,865,504)	(70,572,539)	

- Instructions for Account 283:
1. ADIT items related only to Non-Electric Operations

2. ADIT items related only to Transmission are directly assigned to Column B

3. ADIT items related to Plant and not in Columns C & D are included in Column E

4. ADIT items related to labor and not in Columns C & D are included in Column F

5. Deferred income taxes arise when items are included in

6. Re: Form 1-F filer: Sum of subtotals for Accounts 282 and 283 should tie to Form No. 1-F, p.113.57.c

Delmarva Power & Light Company

Attachment 1- Accumulated Deferred Income Taxes (ADIT) Worksheet

ADITC-255

	Item		Balance	Amortization	
Rate Base Treatment					
Balance to line 41 of Appendix A	Total		2,361,544	302,119	Post 1980
Amortization					
Amortization to line 133 of Appendix A	Total		383,291	153,997	Pre 1981
Total			2,744,835	456,116	
Total Form No. 1 (p 266 & 267)			2,744,835	456,116	
Difference /1		check	-	-	

/1 Difference must be zero

Delmarva Power & Light Company

Attachment 2 - Taxes Other Than Income Worksheet

Other Taxes		Page 263 Col (i)	Allocator	Allocated Amount
Plant Related		Gross Plant Allocator		
1	Real property (State, Municipal or Local)	25,455,658		
2	Personal property			
3	Federal/State Excise	20,319		
4				
5				
6				
Total Plant Related		25,475,977	37.6635%	9,595,148
Labor Related		Wages & Salary Allocator		
7	Federal FICA & Unemployment	3,652,617		
8	State Unemployment	109,025		
9				
10				
11				
Total Labor Related		3,761,642	7.3775%	277,514
Other Included		Gross Plant Allocator		
12	Miscellaneous	-		
Total Other Included		0	37.6635%	0
Total Included		29,237,619		9,872,663
Excluded				
13	MD State Franchise Tax	7,439,812		
14	DE Gross Receipts Tax	344,857		
15	MD Sales and Use Tax	1,941,930		
16	Sales and Use tax VA	1,246		
17	PA Franchise	(3,000)		
18	DE Public Utility Tax	6,740,937		
19	Wilmington City Franchise Tax	898,073		
20	MD Environmental Surcharge	601,306		
21	Excluded merger costs in line 7	64		
22 Total "Other" Taxes (included on p. 263)		47,202,844		
23 Total "Taxes Other Than Income Taxes" - acct 408.10 (p. 114.14)		47,202,844		
24 Difference			(0)	

Criteria for Allocation:

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

Delmarva Power & Light Company

Attachment 3 - Revenue Credit Workpaper

Account 454 - Rent from Electric Property

1 Rent from Electric Property - Transmission Related (Note 3)		1,282,426
2 Total Rent Revenues	(Sum Line 1)	1,282,426

Account 456 - Other Electric Revenues (Note 1)

3 Schedule 1A		\$ 1,413,575
4 Net revenues associated with Network Integration Transmission Service (NITS) for which the load is not included in the divisor (difference between NITS credits from PJM and PJM NITS charges paid by Transmission Owner) (Note 4)		-
5 Point to Point Service revenues for which the load is not included in the divisor received by Transmission Owner (Note 4)		461,563
6 PJM Transitional Revenue Neutrality (Note 1)		-
7 PJM Transitional Market Expansion (Note 1)		-
8 Professional Services (Note 3)		-
9 Revenues from Directly Assigned Transmission Facility Charges (Note 2)		4,428,577
10 Rent or Attachment Fees associated with Transmission Facilities (Note 3)		-
11 Gross Revenue Credits	(Sum Lines 2-10)	7,586,140
12 Less line 17g		(818,925)
13 Total Revenue Credits		6,767,215

Revenue Adjustment to determine Revenue Credit

14 Note 1: All revenues related to transmission that are received as a transmission owner (i.e., not received as a LSE), for which the cost of the service is recovered under this formula, except as specifically provided for elsewhere in this Attachment or elsewhere in the formula will be included as a revenue credit or included in the peak on line 173 of Appendix A.

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

16 Note 3: Ratemaking treatment for the following specified secondary uses of transmission assets: (1) right-of-way leases and leases for space on transmission facilities for telecommunications; (2) transmission tower licenses for wireless antennas; (3) right-of-way property leases for farming, grazing or nurseries; (4) licenses of intellectual property (including a portable oil degasification process and scheduling software); and (5) transmission maintenance and consulting services (including energized circuit maintenance, high-voltage substation maintenance, safety training, transformer oil testing, and circuit breaker testing) to other utilities and large customers (collectively, products). Company will retain 50% of net revenues consistent with Pacific Gas and Electric Company, 90 FERC ¶ 61,314. Note: in order to use lines 17a - 17g, the utility must track in separate subaccounts the revenues and costs associated with each secondary use (except for the cost of the associated income taxes).

17a Revenues included in lines 1-11 which are subject to 50/50 sharing.		1,282,426
17b Costs associated with revenues in line 17a	Attachment 5 - Cost Support	355,424
17c Net Revenues (17a - 17b)		927,001
17d 50% Share of Net Revenues (17c / 2)		463,501
17e Costs associated with revenues in line 17a that are included in FERC accounts recovered through the formula times the allocator used to functionalize the amounts in the FERC account to the transmission service at issue.		-
17f Net Revenue Credit (17d + 17e)		463,501
17g Line 17f less line 17a		(818,925)
18 Note 4: If the facilities associated with the revenues are not included in the formula, the revenue is shown here but not included in the total above and is explained in the Cost Support; for example revenues associated with distribution facilities. In addition, Revenues from Schedule 12 are not included in the total above to the extent they are credited under Schedule 12.		17,985,422
19 Amount offset in line 4 above		136,983,768
20 Total Account 454, 456 and 456.1		162,555,330
21 Note 4: SECA revenues booked in Account 447.		

Delmarva Power & Light Company

Attachment 4 - Calculation of 100 Basis Point Increase in ROE

A	Return and Taxes with 100 Basis Point increase in ROE		
	100 Basis Point increase in ROE and Income Taxes	(Line 127 + Line 138)	80,957,406
B	100 Basis Point increase in ROE		1.00%

Return Calculation

59	Rate Base		(Line 39 + 58)	808,735,584
	Long Term Interest			
100	Long Term Interest		p117.62c through 67c	52,075,552
101	Less LTD Interest on Securitization Bonds		Attachment 8	0
102	Long Term Interest		"(Line 100 - line 101)"	52,075,552
103	Preferred Dividends	enter positive	p118.29c	-
	Common Stock			
104	Proprietary Capital		p112.16c	1,330,210,085
105	Less Preferred Stock	enter negative	(Line 114)	0
106	Less Account 216.1	enter negative	p112.12c	2,177,779
107	Common Stock		(Sum Lines 104 to 106)	1,332,387,864
	Capitalization			
108	Long Term Debt		p112.17c through 21c	1,308,230,000
109	Less Loss on Reacquired Debt	enter negative	p111.81c	-7,674,093
110	Plus Gain on Reacquired Debt	enter positive	p113.61c	0
111	Less ADIT associated with Gain or Loss	enter negative	Attachment 1	2,126,878
112	Less LTD on Securitization Bonds	enter negative	Attachment 8	0
113	Total Long Term Debt		(Sum Lines Lines 108 to 112)	1,302,682,785
114	Preferred Stock		p112.3c	0
115	Common Stock		(Line 107)	1,332,387,864
116	Total Capitalization		(Sum Lines 113 to 115)	2,635,070,649
117	Debt %	Total Long Term Debt	(Line 113 / 116)	49.44%
118	Preferred %	Preferred Stock	(Line 114 / 116)	0.00%
119	Common %	Common Stock	(Line 115 / 116)	50.56%
120	Debt Cost	Total Long Term Debt	(Line 102 / 113)	0.0400
121	Preferred Cost	Preferred Stock	(Line 103 / 114)	0.0000
122	Common Cost	Common Stock	(Note J from Appendix A) Appendix A % plus 100 Basis Pts	0.1150
123	Weighted Cost o Total Long Term Debt (WCLTD)		(Line 117 * 120)	0.0198
124	Weighted Cost o Preferred Stock		(Line 118 * 121)	0.0000
125	Weighted Cost o Common Stock		(Line 119 * 122)	0.0581
126	Total Return (R)		(Sum Lines 123 to 125)	0.0779
127	Investment Return = Rate Base * Rate of Return		(Line 59 * 126)	63,009,142

Composite Income Taxes

	Income Tax Rates			
128	FIT=Federal Income Tax Rate			21.00%
129	SIT=State Income Tax Rate or Composite			8.50%
130	p (percent of federal income tax deductible for state purposes)		Per State Tax Code	0.00%
131	T $T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$			27.72%
132	T/ (1-T)			38.34%
	ITC Adjustment			
133	Amortized Investment Tax Credit	enter negative	Attachment 1	(153,997)
134	T/(1-T)		(Line 132)	38%
135	Net Plant Allocation Factor		(Line 18)	38.6346%
136	ITC Adjustment Allocated to Transmission	(Note I from Appendix A)	(Line 133 * (1 + 134) * 135)	-82,308
137	Income Tax Component =	$CIT=(T/1-T) * Investment Return * (1-(WCLTD/R)) =$		18,030,572
138	Total Income Taxes		(Line 136 + 137)	17,948,264

Delmarva Power & Light Company

Attachment 5 - Cost Support

Electric / Non-electric Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Electric Portion	Non-electric Portion	Details
Plant Allocation Factors							
10	Accumulated Intangible Amortization	(Note A)	p200.21c (see attachment)	29,134,135	10,369,787	18,764,348	See Form 1
11	Accumulated Common Amortization - Electric	(Note A)	p356	17,523,048	14,396,936	3,126,112	See Form 1
12	Accumulated Common Plant Depreciation - Electric	(Note A)	p356	65,621,846	53,712,576	11,909,270	See Form 1
Plant In Service							
24	Common Plant (Electric Only)	(Notes A & B)	p356	117,452,929	96,499,326	20,953,603	See Form 1
Accumulated Deferred Income Taxes							
41	Accumulated Investment Tax Credit Account No. 255	(Notes A & I)	p266.h	2,744,835	2,471,566	273,269	See Form 1
Materials and Supplies							
47	Undistributed Stores Exp	(Note A)	p227.6c & 16.c	0	0	0	
Allocated General & Common Expenses							
65	Plus Transmission Lease Payments	(Note A)	p200.3.c	0	0	0	
67	Common Plant O&M	(Note A)	p356	0	0	0	
Depreciation Expense							
88	Intangible Amortization	(Note A)	p336.1d&e (see attachment)	263,020	263,020	0	See FERC Form 2, Page 337, Line 1, Column h for non-electric portion.
92	Common Depreciation - Electric Only	(Note A)	p336.11.b	3,881,211	3,881,211	0	See Form 1, electric only.
93	Common Amortization - Electric Only	(Note A)	p356 or p336.11d	0	0	0	See Form 1, electric only.

Transmission / Non-transmission Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Transmission Related	Non-transmission Related	Details
28	Plant Held for Future Use (Including Land)	(Note C)	p214	3,481,940	0	3,481,940	Specific identification based on plant records: The following plant investments are included: 1 2 3 4 5

CWIP & Expensed Lease Worksheet

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	CWIP In Form 1 Amount	Expensed Lease in Form 1 Amount	Details
6	Plant Allocation Factors Electric Plant in Service	(Note B)	p207.104g	3,875,028,223	0	0	See ARO Exclusion - Cost Support section below for Electric Plant in Servie without AROs
Plant In Service							
19	Transmission Plant In Service	(Note B)	p207.58.g	1,426,429,064	0	0	See Form 1
24	Common Plant (Electric Only)	(Notes A & B)	p356	96,499,326	0	0	
Accumulated Depreciation							
30	Transmission Accumulated Depreciation	(Note B)	p219.25.c	343,638,525	0	0	See Form 1

EPRI Dues Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	EPRI Dues	Details
73	Allocated General & Common Expenses Less EPRI Dues	(Note D)	p352-353	210,803	210,803	See Form 1

Attachment 5 - Cost Support

Regulatory Expense Related to Transmission Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Transmission Related	Non-transmission Related	Details
70	Allocated General & Common Expenses Less Regulatory Commission Exp Account 928	(Note E)	p323.189b	5,255,798	906,841	4,348,957	FERC Form 1 page 351 lines 16 (h) to 19 (h)
77	Directly Assigned A&G Regulatory Commission Exp Account 928	(Note G)	p323.189b	5,255,798	906,841	4,348,957	FERC Form 1 page 351 lines 16 (h) to 19 (h)

Safety Related Advertising Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Safety Related	Non-safety Related	Details
81	Directly Assigned A&G General Advertising Exp Account 930.1	(Note F)	p323.191b	212,864	0	212,864	None

MultiState Workpaper

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				State 1	State 2	State 3	State 4	State 5	Details
129	Income Tax Rates SIT=State Income Tax Rate or Composite	(Note I)	8.50%	MD 8.25%	DE 8.7%				Enter Calculation Apportioned: DE 5.700%, MD 2.800%

Education and Out Reach Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Education & Outreach	Other	Details
78	Directly Assigned A&G General Advertising Exp Account 930.1	(Note K)	p323.191b	212,864	0	212,864	None

Excluded Plant Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Excluded Transmission Facilities	Description of the Facilities
149	Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities Excluded Transmission Facilities	(Note M)	Attachment 5	0	General Description of the Facilities
Instructions:				Enter \$	None
1 Remove all investment below 69 kV or generator step up transformers included in transmission plant in service that are not a result of the RTEP Process					
2 If unable to determine the investment below 69kV in a substation with investment of 69 kV and higher as well as below 69 kV, the following formula will be used:				Or	
Example				Enter \$	
A Total investment in substation					
B Identifiable investment in Transmission (provide workpapers)					
C Identifiable investment in Distribution (provide workpapers)					
D Amount to be excluded (A x (C / (B + C)))					

Outstanding Network Credits Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Outstanding Network Credits	Description of the Credits
55	Network Credits Outstanding Network Credits	(Note N)	From PJM	Enter \$ 0	General Description of the Credits
					None
56	Less Accumulated Depreciation Associated with Facilities with Outstanding Network Credits	(Note N)	From PJM	0	None

Delmarva Power & Light Company

Attachment 5 - Cost Support

Transmission Related Account 242 Reserves

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Total	Allocation	Transmission Related	Details
44	Transmission Related Account 242 Reserves (exclude current year environmental site related reserves)	Enter \$		Amount	
	Directly Assignable to Transmission	-	100%	-	
	Labor Related, General plant related or Common Plant related	32,423,059	7.377%	2,392,005	
	Plant Related	1,766,351	37.664%	665,270	
	Other		0.00%	-	
	Total Transmission Related Reserves	34,189,410		3,057,275	

Prepayments

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Description of the Prepayments		
45	Prepayments			
		Allocator	To Line 45	
	Pension Liabilities, if any, in Account 242	-	6.314%	-
	Prepayments	\$ 16,429,271	6.314%	1,037,407
	Prepaid Pensions if not included in Prepayments	\$ 196,896,680	6.314%	12,432,815
		213,325,951	6.31%	13,470,222
5	Wages & Salary Allocator	7.377%		
	Electric vs Gas	86% Based on Modified Wisconsin Method		
	Modified Wages & Salaries Allocator	6.314%		
Add more lines if necessary				

Extraordinary Property Loss

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Amount	Number of years	Amortization	w/ interest
61	Less extraordinary property loss	\$ -			
62	Plus amortized extraordinary property loss		5	\$ -	\$ -

Interest on Outstanding Network Credits Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Interest on Network Credits	Description of the Interest on the Credits
155	Revenue Credits & Interest on Network Credits Interest on Network Credits (Note N) PJM Data	0	General Description of the Credits
		Enter \$	None
Add more lines if necessary			

Facility Credits under Section 30.9 of the PJM OATT and Facility Credits to Vineland per settlement in ER05-515

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Amount	Description & PJM Documentation
171	Net Revenue Requirement Facility Credits under Section 30.9 of the PJM OATT and Facility Credits to Vineland per settlement in ER05-515 Attachment 5	-	

PJM Load Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		1 CP Peak	Description & PJM Documentation
173	Network Zonal Service Rate 1 CP Peak (Note L) PJM Data	3,812.5	See Form 1

Statements BG/BH (Present and Proposed Revenues)

Customer	Billing Determinants	Current Rate	Proposed Rate	Current Revenues	Proposed Revenues	Change in Revenues
DPL zone						
Total						

Delmarva Power & Light Company

Attachment 5 - Cost Support

Abandoned Tranmission Plant

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions			
A	Beginning Balance of Unamortized Transmission Plant	Per FERC Order	
B	Months Remaining in Amortization Period	Per FERC Order	
C	Monthly Ammortization	A/B	
D	Months in Year to be Amortized		
E	Amortization in Rate Year	C*D	Line 86a
F	Deductions		
G	End of Year Balance in Unamortized Transmission Plant	A-E-F	Line 43b

MAPP Abandonment recovery pursuant to ER13-607

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions					
			DPL	Pepco	Total
171a	2013-14 rate period	\$	9,750,649	\$ 12,725,412	\$ 22,476,061
171a	2014-15 rate period	\$	14,666,395	16,524,210	\$ 31,190,605
171a	2015-16 rate period	\$	12,208,522	14,624,812	\$ 26,833,334
	Total	\$	36,625,566	\$ 43,874,434	\$ 80,500,000

Supporting documentation for FERC Form 1 reconciliation

Compliance with FERC Order on the Exelon Merger						
Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Merger Costs	Non Merger Related
6	Electric Plant in Service	p207.104g		3,875,028,223	160,533	3,874,867,690
9	Accumulated Depreciation (Total Electric Plant)	p219.29c		935,724,477	1,663	935,722,814
10	Accumulated Intangible Amortization	p200.21c		10,369,787	14,198	10,355,589
23	General & Intangible	p205.5.g & p207.99.g		192,581,846	160,533	192,421,313
60	Transmission O&M	p321.112.b		24,433,922	86,258	24,347,664
68	Total A&G	p323.197.b		88,600,092	(428,649)	89,028,741
87	General Depreciation	p336.10b&c		8,843,716	1,663	8,842,053
88	Intangible Amortization	p336.1d&e		263,020	14,198	248,822
				Removal of \$4,481,440 of 2017 merger related costs, offset by establishment of regulatory asset of \$4,910,089 in A&G accounts.		

ARO Exclusion - Cost Support						
Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	ARO's	Non-ARO's
6	Electric Plant in Service	p207.104g		3,875,028,223	2,770,250	3,872,257,973
9	Accumulated Depreciation (Total Electric Plant)	p219.29c		935,724,477	348,511	935,375,966
23	General & Intangible	p205.5.g & p207.99.g		192,581,846	138,909	192,442,937
31	Accumulated General Depreciation	p219.28.c		50,621,194	101,320	50,519,874
				Distribution ARO-\$2,631,341 and General & Intangible ARO-\$138,909		
				Distribution ARO-\$247,191 and General ARO-\$101,320		
				General & Intangible ARO-\$138,909		
				General ARO-\$101,320		

ARO & Merger Related Exclusion - Cost Support								
Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	ARO's	Merger Costs	Non-ARO's & Non Merger Related	
6	Electric Plant in Service	p207.104g		3,875,028,223	2,770,250	160,533	3,872,097,440	Distribution ARO-\$2,631,341 and General & Intangible ARO-\$138,909 and Intangible Merger Cost \$160,533
9	Accumulated Depreciation (Total Electric Plant)	p219.29c		935,724,477	348,511	1,663	935,374,303	Distribution ARO-\$247,191 and General ARO-\$101,320 and General Merger Cost \$1,663
23	General & Intangible	p205.5.g & p207.99.g		192,581,846	138,909	160,533	192,282,404	General & Intangible ARO-\$138,909 and Intangible Merger Cost \$160,533
31	Accumulated General Depreciation	p219.28.c		50,621,194	101,320	1,663	50,518,211	General ARO-\$101,320 and General Merger Cost \$1,663

PBOP Expense in FERC 926								
Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Total A&G Form 1 Amount	Account 926 Form 1 Amount	PBOP in FERC 926 current rate year	PBOP in FERC 926 prior rate year	Explanation of change in PBOP in FERC 926
68	Total A&G	Total: p.323.197.b Account 926: p.323.187.b and c		88,600,092	14,544,073	(199,886)	(70,821)	The actuarially determined amount of OPEB expense in FERC 926 decreased \$.129 million from the prior year; the decrease primarily represents a (\$0.2 million) decrease in service cost primarily due to (i) change in the discount rate from 3.80% in 2016 to 4.0% in 2017 and (ii) updated census data, (\$0.3 million) increase in expected return on plan assets due to year over year assets growth, offset by \$0.2 million increase in amortization of unrecognized gain/loss. This decrease was offset by a \$0.169 million decrease in OPEB costs directly charged to capital or other income deduction accounts (i.e. below the line).

Attachment 3 - Revenue Credit Workpaper

17b	Costs associated with revenues in line 17a	\$	355,424
	Revenue Subject to 50/50 sharing (Attachment 3 - line 17a)	\$	1,282,426
	Federal Income Tax Rate		21.00%
	Federal Tax on Revenue subject to 50/50 sharing		269,309
	Net Revenue subject to 50/50 sharing		1,013,116
	Composite State Income Tax Rate		8.500%
	State Tax on Revenue subject to 50/50 sharing		86,115
	Total Tax on Revenue subject to 50/50 sharing	\$	355,424

Delmarva Power & Light Company

Attachment 5a - Allocations of Costs to Affiliate

	Delmarva Power	Atlantic City	Pepco	Non - Regulated	Total
Executive Management	6,721,922	6,040,279	11,559,004	2,731,918	27,053,123
Procurement & Administrative Services	5,753,548	4,160,116	8,276,756	3,721,474	21,911,894
Financial Services & Corporate Expenses	16,768,656	13,558,856	23,867,875	15,207,024	69,402,411
Insurance Coverage and Services	292,642	563,869	(390,363)	(5,012)	461,136
Human Resources	(1,116,564)	(1,258,037)	(540,100)	5,485,522	2,570,821
Legal Services	2,170,665	1,000,599	4,150,743	6,816,457	14,138,464
Customer Services	52,746,755	47,419,527	45,717,038	2,626	145,885,946
Information Technology	17,257,383	13,248,946	32,727,761	10,871,056	74,105,146
External Affairs	3,411,728	2,935,223	5,190,824	626,833	12,164,608
Environmental Services	2,358,711	2,065,133	2,509,472	346	6,933,662
Safety Services	481,504	493,828	775,837		1,751,169
Regulated Electric & Gas T&D	44,391,825	35,785,749	58,175,755	2,973,981	141,327,310
Internal Consulting Services	241,911	194,452	414,624		850,987
Interns	174,619	133,726	128,150		436,495
Cost of Benefits	13,261,385	8,972,178	22,145,832		44,379,395
Building Services	146,800	96,476	4,309,323	849,170	5,401,769
Total	\$ 165,063,490	\$ 135,410,920	\$ 219,018,531	\$ 49,281,395	\$ 568,774,336

Name of Respondent PHI Service Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Resubmission Date (Mo, Da, Yr) / /	Year/Period of Report Dec 31, 2017
Schedule XVII - Analysis of Billing - Associate Companies (Account 457)					
1. For services rendered to associate companies (Account 457), list all of the associate companies.					
Line No.	Name of Associate Company (a)	Account 457.1 Direct Costs Charged (b)	Account 457.2 Indirect Costs Charged (c)	Account 457.3 Compensation For Use of Capital (d)	Total Amount Billed (e)
1	Potomac Electric Company	54,658,874	164,339,096	20,561	219,018,531
2	Delmarva Power & Light Company	43,878,996	121,169,503	14,991	165,063,490
3	Atlantic City Electric Company	29,283,609	106,115,313	11,998	135,410,920
4	Exelon Business Services Company, LLC	47,134,513			47,134,513
5	Pepco Energy Services, Inc	415,765	1,111,189		1,526,954
6	Pepco Holdings LLC	45,859	490,907	268	537,034
7	Atlantic Southern Properties, Inc	2,419	39,576		41,995
8	Connectiv Properties & Investments, Inc	250	29,336		29,586
9	Atlantic City Electric Transition Funding, LLC	2,895	2,847	4	5,746
10	Connectiv Holding Company, Inc.	3,279			3,279
11	Potomac Capital Investments Corporation	1,623	255		1,878
12	Connectiv Thermal Systems, Inc.		410		410
13					
14					
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37					
38					
39					
40	Total	175,428,082	393,296,432	47,822	568,774,336

Service Company Billing Analysis by Utility FERC Account
YTD Dec 2017
Total PHI

FERC Accounts	FERC Account Name	DPL	ACE	PEPCO	Non-Utility	Total	Inclusion in ATRR
107	Constr Work In Progress	26,393,027	20,238,001	36,545,201	-	83,176,229	Not included
182.3	Other Regulatory Assets	2,372,237	217,458	7,097,229	-	9,686,924	Not included
184	Clearing Accounts - Other	290,866	240,842	743,443	(623,559)	651,592	Not included
408.1	Taxes other than inc taxes, utility operating inc	1,821	705	1,742	-	4,268	Wage & Salary Factor
416-421.2	Other Income -Below the Line	791,529	668,026	953,108	49,904,954	52,317,617	Not included
426.1-426.5	Other Income Deductions - Below the Line	793,436	612,278	1,127,607	-	2,533,321	Not included
430	Interest-Debt to Associated Companies	33,667	27,028	45,561	-	106,256	Not included
431	Interest-Short Term Debt	(16,005)	(12,879)	(21,440)	-	(50,324)	Not included
556	System cont & load dispatch	1,762,459	1,397,736	1,967,404	-	5,127,599	Not included
557	Other expenses	1,289,456	1,123,936	1,209,338	-	3,622,730	Not included
560	Operation Supervision & Engineering	3,383,115	3,135,496	4,630,184	-	11,148,795	100% included
561.1	Load Dispatching - Reliability	14,659	9,981	-	-	24,640	100% included
561.2	Load Dispatch - Monitor & Operate Transmission Sys	67,228	19,453	727,609	-	814,290	100% included
561.3	Load Dispatch - Transmission Service & Scheduling	33,317	44,911	29,401	-	107,629	100% included
561.5	Reliability, Planning and Standards	348,426	219,013	131,562	-	699,001	100% included
563	Overhead line expenses	-	-	225	-	225	100% included
562	Station expenses	-	-	6,587	-	6,587	100% included
564	Underground Line Expenses - Transmission	-	-	525	-	525	100% included
566	Miscellaneous transmission expenses	964,413	829,555	916,409	-	2,710,377	100% included
568	Maintenance Supervision & Engineering	131,952	100,446	465,203	-	697,601	100% included
569	Maint of structures	6,463	6,993	7,169	-	20,625	100% included
569.2	Maintenance of Computer Software	646,321	311,341	457,266	-	1,414,928	100% included
569.4	Maintenance of Transmission Plant	-	-	4	-	4	100% included
570	Maintenance of station equipment	177,361	64,923	367,252	-	609,536	100% included
571	Maintenance of overhead lines	393,340	286,999	590,906	-	1,271,245	100% included
572	Maintenance of underground lines	194	172	1,137	-	1,503	100% included
573	Maintenance of miscellaneous transmission plant	15,358	28,110	145,477	-	188,945	100% included
575.5	Ancillary services market administration	-	-	8,945	-	8,945	Not included
580	Operation Supervision & Engineering	1,205,549	900,876	1,342,800	-	3,449,225	Not included
581	Load dispatching	1,088,271	408,220	1,622,032	-	3,118,523	Not included
582	Station expenses	519,935	-	127,953	-	647,888	Not included
583	Overhead line expenses	79,339	179,386	37,971	-	296,696	Not included
584	Underground line expenses	35,984	-	181,498	-	217,482	Not included
585	Street lighting	1,575	-	27	-	1,602	Not included
587	Customer installations expenses	345,833	349,544	1,003,345	-	1,698,722	Not included
588	Miscellaneous distribution expenses	3,807,435	4,244,289	6,809,195	-	14,860,919	Not included
589	Rents	80,562	409	77,296	-	158,267	Not included
590	Maintenance Supervision & Engineering	948,744	573,387	499,410	-	2,021,541	Not included
591	Maintain structures	7,013	6,792	6,974	-	20,779	Not included
592	Maintain equipment	353,360	427,768	916,673	-	1,697,801	Not included
593	Maintain overhead lines	1,754,068	1,231,469	1,850,015	-	4,835,552	Not included
594	Maintain underground line	129,627	69,299	728,487	-	927,413	Not included
595	Maintain line transformers	2,257	-	150,585	-	152,842	Not included
596	Maintain street lighting & signal systems	41,343	36,511	6,306	-	84,160	Not included
597	Maintain meters	164,705	34,459	132,584	-	331,748	Not included
598	Maintain distribution plant	44,155	20,222	574,205	-	638,582	Not included
800-894	Total Gas Accounts	2,355,199	-	-	-	2,355,199	Not included
902	Meter reading expenses	144,273	36,799	129,651	-	310,723	Not included
903	Customer records and collection expenses	50,866,226	47,660,833	48,331,246	-	146,858,305	Not included
907	Supervision - Customer Svc & Information	88	156,520	42,124	-	198,732	Not included
908	Customer assistance expenses	1,897,100	652,072	545,344	-	3,094,516	Not included
909	Informational & instructional advertising	524,046	539,891	834,890	-	1,898,827	Not included
912	Demonstrating and selling expense	161,461	-	-	-	161,461	Not included
913	Advertising expense	40,738	-	-	-	40,738	Not included
920	Administrative & General salaries	339,115	100,744	689,110	-	1,128,969	Wage & Salary Factor
921	Office supplies & expenses	240	712	361	-	1,313	Wage & Salary Factor
923	Outside services employed	46,996,640	42,150,533	75,985,080	-	165,132,253	Wage & Salary Factor
924	Property insurance	113	91	154	-	358	Net Plant Factor
926	Employee pensions & benefits	7,809,871	4,323,683	12,245,344	-	24,378,898	Wage & Salary Factor
928	Regulatory commission expenses	1,470,858	492,412	2,686,522	-	4,649,792	Direct Transmission Only
929	Duplicate charges-Credit	422,348	150,426	1,117,064	-	1,689,838	Wage & Salary Factor
930.1	General ad expenses	208	186	356	-	750	Direct Transmission Only
930.2	Miscellaneous general expenses	518,497	510,021	999,424	-	2,027,942	Wage & Salary Factor
935	Maintenance of general plant	302,795	135,585	75,371	-	513,751	Wage & Salary Factor
Total		165,063,490	135,410,920	219,018,531	49,281,395	568,774,336	

Delmarva Power & Light Company

Attachment 6 - Estimate and Reconciliation Worksheet

Step Month Year Action

Exec Summary

- 1

April

Year 2

TO populates the formula with Year 1 data from FERC Form 1 data for Year 1 (e.g., 2004)
- 2

April

Year 2

TO estimates all transmission Cap Adds and CWIP for Year 2 weighted based on Months expected to be in service in Year 2 (e.g., 2005)
- 3

April

Year 2

TO adds weighted Cap Adds to plant in service in Formula
- 4

May

Year 2

Post results of Step 3 on PJM web site
- 5

June

Year 2

Results of Step 3 go into effect for the Rate Year 1 (e.g., June 1, 2005 - May 31, 2006)
- 6

April

Year 3

TO populates the formula with Year 2 data from FERC Form 1 for Year 2 (e.g., 2005)
- 7

April

Year 3

Reconciliation - TO calculates Reconciliation by removing from Year 2 data - the total Cap Adds placed in service in Year 2 and adding weighted average in Year 2 actual Cap Adds and CWIP in Reconciliation (adjusted to include any Reconciliation amount from prior year)
- 8

April

Year 3

TO estimates Cap Adds and CWIP during Year 3 weighted based on Months expected to be in service in Year 3 (e.g., 2006)
- 9

April

Year 3

Reconciliation - TO adds the difference between the Reconciliation in Step 7 and the forecast in Line 5 with interest to the result of Step 7 (this difference is also added to Step 8 in the subsequent year)
- 10

May

Year 3

Post results of Step 9 on PJM web site
- 11

June

Year 3

Results of Step 9 go into effect for the Rate Year 2 (e.g., June 1, 2006 - May 31, 2007)

- 1

April

Year 2

TO populates the formula with Year 1 data from FERC Form 1 data for Year 1 (e.g., 2004)

131,214,059

Rev Req based on Year 1 data

Must run Appendix A to get this number (without inputs in lines 20, 21 or 43a of Appendix A)

- 2

April

Year 2

TO estimates all transmission Cap Adds and CWIP for Year 2 weighted based on Months expected to be in service in Year 2 (e.g., 2005)

		(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
		Monthly Additions	Monthly Additions	Monthly Additions	Monthly Additions		Other Plant In Service	Other Plant In Service	MAPP CWIP	MAPP In Service	Other Plant In Service	Other Plant In Service	MAPP CWIP	MAPP In Service
		Other Plant In Service	Other Plant In Service	MAPP CWIP	MAPP In Service	Weighting	Amount (A x E)	Amount (B x E)	Amount (C x E)	Amount (D x E)	(F / 12)	(G / 12)	(H / 12)	(I / 12)
	Jan	2,741,565		-		11.5	-	-	-	-	-	-	-	-
	Feb					10.5	-	-	-	-	-	-	-	-
	Mar					9.5	-	-	-	-	-	-	-	-
	Apr					8.5	-	-	-	-	-	-	-	-
	May					7.5	-	-	-	-	-	-	-	-
	Jun					6.5	-	-	-	-	-	-	-	-
	Jul					5.5	-	-	-	-	-	-	-	-
	Aug					4.5	-	-	-	-	-	-	-	-
	Sep					3.5	-	-	-	-	-	-	-	-
	Oct					2.5	-	-	-	-	-	-	-	-
	Nov					1.5	-	-	-	-	-	-	-	-
	Dec					0.5	1,370,783	-	-	-	114,232	-	-	-
	Total	2,741,565	-	-	-		1,370,783	-	-	-	114,232	-	-	-
	New Transmission Plant Additions and CWIP (weighted by months in service)										114,232	-	-	-
									Input to Line 21 of Appendix A		114,232	-		-
									Input to Line 43a of Appendix A			-		-
									Month In Service or Month for CWIP		11.50	#DIV/0!	#DIV/0!	#DIV/0!

- 3

April

Year 2

TO adds weighted Cap Adds to plant in service in Formula

\$ 114,232

Input to Formula Line 21

- 4

May

Year 2

Post results of Step 3 on PJM web site

131,224,357

Must run Appendix A to get this number (with inputs on lines 21 and 43a of Attachment A)

- 5

June

Year 2

Results of Step 3 go into effect for the Rate Year 1 (e.g., June 1, 2005 - May 31, 2006)

\$ 131,224,357

- 6

April

Year 3

TO populates the formula with Year 2 data from FERC Form 1 for Year 2 (e.g., 2005)

153,802,694

Rev Req based on Prior Year data

Must run Appendix A to get this number (without inputs in lines 20, 21 or 43a of Appendix A)

7 April Year 3 Reconciliation - TO calculates Reconciliation by removing from Year 2 data - the total Cap Adds placed in service in Year 2 and adding weighted average in Year 2 actual Cap Adds and CWIP in Reconciliation (adjusted to include any Reconciliation amount from prior year)

Remove all Cap Adds placed in service in Year 2
For Reconciliation only - remove actual New Transmission Plant Additions for Year 2 \$ - 175,951,339 Input to Formula Line 20

Add weighted Cap Adds actually placed in service in Year 2

	(A) Monthly Additions Other Plant In Service	(B) Monthly Additions Other Plant In Service	(C) Monthly Additions MAPP CWIP	(D) Monthly Additions MAPP In Service	(E) Weighting	(F) Other Plant In Service Amount (A x E)	(G) Other Plant In Service Amount (B x E)	(H) MAPP CWIP Amount (C x E)	(I) MAPP In Service Amount (D x E)	(J) Other Plant In Service (F / 12)	(K) Other Plant In Service (G / 12)	(L) MAPP CWIP (H / 12)	(M) MAPP In Service (I / 12)
Jan	779,121				11.5	8,959,891	-	-	-	746,658	-	-	-
Feb	1,728,230				10.5	18,146,417	-	-	-	1,512,201	-	-	-
Mar	1,992,947				9.5	18,933,000	-	-	-	1,577,750	-	-	-
Apr	22,158,947				8.5	188,351,047	-	-	-	15,695,921	-	-	-
May	51,832,602				7.5	388,744,518	-	-	-	32,395,377	-	-	-
Jun	5,123,174				6.5	33,300,633	-	-	-	2,775,053	-	-	-
Jul	919,412				5.5	5,056,764	-	-	-	421,397	-	-	-
Aug	12,001,454				4.5	54,006,542	-	-	-	4,500,545	-	-	-
Sep	1,322,609				3.5	4,629,130	-	-	-	385,761	-	-	-
Oct	2,502,622				2.5	6,256,555	-	-	-	521,380	-	-	-
Nov	11,332,404				1.5	16,998,606	-	-	-	1,416,551	-	-	-
Dec	64,257,817				0.5	32,128,908	-	-	-	2,677,409	-	-	-
Total	175,951,339	-	-	-		775,512,012	-	-	-	64,626,001	-	-	-
New Transmission Plant Additions and CWIP (weighted by months in service)										64,626,001	-	-	-
										64,626,001	-	-	-
										Input to Line 21 of Appendix A			
										Input to Line 43a of Appendix A			
										Month In Service or Month for CWIP	7.59	#DIV/0!	#DIV/0!
													64,626,001
													-

143,727,482 Result of Formula for Reconciliation Must run Appendix A with cap adds in line 21 & line 20
(Year 2 data with total of Year 2 Cap Adds removed and monthly weighted average of Year 2 actual Cap Adds added in)

8 April Year 3 TO estimates Cap Adds and CWIP during Year 3 weighted based on Months expected to be in service in Year 3 (e.g., 2006)

	(A) Monthly Additions Other Plant In Service	(B) Monthly Additions Other Plant In Service	(C) Monthly Additions MAPP CWIP	(D) Monthly Additions MAPP In Service	(E) Weighting	(F) Other Plant In Service Amount (A x E)	(G) Other Plant In Service Amount (B x E)	(H) MAPP CWIP Amount (C x E)	(I) MAPP In Service Amount (D x E)	(J) Other Plant In Service (F / 12)	(K) Other Plant In Service (G / 12)	(L) MAPP CWIP (H / 12)	(M) MAPP In Service (I / 12)
Jan			-		11.5	-	-	-	-	-	-	-	-
Feb					10.5	-	-	-	-	-	-	-	-
Mar	5,492,768		-		9.5	52,181,296	-	-	-	4,348,441	-	-	-
Apr					8.5	-	-	-	-	-	-	-	-
May	68,209,058				7.5	511,567,935	-	-	-	42,630,661	-	-	-
Jun					6.5	-	-	-	-	-	-	-	-
Jul					5.5	-	-	-	-	-	-	-	-
Aug					4.5	-	-	-	-	-	-	-	-
Sep					3.5	-	-	-	-	-	-	-	-
Oct					2.5	-	-	-	-	-	-	-	-
Nov					1.5	-	-	-	-	-	-	-	-
Dec	-				0.5	-	-	-	-	-	-	-	-
Total	73,701,826	-	-	-		563,749,231	-	-	-	46,979,103	-	-	-
New Transmission Plant Additions and CWIP (weighted by months in service)										0	46,979,103	-	-
										46,979,103	-	-	-
										Input to Line 21 of Appendix A			
										Input to Line 43a of Appendix A			
										Month In Service or Month for CWIP	4.35	#DIV/0!	#DIV/0!
													46,979,103
													-

9 April Year 3 Reconciliation - TO adds the difference between the Reconciliation in Step 7 and the forecast in Line 5 with interest to the result of Step 7 (this difference is also added to Step 8 in the subsequent year)

The Reconciliation in Step 7		The forecast in Prior Year				
143,727,482	-	130,763,416	=	12,964,066		
Interest on Amount of Refunds or Surcharges						
Interest rate pursuant to 35.19a for March of		0.3600%				
Month	Yr	1/12 of Step 9	Interest rate for March of the Current Yr	Months	Interest	Surcharge (Refund) Owed
Jun	Year 1	1,080,339	0.3600%	11.5	44,726	1,125,065
Jul	Year 1	1,080,339	0.3600%	10.5	40,837	1,121,176
Aug	Year 1	1,080,339	0.3600%	9.5	36,948	1,117,286
Sep	Year 1	1,080,339	0.3600%	8.5	33,058	1,113,397
Oct	Year 1	1,080,339	0.3600%	7.5	29,169	1,109,508
Nov	Year 1	1,080,339	0.3600%	6.5	25,280	1,105,619
Dec	Year 1	1,080,339	0.3600%	5.5	21,391	1,101,730
Jan	Year 2	1,080,339	0.3600%	4.5	17,501	1,097,840
Feb	Year 2	1,080,339	0.3600%	3.5	13,612	1,093,951
Mar	Year 2	1,080,339	0.3600%	2.5	9,723	1,090,062
Apr	Year 2	1,080,339	0.3600%	1.5	5,834	1,086,173
May	Year 2	1,080,339	0.3600%	0.5	1,945	1,082,283
Total		12,964,066				13,244,089

		Amortization over			
		Balance	Interest rate from above	Rate Year	Balance
Jun	Year 2	13,244,089	0.3600%	1,129,670	12,162,098
Jul	Year 2	12,162,098	0.3600%	1,129,670	11,076,211
Aug	Year 2	11,076,211	0.3600%	1,129,670	9,986,415
Sep	Year 2	9,986,415	0.3600%	1,129,670	8,892,696
Oct	Year 2	8,892,696	0.3600%	1,129,670	7,795,040
Nov	Year 2	7,795,040	0.3600%	1,129,670	6,693,432
Dec	Year 2	6,693,432	0.3600%	1,129,670	5,587,858
Jan	Year 3	5,587,858	0.3600%	1,129,670	4,478,304
Feb	Year 3	4,478,304	0.3600%	1,129,670	3,364,755
Mar	Year 3	3,364,755	0.3600%	1,129,670	2,247,198
Apr	Year 3	2,247,198	0.3600%	1,129,670	1,125,618
May	Year 3	1,125,618	0.3600%	1,129,670	-
Total with interest				13,556,043	

The difference between the Reconciliation in Step 7 and the forecast in Prior Year with interest 13,556,043

Rev Req based on Year 2 data with estimated Cap Adds and CWIP for Year 3 (Step 8) \$ 145,118,023
Revenue Requirement for Year 3 158,674,066

10 May Year 3 ilts of Step 9 on PJM web site
\$ 158,674,066

11 June Year 3 r the Rate Year 2 (e.g., June 1, 2006 - May 31, 2007)
\$ 158,674,066

Delmarva Power & Light Company

Attachment 7 - Transmission Enhancement Charge Worksheet

1	New Plant Carrying Charge				
2	Fixed Charge Rate (FCR) if not a CIAC				
3	Formula Line				
4	A	160	Net Plant Carrying Charge without Depreciation		10.201%
5	B	167	Net Plant Carrying Charge per 100 Basis Point increase in ROE without Depreciation		10.723%
6	C		Line B less Line A		0.5225%
7	FCR if a CIAC				
8	D	161	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes		3.2465%

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

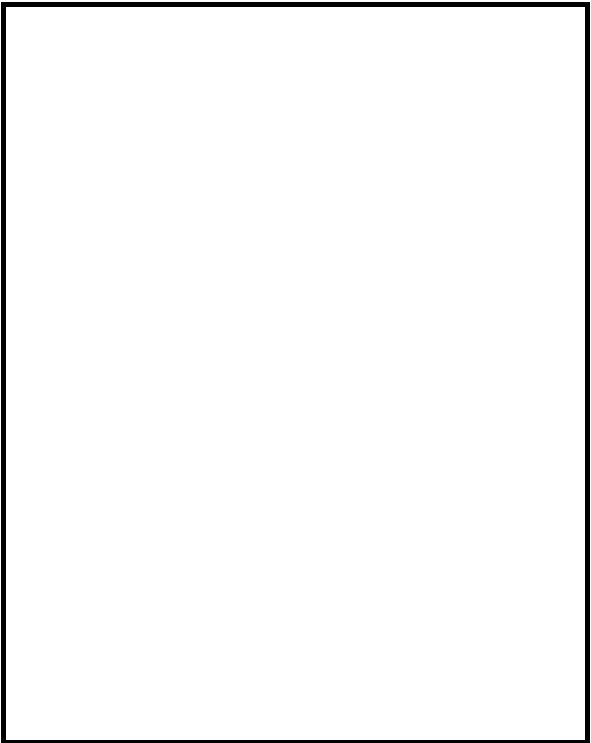
11 **The ROE is 10.5% which includes a base ROE of 10.0% ROE per FERC order in Docket No. EL13-48 and a 50 basis point RTO membership adder as authorized by FERC: provided, that the projects identified in Docket Nos. ER08-686 and ER08-1423 have**

"Yes" if a project under PJM OATT Schedule 12, otherwise "No"	Details		B0241.3 Red Lion sub reconfiguration				B0494.1-4 Red Lion-Keeney				B0241.1-.2 Red Lion-Keeney				B0567 Mt.Pleasant-Townsend			
	Schedule 12 Life	(Yes or No)	Yes				No				No				No			
	Useful life of project		35				35				35				35			
	"Yes" if the customer has paid a lump sum payment in the amount of the investment on line 18, Otherwise "No"	(Yes or No)	No				No				No				No			
	Input the allowed ROE Incentive		150				150				150				150			
	From line 4 above if "No" on line 14 and From line 8 above if "Yes" on line 14																	
	Line 6 times line 15 divided by 100 basis points		10.2008%				10.2008%				10.2008%				10.2008%			
	Columns A, B or C from Attachment 6																	
	Line 18 divided by line 13																	
	From Columns H, I or J from Attachment 6																	
	Investment		14,689,101				3,099,104				2,418,717				6,414,723			
	Annual Depreciation Exp		419,689				88,546				69,106				183,278			
	Month In Service or Month for CWIP		6.00				6.00				6.00				6			
	Base FCR	Invest Yr	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue
	W Increased ROE	2018	11,121,748	419,689	10,702,059	1,511,381	2,346,464	88,546	2,257,919	318,871	1,831,314	69,106	1,762,208	248,865	5,040,140	183,278	4,856,862	678,715
	Base FCR	2019	11,121,748	419,689	10,702,059	1,595,252	2,346,464	88,546	2,257,919	336,566	1,831,314	69,106	1,762,208	262,675	5,040,140	183,278	4,856,862	716,778
	W Increased ROE	2020	10,702,059	419,689	10,282,371	1,468,569	2,257,919	88,546	2,169,373	309,839	1,762,208	69,106	1,693,102	241,816	4,856,862	183,278	4,673,584	660,019
	Base FCR	2021	10,702,059	419,689	10,282,371	1,549,151	2,257,919	88,546	2,169,373	326,840	1,762,208	69,106	1,693,102	255,084	4,856,862	183,278	4,673,584	696,646
	W Increased ROE	2022	10,282,371	419,689	9,862,682	1,425,758	2,169,373	88,546	2,080,827	300,806	1,693,102	69,106	1,623,996	234,766	4,673,584	183,278	4,490,306	641,324
	Base FCR	2023	10,282,371	419,689	9,862,682	1,503,051	2,169,373	88,546	2,080,827	317,113	1,693,102	69,106	1,623,996	247,493	4,673,584	183,278	4,490,306	676,514
	Investment	2024	9,862,682	419,689	9,442,994	1,382,947	2,080,827	88,546	1,992,281	291,774	1,623,996	69,106	1,554,890	227,717	4,490,306	183,278	4,307,028	622,628
	W Increased ROE	2025	9,862,682	419,689	9,442,994	1,456,950	2,080,827	88,546	1,992,281	307,387	1,623,996	69,106	1,554,890	239,902	4,490,306	183,278	4,307,028	656,381
	Base FCR	2026	9,442,994	419,689	9,023,305	1,340,135	1,992,281	88,546	1,903,735	282,741	1,554,890	69,106	1,485,783	220,668	4,307,028	183,278	4,123,751	603,932
	W Increased ROE	2027	9,442,994	419,689	9,023,305	1,410,850	1,992,281	88,546	1,903,735	297,661	1,554,890	69,106	1,485,783	232,311	4,307,028	183,278	4,123,751	636,249
	Base FCR	2028	9,023,305	419,689	8,603,616	1,297,324	1,903,735	88,546	1,815,189	273,709	1,485,783	69,106	1,416,677	213,618	4,123,751	183,278	3,940,473	585,236
	W Increased ROE	2029	9,023,305	419,689	8,603,616	1,364,749	1,903,735	88,546	1,815,189	287,935	1,485,783	69,106	1,416,677	224,720	4,123,751	183,278	3,940,473	616,117
	Base FCR	2030	8,603,616	419,689	8,183,928	1,254,512	1,815,189	88,546	1,726,644	264,677	1,416,677	69,106	1,347,571	206,569	3,940,473	183,278	3,757,195	566,541
	W Increased ROE	2031	8,603,616	419,689	8,183,928	1,318,649	1,815,189	88,546	1,726,644	278,208	1,416,677	69,106	1,347,571	217,130	3,940,473	183,278	3,757,195	595,985
	Base FCR	2032	8,183,928	419,689	7,764,239	1,211,701	1,726,644	88,546	1,638,098	255,644	1,347,571	69,106	1,278,465	199,519	3,757,195	183,278	3,573,917	547,845
	W Increased ROE	2033	8,183,928	419,689	7,764,239	1,272,548	1,726,644	88,546	1,638,098	268,482	1,347,571	69,106	1,278,465	209,539	3,757,195	183,278	3,573,917	575,853
	Investment	2034	7,764,239	419,689	7,344,551	1,168,889	1,638,098	88,546	1,549,552	246,612	1,278,465	69,106	1,209,359	192,470	3,573,917	183,278	3,390,639	529,149
	W Increased ROE	2035	7,764,239	419,689	7,344,551	1,226,448	1,638,098	88,546	1,549,552	258,756	1,278,465	69,106	1,209,359	201,948	3,573,917	183,278	3,390,639	555,721
	Base FCR	2036	7,344,551	419,689	6,924,862	1,126,078	1,549,552	88,546	1,461,006	237,580	1,209,359	69,106	1,140,252	185,421	3,390,639	183,278	3,207,362	510,453
	W Increased ROE	2037	7,344,551	419,689	6,924,862	1,180,347	1,549,552	88,546	1,461,006	249,029	1,209,359	69,106	1,140,252	194,357	3,390,639	183,278	3,207,362	535,589
	Base FCR	2038	6,924,862	419,689	6,505,173	1,087,899	1,461,006	88,546	1,372,459	218,041	1,140,252	69,106	1,070,140	174,313	3,207,362	183,278	3,024,084	486,967
	W Increased ROE	2039	6,505,173	419,689	6,085,484	1,046,210	1,372,459	88,546	1,283,912	206,493	1,070,140	69,106	1,000,028	163,365	3,024,084	183,278	2,840,806	462,278
	Base FCR	2040	6,085,484	419,689	5,665,795	1,005,521	1,283,912	88,546	1,195,365	194,945	1,000,028	69,106	929,916	152,317	2,840,806	183,278	2,657,528	437,278
	W Increased ROE	2041	6,085,484	419,689	5,665,795	1,067,891	1,195,365	88,546	1,106,818	182,997	929,916	69,106	859,810	141,369	2,657,528	183,278	2,474,259	412,278
	Base FCR	2042	5,665,795	419,689	5,246,106	966,412	1,106,818	88,546	1,018,271	171,271	859,810	69,106	789,704	130,321	2,474,259	183,278	2,291,000	387,278
	W Increased ROE	2043	5,246,106	419,689	5,246,106	1,028,782	1,018,271	88,546	929,725	160,225	789,704	69,106	719,598	119,273	2,291,000	183,278	2,107,721	362,278

been awarded an additional 150 basis point adder and, thus, their ROE is 12.0%.

B0483.1-3 Oak Hall-Wattsville				B0320 Cool Springs				B0568 3rd Indian River			
No 35				No 35				No 35			
No 150				No 150				No 150			
10.2008%				10.2008%				10.2008%			
10.9845%				10.9845%				10.9845%			
8,379,558				14,504,530				6,681,345			
239,416				414,415				190,896			
12				9				8			
Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue
6,703,646	239,416	6,464,230	898,817	11,500,020	414,415	11,085,605	1,545,232	5,472,340	190,896	5,281,444	729,643
6,703,646	239,416	6,464,230	949,477	11,500,020	414,415	11,085,605	1,632,109	5,472,340	190,896	5,281,444	771,034
6,464,230	239,416	6,224,815	874,395	11,085,605	414,415	10,671,190	1,502,959	5,281,444	190,896	5,090,549	710,171
6,464,230	239,416	6,224,815	923,178	11,085,605	414,415	10,671,190	1,586,587	5,281,444	190,896	5,090,549	750,065
6,224,815	239,416	5,985,399	849,973	10,671,190	414,415	10,256,775	1,460,685	5,090,549	190,896	4,899,653	690,698
6,224,815	239,416	5,985,399	896,879	10,671,190	414,415	10,256,775	1,541,066	5,090,549	190,896	4,899,653	729,096
5,985,399	239,416	5,745,983	825,550	10,256,775	414,415	9,842,360	1,418,411	4,899,653	190,896	4,708,757	671,225
5,985,399	239,416	5,745,983	870,581	10,256,775	414,415	9,842,360	1,495,545	4,899,653	190,896	4,708,757	708,127
5,745,983	239,416	5,506,567	801,128	9,842,360	414,415	9,427,944	1,376,138	4,708,757	190,896	4,517,862	651,752
5,745,983	239,416	5,506,567	844,282	9,842,360	414,415	9,427,944	1,450,024	4,708,757	190,896	4,517,862	687,158
5,506,567	239,416	5,267,151	776,706	9,427,944	414,415	9,013,529	1,333,864	4,517,862	190,896	4,326,966	632,279
5,506,567	239,416	5,267,151	817,984	9,427,944	414,415	9,013,529	1,404,502	4,517,862	190,896	4,326,966	666,189
5,267,151	239,416	5,027,735	752,284	9,013,529	414,415	8,599,114	1,291,591	4,326,966	190,896	4,136,071	612,807
5,267,151	239,416	5,027,735	791,685	9,013,529	414,415	8,599,114	1,358,981	4,326,966	190,896	4,136,071	645,220
5,027,735	239,416	4,788,319	727,861	8,599,114	414,415	8,184,699	1,249,317	4,136,071	190,896	3,945,175	593,334
5,027,735	239,416	4,788,319	765,387	8,599,114	414,415	8,184,699	1,313,460	4,136,071	190,896	3,945,175	624,252
4,788,319	239,416	4,548,903	703,439	8,184,699	414,415	7,770,284	1,207,044	3,945,175	190,896	3,754,280	573,861
4,788,319	239,416	4,548,903	739,088	8,184,699	414,415	7,770,284	1,267,939	3,945,175	190,896	3,754,280	603,283
4,548,903	239,416	4,309,487	679,017	7,770,284	414,415	7,355,869	1,164,770	3,754,280	190,896	3,563,384	554,388
4,548,903	239,416	4,309,487	712,790	7,770,284	414,415	7,355,869	1,222,417	3,754,280	190,896	3,563,384	582,314
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BO272.1 Keeney 500kV Sub					BO751 Keeney - Additional Breakers on 500kV Bus				BO566 Trappe Tap - Todd				BO733 Harmony Add 2nd 230/138 Auto Tr				B1247 Glasgow - Cecil 138 kV Circuit Rebuild					
Yes 35					Yes 35				No 35				Yes 35				Yes 35					
No					No				No				No				No					
0					0				150				0				0					
10.2008%					10.2008%				10.2008%				10.2008%				10.2008%					
10.2008%					10.2008%				10.9845%				10.2008%				10.2008%					
217,662					5,055,041				16,372,433				10,567,349				7,246,743					
6,219					144,430				467,784				301,924				207,050					
6					6				12				4				5					
Beginning	Depreciation	Ending	Revenue		Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Total	
183,458	6,219	177,239	24,299		4,260,677	144,430	4,116,248	564,319	14,033,514	467,784	13,565,730	1,851,593	9,158,369	301,924	8,856,445	1,205,350	6,168,889	207,050	5,961,839	815,203	\$ 9,577,084	
183,458	6,219	177,239	24,299		4,260,677	144,430	4,116,248	564,319	14,033,514	467,784	13,565,730	1,957,906	9,158,369	301,924	8,856,445	1,205,350	6,168,889	207,050	5,961,839	815,203	\$ 10,015,762	
177,239	6,219	171,020	23,664		4,116,248	144,430	3,971,818	549,586	13,565,730	467,784	13,097,946	1,803,875	8,856,445	301,924	8,554,521	1,174,551	5,961,839	207,050	5,754,789	794,083	\$ 9,319,443	
177,239	6,219	171,020	23,664		4,116,248	144,430	3,971,818	549,586	13,565,730	467,784	13,097,946	1,906,522	8,856,445	301,924	8,554,521	1,174,551	5,961,839	207,050	5,754,789	794,083	\$ 9,741,874	
171,020	6,219	164,801	23,030		3,971,818	144,430	3,827,388	534,853	13,097,946	467,784	12,630,163	1,756,157	8,554,521	301,924	8,252,596	1,143,753	5,754,789	207,050	5,547,739	772,962	\$ 9,061,802	
171,020	6,219	164,801	23,030		3,971,818	144,430	3,827,388	534,853	13,097,946	467,784	12,630,163	1,855,139	8,554,521	301,924	8,252,596	1,143,753	5,754,789	207,050	5,547,739	772,962	\$ 9,467,986	
164,801	6,219	158,582	22,396		3,827,388	144,430	3,682,958	520,120	12,630,163	467,784	12,162,379	1,708,440	8,252,596	301,924	7,950,672	1,112,954	5,547,739	207,050	5,340,690	751,841	\$ 8,804,161	
164,801	6,219	158,582	22,396		3,827,388	144,430	3,682,958	520,120	12,630,163	467,784	12,162,379	1,803,755	8,252,596	301,924	7,950,672	1,112,954	5,547,739	207,050	5,340,690	751,841	\$ 9,194,098	
158,582	6,219	152,363	21,761		3,682,958	144,430	3,538,529	505,387	12,162,379	467,784	11,694,595	1,660,722	7,950,672	301,924	7,648,748	1,082,155	5,340,690	207,050	5,133,640	730,721	\$ 8,546,520	
158,582	6,219	152,363	21,761		3,682,958	144,430	3,538,529	505,387	12,162,379	467,784	11,694,595	1,752,372	7,950,672	301,924	7,648,748	1,082,155	5,340,690	207,050	5,133,640	730,721	\$ 8,920,211	
152,363	6,219	146,144	21,127		3,538,529	144,430	3,394,099	490,654	11,694,595	467,784	11,226,811	1,613,005	7,648,748	301,924	7,346,824	1,051,357	5,133,640	207,050	4,926,590	709,600	\$ 8,288,879	
152,363	6,219	146,144	21,127		3,538,529	144,430	3,394,099	490,654	11,694,595	467,784	11,226,811	1,700,988	7,648,748	301,924	7,346,824	1,051,357	5,133,640	207,050	4,926,590	709,600	\$ 8,646,323	
146,144	6,219	139,926	20,492		3,394,099	144,430	3,249,669	475,921	11,226,811	467,784	10,759,027	1,565,287	7,346,824	301,924	7,044,899	1,020,558	4,926,590	207,050	4,719,540	688,479	\$ 8,031,238	
146,144	6,219	139,926	20,492		3,394,099	144,430	3,249,669	475,921	11,226,811	467,784	10,759,027	1,649,605	7,346,824	301,924	7,044,899	1,020,558	4,926,590	207,050	4,719,540	688,479	\$ 8,372,435	
139,926	6,219	133,707	19,858		3,249,669	144,430	3,105,239	461,188	10,759,027	467,784	10,291,244	1,517,570	7,044,899	301,924	6,742,975	989,760	4,719,540	207,050	4,512,490	667,359	\$ 7,773,597	
139,926	6,219	133,707	19,858		3,249,669	144,430	3,105,239	461,188	10,759,027	467,784	10,291,244	1,598,221	7,044,899	301,924	6,742,975	989,760	4,719,540	207,050	4,512,490	667,359	\$ 8,098,547	
133,707	6,219	127,488	19,224		3,105,239	144,430	2,960,810	446,455	10,291,244	467,784	9,823,460	1,469,852	6,742,975	301,924	6,441,051	958,961	4,512,490	207,050	4,305,441	646,238	\$ 7,515,956	
133,707	6,219	127,488	19,224		3,105,239	144,430	2,960,810	446,455	10,291,244	467,784	9,823,460	1,546,838	6,742,975	301,924	6,441,051	958,961	4,512,490	207,050	4,305,441	646,238	\$ 7,824,659	
127,488	6,219	121,269	18,589		2,960,810	144,430	2,816,380	431,722	9,823,460	467,784	9,355,676	1,422,135	6,441,051	301,924	6,139,127	928,162	4,305,441	207,050	4,098,391	625,117	\$ 7,258,315	
127,488	6,219	121,269	18,589		2,960,810	144,430	2,816,380	431,722	9,823,460	467,784	9,355,676	1,495,454	6,441,051	301,924	6,139,127	928,162	4,305,441	207,050	4,098,391	625,117	\$ 7,550,771	
....																						
....																						



Incentive Charged		Revenue Credit	
	\$	\$	9,577,084
\$	10,015,762	\$	9,319,443
\$	9,741,874	\$	9,061,802
\$	9,467,986	\$	8,804,161
\$	9,194,098	\$	8,546,520
\$	8,920,211	\$	8,288,879
\$	8,646,323	\$	8,031,238
\$	8,372,435	\$	7,773,597
\$	8,098,547	\$	7,515,956
\$	7,824,659	\$	7,258,315
\$	7,550,771	\$	-
\$	-		
\$	222,263,706	\$	213,829,131

Attachment 8 - Company Exhibit - Securitization Workpaper

Long Term Interest

0

112	Less LTD on Securitization Bonds	0

0

Calculation of the above Securitization Adjustments

Amy L. Blauman
Assistant General Counsel

Edison Place
701 Ninth Street NW
Washington, DC 20068-0001

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Fax 202.331.6767
pepco.com
alblauman@pepcoholdings.com

May 15, 2018

Ms. Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E. Room 1A
Washington, DC 20426

Re: Potomac Electric Power Company ("Pepco"), Docket No. ER09-1159
Informational Filing of 2018 Formula Rate Annual Update;
Notice of Annual Meeting

Dear Ms. Bose,

Pepco hereby submits electronically, for informational purposes, its 2018 Annual Formula Rate Update. On November 3, 2015, the Commission approved an uncontested settlement agreement ("Settlement") filed in Docket Nos. EL13-48, *et al.*¹ Formula Rate implementation protocols contained in the Settlement provide that:

[o]n or before May 15 of each year, Pepco [Potomac Electric Power Company] shall recalculate its Annual Transmission Revenue Requirements, producing an "Annual Update" for the upcoming Rate Year, and:

- (i) cause such Annual Update to be posted at a publicly accessible location on PJM's internet website;
- (ii) cause notice of such posting to be provided to PJM's membership; and
- (iii) file such Annual Update with the FERC as an informational filing.²

The same information contained in this informational filing has been transmitted to PJM for posting on its website as required by the Formula Rate implementation

¹ Baltimore Gas and Electric Company, *et al.*, 153 FERC ¶ 61,140 (2015).

² See Settlement, Exhibit A containing PJM Tariff Attachment H9-B, Section 2.b.

protocols. Thus, all interested parties should have ample notice of and access to the Annual Update. The protocols provide specific procedures for notice, review, exchanges of information and potential challenges to aspects of the Annual Update. Consequently, and as the Commission has concluded, there is no need for the Commission to notice this informational filing for comment.³

Pepco's 2018 Annual Update contains no expenses or costs that have been alleged or judged in any administrative or judicial proceeding to be illegal, duplicative, or unnecessary costs that are demonstrably the product of discriminatory employment practices, as defined in 18 C.F.R. § 35.13(b)(7).

Pepco has made no accounting changes as defined in the Settlement (and any accounting changes, including accounting policy harmonization changes related to the merger between Exelon and Pepco Holdings, Inc., are discussed in applicable disclosure statements filed within the Securities and Exchange Commission Form 10-K and within the FERC Form No. 1).⁴ Pepco has made no change to Other Post-Employment Benefits ("OPEB") charges that exceed the filing threshold set forth in the Settlement.⁵

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

Very truly yours,

/s/ Amy L. Blauman

Amy L. Blauman

Enclosures

cc: All parties on Service Lists in Docket Nos. ER05-515, EL13-48 and EL15-27.

³ See Letter Order Re: Annual Update to Formula Rate in Docket No. ER09-1159 (February 17, 2010).

⁴ See Settlement, Exhibit A containing PJM Tariff Attachment H9-B, Section 2.f.(iii)(d). Accounting entries related to the merger between Exelon and Pepco Holdings, Inc. were approved by FERC in Docket AC16-203 on March 17, 2017 and April 11, 2017.

⁵ See Settlement, Exhibit A containing PJM Tariff Attachment H9-B, Section 2.h.

ATTACHMENT H-9A

Potomac Electric Power Company

Formula Rate -- Appendix A

Shaded cells are input cells

Allocators

		Notes	FERC Form 1 Page # or Instruction	2017
1	Wages & Salary Allocation Factor Transmission Wages Expense		p354.21b	\$ 7,990,917
2	Total Wages Expense		p354.28b	\$ 81,232,578
3	Less A&G Wages Expense		p354.27b	\$ 5,959,568
4	Total		(Line 2 - 3)	75,273,010
5	Wages & Salary Allocator		(Line 1 / 4)	10.6159%
6	Plant Allocation Factors Electric Plant in Service	(Note B)	p207.104g (See attachment 5) (Line 24)	\$ 8,490,358,236
7	Common Plant In Service - Electric			0
8	Total Plant In Service		(Sum Lines 6 & 7)	8,490,358,236
9	Accumulated Depreciation (Total Electric Plant)		p219.29c See attachment 5)	\$ 2,894,810,748
10	Accumulated Intangible Amortization	(Note A)	p200.21c	\$ 24,819,816
11	Accumulated Common Amortization - Electric	(Note A)	p356	0
12	Accumulated Common Plant Depreciation - Electric	(Note A)	p356	0
13	Total Accumulated Depreciation		(Sum Lines 9 to 12)	2,919,630,565
14	Net Plant		(Line 8 - 13)	5,570,727,671
15	Transmission Gross Plant		(Line 29 - Line 28)	1,589,088,388
16	Gross Plant Allocator		(Line 15 / 8)	18.7164%
17	Transmission Net Plant		(Line 39 - Line 28)	1,107,196,849
18	Net Plant Allocator		(Line 17 / 14)	19.8753%

Plant Calculations

19	Plant In Service Transmission Plant In Service	(Note B)	p207.58.g	\$ 1,554,445,764
20	For Reconciliation only - remove New Transmission Plant Additions for Current Calendar Year	For Reconciliation Only	Attachment 6 - Enter Negative	0
21	New Transmission Plant Additions for Current Calendar Year (weighted by months in service)		Attachment 6	-
22	Total Transmission Plant In Service		(Line 19 - 20 + 21)	1,554,445,764
23	General & Intangible		p205.5.g & p207.99.g (see attachment 5)	326,327,325
24	Common Plant (Electric Only)	(Notes A & B)	p356	0
25	Total General & Common		(Line 23 + 24)	326,327,325
26	Wage & Salary Allocation Factor		(Line 5)	10.61591%
27	General & Common Plant Allocated to Transmission		(Line 25 * 26)	34,642,624
28	Plant Held for Future Use (Including Land)	(Note C)	p214	0
29	TOTAL Plant In Service		(Line 22 + 27 + 28)	1,589,088,388
30	Accumulated Depreciation Transmission Accumulated Depreciation	(Note B)	p219.25.c	466,991,003
31	Accumulated General Depreciation		p219.28.c (see attachment 5)	115,540,571
32	Accumulated Intangible Amortization		(Line 10)	24,819,816
33	Accumulated Common Amortization - Electric		(Line 11)	0
34	Common Plant Accumulated Depreciation (Electric Only)		(Line 12)	0
35	Total Accumulated Depreciation		(Sum Lines 31 to 34)	140,360,388
36	Wage & Salary Allocation Factor		(Line 5)	10.61591%
37	General & Common Allocated to Transmission		(Line 35 * 36)	14,900,536
38	TOTAL Accumulated Depreciation		(Line 30 + 37)	481,891,539
39	TOTAL Net Property, Plant & Equipment		(Line 29 - 38)	1,107,196,849

Adjustment To Rate Base

40	Accumulated Deferred Income Taxes ADIT net of FASB 106 and 109		Attachment 1	-330,583,532
41	Accumulated Investment Tax Credit Account No. 255	Enter Negative	p266.h	0
42	Net Plant Allocation Factor	(Notes A & I)	(Line 18)	19.88%
43	Accumulated Deferred Income Taxes Allocated To Transmission		(Line 41 * 42) + Line 40	-330,583,532
43a	Transmission Related CWIP (Current Year 12 Month weighted average balances)	(Note B)	p216.43.b as Shown on Attachment 6	0
43b	Unamortized Abandoned Transmission Plant		Attachment 5	0
44	Transmission O&M Reserves Total Balance Transmission Related Account 242 Reserves	Enter Negative	Attachment 5	-8,362,856
45	Prepayments Prepayments	(Note A)	Attachment 5	40,704,919
46	Total Prepayments Allocated to Transmission		(Line 45)	40,704,919
47	Materials and Supplies Undistributed Stores Exp	(Note A)	p227.6c & 16.c	0
48	Wage & Salary Allocation Factor		(Line 5)	10.62%
49	Total Transmission Allocated		(Line 47 * 48)	0
50	Transmission Materials & Supplies		p227.8c	8,987,721
51	Total Materials & Supplies Allocated to Transmission		(Line 49 + 50)	8,987,721
52	Cash Working Capital Operation & Maintenance Expense		(Line 85)	48,369,944
53	1/8th Rule		x 1/8	12.5%
54	Total Cash Working Capital Allocated to Transmission		(Line 52 * 53)	6,046,243
55	Network Credits Outstanding Network Credits	(Note N)	From PJM	0
56	Less Accumulated Depreciation Associated with Facilities with Outstanding Network Credits	(Note N)	From PJM	0
57	Net Outstanding Credits		(Line 55 - 56)	0
58	TOTAL Adjustment to Rate Base		(Line 43 + 43a + 43b + 44 + 46 + 51 + 54 - 57)	-283,207,505
59	Rate Base		(Line 39 + 58)	823,989,343

O&M

Transmission O&M				
60	Transmission O&M		p321.112.b (see attachment 5)	31,719,430
61	Less extraordinary property loss		Attachment 5	0
62	Plus amortized extraordinary property loss		Attachment 5	0
63	Less Account 565		p321.96.b	0
64	Plus Schedule 12 Charges billed to Transmission Owner and booked to Account 565	(Note O)	PJM Data	0
65	Plus Transmission Lease Payments	(Note A)	p200.3.c	0
66	Transmission O&M		(Lines 60 - 63 + 64 + 65)	31,719,430
Allocated General & Common Expenses				
67	Common Plant O&M	(Note A)	p356	0
68	Total A&G		p323.197.b (see attachment 5)	159,379,059
68a	For informational purposes: PBOB expense in FERC Account 926	(Note S)	Attachment 5	1,830,717
69	Less Property Insurance Account 924		p323.185b	1,210,424
70	Less Regulatory Commission Exp Account 928	(Note E)	p323.189b	4,320,061
71	Less General Advertising Exp Account 930.1		p323.191b	409,143
72	Less DE Enviro & Low Income and MD Universal Funds		p335.b	0
73	Less EPRI Dues	(Note D)	p352-353	418,896
74	General & Common Expenses		(Lines 67 + 68) - Sum (69 to 73)	153,020,535
75	Wage & Salary Allocation Factor		(Line 5)	10.6159%
76	General & Common Expenses Allocated to Transmission		(Line 74 * 75)	16,244,526
Directly Assigned A&G				
77	Regulatory Commission Exp Account 928	(Note G)	p323.189b	165,413
78	General Advertising Exp Account 930.1	(Note K)	p323.191b	0
79	Subtotal - Transmission Related		(Line 77 + 78)	165,413
80	Property Insurance Account 924		p323.185b	1,210,424
81	General Advertising Exp Account 930.1	(Note F)	p323.191b	0
82	Total		(Line 80 + 81)	1,210,424
83	Net Plant Allocation Factor		(Line 18)	19.88%
84	A&G Directly Assigned to Transmission		(Line 82 * 83)	240,575
85	Total Transmission O&M		(Line 66 + 76 + 79 + 84)	48,369,944

Depreciation & Amortization Expense

Depreciation Expense				
86	Transmission Depreciation Expense		p336.7b&c	31,604,170
86a	Amortization of Abandoned Transmission Plant		Attachment 5	0
87	General Depreciation		p336.10b&c (see attachment 5)	9,471,130
88	Intangible Amortization	(Note A)	p336.1d&e (see attachment 5)	551,834
89	Total		(Line 87 + 88)	10,022,965
90	Wage & Salary Allocation Factor		(Line 5)	10.6159%
91	General Depreciation Allocated to Transmission		(Line 89 * 90)	1,064,029
92	Common Depreciation - Electric Only	(Note A)	p336.11.b	0
93	Common Amortization - Electric Only	(Note A)	p356 or p336.11d	0
94	Total		(Line 92 + 93)	0
95	Wage & Salary Allocation Factor		(Line 5)	10.6159%
96	Common Depreciation - Electric Only Allocated to Transmission		(Line 94 * 95)	0
97	Total Transmission Depreciation & Amortization		(Line 86 + 86a + 91 + 96)	32,668,199

Taxes Other than Income

98	Taxes Other than Income		Attachment 2	12,209,747
99	Total Taxes Other than Income		(Line 98)	12,209,747

Return / Capitalization Calculations

Long Term Interest				
100	Long Term Interest		p117.62c through 67c	130,227,602
101	Less LTD Interest on Securitization Bonds	(Note P)	Attachment 8	0
102	Long Term Interest		"(Line 100 - line 101)"	130,227,602
103	Preferred Dividends	enter positive	p118.29c	-
Common Stock				
104	Proprietary Capital		p112.16c	\$ 2,533,342,208
105	Less Preferred Stock	enter negative	(Line 114)	0
106	Less Account 216.1	enter negative	p112.12c	-1,646,367
107	Common Stock		(Sum Lines 104 to 106)	2,531,695,841
Capitalization				
108	Long Term Debt		p112.17c through 21c	2,542,952,327
109	Less Loss on Reacquired Debt	enter negative	p111.81c	-15,226,454
110	Plus Gain on Reacquired Debt	enter positive	p113.61c	0
111	Less ADIT associated with Gain or Loss	enter negative	Attachment 1	4,111,752
112	Less LTD on Securitization Bonds	(Note P)	Attachment 8	0
113	Total Long Term Debt		(Sum Lines 108 to 112)	2,531,837,625
114	Preferred Stock		p112.3c	0
115	Common Stock		(Line 107)	2,531,695,841
116	Total Capitalization		(Sum Lines 113 to 115)	5,063,533,466
117	Debt %	Total Long Term Debt	(Line 113 / 116)	50%
118	Preferred %	Preferred Stock	(Line 114 / 116)	0%
119	Common %	Common Stock	(Line 115 / 116)	50%
120	Debt Cost	Total Long Term Debt	(Line 102 / 113)	0.0514
121	Preferred Cost	Preferred Stock	(Line 103 / 114)	0.0000
122	Common Cost	Common Stock	(Note J) Fixed	0.1050
123	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 117 * 120)	0.0257
124	Weighted Cost of Preferred	Preferred Stock	(Line 118 * 121)	0.0000
125	Weighted Cost of Common	Common Stock	(Line 119 * 122)	0.0525
126	Total Return (R)		(Sum Lines 123 to 125)	0.0782
127	Investment Return = Rate Base * Rate of Return		(Line 59 * 126)	64,450,181

Composite Income Taxes

Income Tax Rates				
128	FIT=Federal Income Tax Rate			21.00%
129	SIT=State Income Tax Rate or Composite			7.60%
130	p	(percent of federal income tax deductible for state purposes)	Per State Tax Code	0.00%
131	T	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		27.00%
132	T/ (1-T)			36.99%
ITC Adjustment				
133	Amortized Investment Tax Credit	(Note I)		
134	T/(1-T)	enter negative	p266.8f (Line 132)	-167,520
135	Net Plant Allocation Factor		(Line 18)	19.8753%
136	ITC Adjustment Allocated to Transmission		(Line 133 * (1 + 134) * 135)	-45,612
137	Income Tax Component =	$CIT=(T/1-T) * Investment\ Return * (1-(WCLTD/R)) =$	[Line 132 * 127 * (1-(123 / 126))]	16,002,866
138	Total Income Taxes		(Line 136 + 137)	15,957,254

REVENUE REQUIREMENT

Summary				
139	Net Property, Plant & Equipment		(Line 39)	1,107,196,849
140	Adjustment to Rate Base		(Line 58)	-283,207,505
141	Rate Base		(Line 59)	823,989,343
142	O&M		(Line 85)	48,369,944
143	Depreciation & Amortization		(Line 97)	32,668,199
144	Taxes Other than Income		(Line 99)	12,209,747
145	Investment Return		(Line 127)	64,450,181
146	Income Taxes		(Line 138)	15,957,254
147	Gross Revenue Requirement		(Sum Lines 142 to 146)	173,655,325
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities				
148	Transmission Plant In Service		(Line 19)	1,554,445,764
149	Excluded Transmission Facilities	(Note M)	Attachment 5	0
150	Included Transmission Facilities		(Line 148 - 149)	1,554,445,764
151	Inclusion Ratio		(Line 150 / 148)	100.00%
152	Gross Revenue Requirement		(Line 147)	173,655,325
153	Adjusted Gross Revenue Requirement		(Line 151 * 152)	173,655,325
Revenue Credits & Interest on Network Credits				
154	Revenue Credits		Attachment 3	5,031,745
155	Interest on Network Credits	(Note N)	PJM Data	-
156	Net Revenue Requirement		(Line 153 - 154 + 155)	168,623,581
Net Plant Carrying Charge				
157	Net Revenue Requirement		(Line 156)	168,623,581
158	Net Transmission Plant		(Line 19 - 30)	1,087,454,761
159	Net Plant Carrying Charge		(Line 157 / 158)	15.5063%
160	Net Plant Carrying Charge without Depreciation		(Line 157 - 86) / 158	12.6000%
161	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes		(Line 157 - 86 - 127 - 138) / 158	5.2059%
Net Plant Carrying Charge Calculation per 100 Basis Point increase in ROE				
162	Net Revenue Requirement Less Return and Taxes		(Line 156 - 145 - 146)	88,216,146
163	Increased Return and Taxes		Attachment 4	86,051,349
164	Net Revenue Requirement per 100 Basis Point increase in ROE		(Line 162 + 163)	174,267,494
165	Net Transmission Plant		(Line 19 - 30)	1,087,454,761
166	Net Plant Carrying Charge per 100 Basis Point increase in ROE		(Line 164 / 165)	16.0253%
167	Net Plant Carrying Charge per 100 Basis Point in ROE without Depreciation		(Line 163 - 86) / 165	13.1190%
168	Net Revenue Requirement		(Line 156)	168,623,581
169	True-up amount		Attachment 6	4,213,939
170	Plus any increased ROE calculated on Attachment 7 other than PJM Sch. 12 projects		Attachment 7	952,351
171	Facility Credits under Section 30.9 of the PJM OATT and Facility Credits to Vineland per settlement in ER05-515		Attachment 5	-
171a	MAPP Abandonment recovery pursuant to ER13-607		Attachment 5	-
172	Net Zonal Revenue Requirement		(Line 168 - 169 + 171)	173,789,871
Network Zonal Service Rate				
173	1 CP Peak	(Note L)	PJM Data	6,097
174	Rate (\$/MW-Year)		(Line 172 / 173)	28,502
175	Network Service Rate (\$/MW/Year)		(Line 174)	28,502

Notes

- A Electric portion only
- B Exclude Construction Work In Progress and leases that are expensed as O&M (rather than amortized). New Transmission plant that is expected to be placed in service in the current calendar year weighted by number of months it is expected to be in-service. New Transmission plant expected to be placed in service in the current calendar year that is not included in the PJM Regional Transmission Plan (RTEP) must be separately detailed on Attachment 5. For the Reconciliation, new transmission plant that was actually placed in service weighted by the number of months it was actually in service CWIP will be linked to Attachment 6 which shows detail support by project (incentive and non-incentive).
- C Transmission Portion Only
- D All EPRI Annual Membership Dues
- E All Regulatory Commission Expenses
- F Safety related advertising included in Account 930.1
- G Regulatory Commission Expenses directly related to transmission service, RTO filings, or transmission siting itemized in Form 1 at 351.h.
- I The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and $p =$ "the percentage of federal income tax deductible for state income taxes". If the utility includes taxes in more than one state, it must explain in Attachment 5 the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to use amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by $(1/1-T)$. A utility must not include tax credits as a reduction to rate base and as an amortization against taxable income.

The ROE is 10.5% which includes a base ROE of 10.0% ROE per FERC order in Docket No. EL13-48 and a 50 basis point RTO membership adder as authorized by FERC: provided, that the projects identified in Docket Nos. ER08-686 and ER08-1423 have been awarded an additional 150 basis point adder and, thus, their ROE is 12.0%.
- J have been awarded an additional 150 basis point adder and, thus, their ROE is 12.0%.
- K Education and outreach expenses relating to transmission, for example siting or billing
- L As provided for in Section 34.1 of the PJM OATT and the PJM established billing determinants will not be revised or updated in the annual rate reconciliations per settlement in ER05-515.
- M Amount of transmission plant excluded from rates per Attachment 5.
- N Outstanding Network Credits is the balance of Network Facilities Upgrades Credits due Transmission Customers who have made lump-sum payments (net of accumulated depreciation) towards the construction of Network Transmission Facilities consistent with Paragraph 657 of Order 2003-A. Interest on the Network Credits as booked each year is added to the revenue requirement to make the Transmisison Owner whole on Line 155.
- O Payments made under Schedule 12 of the PJM OATT that are not directly assessed to load in the Zone under Schedule 12 are included in Transmission O&M. If they are booked to Acct 565, they are included in on line 64
- P Securitization bonds may be included in the capital structure per settlement in ER05-515.
- Q ACE capital structure is initially fixed at 50% common equity and 50% debt per settlement in ER05-515 subject to moratorium provisions in the settlement.
- R Per the settlement in ER05-515, the facility credits of \$15,000 per month paid to Vineland will increase to \$37,500 per month (prorated for partial months) effective on the date FERC approves the settlement in ER05-515.
- S See Attachment 5 - Cost Support, section entitled "PBOP Expense in FERC Account 926" for additional information per FERC orders in Docket Nos. EL13-48 , EL15-27 and ER16-456.

Potomac Electric Power Company

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

	Only Transmission Related	Plant Related	Labor Related	Total ADIT
ADIT- 282	0	(1,730,347,201)	0	
ADIT-283	(1,222,254)	(6,850,506)	(146,296,364)	
ADIT-190	0	36,976,338	41,347,776	
Subtotal	(1,222,254)	(1,700,221,369)	(104,948,588)	
Wages & Salary Allocator			10.6159%	
Gross Plant Allocator		18.7164%		
ADIT	(1,222,254)	(318,220,028)	(11,141,250)	(330,583,532)

Note: ADIT associated with Gain or Loss on Reacquired Debt is included in Column A here and included in Cost of Debt on Appendix A, Line 111
Amount (4,111,752)

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

A	B Total	C Gas, Prod Or Other Related	D Only Transmission Related	E Plant Related	F Labor Related	G Justification
ADIT-190						
Deferred Compensation	1,050,678	-	-	-	1,050,678	For book purposes, deferred compensation and deferred payments are expensed when accrued. For tax purposes, they are deducted when paid. Affects Company personnel across all functions.
Allowance for Doubtful Accounts	5,803,794	5,803,794	-	-	-	Under the Tax Reform Act of 1986, taxpayers are required to account for bad debts using the specific write-off method. The reserve method is used for book purposes. This amount represents the deferred tax asset related to the add-back of book reserves for tax purposes. This deferred tax asset is retail related.
Accrued Liabilities	78,513,571	54,496,517	-	-	24,017,054	For book purposes the liabilities are accrued with an offset to book expense. For tax purposes, a deduction is not allowed until the liability is paid.
Environmental Expense	7,206,005	7,206,005	-	-	-	For book purposes an environmental reserve is established with an offset to book expense for future environmental costs to be paid for clean-up. For tax purposes, no deduction is allowed until the environmental liability is paid. Relates to the retail function.
Charitable Contribution Carryfoward	3,518,292	3,518,292	-	-	-	Pepco is in a net operating loss carryforward position, therefore, Pepco's charitable contributions are carried forward until such time as Pepco or its Parent company can use them in its consolidated federal income tax return. For book purposes, the contributions are expensed when incurred. Charitable contributions are not included in Operating Income and any related deferred income taxes are excluded from Rate Base.
Capital Loss Limitation	63,332	63,332	-	-	-	Tax capital losses are limited to the amount of tax capital gains.
FAS 106 OPEB Adjustment	9,856,980	-	-	-	9,856,980	FAS No. 106 requires accrual basis instead of cash basis accounting for post retirement health care and life insurance benefits for book purposes. Amounts paid to participants or funded through the VEBA or 401(h) accounts are currently deductible for tax purposes. Affects company personnel across all functions.
Regulatory Liabilities	1,541,500	1,541,500	-	-	-	When a regulatory asset/liability is established, books credits/debits income, which for tax purposes needs to be reversed along with the associated amortization
FAS 109 - Deferred Taxes on ITC	715,724	-	-	715,724	-	Pursuant to the requirements of FAS 109, Pepco's accumulated deferred taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These balances primarily represent the deferred taxes on prior flow-through items, including the amount of the required gross-up necessary for full recovery of the prior flow-through amount. Related to all plant.
FAS 109 - Regulatory Liability	216,731,382	-	-	216,731,382	-	Pursuant to the requirements of FAS 109, Pepco's accumulated deferred taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These balances primarily represent the deferred taxes on prior flow-through items, including the amount of the required gross-up necessary for full recovery of the prior flow-through amount. Related to all plant.
Federal & State NOL	36,370,016	6,842,135	-	29,527,881	-	PHI's consolidated return is in an NOL situation, therefore, they are carried forward until such time as PHI is in a taxable income position.
Other 190 Deferred Taxes	4,211,979	4,211,979	-	-	-	Miscellaneous temporary differences including DC Gross Receipts Tax and Sales and Use Tax
Merger Commitment Deferrals	8,546,200	8,546,200	-	-	-	Deferral of Merger Commitment expenses that are non-deductible until paid.
Interest on Contingent Taxes	82,534	82,534	-	-	-	Estimated book interest expense on prior year taxes not deductible for tax purposes until paid
Subtotal - p234	374,211,987	92,312,288	-	246,974,987	34,924,712	
Less FASB 109 Above if not separately removed	162,533,869	(31,184,736)	-	209,998,649	(16,280,044)	
Less FASB 106 Above if not separately removed	9,856,980				9,856,980	
Total	201,821,138	123,497,024	-	36,976,338	41,347,776	

Instructions for Account 190:
1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
2. ADIT items related only to Transmission are directly assigned to Column D
3. ADIT items related to Plant and not in Columns C & D are included in Column E
4. ADIT items related to labor and not in Columns C & D are included in Column F

5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded

6. Re: Form 1-F filer: Sum of subtotals for Accounts 282 and 283 should tie to Form No. 1-F, p.113.57.c

Attachment 1 - Accumulated Deferred Income Taxes (ADIT) Worksheet

A	B Total	C Gas, Prod Or Other Related	D Only Transmission Related	E Plant Related	F Labor Related	G Justification
ADIT- 282						
Plant Related Deferred Taxes	(1,730,347,201)	-	-	(1,730,347,201)	-	This deferred tax balance relates to the life and method differences on property related items for book and tax.
FAS109 AFUDC Equity	(27,046,939)	-	-	(27,046,939)	-	Under SFAS 109, deferred income taxes must be provided on all book/tax temporary differences, including AFUDC-Equity. Deferred income taxes on AFUDC-Equity are not recognized for Regulatory purposes and are excluded from Rate Base.
CIAC - Non Rate Base	46,890,907	46,890,907	-	-	-	Contributions in Aid of Construction (CIAC) are a reduction to Plant for book accounting purposes, but are included in taxable income and depeiciated for income tax purposes. This different book/tax treatment results in deferred income taxes which must be recorded in accordance with SFAS 109. The company collects an income tax gross-up from the customer which is reimbursement for the time value of money on the additional tax liability incurred until such time as the amounts are fully depreciated for tax purposes. The deferred income tax asset on CIAC's is excluded from Rate Base because the underlying plant is not included in Rate Base.
Leased Vehicles - Non Rate Base	(6,253,896)	(6,253,896)	-	-	-	The Company leases its vehicles under arrangements that are treated as Operating Leases for book purposes, but financing leases for tax purposes. The differing income tax treatment between Rent Expense deducted for book purposes and tax depreciation expense deducted for income tax purposes, results in deferred income taxes being recorded on the books. Since Leased Vehicles are not included in Rate Base, the deferred income

						Pursuant to the requirements of FAS 109, Pepco's accumulated deferred taxes must encompass all timing differences regardless of whether the difference is normalized or flowed-through. These balances primarily represent the deferred taxes on prior flow-through items, including the amount of the required gross-up necessary for full recovery of the prior flow-through amount. Related to all plant.
Plant Related - FAS109 Deferred Taxes	561,841,819			561,841,819		
Subtotal - p275 (Form 1-F filer: see note 6 below)	(1,154,915,310)	40,637,010	-	(1,195,552,320)	-	
Less FASB 109 Above if not separately removed	534,794,880	-	-	534,794,880	-	
Less FASB 106 Above if not separately removed	-					
Total	(1,689,710,190)	40,637,010	-	(1,730,347,201)	-	

Instructions for Account 282:
1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
2. ADIT items related only to Transmission are directly assigned to Column D
3. ADIT items related to Plant and not in Columns C & D are included in Column E
4. ADIT items related to labor and not in Columns C & D are included in Column F

5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded

6. Re: Form 1-F filer: Sum of subtotals for Accounts 282 and 283 should tie to Form No. 1-F, p.113.57.c

Deferred Income Taxes (ADIT) Worksheet

A	B	C	D	E	F	G
ADIT-283	Total	Gas, Prod Or Other	Only Transmission	Plant	Labor	
		Related	Related	Related	Related	Justification
Reacquired Debt	(4,111,752)	(4,111,752)	-	-	-	The cost of bond redemption is deductible currently for tax purposes and is amortized over the life of the new bond issue for book purposes. Related to all functions. Excluded here since it is included in Cost of Debt.
Maryland Property Taxes	(6,850,506)	-	-	(6,850,506)	-	For book purposes, the MD property taxes are accrued over the fiscal year. For tax purposes payments are deducted when paid based on the lien date.
Prepaid Interest	(400,843)	-	-	-	(400,843)	For book purposes, prepaid expenses, which related to a future period but are paid in the current period, must be capitalized and amortized to the balance sheet as an asset. For tax purposes, there is "12-month rule" which allows taxpayers that meet the 12-month rule to currently deduct the amount, as long as the benefits does not extend beyond 12 months. The prepaid interest relates to the Life Insurance plans, that is why this is labor related
Prepayments	(166,135)	-	-	-	(166,135)	For book purposes, prepaid expenses, which related to a future period but are paid in the current period, must be capitalized and amortized to the balance sheet as an asset. For tax purposes, there is "12-month rule" which allows taxpayers that meet the 12-month rule to currently deduct the amount, as long as the benefits does not extend beyond 12 months
Regulatory Asset - DSM	(59,126,549)	(59,126,549)	-	-	-	For books, Demand Side Management Costs are deferred. For tax these costs are expensed when paid. These deferred taxes are the result of this book/tax difference which is retail in nature.
Regulatory Asset - FERC Formula Rate True-up	(826,383)	-	(826,383)	-	-	For book purposes, a regulatory asset has been established for the FERC Formula Rate Filing true-up and book income has been increased. For tax purposes, this regulatory asset is not recognized and the book income must be reversed.
Regulatory Assets	(119,456,960)	(110,112,393)	-	-	(9,344,567)	For book purposes, regulatory assets are established with an increase to book income. For tax purposes the regulatory assets are not recognized and book income is reversed.
Pension Plan Contribution	(89,001,504)	-	-	-	(89,001,504)	The company is allowed to deduct for tax purposes all payments made to fund the General Retirement Plan per ERISA. For book purposes pension plan contributions are governed by FAS 106. This timing difference represents the excess tax payment over book. Affects company personnel across all functions.
Subtotal - p277 (Form 1-F filer: see note 6, below)	(279,940,631)	(173,350,693)	(826,383)	(6,850,506)	(98,913,049)	
Less FASB 109 Above if not separately removed	130,821,117	83,041,931	395,871	-	47,383,315	
Less FASB 106 Above if not separately removed	-					
Total	(410,761,749)	(256,392,624)	(1,222,254)	(6,850,506)	(146,296,364)	

Instructions for Account 283:
1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
2. ADIT items related only to Transmission are directly assigned to Column D
3. ADIT items related to Plant and not in Columns C & D are included in Column E
4. ADIT items related to labor and not in Columns C & D are included in Column F

5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded

6. Re: Form 1-F filer: Sum of subtotals for Accounts 282 and 283 should tie to Form No. 1-F, p.113.57.c

Attachment 1- Accumulated Deferred Income Taxes (ADIT) Worksheet

ADITC-255

		Item	Balance	Amortization
1	Rate Base Treatment			
2	Balance to line 41 of Appendix A	Total		
3	Amortization			
4	Amortization to line 133 of Appendix A	Total	1,934,714	167,520
5	Total		1,934,714	167,520
6	Total Form No. 1 (p 266 & 267)	Form No. 1 balance (p	1,934,714	167,520
7	Difference /1		-	-

/1 Difference must be zero

Potomac Electric Power Company

Attachment 2 - Taxes Other Than Income Worksheet

Other Taxes		Page 263 Col (i)	Allocator	Allocated Amount
Plant Related		Gross Plant Allocator		
1	Transmission Personal Property Tax (directly assigned to Transmission)	\$ 11,559,085	100%	\$ 11,559,085
1a	Other Personal Property Tax (excluded)	\$ 37,431,297	0%	\$ -
2	Capital Stock Tax		18.7164%	\$ -
3	Gross Premium (insurance) Tax		18.7164%	\$ -
4	PURTA		18.7164%	\$ -
5	Corp License		18.7164%	\$ -
Total Plant Related		48,990,382		11,559,085
Labor Related		Wages & Salary Allocator		
6	Federal FICA & Unemployment & state unemployment	\$ 6,029,495		
Total Labor Related		6,029,495	10.6159%	640,086
Other Included		Gross Plant Allocator		
7	Miscellaneous	56,505		
Total Other Included		56,505	18.7164%	10,576
Total Included				12,209,747

Currently Excluded

8	MD Franchise Tax	24,597,612
9	MD Environmental Surcharge	1,987,081
10	MD Universal Surcharge	8,421,696
11	MD Montgomery County Fuel	132,582,733
12	MD PSC Assessment	2,490,651
13	MD Sales & Use Tax	3,282,847
14	MD Real Property Taxes	720,978
15	DC PSC Assessment	8,281,765
16	DC Delivery Tax	82,463,981
17	DC Real Property Tax	7,581,579
18	DC Business Improvement Tax	124,929
19	DC Ballpark	16,500
20	DC Right-of-Way	22,764,888
21	DC RETF, SETF and EATF Funds	18,602,973
22	VA Property Taxes	551,388
23	Misc. Other-Sales and Use DC	333,255
24.1	Excluded merger costs in line 6	3,319
25	Total "Other" Taxes (included on p. 263)	369,884,559
26	Total "Taxes Other Than Income Taxes" - acct 408.10 (p. 114.14)	369,884,559
27	Difference	(0)

Criteria for Allocation:

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

**Allocation of Property taxes to
Transmission Function
Year Ended December 31, 2017**

Assessable Plant

Transmission	\$ 1,024,086,086
Distribution	\$ 3,217,077,649
General	\$ 180,298,644
Total T,D&Genl	<u>\$ 4,421,462,379</u>

Plant ratios by Jurisdiction

Transmission Ratio	0.2316170530
Distribution ratio	0.7276048902
General Ratio	<u>0.0407780568</u>
	1.0000000000

Property Taxes \$ 48,990,382

Transmission Property Tax	\$ 11,347,008
Distribution Property tax	\$ 35,645,642
General Property Tax	\$ 1,997,733
Total check	<u>\$ 48,990,382</u>

General Property Tax	\$ 1,997,733
Trans Labor Ratio	10.616%
Trans General	212,078

Total Transmission Property Taxes

Transmission	\$ 11,347,008
General	<u>\$ 212,078</u>
Total Transmission Property Taxes	<u>\$ 11,559,085</u>

Potomac Electric Power Company

Attachment 3 - Revenue Credit Workpaper

Account 454 - Rent from Electric Property

1 Rent from Electric Property - Transmission Related (Note 3)		\$	10,874,987
2 Total Rent Revenues	(Sum Lines 1)		10,874,987

Account 456 - Other Electric Revenues (Note 1)

3 Schedule 1A		\$	578,001
4 Net revenues associated with Network Integration Transmission Service (NITS) for which the load is not included in the divisor (difference between NITS credits from PJM and PJM NITS charges paid by Transmission Owner) (Note 4)			
5 Point to Point Service revenues for which the load is not included in the divisor received by Transmission Owner (Note 4)		\$	484,591
6 PJM Transitional Revenue Neutrality (Note 1)			
7 PJM Transitional Market Expansion (Note 1)			
8 Professional Services (Note 3)			-
9 Revenues from Directly Assigned Transmission Facility Charges (Note 2)			-
10 Rent or Attachment Fees associated with Transmission Facilities (Note 3)			-
11 Gross Revenue Credits	(Sum Lines 2-10)		11,937,579
12 Less line 17g			(6,905,834)
13 Total Revenue Credits			5,031,745

Revenue Adjustment to determine Revenue Credit

14 Note 1: All revenues related to transmission that are received as a transmission owner (i.e., not received as a LSE), for which the cost of the service is recovered under this formula, except as specifically provided for elsewhere in this Attachment or elsewhere in the formula will be included as a revenue credit or included in the peak on line 173 of Appendix A.

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

16 Note 3: Ratemaking treatment for the following specified secondary uses of transmission assets: (1) right-of-way leases and leases for space on transmission facilities for telecommunications; (2) transmission tower licenses for wireless antennas; (3) right-of-way property leases for farming, grazing or nurseries; (4) licenses of intellectual property (including a portable oil degasification process and scheduling software); and (5) transmission maintenance and consulting services (including energized circuit maintenance, high-voltage substation maintenance, safety training, transformer oil testing, and circuit breaker testing) to other utilities and large customers (collectively, products). Company will retain 50% of net revenues consistent with Pacific Gas and Electric Company, 90 FERC ¶ 61,314. Note: in order to use lines 17a - 17g, the utility must track in separate subaccounts the revenues and costs associated with each secondary use (except for the cost of the associated income taxes).

17a Revenues included in lines 1-11 which are subject to 50/50 sharing.			10,874,987
17b Costs associated with revenues in line 17a	Attachment 5 - Cost Support		2,936,682
17c Net Revenues (17a - 17b)			7,938,306
17d 50% Share of Net Revenues (17c / 2)			3,969,153
17e Costs associated with revenues in line 17a that are included in FERC accounts recovered through the formula times the allocator used to functionalize the amounts in the FERC account to the transmission service at issue.			-
17f Net Revenue Credit (17d + 17e)			3,969,153
17g Line 17f less line 17a			(6,905,834)
18 Note 4: If the facilities associated with the revenues are not included in the formula, the revenue is shown here but not included in the total above and is explained in the Cost Support; for example revenues associated with distribution facilities. In addition, Revenues from Schedule 12 are not included in the total above to the extent they are credited under Schedule 12.			96,229,101
19 Amount offset in line 4 above			168,688,738
20 Total Account 454, 456 and 456.1			276,855,418
21 Note 4: SECA revenues booked in Account 447.			

Potomac Electric Power Company

Attachment 4 - Calculation of 100 Basis Point Increase in ROE

A	Return and Taxes with 100 Basis Point increase in ROE 100 Basis Point increase in ROE and Income Taxes	(Line 127 + Line 138)	86,051,349
B	100 Basis Point increase in ROE		1.00%

Return Calculation

59	Rate Base		(Line 39 + 58)	823,989,343
	Long Term Interest			
100	Long Term Interest		p117.62c through 67c	130,227,602
101	Less LTD Interest on Securitization Bc (Note P)		Attachment 8	0
102	Long Term Interest		"(Line 100 - line 101)"	130,227,602
103	Preferred Dividends	enter positive	p118.29c	0
	Common Stock			
104	Proprietary Capital		p112.16c	2,533,342,208
105	Less Preferred Stock	enter negative	(Line 114)	0
106	Less Account 216.1	enter negative	p112.12c	-1,646,367
107	Common Stock		(Sum Lines 104 to 106)	2,531,695,841
	Capitalization			
108	Long Term Debt		p112.17c through 21c	2,542,952,327
109	Less Loss on Reacquired Debt	enter negative	p111.81c	-15,226,454
110	Plus Gain on Reacquired Debt	enter positive	p113.61c	0
111	Less ADIT associated with Gain or Loss	enter negative	Attachment 1	4,111,752
112	Less LTD on Securitization Bonds	enter negative	Attachment 8	0
113	Total Long Term Debt		(Sum Lines 108 to 112)	2,531,837,625
114	Preferred Stock		p112.3c	0
115	Common Stock		(Line 107)	2,531,695,841
116	Total Capitalization		(Sum Lines 113 to 115)	5,063,533,466
117	Debt %	Total Long Term Debt	(Line 113 / 116)	50%
118	Preferred %	Preferred Stock	(Line 114 / 116)	0%
119	Common %	Common Stock	(Line 115 / 116)	50%
120	Debt Cost	Total Long Term Debt	(Line 102 / 113)	0.0514
121	Preferred Cost	Preferred Stock	(Line 103 / 114)	0.0000
122	Common Cost	(Note J from Appendix A) Common Stock	Appendix A % plus 100 Basis Pts	0.1150
123	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 117 * 120)	0.0257
124	Weighted Cost of Preferred	Preferred Stock	(Line 118 * 121)	0.0000
125	Weighted Cost of Common	Common Stock	(Line 119 * 122)	0.0575
126	Total Return (R)		(Sum Lines 123 to 125)	0.0832
127	Investment Return = Rate Base * Rate of Return		(Line 59 * 126)	68,570,012

Composite Income Taxes

	Income Tax Rates			
128	FIT=Federal Income Tax Rate			21.00%
129	SIT=State Income Tax Rate or Composite			7.60%
130	p = percent of federal income tax deductible for state purposes		Per State Tax Code	0.00%
131	T	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		27.00%
132	T/ (1-T)			36.99%
	ITC Adjustment			
133	Amortized Investment Tax Credit	enter negative	p266.8f	(167,520)
134	T/(1-T)		(Line 132)	37%
135	Net Plant Allocation Factor		(Line 18)	19.8753%
136	ITC Adjustment Allocated to Transmission	(Note I from Appendix A)	(Line 133 * (1 + 134) * 135)	-45,612
137	Income Tax Component =	$CIT=(T/1-T) * Investment\ Return * (1-(WCLTD/R)) =$		17,526,949
138	Total Income Taxes			17,481,337

Potomac Electric Power Company

Attachment 5 - Cost Support

Electric / Non-electric Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Electric Portion	Non-electric Portion	Details
Plant Allocation Factors							
10	Accumulated Intangible Amortization	(Note A)	p200.21c	\$ 24,847,329	24,847,329	0	Respondent is Electric Utility only.
11	Accumulated Common Amortization - Electric	(Note A)	p356	0	0	0	
12	Accumulated Common Plant Depreciation - Electric	(Note A)	p356	0	0	0	
Plant In Service							
24	Common Plant (Electric Only)	(Notes A & B)	p356	0	0	0	
Accumulated Deferred Income Taxes							
41	Accumulated Investment Tax Credit Account No. 255	(Notes A & I)	p266.h	\$ 1,934,714	1,934,714	0	Respondent is Electric Utility only.
Materials and Supplies							
47	Undistributed Stores Exp	(Note A)	p227.6c & 16.c	\$ -	0	0	Respondent is Electric Utility only.
Allocated General & Common Expenses							
65	Plus Transmission Lease Payments	(Note A)	p200.3.c				
67	Common Plant O&M	(Note A)	p356	0	0	0	
Depreciation Expense							
88	Intangible Amortization	(Note A)	p336.1d&e (see attachm	\$ 579,347	579,347	0	Respondent is Electric Utility only.
92	Common Depreciation - Electric Only	(Note A)	p336.11.b	0	0	0	
93	Common Amortization - Electric Only	(Note A)	p356 or p336.11d	0	0	0	

Transmission / Non-transmission Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Transmission Related	Non-transmission Related	Details
28	Plant Held for Future Use (Including Land)	(Note C)	p214	\$ 48,702,678	0	48,702,678	Specific identification based on plant records: The following plant investments are included: 1 2 3 4 5

CWIP & Expensed Lease Worksheet

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	CWIP In Form 1 Amount	Expensed Lease in Form 1 Amount	Details
6	Plant Allocation Factors Electric Plant in Service	(Note B)	p207.104g	\$ 8,494,209,866	0	0	See ARO Exclusion - Cost Support section below for Electric Plant in Servie without AROs
Plant In Service							
19	Transmission Plant In Service	(Note B)	p207.58.g	\$ 1,554,445,764	0	0	See Form 1
24	Common Plant (Electric Only)	(Notes A & B)	p356	0	0	0	
Accumulated Depreciation							
30	Transmission Accumulated Depreciation	(Note B)	p219.25.c	\$ 466,991,003	0	0	See Form 1

EPRI Dues Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	EPRI Dues	Details
Allocated General & Common Expenses						
73	Less EPRI Dues	(Note D)	p352-353	\$ 418,896	418,896	See Form 1

Regulatory Expense Related to Transmission Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Transmission Related	Non-transmission Related	Details
70	Allocated General & Common Expenses Less Regulatory Commission Exp Account 928	(Note E)	p323.189b	\$ 4,320,061	165,413	4,154,648	FERC Form 1 page 351.1 line 13 (h) and 15 (h), transmission related only.
77	Directly Assigned A&G Regulatory Commission Exp Account 928	(Note G)	p323.189b	\$ 4,320,061	165,413	4,154,648	FERC Form 1 page 351.1 line 13 (h) and 15 (h), transmission related only.

Safety Related Advertising Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Safety Related	Non-safety Related	Details
81	Directly Assigned A&G General Advertising Exp Account 930.1	(Note F)	p323.191b	\$ 409,143	-	409,143	None

MultiState Workpaper

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				State 1	State 2	State 3	State 4	State 5	Details
129	Income Tax Rates SIT=State Income Tax Rate or Composite	(Note I)	7.60%	Maryland 8.25%	DC 8.25%	Enter State Enter %	Enter State Enter %	Enter State Enter %	Enter Calculation Apportioned: MD 4.50%, DC 3.10%

Education and Out Reach Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Education & Outreach	Other	Details
78	Directly Assigned A&G General Advertising Exp Account 930.1	(Note K)	p323.191b	\$ 409,143	0	409,143	None

Excluded Plant Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Excluded Transmission Facilities	Description of the Facilities
149	Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities Excluded Transmission Facilities	(Note M)	Attachment 5	0	General Description of the Facilities
Instructions: 1 Remove all investment below 69 kV or generator step up transformers included in transmission plant in service that are not a result of the RTEP Process 2 If unable to determine the investment below 69kV in a substation with investment of 69 kV and higher as well as below 69 kV, the following formula will be used: Example A Total investment in substation1,000,000 B Identifiable investment in Transmission (provide workpapers)500,000 C Identifiable investment in Distribution (provide workpapers)400,000 D Amount to be excluded (A x (C / (B + C)))444,444				Enter \$	None
				Or	
				Enter \$	
				Add more lines if necessary	

Transmission Related Account 242 Reserves

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Total	Allocation	Transmission Related	Details
44	Transmission Related Account 242 Reserves (exclude current year environmental site related reserves)	Enter \$		Amount	
	Directly Assignable to Transmission	-	100%	-	
	Labor Related, General plant related or Common Plant related	75,418,110	10.62%	8,006,321	
	Plant Related	1,904,937	18.72%	356,535	
	Other		0.00%	-	
	Total Transmission Related Reserves	77,323,047		8,362,856	

Prepayments

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Description of the Prepayments			
45	Prepayments				To Line 45
5	Wages & Salary Allocator		10.616%		
	Pension Liabilities, if any, in Account 242	-	10.616%	-	
	Prepayments - DC ROW	\$ 4,673,066	0.000%	\$ -	
	Prepayments - Transmission Personal Property Tax	\$ 24,368,593	23.595%	5,749,672	
	Prepayments	\$ 3,685,837	10.616%	391,285	
	Prepaid Pensions if not included in Prepayments	\$ 325,586,334	10.616%	34,563,961	
		358,313,830		40,704,919	
		Prepayments related to DC ROW			
		Prepayments related to Transmission Personal Proerty Tax. See "Prop taxes to function" worksheet for total Transmission assessible plant factor (total transmission property taxes/total property taxes).			
		Remaining balance of Prepayments			
		Prepaid Pension is recorded in FERC account 186 (see FERC Form 1 page 233).			

Outstanding Network Credits Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Outstanding Network Credits	Description of the Credits
55	Network Credits Outstanding Network Credits (Note N) From PJM	Enter \$ 0	General Description of the Credits None
56	Less Accumulated Depreciation Associated with Facilities with Outstanding Network Credits (Note N) From PJM	0	 None
		Add more lines if necessary	

Extraordinary Property Loss

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Amount	Number of years	Amortization	w/ interest
61	Less extraordinary property loss Attachment 5	\$ -			
62	Plus amortized extraordinary property loss Attachment 5	\$ -	5	\$ -	\$ -

Interest on Outstanding Network Credits Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Interest on Network Credits	Description of the Interest on the Credits
155	Revenue Credits & Interest on Network Credits Interest on Network Credits	(Note N)	PJM Data	0	General Description of the Credits
				Enter \$	None
Add more lines if necessary					

Facility Credits under Section 30.9 of the PJM OATT and Facility Credits to Vineland per settlement in ER05-515

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Amount	Description & PJM Documentation
171	Net Revenue Requirement Facility Credits under Section 30.9 of the PJM OATT and Facility Credits to Vineland per settlement in ER05-515			-	

PJM Load Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				1 CP Peak	Description & PJM Documentation
173	Network Zonal Service Rate 1 CP Peak	(Note L)	PJM Data	6,097.4	See Form 1

Statements BG/BH (Present and Proposed Revenues)

Customer	Billing Determinants	Current Rate	Proposed Rate	Current Revenues	Proposed Revenues	Change in Revenues
Pepco zone				-	-	-
Total				-	-	-

Abandoned Tranmission Plant

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions			
A	Beginning Balance of Unamortized Transmission Plant	Per FERC Order	
B	Months Remaining in Amortization Period	Per FERC Order	
C	Monthly Ammortization	A/B	
D	Months in Year to be Amortized		
E	Amortization in Rate Year	C*D	Line 86a
F	Deductions		
G	End of Year Balance in Unamortized Transmission Plant	A-E-F	Line 43b

MAPP Abandonment recovery pursuant to ER13-607

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions					
		DPL	Pepco	Total	
171a	2013-14 rate period	\$ 9,750,649	\$ 12,725,412	\$ 22,476,061	
171a	2014-15 rate period	\$ 14,666,395	16,524,210	\$ 31,190,605	
171a	2015-16 rate period	\$ 12,208,522	14,624,812	\$ 26,833,334	
	Total	\$ 36,625,566	\$ 43,874,434	\$ 80,500,000	

Brandywine Fly Ash Landfill Environmental Expenses

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				
Step 9	Attachment 6 - Estimate and Reconciliation Worksheet - Footnote 1	\$	(2,617,572)	Pepco shall make a negative adjustment to its transmission revenue requirement in its 2015 Annual Update in the amount of \$2,617,572, to offset the \$2,617,572 of Brandywine fly ash landfill environmental expenses included in Pepco's 2014 Annual Update ("2013 Brandywine Fly Ash Expenses"). Pepco shall not include the 2013 Brandywine Fly Ash Expenses in a future Annual Update while recovery of such expenses is being pursued from a party outside of the PJM Tariff, but once Pepco is no longer pursuing recovery of such expenses outside of the PJM Tariff, Pepco may include such costs in a future Annual Update to the extent such expenses have not been recovered outside of the PJM Tariff, subject to SMECO's right to challenge such inclusion at that time on any grounds permitted pursuant to Attachment H-9, including the Formula Rate Implementation Protocols, as though the costs had been included in the 2014 Annual Update. Any payments to Pepco for its 2013 Brandywine Fly Ash Expenses shall not be included in any Pepco Annual Update.

Supporting documentation for FERC Form 1 reconciliation

Compliance with FERC Order on the Exelon Merger					
Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions			Form 1 Amount	Merger Costs	Non Merger Related
6	Electric Plant in Service	p207.104g	8,494,209,866	301,285	8,493,908,581
9	Accumulated Depreciation (Total Electric Plant)	p219.29c	2,895,219,919	965	2,895,218,954
10	Accumulated Intangible Amortization	p200.21c	24,847,329	27,513	24,819,816
23	General & Intangible	p205.5.g & p207.99.g	326,887,552	301,285	326,586,267
60	Transmission O&M	p321.112.b	31,874,937	155,507	31,719,430
68	Total A&G	p323.197.b	156,729,695	(2,649,364)	159,379,059
87	General Depreciation	p336.10b&c	9,472,095	965	9,471,130
88	Intangible Amortization	(Note A) p336.1d&e	579,347	27,513	551,834
			Removal of \$8,841,909 of 2017 merger related costs, offset by establishment of regulatory asset of \$11,491,273 in A&G accounts.		

ARO Exclusion - Cost Support						
Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions			Form 1 Amount	ARO's	Non-ARO's	
6	Electric Plant in Service	p207.104g	8,494,209,866	3,550,345	8,490,659,521	Distribution ARO-\$3,291,403 and General & Intangible ARO-\$258,942
9	Accumulated Depreciation (Total Electric Plant)	p219.29c	2,895,219,919	408,206	2,894,811,713	Distribution ARO-\$236,867 and General ARO-\$171,339
23	General & Intangible	p205.5.g & p207.99.g	326,887,552	258,942	326,628,610	General & Intangible ARO-\$258,942
31	Accumulated General Depreciation	p219.28.c	115,712,875	171,339	115,541,537	General ARO-\$171,339

ARO & Merger Related Exclusion- Cost Support						
			Form 1 Amounts	ARO's	Merger Costs	Non-ARO's & Non Merger Related
6	Electric Plant in Service	p207.104g	8,494,209,866	3,550,345	301,285	8,490,358,236 Distribution ARO-\$3,291,403 and General & Intangible ARO-\$258,942 and Intangible Merger Cost \$301,285
9	Accumulated Depreciation (Total Electric Plant)	p219.29c	2,895,219,919	408,206	965	2,894,810,748 Distribution ARO-\$236,867 and General ARO-\$171,339 and Intangible Merger Cost \$965
23	General & Intangible	p205.5.g & p207.99.g	326,887,552	258,942	301,285	326,327,325 General & Intangible ARO-\$258,942 and Intangible Merger Cost \$301,285
31	Accumulated General Depreciation	p219.28c	115,712,875	171,339	965	115,540,571 General ARO-\$171,339 and General Merger Cost \$965

PBOP Expense in FERC 926							
Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions			Total A&G Form 1 Amount	Account 926 Form 1 Amount	PBOP in FERC 926 current rate year	PBOP in FERC 926 prior rate year	Explanation of change in PBOP in FERC 926
68	Total A&G	Total: p.323.197.b Account 926: p.323.187.b and c	156,729,695	27,423,342	1,830,717	1,882,600	The actuarially determined amount of OPEB expense in FERC 926 decreased \$.1 million from the prior year; the decrease primarily represents a (\$0.2 million) decrease in service cost primarily due to (i) change in the discount rate from 3.80% in 2016 to 4.0% in 2017 and (ii) updated census data, (\$0.3 million) increase in expected return on plan assets due to year over year assets growth, (\$0.1 million) decrease in interest, offset by \$0.2 million increase in amortization of unrecognized gain/loss. This decrease was offset by a \$0.323 million decrease in OPEB costs directly charged to capital or other income deduction accounts (i.e. below the line).

Attachment 3 - Revenue Credit Workpaper

17b	Costs associated with revenues in line 17a	\$ 2,936,682
	Revenue Subject to 50/50 sharing (Attachment 3 - line 17a)	\$ 10,874,987
	Federal Income Tax Rate	21.00%
	Federal Tax on Revenue subject to 50/50 sharing	2,283,747
	Net Revenue subject to 50/50 sharing	8,591,240
	Composite State Income Tax Rate	7.600%
	State Tax on Revenue subject to 50/50 sharing	652,934
	Total Tax on Revenue subject to 50/50 sharing	\$ 2,936,682

Potomac Electric Power Company

Attachment 5a - Allocations of Costs to Affiliate

	Delmarva Power	Atlantic City	Pepco	Non - Regulated	Total
Executive Management	6,721,922	6,040,279	11,559,004	2,731,918	27,053,123
Procurement & Administrative Services	5,753,548	4,160,116	8,276,756	3,721,474	21,911,894
Financial Services & Corporate Expenses	16,768,656	13,558,856	23,867,875	15,207,024	69,402,411
Insurance Coverage and Services	292,642	563,869	(390,363)	(5,012)	461,136
Human Resources	(1,116,564)	(1,258,037)	(540,100)	5,485,522	2,570,821
Legal Services	2,170,665	1,000,599	4,150,743	6,816,457	14,138,464
Customer Services	52,746,755	47,419,527	45,717,038	2,626	145,885,946
Information Technology	17,257,383	13,248,946	32,727,761	10,871,056	74,105,146
External Affairs	3,411,728	2,935,223	5,190,824	626,833	12,164,608
Environmental Services	2,358,711	2,065,133	2,509,472	346	6,933,662
Safety Services	481,504	493,828	775,837		1,751,169
Regulated Electric & Gas T&D	44,391,825	35,785,749	58,175,755	2,973,981	141,327,310
Internal Consulting Services	241,911	194,452	414,624		850,987
Interns	174,619	133,726	128,150		436,495
Cost of Benefits	13,261,385	8,972,178	22,145,832		44,379,395
Building Services	146,800	96,476	4,309,323	849,170	5,401,769
Total	\$ 165,063,490	\$ 135,410,920	\$ 219,018,531	\$ 49,281,395	\$ 568,774,336

Name of Respondent PHI Service Company		This Report Is: (1) ☒ An Original (2) ☐ A Resubmission		Resubmission Date (Mo, Da, Yr) / /	Year/Period of Report Dec 31, 2017
Schedule XVII - Analysis of Billing - Associate Companies (Account 457)					
1. For services rendered to associate companies (Account 457), list all of the associate companies.					
Line No.	Name of Associate Company (a)	Account 457.1 Direct Costs Charged (b)	Account 457.2 Indirect Costs Charged (c)	Account 457.3 Compensation For Use of Capital (d)	Total Amount Billed (e)
1	Potomac Electric Company	54,658,874	164,339,096	20,561	219,018,531
2	Delmarva Power & Light Company	43,878,996	121,169,503	14,991	165,063,490
3	Atlantic City Electric Company	29,283,609	106,115,313	11,998	135,410,920
4	Exelon Business Services Company, LLC	47,134,513			47,134,513
5	Pepco Energy Services, Inc	415,765	1,111,189		1,526,954
6	Pepco Holdings LLC	45,859	490,907	268	537,034
7	Atlantic Southern Properties, Inc	2,419	39,576		41,995
8	Connectiv Properties & Investments, Inc	250	29,336		29,586
9	Atlantic City Electric Transition Funding, LLC	2,895	2,847	4	5,746
10	Connectiv Holding Company, Inc.	3,279			3,279
11	Potomac Capital Investments Corporation	1,623	255		1,878
12	Connectiv Thermal Systems, Inc.		410		410
13					
14					
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36					
37					
38					
39					
40	Total	175,428,082	393,296,432	47,822	568,774,336

Service Company Billing Analysis by Utility FERC Account
YTD Dec 2017
Total PHI

FERC Accounts	FERC Account Name	DPL	ACE	PEPCO	Non-Utility	Total	Inclusion in ATRR
107	Constr Work In Progress	26,393,027	20,238,001	36,545,201	-	83,176,229	Not included
182.3	Other Regulatory Assets	2,372,237	217,458	7,097,229	-	9,686,924	Not included
184	Clearing Accounts - Other	290,866	240,842	743,443	(623,559)	651,592	Not included
408.1	Taxes other than inc taxes, utility operating inc	1,821	705	1,742	-	4,268	Wage & Salary Factor
416-421.2	Other Income -Below the Line	791,529	668,026	953,108	49,904,954	52,317,617	Not included
426.1-426.5	Other Income Deductions - Below the Line	793,436	612,278	1,127,607	-	2,533,321	Not included
430	Interest-Debt to Associated Companies	33,667	27,028	45,561	-	106,256	Not included
431	Interest-Short Term Debt	(16,005)	(12,879)	(21,440)	-	(50,324)	Not included
556	System cont & load dispatch	1,762,459	1,397,736	1,967,404	-	5,127,599	Not included
557	Other expenses	1,289,456	1,123,936	1,209,338	-	3,622,730	Not included
560	Operation Supervision & Engineering	3,383,115	3,135,496	4,630,184	-	11,148,795	100% included
561.1	Load Dispatching - Reliability	14,659	9,981	-	-	24,640	100% included
561.2	Load Dispatch - Monitor & Operate Transmission Sys	67,228	19,453	727,609	-	814,290	100% included
561.3	Load Dispatch - Transmission Service & Scheduling	33,317	44,911	29,401	-	107,629	100% included
561.5	Reliability, Planning and Standards	348,426	219,013	131,562	-	699,001	100% included
563	Overhead line expenses	-	-	225	-	225	100% included
562	Station expenses	-	-	6,587	-	6,587	100% included
564	Underground Line Expenses - Transmission	-	-	525	-	525	100% included
566	Miscellaneous transmission expenses	964,413	829,555	916,409	-	2,710,377	100% included
568	Maintenance Supervision & Engineering	131,952	100,446	465,203	-	697,601	100% included
569	Maint of structures	6,463	6,993	7,169	-	20,625	100% included
569.2	Maintenance of Computer Software	646,321	311,341	457,266	-	1,414,928	100% included
569.4	Maintenance of Transmission Plant	-	-	4	-	4	100% included
570	Maintenance of station equipment	177,361	64,923	367,252	-	609,536	100% included
571	Maintenance of overhead lines	393,340	286,999	590,906	-	1,271,245	100% included
572	Maintenance of underground lines	194	172	1,137	-	1,503	100% included
573	Maintenance of miscellaneous transmission plant	15,358	28,110	145,477	-	188,945	100% included
575.5	Ancillary services market administration	-	-	8,945	-	8,945	Not included
580	Operation Supervision & Engineering	1,205,549	900,876	1,342,800	-	3,449,225	Not included
581	Load dispatching	1,088,271	408,220	1,622,032	-	3,118,523	Not included
582	Station expenses	519,935	-	127,953	-	647,888	Not included
583	Overhead line expenses	79,339	179,386	37,971	-	296,696	Not included
584	Underground line expenses	35,984	-	181,498	-	217,482	Not included
585	Street lighting	1,575	-	27	-	1,602	Not included
586	Meter expenses	709,279	447,257	1,114,080	-	2,270,616	Not included
587	Customer installations expenses	345,833	349,544	1,003,345	-	1,698,722	Not included
588	Miscellaneous distribution expenses	3,807,435	4,244,289	6,809,195	-	14,860,919	Not included
589	Rents	80,562	409	77,296	-	158,267	Not included
590	Maintenance Supervision & Engineering	948,744	573,387	499,410	-	2,021,541	Not included
591	Maintain structures	7,013	6,792	6,974	-	20,779	Not included
592	Maintain equipment	353,360	427,768	916,673	-	1,697,801	Not included
593	Maintain overhead lines	1,754,068	1,231,469	1,850,015	-	4,835,552	Not included
594	Maintain underground line	129,627	69,299	728,487	-	927,413	Not included
595	Maintain line transformers	2,257	-	150,585	-	152,842	Not included
596	Maintain street lighting & signal systems	41,343	36,511	6,306	-	84,160	Not included
597	Maintain meters	164,705	34,459	132,584	-	331,748	Not included
598	Maintain distribution plant	44,155	20,222	574,205	-	638,582	Not included
800-894	Total Gas Accounts	2,355,199	-	-	-	2,355,199	Not included
902	Meter reading expenses	144,273	36,799	129,651	-	310,723	Not included
903	Customer records and collection expenses	50,866,226	47,660,833	48,331,246	-	146,858,305	Not included
907	Supervision - Customer Svc & Information	88	156,520	42,124	-	198,732	Not included
908	Customer assistance expenses	1,897,100	652,072	545,344	-	3,094,516	Not included
909	Informational & instructional advertising	524,046	539,891	834,890	-	1,898,827	Not included
912	Demonstrating and selling expense	161,461	-	-	-	161,461	Not included
913	Advertising expense	40,738	-	-	-	40,738	Not included
920	Administrative & General salaries	339,115	100,744	689,110	-	1,128,969	Wage & Salary Factor
921	Office supplies & expenses	240	712	361	-	1,313	Wage & Salary Factor
923	Outside services employed	46,996,640	42,150,533	75,985,080	-	165,132,253	Wage & Salary Factor
924	Property insurance	113	91	154	-	358	Net Plant Factor
926	Employee pensions & benefits	7,809,871	4,323,683	12,245,344	-	24,378,898	Wage & Salary Factor
928	Regulatory commission expenses	1,470,858	492,412	2,686,522	-	4,649,792	Direct Transmission Only
929	Duplicate charges-Credit	422,348	150,426	1,117,064	-	1,689,838	Wage & Salary Factor
930.1	General ad expenses	208	186	356	-	750	Direct Transmission Only
930.2	Miscellaneous general expenses	518,497	510,021	999,424	-	2,027,942	Wage & Salary Factor
935	Maintenance of general plant	302,795	135,585	75,371	-	513,751	Wage & Salary Factor
Total		165,063,490	135,410,920	219,018,531	49,281,395	568,774,336	

Potomac Electric Power Company

Attachment 6 - Estimate and Reconciliation Worksheet

Step Month Year Action

Exec Summary

- 1

April

Year 2

TO populates the formula with Year 1 data from FERC Form 1 data for Year 1 (e.g., 2004)
- 2

April

Year 2

TO estimates all transmission Cap Adds and CWIP for Year 2 weighted based on Months expected to be in service in Year 2 (e.g., 2005)
- 3

April

Year 2

TO adds weighted Cap Adds to plant in service in Formula
- 4

May

Year 2

Post results of Step 3 on PJM web site
- 5

June

Year 2

Results of Step 3 go into effect for the Rate Year 1 (e.g., June 1, 2005 - May 31, 2006)
- 6

April

Year 3

TO populates the formula with Year 2 data from FERC Form 1 for Year 2 (e.g., 2005)
- 7

April

Year 3

Reconciliation - TO calculates Reconciliation by removing from Year 2 data - the total Cap Adds placed in service in Year 2 and adding weighted average in Year 2 actual Cap Adds and CWIP in Reconciliation (adjusted to include any Reconciliation amount from prior year)
- 8

April

Year 3

TO estimates Cap Adds and CWIP during Year 3 weighted based on Months expected to be in service in Year 3 (e.g., 2006)
- 9

April

Year 3

Reconciliation - TO adds the difference between the Reconciliation in Step 7 and the forecast in Line 5 with interest to the result of Step 7 (this difference is also added to Step 8 in the subsequent year)
- 10

May

Year 3

Post results of Step 9 on PJM web site
- 11

June

Year 3

Results of Step 9 go into effect for the Rate Year 2 (e.g., June 1, 2006 - May 31, 2007)

- 1

April

Year 2

TO populates the formula with Year 1 data from FERC Form 1 data for Year 1 (e.g., 2004)

166,094,793

Rev Req based on Year 1 data

Must run Appendix A to get this number (without inputs in lines 20, 21 or 43a of Appendix A)

- 2

April

Year 2

TO estimates all transmission Cap Adds and CWIP for Year 2 weighted based on Months expected to be in service in Year 2 (e.g., 2005)

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	
	Monthly Additions	Monthly Additions	Monthly Additions	Monthly Additions		Other Plant In Service	Other Plant In Service	MAPP CWIP	MAPP In Service	Other Plant In Service	Other Plant In Service	MAPP CWIP	MAPP In Service	
	Other Plant In Service	Other Plant In Service	MAPP CWIP	MAPP In Service	Weighting	Amount (A x E)	Amount (B x E)	Amount (C x E)	Amount (D x E)	(F / 12)	(G / 12)	(H / 12)	(I / 12)	
Jan					11.5	-	-	-	-	-	-	-	-	-
Feb					10.5	-	-	-	-	-	-	-	-	-
Mar					9.5	-	-	-	-	-	-	-	-	-
Apr					8.5	-	-	-	-	-	-	-	-	-
May					7.5	-	-	-	-	-	-	-	-	-
Jun		-			6.5	-	-	-	-	-	-	-	-	-
Jul					5.5	-	-	-	-	-	-	-	-	-
Aug					4.5	-	-	-	-	-	-	-	-	-
Sep					3.5	-	-	-	-	-	-	-	-	-
Oct					2.5	-	-	-	-	-	-	-	-	-
Nov					1.5	-	-	-	-	-	-	-	-	-
Dec					0.5	-	-	-	-	-	-	-	-	-
Total	-	-	-	-		-	-	-	-	-	-	-	-	-
New Transmission Plant Additions and CWIP (weighted by months in service)										-	-	-	-	-
										Input to Line 21 of Appendix A		-	-	-
										Input to Line 43a of Appendix A		-	-	-
										Month In Service or Month for CWIP		#DIV/0!	#DIV/0!	#DIV/0!

- 3

April

Year 2

TO adds weighted Cap Adds to plant in service in Formula

\$

-

Input to Formula Line 21

- 4

May

Year 2

Post results of Step 3 on PJM web site

166,094,793

Must run Appendix A to get this number (with inputs on lines 21 and 43a of Attachment A)

- 5

June

Year 2

Results of Step 3 go into effect for the Rate Year 1 (e.g., June 1, 2005 - May 31, 2006)

\$

166,094,793

- 6

April

Year 3

TO populates the formula with Year 2 data from FERC Form 1 for Year 2 (e.g., 2005)

183,256,065

Rev Req based on Prior Year data

Must run Appendix A to get this number (without inputs in lines 20, 21 or 43a of Appendix A)

7 April Year 3 Reconciliation - TO calculates Reconciliation by removing from Year 2 data - the total Cap Adds placed in service in Year 2 and adding weighted average in Year 2 actual Cap Adds and CWIP in Reconciliation (adjusted to include any Reconciliation amount from prior year)

Remove all Cap Adds placed in service in Year 2
For Reconciliation only - remove actual New Transmission Plant Additions for Year 2 \$ 212,364,621 Input to Formula Line 20

Add weighted Cap Adds actually placed in service in Year 2

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
	Monthly Additions Other Plant In Service	Monthly Additions Other Plant In Service	Monthly Additions MAPP CWIP	Monthly Additions MAPP In Service	Weighting	Other Plant In Service Amount (A x E)	Other Plant In Service Amount (B x E)	MAPP CWIP Amount (C x E)	MAPP In Service Amount (D x E)	Other Plant In Service (F / 12)	Other Plant In Service (G / 12)	MAPP CWIP (H / 12)	MAPP In Service (I / 12)
Jan	\$141,088				11.5	1,622,516	-	-	-	135,210	-	-	-
Feb	\$10,407,274				10.5	109,276,376	-	-	-	9,106,365	-	-	-
Mar	\$228,188				9.5	2,167,790	-	-	-	180,649	-	-	-
Apr	\$8,692,183				8.5	73,883,558	-	-	-	6,156,963	-	-	-
May	\$22,291,199				7.5	167,183,989	-	-	-	13,931,999	-	-	-
Jun	\$2,217,195				6.5	14,411,767	-	-	-	1,200,981	-	-	-
Jul	\$4,549,159				5.5	25,020,374	-	-	-	2,085,031	-	-	-
Aug	\$1,842,955				4.5	8,293,296	-	-	-	691,108	-	-	-
Sep	\$378,989				3.5	1,326,463	-	-	-	110,539	-	-	-
Oct	(\$658,760)				2.5	(1,646,899)	-	-	-	(137,242)	-	-	-
Nov	\$50,188,490				1.5	75,282,735	-	-	-	6,273,561	-	-	-
Dec	\$112,086,660				0.5	56,043,330	-	-	-	4,670,278	-	-	-
Total	212,364,621	-	-	-		532,865,296	-	-	-	44,405,441	-	-	-
New Transmission Plant Additions and CWIP (weighted by months in service)										44,405,441	-	-	-
										44,405,441	-	-	-
										Input to Line 21 of Appendix A			
										Input to Line 43a of Appendix A			
										Month In Service or Month for CWIP			
										9.49	#DIV/0!	#DIV/0!	#DIV/0!
168,034,596	Result of Formula for Reconciliation					Must run Appendix A with cap adds in line 21 & line 20							
(Year 2 data with total of Year 2 Cap Adds removed and monthly weighted average of Year 2 actual Cap Adds added in)													

8 April Year 3 TO estimates Cap Adds and CWIP during Year 3 weighted based on Months expected to be in service in Year 3 (e.g., 2006)

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	
	Monthly Additions Other Plant In Service	Monthly Additions Other Plant In Service	Monthly Additions MAPP CWIP	Monthly Additions MAPP In Service	Weighting	Other Plant In Service Amount (A x E)	Other Plant In Service Amount (B x E)	MAPP CWIP Amount (C x E)	MAPP In Service Amount (D x E)	Other Plant In Service (F / 12)	Other Plant In Service (G / 12)	MAPP CWIP (H / 12)	MAPP In Service (I / 12)	
Jan					11.5	-	-	-	-	-	-	-	-	
Feb					10.5	-	-	-	-	-	-	-	-	
Mar					9.5	-	-	-	-	-	-	-	-	
Apr					8.5	-	-	-	-	-	-	-	-	
May					7.5	-	-	-	-	-	-	-	-	
Jun	-				6.5	-	-	-	-	-	-	-	-	
Jul					5.5	-	-	-	-	-	-	-	-	
Aug					4.5	-	-	-	-	-	-	-	-	
Sep					3.5	-	-	-	-	-	-	-	-	
Oct					2.5	-	-	-	-	-	-	-	-	
Nov					1.5	-	-	-	-	-	-	-	-	
Dec					0.5	-	-	-	-	-	-	-	-	
Total	-	-	-	-		-	-	-	-	-	-	-	-	
New Transmission Plant Additions and CWIP (weighted by months in service)									0	-	-	-	-	
169,575,932								Input to Line 21 of Appendix A		-	-	-	-	-
									Input to Line 43a of Appendix A					
									Month In Service or Month for CWIP		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

9 April Year 3 Reconciliation - TO adds the difference between the Reconciliation in Step 7 and the forecast in Line 5 with interest to the result of Step 7 (this difference is also added to Step 8 in the subsequent year)

Footnote 1: See Attachment 5 - Cost Support in regards to Brandywine Fly Ash Environmental Expenses

The Reconciliation in Step 7		The forecast in Prior Year			
168,034,596	-	164,004,674	=	4,029,921	See footnote 1 Attachment 5 - Cost Support 1

Interest on Amount of Refunds or Surcharges

Interest rate pursuant to 35.19a for March of t		0.3600%				
Month	Yr	1/12 of Step 9	Interest rate for March of the Current Yr	Months	Interest	Surcharge (Refund) Owed
Jun	Year 1	335,827	0.3600%	11.5	13,903	349,730
Jul	Year 1	335,827	0.3600%	10.5	12,694	348,521
Aug	Year 1	335,827	0.3600%	9.5	11,485	347,312
Sep	Year 1	335,827	0.3600%	8.5	10,276	346,103
Oct	Year 1	335,827	0.3600%	7.5	9,067	344,894
Nov	Year 1	335,827	0.3600%	6.5	7,858	343,685
Dec	Year 1	335,827	0.3600%	5.5	6,649	342,476
Jan	Year 2	335,827	0.3600%	4.5	5,440	341,267
Feb	Year 2	335,827	0.3600%	3.5	4,231	340,058
Mar	Year 2	335,827	0.3600%	2.5	3,022	338,849
Apr	Year 2	335,827	0.3600%	1.5	1,813	337,640
May	Year 2	335,827	0.3600%	0.5	604	336,431
Total		4,029,921				4,116,968

		Balance	Interest rate from above	Amortization over Rate Year	Balance
Jun	Year 2	4,116,968	0.3600%	351,162	3,780,627
Jul	Year 2	3,780,627	0.3600%	351,162	3,443,076
Aug	Year 2	3,443,076	0.3600%	351,162	3,104,309
Sep	Year 2	3,104,309	0.3600%	351,162	2,764,323
Oct	Year 2	2,764,323	0.3600%	351,162	2,423,113
Nov	Year 2	2,423,113	0.3600%	351,162	2,080,675
Dec	Year 2	2,080,675	0.3600%	351,162	1,737,003
Jan	Year 3	1,737,003	0.3600%	351,162	1,392,095
Feb	Year 3	1,392,095	0.3600%	351,162	1,045,945
Mar	Year 3	1,045,945	0.3600%	351,162	698,549
Apr	Year 3	698,549	0.3600%	351,162	349,902
May	Year 3	349,902	0.3600%	351,162	-
Total with interest				4,213,939	

The difference between the Reconciliation in Step 7 and the forecast in Prior Year with interest 4,213,939

Rev Req based on Year 2 data with estimated Cap Adds and CWIP for Year 3 (Step 8)	\$	169,575,932
Revenue Requirement for Year 3		173,789,871

10 May Year 3 Post results of Step 9 on PJM web site
\$ 173,789,871 Post results of Step 3 on PJM web site

11 June Year 3 Results of Step 9 go into effect for the Rate Year 2 (e.g., June 1, 2006 - May 31, 2007)
\$ 173,789,871

Attachment 7 - Transmission Enhancement Charge Worksheet

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provided, that the projects identified in Docket Nos. ER08-686 and ER08-1423 have been awarded an additional 150 basis point adder and, thus, their ROE is 12.0%.

B0252 Northern System Rel -3 230 Caps				B0319 Burches Hill 500/230 kV transformer - second 1000 MVA				B0367.1/B0367.2 Reconductor Dickerson-Quince Orchard 230 kV				B0512.7 Chalk Point 230 kV Breaker 1A			
No				No				Yes				Yes			
35				35				35				35			
No				No				No				No			
0				150				150				0			
12.6000%				12.6000%				12.6000%				12.6000%			
12.6000%				13.3785%				13.3785%				12.6000%			
5,013,166				36,700,000				20,000,000				2,000,000			
143,233				1,048,571				571,429				57,143			
5.50				8.00				8.00				8.00			
Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue
3,932,948	143,233	3,789,715	620,738	30,059,048	1,048,571	29,010,476	4,703,894	16,380,952	571,429	15,809,524	2,563,430	1,638,095	57,143	1,580,952	256,343
3,932,948	143,233	3,789,715	620,738	30,059,048	1,048,571	29,010,476	4,929,742	16,380,952	571,429	15,809,524	2,686,508	1,638,095	57,143	1,580,952	256,343
3,789,715	143,233	3,646,481	602,690	29,010,476	1,048,571	27,961,905	4,571,774	15,809,524	571,429	15,238,095	2,491,430	1,580,952	57,143	1,523,810	249,143
3,789,715	143,233	3,646,481	602,690	29,010,476	1,048,571	27,961,905	4,789,459	15,809,524	571,429	15,238,095	2,610,059	1,580,952	57,143	1,523,810	249,143
3,646,481	143,233	3,503,248	584,643	27,961,905	1,048,571	26,913,333	4,439,654	15,238,095	571,429	14,666,667	2,419,430	1,523,810	57,143	1,466,667	241,943
3,646,481	143,233	3,503,248	584,643	27,961,905	1,048,571	26,913,333	4,649,175	15,238,095	571,429	14,666,667	2,533,611	1,523,810	57,143	1,466,667	241,943
3,503,248	143,233	3,360,015	566,596	26,913,333	1,048,571	25,864,762	4,307,534	14,666,667	571,429	14,095,238	2,347,430	1,466,667	57,143	1,409,524	234,743
3,503,248	143,233	3,360,015	566,596	26,913,333	1,048,571	25,864,762	4,508,892	14,666,667	571,429	14,095,238	2,457,162	1,466,667	57,143	1,409,524	234,743
3,360,015	143,233	3,216,782	548,548	25,864,762	1,048,571	24,816,190	4,175,414	14,095,238	571,429	13,523,810	2,275,430	1,409,524	57,143	1,352,381	227,543
3,360,015	143,233	3,216,782	548,548	25,864,762	1,048,571	24,816,190	4,368,609	14,095,238	571,429	13,523,810	2,380,713	1,409,524	57,143	1,352,381	227,543
3,216,782	143,233	3,073,548	530,501	24,816,190	1,048,571	23,767,619	4,043,294	13,523,810	571,429	12,952,381	2,203,430	1,352,381	57,143	1,295,238	220,343
3,216,782	143,233	3,073,548	530,501	24,816,190	1,048,571	23,767,619	4,228,326	13,523,810	571,429	12,952,381	2,304,265	1,352,381	57,143	1,295,238	220,343
3,073,548	143,233	2,930,315	512,453	23,767,619	1,048,571	22,719,048	3,911,174	12,952,381	571,429	12,380,952	2,131,430	1,295,238	57,143	1,238,095	213,143
3,073,548	143,233	2,930,315	512,453	23,767,619	1,048,571	22,719,048	4,088,042	12,952,381	571,429	12,380,952	2,227,816	1,295,238	57,143	1,238,095	213,143
2,930,315	143,233	2,787,082	494,406	22,719,048	1,048,571	21,670,476	3,779,054	12,380,952	571,429	11,809,524	2,059,430	1,238,095	57,143	1,180,952	205,943
2,930,315	143,233	2,787,082	494,406	22,719,048	1,048,571	21,670,476	3,947,759	12,380,952	571,429	11,809,524	2,151,367	1,238,095	57,143	1,180,952	205,943
2,787,082	143,233	2,643,848	476,358	21,670,476	1,048,571	20,621,905	3,646,934	11,809,524	571,429	11,238,095	1,987,430	1,180,952	57,143	1,123,810	198,743
2,787,082	143,233	2,643,848	476,358	21,670,476	1,048,571	20,621,905	3,807,476	11,809,524	571,429	11,238,095	2,074,919	1,180,952	57,143	1,123,810	198,743
2,643,848	143,233	2,500,615	458,311	20,621,905	1,048,571	19,573,333	3,514,813	11,238,095	571,429	10,666,667	1,915,430	1,123,810	57,143	1,066,667	191,543
2,643,848	143,233	2,500,615	458,311	20,621,905	1,048,571	19,573,333	3,667,192	11,238,095	571,429	10,666,667	1,998,470	1,123,810	57,143	1,066,667	191,543

BO512.8 Chalk Point 230 kV Breaker 1B				BO512.9 Chalk Point 230 kV Breaker 2A				B0512.12 Chalk Point 230 kV Breaker 3A				BO478 Burches Hill-Palmer Cr Upgrade 23090, 91, 92, 93			
Yes 35				Yes 35				Yes 35				Yes 35			
No				No				No				No			
0				0				0				150			
12.6000%				12.6000%				12.6000%				12.6000%			
12.6000%				12.6000%				12.6000%				13.3785%			
2,000,000				2,000,000				2,000,000				15,875,382			
57,143				57,143				57,143				453,582			
8.00				8.00				12.00				6.00			
Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue
1,638,095	57,143	1,580,952	256,343	1,638,095	57,143	1,580,952	256,343	1,657,143	57,143	1,600,000	258,743	13,380,679	453,582	12,927,097	2,082,398
1,638,095	57,143	1,580,952	256,343	1,638,095	57,143	1,580,952	256,343	1,657,143	57,143	1,600,000	258,743	13,380,679	453,582	12,927,097	2,183,036
1,580,952	57,143	1,523,810	249,143	1,580,952	57,143	1,523,810	249,143	1,600,000	57,143	1,542,857	251,543	12,927,097	453,582	12,473,514	2,025,246
1,580,952	57,143	1,523,810	249,143	1,580,952	57,143	1,523,810	249,143	1,600,000	57,143	1,542,857	251,543	12,927,097	453,582	12,473,514	2,122,353
1,523,810	57,143	1,466,667	241,943	1,523,810	57,143	1,466,667	241,943	1,542,857	57,143	1,485,714	244,343	12,473,514	453,582	12,019,932	1,968,095
1,523,810	57,143	1,466,667	241,943	1,523,810	57,143	1,466,667	241,943	1,542,857	57,143	1,485,714	244,343	12,473,514	453,582	12,019,932	2,061,671
1,466,667	57,143	1,409,524	234,743	1,466,667	57,143	1,409,524	234,743	1,485,714	57,143	1,428,571	237,143	12,019,932	453,582	11,566,350	1,910,944
1,466,667	57,143	1,409,524	234,743	1,466,667	57,143	1,409,524	234,743	1,485,714	57,143	1,428,571	237,143	12,019,932	453,582	11,566,350	2,000,988
1,409,524	57,143	1,352,381	227,543	1,409,524	57,143	1,352,381	227,543	1,428,571	57,143	1,371,429	229,943	11,566,350	453,582	11,112,767	1,853,792
1,409,524	57,143	1,352,381	227,543	1,409,524	57,143	1,352,381	227,543	1,428,571	57,143	1,371,429	229,943	11,566,350	453,582	11,112,767	1,940,305
1,352,381	57,143	1,295,238	220,343	1,352,381	57,143	1,295,238	220,343	1,371,429	57,143	1,314,286	222,743	11,112,767	453,582	10,659,185	1,796,641
1,352,381	57,143	1,295,238	220,343	1,352,381	57,143	1,295,238	220,343	1,371,429	57,143	1,314,286	222,743	11,112,767	453,582	10,659,185	1,879,623
1,295,238	57,143	1,238,095	213,143	1,295,238	57,143	1,238,095	213,143	1,314,286	57,143	1,257,143	215,543	10,659,185	453,582	10,205,603	1,739,489
1,295,238	57,143	1,238,095	213,143	1,295,238	57,143	1,238,095	213,143	1,314,286	57,143	1,257,143	215,543	10,659,185	453,582	10,205,603	1,818,940
1,238,095	57,143	1,180,952	205,943	1,238,095	57,143	1,180,952	205,943	1,257,143	57,143	1,200,000	208,343	10,205,603	453,582	9,752,020	1,682,338
1,238,095	57,143	1,180,952	205,943	1,238,095	57,143	1,180,952	205,943	1,257,143	57,143	1,200,000	208,343	10,205,603	453,582	9,752,020	1,758,258
1,180,952	57,143	1,123,810	198,743	1,180,952	57,143	1,123,810	198,743	1,200,000	57,143	1,142,857	201,143	9,752,020	453,582	9,298,438	1,625,186
1,180,952	57,143	1,123,810	198,743	1,180,952	57,143	1,123,810	198,743	1,200,000	57,143	1,142,857	201,143	9,752,020	453,582	9,298,438	1,697,575
1,123,810	57,143	1,066,667	191,543	1,123,810	57,143	1,066,667	191,543	1,142,857	57,143	1,085,714	193,943	9,298,438	453,582	8,844,856	1,568,035
1,123,810	57,143	1,066,667	191,543	1,123,810	57,143	1,066,667	191,543	1,142,857	57,143	1,085,714	193,943	9,298,438	453,582	8,844,856	1,636,893

BO499 Burches Hill Sub: Add 3rd 500/230kV				BO526 Ritchie-Benning: Install (2) 230kV Lines				BO701.1 Benning Sub: Add 3rd 230/69kV, 250MVA				BO496 Brighton Sub: Upgrade T1 500/230kv Transormer			
Yes 35				Yes 35				Yes 35				Yes 35			
	No				No				No						
150				0				0				150			
12.6000%				12.6000%				12.6000%				12.6000%			
13.3785%				12.6000%				12.6000%				13.3785%			
29,544,357				58,581,170				5,226,954				19,021,804			
844,124				1,673,748				149,342				543,480			
6.00				6.00				6.00				2.00			
Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue
24,901,672	844,124	24,057,548	3,875,378	49,375,558	1,673,748	47,701,810	7,684,181	4,405,576	149,342	4,256,234	685,627	16,580,284	543,480	16,036,804	2,564,119
24,901,672	844,124	24,057,548	4,062,667	49,375,558	1,673,748	47,701,810	7,684,181	4,405,576	149,342	4,256,234	685,627	16,580,284	543,480	16,036,804	2,688,966
24,057,548	844,124	23,213,423	3,769,018	47,701,810	1,673,748	46,028,062	7,473,288	4,256,234	149,342	4,106,892	666,810	16,036,804	543,480	15,493,324	2,495,641
24,057,548	844,124	23,213,423	3,949,735	47,701,810	1,673,748	46,028,062	7,473,288	4,256,234	149,342	4,106,892	666,810	16,036,804	543,480	15,493,324	2,616,257
23,213,423	844,124	22,369,299	3,662,658	46,028,062	1,673,748	44,354,314	7,262,396	4,106,892	149,342	3,957,551	647,993	15,493,324	543,480	14,949,844	2,427,162
23,213,423	844,124	22,369,299	3,836,804	46,028,062	1,673,748	44,354,314	7,262,396	4,106,892	149,342	3,957,551	647,993	15,493,324	543,480	14,949,844	2,543,547
22,369,299	844,124	21,525,174	3,556,299	44,354,314	1,673,748	42,680,567	7,051,503	3,957,551	149,342	3,808,209	629,176	14,949,844	543,480	14,406,364	2,358,683
22,369,299	844,124	21,525,174	3,723,873	44,354,314	1,673,748	42,680,567	7,051,503	3,957,551	149,342	3,808,209	629,176	14,949,844	543,480	14,406,364	2,470,837
21,525,174	844,124	20,681,050	3,449,939	42,680,567	1,673,748	41,006,819	6,840,611	3,808,209	149,342	3,658,868	610,359	14,406,364	543,480	13,862,884	2,290,205
21,525,174	844,124	20,681,050	3,610,942	42,680,567	1,673,748	41,006,819	6,840,611	3,808,209	149,342	3,658,868	610,359	14,406,364	543,480	13,862,884	2,398,128
20,681,050	844,124	19,836,925	3,343,579	41,006,819	1,673,748	39,333,071	6,629,719	3,658,868	149,342	3,509,526	591,542	13,862,884	543,480	13,319,404	2,221,726
20,681,050	844,124	19,836,925	3,498,010	41,006,819	1,673,748	39,333,071	6,629,719	3,658,868	149,342	3,509,526	591,542	13,862,884	543,480	13,319,404	2,325,418
19,836,925	844,124	18,992,801	3,237,219	39,333,071	1,673,748	37,659,324	6,418,826	3,509,526	149,342	3,360,185	572,725	13,319,404	543,480	12,775,923	2,153,248
19,836,925	844,124	18,992,801	3,385,079	39,333,071	1,673,748	37,659,324	6,418,826	3,509,526	149,342	3,360,185	572,725	13,319,404	543,480	12,775,923	2,252,709
18,992,801	844,124	18,148,676	3,130,860	37,659,324	1,673,748	35,985,576	6,207,934	3,360,185	149,342	3,210,843	553,908	12,775,923	543,480	12,232,443	2,084,769
18,992,801	844,124	18,148,676	3,272,148	37,659,324	1,673,748	35,985,576	6,207,934	3,360,185	149,342	3,210,843	553,908	12,775,923	543,480	12,232,443	2,179,999
18,148,676	844,124	17,304,552	3,024,500	35,985,576	1,673,748	34,311,828	5,997,042	3,210,843	149,342	3,061,502	535,091	12,232,443	543,480	11,688,963	2,016,291
18,148,676	844,124	17,304,552	3,159,216	35,985,576	1,673,748	34,311,828	5,997,042	3,210,843	149,342	3,061,502	535,091	12,232,443	543,480	11,688,963	2,107,290
17,304,552	844,124	16,460,427	2,918,140	34,311,828	1,673,748	32,638,080	5,786,149	3,061,502	149,342	2,912,160	516,274	11,688,963	543,480	11,145,483	1,947,812
17,304,552	844,124	16,460,427	3,046,285	34,311,828	1,673,748	32,638,080	5,786,149	3,061,502	149,342	2,912,160	516,274	11,688,963	543,480	11,145,483	2,034,580

B1125 Convert Buzzard to Ritchie Line - 138kV to 230kV				b2008 Reconductor feeder Dickerson to Quince Orchard						
Yes 35				Yes 35						
No 0				No 0						
12.6000%				12.6000%						
12.6000%				12.6000%						
51,852,352				8,623,505						
1,481,496				246,386						
10.00				2.00						
Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Total	Incentive Charged	Revenue Credit
47,126,667	1,481,496	45,645,171	7,232,792	7,936,145	246,386	7,689,759	1,215,296	\$ 39,165,261		\$ 39,165,261
47,126,667	1,481,496	45,645,171	7,232,792	7,936,145	246,386	7,689,759	1,215,296	\$ 40,117,612	\$ 40,117,612	
45,645,171	1,481,496	44,163,675	7,046,123	7,689,759	246,386	7,443,373	1,184,252	\$ 38,088,918		\$ 38,088,918
45,645,171	1,481,496	44,163,675	7,046,123	7,689,759	246,386	7,443,373	1,184,252	\$ 39,006,859	\$ 39,006,859	
44,163,675	1,481,496	42,682,179	6,859,455	7,443,373	246,386	7,196,987	1,153,207	\$ 37,012,574		\$ 37,012,574
44,163,675	1,481,496	42,682,179	6,859,455	7,443,373	246,386	7,196,987	1,153,207	\$ 37,896,106	\$ 37,896,106	
42,682,179	1,481,496	41,200,683	6,672,786	7,196,987	246,386	6,950,601	1,122,162	\$ 35,936,231		\$ 35,936,231
42,682,179	1,481,496	41,200,683	6,672,786	7,196,987	246,386	6,950,601	1,122,162	\$ 36,785,353	\$ 36,785,353	
41,200,683	1,481,496	39,719,188	6,486,117	6,950,601	246,386	6,704,215	1,091,118	\$ 34,859,888		\$ 34,859,888
41,200,683	1,481,496	39,719,188	6,486,117	6,950,601	246,386	6,704,215	1,091,118	\$ 35,674,600	\$ 35,674,600	
39,719,188	1,481,496	38,237,692	6,299,449	6,704,215	246,386	6,457,829	1,060,073	\$ 33,783,545		\$ 33,783,545
39,719,188	1,481,496	38,237,692	6,299,449	6,704,215	246,386	6,457,829	1,060,073	\$ 34,563,847	\$ 34,563,847	
38,237,692	1,481,496	36,756,196	6,112,780	6,457,829	246,386	6,211,444	1,029,028	\$ 32,707,202		\$ 32,707,202
38,237,692	1,481,496	36,756,196	6,112,780	6,457,829	246,386	6,211,444	1,029,028	\$ 33,453,094	\$ 33,453,094	
36,756,196	1,481,496	35,274,700	5,926,112	6,211,444	246,386	5,965,058	997,984	\$ 31,630,859		\$ 31,630,859
36,756,196	1,481,496	35,274,700	5,926,112	6,211,444	246,386	5,965,058	997,984	\$ 32,342,341	\$ 32,342,341	
35,274,700	1,481,496	33,793,205	5,739,443	5,965,058	246,386	5,718,672	966,939	\$ 30,554,515		\$ 30,554,515
35,274,700	1,481,496	33,793,205	5,739,443	5,965,058	246,386	5,718,672	966,939	\$ 31,231,588	\$ 31,231,588	
33,793,205	1,481,496	32,311,709	5,552,774	5,718,672	246,386	5,472,286	935,894	\$ 29,478,172		\$ 29,478,172
33,793,205	1,481,496	32,311,709	5,552,774	5,718,672	246,386	5,472,286	935,894	\$ 30,120,835	\$ 30,120,835	

Potomac Electric Power Company

Attachment 8 - Company Exhibit - Securitization Workpaper

Line #

Long Term Interest

101 **Less LTD Interest on Securitization Bonds**

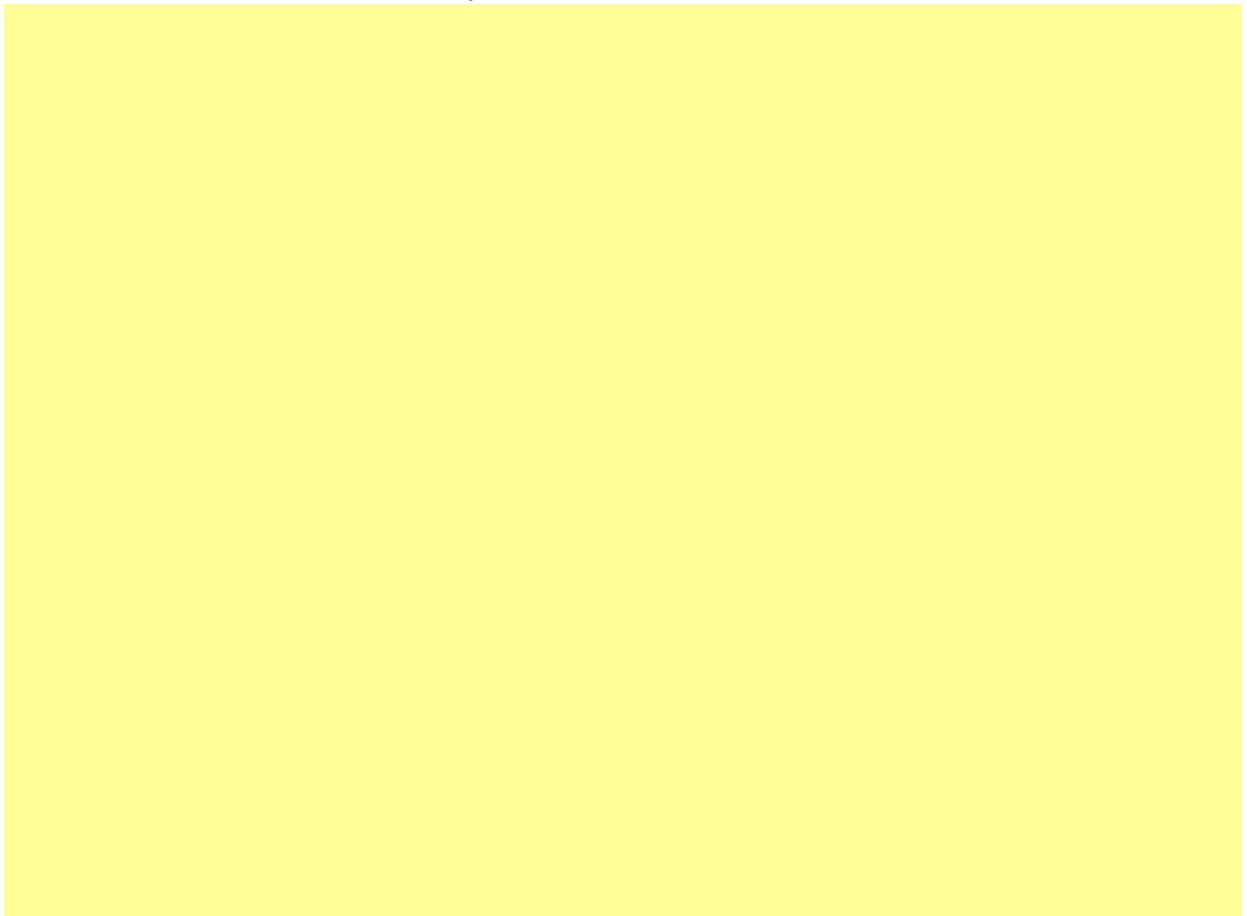
0

Capitalization

112 **Less LTD on Securitization Bonds**

0

Calculation of the above Securitization Adjustments

A large yellow rectangular area, likely a placeholder for a detailed calculation or a redacted section of the workpaper.



May 11, 2018

Ms. Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E. Room 1A
Washington, DC 20426
Via e-filing

**Re: PECO Energy Company
Docket No. ER17-1519-000
Informational Filing of 2018 Formula Rate Annual Update; Notice of Annual Meeting**

Dear Ms. Bose,

PECO Energy Company (“PECO”) hereby submits electronically, for informational purposes, its Annual Update Information pursuant to the Formula Rate Implementation Protocols (“Protocols”) of PECO contained in Attachment H-7C of the PJM Interconnection, L.L.C. (“PJM”) Open Access Transmission Tariff (“Tariff”).¹

The Protocols provide that:

On or before May 15 of each year, PECO shall provide its Annual Update and True-Up Adjustment to PJM Interconnection, L.L.C. (“PJM”), cause such information to be posted on the PJM website and OASIS, and file such information with the Federal Energy Regulatory Commission (“FERC”) as an informational filing. Within five (5) days of such posting, PECO shall cause notice of such posting to be provided via an exploder list. ... On or before May 15 of each year, PECO shall provide its projected net revenue requirement to PJM, cause such information to be posted on the PJM website and OASIS, and file such information with the FERC as an informational filing. Within five (5) days of posting of the projected net revenue requirement, PECO shall cause notice of such posting to be provided to an email exploder list.²

¹ On June 26, 2017 (with an errata issued on June 27, 2017), the Commission issued a delegated letter order accepting and suspending PECO’s Formula Rate and Protocols, subject to refund, with an effective date of December 1, 2017.

² See PJM Tariff, Attachment H-7C, Section §§ II.B-C.

The same information contained in this informational filing has been transmitted to PJM for posting on its website as required by the Protocols. Thus, all interested parties should have ample notice of and access to the Annual Update Information. The Protocols provide specific procedures for notice, review, exchanges of information and potential challenges to aspects of the Annual Update Information.

As required by the Protocols, notice of an Annual Meeting to be held on June 15, 2018 is also being provided on the PJM website. The Annual Meeting will permit PECO to explain and clarify the Annual Update and True-up Adjustment and will provide interested parties an opportunity to seek information and clarifications about the Annual Update and True-up Adjustment.

PECO has prepared the 2018 Annual Update Information in a manner consistent with its Protocols, as set forth in Attachment H-7C of the PJM Tariff. Appendix 1 is the projected net revenue requirement that will be used by PJM to determine charges for service to the PECO zone during the June 1, 2018 through May 31, 2019 rate period. Appendix 2 is the True-Up Calculation that provides the formula worksheets that reflect 2017 actuals and support the True-Up Adjustment.

Sections II.F and II.G of the Protocols identify certain information that is to be provided in the Annual Update and projected net revenue requirement. This information is provided herein.

A. Changes to Formula References to the FERC Form No. 1

In accordance with Section II.F.5 of the Protocols, PECO has identified two changes in the formula references to the FERC Form No 1. Appendix 3 hereto identifies these changes.

The first change relates to the adjustment of lines related to the calculation for Taxes Other than Income Taxes as a result of line adjustments to the FERC Form No. 1. Accordingly, the instruction for the calculation on Attachment 5-P3 Support, Line 2, Columns c-h, of the Formula Rate has been updated to include the appropriate FERC Form No. 1 references.

The second change relates to the transmission revenue that PECO received in 2017 as part of the true up adjustment calculation. Attachment 3-Project True-up, Note 3, explains that the "Revenue Received" on line 2, Col. (E), should be the total amount of revenue distributed to the company in the year as shown on pages 328-330 of the FERC Form No. 1. PECO's formula rate went into effect on December 1, 2017, and the revenue recognized in the true-up adjustment should only reflect the period for which the rate was in effect. The "Revenue Received" reflects the actual transmission revenue that PECO received from PJM for the month of December 2017. The other amounts on Attachment 3-Project True-up have been updated to reflect this one-month proration.

B. Material Adjustments to the FERC Form No. 1

In accordance with Section II.F.6 of the Protocols, PECO confirms the Annual Update Information contains no material adjustments to FERC Form No. 1 data.

C. Affiliate Cost Allocation

In accordance with Section II.F.7 of the Protocols, PECO is hereby providing information about affiliate cost allocation. Exelon Business Services Company (“EBSC”) offers a range of services to PECO and other affiliated members of the Exelon family of companies. Under the terms of the General Services Agreement (“GSA”) between PECO and the EBSC, which was approved in the PECO/Unicom merger proceeding with the Pennsylvania Public Utility Commission (“PA PUC”) at Docket No. A-110550F0147, the services furnished by the EBSC to PECO are to be billed at the EBSC’s cost. Direct charges are made for services where possible. Otherwise, costs are allocated to affiliates of EBSC on the basis of the allocation factors/methodologies identified in the attachment to the GSA, which were previously reviewed and approved by the U.S. Securities and Exchange Commission (“SEC”). Costs distributed to PECO are recorded to the appropriate common Administrative & General expense accounts on PECO’s books. No changes to cost allocation methodologies were made from the prior year. Refer to pages 429 and 429.1 of the FERC Form No. 1 for the magnitude of such costs that have been allocated or directly assigned to PECO and each affiliate by service category or function.

D. Accounting Changes

In accordance with Sections II.F.8 and II.G.5 of the Protocols, PECO confirms the Annual Update Information contains no material accounting change. Any material accounting change is discussed in applicable disclosure statements filed within the SEC Form 10-K and within the FERC Form No. 1.

E. Items Included on a Non-Historical Cost Basis

In accordance with Sections II.F.9 and II.G.6 of the Protocols, PECO has identified the following items included in the projected net revenue requirement that are on a non-historical cost basis:

- (1) Income Tax Rate. PECO has updated the federal income tax rate from 35% to 21%, as a reduction to the projected net revenue requirement, to reflect the impact of the 2017 Tax Cuts and Jobs Act (“TCJA”).
- (2) Excess Deferred Amortization. PECO has included excess deferred amortization, as a reduction to the projected net revenue requirement, to reflect the impact of the TCJA.
- (3) Other Post-Employment Benefits (“OPEB”). PECO has made no change to OPEB costs reflected in the formula.

F. Reorganization or Merger Transaction

In accordance with Sections II.F.10 and II.G.7 of the Protocols, PECO confirms there are no reorganization or merger transactions.

G. 2018 Annual Depreciation Report

In accordance with Note 7 in Attachment 8 Depreciation Rates of PECO's formula rate, a copy of PECO's 2018 Annual Depreciation Report as filed with the Pennsylvania Public Utility Commission is included as Appendix No. 4.

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

Very truly yours,

/s/ Jack R. Garfinkle
Associate General Counsel

Enclosures

cc: All parties on Service Lists in Docket No. ER17-1519-000



An Exelon Company

**PECO Electric Company Annual Meeting
For the May 11, 2018 Formula Transmission Rate Annual Update**

Section II.H of the formula rate protocols requires an open meeting among interested parties ("Annual Meeting") to be held no later than forty-five (45) days after the Publication Date of the Annual Update. This meeting is to explain and clarify the Annual Update and True-up Adjustment filed on May 11, 2018, and give interested parties an opportunity to seek information and clarifications about the Annual Update and True-up Adjustment.

Accordingly, the following Notice is being posted by PJM on its internet website:

I. Meeting Location

June 15, 2018
10:00 AM
PECO Main Office Building
2301 Market Street
Philadelphia, PA 19103

PECO invites those interested in participating in the meeting to contact Jennedy Johnson at (215) 841-4353 or via e-mail at Jennedy.Johnson@exeloncorp.com by June 13, 2018, to arrange for building access or for a teleconference access number.

II. Information Requests

Information requests should be submitted to Jennedy.Johnson@exeloncorp.com.

Appendix 1
Populated Projected Net Revenue Requirement

Attachment H-7
Formula Rate - Non-Levelized

Rate Formula Template
Utilizing FERC Form 1 Data
PECO Energy Company

For the 12 months ended 12/31/2018

Line No.	(1)	(2)	(3)	(4)	(5) Allocated Amount
1	GROSS REVENUE REQUIREMENT	(page 3, line 48)			197,291,637
2	REVENUE CREDITS	Attachment 5A, line 15	Total 9,293,775.59	TP 100.00%	9,293,776
3	NET REVENUE REQUIREMENT	(line 1 minus line 2)			187,997,861
4	REGIONAL NET REVENUE REQUIREMENT	Attachment 1, line 18, col. 14 - Attachment 1, line 17a, col. 14			32,813,135
5	Regional True-up Adjustment with Interest	Attachment 1, line 18, col. 15 - Attachment 1, line 17a, col. 15			490,738
6	REGIONAL NET REVENUE REQUIREMENT with TRUE-UP	Attachment 1, line 18, col. 16 - Attachment 1, line 17a, col. 16			33,303,873
7	ZONAL NET REVENUE REQUIREMENT	Attachment 1, line 17a, col. 14 less line 2			155,184,726
8	Zonal True-up Adjustment with Interest	Attachment 1, line 17a, col. 15			254,374
9	ZONAL NET REVENUE REQUIREMENT with TRUE-UP	Attachment 1, line 17a, col. 16			155,439,100
10	Competitive Bid Concessions	Attachment 1, line 18, col. 13			-
11	Zonal Load	1 CP from PJM in MW			8,141
12	Network Integration Transmission Service rate for PECO Zone	(line 9/11)			\$19,093

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing FERC Form 1 Data
PECO Energy Company

For the 12 months ended 12/31/2018

(1)		(2)	(3)	(4)	(5)
Line No.		Source	Company Total	Allocator	Transmission (Col 3 times Col 4)
RATE BASE:					
	GROSS PLANT IN SERVICE (Notes U and R)				
1	Production	205.46.g for end of year, records for other months	-	NA	-
2	Transmission	Attachment 4, Line 14, Col. (b)	1,575,609,663	TP	100.00% 1,575,609,663
3	Distribution	207.75.g for end of year, records for other months	6,163,196,087	NA	0.00% -
4	General	Attachment 4, Line 14, Col. (c)	273,671,452	W/S	11.76% 32,183,834
5	Intangible	Attachment 4D, Line 19, Col. (s) and Line 21, Col. (s)	181,747,006	DA	16,349,475
6	Common	Attachment 4, Line 14, Col. (d)	569,789,786	W/S	11.76% 67,007,426
7	Costs To Achieve	(enter negative) Attach. 4E, Line 25, Col. (x)	(2,960,087)	W/S	11.76% (348,107)
8	TOTAL GROSS PLANT	(Sum of Lines 1 through 7)	8,761,053,906	GP=	19.30% 1,690,802,291
9	ACCUMULATED DEPRECIATION (Notes U and R)				
10	Production	219.20-24.c for end of year, records for other months	-	NA	-
11	Transmission	Attachment 4, Line 14, Col. (i)	507,162,514	TP	100.00% 507,162,514
12	Distribution	219.26.c for end of year, records for other months	1,735,908,212	NA	0.00% -
13	General	Attachment 4, Line 14, Col. (j)	69,584,406	W/S	11.76% 8,183,144
14	Intangible	Attachment 4D, Line 40, Col. (s) and Line 42, Col. (s)	101,664,008	DA	5,959,767
15	Common	Attachment 4, Line 14, Col. (k)	277,854,376	W/S	11.76% 32,675,746
16	Costs To Achieve	(enter negative) Attach. 4E, Line 39, Col. (x)	(213,052)	W/S	11.76% (25,055)
17	TOTAL ACCUM. DEPRECIATION	(Sum of Lines 10 through 16)	2,691,960,462		553,956,116
18	NET PLANT IN SERVICE				
19	Production	(line 1 minus line 10)	-		-
20	Transmission	(line 2 minus line 11)	1,068,447,150		1,068,447,150
21	Distribution	(line 3 minus line 12)	4,427,287,875		-
22	General	(line 4 minus line 13)	204,087,046		24,000,689
23	Intangible	(line 5 minus line 14)	80,082,998		10,389,708
24	Common	(line 6 minus line 15)	291,935,410		34,331,680
25	Costs To Achieve	(line 7 minus line 16)	(2,747,035)		(323,052)
26	TOTAL NET PLANT	(Sum of Lines 19 through 25)	6,069,093,444	NP=	18.73% 1,136,846,175
27	ADJUSTMENTS TO RATE BASE (Note R)				
28	Account No. 281 (enter negative)	Attachment 4, Line 28, Col. (d) (Notes B and X)	Zero	NA	zero -
29	Account No. 282 (enter negative)	Attachment 4, Line 28, Col. (e) (Notes B and X)	(276,574,829)	TP	100.00% (276,574,829)
30	Account No. 283 (enter negative)	Attachment 4, Line 28, Col. (f) (Notes B and X)	(13,817,012)	TP	100.00% (13,817,012)
31	Account No. 190	Attachment 4, Line 28, Col. (g) (Notes B and X)	18,643,206	TP	100.00% 18,643,206
32	Account No. 255 (enter negative)	Attachment 4, Line 28, Col. (h) (Notes B and X)	-	TP	100.00% -
33	Unfunded Reserves (enter negative)	Attachment 4, Line 31, Col. (h) (Note Y)	(6,493,905)	DA	100.00% (6,493,905)
34	CWIP	Attachment 4, Line 14, Col. (e)	-	DA	100.00% -
35	Pension Asset	Attachment 4, Line 28, Col. (i)	32,679,469	DA	100.00% 32,679,469
36	Unamortized Regulatory Asset	Attachment 4, Line 28, Col. (b) (Note T)	-	DA	100.00% -
37	Unamortized Abandoned Plant	Attachment 4, Line 28, Col. (c) (Note S)	-	DA	100.00% -
38	Outstanding Network Credits	From PJM	-	DA	100.00% -
39	Less Accum. Deprec. associated with Facilities with Outstanding Network Credits	From PJM	-	DA	100.00% -
40	TOTAL ADJUSTMENTS	(Sum of Lines 28 through 39)	(245,563,071)		(245,563,071)
41	LAND HELD FOR FUTURE USE				
		Attachment 4, Line 14, Col. (f) (Note C)	1,137,057	TP	100.00% 1,137,057
42	WORKING CAPITAL				
43	CWC	(Note D) 1/8*(Page 3, Line 12 minus Page 3, Line 7)	29,776,494		8,719,755
44	Materials & Supplies	Attachment 4, Line 14, Col. (g)	12,972,612	TP	100.00% 12,972,612
45	Prepayments (Account 165)	Attachment 4, Line 14, Col. (h)	1,425,117	DA	100.00% 1,425,117
46	TOTAL WORKING CAPITAL	(Sum of Lines 43 through 45)	44,174,223		23,117,485
47	RATE BASE		(Sum of Lines 26, 40, 41 & 46)		
			5,868,841,653		915,537,646

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing FERC Form 1 Data
PECO Energy Company

For the 12 months ended 12/31/2018

Line No.	(1)	(2)	(3)	(4)	(5)
		Source	Company Total	Allocator	Transmission (Col 3 times Col 4)
	O&M				
1	Transmission	Attachment 5, Line 1, Col. (a)	184,929,330	TP	184,929,330
2	Less Account 566 (Misc Trans Expense)	Attachment 5, Line 1, Col. (b)	11,680,412	TP	11,680,412
3	Less Account 565	Attachment 5, Line 1, Col. (c)	-	TP	-
4	Less Accounts 561.4 and 561.8	Attachment 5, Line 1, Col. (d)	136,281,037	TP	136,281,037
5	A&G	Attachment 5B, Line 15, Col. (e) and Line 17, Col. (e)	192,457,819	DA	21,450,103
6	Account 566				
7	Amortization of Regulatory Asset	(Note T) Attachment 5, Line 1, Col. (e)	-	DA	-
8	Miscellaneous Transmission Expense (less amortization of regulatory asset)	Attachment 5, Line 1, Col. (f)	11,680,412	TP	11,680,412
9	Total Account 566	(Line 7 plus Line 8) Ties to 321.97.b	11,680,412		11,680,412
10	PBOP Adjustment	Attachment 7, line 3, Col. (d)	576,524	W/S	67,799
11	O&M Cost to Achieve Included in O&M Above	Attachment 4F, Line 11, Col. (m)	3,470,687	W/S	408,154
12	TOTAL O&M	(Sum of Lines 1, 5, 9, & 10 less Lines 2, 3, 4 & 11)	238,211,948		69,758,042
13	DEPRECIATION EXPENSE (Note U)				
14	Transmission	Attachment 5, Line 1, Col. (g)	23,761,763	TP	23,761,763
15	General	Attachment 5, Line 2, Col. (a)	14,965,330	W/S	1,759,927
16	Intangible	Attachment 4D, Line 82, Col. (f) and Line 84, Col. (f)	19,876,263	DA	2,442,807
17	Common - Electric	Attachment 5, Line 1, Col. (h)	23,761,593	W/S	2,794,369
18	Common Depreciation Expense Related to Costs To Achieve	(enter negative) Attachment 4E, Line 66, Col (x)	(246,292)	W/S	(28,964)
19	Amortization of Abandoned Plant	(Note S) Attachment 5, Line 2, Col. (b)	-	DA	-
20	TOTAL DEPRECIATION	(Sum of Lines 14 through 19)	82,118,657		30,729,902
21	TAXES OTHER THAN INCOME TAXES	(Note F)			
22	LABOR RELATED				
23	Payroll	Attachment 5, Line 2, Col. (c)	11,792,061	W/S	1,386,749
24	Other Payroll Related	Attachment 5, Line 2, Col. (d)	-	W/S	-
25	PLANT RELATED				
26	Property	Attachment 5, Line 2, Co.l (e)	10,739,456	GP	2,072,616
27	Gross Receipts	Attachment 5, Line 2, Col. (f)	125,049,113	NA	-
28	Other	Attachment 5, Line 2, Col. (g)	484,130	GP	93,433
29	Misc.	Attachment 5, Line 2, Col. (h)	3,262	GP	630
30	TOTAL OTHER TAXES	(Sum of Lines 23 through 29)	148,068,022		3,553,427
31	INTEREST ON NETWORK CREDITS	From PJM	-	DA	-
32	INCOME TAXES	(Note G)			
33	T=1 - {[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)}	WCLTD = Page 4, Line 19	0.2889		
34	CIT=(T/1-T) * (1-(WCLTD/R)) =	R = Page 4, Line 15	0.3063		
35	FIT & SIT & P	(Note G)			
36					
37	1 / (1 - T) = (T from line 33)		1.4063		
38	Amortized Investment Tax Credit	(enter negative) Attachment 5, Line 2, Col. (i)	(5,343)		
39	Excess Deferred Income Taxes	(enter negative) Attachment 5, Line 2, Col. (j)	(2,194,023)		
40	Tax Effect of Permanent Differences	Attachment 5, Line 2, Col. (k) (Note W)	356,305		
41	Income Tax Calculation	(Line 34 times Line 47)	144,049,518	NA	22,471,684
42	ITC adjustment	(Line 37 times Line 38)	(7,513)	TP	(7,513)
43	Excess Deferred Income Tax Adjustment	(Line 37 times Line 39)	(3,085,484)	NP	(3,085,484)
44	Permanent Differences Tax Adjustment	(Line 37 times Line 40)	501,077	TP	501,077
45	Total Income Taxes	(Sum of Lines 41 through 44)	141,457,598		19,879,764
46	RETURN				
47	Rate Base times Return	(Page 2, Line 47 times Page 4, Line 18)	470,324,576	NA	73,370,501
48	REV. REQUIREMENT	(Sum of Lines 12, 20, 30, 31, 45, 47)	1,080,180,801		197,291,637

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing FERC Form 1 Data
PECO Energy Company

For the 12 months ended 12/31/2018

	(1)	(2)	(3)	(4)	(5)
SUPPORTING CALCULATIONS AND NOTES					
Line No.	TRANSMISSION PLANT INCLUDED IN ISO RATES				
1	Total Transmission plant	(Page 2, Line 2, Column 3)			1,575,609,663
2	Less Transmission plant excluded from PJM rates	(Note H)			-
3	Less Transmission plant included in OATT Ancillary Services	(Note I)			-
4	Transmission plant included in PJM rates	(Line 1 minus Lines 2 & 3)			1,575,609,663
5	Percentage of Transmission plant included in PJM Rates	(Line 4 divided by Line 1)		TP=	100.00%
6	WAGES & SALARY ALLOCATOR (W&S)				
		Form 1 Reference	\$	TP	Allocation
7	Electric Production	354.20.b	-	0.0%	-
8	Electric Transmission	354.21.b	15,099,686	100.0%	15,099,686
9	Electric Distribution	354.23.b	79,576,225	0.0%	-
10	Electric Other	354.24,25,26.b	33,722,497	0.0%	-
11	Total (W& S Allocator is 1 if lines 7-10 are zero)	(Sum of Lines 7 through 10)	128,398,408		15,099,686 = $\frac{\text{W\&S Allocator (\$ / Allocation)}}{11.76\%}$ = WS
12	RETURN (R)	(Note V)			\$
13					
14			\$	%	Cost (Notes K, Q, & R)
15	Long Term Debt	(Attachment 5, line 10 Notes Q & R)	2,884,418,609	45.08%	4.38%
16	Preferred Stock (112.3.c)	(Attachment 5, line 11 Notes Q & R)	-	0.00%	0.00%
17	Common Stock	(Attachment 5, line 12 Notes K, Q & R)	3,513,575,910	54.92%	11.00%
18	Total	(Attachment 5, line 13)	6,397,994,519		8.01% =R

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing FERC Form 1 Data
PECO Energy Company

For the 12 months ended 12/31/2018

General Note: References to pages in this formulary rate are indicated as: (page#, line#, col.#)
References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Note Letter	
A	Reserved
B	The balances in Accounts 190, 281, 282 and 283, as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106 or 109. Balance of Account 255 is reduced by prior flow throughs and excluded if the utility chose to utilize amortization of tax credits against taxable income. Account 281 is not allocated.
C	Reserved
D	Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission at page 3, line 12, column 5 minus amortization of Regulatory Asset at page 3, line 7, column 5. Prepayments are the electric related prepayments booked to Account No. 165 and reported on pages 111, line 57 in the Form 1.
E	Page 3, Line 5 - EPRI Annual Membership Dues listed in Form 1 at 353.f, all Regulatory Commission Expenses itemized at 351.h, and non-safety related advertising included in Account 930.1 found at 323.191.b. Attachment 5B, Line 9-Regulatory Commission Expenses directly related to transmission service, ISO filings, or transmission siting itemized at 351.h.
F	Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year. Taxes related to income are excluded. Gross receipts taxes are not included in transmission revenue requirement in the Rate Formula Template, since they are recovered elsewhere.
G	The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = "the percentage of federal income tax deductible for state income taxes". If the utility is taxed in more than one state it must attach a work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by (1/1-T) (page 3, line 36). Excess Deferred Income Taxes reduce income tax expense by the amount of the expense multiplied by (T/1-T).
	Inputs Required: FIT = 21.00% SIT= 9.99% (State Income Tax Rate or Composite SIT) p = 0.00% (percent of federal income tax deductible for state purposes)
H	Removes transmission plant determined by Commission order to be state-jurisdictional according to the seven-factor test (until Form 1 balances are adjusted to reflect application of seven-factor test).
I	Removes dollar amount of transmission plant to be included in the development of OATT ancillary services rates and generation step-up facilities, which are deemed included in OATT ancillary services. For these purposes, generation step-up facilities are those facilities at a generator substation on which there is no through-flow when the generator is shut down.
J	Reserved
K	ROE will be supported in the original filing and no change in ROE may be made absent a filing with FERC.
L	Reserved
M	Reserved
N	Reserved
O	Reserved
P	Reserved
Q	Reserved
R	Calculate using 13 month average balance, except ADIT.
S	Unamortized Abandoned Plant and Amortization of Abandoned Plant will be zero until the Commission accepts or approves recovery of the cost of abandoned plant. Utility must receive FERC authorization before recovering the cost of abandoned plant.
T	Recovery of Regulatory Asset is permitted only as authorized by the Commission. Recovery of any regulatory assets requires authorization from the Commission.
U	Excludes Asset Retirement Obligation balances
V	Company shall be allowed recovery of costs related to interest rate locks. Absent a Section 205 filing, Company shall not include in the Formula Rate, the gains, losses, or costs related to other hedges.
W	The Tax Effect of Permanent Differences captures the differences in the income taxes due under the Federal and State calculations and the income taxes calculated in Attachment H that are not the result of a timing difference
X	Calculated on Attachment 4A.
Y	Unfunded Reserves are customer contributed capital such as when Injuries and Damages expense is accrued but not yet incurred. Also, pursuant to Special Instructions to Accounts 228.1 through 228.4, no amounts shall be credited to accounts 228.1 through 228.4 unless authorized by a regulatory authority or authorities to be collected in a utility's rates.

Attachment 1
Project Revenue Requirement Worksheet
PECO Energy Company

To be completed in conjunction with Attachment H-7.

Line No.	(1)	(2) Attachment H-7 Page, Line, Col.	(3) Transmission	(4) Allocator
1	Gross Transmission Plant - Total	Attach H-7, p 2, line 2 col 5 (Note A)	1,575,609,663	
2	Net Transmission Plant - Total	Attach H-7, p 2, line 20 col 5 plus line 34 & 37 col 5 (Note B)	1,068,447,150	
O&M EXPENSE				
3	Total O&M Allocated to Transmission	Attach H-7, p 3, line 12 col 5	69,758,042.1	
4	Annual Allocation Factor for O&M	(line 3 divided by line 1 col 3)	0.04	0.04
GENERAL, INTANGIBLE AND COMMON (G&C) DEPRECIATION EXPENSE				
5	Total G, I & C Depreciation Expense	Attach H-7, p 3, lines 15 to 18, col 5 (Note H)	6,968,138.9	
6	Annual Allocation Factor for G, I & C Depreciation Expense	(line 5 divided by line 1 col 3)	0.00	0.00
TAXES OTHER THAN INCOME TAXES				
7	Total Other Taxes	Attach H-7, p 3, line 30 col 5	3,553,427.15	
8	Annual Allocation Factor for Other Taxes	(line 7 divided by line 1 col 3)	0.00	0.00
9	Less Revenue Credits	Attach H-7, p 1, line 2 col 5	9,293,776	
10	Annual Allocation Factor Revenue Credits	(line 9 divided by line 1 col 3)	-	-
11	Annual Allocation Factor for Expense	Sum of line 4, 6, 8, and 10		0.05
INCOME TAXES				
12	Total Income Taxes	Attach H-7, p 3, line 45 col 5	19,879,764	
13	Annual Allocation Factor for Income Taxes	(line 12 divided by line 2 col 3)	0.02	0.02
RETURN				
14	Return on Rate Base	Attach H-7, p 3, line 47 col 5	73,370,501	
15	Annual Allocation Factor for Return on Rate Base	(line 14 divided by line 2 col 3)	0.07	0.07
16	Annual Allocation Factor for Return	Sum of line 13 and 15	0.09	0.09

(1)		(2)		(3)	(4)		(5)	(6)		(7)	(8)	(9)	(10)	(11)	(12)	(12a)	(13)	(14)	(15)	(16)
Line No.	Project Name	RTO Project Number or Zonal	Project Gross Plant	Annual Allocation Factor for Expense	Annual Expense Charge	Project Net Plant or CWIP Balance	Annual Allocation Factor for Return	Annual Return Charge	Project Depreciation/Amortization Expense	Annual Revenue Requirement	Incentive Return in basis Points	Incentive Return	Ceiling Rate	Competitive Bid Concession	Total Annual Revenue Requirement	True-Up Adjustment	Net Rev Req			
			(Note C)	(Page 1 line 11)	(Col. 3 * Col. 4)	(Notes D & I)	(Page 1 line 16)	(Col. 6 * Col. 7)	(Notes E & I)	(Sum Col. 5, 8 & 9)	(Note K)	(Attachment 2, Line 28 /100 * Col. 11 * Col. 6)	(Sum Col. 10 & 12)	(Note J)	(Sum Col. 10 & 12 Less Col. 13)	(Note F)	Sum Col. 14 & 15 (Note G)			
17a	Zonal	Zonal	\$ 1,364,563,091	0.05	69,526,478	\$ 872,402,102	0.09	76,140,151	18,811,873	164,478,502	-	-	164,478,502	-	164,478,502	254,374	164,732,876			
17b	Center Point 500-230 kV Substation Addition	b0269	\$ 34,906,892	0.05	1,778,557	\$ 14,717,712	0.09	1,284,510	343,532	3,406,599	-	-	3,406,599	-	3,406,599	(150,988)	3,255,611			
17c	Center Point 500-230 kV Substation Addition	b0269	\$ 17,453,446	0.05	889,278	\$ 29,435,423	0.09	2,569,019	687,064	4,145,362	-	-	4,145,362	-	4,145,362	176,826	4,322,188			
17d	Richmond-Waneeta 230 kV Line Re-conductor	b1591	\$ 4,605,741	0.05	234,669	\$ 4,387,749	0.09	382,947	110,157	727,774	-	-	727,774	-	727,774	(164,226)	563,547			
17e	Richmond-Waneeta 230 kV Line Re-conductor	b1398.8	\$ 1,535,247	0.05	78,223	\$ 1,462,583	0.09	127,649	36,719	242,591	-	-	242,591	-	242,591	24,091	266,683			
17f	Whitpain 500 kV Circuit Breaker Addition	b0269.6	\$ 3,258,302	0.05	166,015	\$ 2,742,607	0.09	239,365	63,904	469,284	-	-	469,284	-	469,284	1,471	470,755			
17g	Elroy-Hosensack 500 kV Line Rating Increase	b0171.1	\$ 4,456,731	0.05	227,077	\$ 3,663,958	0.09	319,777	85,372	632,226	-	-	632,226	-	632,226	946	633,172			
17h	Camden-Richmond 230 kV Line Rating Increase	b1590.1 and b1590.2 (	\$ 13,978,667	0.05	712,233	\$ 12,896,559	0.09	1,125,566	332,356	2,170,156	-	-	2,170,156	-	2,170,156	153,358	2,323,514			
17i	Chichester-Linwood 230 kV Line Upgrades	b1900	\$ 24,061,125	0.05	1,225,949	\$ 31,816,969	0.09	2,776,872	827,818	4,830,639	-	-	4,830,639	-	4,830,639	280,865	5,111,504			
17j	Bryn Mawr-Plymouth 138 kV Line Rebuild	b0727	\$ 18,633,213	0.05	949,389	\$ 16,868,388	0.09	1,472,213	518,467	2,940,069	-	-	2,940,069	-	2,940,069	4,359	2,944,428			
17k	Emilie 230-138 kV Transformer Addition	b2140	\$ 17,048,149	0.05	868,628	\$ 16,204,806	0.09	1,414,298	383,211	2,666,137	-	-	2,666,137	-	2,666,137	10,306	2,676,443			
17l	Chichester-Saville 138 kV Line Re-conductor	b1182	\$ 17,950,807	0.05	914,620	\$ 15,726,100	0.09	1,372,518	439,238	2,726,376	-	-	2,726,376	-	2,726,376	4,242	2,730,618			
17m	Waneeta 230-138 kV Transformer Addition	b1717	\$ 11,220,087	0.05	571,680	\$ 10,737,050	0.09	937,092	258,033	1,766,805	-	-	1,766,805	-	1,766,805	5,020	1,771,825			
17n	Chichester 230-138 kV Transformer Addition	b1178	\$ 8,362,590	0.05	426,086	\$ 7,342,445	0.09	640,823	171,215	1,238,124	-	-	1,238,124	-	1,238,124	3,157	1,241,281			
17o	Bradford-Planebrook 230 kV Line Upgrades	b0790	\$ 1,712,754	0.05	87,267	\$ 1,585,530	0.09	138,379	36,944	262,590	-	-	262,590	-	262,590	433	263,024			
17p	North Wales-Hartman 230 kV Line Re-conductor	b0506	\$ 2,229,232	0.05	113,583	\$ 1,866,447	0.09	162,897	52,028	328,507	-	-	328,507	-	328,507	(75)	328,432			
17q	North Wales-Whitpain 230 kV Line Re-conductor	b0505	\$ 2,546,903	0.05	129,768	\$ 2,063,845	0.09	180,125	57,530	367,424	-	-	367,424	-	367,424	573	367,997			
17r	Bradford-Planebrook 230 kV Line Upgrades	b0789	\$ 2,359,200	0.05	120,205	\$ 2,163,071	0.09	188,785	50,401	359,391	-	-	359,391	-	359,391	584	359,974			
17s	Planebrook 230 kV Capacitor Bank Addition	b0206	\$ 3,631,396	0.05	185,025	\$ 2,748,576	0.09	239,886	64,043	488,954	-	-	488,954	-	488,954	1,537	490,492			
17t	Newlinville 230 kV Capacitor Bank Addition	b0207	\$ 4,811,873	0.05	245,172	\$ 3,742,282	0.09	326,613	87,197	658,982	-	-	658,982	-	658,982	2,070	661,052			
17u	Chichester-Mickleton 230 kV Series Reactor Addition	b0209	\$ 2,699,444	0.05	137,541	\$ 2,133,084	0.09	186,168	49,702	373,411	-	-	373,411	-	373,411	1,173	374,583			
17v	Chichester-Mickleton 230 kV Line Re-conductor	B0264	\$ 2,221,241	0.05	113,175	\$ 1,731,116	0.09	151,086	48,255	312,516	-	-	312,516	-	312,516	462	312,979			
17w	Buckingham-Pleasant Valley 230 kV Line Re-conductor	b0357	\$ 1,723,078	0.05	87,793	\$ 1,940,978	0.09	169,402	58,719	315,914	-	-	315,914	-	315,914	(2,198)	313,716			
17x	Elroy 500 kV Dynamic Reactive Device	b0287	\$ 5,325,225	0.05	271,328	\$ 4,711,735	0.09	411,223	109,786	792,337	-	-	792,337	-	792,337	78,455	870,793			
17y	Heaton 230 kV Capacitor Bank Addition	b0208	\$ 4,315,230	0.05	219,867	\$ 3,356,034	0.09	292,903	78,197	590,967	-	-	590,967	-	590,967	58,296	649,264			
18	Annual Totals		1,575,609,663			1,068,447,150		93,250,265	23,761,763	197,291,637		-	197,291,637	-	197,291,637	745,113	198,036,749			

Note Letter

A Gross Transmission Plant is that identified on page 2 line 2 of Attachment H

B Inclusive of any CWIP or unamortized abandoned plant included in rate base when authorized by FERC order less any prefunded AFUDC, if applicable.

C Project Gross Plant is the total capital investment for the project calculated in the same method as the gross plant value in line 1. This value includes subsequent capital investments required to maintain the facilities to their original capabilities. Gross plant does not include Unamortized Abandoned Plant.

D Project Net Plant is the Project Gross Plant Identified in Column 3 less the associated Accumulated Depreciation. Net Plant includes CWIP and Unamortized Abandoned Plant and excludes any regulatory asset, which are to entered as a separate line item.

E Project Depreciation Expense is the actual value booked for the project and included in the Depreciation Expense in Attachment H, page 3, line 14. Project Depreciation Expense includes the amortization of Abandoned Plant

F True-Up Adjustment is calculated on the Project True-up Schedule for the Rate Year

G The Net Rev Req is the value to be used in the rate calculation under the applicable Schedule under the PJM OATT for each project.

H The Total General, Intangible and Common Depreciation Expense excludes any depreciation expense directly associated with a project and thereby included in page 2 column 9.

I The Unamortized Abandoned Plant balance is included in Net Plant, and Amortization of Abandoned Plant is included in Depreciation/Amortization Expense.

J The Competitive Bid Concession is the reduction in revenue, if any, that the company agreed to, for instance, to be selected to build facilities as the result of a competitive process and equals the amount by which the annual revenue requirement is reduced from the ceiling rate

K Requires approval by FERC of incentive return applicable to the specified project(s)

M All transmission facilities reflected in the revenue requirement on Attachment H-7, page 1 line 3 are to be included in this Attachment 1.

N Facilities that provide Wholesale Distribution Service are not to be listed as projects on lines 15, the revenue requirements associated with these facilities are calculated on Attachment 11

O When an updated projected net revenue requirement is posted due to an asset acquisition as provided for in the Protocols, the difference between the updated net revenue requirement in Col (16) and the revenues collected to date will be recovered over the remaining months of the Rate Year.

P Zonal on line 17a refers to all projects not qualifying for regional recovery

Attachment 2
Incentive ROE
PECO Energy Company

Page 1 of 1

1	Rate Base	Attachment H-7, Page 2 line 47, Col.5							915,537,646
2	100 Basis Point Incentive Return							\$	
						Cost			
					\$	%		Weighted	
3	Long Term Debt	(Attachment H-7, Notes Q and R)			2,884,418,609	45.1%	4.4%	2.0%	
4	Preferred Stock	(Attachment H-7, Notes Q and R)			-	0.0%	0.0%	0.0%	
			Cost = Attachment H-7, Page 4 Line 17, Cost plus .01						
5	Common Stock	(Attachment H-7, Notes K, Q and R)			3,513,575,910	54.9%	12.0%	6.6%	
6	Total (sum lines 3-5)				6,397,994,519			8.6%	
7	100 Basis Point Incentive Return multiplied by Rate Base (line 1 * line 6)								78,398,344.13
8	INCOME TAXES								
9	T=1 - {[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)} =				28.8921%				
10	CIT=(T/1-T) * (1-(WCLTD/R)) =				31.2692%				
11	WCLTD = Line 3								
12	and FIT, SIT & p are as given in footnote K.								
13	1 / (1 - T) = (from line 9)				1.4063				
14	Amortized Investment Tax Credit (266.8f) (enter negative)	Attachment H-7, Page 3, Line 38			(5,343)				
15	Excess Deferred Income Taxes (enter negative)	Attachment H-7, Page 3, Line 39			(2,194,023)				
16	Tax Effect of Permanent Differences (Note B)	Attachment H-7, Page 3, Line 40			356,305				
17	Income Tax Calculation = line 10 * line 22				32,028,267	NA		24,514,565	
18	ITC adjustment (line 13 * line 14)				(7,513)	NP	18.7%	(1,407)	
19	Excess Deferred Income Tax Adjustment (line 13 * line 15)				(3,085,484)	NP	18.7%	(577,965)	
20	Permanent Differences Tax Adjustment (line 13 * 16)				501,077	NP	18.7%	93,860	
21	Total Income Taxes (sum lines 17 - 20)				29,436,346			24,029,053	24,029,053
22	Return and Income Taxes with 100 basis point increase in ROE	(Sum lines 7 & 21)							102,427,397
23	Return (Attach. H-7, page 3 line 47 col 5)								73,370,501
24	Income Tax (Attach. H-7, page 3 line 45 col 5)								19,879,764
25	Return and Income Taxes without 100 basis point increase in ROE	(Sum lines 23 & 24)							93,250,265
26	Incremental Return and Income Taxes for 100 basis point increase in ROE	(Line 22 - line 25)							9,177,132
27	Rate Base (line 1)								915,537,646
28	Incremental Return and Income Taxes for 100 basis point increase in ROE divided by Rate Base		(Line 26 / line 27)						0.0100

Notes:

- A Line 5 includes a 100 basis point increase in ROE that is used only to determine the increase in return and income taxes associated with a 100 basis point increase in ROE. Any actual ROE incentive must be approved by the Commission.
For example, if the Commission were to grant a 137 basis point ROE incentive, the increase in return and taxes for a 100 basis point increase in ROE would be multiplied by 1.37 on Attachment 1 column 12.
- B The Tax Effect of Permanent Differences captures the differences in the income taxes due under the Federal and State calculations and the income taxes calculated in Attachment H-7 that are not the result of a timing difference

Attachment 3
Project True-Up
PECO Energy Company

1	Rate Year being Trued-Up	Revenue Requirement Projected		Revenue Received ³	Actual Revenue	Annual True-Up Calculation					
		For Rate Year		\$ 16,454,764	Requirement						
		A	B	C	D	E	F	G	H	I	J
					% of Total	Revenue	Actual	Net		Interest	
				Projected		Received	Net Revenue	Under/(Over)	Prior Period	Income	Total True-Up
2				(E, Line 2) x (D)	Requirement ²	Collection (F)-(E)	Adjustment ⁵	(Expense) ⁴	(G) + (H) + (I)		
3	Zonal	Zonal	175,013,004	0.85	14,013,298	14,254,023	240,725	-	13,649	254,374	
3a	Center Point 500-230 kV Substation Addition	b0269	5,680,503	0.03	454,838	311,952	(142,886)	-	(8,102)	(150,988)	
3b	Center Point 500-230 kV Substation Addition	b0269	2,840,252	0.01	227,419	394,757	167,338	-	9,488	176,826	
3c	Richmond-Waneeta 230 kV Line Re-conductor	b1591	2,795,184	0.01	223,810	68,396	(155,414)	-	(8,812)	(164,226)	
3d	Richmond-Waneeta 230 kV Line Re-conductor	b1398.8	-	-	-	22,799	22,799	-	1,293	24,091	
3e	Whitpain 500 kV Circuit Breaker Addition	b0269.6	531,023	0.00	42,519	43,911	1,392	-	79	1,471	
3f	Elroy-Hosensack 500 kV Line Rating Increase	b0171.1	727,138	0.00	58,222	59,117	895	-	51	946	
3g	Camden-Richmond 230 kV Line Rating Increase	b1590.1 and b1590.2 (	729,239	0.00	58,390	203,520	145,130	-	8,229	153,358	
3h	Chichester-Linwood 230 kV Line Upgrades	b1900	252,171	0.00	20,191	285,985	265,794	-	15,071	280,865	
3i	Bryn Mawr-Plymouth 138 kV Line Rebuild	b0727	3,381,919	0.02	270,790	274,915	4,125	-	234	4,359	
3j	Emilie 230-138 kV Transformer Addition	b2140	2,994,166	0.01	239,743	249,496	9,753	-	553	10,306	
3k	Chichester-Saville 138 kV Line Re-conductor	b1182	3,137,737	0.02	251,239	255,253	4,014	-	228	4,242	
3l	Waneeta 230-138 kV Transformer Addition	b1717	2,012,578	0.01	161,147	165,898	4,751	-	269	5,020	
3m	Chichester 230-138 kV Transformer Addition	b1178	1,411,309	0.01	113,004	115,991	2,988	-	169	3,157	
3n	Bradford-Planebrook 230 kV Line Upgrades	b0790	302,577	0.00	24,227	24,637	410	-	23	433	
3o	North Wales-Hartman 230 kV Line Re-conductor	b0506	384,968	0.00	30,824	30,753	(71)	-	(4)	(75)	
3p	North Wales-Whitpain 230 kV Line Re-conductor	b0505	422,395	0.00	33,821	34,364	543	-	31	573	
3q	Bradford-Planebrook 230 kV Line Upgrades	b0789	414,112	0.00	33,158	33,711	553	-	31	584	
3r	Planebrook 230 kV Capacitor Bank Addition	b0206	551,434	0.00	44,153	45,608	1,455	-	82	1,537	
3s	Newlinville 230 kV Capacitor Bank Addition	b0207	743,831	0.00	59,559	61,518	1,959	-	111	2,070	
3t	Chichester-Mickleton 230 kV Series Reactor Addition	b0209	421,702	0.00	33,766	34,875	1,110	-	63	1,173	
3u	Chichester-Mickleton 230 kV Line Re-conductor	B0264	359,163	0.00	28,758	29,196	437	-	25	462	
3v	Buckingham-Pleasant Valley 230 kV Line Re-conductor	b0357	398,228	0.00	31,886	29,806	(2,080)	-	(118)	(2,198)	
3w	Elroy 500 kV Dynamic Reactive Device	b0287	-	-	-	74,246	74,246	-	4,210	78,455	
3x	Heaton 230 kV Capacitor Bank Addition	b0208	-	-	-	55,168	55,168	-	3,128	58,296	
4	Total Annual Revenue Requirements (Note A)		205,504,630	1	16,454,764	17,159,895	705,132		39,981	745,113	

Monthly Interest Rate 0.0033
Interest Income (Expense) 39,981

Notes:
1) From Attachment 1, line 15, col. 14 for the projection for the Rate Year.
2) From Attachment 1, line 15, col. 14 for that project based on the actual costs for the Rate Year.
3) The "Revenue Received" on line 2, Col. (E), is the total amount of revenue distributed to company in the year as shown on pages 328-330 of the Form No 1. The Revenue Received is input on line 2, Col. E excludes any True-Up revenues.
Column E, lines 3 are the dollar amounts of Revenue Received reflecting the % in Column D. This assigns to each project a percentage of the revenue received based on the percentage of the Projected Net Revenue Requirement in Column C.
Column D, lines 3 are sourced from the projected revenue requirement for the year at issue.
4) Interest from Attachment 6.
5) Prior Period Adjustment from line 5 is pro rata to each project, unless the error was project specific.

Prior Period Adjustments			
(a)	(b)	(c)	(d)
Prior Period Adjustments (Note B)	Amount In Dollars	Interest Note B	Total Col. (b) + Col. (c)
-	-	-	-

Notes:
A For each project or Attachment H, the utility will populate the formula rate with the inputs for the True-Up Year. The revenue requirements, based on actual operating results for the True-Up Year, associated with the projects and Attachment H will then be entered in Col. (F) above. Column (E) above contains the actual revenues received associated with Attachment H and any Projects paid by the RTO to the utility during the True-Up Year. Then in Col. (G), Col. (E) is subtracted from Col. (F) to calculate the True-up Adjustment. The Prior Period Adjustment from Line 5 below is input in Col. (H). Column (I) is the applicable interest rate from Attachment 6. Column (I) adds the interest on the sum of Col.(G) and (H). Col. (J) is the sum of Col. (G), (H), and (I).
B Prior Period Adjustment is the amount of an adjustment to correct an error in a prior period. The FERC Refund interest rate specified in CFR 35.19(a) for the period up to the date the projected rates that are subject to True Up here went into effect.

		Gross Plant In Service			CWIP	LHFFU	Working Capital		Accumulated Depreciation			
Line No	Month	Transmission	General	Common	CWIP in Rate Base	Held for Future Use	Materials & Supplies	Prepayments	Transmission	General	Common	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	
Attachment H, Page 2, Line No:		2	4	5	27	31	34	35	9	11	12	
		207.58.g minus 207.57.g. Projected monthly balances that are the amounts expected to be included in 207.58.g for end of year and records for other months (Note I)			207.99.g minus 207.98.g for end of year, records for other months	Electric Only, Form No 1, page 356 for end of year, records for other months (Note C)	214.17,d, 214.20,d and 214.22,d for end of year, records for other months	227. 8. c + (227.16.c * Labor Ratio) for end of year, records for other months	111.57.c for end of year, records for other months	Projected monthly balances that are expected to be included in 219.25.c for end of year and records for other months (Note I)	219.28.c for end of year, records for other months	Electric Only, Form No 1, page 356 for end of year, records for other months
1	December Prior Year	1,547,012,084	254,708,195	558,388,839	-	1,127,275	12,954,107	1,590,663	494,610,735	63,297,973	264,599,972	
2	January	1,545,817,812	255,587,400	563,437,237	-	1,127,275	13,198,270	1,474,925	496,677,799	64,349,149	266,757,675	
3	February	1,547,575,763	253,241,208	566,108,859	-	1,127,275	13,153,882	1,167,915	498,752,452	65,394,628	268,904,701	
4	March	1,550,423,492	255,462,590	566,488,000	-	1,127,275	13,070,208	1,489,936	500,827,786	66,436,125	271,011,253	
5	April	1,551,385,138	257,680,013	567,552,524	-	1,141,405	13,254,835	1,274,659	502,902,697	67,473,961	273,126,789	
6	May	1,554,330,717	265,483,331	568,318,173	-	1,141,405	12,822,381	1,381,460	504,977,289	68,525,719	275,266,783	
7	June	1,578,028,013	278,226,922	569,020,533	-	1,141,405	13,101,071	1,778,639	507,075,343	69,589,730	277,461,526	
8	July	1,582,044,499	281,329,477	569,486,433	-	1,141,405	13,243,817	1,417,073	509,197,928	70,647,238	279,691,870	
9	August	1,588,336,917	284,492,521	570,787,342	-	1,141,405	13,204,483	1,136,311	511,326,791	71,698,762	281,952,951	
10	September	1,593,159,799	287,949,865	571,798,160	-	1,141,405	12,826,018	1,445,046	513,462,762	72,744,371	284,374,390	
11	October	1,598,979,233	291,414,478	573,004,108	-	1,141,405	12,393,762	1,684,776	515,605,332	73,783,631	286,934,540	
12	November	1,602,446,584	294,800,210	579,552,244	-	1,141,405	12,521,319	1,469,865	517,753,069	74,816,199	289,608,976	
13	December	1,643,385,575	297,352,664	583,324,766	-	1,141,405	12,899,808	1,215,256	519,942,695	75,839,788	292,415,459	
14	Average of the 13 Monthly Balances	1,575,609,663	273,671,452	569,789,786	-	1,137,057	12,972,612	1,425,117	507,162,514	69,584,406	277,854,376	

Adjustments to Rate Base

Line No	Month (a)	Unamortized Regulatory Asset (b)	Unamortized Abandoned Plant (c)	Account No. 281 Accumulated Deferred Income Taxes (Note D) (d)	Account No. 282 Accumulated Deferred Income Taxes (Note D) (e)	Account No. 283 Accumulated Deferred Income Taxes (Note D) (f)	Account No. 190 Accumulated Deferred Income Taxes (Note D) (g)	Account No. 255 Accumulated Deferred Investment Credit (h)	Pension Asset (i)
		28	29	22	23	24	25	26	27a
		Notes A & E	Notes B & F	Attachment 4A, line 20 for the projection and line 44 for the true-up	Attachment 4A, line 14 for the projection and line 38 for the true-up	Attachment 4A, line 17 for the projection and line 41 for the true-up	Attachment 4A, line 34 for the projection and line 47 for the true-up	Consistent with 266.8.b, 266.17.b, 267.8.h & 267.17.h	Pension Asset booked to Account 186
15	December Prior Year	-	-					-	32,025,610
16	January	-	-					-	33,911,149
17	February	-	-					-	33,693,342
18	March	-	-					-	33,482,044
19	April	-	-					-	33,261,440
20	May	-	-					-	33,059,650
21	June	-	-					-	32,843,995
22	July	-	-					-	32,628,341
23	August	-	-					-	32,412,686
24	September	-	-					-	32,197,031
25	October	-	-					-	31,985,804
26	November	-	-					-	31,769,907
27	December	-	-					-	31,562,100
28	Average of the 13 Monthly Balances (except ADIT which is the amount shown on Attachment 4A)	-	-	Zero	(276,574,829)	(13,817,012)	18,643,206	-	32,679,469

Unfunded Reserves (Notes G & H)		Attachment 4 Rate Base Worksheet PECO Energy Company							Page 2 of 2	
(a)		(b)	(c)	(d)	(e)	(f)	(g)	(h)		
				Enter 1 if NOT in a trust or reserved account, enter zero (0) if included in a trust or reserved account	Enter 1 if the accrual account is included in the formula rate, enter (0) if O if the accrual account is NOT included in the formula rate	Enter the percentage paid for by the transmission formula customers	Allocation (Plant or Labor Allocator)	Amount Allocated, col. c x col. d x col. e x col. f x col. g		
29	List of all reserves:	Amount								
30a		Environmental Liab - Superfund	(1,421,870)	1.00	1.00	100%	11.76%	(167,212)		
30b		Accrued Severance Plans	(171,563)	1.00	1.00	100%	11.76%	(20,176)		
30c		Workers Compensation - short term	(1,060,592)	1.00	1.00	100%	11.76%	(124,726)		
30d		Workers Compensation - long term	(10,007,486)	1.00	1.00	100%	11.76%	(1,176,883)		
30e		Public claims - Short Term	(487,971)	1.00	1.00	100%	11.76%	(57,385)		
30f		Public Claims - Long term	(23,255,262)	1.00	1.00	100%	11.76%	(2,734,825)		
30g		Accrued Septa Railroad Rent - transmission	(2,212,697)	1.00	1.00	100%	100.00%	(2,212,697)		
30h										
30i										
30x		---	-	-				-		
31		Total	(38,617,441)					(6,493,905)		

- Notes:
- A Recovery of regulatory asset is limited to any regulatory assets authorized by FERC.
- B Recovery of abandoned plant is limited to any abandoned plant recovery authorized by FERC.
- C Includes only CWIP authorized by the Commission for inclusion in rate base. The annual report filed pursuant to Section 7 of the Protocols will include for each project under construction (i) the CWIP balance eligible for inclusion in rate base; (ii) the CWIP balance ineligible for inclusion in rate base; and (iii) a demonstration that AFUDC is only applied to the CWIP balance that is not included in rate base. The annual report will reconcile the project-specific CWIP balances to the total Account 107 CWIP balance reported on p. 216.b of the FERC Form 1. The demonstration in (iii) above will show that monthly debts and credits do not contain entries for AFUDC for each CWIP project in rate base.
- D ADIT and Accumulated Deferred Income Tax Credits are computed using the average of the beginning of the year and the end of the year balances. The projection will use line 108 of Attachment 4a to populate the average ADIT balance on line 28 above.
- E Recovery of a Regulatory Asset is permitted only for pre-commercial and formation expenses, and is subject to FERC approval before the amortization of the Regulatory Asset can be included in rates. Recovery of any other regulatory assets requires authorization from the Commission. A carrying charge equal to the weighted cost of capital will be applied to the Regulatory Asset prior to the rate year when costs are first recovered.
- F Unamortized Abandoned Plant and Amortization of Abandoned Plant will be zero until the Commission accepts or approves recovery of the cost of abandoned plant.
- G The Formula Rate shall include a credit to rate base for all unfunded reserves (funds collected from customers that (1) have not been set aside in a trust, escrow or restricted account; (2) whose balance are collected from customers through cost accruals to accounts that are recovered under the Formula Rate; and (3) exclude the portion of any balance offset by a balance sheet account). Each unfunded reserve will be included on lines 30 above. The allocator in Col. (g) will be the same allocator used in the formula for the cost accruals to the account that is recovered under the Formula Rate. Since reserves can be created by an offsetting balance sheet account, rather than through cost accruals, the amount to be deducted from rate base should exclude the portion offset by another balance sheet account.
- H Calculate using 13 month average balance, except ADIT.
- I Projected balances are for the calendar year the revenue under this formula begins to be charged.

Attachment 4A
PECO Energy Company
ADIT Worksheet for Projection

For Projection
Page 1 of 1

Projection for the 12 months ended 12/31/2018

- for the Projection

	(a) Beginning Balance & Monthly Changes	(b) Month	(c) Year	(d) Weighting for Projection	(e) Beginning Balance/ Monthly Increment	(f) 100% Transmission	(g) 100% Allocator (f) x Allocator 100%	(h) Plant Related	(i) NP Allocator (h) x Allocator 0.1873 From Attach H Page 2, Line 18	(j) Labor Related	(k) S/W Allocator (j) x Allocator 0.1176 From Attach H Page 4, Line 16	(l) Total ADIT (d) x [(g)+(i)+(k)]
		ADIT- 282										
1	Balance	December	2017	100.00%	-	(266,240,038)	(266,240,038)	-	-	(33,359,806)	(3,923,122)	(270,163,160)
2	Increment	January	2018	91.78%	-	(249,081)	(249,081)	-	-	(159,400)	(18,745)	(245,813)
3	Increment	February	2018	84.11%	-	(249,081)	(249,081)	-	-	(159,400)	(18,745)	(225,268)
4	Increment	March	2018	75.62%	-	(249,081)	(249,081)	-	-	(159,400)	(18,745)	(202,521)
5	Increment	April	2018	67.40%	-	(249,081)	(249,081)	-	-	(159,400)	(18,745)	(180,508)
6	Increment	May	2018	58.90%	-	(249,081)	(249,081)	-	-	(159,400)	(18,745)	(157,761)
7	Increment	June	2018	50.68%	-	(249,081)	(249,081)	-	-	(159,400)	(18,745)	(135,748)
8	Increment	July	2018	42.19%	-	(249,081)	(249,081)	-	-	(159,400)	(18,745)	(113,001)
9	Increment	August	2018	33.70%	-	(249,081)	(249,081)	-	-	(159,400)	(18,745)	(90,254)
10	Increment	September	2018	25.48%	-	(249,081)	(249,081)	-	-	(159,400)	(18,745)	(68,241)
11	Increment	October	2018	16.99%	-	(249,081)	(249,081)	-	-	(159,400)	(18,745)	(45,494)
12	Increment	November	2018	8.77%	-	(249,081)	(249,081)	-	-	(159,400)	(18,745)	(23,481)
13	Increment	December	2018	0.27%	-	(249,081)	(249,081)	-	-	(159,400)	(18,745)	(734)
14	Sum Ties to December		2018	Balance	-	(269,229,008)	(269,229,008)	-	-	(35,272,600)	(4,148,067)	(271,651,980)
15	Increment	Not Subject to Proration	2018			(4,922,849)	(4,922,849)				-	(4,922,849)
16	Total					(274,151,857)	(274,151,857)			(35,272,600)	(4,148,067)	(276,574,829)
		ADIT-283										
17	Balance	December	2017		-	-	-	(6,327,128)	(1,185,180)	(108,024,770)	(12,703,741)	(13,888,921)
18	Balance	December	2018		-	-	-	(5,855,466)	(1,096,830)	(107,553,108)	(12,648,273)	(13,745,104)
19	Average				-	-	-	(6,091,297)	(1,141,005)	(107,788,939)	(12,676,007)	(13,817,012)
		ADIT-281										
20	Balance	December	2017		Zero	Zero	Zero	Zero	Zero	Zero	Zero	Zero
21	Balance	December	2018		Zero	Zero	Zero	Zero	Zero	Zero	Zero	Zero
22	Average				Zero	Zero	Zero	Zero	Zero	Zero	Zero	Zero
		ADIT-190										
23	Balance	December	2017	100.00%	-	-	-	7,420,671	1,390,020	153,189,182	18,015,087	19,405,107
24	Increment	January	2018	91.78%	-	-	-	-	-	-	-	-
25	Increment	February	2018	84.11%	-	-	-	-	-	-	-	-
26	Increment	March	2018	75.62%	-	-	-	-	-	-	-	-
27	Increment	April	2018	67.40%	-	-	-	-	-	-	-	-
28	Increment	May	2018	58.90%	-	-	-	-	-	-	-	-
29	Increment	June	2018	50.68%	-	-	-	-	-	-	-	-
30	Increment	July	2018	42.19%	-	-	-	-	-	-	-	-
31	Increment	August	2018	33.70%	-	-	-	-	-	-	-	-
32	Increment	September	2018	25.48%	-	-	-	-	-	-	-	-
33	Increment	October	2018	16.99%	-	-	-	-	-	-	-	-
34	Increment	November	2018	8.77%	-	-	-	-	-	-	-	-
35	Increment	December	2018	0.27%	-	-	-	6,985,368	1,308,480	140,925,074	16,572,825	17,881,305
36	Sum Ties to December		2018	Balance	-							18,643,206
	Line 34, If there are no items subject to proration, use average of lines 21 and 33											
37	Total ADIT											(271,748,635)

PECO Energy Company											
ADIT Worksheet for True-Up											
For True-Up											
Page 1 of 1											
DIT for True-Up											
True-Up for the 12 months ended 12/31/2017											
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Balance	Month	Year	Weighting for Projection	Balance from ADIT BOY and ADIT EOY workpapers	100% Transmission	100% Allocator (f) x Allocator 100%	Plant Related	NP Allocator (h) x Allocator 0.1873 From Attach H Page 2, Line 18	Labor Related	S/W Allocator (j) x Allocator 0.1176 From Attach H Page 4, Line 16	Total ADIT (d) x [(g)+(i)+(k)]
38	Balance	ADIT- 282 December	2016	(1,156,481,650)	(247,557,156)		-	-	(24,520,024)		
39	Balance	December	2017	(1,217,638,235)	(266,240,038)		-	-	(33,359,806)		
40	Average			(1,187,059,943)	(256,898,597)	(256,898,597)	-	-	(28,939,915)	(3,403,341)	(260,301,938)
41	Balance	ADIT-283 December	2016	(40,972,532)	-	-	(9,584,442)	(1,795,332)	(2,701,892)	(317,743)	
42	Balance	December	2017	(139,744,365)	-	-	(6,327,128)	(1,185,180)	(108,024,770)	(12,703,741)	
43	Average			(90,358,449)	-	-	(7,955,785)	(1,490,256)	(55,363,331)	(6,510,742)	(8,000,998)
44	Balance	ADIT-281 December	2016	Zero	Zero	Zero	Zero	Zero	Zero	Zero	Zero
45	Balance	December	2017	Zero	Zero	Zero	Zero	Zero	Zero	Zero	Zero
46	Average			Zero	Zero	Zero	Zero	Zero	Zero	Zero	Zero
47	Balance	ADIT-190 December	2016	83,060,062	1,763,437	1,763,437	370,525	69,406	26,695,124	3,139,353	4,972,196
48	Balance	December	2017	185,826,860	-	-	7,420,671	1,390,020	153,189,182	18,015,087	19,405,107
49	Average			134,443,461	881,719	881,719	3,895,598	729,713	89,942,153	10,577,220	12,188,652

Attachment 4B PECO Energy Company						ADIT BOY Worksheet Page 1 of 3	
ADIT BOY Worksheet		A	B	C	D	E	F
			Total		Only Related	Related	Related
a	ADIT- 282		(1,156,481,650)		(247,557,156)	-	(24,520,024) (From line 5 for the column)
b	ADIT-283		(40,972,532)		-	(9,584,442)	(2,701,892) (From line 17 for the column)
c	ADIT-190		83,060,062		1,763,437	370,525	26,695,124 (From line 29 for the column)
d	Subtotal		(1,114,394,120)		(245,793,719)	(9,213,917)	(526,792) (Sum a - c)

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

Line	A	B	C	D	E	F	G
	ADIT-190	Total	Gas, Prod Retail Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
1	ACCRUED BENEFITS						Related to employer costs of benefits, such as health insurance, 401 (k), etc. The amounts are recorded to the liability and cleared through payments during each bi-weekly payroll. Any balance in the account at the end of the month would relate to the month-end accrual that is recorded at the end of the month and reversed on the first calendar day of the next month. As such, there is a book to tax timing difference.
1a	ADDBACK OF NQSO EXPENSE	2,523,784	-	-	-	2,523,784	No current book activity, tax deducts as distributions are made from the trust - employees in all functions.
1b	ADDBACK OF OTHER EQUITY COMP EXPENSE	2,851,343	-	-	-	2,851,343	Book expense recorded when stock is granted, tax expense when stock is issued at market price - employees in all functions.
1c	AMORT-ORGANIZATIONAL COSTS	1,304,790	-	-	-	1,304,790	Book expense recorded when stock is granted, tax expense when stock is issued at market price - employees in all functions.
		3,558	3,558	-	-	-	Excluded because the underlying account(s) are not included in model
1d	BAD DEBT - CHANGE IN PROVISION						Retail bad debt. For book, expense taken as it's identified; tax deduction not taken until fully written-off and all collection efforts abandoned. Relates to retail operations.
1e	CHARITABLE CARRYFORWARD	18,150,879	18,150,879	-	-	-	Excluded because the underlying account(s) are not included in model
1f	CUSTOMER ADVANCES - CONSTRUCTION	2,900,278	2,900,278	-	-	-	Excluded because the underlying account(s) are not included in model
		318,231	318,231	-	-	-	Excluded because the underlying account(s) are not included in model
1g	DEFERRED COMPENSATION						Book records estimated accrued compensation; tax deducts only upon the retirement or other separation from service by the employees. Relates to all functions.
1h	DEFERRED REVENUE - CURRENT	4,500,812	-	-	-	4,500,812	Retail bad debt. For book, expense taken as it's identified; tax deduction not taken until fully written-off and all collection efforts abandoned. Relates to retail operations.
1i	FAS 112	2,477,917	2,477,917	-	-	-	Excluded because the underlying account(s) are not included in model
		298,985	-	-	-	298,985	Employer provided benefits to former employees but before retirement.
1j	FIN 47 ARO						Accrual of future removal/retirements. Book recognized the expense estimate accrual, tax recognizes when paid. Related to all functions.
1k	Gross Up-Bill E Credit	876,157	876,157	-	-	-	Excluded because the underlying account(s) are not included in model
		31,256,623	31,256,623	-	-	-	Book records an accrual in filing year on estimated payouts; tax reverses the accrual and deducts the actual paid out. Relates to all functions.
1l	INCENTIVE PAY						Books records an estimated liability for injuries and damages; tax purposes a deduction is only taken when actual payments are made.
1m	INJURIES AND DAMAGE PAYMENTS	13,750,207	-	-	-	13,750,207	Excluded because the underlying account(s) are not included in model
1n	MERGER COSTS NC						Excluded because the underlying account(s) are not included in model
1o	DEFERRED CHARGES - TAX REPAIRS BILL CREDIT-DIST	8,185,168	-	-	-	8,185,168	Excluded because the underlying account(s) are not included in model
1p	OBSOLETE MATERIALS PROVISION	13,056,046	13,056,046	-	-	-	Excluded because the underlying account(s) are not included in model
1q	OTHER CURRENT	830,838	830,838	-	-	-	Excluded because the underlying account(s) are not included in model
1r	FACILITY COMMITMENT FEES	642,817	642,817	-	-	-	Debt related
1s	FINES & OTHER	-	-	-	-	-	Excluded because the underlying account(s) are not included in model
1t	OTHER NONCURRENT- RAILROAD LIABILITY	22,565	-	-	22,565	-	Related to reserve for required maintenance on right of ways.
1u	OTHER UNEARNED REVENUE-DEFERRED RENTS	254,707	254,707	-	-	-	Rent expense deferred and amortized ratably for books, tax deduction when paid - used for all functions.
		106,198	-	-	106,198	-	Book accrues and capitalizes anticipated Pension costs based on actuarial analysis. Tax deducts or capitalizes retirement benefits only when the amounts are paid. Related to all functions.
1v	PENSION EXPENSE PROVISION	241,762	-	-	241,762	-	Excluded because the underlying account(s) are not included in model
1w	POLE ATTACHMENT RESERVE						Book accrues anticipated post retirement costs based on actuarial analysis. Tax deducts retirement benefits only when the amounts are paid or contributed to a fund.
1x	POST RETIREMENT BENEFITS	(131,642,226)	-	-	-	(131,642,226)	Related to reserves associated with ongoing and/or pending litigation. These are not legal service fees, but accrual for possible liability payments upon resolution of ongoing litigation matters. Since we have accrued, but not yet paid, we have to book the tax reserve.
		3,990,295	3,990,295	-	-	-	Retail related
1y	RESERVE FOR EMPLOYEE LITIGATIONS Current						Retail related
1z	SA UNBILLED RESERVE						Reserve for potential transmission rent expense
1aa	SECA REFUND	8,280,528	8,280,528	-	-	-	Book records an accrual; tax takes the deduction when actually paid. Relates to all functions.
1ab	SEPTA RAILROAD RENT	234,547	234,547	-	-	-	Capitalized portion of vacation pay earned and expensed for books, tax takes the deduction when paid out. Related to all functions.
1ac	SEVERANCE PMTS CHANGE IN PROVISION	1,763,437	-	1,763,437	-	65,881	Excluded because the underlying account(s) are not included in model
1ad	VACATION PAY CHANGE IN PROVISION						These accounts are reserves for public claims, workers compensation and other third party incidents. For tax purposes these are not deductible until paid. Related to all functions.
1ae	VEGETATION MGMT ACCRUAL	2,034,503	-	-	-	2,034,503	
1af	WORKERS COMPENSATION RESERVE	2,182,580	2,182,580	-	-	-	
1ag		6,181,097	-	-	-	6,181,097	
1ah							
1ai							
1aj							
1ak							
1al							
1am							
2	Subtotal - p234.8.b						
3	Less FASB 109 Above if not separately removed	114,316,685	85,487,599	1,763,437	370,525	26,695,124	
4	Less FASB 106 Above if not separately removed	31,256,623	31,256,623				
5	Total	83,060,062	54,230,976	1,763,437	370,525	26,695,124	

6	Instructions for Account 190: 1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C 2. ADIT items related only to Transmission are directly assigned to Column D 3. ADIT items related to Plant other than general plant, intangible plant or common plant and not in Columns C & D are included in Column E 4. ADIT items related to labor, general plant, intangible plant, or common plant and not in Columns C & D are included in Column F 5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded
7	
8	
9	
10	
11	
12	

PECO Energy Company

ADIT BOY Worksheet

ADIT BOY Worksheet
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	A	B	C	D	E	F	G
	ADIT- 282	Total	Gas, Prod Retail Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
13a	Property Related ADIT, Excl. ARO	-	-	-	-	-	0
13b	Common	(39,051,003)	-	-	-	(39,051,003)	Included because plant in service is included in rate base.
13c	Distribution	(1,913,939,237)	(1,913,939,237)	-	-	-	Related to Distribution property.
13d	Electric General	(5,406,256)	-	-	-	(5,406,256)	Included because plant in service is included in rate base.
13e	Transmission	(369,697,372)	-	(369,697,372)	-	-	Included because plant in service is included in rate base.
13f							
13g							
13h							
...							
14	Subtotal - p275.2.b	(2,328,093,868)	(1,913,939,237)	(369,697,372)	-	(44,457,259)	
15	Less FASB 109 Above if not separately removed	(1,171,612,218)	(1,029,534,767)	(122,140,216)	-	(19,937,235)	
16	Less FASB 106 Above if not separately removed						
17	Total	(1,156,481,650)	(884,404,470)	(247,557,156)	-	(24,520,024)	

18	Instructions for Account 282: 1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C 2. ADIT items related only to Transmission are directly assigned to Column D 3. ADIT items related to Plant other than general plant, intangible plant or common plant and not in Columns C & D are included in Column E 4. ADIT items related to labor, general plant, intangible plant, or common plant and not in Columns C & D are included in Column F 5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded
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ADIT BOY Worksheet

PECO Energy Company

ADIT BOY Worksheet
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	A	B	C	D	E	F	G
	ADIT-283	Total	Gas, Prod Retail Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
25	ACT 129 SMART METER	(14,378,386)	(14,378,386)	-	-	-	Retail related
25a	AEC RECEIVABLE	(2,480,113)	(2,480,113)	-	-	-	Retail related
25b	AMORT-BK-PREMIUMS ON REACQD DEBT-9.5%	(685,252)	-	-	(685,252)	-	Book recapitalizes costs incurred to retire or reacquire debt issuances. Tax deducts these costs when incurred.
25c	CAP FORGIVENESS REG ASSET	(4,307,298)	(4,307,298)	-	-	-	Retail related
25d	CAP SHOPPING REG ASSET	(179,578)	(179,578)	-	-	-	Retail related
25e	DSP 2 - REGULATORY ASSET	(52,703)	(52,703)	-	-	-	Retail related
25f	ELEC RATE CASE EXP - REG ASSET	(183,943)	(183,943)	-	-	-	Retail related
25g	ENERGY EFFICIENCY REG ASSET	(404,019)	(404,019)	-	-	-	Retail related
25h	Gross Up on State Def Tax Adj- AMR Reg Asset	(1,344,007)	(1,344,007)	-	-	-	Retail related
25i	HOLIDAY PAY CHANGE IN PROVISION	-	-	-	-	-	The book expense on Jan 1 of calendar year; accelerated tax expense taken in previous calendar year. Related to all functions.
25j	OCI-Def FIT & SIT	(668,412)	(668,412)	-	-	-	Excluded because the underlying account(s) are not included in model
25k	OTHER CURRENT REG ASSET:	-	-	-	-	-	0
25l	LOSS OF REAQUIRED DEBT	(291,120)	-	-	(291,120)	-	Book recapitalizes costs incurred to retire or reacquire debt issuances. Tax deducts these costs when incurred. Included in debt capitalization ratio on Appendix A, line 111.
25m	VACATION ACCRUAL	(2,402,907)	-	-	-	(2,402,907)	Current portion of vacation pay earned and expensed for books, tax takes the deduction when paid out. Related to all functions.
25n	SMART METER	(4,792,796)	(4,792,796)	-	-	-	Retail related
25o	CAP SHOPPING REG ASSET	(352,997)	(352,997)	-	-	-	Retail related
25p	CAP FORGIVENESS REG ASSET	(292,535)	(292,535)	-	-	-	Retail related
25q	FAS 112	(298,985)	-	-	-	(298,985)	Employer provided benefits to former employees but before retirement.
25r	ELEC RATE CASE EXP - REG ASSET	(183,751)	(183,751)	-	-	-	Retail related
25s	PURTA	(2,331)	-	-	(2,331)	-	Property taxes. Book records on an accrual method based on the prior year; tax reverses the book accrual and deducts the actual payments made. . Relates to all functions.
25t	SEAMLESS MOVES	(55,320)	(55,320)	-	-	-	Retail related
25u	ENERGY EFFICIENCY REG ASSET	(118,249)	(118,249)	-	-	-	Retail related
25v	OTHER CURRENT REG ASSET	(236,098)	(236,098)	-	-	-	Gas Related
25w	STATE TAX RESERVE	(8,605,739)	-	-	(8,605,739)	-	The state income tax is cash basis
25x							
.....							
26	Subtotal - p276.9.b	(42,316,539)	(30,030,205)	-	(9,584,442)	(2,701,892)	
27	Less FASB 109 Above if not separately removed	(1,344,007)	(1,344,007)				
28	Less FASB 106 Above if not separately removed						
29	Total	(40,972,532)	(28,686,198)	-	(9,584,442)	(2,701,892)	

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- Instructions for Account 283:
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1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
- 32
2. ADIT items related only to Transmission are directly assigned to Column D
- 33
3. ADIT items related to Plant other than general plant, intangible plant or common plant and not in Columns C & D are included in Column E
- 34
4. ADIT items related to labor, general plant, intangible plant, or common plant and not in Columns C & D are included in Column F
- 35
5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula,
- 36
- the associated ADIT amount shall be excluded

Attachment 4C PECO Energy Company						
ADIT EOY Worksheet	A	B	C	D Only Transmission Related	E Plant Related	F Labor Related
		Total				
a	ADIT- 282	(1,217,638,235)		(266,240,038)	-	(33,359,806) (From line 5 for the column)
b	ADIT-283	(139,744,365)		-	(6,327,128)	(108,024,770) (From line 17 for the column)
c	ADIT-190	185,826,860		-	7,420,671	153,189,182 (From line 29 for the column)
d	Subtotal	(1,171,555,740)		(266,240,038)	1,093,543	11,804,606 (Sum a - c)

ADIT EOY Worksheet
Page 1 of 3

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

	A	B	C	D	E	F	G
	ADIT-190	Total	Gas, Prod Retail Or Other Related	Only Transmission Related	Plant Related	Labor Related	
1							
1a							Justification
1b							
1c	ACCRUED BENEFITS	849,467	-	-	-	849,467	Related to employer costs of benefits, such as health insurance, 401 (k), etc. The amounts are recorded to the liability and cleared through payments during each bi-weekly payroll. Any balance in the account at the end of the month would relate to the month-end accrual that is recorded at the end of the month and reversed on the first calendar day of the next month. As such, there is a book to tax timing difference.
1d	ADDBACK OF NQSO EXPENSE	1,877,516	-	-	-	1,877,516	No current book activity, tax deducts as distributions are made from the trust - employees in all functions.
1e	ADDBACK OF OTHER EQUITY COMP EXPENSE	1,247,830	-	-	-	1,247,830	Book expense recorded when stock is granted, tax expense when stock is issued at market price - employees in all functions.
1f	AMORT-ORGANIZATIONAL COSTS	-	-	-	-	-	Excluded because the underlying account(s) are not included in model
1g	BAD DEBT - CHANGE IN PROVISION	13,778,093	13,778,092	-	-	-	Retail bad debt. For book, expense taken as it's identified; tax deduction not taken until fully written-off and all collection efforts abandoned. Relates to retail operations.
1h	CHARITABLE CARRYFORWARD	1,570,195	1,570,195	-	-	-	Excluded because the underlying account(s) are not included in model
1i	CUSTOMER ADVANCES - CONSTRUCTION	158,593	158,593	-	-	-	Excluded because the underlying account(s) are not included in model
1j	DEFERRED COMPENSATION	2,077,910	-	-	-	2,077,910	Book records estimated accrued compensation; tax deducts only upon the retirement or other separation from service by the employees. Relates to all functions.
1k	DEFERRED REVENUE	220,916	220,916	-	-	-	Excluded because the underlying account(s) are not included in model
1l	FAS 112	207,942	-	-	-	207,942	Employer provided benefits to former employees but before retirement.
1m	FEDERAL NOL	1,141,419	-	-	1,141,419	-	PECO is in a net operating loss situation, therefore, losses are carried forward until such losses can be applied to taxable income.
1n	FIN 47 ARO	-	-	-	-	-	Accrual of future removal/retirements. Book recognized the expense estimate accrual, tax recognizes when paid. Related to all functions.
1o	Gross Up-Bill E Credit	9,573,744	9,573,744	-	-	-	Excluded because the underlying account(s) are not included in model
1p	INCENTIVE PAY	9,947,772	-	-	-	9,947,772	Book records an accrual in filing year on estimated payouts; tax reverses the accrual and deducts the actual paid out. Relates to all functions.
1q	INJURIES AND DAMAGE PAYMENTS	-	-	-	-	-	Books records an estimated liability for injuries and damages; tax purposes a deduction is only taken when actual payments are made.
1r	MERGER COSTS NC	-	-	-	-	-	Excluded because the underlying account(s) are not included in model
1s	DEFFERRED CHARGES - TAX REPAIRS BILL CREDIT-DIST	1,153,652	1,153,652	-	-	-	Excluded because the underlying account(s) are not included in model
1t	OBSOLETE MATERIALS PROVISION	429,796	429,796	-	-	-	Excluded because the underlying account(s) are not included in model
1u	OTHER CURRENT	0	0	-	-	-	0
1v	FACILITY COMMITMENT FEES	10,794	-	-	10,794	-	Debt related
1w	FINES & OTHER	192,052	192,052	-	-	-	Excluded because the underlying account(s) are not included in model
1x	OTHER NONCURRENT- RAILROAD LIABILITY	83,758	-	-	83,758	-	Related to reserve for required maintenance on right of ways.
1y	OTHER UNEARNED REVENUE-DEFERRED RENTS	265,981	-	-	265,981	-	Rent expense deferred and amortized ratably for books, tax deduction when paid - used for all functions.
1z	PAYROLL TAXES	626,979	-	-	-	626,979	Book records a payroll tax accrual; tax reverses the accrual and deducts the actual amount paid out. Relates to all functions.
1aa	PENNSYLVANIA NOL	6,078,222	-	-	6,078,222	-	PECO is in a net operating loss situation, therefore, losses are carried forward until such losses can be applied to taxable income.
1ab	PENSION EXPENSE PROVISION	-	-	-	-	-	Book accrues and capitalizes anticipated Pension costs based on actuarial analysis. Tax deducts or capitalizes retirement benefits only when the amounts are paid. Related to all functions.
1ac	POLE ATTACHMENT RESERVE	-	-	-	-	-	Excluded because the underlying account(s) are not included in model
1ad	POST RETIREMENT BENEFITS	77,957,835	-	-	-	77,957,835	Book accrues anticipated post retirement costs based on actuarial analysis. Tax deducts retirement benefits only when the amounts are paid or contributed to a fund.
1ae	RESERVE FOR EMPLOYEE LITIGATIONS Current	-	-	-	-	-	Related to reserves associated with ongoing and/or pending litigation. These are not legal service fees, but accrual for possible liability payments upon resolution of ongoing litigation matters. Since we have accrued, but not yet paid, we have to book the tax reserve.
1af	SA UNBILLED RESERVE	3,827,688	3,827,688	-	-	-	Retail related
1ag	SECA REFUND	-	-	-	-	-	Retail related
1ah	SEPTA RAILROAD RENT	-	-	-	-	-	Reserve for potential transmission rent expense
1ai	SEVERANCE PMTS CHANGE IN PROVISION	61,677	-	-	-	61,677	Book records an accrual; tax takes the deduction when actually paid. Relates to all functions.
1aj	VACATION PAY CHANGE IN PROVISION	1,004,916	-	-	-	1,004,916	Capitalized portion of vacation pay earned and expensed for books, tax takes the deduction when paid out. Related to all functions.
1ak	VEGETATION MGMT ACCRUAL	1,560,924	1,560,924	-	-	-	Excluded because the underlying account(s) are not included in model
1al	WORKERS COMPENSATION RESERVE	10,806,431	-	-	-	10,806,431	Related to all functions.
1am							
1an							
...		-					
2	Subtotal - p234.8.c	146,712,102	32,465,652	-	7,580,174	106,666,275	
3	Less FASB 109 Above if not separately removed	(39,114,758)	7,248,646	-	159,503	(46,522,907)	Includes FASB 109 related to TCJA
4	Less FASB 106 Above if not separately removed						
5	Total	185,826,860	25,217,006	-	7,420,671	153,189,182	

6 Instructions for Account 190:
7 1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
8 2. ADIT items related only to Transmission are directly assigned to Column D
9 3. ADIT items related to Plant other than general plant, intangible plant or common plant and not in Columns C & D are included in Column E
10 4. ADIT items related to labor, general plant, intangible plant, or common plant and not in Columns C & D are included in Column F
11 5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula,
12 the associated ADIT amount shall be excluded

ADIT EOY Worksheet

PECO Energy Company

ADIT EOY Worksheet
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	A	B	C	D	E	F	G
	ADIT- 282	Total	Gas, Prod Retail Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
13a	Property Related ADIT, Excl. ARO	-	-	-	-	-	
13b	Common	(28,709,490)	-	-	-	(28,709,490)	Included because plant in service is included in rate base.
13c	Distribution	(1,121,038,511)	(1,121,038,511)	-	-	-	Related to Distribution property.
13d	Electric General	(3,411,310)	-	-	-	(3,411,310)	Included because plant in service is included in rate base.
13e	Transmission	(213,299,037)	-	(213,299,037)	-	-	Included because plant in service is included in rate base.
13f							
13g		-					
13h							
...							
14	Subtotal - p275.2.k	(1,366,458,348)	(1,121,038,511)	(213,299,037)	-	(32,120,800)	
15	Less FASB 109 Above if not separately removed	(148,820,113)	(203,000,120)	52,941,001	-	1,239,006	
16	Less FASB 106 Above if not separately removed						
17	Total	(1,217,638,235)	(918,038,391)	(266,240,038)	-	(33,359,806)	

18	Instructions for Account 282:
19	1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
20	2. ADIT items related only to Transmission are directly assigned to Column D
21	3. ADIT items related to Plant other than general plant, intangible plant or common plant and not in Columns C & D are included in Column E
22	4. ADIT items related to labor, general plant, intangible plant, or common plant and not in Columns C & D are included in Column F
23	5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula,
24	the associated ADIT amount shall be excluded

ADIT EOY Worksheet

PECO Energy Company

ADIT EOY Worksheet
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	A	B	C	D	E	F	G
ADIT-283		Total	Gas, Prod Retail Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
25a	ACT 129 SMART METER	(6,674,279)	(6,674,279)	-	-	-	Retail related
25b	AEC RECEIVABLE	(1,172,108)	(1,172,108)	-	-	-	Retail related
25c	AMORT-BK-PREMIUMS ON REACQD DEBT-9.5%	(432,825)	-	-	(432,825)	-	Book recapitalizes costs incurred to retire or reacquire debt issuances. Tax deducts these costs when incurred.
25d	CAP FORGIVENESS REG ASSET	(2,105,889)	(2,105,889)	-	-	-	Retail related
25e	CAP SHOPPING REG ASSET	0	0	-	-	-	Retail related
25f	DSP 2 - REGULATORY ASSET	(74,577)	(74,577)	-	-	-	Retail related
25g	ELEC RATE CASE EXP - REG ASSET	(19,564)	(19,564)	-	-	-	Retail related
25h	ENERGY EFFICIENCY REG ASSET	(198,976)	(198,976)	-	-	-	Retail related
25i	Gross Up on State Def Tax Adj- AMR Reg Asset	(577,496)	(577,496)	-	-	-	Retail related
25j	HOLIDAY PAY CHANGE IN PROVISION	-	-	-	-	-	The book expense on Jan 1 of calendar year; accelerated tax expense taken in previous calendar year. Related to all functions.
25k	OCI-Def FIT & SIT	(568,355)	(568,355)	-	-	-	Excluded because the underlying account(s) are not included in model
25l	OTHER CURRENT REG ASSET:	-	-	-	-	-	0
25m	LOSS OF REAQUIRED DEBT	(153,763)	-	-	(153,763)	-	Book recapitalizes costs incurred to retire or reacquire debt issuances. Tax deducts these costs when incurred. Included in debt capitalization ratio on Appendix A, line 111.
25n	VACATION ACCRUAL	(1,461,442)	-	-	-	(1,461,442)	Current portion of vacation pay earned and expensed for books, tax takes the deduction when paid out. Related to all functions.
25o	SMART METER	(3,581,502)	(3,581,502)	-	-	-	Retail related
25p	CAP SHOPPING REG ASSET - CURRENT	(245,786)	(245,786)	-	-	-	Retail related
25q	CAP FORGIVENESS REG ASSET - CURRENT	(390,761)	(390,761)	-	-	-	Retail related
25r	FAS 112	(208,178)	-	-	-	(208,178)	Employer provided benefits to former employees but before retirement.
25s	ELEC RATE CASE EXP - REG ASSET - CURRENT	(127,943)	-	-	(127,943)	-	Property taxes. Book records on an accrual method based on the prior year; tax reverses the book accrual and deducts the actual payments made. . Relates to all functions.
25t	PURTA	4	4	-	-	-	Retail related
25u	SEAMLESS MOVES	(38,518)	-	-	-	(38,518)	Book accrues and capitalizes anticipated Pension costs based on actuarial analysis. Tax deducts or capitalizes retirement benefits only when the amounts are paid. Related to all functions.
25v	OTHER CURRENT REG ASSET	(2,217,430)	(2,217,430)	-	-	-	Gas Related
25w	PENSION EXPENSE PROVISION	(90,086,556)	-	-	-	(90,086,556)	Book accrues and capitalizes anticipated Pension costs based on actuarial analysis. Tax deducts or capitalizes retirement benefits only when the amounts are paid. Related to all functions.
25x	RATE CHANGE REG ASSET	(9,147,256)	(9,147,256)	-	-	-	Gross up related to non-property tax rate change/TCJA
25y	STATE TAX RESERVE	(3,254,291)	-	-	(3,254,291)	-	The state income tax is cash basis
25z							
....							
....							
26	Subtotal - p277.9.k	(122,737,492)	(26,973,976)	-	(3,968,822)	(91,794,694)	
27	Less FASB 109 Above if not separately removed	17,006,873	(1,581,508)	-	2,358,306	16,230,075	Includes FASB 109 related to TCJA
28	Less FASB 106 Above if not separately removed						
29	Total	(139,744,365)	(25,392,468)	-	(6,327,128)	(108,024,770)	

Instructions for Account 283:

1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C

2. ADIT items related only to Transmission are directly assigned to Column D

3. ADIT items related to Plant other than general plant, intangible plant or common plant and not in Columns C & D are included in Column E

4. ADIT items related to labor, general plant, intangible plant, or common plant and not in Columns C & D are included in Column F

5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded

PECO Energy Company
Attachment 4D - Intangible Plant Workpaper

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Total Intangible Plant		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)
		Gross Plant	December Prior Year	January	February	March	April	May	June	July	August	September	October	November	December	Average =average(b:n)	Transmission	Distribution	S&W Allocation	Total =sum(p:r))
1	Intangibles - General		14,332,648	17,629,714	16,345,816	18,245,161	27,396,448	31,814,963	40,907,367	42,522,656	48,285,828	67,787,884	70,889,385	76,030,613	78,685,491				42,374,921	42,374,921
2	IT NERC CIP - Transmission		11,298,011	11,298,011	11,298,011	11,298,011	11,298,011	11,298,011	11,298,011	11,298,011	11,298,011	11,298,011	11,298,011	11,298,011	11,298,011	11,298,011	11,298,011			11,298,011
3	IT NERC CIP - Distribution		2,042,317	2,042,317	2,042,317	2,042,317	2,042,317	2,042,317	2,042,317	2,042,317	2,042,317	2,042,317	2,042,317	2,042,317	2,042,317	2,042,317		2,042,317		2,042,317
4	IT DSP - Distribution		2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384		2,231,384		2,231,384
5	IT BIDA GRID T&D		-	-	-	342,500	342,500	342,500	685,000	685,000	685,000	1,027,500	1,027,500	1,027,500	1,370,000	579,615			579,615	579,615
6	IT BIDA - Distribution		16,094,656	16,093,858	16,093,858	16,695,379	16,695,379	16,695,379	17,296,900	17,296,900	17,296,900	17,898,421	19,359,054	19,409,439	20,215,349	17,472,421		17,472,421		17,472,421
7	IT Post 2010 and Other - Distribution		19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254		19,638,254		19,638,254
8	IT Smart Meter - Distribution		86,110,084	86,110,084	86,110,084	86,110,084	86,110,084	86,110,084	86,110,084	86,110,084	86,110,084	86,110,084	86,110,084	86,110,084	86,110,084	86,110,084		86,110,084		86,110,084
9																				-
10																				-
11																				-
12																				-
13																				-
14																				-
15																				-
16																				-
17																				-
18																				-
19	Total		151,747,354	155,043,620	153,759,723	156,603,089	165,754,375	170,172,890	180,209,316	181,824,605	187,587,777	208,033,853	212,595,987	217,787,600	221,590,888	181,747,006	11,298,011	127,494,459	42,954,536	181,747,006
20																Allocation Factor	100.00%	0.00%	11.76%	
21																Total Intangible - Transmission	11,298,011	-	5,051,465	16,349,475
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)
		Accumulated Depreciation	December Prior Year	January	February	March	April	May	June	July	August	September	October	November	December	Average =average(b:n)	Transmission	Distribution	S&W Allocation	Total =sum(p:r))
22	Intangibles - General		4,923,130	5,134,501	5,346,437	5,558,760	5,833,214	6,172,573	6,550,952	6,968,354	7,393,319	7,828,234	8,279,156	8,744,012	9,215,530	6,765,244			6,765,244	6,765,244
23	IT NERC CIP - Transmission		4,031,408	4,219,691	4,407,975	4,596,259	4,784,543	4,972,827	5,161,111	5,349,395	5,537,679	5,725,963	5,914,247	6,102,531	6,290,814	5,161,111	5,161,111			5,161,111
24	IT NERC CIP - Distribution		586,795	621,278	655,761	690,245	724,728	759,211	793,695	828,178	862,661	897,145	931,628	966,111	1,000,595	793,695		793,695		793,695
25	IT DSP - Distribution		1,961,801	1,961,801	1,961,801	1,961,801	1,961,801	1,961,801	1,961,801	1,961,801	1,961,801	1,961,801	1,961,801	1,961,801	1,961,801	1,961,801		1,961,801		1,961,801
26	IT BIDA GRID T&D		-	-	-	2,039	6,116	10,193	16,310	24,464	32,619	42,813	55,045	67,277	81,548	26,033			26,033	26,033
27	IT BIDA - Distribution		1,493,220	1,531,430	1,569,636	1,611,424	1,656,794	1,702,165	1,751,117	1,803,652	1,856,186	1,912,303	1,980,699	2,058,091	2,140,583	1,774,408		1,774,408		1,774,408
28	IT Post 2010 and Other - Distribution		15,209,326	15,338,148	15,466,970	15,595,793	15,724,615	15,853,437	15,982,259	16,111,082	16,239,904	16,368,726	16,497,548	16,626,371	16,755,193	15,982,259		15,982,259		15,982,259
29	IT Smart Meter - Distribution		65,618,582	66,529,345	67,440,107	68,155,995	68,569,770	68,983,545	69,397,319	69,811,094	70,224,868	70,633,908	71,030,254	71,418,645	71,779,517	69,199,458		69,199,458		69,199,458
30																				-
31																				-
32																				-
33																				-
34																				-
35																				-
36																				-
37																				-
38																				-
39																				-
40	Total		93,824,262	95,336,194	96,848,688	98,172,315	99,261,581	100,415,752	101,614,564	102,858,018	104,109,037	105,370,892	106,650,378	107,944,838	109,225,581	101,664,008	5,161,111	89,711,620	6,791,277	101,664,008
41																Allocation Factor	100.00%	0.00%	11.76%	
42																Total Intangible - Transmission	5,161,111	-	798,656	5,959,767

PECO Energy Company

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Attachment 4D - Intangible Plant Workpaper

(a) Net Plant in Service		(b) December Prior Year	(c) January	(d) February	(e) March	(f) April	(g) May	(h) June	(i) July	(j) August	(k) September	(l) October	(m) November	(n) December	(o) Average =average(b:n)	(p) Transmission	(q) Distribution	(r) S&W Allocation	(s) Total =sum(p:r))
Gross Plant Minus Accumulated Depreciation																			
43	Intangibles - General	9,409,518	12,495,213	10,999,380	12,686,401	21,563,234	25,642,389	34,356,415	35,554,302	40,892,509	59,959,649	62,610,228	67,286,600	69,469,961	35,609,677			35,609,677	35,609,677
44	IT NERC CIP - Transmission	7,266,603	7,078,319	6,890,035	6,701,751	6,513,468	6,325,184	6,136,900	5,948,616	5,760,332	5,572,048	5,383,764	5,195,480	5,007,196	6,136,900	6,136,900			6,136,900
45	IT NERC CIP - Distribution	1,455,522	1,421,038	1,386,555	1,352,072	1,317,589	1,283,105	1,248,622	1,214,139	1,179,655	1,145,172	1,110,689	1,076,205	1,041,722	1,248,622		1,248,622		1,248,622
46	IT DSP - Distribution	269,583	269,583	269,583	269,583	269,583	269,583	269,583	269,583	269,583	269,583	269,583	269,583	269,583	269,583		269,583		269,583
47	IT BIDA GRID T&D	-	-	-	340,461	336,384	332,307	668,690	660,536	652,381	984,687	972,455	960,223	1,288,452	553,583			553,583	553,583
48	IT BIDA - Distribution	14,601,436	14,562,428	14,524,222	15,083,955	15,038,585	14,993,214	15,545,783	15,493,248	15,440,714	15,986,118	17,378,356	17,351,348	18,074,766	15,698,013		15,698,013		15,698,013
49	IT Post 2010 and Other - Distribution	4,428,928	4,300,106	4,171,283	4,042,461	3,913,639	3,784,817	3,655,994	3,527,172	3,398,350	3,269,528	3,140,705	3,011,883	2,883,061	3,655,994		3,655,994		3,655,994
50	IT Smart Meter - Distribution	20,491,502	19,580,739	18,669,976	17,954,088	17,540,314	17,126,539	16,712,764	16,298,990	15,885,215	15,476,176	15,079,829	14,691,439	14,330,566	16,910,626		16,910,626		16,910,626
51		-	-	-	-	-	-	-	-	-	-	-	-	-	-				-
52		-	-	-	-	-	-	-	-	-	-	-	-	-	-				-
53		-	-	-	-	-	-	-	-	-	-	-	-	-	-				-
54		-	-	-	-	-	-	-	-	-	-	-	-	-	-				-
55		-	-	-	-	-	-	-	-	-	-	-	-	-	-				-
56		-	-	-	-	-	-	-	-	-	-	-	-	-	-				-
57		-	-	-	-	-	-	-	-	-	-	-	-	-	-				-
58		-	-	-	-	-	-	-	-	-	-	-	-	-	-				-
59		-	-	-	-	-	-	-	-	-	-	-	-	-	-				-
60		-	-	-	-	-	-	-	-	-	-	-	-	-	-				-
61	Total	57,923,092	59,707,426	56,911,035	58,430,773	66,492,794	69,757,138	78,594,751	78,966,586	83,478,740	102,662,961	105,945,609	109,842,762	112,365,308	80,082,998	6,136,900	37,782,839	36,163,260	80,082,998
62															Allocation Factor	100.00%	0.00%	11.76%	
63														Total Intangible - Transmission	6,136,900	-	-	4,252,809	10,389,708

(a)	(b) Total	(c) Transmission	(d) Distribution	(e) S&W Allocation	(f) Total =sum(c:e))
Depreciation Expense					
64	Intangibles - General	2,176,074		2,176,074	2,176,074
65	IT NERC CIP - Transmission	2,186,900	2,186,900		2,186,900
66	IT NERC CIP - Distribution	338,681	338,681		338,681
67	IT DSP - Distribution	-	-		-
68	IT BIDA - Distribution	210,062	210,062		210,062
69	IT Post 2010 and Other - Distribution	4,226,671	4,226,671		4,226,671
70	IT Smart Meter - Distribution	10,737,875	10,737,875		10,737,875
71		-			-
72		-			-
73		-			-
74		-			-
75		-			-
76		-			-
77		-			-
78		-			-
79		-			-
80		-			-
81		-			-
82	Total	19,876,263	15,513,289	2,176,074	19,876,263
83		Allocation Factor	100.00%	11.76%	
84	Total Intangible - Transmission	2,186,900	-	255,907	2,442,807

PECO Energy Company

Attachment 4E - Cost to Achieve Mergers

	(a)	(b)	(c)	(d)	(e)	(...)	(x)
O&M Cost To Achieve							
	FERC Account	Constellation Merger	PHI Merger				Total
1	923	0	\$ 3,470,687				\$ 3,470,687
2							\$ -
3							\$ -
4							\$ -
5							\$ -
6							\$ -
7							\$ -
8							\$ -
9							\$ -
10							\$ -
11	Total	\$ -	\$ 3,470,687				\$ 3,470,687
Capital Cost To Achieve included in the Electric Portion of Common Plant							
Gross Plant							
		Constellation Merger	PHI Merger				Total
12	December Prior Year	-	720,916				\$ 720,916
13	January	-	3,090,443				\$ 3,090,443
14	February	-	3,134,086				\$ 3,134,086
15	March	-	3,153,569				\$ 3,153,569
16	April	-	3,153,569				\$ 3,153,569
17	May	-	3,153,569				\$ 3,153,569
18	June	-	3,153,569				\$ 3,153,569
19	July	-	3,153,569				\$ 3,153,569
20	August	-	3,153,569				\$ 3,153,569
21	September	-	3,153,569				\$ 3,153,569
22	October	-	3,153,569				\$ 3,153,569
23	November	-	3,153,569				\$ 3,153,569
24	December	-	3,153,569				\$ 3,153,569
25	Average	-	2,960,087				2,960,087
Accumulated Depreciation							
		Constellation Merger	PHI Merger				Total
26	December Prior Year	-	90,647				\$ 90,647
27	January	-	108,104				\$ 108,104
28	February	-	129,240				\$ 129,240
29	March	-	150,379				\$ 150,379
30	April	-	171,456				\$ 171,456
31	May	-	192,442				\$ 192,442
32	June	-	213,338				\$ 213,338
33	July	-	234,147				\$ 234,147
34	August	-	254,870				\$ 254,870
35	September	-	275,509				\$ 275,509
36	October	-	296,066				\$ 296,066
37	November	-	316,542				\$ 316,542
38	December	-	336,939				\$ 336,939
39	Average	-	213,052				213,052

PECO Energy Company

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Attachment 4E - Cost to Achieve Mergers

	(a)	(b)	(c)	(d)	(e)	(...)	(x)
	Net Plant = Gross Plant Minus Accumulated Depreciation from above	Constellation Merger	PHI Merger				Total
40	December Prior Year	-	630,269	-	-	-	\$ 630,269
41	January	-	2,982,339	-	-	-	\$ 2,982,339
42	February	-	3,004,846	-	-	-	\$ 3,004,846
43	March	-	3,003,190	-	-	-	\$ 3,003,190
44	April	-	2,982,113	-	-	-	\$ 2,982,113
45	May	-	2,961,127	-	-	-	\$ 2,961,127
46	June	-	2,940,231	-	-	-	\$ 2,940,231
47	July	-	2,919,422	-	-	-	\$ 2,919,422
48	August	-	2,898,699	-	-	-	\$ 2,898,699
49	September	-	2,878,060	-	-	-	\$ 2,878,060
50	October	-	2,857,503	-	-	-	\$ 2,857,503
51	November	-	2,837,027	-	-	-	\$ 2,837,027
52	December	-	2,816,630	-	-	-	\$ 2,816,630
53	Average	-	2,747,035	-	-	-	2,747,035

	Depreciation (Monthly Change of Accumulated Depreciation from above)	Constellation Merger	PHI Merger				Total
54	January	-	17,457			\$	17,457
55	February	-	21,136			\$	21,136
56	March	-	21,140			\$	21,140
57	April	-	21,077			\$	21,077
58	May	-	20,986			\$	20,986
59	June	-	20,896			\$	20,896
60	July	-	20,809			\$	20,809
61	August	-	20,723			\$	20,723
62	September	-	20,639			\$	20,639
63	October	-	20,557			\$	20,557
64	November	-	20,476			\$	20,476
65	December	-	20,397			\$	20,397
66	Total	-	246,292			\$	246,292

Attachment 5
Attachment H, Pages 3 and 4, Worksheet
PECO Energy Company

Line No.	Month	Transmission O&M Expenses	Account No. 566 (Misc. Trans. Expense)	Account No. 565	Accounts 561.4 and 561.8	Amortization of Regulatory Asset	Miscellaneous Transmission Expense (less amortization of regulatory asset)	Depreciation Expense - Transmission	Depreciation Expense - Common			
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)			
	Attachment H, Page 3, Line No.:	1	2	3		11	12	16				
	Form No. 1	321.112.b	321.97.b	321.96.b	321.88.b & 92.b	Portion of Account 566	Balance of Account 566	336.7.b, d & e	336.11.b, d & e			
1	Total	184,929,330	\$ 11,680,412	\$ -	\$ 136,281,037	\$ -	\$ 11,680,412	\$ 23,761,763	\$ 23,761,593			
		Depreciation Expense - General	Amortization of Abandoned Plant	Payroll Taxes	Other Payroll Related	Property Taxes	Gross Receipts Taxes	Other (capital stock, use taxes, etc.)	Miscellaneous	Amortized Investment Tax Credit Consistent with (266.8.f & 266.17.f)	Excess Deferred Income Taxes	Tax Effect of Permanent Differences
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
	Attachment H, Page 3, Line Number	17	19	23	24	26	27	28	29	37	38	39
	Form No. 1	336.10.b, d & e	(Note S)	263.3.i, 263.5.i & 263.18.i		263.35.i & 263.16.i	263.14.i, & 263.12.i	263.33.i	263.20.i	266.8.f & 266.17.f	(Note G)	(Note W)
2	Total	\$ 14,965,330	\$ -	\$ 11,792,061	\$ -	\$ 10,739,456	\$ 125,049,113	\$ 484,130	\$ 3,262	\$ 5,343	\$ 2,194,023	\$ 356,305

Attachment 5
Attachment H, Pages 3 and 4, Worksheet
PECO Energy Company

3	Long Term Interest (117, sum of 62.c through 67.c)	\$ 126,237,140
4	Preferred Dividends (118.29c) (positive number)	-
5	Proprietary Capital (112.16.c)	3,514,768,606
6	Less Preferred Stock (112.3.c)	-
7	Less Account 216.1 (112.12.c) (enter negative) (Note D)	-
8	Less Account 219.1 (112.15.c) (enter negative)	(1,192,696)
9	Common Stock (sum lines 41-43)	3,513,575,910

			\$	%	Cost	Weighted
10	Long Term Debt	Note A	2,884,418,609	45.08%	4.38%	1.97% =WCLTD
11	Preferred Stock (112.3.c)	Note B	-	-	-	0.00%
12	Common Stock	Note C	3,513,575,910	54.92%	11.00%	6.04%
13	Total	(Sum of Lines 48-50)	6,397,994,519			8.01% =R

- Note:
- A Long Term Debt balance will reflect the 13 month average of the balances, of which the 1st and 13th are found on page 112 lines 18.c & d to 21.c & d in the Form No. 1, the cost is calculated by dividing line 3 by the Long Term Debt balance in line 10.
 - B Preferred Stock balance will reflect the 13 month average of the balances, of which the 1st and 13th are found on page 112 line 3.c & d in the Form No. 1
 - C Common Stock balance will reflect the 13 month average of the balances, of which the 1st and 13th are found on page 112 lines 3.c & d, 12.c & d, and 16.c & d in the Form No. 1 as shown on lines 10-12 above
ROE will be supported in the original filing and no change in ROE may be made absent a filing with FERC.
 - D The Account 216.1 balance is input only if positive number in the FERC Form No. 1 (112.12.c).

PECO Energy Company
Attachment 5A - Revenue Credit Workpaper

Page 1 of 2

Account 454 - Rent from Electric Property			
1	Rent from Electric Property - Transmission Related, Subject to Sharing (Note 3)		7,167,281
2	Rent from Electric Property - Transmission Related, Pass to Customers (Note 3)		732,244
3	Total Rent Revenues	(Sum Lines 1 to 3)	7,899,525
Account 456 & 456.1 - Other Electric Revenues (Note 1)			
4	Schedule 1A	\$	4,951,148
	Firm Point to Point Service revenues for which the load is not included in the divisor received by		
5	transmission owner	\$	850,789
6	Revenues associated with transmission service not provided under the PJM OATT (Note 4)		-
7	Intercompany Professional Services		353,963
8	PJM Transitional Revenue Neutrality (Note 1)		-
9	PJM Transitional Market Expansion (Note 1)		-
10	Professional Services (Note 3)		-
11	Revenues from Directly Assigned Transmission Facility Charges (Note 2)		-
12	Rent or Attachment Fees associated with Transmission Facilities (Note 3)		-
13	Gross Revenue Credits	(Sum Lines 2, 4-10)	14,055,425
14	Less line 17g		(4,761,649)
15	Total Revenue Credits		9,293,776
Revenue Adjustment to determine Revenue Credit			
16a	Note 1: All revenues related to transmission that are received as a transmission owner (i.e., not received as a LSE), for which the cost of the service is recovered under this formula, except as specifically provided for elsewhere in this Attachment or elsewhere in the formula will be included as a revenue credit or included in the peak on line 173 of Appendix A.		
16b	Note 2: If the costs associated with the Directly Assigned Transmission Facility Charges are included in the Rates, the associated revenues are included in the Rates. If the costs associated with the Directly Assigned Transmission Facility Charges are not included in the Rates, the associated revenues are not included in the Rates.		
16c	Note 3: Ratemaking treatment for the following specified secondary uses of transmission assets: (1) right-of-way leases and leases for space on transmission facilities for telecommunications; (2) transmission tower licenses for wireless antennas; (3) right-of-way property leases for farming, grazing or nurseries; (4) licenses of intellectual property (including a portable oil degasification process and scheduling software); and (5) transmission maintenance and consulting services (including energized circuit maintenance, high-voltage substation maintenance, safety training, transformer oil testing, and circuit breaker testing) to other utilities and large customers (collectively, products). Company will retain 50% of net revenues consistent with Pacific Gas and Electric Company, 90 FERC ¶ 61,314. Note: in order to use lines 17a - 17g, the utility must track in separate subaccounts and by department the revenues and costs associated with each secondary use (except for the cost of the associated income taxes). The cost associated with the secondary transmission use is 3/4 of the total department costs.		
17a	Revenues included in lines 1-11 which are subject to 50/50 sharing.		7,167,281
17b	Costs associated with revenues in line 17a		2,581,064
17c	Net Revenues (17a - 17b)		4,586,217
17d	50% Share of Net Revenues (17c / 2)		2,293,108
17e	Costs associated with revenues in line 17a that are included in FERC accounts recovered through the formula times the allocator used to functionalize the amounts in the FERC account to the transmission service at issue.		112,523
17f	Net Revenue Credit (17d + 17e)		2,405,632
17g	Line 17f less line 17a		(4,761,649)
18	Note 4: If the facilities associated with the revenues are not included in the formula, the revenue is shown here but not included in the total above and is explained in the Cost Support; for example revenues associated with distribution facilities. In addition, Revenues from Schedule 12 are not included in the total above to the extent they are credited under Schedule 12.		
19	Reserved		-
20	Total Account 454, 456 and 456.1		14,055,425
21	Reserved		

Attachment 5A - Revenue Credit Workpaper

Costs associated with revenues in line 17a

				Costs Allocation to Transmission (Note A)	Transmission Costs	S&W Allocation Factor	Costs Recovered Through A&G Costs
Cost Item	Accounts booked to	Total Costs					
22a	Administrative and General Salaries	920000	735,800	75%	551,850	11.76%	86,530
22b	Employee Pensions and Benefits	926000	221,030	75%	165,772.50	11.76%	25,993
...							
23	Total Lines 22		\$ 956,830		\$ 717,623		\$ 112,523

	FERC Account 454	Total Amount	Other	100% Transmission	Plant Related	Labor Related	Total
24a	Rent from Electric Distribution	\$ 11,950,797	\$ 11,950,797				
24b	Rent from Electric Transmission	264,766		264,766			
24c	Tower Rentals and Land Leasing - Transmission	7,167,281		7,167,281			
24d	Tower Rentals and Land Leasing - Distribution	3,708,415	3,708,415				
24e	Intercompany Rent	2,495,646			2,495,646		
...							
	Total Lines 24	\$ 25,586,905	\$ 15,659,212	\$ 7,432,047	\$ 2,495,646	\$ -	
	Allocation Factors		0%	100%	18.73%	11.76%	
	Allocated Amount		\$ -	\$ 7,432,047	\$ 467,478	\$ -	\$ 7,899,525

	FERC Account 456	Total Amount	Other	100% Transmission	Plant Related	Labor Related	Total
25a	Decommissioning remittances to Generation	\$ (23,454,733)	\$ (23,454,733)				
25b	Mutual Assistance	4,909,405	\$ 4,909,405				
25c	Make Ready	4,415,836	\$ 4,415,836				
25d	Intercompany Billings	2,059,647				\$ 2,059,647	
25e	Other	692,136	146,078	11,643	534,415		
...							
	Total Lines 25	\$ (11,377,709)	\$ (13,983,414)	\$ 11,643	\$ 534,415	\$ 2,059,647	
	Allocation Factors		0%	100%	18.73%	11.76%	
	Allocated Amount		\$ -	\$ 11,643	\$ 100,105	\$ 242,215	\$ 353,963

	FERC Account 456.1	Total Amount	Other	100% Transmission	Plant Related	Labor Related	Total
26a	Network Integration Credit	\$ 174,279,993	\$ 174,279,993				
26b	Transmission Owner Scheduling Credits	4,951,148		\$ 4,951,148			
26c	Transmission Enhancement	2,917,409	\$ 2,917,409				
26d	Revenue - Firm Point to Point	850,789		850,789			
26e	Other	177,702	177,702				
...							
	Total Lines 26	\$ 183,177,041	\$ 177,375,104	\$ 5,801,937	\$ -	\$ -	
	Allocation Factors		0%	100%	18.73%	11.76%	
	Allocated Amount		\$ -	\$ 5,801,937	\$ -	\$ -	\$ 5,801,937

Note A: Number of employees managing secondary transmission service contracts divided by number of employees managing transmission and distribution secondary service contracts.

PECO Energy Company
Attachment 5B - A&G Workpaper

			(a)	(b)	(c)	(d)	(e)
			323.181.b to 323.196.b				
			Total	S&W Allocation	Gross Plant Allocation	Non-Recoverable	Total
1	Administrative and General Salaries	920.0	\$ 24,913,082	\$ 24,913,082			\$ 24,913,082
2	Office Supplies and Expenses	921.0	13,031,375	13,031,375			13,031,375
3	Administrative Expenses Transferred-Credit	922.0	-	-			-
4	Outside Service Employed	923.0	89,331,098	89,331,098			89,331,098
5	Property Insurance	924.0	264,261		264,261		264,261
6	Injuries and Damages	925.0	13,933,064	13,933,064			13,933,064
7	Employee Pensions and Benefits	926.0	36,174,177	36,174,177			36,174,177
8	Franchise Requirements	927.0	-	-			-
9	Regulatory Commission Expenses (Note E)	928.0	8,611,847	-		8,611,847	8,611,847
10	Duplicate Charges-Credit	929.0	(3,510,762)	(3,510,762)			(3,510,762)
11	General Advertising Expenses	930.1	1,089,620			1,089,620	1,089,620
12	Miscellaneous General Expenses	930.2	3,425,561	2,898,236		527,325	3,425,561
13	Rents	931.0	-	-			-
14	Maintenance of General Plant	935	\$ 5,194,496	\$ 5,194,496			\$ 5,194,496
15	Administrative & General - Total		\$ 192,457,819	\$ 181,964,766	\$ 264,261	\$ 10,228,792	\$ 192,457,819
16	Allocation Factor		11.76%				
17	Transmission A&G		\$	21,399,104	\$	51,000	\$ 21,450,103

Attachment 6
True-Up Interest Rate
PECO Energy Company

		[A]
	Month (Note A)	FERC Monthly Interest Rate
1	January	0.0030
2	February	0.0027
3	March	0.0030
4	April	0.0030
5	May	0.0032
6	June	0.0030
7	July	0.0034
8	August	0.0034
9	September	0.0033
10	October	0.0036
11	November	0.0035
12	December	0.0036
13	January	0.0036
14	February	0.0033
15	March	0.0036
16	April	0.0037
17	May	0.0038
18	Average of lines 1-17 above	0.0033

Note A:
(1) The FERC Quarterly Interest Rate in column [A] is the interest applicable to the Month indicated.

19 Year
20

	A	B	C	D	E	F
	Project Name	RTO Project Number or Zonal	Amount	17 Months	Monthly Interest Rate	Interest
			Attachment 3, Col. G + Col H		Line 18 above	Col. C x Col D x Col E
21	Zonal	Zonal	240,725	17	0.0033	13,649
21a	Center Point 500-230 kV Substation Addition	b0269	(142,886)	17	0.0033	(8,102)
21b	Center Point 500-230 kV Substation Addition	b0269	167,338	17	0.0033	9,488
21c	Richmond-Waneeta 230 kV Line Re-conductor	b1591	(155,414)	17	0.0033	(8,812)
21d	Richmond-Waneeta 230 kV Line Re-conductor	b1398.8	22,799	17	0.0033	1,293
21e	Whitpain 500 kV Circuit Breaker Addition	b0269.6	1,392	17	0.0033	79
21f	Elroy-Hosensack 500 kV Line Rating Increase	b0171.1	895	17	0.0033	51
21g	Camden-Richmond 230 kV Line Rating Increase	b1590.1 and b1590.2 (cancelled)	145,130	17	0.0033	8,229
21h	Chichester-Linwood 230 kV Line Upgrades	b1900	265,794	17	0.0033	15,071
21i	Bryn Mawr-Plymouth 138 kV Line Rebuild	b0727	4,125	17	0.0033	234
21j	Emilie 230-138 kV Transformer Addition	b2140	9,753	17	0.0033	553
21k	Chichester-Saville 138 kV Line Re-conductor	b1182	4,014	17	0.0033	228
21l	Waneeta 230-138 kV Transformer Addition	b1717	4,751	17	0.0033	269
21m	Chichester 230-138 kV Transformer Addition	b1178	2,988	17	0.0033	169
21n	Bradford-Planebrook 230 kV Line Upgrades	b0790	410	17	0.0033	23
21o	North Wales-Hartman 230 kV Line Re-conductor	b0506	(71)	17	0.0033	(4)
21p	North Wales-Whitpain 230 kV Line Re-conductor	b0505	543	17	0.0033	31
21q	Bradford-Planebrook 230 kV Line Upgrades	b0789	553	17	0.0033	31
21r	Planebrook 230 kV Capacitor Bank Addition	b0206	1,455	17	0.0033	82
21s	Newlinville 230 kV Capacitor Bank Addition	b0207	1,959	17	0.0033	111
21t	Chichester-Mickleton 230 kV Series Reactor Addition	b0209	1,110	17	0.0033	63
21u	Chichester-Mickleton 230 kV Line Re-conductor	B0264	437	17	0.0033	25
21v	Buckingham-Pleasant Valley 230 kV Line Re-conductor	b0357	(2,080)	17	0.0033	(118)
21w	Elroy 500 kV Dynamic Reactive Device	b0287	74,246	17	0.0033	4,210
21x	Heaton 230 kV Capacitor Bank Addition	b0208	55,168	17	0.0033	3,128
			-	17	0.0033	-
			-	17	0.0033	-
			-	17	0.0033	-
			-	17	0.0033	-

Attachment 7
PBOPs
PECO Energy Company

Page 1 of 1

Calculation of PBOP Expenses

(a)		(b)	(c)	(d)
		<u>PECO Total</u>		Electric
			Portion not Capitalized	Col. (b) x Electric Labor in Note B
1	Total PBOP expenses allowed (Note A)	1,066,173	679,716	536,123
2	Total PBOP Expenses in A&G in the current year		(51,221)	(40,400)
3	PBOP Adjustment	Line 1 minus line 2		576,524
Note Letter				
A	The source of the amounts from the Actuary Study supporting the amount in line 1, column (b) is the 3rd page of the attachment to the January 24, 2017 Willis Towers Watson report on PBOPs for PECO.			
		\$	%	
B	Electric Labor (354.28.b)	156,974,007	78.87%	
	Gas Labor sum(355.62.b)	42,043,285	21.13%	
	Total	199,017,292		
C	The January 24, 2017 Willis Towers Watson report on PBOPs does not breakout the amount related to construction labor that is capitalized. As a result the portion not capitalized as calculated as labor expensed divided by total labor.			

PECO Energy Company
Attachment 8 - Depreciation Rates

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
Number	Plant Type	Estimated Life	Mortality Curve	Weighted Average Remaining Life	Applied Depreciation Rate	Gross Depreciable Plant \$	Accumulated Depreciation \$	Net Depreciable Plant \$	Depreciation Expense \$
		Note 1	Note 1	Note 2	(F) = (J)/(I)	Note 4	Note 4	(I)=(G)-(H)	Note 6
						As of 12/31/2017		FY 2017	
Electric Transmission									
352	Structures and Improvements	50	R2.5	36.74	2.48%	72,934,896	20,227,180	52,707,716	1,308,506
353	Station Equipment	57	R2.5	42.46	2.22%	816,231,943	194,632,452	621,599,491	13,793,899
354	Towers and Fixtures	65	R4	31.91	3.17%	266,736,648	155,676,350	111,060,298	3,519,391
355	Poles and Fixtures	65	R4	54.82	1.85%	16,532,820	2,840,646	13,692,174	253,763
356	Overhead Conductors and Devices	60	R4	35.48	2.70%	193,124,986	81,056,580	112,068,406	3,031,359
357	Underground Conduit	65	R4	46.30	2.18%	14,955,807	4,760,414	10,195,393	221,846
358	Underground Conductors and Devices	60	R3	36.40	2.62%	104,555,952	42,510,961	62,044,991	1,624,817
359	Roads and Trails	50	R4	11.32	9.27%	2,136,664	2,048,416	88,249	8,182
						1,487,209,717	503,753,000	983,456,717	23,761,763
Electric General									
390	Structures and Improvements	40	R1	27.43	3.62%	49,660,750	11,502,855	38,157,896	1,380,996
391.1	Office Furniture and Equipment - Office Machines	10	SQ	3.26	36.45%	142,278	100,605	41,673	15,188
391.2	Office Furniture and Equipment - Furnitures and Fixtures	15	SQ	8.38	12.74%	802,172	370,071	432,102	55,065
391.3	Office Furniture and Equipment - Computers	5	SQ	2.89	25.77%	12,019,818	3,384,020	8,635,798	2,225,611
391.4	Office Furniture and Equipment - Smart Meter Comp. Equip.	5	SQ	2.89	42.02%	2,915,109	1,647,787	1,267,322	532,466
393	Stores Equipment	15	SQ	11.32	9.27%	46,470	2,948	43,522	4,035
394	Tools, Shop, Garage Equipment	15	SQ	9.99	9.74%	32,073,779	8,989,047	23,084,732	2,248,356
395.1	Laboratory Equipment - Testing	20	SQ	8.58	12.43%	318,333	208,141	110,192	13,700
395.2	Laboratory Equipment - Meters	15	SQ	5.50	20.11%	101,382	68,700	32,682	6,571
397	Communication Equipment	20	L3	15.53	6.59%	115,938,777	26,582,587	89,356,190	5,885,549
397.1	Communication Equipment - Smart Meters	15	S2	10.16	8.63%	38,760,270	9,958,599	28,801,671	2,485,786
398	Miscellaneous Equipment	15	SQ	1.74	80.30%	865,598	726,118	139,481	112,007
						253,644,737	63,541,478	190,103,259	14,965,330
Electric Intangible									
303	Software	N/A	N/A	N/A	Note 10	134,622,757	89,292,867	45,329,891	19,876,263
303	Regulatory Initiatives/Depr Charged to Reg Asset	N/A	N/A	N/A	0.00%	16,961,663	4,531,396	12,430,267	Zero
						151,584,420	93,824,262	57,760,158	19,876,263

PECO Energy Company
Attachment 8 - Depreciation Rates

Common General									
303	Software	N/A	N/A	N/A	Note 10	226,115,529	180,054,329	46,061,199	16,412,986
303	Regulatory Initiatives/Depr Charged to Reg Asset	N/A	N/A	N/A	0.00%	190,679	115,996	74,683	Zero
390	Structures and Improvements	50	R1	36.62	2.66%	271,950,717	75,887,587	196,063,130	5,216,014
391.1	Office Furniture and Equipment - Office Machines	10	SQ	2.95	40.99%	124,606	69,712	54,895	22,502
391.2	Office Furniture and Equipment - Furnitures and Fixtures	15	SQ	7.92	7.17%	15,436,121	4,846,265	10,589,856	759,480
391.3	Office Furniture and Equipment - Computers	5	SQ	2.73	31.70%	28,566,526	10,280,665	18,285,861	5,796,202
392.1	Transportation Equipment - Automobiles	6	L3	4.58	58.23%	93,641	92,683	958	558
392.2	Transportation Equipment - Light Trucks	12	L4	7.95	12.34%	31,551,732	14,085,642	17,466,089	2,155,912
392.3	Transportation Equipment - Heavy Trucks	14	R4	9.13	10.66%	75,251,945	30,514,201	44,737,744	4,766,952
392.4	Transportation Equipment - Tractors	11	L2	2.61	-29.63%	279,351	282,605	(3,255)	964
392.5	Transportation Equipment - Trailers	15	R2	10.00	10.54%	4,549,639	2,154,027	2,395,612	252,548
392.6	Transportation Equipment - Other Vehicles	15	R2	7.27	13.66%	5,071,551	3,639,343	1,432,208	195,694
392.7	Transportation Equipment -Medium Trucks	N/A	N/A	8.00	2.41%	4,348,813	102,501	4,246,312	102,501
393	Stores Equipment	15	SQ	7.46	8.30%	1,253,293	207,643	1,045,650	86,741
394.1	Tools, Shop, Garage Equipment - Construction Tools	15	SQ	5.50	20.11%	11,617	(42,829)	54,446	10,947
394.2	Tools, Shop, Garage Equipment - Common Tools	15	SQ	10.25	10.29%	78,687	27,422	51,265	5,276
394.3	Tools, Shop, Garage Equipment - Garage Equipment	20	SQ	8.00	11.01%	2,499,657	1,383,777	1,115,879	122,858
396	Power Operated Equipment	11	L2	3.17	37.61%	185,066	179,897	5,170	1,944
397	Communication Equipment	20	L3	10.02	10.51%	32,006,547	15,508,096	16,498,451	1,733,522
398	Miscellaneous Equipment	15	SQ	7.69	13.78%	1,679,306	848,595	830,710	114,463
						701,245,023	340,238,160	361,006,863	37,758,064

- 1 Columns (A), (B), (C), and (D) are fixed and cannot be changed absent Commission approval or acceptance. The depreciation expense is calculated separately for each row.
- 2 Column (E) is the remaining life of the assets in the account for each vintage (amount of plant added in each year is a vintage) weighted by the gross plant balance of each account or subaccount. The remaining life for each vintage is equal to the area under the Mortality Curve specified in Columns (C) and (D) using a half year convention for the first year placed in service. The weighted remaining life is calculated once a year at the beginning of the year.
- 3 Column (F) is equal to Column (J) / Column (I).
- 4 Column (G) is the depreciable amount of gross plant investment reported in the annual FERC Form No. 1 filing on pages 207 (Electric) and 356 (Common) by account or subaccount. Column (H) is the accumulated depreciation by account or subaccount.
- 5 Column (I) is the end of year depreciable net plant in the account or subaccount.
- 6 Column (J) is equal to depreciation expense as reported in the annual FERC Form No. 1 filing on page 336 (Electric). Annual depreciation expense is determined by multiplying the beginning of the month net plant balance plus additions (using a half month convention for the first month placed in service) by the remaining life rate divided by 12 for each month.
- 7 Each year, PECO Energy Company will provide a copy of the annual report submitted to the PA PUC and underlying supporting documentation that shows the depreciation expense recognized by account or subaccount for each of the three preceding calendar years.
- 8 At least every 5 years, PECO Energy Company will file with the Commission a depreciation study supporting its existing Estimated Life and Mortality Curve for each account or subaccount.
- 9 The depreciation expense associated with Asset Retirement Obligations (booked to accounts 359.1 and 399.1) are not included in the tables above.
- 10 The amortization rates for Account 303 are weighted based on the relative amount of underlying plant booked to the accounts. The life of each software or other intangible plant will be estimated at the time the plant is placed into service, and will not change over the life of the plant absent Commission approval or acceptance. The combined amortization expense for all intangible plant shall be the sum of each individual plant balance amortized over the life of each individual plant established in this manner.
- 11 The depreciation expenses related to Common General reflect both gas and electric common plant. The depreciation expenses associated with Transportation Equipment, Garage Equipment and Power Operated Tools are excluded from Account 403 and directly assigned to the functional O&M and capital accounts based on use.

Appendix 2
2017 True Up Adjustment Calculation

Attachment H-7
Formula Rate - Non-Levelized

Rate Formula Template
Utilizing FERC Form 1 Data
PECO Energy Company

For the 12 months ended 12/31/2017

Line No.	(1)	(2)	(3)	(4)	(5) Allocated Amount
1	GROSS REVENUE REQUIREMENT	(page 3, line 48)			210,926,055
2	REVENUE CREDITS	Attachment 5A, line 15	Total 8,882,124.87	Allocator TP 100.00%	8,882,125
3	NET REVENUE REQUIREMENT	(line 1 minus line 2)			202,043,930
4	REGIONAL NET REVENUE REQUIREMENT	Attachment 1, line 18, col. 14 - Attachment 1, line 17a, col. 14			35,718,411
5	Regional True-up Adjustment with Interest	Attachment 1, line 18, col. 15 - Attachment 1, line 17a, col. 15			-
6	REGIONAL NET REVENUE REQUIREMENT with TRUE-UP	Attachment 1, line 18, col. 16 - Attachment 1, line 17a, col. 16			35,718,411
7	ZONAL NET REVENUE REQUIREMENT	Attachment 1, line 17a, col. 14 less line 2			166,325,519
8	Zonal True-up Adjustment with Interest	Attachment 1, line 17a, col. 15			-
9	ZONAL NET REVENUE REQUIREMENT with TRUE-UP	Attachment 1, line 17a, col. 16			166,325,519
10	Competitive Bid Concessions	Attachment 1, line 18, col. 13			-
11	Zonal Load	1 CP from PJM in MW			8,141
12	Network Integration Transmission Service rate for PECO Zone	(line 9/11)			\$20,430

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing FERC Form 1 Data
PECO Energy Company

For the 12 months ended 12/31/2017

(1)		(2)	(3)	(4)		(5)
Line No.		Source	Company Total	Allocator		Transmission (Col 3 times Col 4)
RATE BASE:						
GROSS PLANT IN SERVICE (Notes U and R)						
1	Production	205.46.g for end of year, records for other months	-	NA		-
2	Transmission	Attachment 4, Line 14, Col. (b)	1,492,071,225	TP	100.00%	1,492,071,225
3	Distribution	207.75.g for end of year, records for other months	5,872,659,200	NA	0.00%	-
4	General	Attachment 4, Line 14, Col. (c)	245,363,994	W/S	11.76%	28,854,869
5	Intangible	Attachment 4D, Line 19, Col. (s) and Line 21, Col. (s)	142,753,935	DA		12,750,224
6	Common	Attachment 4, Line 14, Col. (d)	534,109,241	W/S	11.76%	62,811,385
7	Costs To Achieve	(enter negative) Attach. 4E, Line 25, Col. (x)	(2,457,769)	W/S	11.76%	(289,034)
8	TOTAL GROSS PLANT	(Sum of Lines 1 through 7)	8,284,499,826	GP=	19.27%	1,596,198,668
ACCUMULATED DEPRECIATION (Notes U and R)						
10	Production	219.20-24.c for end of year, records for other months	-	NA		-
11	Transmission	Attachment 4, Line 14, Col. (i)	485,852,299	TP	100.00%	485,852,299
12	Distribution	219.26.c for end of year, records for other months	1,634,379,028	NA	0.00%	-
13	General	Attachment 4, Line 14, Col. (j)	58,619,091	W/S	11.76%	6,893,620
14	Intangible	Attachment 4D, Line 40, Col. (s) and Line 42, Col. (s)	84,626,667	DA		3,431,398
15	Common	Attachment 4, Line 14, Col. (k)	256,725,873	W/S	11.76%	30,191,029
16	Costs To Achieve	(enter negative) Attach. 4E, Line 39, Col. (x)	(1,718,047)	W/S	11.76%	(202,043)
17	TOTAL ACCUM. DEPRECIATION	(Sum of Lines 10 through 16)	2,518,484,911			526,166,304
NET PLANT IN SERVICE						
19	Production	(line 1 minus line 10)	-			-
20	Transmission	(line 2 minus line 11)	1,006,218,926			1,006,218,926
21	Distribution	(line 3 minus line 12)	4,238,280,172			-
22	General	(line 4 minus line 13)	186,744,903			21,961,249
23	Intangible	(line 5 minus line 14)	58,127,268			9,318,826
24	Common	(line 6 minus line 15)	277,383,368			32,620,356
25	Costs To Achieve	(line 7 minus line 16)	(739,722)			(86,991)
26	TOTAL NET PLANT	(Sum of Lines 19 through 25)	5,766,014,916	NP=	18.56%	1,070,032,365
ADJUSTMENTS TO RATE BASE (Note R)						
28	Account No. 281 (enter negative)	Attachment 4, Line 28, Col. (d) (Notes B and X)	Zero	NA	zero	-
29	Account No. 282 (enter negative)	Attachment 4, Line 28, Col. (e) (Notes B and X)	(260,301,938)	TP	100.00%	(260,301,938)
30	Account No. 283 (enter negative)	Attachment 4, Line 28, Col. (f) (Notes B and X)	(7,987,143)	TP	100.00%	(7,987,143)
31	Account No. 190	Attachment 4, Line 28, Col. (g) (Notes B and X)	12,181,867	TP	100.00%	12,181,867
32	Account No. 255 (enter negative)	Attachment 4, Line 28, Col. (h) (Notes B and X)	-	TP	100.00%	-
33	Unfunded Reserves (enter negative)	Attachment 4, Line 31, Col. (h) (Note Y)	(6,493,905)	DA	100.00%	(6,493,905)
34	CWIP	Attachment 4, Line 14, Col. (e)	-	DA	100.00%	-
35	Pension Asset	Attachment 4, Line 28, Col. (i)	32,679,469	DA	100.00%	32,679,469
36	Unamortized Regulatory Asset	Attachment 4, Line 28, Col. (b) (Note T)	-	DA	100.00%	-
37	Unamortized Abandoned Plant	Attachment 4, Line 28, Col. (c) (Note S)	-	DA	100.00%	-
38	Outstanding Network Credits	From PJM	-	DA	100.00%	-
39	Less Accum. Deprec. associated with Facilities with Outstanding Network Credits	From PJM	-	DA	100.00%	-
40	TOTAL ADJUSTMENTS	(Sum of Lines 28 through 39)	(229,921,649)			(229,921,649)
41	LAND HELD FOR FUTURE USE	Attachment 4, Line 14, Col. (f) (Note C)	1,137,057	TP	100.00%	1,137,057
WORKING CAPITAL						
43	CWC	(Note D) 1/8*(Page 3, Line 12 minus Page 3, Line 7)	29,776,494			8,719,745
44	Materials & Supplies	Attachment 4, Line 14, Col. (g)	12,972,612	TP	100.00%	12,972,612
45	Prepayments (Account 165)	Attachment 4, Line 14, Col. (h)	1,425,117	DA	100.00%	1,425,117
46	TOTAL WORKING CAPITAL	(Sum of Lines 43 through 45)	44,174,223			23,117,475
47	RATE BASE	(Sum of Lines 26, 40, 41 & 46)	5,581,404,547			864,365,247

Formula Rate - Non-Levelized		Rate Formula Template Utilizing FERC Form 1 Data PECO Energy Company		For the 12 months ended 12/31/2017	
Line No.	(1)	(2) Source	(3) Company Total	(4) Allocator	(5) Transmission (Col 3 times Col 4)
O&M					
1	Transmission	Attachment 5, Line 1, Col. (a)	184,929,330	TP	100.00%184,929,330
2	Less Account 566 (Misc Trans Expense)	Attachment 5, Line 1, Col. (b)	11,680,412	TP	100.00%11,680,412
3	Less Account 565	Attachment 5, Line 1, Col. (c)	-	TP	100.00%-
4	Less Accounts 561.4 and 561.8	Attachment 5, Line 1, Col. (d)	136,281,037	TP	100.00%136,281,037
5	A&G	Attachment 5B, Line 15, Col. (e) and Line 17, Col. (e)	192,457,819	DA	21,450,019
6	Account 566				
7	Amortization of Regulatory Asset	(Note T) Attachment 5, Line 1, Col. (e)	-	DA	100.00%-
8	Miscellaneous Transmission Expense (less amortization of regulatory asset)	Attachment 5, Line 1, Col. (f)	11,680,412	TP	100.00%11,680,412
9	Total Account 566	(Line 7 plus Line 8) Ties to 321.97.b	11,680,412		11,680,412
10	PBOP Adjustment	Attachment 7, line 3, Col. (d)	576,524	W/S	11.76%67,799
11	O&M Cost to Achieve Included in O&M Above	Attachment 4F, Line 11, Col. (m)	3,470,687	W/S	11.76%408,154
12	TOTAL O&M	(Sum of Lines 1, 5, 9, & 10 less Lines 2, 3, 4 & 11)	238,211,948		69,757,958
DEPRECIATION EXPENSE (Note U)					
13	Transmission	Attachment 5, Line 1, Col. (g)	23,761,763	TP	100.00%23,761,763
14	General	Attachment 5, Line 2, Col. (a)	14,965,330	W/S	11.76%1,759,927
15	Intangible	Attachment 4D, Line 82, Col. (f) and Line 84, Col. (f)	19,876,263	DA	2,442,807
16	Common - Electric	Attachment 5, Line 1, Col. (h)	23,761,593	W/S	11.76%2,794,369
17	Common Depreciation Expense Related to Costs To Achieve	(enter negative) Attachment 4E, Line 66, Col (x)	(353,659)	W/S	11.76%(41,590)
18	Amortization of Abandoned Plant	(Note S) Attachment 5, Line 2, Col. (b)	-	DA	100.00%-
19	TOTAL DEPRECIATION	(Sum of Lines 14 through 19)	82,011,289		30,717,275
TAXES OTHER THAN INCOME TAXES					
20	LABOR RELATED	(Note F)			
21	Payroll	Attachment 5, Line 2, Col. (c)	11,792,061	W/S	11.76%1,386,749
22	Other Payroll Related	Attachment 5, Line 2, Col. (d)	-	W/S	11.76%-
23	PLANT RELATED				
24	Property	Attachment 5, Line 2, Co.l (e)	10,739,456	GP	19.27%2,069,202
25	Gross Receipts	Attachment 5, Line 2, Col. (f)	125,049,113	NA	zero-
26	Other	Attachment 5, Line 2, Col. (g)	484,130	GP	19.27%93,279
27	Misc.	Attachment 5, Line 2, Col. (h)	3,262	GP	19.27%628
28	TOTAL OTHER TAXES	(Sum of Lines 23 through 29)	148,068,022		3,549,859
29	INTEREST ON NETWORK CREDITS	From PJM	-	DA	100.00%-
30	INCOME TAXES	(Note G)			
31	T=1 - {[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)}	WCLTD = Page 4, Line 19	0.4149		
32	CIT=(T/1-T) * (1-(WCLTD/R)) =	R = Page 4, Line 15	0.5346		
33	FIT & SIT & P	(Note G)			
34	1 / (1 - T) = (T from line 33)		1.7092		
35	Amortized Investment Tax Credit	(enter negative) Attachment 5, Line 2, Col. (i)	(5,343)		
36	Excess Deferred Income Taxes	(enter negative) Attachment 5, Line 2, Col. (j)	-		
37	Tax Effect of Permanent Differences	Attachment 5, Line 2, Col. (k) (Note W)	356,305		
38	Income Tax Calculation	(Line 34 times Line 47)	239,120,943	NA	37,031,509
39	ITC adjustment	(Line 37 times Line 38)	(9,132)	TP	100.00%(9,132)
40	Excess Deferred Income Tax Adjustment	(Line 37 times Line 39)	-	NP	100.00%-
41	Permanent Differences Tax Adjustment	(Line 37 times Line 40)	609,001	TP	100.00%609,001
42	Total Income Taxes	(Sum of Lines 41 through 44)	239,720,813		37,631,379
43	RETURN				
44	Rate Base times Return	(Page 2, Line 47 times Page 4, Line 18)	447,289,581	NA	69,269,584
45	REV. REQUIREMENT	(Sum of Lines 12, 20, 30, 31, 45, 47)	1,155,301,654		210,926,055

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing FERC Form 1 Data
PECO Energy Company

For the 12 months ended 12/31/2017

	(1)	(2)	(3)	(4)	(5)
SUPPORTING CALCULATIONS AND NOTES					
Line No.	TRANSMISSION PLANT INCLUDED IN ISO RATES				
1	Total Transmission plant	(Page 2, Line 2, Column 3)			1,492,071,225
2	Less Transmission plant excluded from PJM rates	(Note H)			-
3	Less Transmission plant included in OATT Ancillary Services	(Note I)			-
4	Transmission plant included in PJM rates	(Line 1 minus Lines 2 & 3)			1,492,071,225
5	Percentage of Transmission plant included in PJM Rates	(Line 4 divided by Line 1)		TP=	100.00%
6	WAGES & SALARY ALLOCATOR (W&S)				
		Form 1 Reference	\$	TP	Allocation
7	Electric Production	354.20.b	-	0.0%	-
8	Electric Transmission	354.21.b	15,099,686	100.0%	15,099,686
9	Electric Distribution	354.23.b	79,576,225	0.0%	-
10	Electric Other	354.24,25,26.b	33,722,497	0.0%	-
11	Total (W& S Allocator is 1 if lines 7-10 are zero)	(Sum of Lines 7 through 10)	128,398,408		15,099,686 = $\frac{\text{W\&S Allocator (\$ / Allocation)}}{11.76\%}$ = WS
12	RETURN (R)	(Note V)			\$
13					
14			\$	%	Cost (Notes K, Q, & R)
15	Long Term Debt	(Attachment 5, line 10 Notes Q & R)	2,884,418,609	45.08%	4.38%
16	Preferred Stock (112.3.c)	(Attachment 5, line 11 Notes Q & R)	-	0.00%	0.00%
17	Common Stock	(Attachment 5, line 12 Notes K, Q & R)	3,513,575,910	54.92%	11.00%
18	Total	(Attachment 5, line 13)	6,397,994,519		8.01% =R

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing FERC Form 1 Data
PECO Energy Company

For the 12 months ended 12/31/2017

General Note: References to pages in this formulary rate are indicated as: (page#, line#, col.#)
References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Note Letter	
A	Reserved
B	The balances in Accounts 190, 281, 282 and 283, as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106 or 109. Balance of Account 255 is reduced by prior flow throughs and excluded if the utility chose to utilize amortization of tax credits against taxable income. Account 281 is not allocated.
C	Reserved
D	Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission at page 3, line 12, column 5 minus amortization of Regulatory Asset at page 3, line 7, column 5. Prepayments are the electric related prepayments booked to Account No. 165 and reported on pages 111, line 57 in the Form 1.
E	Page 3, Line 5 - EPRI Annual Membership Dues listed in Form 1 at 353.f, all Regulatory Commission Expenses itemized at 351.h, and non-safety related advertising included in Account 930.1 found at 323.191.b. Attachment 5B, Line 9-Regulatory Commission Expenses directly related to transmission service, ISO filings, or transmission siting itemized at 351.h.
F	Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year. Taxes related to income are excluded. Gross receipts taxes are not included in transmission revenue requirement in the Rate Formula Template, since they are recovered elsewhere.
G	The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = "the percentage of federal income tax deductible for state income taxes". If the utility is taxed in more than one state it must attach a work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by (1/1-T) (page 3, line 36). Excess Deferred Income Taxes reduce income tax expense by the amount of the expense multiplied by (T/1-T).
	Inputs Required: FIT = 35.00% SIT= 9.99% (State Income Tax Rate or Composite SIT) p = 0.00% (percent of federal income tax deductible for state purposes)
H	Removes transmission plant determined by Commission order to be state-jurisdictional according to the seven-factor test (until Form 1 balances are adjusted to reflect application of seven-factor test).
I	Removes dollar amount of transmission plant to be included in the development of OATT ancillary services rates and generation step-up facilities, which are deemed included in OATT ancillary services. For these purposes, generation step-up facilities are those facilities at a generator substation on which there is no through-flow when the generator is shut down.
J	Reserved
K	ROE will be supported in the original filing and no change in ROE may be made absent a filing with FERC.
L	Reserved
M	Reserved
N	Reserved
O	Reserved
P	Reserved
Q	Reserved
R	Calculate using 13 month average balance, except ADIT.
S	Unamortized Abandoned Plant and Amortization of Abandoned Plant will be zero until the Commission accepts or approves recovery of the cost of abandoned plant. Utility must receive FERC authorization before recovering the cost of abandoned plant.
T	Recovery of Regulatory Asset is permitted only as authorized by the Commission. Recovery of any regulatory assets requires authorization from the Commission.
U	Excludes Asset Retirement Obligation balances
V	Company shall be allowed recovery of costs related to interest rate locks. Absent a Section 205 filing, Company shall not include in the Formula Rate, the gains, losses, or costs related to other hedges.
W	The Tax Effect of Permanent Differences captures the differences in the income taxes due under the Federal and State calculations and the income taxes calculated in Attachment H that are not the result of a timing difference
X	Calculated on Attachment 4A.
Y	Unfunded Reserves are customer contributed capital such as when Injuries and Damages expense is accrued but not yet incurred. Also, pursuant to Special Instructions to Accounts 228.1 through 228.4, no amounts shall be credited to accounts 228.1 through 228.4 unless authorized by a regulatory authority or authorities to be collected in a utility's rates.

Attachment 1
Project Revenue Requirement Worksheet
PECO Energy Company

To be completed in conjunction with Attachment H-7.

Line No.	(1)	(2)	(3)	(4)
		Attachment H-7 Page, Line, Col.	Transmission	Allocator
1	Gross Transmission Plant - Total	Attach H-7, p 2, line 2 col 5 (Note A)	1,492,071,225	
2	Net Transmission Plant - Total	Attach H-7, p 2, line 20 col 5 plus line 34 & 37 col 5 (Note B)	1,006,218,926	
O&M EXPENSE				
3	Total O&M Allocated to Transmission	Attach H-7, p 3, line 12 col 5	69,757,958.1	
4	Annual Allocation Factor for O&M	(line 3 divided by line 1 col 3)	0.05	0.05
GENERAL, INTANGIBLE AND COMMON (G&C) DEPRECIATION EXPENSE				
5	Total G, I & C Depreciation Expense	Attach H-7, p 3, lines 15 to 18, col 5 (Note H)	6,955,512.5	
6	Annual Allocation Factor for G, I & C Depreciation Expense	(line 5 divided by line 1 col 3)	0.00	0.00
TAXES OTHER THAN INCOME TAXES				
7	Total Other Taxes	Attach H-7, p 3, line 30 col 5	3,549,858.87	
8	Annual Allocation Factor for Other Taxes	(line 7 divided by line 1 col 3)	0.00	0.00
9	Less Revenue Credits	Attach H-7, p 1, line 2 col 5	8,882,125	
10	Annual Allocation Factor Revenue Credits	(line 9 divided by line 1 col 3)	-	-
11	Annual Allocation Factor for Expense	Sum of line 4, 6, 8, and 10		0.05
INCOME TAXES				
12	Total Income Taxes	Attach H-7, p 3, line 45 col 5	37,631,379	
13	Annual Allocation Factor for Income Taxes	(line 12 divided by line 2 col 3)	0.04	0.04
RETURN				
14	Return on Rate Base	Attach H-7, p 3, line 47 col 5	69,269,584	
15	Annual Allocation Factor for Return on Rate Base	(line 14 divided by line 2 col 3)	0.07	0.07
16	Annual Allocation Factor for Return	Sum of line 13 and 15	0.11	0.11

(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(12a)	(13)	(14)	(15)	(16)
Line No.	Project Name	RTO Project Number or Zonal	Project Gross Plant	Annual Allocation Factor for Expense	Annual Expense Charge	Project Net Plant or CWIP Balance	Annual Allocation Factor for Return	Annual Return Charge	Project Depreciation/Amortization Expense	Annual Revenue Requirement	Incentive Return in basis Points	Incentive Return	Ceiling Rate	Competitive Bid Concession	Total Annual Revenue Requirement	True-Up Adjustment	Net Rev Req
(Note C) (Page 1 line 11)					(Col. 3 * Col. 4)	(Notes D & I) (Page 1 line 16)		(Col. 6 * Col. 7)	(Notes E & I)	(Sum Col. 5, 8 & 9)	(Note K)	(Attachment 2, Line 28 /100 * Col. 11 * Col. 6)	(Sum Col. 10 & 12)	(Note J)	(Sum Col. 10 & 12 Less Col. 13)	(Note F)	Sum Col. 14 & 15 (Note G)
17a	Zonal	Zonal	\$ 1,282,323,610	0.05	68,980,328	\$ 820,531,244	0.11	87,173,454	19,053,862	175,207,644	-	-	175,207,644	-	175,207,644	-	175,207,644
17b	Center Point 500-230 kV Substation Addition	b0269	\$ 34,906,892	0.05	1,877,754	\$ 15,067,415	0.11	1,600,766	355,933	3,834,454	-	-	3,834,454	-	3,834,454	-	3,834,454
17c	Center Point 500-230 kV Substation Addition	b0269	\$ 17,453,446	0.05	938,877	\$ 30,134,830	0.11	3,201,532	711,867	4,852,276	-	-	4,852,276	-	4,852,276	-	4,852,276
17d	Richmond-Waneeta 230 kV Line Re-conductor	b1591	\$ 4,605,741	0.05	247,758	\$ 4,500,239	0.11	478,107	114,848	840,712	-	-	840,712	-	840,712	-	840,712
17e	Richmond-Waneeta 230 kV Line Re-conductor	b1398.8	\$ 1,535,247	0.05	82,586	\$ 1,500,080	0.11	159,369	38,283	280,237	-	-	280,237	-	280,237	-	280,237
17f	Whitpain 500 kV Circuit Breaker Addition	b0269.6	\$ 3,258,302	0.05	175,275	\$ 2,807,646	0.11	298,285	66,185	539,744	-	-	539,744	-	539,744	-	539,744
17g	Elroy-Hosensack 500 kV Line Rating Increase	b0171.1	\$ 4,456,731	0.05	239,742	\$ 3,750,846	0.11	398,491	88,419	726,652	-	-	726,652	-	726,652	-	726,652
17h	Camden-Richmond 230 kV Line Rating Increase	b1590.1 and b1590.2 (	\$ 13,978,667	0.05	751,958	\$ 13,234,529	0.11	1,406,040	343,628	2,501,625	-	-	2,501,625	-	2,501,625	-	2,501,625
17i	Chichester-Linwood 230 kV Line Upgrades	b1900	\$ 22,762,167	0.05	1,224,450	\$ 17,350,336	0.11	1,843,304	447,523	3,515,277	-	-	3,515,277	-	3,515,277	-	3,515,277
17j	Bryn Mawr-Plymouth 138 kV Line Rebuild	b0727	\$ 18,633,213	0.05	1,002,341	\$ 17,392,175	0.11	1,847,749	529,115	3,379,205	-	-	3,379,205	-	3,379,205	-	3,379,205
17k	Emilie 230-138 kV Transformer Addition	b2140	\$ 17,048,149	0.05	917,075	\$ 16,512,427	0.11	1,754,285	395,391	3,066,751	-	-	3,066,751	-	3,066,751	-	3,066,751
17l	Chichester-Saville 138 kV Line Re-conductor	b1182	\$ 17,950,807	0.05	965,632	\$ 16,172,542	0.11	1,718,175	453,711	3,137,518	-	-	3,137,518	-	3,137,518	-	3,137,518
17m	Waneeta 230-138 kV Transformer Addition	b1717	\$ 11,220,087	0.05	603,565	\$ 10,999,561	0.11	1,168,596	267,027	2,039,188	-	-	2,039,188	-	2,039,188	-	2,039,188
17n	Chichester 230-138 kV Transformer Addition	b1178	\$ 8,362,590	0.05	449,851	\$ 7,516,697	0.11	798,576	177,317	1,425,744	-	-	1,425,744	-	1,425,744	-	1,425,744
17o	Bradford-Planebrook 230 kV Line Upgrades	b0790	\$ 1,712,754	0.05	92,135	\$ 1,623,129	0.11	172,442	38,262	302,838	-	-	302,838	-	302,838	-	302,838
17p	North Wales-Hartman 230 kV Line Re-conductor	b0506	\$ 2,229,232	0.05	119,918	\$ 1,919,535	0.11	203,932	54,160	378,009	-	-	378,009	-	378,009	-	378,009
17q	North Wales-Whitpain 230 kV Line Re-conductor	b0505	\$ 2,546,903	0.05	137,006	\$ 2,122,547	0.11	225,500	59,888	422,394	-	-	422,394	-	422,394	-	422,394
17r	Bradford-Planebrook 230 kV Line Upgrades	b0789	\$ 2,359,200	0.05	126,909	\$ 2,214,367	0.11	235,255	52,199	414,363	-	-	414,363	-	414,363	-	414,363
17s	Planebrook 230 kV Capacitor Bank Addition	b0206	\$ 3,631,396	0.05	195,345	\$ 2,813,757	0.11	298,934	66,329	560,608	-	-	560,608	-	560,608	-	560,608
17t	Newlinville 230 kV Capacitor Bank Addition	b0207	\$ 4,811,873	0.05	258,846	\$ 3,831,028	0.11	407,009	90,309	756,165	-	-	756,165	-	756,165	-	756,165
17u	Chichester-Mickleton 230 kV Series Reactor Addition	b0209	\$ 2,699,444	0.05	145,212	\$ 2,183,668	0.11	231,994	51,476	428,681	-	-	428,681	-	428,681	-	428,681
17v	Chichester-Mickleton 230 kV Line Re-conductor	B0264	\$ 2,221,241	0.05	119,488	\$ 1,780,355	0.11	189,145	50,233	358,866	-	-	358,866	-	358,866	-	358,866
17w	Buckingham-Pleasant Valley 230 kV Line Re-conductor	b0357	\$ 1,723,078	0.05	92,690	\$ 2,000,886	0.11	212,575	61,108	366,373	-	-	366,373	-	366,373	-	366,373
17x	Elroy 500 kV Dynamic Reactive Device	b0287	\$ 5,325,225	0.05	286,461	\$ 4,823,470	0.11	512,447	113,704	912,612	-	-	912,612	-	912,612	-	912,612
17y	Heaton 230 kV Capacitor Bank Addition	b0208	\$ 4,315,230	0.05	232,130	\$ 3,435,620	0.11	365,001	80,988	678,119	-	-	678,119	-	678,119	-	678,119
18	Annual Totals		1,492,071,225			1,006,218,926		106,900,962	23,761,763	210,926,055		-	210,926,055	-	210,926,055	-	210,926,055

Note Letter

A Gross Transmission Plant is that identified on page 2 line 2 of Attachment H

B Inclusive of any CWIP or unamortized abandoned plant included in rate base when authorized by FERC order less any prefunded AFUDC, if applicable.

C Project Gross Plant is the total capital investment for the project calculated in the same method as the gross plant value in line 1. This value includes subsequent capital investments required to maintain the facilities to their original capabilities. Gross plant does not include Unamortized Abandoned Plant.

D Project Net Plant is the Project Gross Plant Identified in Column 3 less the associated Accumulated Depreciation. Net Plant includes CWIP and Unamortized Abandoned Plant and excludes any regulatory asset, which are to entered as a separate line item.

E Project Depreciation Expense is the actual value booked for the project and included in the Depreciation Expense in Attachment H, page 3, line 14. Project Depreciation Expense includes the amortization of Abandoned Plant

F True-Up Adjustment is calculated on the Project True-up Schedule for the Rate Year

G The Net Rev Req is the value to be used in the rate calculation under the applicable Schedule under the PJM OATT for each project.

H The Total General, Intangible and Common Depreciation Expense excludes any depreciation expense directly associated with a project and thereby included in page 2 column 9.

I The Unamortized Abandoned Plant balance is included in Net Plant, and Amortization of Abandoned Plant is included in Depreciation/Amortization Expense.

J The Competitive Bid Concession is the reduction in revenue, if any, that the company agreed to, for instance, to be selected to build facilities as the result of a competitive process and equals the amount by which the annual revenue requirement is reduced from the ceiling rate

K Requires approval by FERC of incentive return applicable to the specified project(s)

M All transmission facilities reflected in the revenue requirement on Attachment H-7, page 1 line 3 are to be included in this Attachment 1.

N Facilities that provide Wholesale Distribution Service are not to be listed as projects on lines 15, the revenue requirements associated with these facilities are calculated on Attachment 11

O When an updated projected net revenue requirement is posted due to an asset acquisition as provided for in the Protocols, the difference between the updated net revenue requirement in Col (16) and the revenues collected to date will be recovered over the remaining months of the Rate Year.

P Zonal on line 17a refers to all projects not qualifying for regional recovery

Attachment 2
Incentive ROE
PECO Energy Company

Page 1 of 1

1	Rate Base	Attachment H-7, Page 2 line 47, Col.5							864,365,247
2	100 Basis Point Incentive Return							\$	
						Cost			
				\$	%			Weighted	
3	Long Term Debt	(Attachment H-7, Notes Q and R)		2,884,418,609	45.1%	4.4%		2.0%	
4	Preferred Stock	(Attachment H-7, Notes Q and R)		-	0.0%	0.0%		0.0%	
			Cost = Attachment H-7, Page 4						
5	Common Stock	(Attachment H-7, Notes K, Q and R)	Line 17, Cost plus .01	3,513,575,910	54.9%	12.0%		6.6%	
6	Total (sum lines 3-5)			6,397,994,519				8.6%	
7	100 Basis Point Incentive Return multiplied by Rate Base (line 1 * line 6)								74,016,403.79
8	INCOME TAXES								
9	T=1 - {[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)} =			41.4935%					
10	CIT=(T/1-T) * (1-(WCLTD/R)) =			54.5798%					
11	WCLTD = Line 3								
12	and FIT, SIT & p are as given in footnote K.								
13	1 / (1 - T) = (from line 9)			1.7092					
14	Amortized Investment Tax Credit (266.8f) (enter negative)	Attachment H-7, Page 3, Line 38		(5,343)					
15	Excess Deferred Income Taxes (enter negative)	Attachment H-7, Page 3, Line 39		-					
16	Tax Effect of Permanent Differences (Note B)	Attachment H-7, Page 3, Line 40		356,305					
17	Income Tax Calculation = line 10 * line 22			62,507,924	NA			40,398,010	
18	ITC adjustment (line 13 * line 14)			(9,132)	NP	18.6%		(1,695)	
19	Excess Deferred Income Tax Adjustment (line 13 * line 15)			-	NP	18.6%		-	
20	Permanent Differences Tax Adjustment (line 13 * 16)			609,001	NP	18.6%		113,016	
21	Total Income Taxes (sum lines 17 - 20)			63,107,794				40,509,331	40,509,331
22	Return and Income Taxes with 100 basis point increase in ROE	(Sum lines 7 & 21)							114,525,735
23	Return (Attach. H-7, page 3 line 47 col 5)								69,269,584
24	Income Tax (Attach. H-7, page 3 line 45 col 5)								37,631,379
25	Return and Income Taxes without 100 basis point increase in ROE	(Sum lines 23 & 24)							106,900,962
26	Incremental Return and Income Taxes for 100 basis point increase in ROE	(Line 22 - line 25)							7,624,773
27	Rate Base (line 1)								864,365,247
28	Incremental Return and Income Taxes for 100 basis point increase in ROE divided by Rate Base		(Line 26 / line 27)						0.0088

Notes:

- A Line 5 includes a 100 basis point increase in ROE that is used only to determine the increase in return and income taxes associated with a 100 basis point increase in ROE. Any actual ROE incentive must be approved by the Commission.
For example, if the Commission were to grant a 137 basis point ROE incentive, the increase in return and taxes for a 100 basis point increase in ROE would be multiplied by 1.37 on Attachment 1 column 12.
- B The Tax Effect of Permanent Differences captures the differences in the income taxes due under the Federal and State calculations and the income taxes calculated in Attachment H-7 that are not the result of a timing difference

Attachment 3
Project True-Up
PECO Energy Company

1	Rate Year being Trued-Up		Revenue Requirement Projected		Revenue Received ³	Actual Revenue Requirement	Annual True-Up Calculation			
			For Rate Year		\$ -					
2	A	B	C	D	E	F	G	H	I	J
			Projected	% of Total	Revenue	Actual	Net		Interest	
			Net Revenue Requirement ¹	Revenue Requirement	Received (E, Line 2) x (D)	Net Revenue Requirement ²	Under/(Over) Collection (F)-(E)	Prior Period Adjustment ⁵	Income (Expense) ⁴	Total True-Up (G) + (H) + (I)
3	Zonal	Zonal		-	-		-	-	-	-
3a				-	-		-	-	-	-
3b				-	-		-	-	-	-
3c				-	-		-	-	-	-
3d				-	-		-	-	-	-
3e				-	-		-	-	-	-
3f				-	-		-	-	-	-
3g				-	-		-	-	-	-
3h				-	-		-	-	-	-
3i				-	-		-	-	-	-
3j				-	-		-	-	-	-
3k				-	-		-	-	-	-
3l				-	-		-	-	-	-
3m				-	-		-	-	-	-
3o				-	-		-	-	-	-
3p				-	-		-	-	-	-
3q				-	-		-	-	-	-
3r				-	-		-	-	-	-
3s				-	-		-	-	-	-
3u				-	-		-	-	-	-
3v				-	-		-	-	-	-
3w				-	-		-	-	-	-
3x				-	-		-	-	-	-
3y				-	-		-	-	-	-
3z				-	-		-	-	-	-
4 Total Annual Revenue Requirements (Note A)			-	-	-	-	-		-	-
									Monthly Interest Rate	
									Interest Income (Expense)	
									-	
									-	

Notes:

1) From Attachment 1, line 15, col. 14 for the projection for the Rate Year.

2) From Attachment 1, line 15, col. 14 for that project based on the actual costs for the Rate Year.

3) The "Revenue Received" on line 2, Col. (E), is the total amount of revenue distributed to company in the year as shown on pages 328-330 of the Form No 1. The Revenue Received is input on line 2, Col. E excludes any True-Up revenues.

Column E, lines 3 are the dollar amounts of Revenue Received reflecting the % in Column D. This assigns to each project a percentage of the revenue received based on the percentage of the Projected Net Revenue Requirement in Column C.

Column D, lines 3 are sourced from the projected revenue requirement for the year at issue.

4) Interest from Attachment 6.

5) Prior Period Adjustment from line 5 is pro rata to each project, unless the error was project specific.

Prior Period Adjustments			
(a)	(b)	(c)	(d)
Prior Period Adjustments (Note B)	Amount In Dollars	Interest Note B	Total Col. (b) + Col. (c)
5	-	-	-

Notes:

A For each project or Attachment H, the utility will populate the formula rate with the inputs for the True-Up Year. The revenue requirements, based on actual operating results for the True-Up Year, associated with the projects and Attachment H will then be entered in Col. (F) above. Column (E) above contains the actual revenues received associated with Attachment H and any Projects paid by the RTO to the utility during the True-Up Year. Then in Col. (G), Col. (E) is subtracted from Col. (F) to calculate the True-up Adjustment. The Prior Period Adjustment from Line 5 below is input in Col. (H). Column (I) is the applicable interest rate from Attachment 6. Column (I) adds the interest on the sum of Col.(G) and (H). Col. (J) is the sum of Col. (G), (H), and (I).

B Prior Period Adjustment is the amount of an adjustment to correct an error in a prior period. The FERC Refund interest rate specified in CFR 35.19(a) for the period up to the date the projected rates that are subject to True Up here went into effect.

Line No		Gross Plant In Service			CWIP	LHFFU	Working Capital		Accumulated Depreciation		
	Month	Transmission	General	Common	CWIP in Rate Base	Held for Future Use	Materials & Supplies	Prepayments	Transmission	General	Common
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
	Attachment H, Page 2, Line No:	2	4	5	27	31	34	35	9	11	12
		207.58.g minus 207.57.g. Projected monthly balances that are the amounts expected to be included in 207.58.g for end of year and records for other months (Note I)		207.99.g minus 207.98.g for end of year, records for other months	Electric Only, Form No 1, page 356 for end of year, records for other months	214.17,d, 214.20,d and 214.22,d for end of year, records for other months	227. 8. c + (227.16.c * Labor Ratio) for end of year, records for other months	111.57.c for end of year, records for other months	Projected monthly balances that are expected to be included in 219.25.c for end of year and records for other months (Note I)	219.28.c for end of year, records for other months	Electric Only, Form No 1, page 356 for end of year, records for other months
1	December Prior Year	1,454,810,923	235,764,213	526,823,779	-	1,127,275	12,954,107	1,590,663	480,585,852	54,398,462	249,457,293
2	January	1,455,430,125	242,085,871	530,029,408	-	1,127,275	13,198,270	1,474,925	480,919,875	55,543,528	251,960,466
3	February	1,457,285,279	244,830,106	531,557,657	-	1,127,275	13,153,882	1,167,915	481,663,042	56,754,099	254,461,140
4	March	1,459,094,086	241,086,093	530,403,643	-	1,127,275	13,070,208	1,489,936	483,071,231	58,055,176	253,467,690
5	April	1,460,472,187	241,741,651	531,880,381	-	1,141,405	13,254,835	1,274,659	483,460,953	59,238,002	255,903,048
6	May	1,484,134,150	242,810,787	532,280,302	-	1,141,405	12,822,381	1,381,460	485,036,583	60,434,890	258,340,119
7	June	1,511,180,730	248,208,961	534,376,847	-	1,141,405	13,101,071	1,778,639	474,347,769	56,739,352	253,191,364
8	July	1,510,541,869	244,968,620	529,679,273	-	1,141,405	13,243,817	1,417,073	488,061,837	56,835,224	255,541,518
9	August	1,510,973,611	245,716,282	531,682,012	-	1,141,405	13,204,483	1,136,311	489,823,078	58,134,924	257,917,094
10	September	1,512,210,333	246,716,554	533,971,333	-	1,141,405	12,826,018	1,445,046	489,940,758	59,615,024	259,907,381
11	October	1,515,141,724	250,134,960	533,595,711	-	1,141,405	12,393,762	1,684,776	491,459,029	60,905,907	260,236,071
12	November	1,518,638,822	250,959,634	538,750,951	-	1,141,405	12,521,319	1,469,865	493,099,147	62,095,625	262,453,190
13	December	1,547,012,084	254,708,195	558,388,839	-	1,141,405	12,899,808	1,215,256	494,610,735	63,297,973	264,599,972
14	Average of the 13 Monthly Balances	1,492,071,225	245,363,994	534,109,241	-	1,137,057	12,972,612	1,425,117	485,852,299	58,619,091	256,725,873

Adjustments to Rate Base

Line No	Month (a)	Unamortized Regulatory Asset (b)	Unamortized Abandoned Plant (c)	Account No. 281 Accumulated Deferred Income Taxes (Note D) (d)	Account No. 282 Accumulated Deferred Income Taxes (Note D) (e)	Account No. 283 Accumulated Deferred Income Taxes (Note D) (f)	Account No. 190 Accumulated Deferred Income Taxes (Note D) (g)	Account No. 255 Accumulated Deferred Investment Credit (h)	Pension Asset (i)
		28	29	22	23	24	25	26	27a
				Attachment 4A, line 20 for the projection and line 44 for the true-up	Attachment 4A, line 14 for the projection and line 38 for the true-up	Attachment 4A, line 17 for the projection and line 41 for the true-up	Attachment 4A, line 34 for the projection and line 47 for the true-up	Consistent with 266.8.b, 266.17.b, 267.8.h & 267.17.h	Pension Asset booked to Account 186
15	December Prior Year	Notes A & E	Notes B & F						32,025,610
16	January	-	-					-	33,911,149
17	February	-	-					-	33,693,342
18	March	-	-					-	33,482,044
19	April	-	-					-	33,261,440
20	May	-	-					-	33,059,650
21	June	-	-					-	32,843,995
22	July	-	-					-	32,628,341
23	August	-	-					-	32,412,686
24	September	-	-					-	32,197,031
25	October	-	-					-	31,985,804
26	November	-	-					-	31,769,907
27	December	-	-					-	31,562,100
28	Average of the 13 Monthly Balances (except ADIT which is the amount shown on Attachment 4A)	-	-	Zero	(260,301,938)	(7,987,143)	12,181,867	-	32,679,469

Unfunded Reserves (Notes G & H)		Attachment 4 Rate Base Worksheet PECO Energy Company							Page 2 of 2	
(a)		(b)	(c)	(d)	(e)	(f)	(g)	(h)		
				Enter 1 if NOT in a trust or reserved account, enter zero (0) if included in a trust or reserved account	Enter 1 if the accrual account is included in the formula rate, enter (0) if O if the accrual account is NOT included in the formula rate	Enter the percentage paid for by the transmission formula customers	Allocation (Plant or Labor Allocator)	Amount Allocated, col. c x col. d x col. e x col. f x col. g		
29	List of all reserves:	Amount								
30a		Environmental Liab - Superfund	(1,421,870)	1.00	1.00	100%	11.76%	(167,212)		
30b		Accrued Severance Plans	(171,563)	1.00	1.00	100%	11.76%	(20,176)		
30c		Workers Compensation - short term	(1,060,592)	1.00	1.00	100%	11.76%	(124,726)		
30d		Workers Compensation - long term	(10,007,486)	1.00	1.00	100%	11.76%	(1,176,883)		
30e		Public claims - Short Term	(487,971)	1.00	1.00	100%	11.76%	(57,385)		
30f		Public Claims - Long term	(23,255,262)	1.00	1.00	100%	11.76%	(2,734,825)		
30g		Accrued Septa Railroad Rent - transmission	(2,212,697)	1.00	1.00	100%	100.00%	(2,212,697)		
30h										
30i										
30x		---	-	-				-		
31		Total	(38,617,441)					(6,493,905)		

- Notes:
- A Recovery of regulatory asset is limited to any regulatory assets authorized by FERC.
- B Recovery of abandoned plant is limited to any abandoned plant recovery authorized by FERC.
- C Includes only CWIP authorized by the Commission for inclusion in rate base. The annual report filed pursuant to Section 7 of the Protocols will include for each project under construction (i) the CWIP balance eligible for inclusion in rate base; (ii) the CWIP balance ineligible for inclusion in rate base; and (iii) a demonstration that AFUDC is only applied to the CWIP balance that is not included in rate base. The annual report will reconcile the project-specific CWIP balances to the total Account 107 CWIP balance reported on p. 216.b of the FERC Form 1. The demonstration in (iii) above will show that monthly debts and credits do not contain entries for AFUDC for each CWIP project in rate base.
- D ADIT and Accumulated Deferred Income Tax Credits are computed using the average of the beginning of the year and the end of the year balances. The projection will use line 108 of Attachment 4a to populate the average ADIT balance on line 28 above.
- E Recovery of a Regulatory Asset is permitted only for pre-commercial and formation expenses, and is subject to FERC approval before the amortization of the Regulatory Asset can be included in rates. Recovery of any other regulatory assets requires authorization from the Commission. A carrying charge equal to the weighted cost of capital will be applied to the Regulatory Asset prior to the rate year when costs are first recovered.
- F Unamortized Abandoned Plant and Amortization of Abandoned Plant will be zero until the Commission accepts or approves recovery of the cost of abandoned plant.
- G The Formula Rate shall include a credit to rate base for all unfunded reserves (funds collected from customers that (1) have not been set aside in a trust, escrow or restricted account; (2) whose balance are collected from customers through cost accruals to accounts that are recovered under the Formula Rate; and (3) exclude the portion of any balance offset by a balance sheet account). Each unfunded reserve will be included on lines 30 above. The allocator in Col. (g) will be the same allocator used in the formula for the cost accruals to the account that is recovered under the Formula Rate. Since reserves can be created by an offsetting balance sheet account, rather than through cost accruals, the amount to be deducted from rate base should exclude the portion offset by another balance sheet account.
- H Calculate using 13 month average balance, except ADIT.
- I Projected balances are for the calendar year the revenue under this formula begins to be charged.

Attachment 4A
PECO Energy Company
ADIT Worksheet for Projection

For Projection
Page 1 of 1

Projection for the 12 months ended 12/31/2017

- for the Projection

	(a) Beginning Balance & Monthly Changes	(b) Month	(c) Year	(d) Weighting for Projection	(e) Beginning Balance/ Monthly Increment	(f) 100% Transmission	(g) 100% Allocator (f) x Allocator 100%	(h) Plant Related	(i) NP Allocator (h) x Allocator 0.1856 From Attach H Page 2, Line 18	(j) Labor Related	(k) S/W Allocator (j) x Allocator 0.1176 From Attach H Page 4, Line 16	(l) Total ADIT (d) x [(g)+(i)+(k)]
		ADIT- 282										
1	Balance	December	2016	100.00%	-	(266,240,038)	(266,240,038)	-	-	(33,359,806)	(3,923,122)	(270,163,160)
2	Increment	January	2017	91.78%	-	(1,044,985)	(1,044,985)	-	-	(323,011)	(37,986)	(993,960)
3	Increment	February	2017	84.11%	-	(1,044,985)	(1,044,985)	-	-	(323,011)	(37,986)	(910,882)
4	Increment	March	2017	75.62%	-	(1,044,985)	(1,044,985)	-	-	(323,011)	(37,986)	(818,904)
5	Increment	April	2017	67.40%	-	(1,044,985)	(1,044,985)	-	-	(323,011)	(37,986)	(729,893)
6	Increment	May	2017	58.90%	-	(1,044,985)	(1,044,985)	-	-	(323,011)	(37,986)	(637,914)
7	Increment	June	2017	50.68%	-	(1,044,985)	(1,044,985)	-	-	(323,011)	(37,986)	(548,903)
8	Increment	July	2017	42.19%	-	(1,044,985)	(1,044,985)	-	-	(323,011)	(37,986)	(456,925)
9	Increment	August	2017	33.70%	-	(1,044,985)	(1,044,985)	-	-	(323,011)	(37,986)	(364,946)
10	Increment	September	2017	25.48%	-	(1,044,985)	(1,044,985)	-	-	(323,011)	(37,986)	(275,935)
11	Increment	October	2017	16.99%	-	(1,044,985)	(1,044,985)	-	-	(323,011)	(37,986)	(183,957)
12	Increment	November	2017	8.77%	-	(1,044,985)	(1,044,985)	-	-	(323,011)	(37,986)	(94,945)
13	Increment	December	2017	0.27%	-	(1,044,985)	(1,044,985)	-	-	(323,011)	(37,986)	(2,967)
14	Sum Ties to	December	2017	Balance	-	(278,779,857)	(278,779,857)	-	-	(37,235,935)	(4,378,956)	(276,183,292)
15	Increment	Not Subject to Proration	2017			(9,117,786)	(9,117,786)				-	(9,117,786)
16	Total					(287,897,642)	(287,897,642)			(37,235,935)	(4,378,956)	(285,301,078)
		ADIT-283										
17	Balance	December	2016		-	-	-	(6,327,128)	(1,174,161)	(108,024,770)	(12,703,741)	(13,877,902)
18	Balance	December	2017		-	-	-	(6,327,128)	(1,174,161)	(108,024,770)	(12,703,741)	(13,877,902)
19		Average			-	-	-	(6,327,128)	(1,174,161)	(108,024,770)	(12,703,741)	(13,877,902)
		ADIT-281										
20	Balance	December	2016		Zero	Zero	Zero	Zero	Zero	Zero	Zero	Zero
21	Balance	December	2017		Zero	Zero	Zero	Zero	Zero	Zero	Zero	Zero
22		Average			Zero	Zero	Zero	Zero	Zero	Zero	Zero	Zero
		ADIT-190										
23	Balance	December	2016	100.00%	-	-	-	7,420,671	1,377,096	153,189,182	18,015,087	19,392,184
24	Increment	January	2017	91.78%	-	-	-	-	-	-	-	-
25	Increment	February	2017	84.11%	-	-	-	-	-	-	-	-
26	Increment	March	2017	75.62%	-	-	-	-	-	-	-	-
27	Increment	April	2017	67.40%	-	-	-	-	-	-	-	-
28	Increment	May	2017	58.90%	-	-	-	-	-	-	-	-
29	Increment	June	2017	50.68%	-	-	-	-	-	-	-	-
30	Increment	July	2017	42.19%	-	-	-	-	-	-	-	-
31	Increment	August	2017	33.70%	-	-	-	-	-	-	-	-
32	Increment	September	2017	25.48%	-	-	-	-	-	-	-	-
33	Increment	October	2017	16.99%	-	-	-	-	-	-	-	-
34	Increment	November	2017	8.77%	-	-	-	-	-	-	-	-
35	Increment	December	2017	0.27%	-	-	-	7,420,671	1,377,096	28,747,870	3,380,757	4,757,853
36	Sum Ties to	December	2017	Balance	-							12,075,019
	Line 34, If there are no items subject to proration, use average of lines 21 and 33											
37	Total ADIT											(287,103,961)

PECO Energy Company											
ADIT Worksheet for True-Up											
For True-Up Page 1 of 1											
DIT for True-Up											
True-Up for the 12 months ended 12/31/2017											
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Balance	Month	Year	Weighting for Projection	Balance from ADIT BOY and ADIT EOY workpapers	100% Transmission	100% Allocator (f) x Allocator 100%	Plant Related	NP Allocator (h) x Allocator 0.1856 From Attach H Page 2, Line 18	Labor Related	S/W Allocator (j) x Allocator 0.1176 From Attach H Page 4, Line 16	Total ADIT (d) x [(g)+(i)+(k)]
38	Balance	ADIT- 282 December	2016	(1,156,481,650)	(247,557,156)		-	-	(24,520,024)		
39	Balance	December	2017	(1,217,638,235)	(266,240,038)		-	-	(33,359,806)		
40		Average		(1,187,059,943)	(256,898,597)	(256,898,597)	-	-	(28,939,915)	(3,403,341)	(260,301,938)
41	Balance	ADIT-283 December	2016	(40,972,532)	-	-	(9,584,442)	(1,778,640)	(2,701,892)	(317,743)	
42	Balance	December	2017	(139,744,365)	-	-	(6,327,128)	(1,174,161)	(108,024,770)	(12,703,741)	
43		Average		(90,358,449)	-	-	(7,955,785)	(1,476,400)	(55,363,331)	(6,510,742)	(7,987,143)
44	Balance	ADIT-281 December	2016	Zero	Zero	Zero	Zero	Zero	Zero	Zero	Zero
45	Balance	December	2017	Zero	Zero	Zero	Zero	Zero	Zero	Zero	Zero
46		Average		Zero	Zero	Zero	Zero	Zero	Zero	Zero	Zero
47	Balance	ADIT-190 December	2016	83,060,062	1,763,437	1,763,437	370,525	68,760	26,695,124	3,139,353	4,971,551
48	Balance	December	2017	185,826,860	-	-	7,420,671	1,377,096	153,189,182	18,015,087	19,392,184
49		Average		134,443,461	881,719	881,719	3,895,598	722,928	89,942,153	10,577,220	12,181,867

ADIT BOY Worksheet		Attachment 4B PECO Energy Company					ADIT BOY Worksheet Page 1 of 3	
A		B	C	D	E	F		
		Total		Only Related	Related	Related		
a	ADIT- 282	(1,156,481,650)		(247,557,156)	-	(24,520,024)	(From line 5 for the column)	
b	ADIT-283	(40,972,532)		-	(9,584,442)	(2,701,892)	(From line 17 for the column)	
c	ADIT-190	83,060,062		1,763,437	370,525	26,695,124	(From line 29 for the column)	
d	Subtotal	(1,114,394,120)		(245,793,719)	(9,213,917)	(526,792)	(Sum a - c)	

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

Line	A	B	C	D	E	F	G
	ADIT-190	Total	Gas, Prod Retail Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
1	ACCRUED BENEFITS						Related to employer costs of benefits, such as health insurance, 401 (k), etc. The amounts are recorded to the liability and cleared through payments during each bi-weekly payroll. Any balance in the account at the end of the month would relate to the month-end accrual that is recorded at the end of the month and reversed on the first calendar day of the next month. As such, there is a book to tax timing difference.
1a	ADDBACK OF NQSO EXPENSE	2,523,784	-	-	-	2,523,784	No current book activity, tax deducts as distributions are made from the trust - employees in all functions.
1b	ADDBACK OF OTHER EQUITY COMP EXPENSE	2,851,343	-	-	-	2,851,343	Book expense recorded when stock is granted, tax expense when stock is issued at market price - employees in all functions.
1c	AMORT-ORGANIZATIONAL COSTS	1,304,790	-	-	-	1,304,790	Book expense recorded when stock is granted, tax expense when stock is issued at market price - employees in all functions.
		3,558	3,558	-	-	-	Excluded because the underlying account(s) are not included in model
1d	BAD DEBT - CHANGE IN PROVISION						Retail bad debt. For book, expense taken as it's identified; tax deduction not taken until fully written-off and all collection efforts abandoned. Relates to retail operations.
1e	CHARITABLE CARRYFORWARD	18,150,879	18,150,879	-	-	-	Excluded because the underlying account(s) are not included in model
1f	CUSTOMER ADVANCES - CONSTRUCTION	2,900,278	2,900,278	-	-	-	Excluded because the underlying account(s) are not included in model
		318,231	318,231	-	-	-	Excluded because the underlying account(s) are not included in model
1g	DEFERRED COMPENSATION						Book records estimated accrued compensation; tax deducts only upon the retirement or other separation from service by the employees. Relates to all functions.
1h	DEFERRED REVENUE - CURRENT	4,500,812	-	-	-	4,500,812	Retail bad debt. For book, expense taken as it's identified; tax deduction not taken until fully written-off and all collection efforts abandoned. Relates to retail operations.
1i	FAS 112	2,477,917	2,477,917	-	-	-	Excluded because the underlying account(s) are not included in model
		298,985	-	-	-	298,985	Employer provided benefits to former employees but before retirement.
1j	FIN 47 ARO						Accrual of future removal/retirements. Book recognized the expense estimate accrual, tax recognizes when paid. Related to all functions.
1k	Gross Up-Bill E Credit	876,157	876,157	-	-	-	Excluded because the underlying account(s) are not included in model
		31,256,623	31,256,623	-	-	-	Book records an accrual in filing year on estimated payouts; tax reverses the accrual and deducts the actual paid out. Relates to all functions.
1l	INCENTIVE PAY						Books records an estimated liability for injuries and damages; tax purposes a deduction is only taken when actual payments are made.
1m	INJURIES AND DAMAGE PAYMENTS	13,750,207	-	-	-	13,750,207	Excluded because the underlying account(s) are not included in model
1n	MERGER COSTS NC	8,185,168	-	-	-	8,185,168	Excluded because the underlying account(s) are not included in model
1o	DEFERRED CHARGES - TAX REPAIRS BILL CREDIT-DIST	13,056,046	13,056,046	-	-	-	Excluded because the underlying account(s) are not included in model
1p	OBSOLETE MATERIALS PROVISION	830,838	830,838	-	-	-	Excluded because the underlying account(s) are not included in model
1q	OTHER CURRENT	642,817	642,817	-	-	-	Excluded because the underlying account(s) are not included in model
1r	FACILITY COMMITMENT FEES						0
1s	FINES & OTHER	-	-	-	-	-	Debt related
1t	OTHER NONCURRENT- RAILROAD LIABILITY	22,565	-	-	22,565	-	Excluded because the underlying account(s) are not included in model
1u	OTHER UNEARNED REVENUE-DEFERRED RENTS	254,707	254,707	-	-	-	Related to reserve for required maintenance on right of ways.
1v	PENSION EXPENSE PROVISION	106,198	-	-	106,198	-	Rent expense deferred and amortized ratably for books, tax deduction when paid - used for all functions.
1w	POLE ATTACHMENT RESERVE	241,762	-	-	241,762	-	Book accrues and capitalizes anticipated Pension costs based on actuarial analysis. Tax deducts or capitalizes retirement benefits only when the amounts are paid. Related to all functions.
1x	POST RETIREMENT BENEFITS						Excluded because the underlying account(s) are not included in model
		3,990,295	3,990,295	-	-	-	Book accrues anticipated post retirement costs based on actuarial analysis. Tax deducts retirement benefits only when the amounts are paid or contributed to a fund.
1y	RESERVE FOR EMPLOYEE LITIGATIONS Current	116,640,780	-	-	-	116,640,780	Related to reserves associated with ongoing and/or pending litigation. These are not legal service fees, but accrual for possible liability payments upon resolution of ongoing litigation matters. Since we have accrued, but not yet paid, we have to book the tax reserve.
1z	SA UNBILLED RESERVE						- Retail related
1aa	SECA REFUND	31,598	31,598	-	-	-	- Retail related
1ab	SEPTA RAILROAD RENT	8,280,528	8,280,528	-	-	-	Reserve for potential transmission rent expense
1ac	SEVERANCE PMTS CHANGE IN PROVISION	234,547	234,547	-	-	-	Book records an accrual; tax takes the deduction when actually paid. Relates to all functions.
1ad	VACATION PAY CHANGE IN PROVISION	1,763,437	-	1,763,437	-	65,881	Capitalized portion of vacation pay earned and expensed for books, tax takes the deduction when paid out. Related to all functions.
1ae	VEGETATION MGMT ACCRUAL	65,881	-	-	-	-	Excluded because the underlying account(s) are not included in model
1af	WORKERS COMPENSATION RESERVE	2,034,503	-	-	-	2,034,503	These accounts are reserves for public claims, workers compensation and other third party incidents. For tax purposes these are not deductible until paid. Related to all functions.
1ag		2,182,580	2,182,580	-	-	-	
1ah							
1ai							
1aj							
1ak							
1al							
1am							
2	Subtotal - p234.8.b	6,181,097	-	-	-	6,181,097	
3	Less FASB 109 Above if not separately removed						
4	Less FASB 106 Above if not separately removed						
5	Total	114,316,685	85,487,599	1,763,437	370,525	26,695,124	

6	Instructions for Account 190: 1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C 2. ADIT items related only to Transmission are directly assigned to Column D 3. ADIT items related to Plant other than general plant, intangible plant or common plant and not in Columns C & D are included in Column E 4. ADIT items related to labor, general plant, intangible plant, or common plant and not in Columns C & D are included in Column F 5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded
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PECO Energy Company

ADIT BOY Worksheet

ADIT BOY Worksheet
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	A	B	C	D	E	F	G
		<i>Total</i>	<i>Gas, Prod Retail Or Other Related</i>	<i>Only Transmission Related</i>	<i>Plant Related</i>	<i>Labor Related</i>	<i>Justification</i>
13a	Property Related ADIT, Excl. ARO	-	-	-	-	-	0
13b	Common	(39,051,003)	-	-	-	(39,051,003)	Included because plant in service is included in rate base.
13c	Distribution	(1,913,939,237)	(1,913,939,237)	-	-	-	Related to Distribution property.
13d	Electric General	(5,406,256)	-	-	-	(5,406,256)	Included because plant in service is included in rate base.
13e	Transmission	(369,697,372)	-	(369,697,372)	-	-	Included because plant in service is included in rate base.
13f							
13g							
13h							
...							
14	Subtotal - p275.2.b	(2,328,093,868)	(1,913,939,237)	(369,697,372)	-	(44,457,259)	
15	Less FASB 109 Above if not separately removed	(1,171,612,218)	(1,029,534,767)	(122,140,216)	-	(19,937,235)	
16	Less FASB 106 Above if not separately removed						
17	Total	(1,156,481,650)	(884,404,470)	(247,557,156)	-	(24,520,024)	

18	Instructions for Account 282: 1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C 2. ADIT items related only to Transmission are directly assigned to Column D 3. ADIT items related to Plant other than general plant, intangible plant or common plant and not in Columns C & D are included in Column E 4. ADIT items related to labor, general plant, intangible plant, or common plant and not in Columns C & D are included in Column F 5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded
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ADIT BOY Worksheet

PECO Energy Company

ADIT BOY Worksheet
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	A	B	C	D	E	F	G
	ADIT-283	Total	Gas, Prod Retail Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
25	ACT 129 SMART METER	(14,378,386)	(14,378,386)	-	-	-	Retail related
25a	AEC RECEIVABLE	(2,480,113)	(2,480,113)	-	-	-	Retail related
25b	AMORT-BK-PREMIUMS ON REACQD DEBT-9.5%	(685,252)	-	-	(685,252)	-	Book recapitalizes costs incurred to retire or reacquire debt issuances. Tax deducts these costs when incurred.
25c	CAP FORGIVENESS REG ASSET	(4,307,298)	(4,307,298)	-	-	-	Retail related
25d	CAP SHOPPING REG ASSET	(179,578)	(179,578)	-	-	-	Retail related
25e	DSP 2 - REGULATORY ASSET	(52,703)	(52,703)	-	-	-	Retail related
25f	ELEC RATE CASE EXP - REG ASSET	(183,943)	(183,943)	-	-	-	Retail related
25g	ENERGY EFFICIENCY REG ASSET	(404,019)	(404,019)	-	-	-	Retail related
25h	Gross Up on State Def Tax Adj- AMR Reg Asset	(1,344,007)	(1,344,007)	-	-	-	Retail related
25i	HOLIDAY PAY CHANGE IN PROVISION	-	-	-	-	-	The book expense on Jan 1 of calendar year; accelerated tax expense taken in previous calendar year. Related to all functions.
25j	OCI-Def FIT & SIT	(668,412)	(668,412)	-	-	-	Excluded because the underlying account(s) are not included in model
25k	OTHER CURRENT REG ASSET:	-	-	-	-	-	0
25l	LOSS OF REAQUIRED DEBT	(291,120)	-	-	(291,120)	-	Book recapitalizes costs incurred to retire or reacquire debt issuances. Tax deducts these costs when incurred. Included in debt capitalization ratio on Appendix A, line 111.
25m	VACATION ACCRUAL	(2,402,907)	-	-	-	(2,402,907)	Current portion of vacation pay earned and expensed for books, tax takes the deduction when paid out. Related to all functions.
25n	SMART METER	(4,792,796)	(4,792,796)	-	-	-	Retail related
25o	CAP SHOPPING REG ASSET	(352,997)	(352,997)	-	-	-	Retail related
25p	CAP FORGIVENESS REG ASSET	(292,535)	(292,535)	-	-	-	Retail related
25q	FAS 112	(298,985)	-	-	-	(298,985)	Employer provided benefits to former employees but before retirement.
25r	ELEC RATE CASE EXP - REG ASSET	(183,751)	(183,751)	-	-	-	Retail related
25s	PURTA	(2,331)	-	-	(2,331)	-	Property taxes. Book records on an accrual method based on the prior year; tax reverses the book accrual and deducts the actual payments made. . Relates to all functions.
25t	SEAMLESS MOVES	(55,320)	(55,320)	-	-	-	Retail related
25u	ENERGY EFFICIENCY REG ASSET	(118,249)	(118,249)	-	-	-	Retail related
25v	OTHER CURRENT REG ASSET	(236,098)	(236,098)	-	-	-	Gas Related
25w	STATE TAX RESERVE	(8,605,739)	-	-	(8,605,739)	-	The state income tax is cash basis
25x							
.....							
26	Subtotal - p276.9.b	(42,316,539)	(30,030,205)	-	(9,584,442)	(2,701,892)	
27	Less FASB 109 Above if not separately removed	(1,344,007)	(1,344,007)				
28	Less FASB 106 Above if not separately removed						
29	Total	(40,972,532)	(28,686,198)	-	(9,584,442)	(2,701,892)	

- 30
- Instructions for Account 283:
- 31
1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
- 32
2. ADIT items related only to Transmission are directly assigned to Column D
- 33
3. ADIT items related to Plant other than general plant, intangible plant or common plant and not in Columns C & D are included in Column E
- 34
4. ADIT items related to labor, general plant, intangible plant, or common plant and not in Columns C & D are included in Column F
- 35
5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula,
- 36
- the associated ADIT amount shall be excluded

Attachment 4C PECO Energy Company						
ADIT EOY Worksheet	A	B	C	D	E	F
				Only		
				Transmission	Plant	Labor
		Total		Related	Related	Related
a	ADIT- 282	(1,217,638,235)		(266,240,038)	-	(33,359,806) (From line 5 for the column)
b	ADIT-283	(139,744,365)		-	(6,327,128)	(108,024,770) (From line 17 for the column)
c	ADIT-190	185,826,860		-	7,420,671	153,189,182 (From line 29 for the column)
d	Subtotal	(1,171,555,740)		(266,240,038)	1,093,543	11,804,606 (Sum a - c)

ADIT EOY Worksheet
Page 1 of 3

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

	A	B	C	D	E	F	G
	ADIT-190	Total	Gas, Prod Retail Or Other Related	Only Transmission Related	Plant Related	Labor Related	
1							
1a							Justification
1b							
1c	ACCRUED BENEFITS	849,467	-	-	-	849,467	Related to employer costs of benefits, such as health insurance, 401 (k), etc. The amounts are recorded to the liability and cleared through payments during each bi-weekly payroll. Any balance in the account at the end of the month would relate to the month-end accrual that is recorded at the end of the month and reversed on the first calendar day of the next month. As such, there is a book to tax timing difference.
1d	ADDBACK OF NQSO EXPENSE	1,877,516	-	-	-	1,877,516	No current book activity, tax deducts as distributions are made from the trust - employees in all functions.
1e	ADDBACK OF OTHER EQUITY COMP EXPENSE	1,247,830	-	-	-	1,247,830	Book expense recorded when stock is granted, tax expense when stock is issued at market price - employees in all functions.
1f	AMORT-ORGANIZATIONAL COSTS	-	-	-	-	-	Excluded because the underlying account(s) are not included in model
1g	BAD DEBT - CHANGE IN PROVISION	13,778,093	13,778,092	-	-	-	Retail bad debt. For book, expense taken as it's identified; tax deduction not taken until fully written-off and all collection efforts abandoned. Relates to retail operations.
1h	CHARITABLE CARRYFORWARD	1,570,195	1,570,195	-	-	-	Excluded because the underlying account(s) are not included in model
1i	CUSTOMER ADVANCES - CONSTRUCTION	158,593	158,593	-	-	-	Excluded because the underlying account(s) are not included in model
1j	DEFERRED COMPENSATION	2,077,910	-	-	-	2,077,910	Book records estimated accrued compensation; tax deducts only upon the retirement or other separation from service by the employees. Relates to all functions.
1k	DEFERRED REVENUE	220,916	220,916	-	-	-	Excluded because the underlying account(s) are not included in model
1l	FAS 112	207,942	-	-	-	207,942	Employer provided benefits to former employees but before retirement.
1m	FEDERAL NOL	1,141,419	-	-	1,141,419	-	PECO is in a net operating loss situation, therefore, losses are carried forward until such losses can be applied to taxable income.
1n	FIN 47 ARO	-	-	-	-	-	Accrual of future removal/retirements. Book recognized the expense estimate accrual, tax recognizes when paid. Related to all functions.
1o	Gross Up-Bill E Credit	9,573,744	9,573,744	-	-	-	Excluded because the underlying account(s) are not included in model
1p	INCENTIVE PAY	9,947,772	-	-	-	9,947,772	Book records an accrual in filing year on estimated payouts; tax reverses the accrual and deducts the actual paid out. Relates to all functions.
1q	INJURIES AND DAMAGE PAYMENTS	-	-	-	-	-	Books records an estimated liability for injuries and damages; tax purposes a deduction is only taken when actual payments are made.
1r	MERGER COSTS NC	-	-	-	-	-	Excluded because the underlying account(s) are not included in model
1s	DEFFERRED CHARGES - TAX REPAIRS BILL CREDIT-DIST	1,153,652	1,153,652	-	-	-	Excluded because the underlying account(s) are not included in model
1t	OBSOLETE MATERIALS PROVISION	429,796	429,796	-	-	-	Excluded because the underlying account(s) are not included in model
1u	OTHER CURRENT	0	0	-	-	-	
1v	FACILITY COMMITMENT FEES	10,794	-	-	10,794	-	Debt related
1w	FINES & OTHER	192,052	192,052	-	-	-	Excluded because the underlying account(s) are not included in model
1x	OTHER NONCURRENT- RAILROAD LIABILITY	83,758	-	-	83,758	-	Related to reserve for required maintenance on right of ways.
1y	OTHER UNEARNED REVENUE-DEFERRED RENTS	265,981	-	-	265,981	-	Rent expense deferred and amortized ratably for books, tax deduction when paid - used for all functions.
1z	PAYROLL TAXES	626,979	-	-	-	626,979	Book records a payroll tax accrual; tax reverses the accrual and deducts the actual amount paid out. Relates to all functions.
1aa	PENNSYLVANIA NOL	6,078,222	-	-	6,078,222	-	PECO is in a net operating loss situation, therefore, losses are carried forward until such losses can be applied to taxable income.
1ab	PENSION EXPENSE PROVISION	-	-	-	-	-	Book accrues and capitalizes anticipated Pension costs based on actuarial analysis. Tax deducts or capitalizes retirement benefits only when the amounts are paid. Related to all functions.
1ac	POLE ATTACHMENT RESERVE	-	-	-	-	-	Excluded because the underlying account(s) are not included in model
1ad	POST RETIREMENT BENEFITS	77,957,835	-	-	-	77,957,835	Book accrues anticipated post retirement costs based on actuarial analysis. Tax deducts retirement benefits only when the amounts are paid or contributed to a fund.
1ae	RESERVE FOR EMPLOYEE LITIGATIONS Current	-	-	-	-	-	Related to reserves associated with ongoing and/or pending litigation. These are not legal service fees, but accrual for possible liability payments upon resolution of ongoing litigation matters. Since we have accrued, but not yet paid, we have to book the tax reserve.
1af	SA UNBILLED RESERVE	3,827,688	3,827,688	-	-	-	Retail related
1ag	SECA REFUND	-	-	-	-	-	Retail related
1ah	SEPTA RAILROAD RENT	-	-	-	-	-	Reserve for potential transmission rent expense
1ai	SEVERANCE PMTS CHANGE IN PROVISION	61,677	-	-	-	61,677	Book records an accrual; tax takes the deduction when actually paid. Relates to all functions.
1aj	VACATION PAY CHANGE IN PROVISION	1,004,916	-	-	-	1,004,916	Capitalized portion of vacation pay earned and expensed for books, tax takes the deduction when paid out. Related to all functions.
1ak	VEGETATION MGMT ACCRUAL	1,560,924	1,560,924	-	-	-	Excluded because the underlying account(s) are not included in model
1al	WORKERS COMPENSATION RESERVE	10,806,431	-	-	-	10,806,431	Related to all functions.
1am							
...		-					
2	Subtotal - p234.8.c	146,712,102	32,465,652	-	7,580,174	106,666,275	
3	Less FASB 109 Above if not separately removed	(39,114,758)	7,248,646	-	159,503	(46,522,907)	Includes FASB 109 related to TCJA
4	Less FASB 106 Above if not separately removed						
5	Total	185,826,860	25,217,006	-	7,420,671	153,189,182	

Instructions for Account 190:

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

ADIT EOY Worksheet

PECO Energy Company

ADIT EOY Worksheet
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	A	B	C	D	E	F	G
	ADIT- 282	Total	Gas, Prod Retail Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
13a	Property Related ADIT, Excl. ARO	-	-	-	-	-	
13b	Common	(28,709,490)	-	-	-	(28,709,490)	Included because plant in service is included in rate base.
13c	Distribution	(1,121,038,511)	(1,121,038,511)	-	-	-	Related to Distribution property.
13d	Electric General	(3,411,310)	-	-	-	(3,411,310)	Included because plant in service is included in rate base.
13e	Transmission	(213,299,037)	-	(213,299,037)	-	-	Included because plant in service is included in rate base.
13f							
13g		-					
13h							
...							
14	Subtotal - p275.2.k	(1,366,458,348)	(1,121,038,511)	(213,299,037)	-	(32,120,800)	
15	Less FASB 109 Above if not separately removed	(148,820,113)	(203,000,120)	52,941,001	-	1,239,006	
16	Less FASB 106 Above if not separately removed						
17	Total	(1,217,638,235)	(918,038,391)	(266,240,038)	-	(33,359,806)	

18	Instructions for Account 282:
19	1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
20	2. ADIT items related only to Transmission are directly assigned to Column D
21	3. ADIT items related to Plant other than general plant, intangible plant or common plant and not in Columns C & D are included in Column E
22	4. ADIT items related to labor, general plant, intangible plant, or common plant and not in Columns C & D are included in Column F
23	5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula,
24	the associated ADIT amount shall be excluded

ADIT EOY Worksheet

PECO Energy Company

ADIT EOY Worksheet
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	A	B	C	D	E	F	G
ADIT-283		Total	Gas, Prod Retail Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
25a	ACT 129 SMART METER	(6,674,279)	(6,674,279)	-	-	-	Retail related
25b	AEC RECEIVABLE	(1,172,108)	(1,172,108)	-	-	-	Retail related
25c	AMORT-BK-PREMIUMS ON REACQD DEBT-9.5%	(432,825)	-	-	(432,825)	-	Book recapitalizes costs incurred to retire or reacquire debt issuances. Tax deducts these costs when incurred.
25d	CAP FORGIVENESS REG ASSET	(2,105,889)	(2,105,889)	-	-	-	Retail related
25e	CAP SHOPPING REG ASSET	0	0	-	-	-	Retail related
25f	DSP 2 - REGULATORY ASSET	(74,577)	(74,577)	-	-	-	Retail related
25g	ELEC RATE CASE EXP - REG ASSET	(19,564)	(19,564)	-	-	-	Retail related
25h	ENERGY EFFICIENCY REG ASSET	(198,976)	(198,976)	-	-	-	Retail related
25i	Gross Up on State Def Tax Adj- AMR Reg Asset	(577,496)	(577,496)	-	-	-	Retail related
25j	HOLIDAY PAY CHANGE IN PROVISION	-	-	-	-	-	The book expense on Jan 1 of calendar year; accelerated tax expense taken in previous calendar year. Related to all functions.
25k	OCI-Def FIT & SIT	(568,355)	(568,355)	-	-	-	Excluded because the underlying account(s) are not included in model
25l	OTHER CURRENT REG ASSET:	-	-	-	-	-	0
25m	LOSS OF REAQUIRED DEBT	(153,763)	-	-	(153,763)	-	Book recapitalizes costs incurred to retire or reacquire debt issuances. Tax deducts these costs when incurred. Included in debt capitalization ratio on Appendix A, line 111.
25n	VACATION ACCRUAL	(1,461,442)	-	-	-	(1,461,442)	Current portion of vacation pay earned and expensed for books, tax takes the deduction when paid out. Related to all functions.
25o	SMART METER	(3,581,502)	(3,581,502)	-	-	-	Retail related
25p	CAP SHOPPING REG ASSET - CURRENT	(245,786)	(245,786)	-	-	-	Retail related
25q	CAP FORGIVENESS REG ASSET - CURRENT	(390,761)	(390,761)	-	-	-	Retail related
25r	FAS 112	(208,178)	-	-	-	(208,178)	Employer provided benefits to former employees but before retirement.
25s	ELEC RATE CASE EXP - REG ASSET - CURRENT	(127,943)	-	-	(127,943)	-	Property taxes. Book records on an accrual method based on the prior year; tax reverses the book accrual and deducts the actual payments made. . Relates to all functions.
25t	PURTA	4	4	-	-	-	Retail related
25u	SEAMLESS MOVES	(38,518)	-	-	-	(38,518)	Book accrues and capitalizes anticipated Pension costs based on actuarial analysis. Tax deducts or capitalizes retirement benefits only when the amounts are paid. Related to all functions.
25v	OTHER CURRENT REG ASSET	(2,217,430)	(2,217,430)	-	-	-	Gas Related
25w	PENSION EXPENSE PROVISION	(90,086,556)	-	-	-	(90,086,556)	Book accrues and capitalizes anticipated Pension costs based on actuarial analysis. Tax deducts or capitalizes retirement benefits only when the amounts are paid. Related to all functions.
25x	RATE CHANGE REG ASSET	(9,147,256)	(9,147,256)	-	-	-	Gross up related to non-property tax rate change/TCJA
25y	STATE TAX RESERVE	(3,254,291)	-	-	(3,254,291)	-	The state income tax is cash basis
25z							
....							
....							
26	Subtotal - p277.9.k	(122,737,492)	(26,973,976)	-	(3,968,822)	(91,794,694)	
27	Less FASB 109 Above if not separately removed	17,006,873	(1,581,508)	-	2,358,306	16,230,075	Includes FASB 109 related to TCJA
28	Less FASB 106 Above if not separately removed						
29	Total	(139,744,365)	(25,392,468)	-	(6,327,128)	(108,024,770)	

Instructions for Account 283:

1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C

2. ADIT items related only to Transmission are directly assigned to Column D

3. ADIT items related to Plant other than general plant, intangible plant or common plant and not in Columns C & D are included in Column E

4. ADIT items related to labor, general plant, intangible plant, or common plant and not in Columns C & D are included in Column F

5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded

PECO Energy Company

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Attachment 4D - Intangible Plant Workpaper

Total Intangible Plant		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)
Gross Plant			December Prior Year	January	February	March	April	May	June	July	August	September	October	November	December	Average =average(b:n)	Transmission	Distribution	S&W Allocation	Total =sum(p:r))
1	Intangibles - General		10,302,412	13,993,544	14,781,082	11,963,216	11,967,152	14,073,259	14,903,080	12,718,488	12,910,519	13,083,189	13,027,294	13,201,224	14,332,648	13,173,624			13,173,624	13,173,624
2	IT NERC CIP - Transmission		11,304,551	11,306,758	11,306,758	11,338,399	11,340,400	11,284,553	11,519,007	10,929,111	10,965,736	10,955,547	10,942,303	11,121,894	11,298,011	11,201,002	11,201,002			11,201,002
3	IT NERC CIP - Distribution		1,613,218	1,613,593	1,613,593	1,616,968	1,617,181	1,678,137	1,912,516	1,793,387	1,830,012	1,819,823	1,806,579	1,892,208	2,042,317	1,757,656		1,757,656		1,757,656
4	IT DSP - Distribution		2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384	2,231,384		2,231,384		2,231,384
5	IT BIDA - Distribution		-	8,535,347	8,535,347	9,247,193	9,247,193	9,231,602	9,403,458	12,439,882	12,439,882	12,439,882	12,439,882	12,439,882	16,094,656	10,191,862		10,191,862		10,191,862
6	IT Post 2010 and Other - Distribution		19,162,699	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,638,254	19,601,673		19,601,673		19,601,673
7	IT Smart Meter - Distribution		83,763,016	83,791,380	84,273,901	84,335,435	83,830,786	83,830,654	83,830,679	83,830,679	83,830,679	86,110,084	86,110,084	86,110,084	86,110,084	84,596,734		84,596,734		84,596,734
8																				-
9																				-
10																				-
11																				-
12																				-
13																				-
14																				-
15																				-
16																				-
17																				-
18																				-
19	Total		128,377,280	141,110,260	142,380,319	140,370,849	139,872,350	141,967,843	143,438,378	143,581,185	143,846,466	146,278,163	146,195,780	146,634,930	151,747,354	142,753,935	11,201,002	118,379,309	13,173,624	142,753,935
20																Allocation Factor	100.00%	0.00%	11.76%	
21																Total Intangible - Transmission	11,201,002	-	1,549,222	12,750,224
Accumulated Depreciation		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)
			December Prior Year	January	February	March	April	May	June	July	August	September	October	November	December	Average =average(b:n)	Transmission	Distribution	S&W Allocation	Total =sum(p:r))
22	Intangibles - General		3,915,875	4,034,565	4,236,394	3,255,002	3,422,463	3,604,893	3,808,154	4,001,801	4,181,313	4,363,413	4,546,340	4,730,106	4,923,130	4,078,727			4,078,727	4,078,727
23	IT NERC CIP - Transmission		1,844,508	2,036,183	2,227,881	2,420,934	2,613,155	2,804,481	2,996,824	3,114,947	3,296,979	3,479,244	3,661,291	3,844,767	4,031,408	2,951,739	2,951,739			2,951,739
24	IT NERC CIP - Distribution		248,114	275,887	303,663	331,589	359,421	387,651	418,237	431,863	462,101	492,573	522,834	553,733	586,795	413,420		413,420		413,420
25	IT DSP - Distribution		1,517,580	1,554,769	1,591,959	1,629,149	1,666,339	1,703,528	1,740,718	1,777,908	1,815,098	1,852,287	1,889,477	1,926,667	1,961,801	1,740,560		1,740,560		1,740,560
26	IT BIDA - Distribution		-	50,208	151,221	256,523	366,166	475,712	586,234	717,063	867,355	1,017,648	1,167,940	1,318,233	1,493,220	651,348		651,348		651,348
27	IT Post 2010 and Other - Distribution		13,487,443	13,699,241	13,836,482	13,974,246	14,111,477	14,248,708	14,385,939	14,523,170	14,660,401	14,797,633	14,934,864	15,072,095	15,209,326	14,380,079		14,380,079		14,380,079
28	IT Smart Meter - Distribution		55,406,168	56,410,430	57,203,162	58,148,850	58,482,382	59,363,321	60,236,351	61,109,377	61,982,404	62,874,425	63,797,057	64,707,820	65,618,582	60,410,795		60,410,795		60,410,795
29																				-
30																				-
31																				-
32																				-
33																				-
34																				-
35																				-
36																				-
37																				-
38																				-
39																				-
40	Total		76,419,688	78,061,283	79,550,762	80,016,293	81,021,403	82,588,294	84,172,457	85,676,129	87,265,651	88,877,223	90,519,803	92,153,421	93,824,262	84,626,667	2,951,739	77,596,201	4,078,727	84,626,667
41																Allocation Factor	100.00%	0.00%	11.76%	
42																Total Intangible - Transmission	2,951,739	-	479,659	3,431,398

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Attachment 4D - Intangible Plant Workpaper

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)
	Net Plant in Service	December Prior Year	January	February	March	April	May	June	July	August	September	October	November	December	Average	Transmission	Distribution	S&W Allocation	Total
	Gross Plant Minus Accumulated Depreciation														=average(b:n)				=sum(p:r))
43	Intangibles - General	6,386,537	9,958,979	10,544,688	8,708,214	8,544,689	10,468,366	11,094,926	8,716,687	8,729,206	8,719,776	8,480,954	8,471,118	9,409,518	9,094,897			9,094,897	9,094,897
44	IT NERC CIP - Transmission	9,460,043	9,270,575	9,078,877	8,917,465	8,727,245	8,480,072	8,522,183	7,814,164	7,668,757	7,476,303	7,281,012	7,277,127	7,266,603	8,249,264	8,249,264			8,249,264
45	IT NERC CIP - Distribution	1,365,104	1,337,706	1,309,930	1,285,379	1,257,760	1,290,486	1,494,279	1,361,524	1,367,911	1,327,250	1,283,745	1,338,475	1,455,522	1,344,236		1,344,236		1,344,236
46	IT DSP - Distribution	713,804	676,615	639,425	602,235	565,045	527,856	490,666	453,476	416,286	379,097	341,907	304,717	269,583	490,824		490,824		490,824
47	IT BIDA - Distribution	-	8,485,139	8,384,126	8,990,670	8,881,027	8,755,890	8,817,224	11,722,819	11,572,527	11,422,234	11,271,942	11,121,649	14,601,436	9,540,514		9,540,514		9,540,514
48	IT Post 2010 and Other - Distribution	5,675,256	5,939,013	5,801,772	5,664,008	5,526,777	5,389,546	5,252,315	5,115,084	4,977,853	4,840,621	4,703,390	4,566,159	4,428,928	5,221,594		5,221,594		5,221,594
49	IT Smart Meter - Distribution	28,356,848	27,380,950	27,070,739	26,186,585	25,348,404	24,467,333	23,594,328	22,721,302	21,848,275	23,235,659	22,313,027	21,402,264	20,491,502	24,185,940		24,185,940		24,185,940
50		-	-	-	-	-	-	-	-	-	-	-	-	-	-				-
51		-	-	-	-	-	-	-	-	-	-	-	-	-	-				-
52		-	-	-	-	-	-	-	-	-	-	-	-	-	-				-
53		-	-	-	-	-	-	-	-	-	-	-	-	-	-				-
54		-	-	-	-	-	-	-	-	-	-	-	-	-	-				-
55		-	-	-	-	-	-	-	-	-	-	-	-	-	-				-
56		-	-	-	-	-	-	-	-	-	-	-	-	-	-				-
57		-	-	-	-	-	-	-	-	-	-	-	-	-	-				-
58		-	-	-	-	-	-	-	-	-	-	-	-	-	-				-
59		-	-	-	-	-	-	-	-	-	-	-	-	-	-				-
60		-	-	-	-	-	-	-	-	-	-	-	-	-	-				-
61	Total	51,957,592	63,048,977	62,829,557	60,354,556	58,850,947	59,379,549	59,265,921	57,905,056	56,580,815	57,400,940	55,675,977	54,481,509	57,923,092	58,127,268	8,249,264	40,783,108	9,094,897	58,127,268
62															Allocation Factor	100.00%	0.00%	11.76%	
63														Total Intangible - Transmission	8,249,264	-	-	1,069,562	9,318,826

	(a)	(b)	(c)	(d)	(e)	(f)
	Depreciation Expense	Total	Transmission	Distribution	S&W Allocation	Total
						=sum(c:e))
64	Intangibles - General	2,176,074			2,176,074	2,176,074
65	IT NERC CIP - Transmission	2,186,900	2,186,900			2,186,900
66	IT NERC CIP - Distribution	338,681		338,681		338,681
67	IT DSP - Distribution	-		-		-
68	IT BIDA - Distribution	210,062		210,062		210,062
69	IT Post 2010 and Other - Distribution	4,226,671		4,226,671		4,226,671
70	IT Smart Meter - Distribution	10,737,875		10,737,875		10,737,875
71		-		-		-
72		-		-		-
73		-		-		-
74		-		-		-
75		-		-		-
76		-		-		-
77		-		-		-
78		-		-		-
79		-		-		-
80		-		-		-
81		-		-		-
82	Total	19,876,263	2,186,900	15,513,289	2,176,074	19,876,263
83		Allocation Factor	100.00%	0.00%	11.76%	
84		Total Intangible - Transmission	2,186,900	-	255,907	2,442,807

PECO Energy Company

Attachment 4E - Cost to Achieve Mergers

	(a)	(b)	(c)	(d)	(e)	(...)	(x)
O&M Cost To Achieve							
	FERC Account	Constellation Merger	PHI Merger				Total
1	923	0	\$ 3,470,687				\$ 3,470,687
2							\$ -
3							\$ -
4							\$ -
5							\$ -
6							\$ -
7							\$ -
8							\$ -
9							\$ -
10							\$ -
11	Total	\$ -	\$ 3,470,687				\$ 3,470,687
Capital Cost To Achieve included in the Electric Portion of Common Plant							
Gross Plant							
		Constellation Merger	PHI Merger				Total
12	December Prior Year	8,306,017	47,486				\$ 8,353,503
13	January	8,306,017	49,047				\$ 8,355,065
14	February	8,306,017	49,015				\$ 8,355,033
15	March	3,204,423	70,874				\$ 3,275,296
16	April	-	132,439				\$ 132,439
17	May	-	148,934				\$ 148,934
18	June	-	318,444				\$ 318,444
19	July	-	325,342				\$ 325,342
20	August	-	320,293				\$ 320,293
21	September	-	547,737				\$ 547,737
22	October	-	547,990				\$ 547,990
23	November	-	550,003				\$ 550,003
24	December	-	720,916				\$ 720,916
25	Average	2,163,267	294,502				2,457,769
Accumulated Depreciation							
		Constellation Merger	PHI Merger				Total
26	December Prior Year	6,333,884	4,274				\$ 6,338,158
27	January	6,441,154	5,158				\$ 6,446,312
28	February	6,563,328	5,923				\$ 6,569,250
29	March	2,578,486	9,576				\$ 2,588,062
30	April	-	12,668				\$ 12,668
31	May	-	14,906				\$ 14,906
32	June	-	24,284				\$ 24,284
33	July	-	29,374				\$ 29,374
34	August	-	33,827				\$ 33,827
35	September	-	54,491				\$ 54,491
36	October	-	63,985				\$ 63,985
37	November	-	68,646				\$ 68,646
38	December	-	90,647				\$ 90,647
39	Average	1,685,912	32,135				1,718,047

PECO Energy Company

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Attachment 4E - Cost to Achieve Mergers

	(a)	(b)	(c)	(d)	(e)	(...)	(x)
	Net Plant = Gross Plant Minus Accumulated Depreciation from above	Constellation Merger	PHI Merger				Total
40	December Prior Year	1,972,133	43,212	-	-	-	\$ 2,015,345
41	January	1,864,864	43,889	-	-	-	\$ 1,908,753
42	February	1,742,690	43,093	-	-	-	\$ 1,785,782
43	March	625,937	61,297	-	-	-	\$ 687,234
44	April	-	119,771	-	-	-	\$ 119,771
45	May	-	134,028	-	-	-	\$ 134,028
46	June	-	294,160	-	-	-	\$ 294,160
47	July	-	295,968	-	-	-	\$ 295,968
48	August	-	286,466	-	-	-	\$ 286,466
49	September	-	493,246	-	-	-	\$ 493,246
50	October	-	484,005	-	-	-	\$ 484,005
51	November	-	481,357	-	-	-	\$ 481,357
52	December	-	630,269	-	-	-	\$ 630,269
53	Average	477,356	262,366	-	-	-	739,722

	Depreciation (Monthly Change of Accumulated Depreciation from above)	Constellation Merger	PHI Merger				Total
54	January	107,270	884			\$	108,154
55	February	122,174	765			\$	122,938
56	March	37,843	3,654			\$	41,496
57	April	-	3,091			\$	3,091
58	May	-	2,238			\$	2,238
59	June	-	9,378			\$	9,378
60	July	-	5,089			\$	5,089
61	August	-	4,454			\$	4,454
62	September	-	20,664			\$	20,664
63	October	-	9,494			\$	9,494
64	November	-	4,660			\$	4,660
65	December	-	22,001			\$	22,001
66	Total	267,287	86,373			\$	353,659

Attachment 5
Attachment H, Pages 3 and 4, Worksheet
PECO Energy Company

Line No.	Month	Transmission O&M Expenses	Account No. 566 (Misc. Trans. Expense)	Account No. 565	Accounts 561.4 and 561.8	Amortization of Regulatory Asset	Miscellaneous Transmission Expense (less amortization of regulatory asset)	Depreciation Expense - Transmission	Depreciation Expense - Common
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	Attachment H, Page 3, Line No.:	1	2	3		11	12	16	
	Form No. 1	321.112.b	321.97.b	321.96.b	321.88.b & 92.b	Portion of Account 566	Balance of Account 566	336.7.b, d & e	336.11.b, d & e
1	Total	184,929,330	\$ 11,680,412	\$ -	\$ 136,281,037	\$ -	\$ 11,680,412	\$ 23,761,763	\$ 23,761,593

	Depreciation Expense - General	Amortization of Abandoned Plant	Payroll Taxes	Other Payroll Related	Property Taxes	Gross Receipts Taxes	Other (capital stock, use taxes, etc.)	Miscellaneous	Amortized Investment Tax Credit Consistent with (266.8.f & 266.17.f)	Excess Deferred Income Taxes	Tax Effect of Permanent Differences
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
Attachment H, Page 3, Line Number	17	19	23	24	26	27	28	29	37	38	39
Form No. 1	336.10.b, d & e	(Note S)	263.3.i, 263.5.i & 263.18.i		263.35.i & 263.16.i	263.14.i, & 263.12.i	263.33.i	263.20.i	266.8.f & 266.17.f	(Note G)	(Note W)
2	Total	\$ 14,965,330	\$ -	\$ 11,792,061	\$ -	\$ 10,739,456	\$ 125,049,113	\$ 484,130	\$ 3,262	\$ 5,343	\$ 356,305

Attachment 5
Attachment H, Pages 3 and 4, Worksheet
PECO Energy Company

3	Long Term Interest (117, sum of 62.c through 67.c)	\$ 126,237,140
4	Preferred Dividends (118.29c) (positive number)	-
5	Proprietary Capital (112.16.c)	3,514,768,606
6	Less Preferred Stock (112.3.c)	-
7	Less Account 216.1 (112.12.c) (enter negative) (Note D)	-
8	Less Account 219.1 (112.15.c) (enter negative)	(1,192,696)
9	Common Stock (sum lines 41-43)	3,513,575,910

			\$	%	Cost	Weighted
10	Long Term Debt	Note A	2,884,418,609	45.08%	4.38%	1.97% =WCLTD
11	Preferred Stock (112.3.c)	Note B	-	-	-	0.00%
12	Common Stock	Note C	3,513,575,910	54.92%	11.00%	6.04%
13	Total	(Sum of Lines 48-50)	6,397,994,519			8.01% =R

- Note:
- A Long Term Debt balance will reflect the 13 month average of the balances, of which the 1st and 13th are found on page 112 lines 18.c & d to 21.c & d in the Form No. 1, the cost is calculated by dividing line 3 by the Long Term Debt balance in line 10.
 - B Preferred Stock balance will reflect the 13 month average of the balances, of which the 1st and 13th are found on page 112 line 3.c & d in the Form No. 1
 - C Common Stock balance will reflect the 13 month average of the balances, of which the 1st and 13th are found on page 112 lines 3.c & d, 12.c & d, and 16.c & d in the Form No. 1 as shown on lines 10-12 above
ROE will be supported in the original filing and no change in ROE may be made absent a filing with FERC.
 - D The Account 216.1 balance is input only if positive number in the FERC Form No. 1 (112.12.c).

PECO Energy Company
Attachment 5A - Revenue Credit Workpaper

Page 1 of 2

Account 454 - Rent from Electric Property			
1	Rent from Electric Property - Transmission Related, Subject to Sharing (Note 3)		7,167,281
2	Rent from Electric Property - Transmission Related, Pass to Customers (Note 3)		727,897
3	Total Rent Revenues	(Sum Lines 1 to 3)	7,895,178
Account 456 & 456.1 - Other Electric Revenues (Note 1)			
4	Schedule 1A	\$	4,951,148
	Firm Point to Point Service revenues for which the load is not included in the divisor received by transmission owner	\$	850,789
5			
6	Revenues associated with transmission service not provided under the PJM OATT (Note 4)		-
7	Intercompany Professional Services		353,032
8	PJM Transitional Revenue Neutrality (Note 1)		-
9	PJM Transitional Market Expansion (Note 1)		-
10	Professional Services (Note 3)		-
11	Revenues from Directly Assigned Transmission Facility Charges (Note 2)		-
12	Rent or Attachment Fees associated with Transmission Facilities (Note 3)		-
13	Gross Revenue Credits	(Sum Lines 2, 4-10)	14,050,148
14	Less line 17g		(5,168,023)
15	Total Revenue Credits		8,882,125
Revenue Adjustment to determine Revenue Credit			
16a	Note 1: All revenues related to transmission that are received as a transmission owner (i.e., not received as a LSE), for which the cost of the service is recovered under this formula, except as specifically provided for elsewhere in this Attachment or elsewhere in the formula will be included as a revenue credit or included in the peak on line 173 of Appendix A.		
16b	Note 2: If the costs associated with the Directly Assigned Transmission Facility Charges are included in the Rates, the associated revenues are included in the Rates. If the costs associated with the Directly Assigned Transmission Facility Charges are not included in the Rates, the associated revenues are not included in the Rates.		
16c	Note 3: Ratemaking treatment for the following specified secondary uses of transmission assets: (1) right-of-way leases and leases for space on transmission facilities for telecommunications; (2) transmission tower licenses for wireless antennas; (3) right-of-way property leases for farming, grazing or nurseries; (4) licenses of intellectual property (including a portable oil degasification process and scheduling software); and (5) transmission maintenance and consulting services (including energized circuit maintenance, high-voltage substation maintenance, safety training, transformer oil testing, and circuit breaker testing) to other utilities and large customers (collectively, products). Company will retain 50% of net revenues consistent with Pacific Gas and Electric Company, 90 FERC ¶ 61,314. Note: in order to use lines 17a - 17g, the utility must track in separate subaccounts and by department the revenues and costs associated with each secondary use (except for the cost of the associated income taxes). The cost associated with the secondary transmission use is 3/4 of the total department costs.		
17a	Revenues included in lines 1-11 which are subject to 50/50 sharing.		7,167,281
17b	Costs associated with revenues in line 17a		3,393,812
17c	Net Revenues (17a - 17b)		3,773,469
17d	50% Share of Net Revenues (17c / 2)		1,886,735
17e	Costs associated with revenues in line 17a that are included in FERC accounts recovered through the formula times the allocator used to functionalize the amounts in the FERC account to the transmission service at issue.		112,523
17f	Net Revenue Credit (17d + 17e)		1,999,258
17g	Line 17f less line 17a		(5,168,023)
18	Note 4: If the facilities associated with the revenues are not included in the formula, the revenue is shown here but not included in the total above and is explained in the Cost Support; for example revenues associated with distribution facilities. In addition, Revenues from Schedule 12 are not included in the total above to the extent they are credited under Schedule 12.		
19	Reserved		-
20	Total Account 454, 456 and 456.1		14,050,148
21	Reserved		

Attachment 5A - Revenue Credit Workpaper

Costs associated with revenues in line 17a

			Costs Allocation to		Transmission Costs	S&W Allocation Factor	Costs Recovered Through A&G Costs
Cost Item		Accounts booked to	Total Costs	(Note A)			
22a	Administrative and General Salaries	920000	735,800	75%	551,850	11.76%	86,530
22b	Employee Pensions and Benefits	926000	221,030	75%	165,772.50	11.76%	25,993
...							
23	Total Lines 22		\$ 956,830		\$ 717,623		\$ 112,523

	FERC Account 454	Total Amount	Other	100% Transmission	Plant Related	Labor Related	Total
24a	Rent from Electric Distribution	\$ 11,950,797	\$ 11,950,797				
24b	Rent from Electric Transmission	264,766		264,766			
24c	Tower Rentals and Land Leasing - Transmission	7,167,281		7,167,281			
24d	Tower Rentals and Land Leasing - Distribution	3,708,415	3,708,415				
24e	Intercompany Rent	2,495,646			2,495,646		
...							
	Total Lines 24	\$ 25,586,905	\$ 15,659,212	\$ 7,432,047	\$ 2,495,646	\$ -	
	Allocation Factors		0%	100%	18.56%	11.76%	
	Allocated Amount		\$ -	\$ 7,432,047	\$ 463,131	\$ -	\$ 7,895,178

	FERC Account 456	Total Amount	Other	100% Transmission	Plant Related	Labor Related	Total
25a	Decommissioning remittances to Generation	\$ (23,454,733)	\$ (23,454,733)				
25b	Mutual Assistance	4,909,405	\$ 4,909,405				
25c	Make Ready	4,415,836	\$ 4,415,836				
25d	Intercompany Billings	2,059,647				\$ 2,059,647	
25e	Other	692,136	146,078	11,643	534,415		
...							
	Total Lines 25	\$ (11,377,709)	\$ (13,983,414)	\$ 11,643	\$ 534,415	\$ 2,059,647	
	Allocation Factors		0%	100%	18.56%	11.76%	
	Allocated Amount		\$ -	\$ 11,643	\$ 99,174	\$ 242,215	\$ 353,032

	FERC Account 456.1	Total Amount	Other	100% Transmission	Plant Related	Labor Related	Total
26a	Network Integration Credit	\$ 174,279,993	\$ 174,279,993				
26b	Transmission Owner Scheduling Credits	4,951,148		\$ 4,951,148			
26c	Transmission Enhancement	2,917,409	\$ 2,917,409				
26d	Revenue - Firm Point to Point	850,789		850,789			
26e	Other	177,702	177,702				
...							
	Total Lines 26	\$ 183,177,041	\$ 177,375,104	\$ 5,801,937	\$ -	\$ -	
	Allocation Factors		0%	100%	18.56%	11.76%	
	Allocated Amount		\$ -	\$ 5,801,937	\$ -	\$ -	\$ 5,801,937

Note A: Number of employees managing secondary transmission service contracts divided by number of employees managing transmission and distribution secondary service contracts.

PECO Energy Company
Attachment 5B - A&G Workpaper

		(a)	(b)	(c)	(d)	(e)
		323.181.b to 323.196.b				
		Total	S&W Allocation	Gross Plant Allocation	Non-Recoverable	Total
1	Administrative and General Salaries	920.0	\$ 24,913,082	\$ 24,913,082		\$ 24,913,082
2	Office Supplies and Expenses	921.0	13,031,375	13,031,375		13,031,375
3	Administrative Expenses Transferred-Credit	922.0	-	-		-
4	Outside Service Employed	923.0	89,331,098	89,331,098		89,331,098
5	Property Insurance	924.0	264,261	264,261		264,261
6	Injuries and Damages	925.0	13,933,064	13,933,064		13,933,064
7	Employee Pensions and Benefits	926.0	36,174,177	36,174,177		36,174,177
8	Franchise Requirements	927.0	-	-		-
9	Regulatory Commission Expenses (Note E)	928.0	8,611,847	-	8,611,847	8,611,847
10	Duplicate Charges-Credit	929.0	(3,510,762)	(3,510,762)		(3,510,762)
11	General Advertising Expenses	930.1	1,089,620		1,089,620	1,089,620
12	Miscellaneous General Expenses	930.2	3,425,561	2,898,236	527,325	3,425,561
13	Rents	931.0	-	-		-
14	Maintenance of General Plant	935	\$ 5,194,496	\$ 5,194,496		\$ 5,194,496
15	Administrative & General - Total		\$ 192,457,819	\$ 181,964,766	\$ 264,261	\$ 192,457,819
16			Allocation Factor	11.76%	19.27%	0.00%
17			Transmission A&G	\$ 21,399,104	\$ 50,916	\$ 21,450,019

[A]		
	Month (Note A)	FERC Monthly Interest Rate
1	January	-
2	February	-
3	March	-
4	April	-
5	May	-
6	June	-
7	July	-
8	August	-
9	September	-
10	October	-
11	November	-
12	December	-
13	January	-
14	February	-
15	March	-
16	April	-
17	May	-
18	Average of lines 1-17 above	-

Note A:
(1) The FERC Quarterly Interest Rate in column [A] is the interest applicable to the Month indicated.

19	Year						
20		A	B	C	D	E	F
		Project Name	RTO Project Number or Zonal	Amount	17 Months	Monthly Interest Rate	Interest
				Attachment 3, Col. G + Col H		Line 18 above	Col. C x Col D x Col E
21		Zonal	Zonal	-	17	-	-
21a		Old Schedule 12 Project 1	b0269	-	17	-	-
21b		Old Schedule 12 Project 2	b0287	-	17	-	-
21c		Old Schedule 12 Project 3	b1591	-	17	-	-
...		Old Schedule 12 Project 4	b0269.6	-	17	-	-
		Old Schedule 12 Project 5	b0171.1	-	17	-	-
		Old Schedule 12 Project 6	b1590.1	-	17	-	-
		Old Schedule 12 Project 7	b1398.8	-	17	-	-
		Old Schedule 12 Project 8	b1398.13 (b2572)	-	17	-	-
		Old Schedule 12 Project 9	b1398.6 (b1590.1 & 1590.2)	-	17	-	-
		Old Schedule 12 Project 11	b0727	-	17	-	-
		Old Schedule 12 Project 12	b0269	-	17	-	-
		Old Schedule 12 Project 13	b2140	-	17	-	-
		Old Schedule 12 Project 14	b1182	-	17	-	-
		Old Schedule 12 Project 15	b1717	-	17	-	-
		Old Schedule 12 Project 16	b1178	-	17	-	-
		Old Schedule 12 Project 17	b0790	-	17	-	-
		Old Schedule 12 Project 18	b0506	-	17	-	-
		Old Schedule 12 Project 19	b0505	-	17	-	-
		Old Schedule 12 Project 20	b0789	-	17	-	-
		Old Schedule 12 Project 22	b0206	-	17	-	-
		Old Schedule 12 Project 23	b0207	-	17	-	-
		Old Schedule 12 Project 24	b0208	-	17	-	-
		Old Schedule 12 Project 25	b0209	-	17	-	-
		Old Schedule 12 Project 26	b0264	-	17	-	-
		Old Schedule 12 Project 27	b0357	-	17	-	-
				-	17	-	-
				-	17	-	-
				-	17	-	-

Attachment 7
PBOPs
PECO Energy Company

Page 1 of 1

Calculation of PBOP Expenses

(a)		(b) <u>PECO Total</u>	(c) Portion not Capitalized	(d) Electric Col. (b) x Electric Labor in Note B
1	Total PBOP expenses allowed (Note A)	1,066,173	679,716	536,123
2	Total PBOP Expenses in A&G in the current year		(51,221)	(40,400)
3	PBOP Adjustment	Line 1 minus line 2		576,524

Note
Letter

- A The source of the amounts from the Actuary Study supporting the amount in line 1, column (b) is the 3rd page of the attachment to the January 24, 2017 Willis Towers Watson report on PBOPs for PECO.
- | | | |
|-----------------------------|-------------|--------|
| | \$ | % |
| B Electric Labor (354.28.b) | 156,974,007 | 78.87% |
| Gas Labor sum(355.62.b) | 42,043,285 | 21.13% |
| Total | 199,017,292 | |
- C The January 24, 2017 Willis Towers Watson report on PBOPs does not breakout the amount related to construction labor that is capitalized. As a result the portion not capitalized as calculated as labor expensed divided by total labor.

PECO Energy Company
Attachment 8 - Depreciation Rates

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
Number	Plant Type	Estimated Life	Mortality Curve	Weighted Average Remaining Life	Applied Depreciation Rate	Gross Depreciable Plant \$	Accumulated Depreciation \$	Net Depreciable Plant \$	Depreciation Expense \$
		Note 1	Note 1	Note 2	(F) = (J)/(I)	Note 4	Note 4	(I)=(G)-(H)	Note 6
						As of 12/31/2017		FY 2017	
Electric Transmission									
352	Structures and Improvements	50	R2.5	36.74	2.48%	72,934,896	20,227,180	52,707,716	1,308,506
353	Station Equipment	57	R2.5	42.46	2.22%	816,231,943	194,632,452	621,599,491	13,793,899
354	Towers and Fixtures	65	R4	31.91	3.17%	266,736,648	155,676,350	111,060,298	3,519,391
355	Poles and Fixtures	65	R4	54.82	1.85%	16,532,820	2,840,646	13,692,174	253,763
356	Overhead Conductors and Devices	60	R4	35.48	2.70%	193,124,986	81,056,580	112,068,406	3,031,359
357	Underground Conduit	65	R4	46.30	2.18%	14,955,807	4,760,414	10,195,393	221,846
358	Underground Conductors and Devices	60	R3	36.40	2.62%	104,555,952	42,510,961	62,044,991	1,624,817
359	Roads and Trails	50	R4	11.32	9.27%	2,136,664	2,048,416	88,249	8,182
						1,487,209,717	503,753,000	983,456,717	23,761,763
Electric General									
390	Structures and Improvements	40	R1	27.43	3.62%	49,660,750	11,502,855	38,157,896	1,380,996
391.1	Office Furniture and Equipment - Office Machines	10	SQ	3.26	36.45%	142,278	100,605	41,673	15,188
391.2	Office Furniture and Equipment - Furnitures and Fixtures	15	SQ	8.38	12.74%	802,172	370,071	432,102	55,065
391.3	Office Furniture and Equipment - Computers	5	SQ	2.89	25.77%	12,019,818	3,384,020	8,635,798	2,225,611
391.4	Office Furniture and Equipment - Smart Meter Comp. Equip.	5	SQ	2.89	42.02%	2,915,109	1,647,787	1,267,322	532,466
393	Stores Equipment	15	SQ	11.32	9.27%	46,470	2,948	43,522	4,035
394	Tools, Shop, Garage Equipment	15	SQ	9.99	9.74%	32,073,779	8,989,047	23,084,732	2,248,356
395.1	Laboratory Equipment - Testing	20	SQ	8.58	12.43%	318,333	208,141	110,192	13,700
395.2	Laboratory Equipment - Meters	15	SQ	5.50	20.11%	101,382	68,700	32,682	6,571
397	Communication Equipment	20	L3	15.53	6.59%	115,938,777	26,582,587	89,356,190	5,885,549
397.1	Communication Equipment - Smart Meters	15	S2	10.16	8.63%	38,760,270	9,958,599	28,801,671	2,485,786
398	Miscellaneous Equipment	15	SQ	1.74	80.30%	865,598	726,118	139,481	112,007
						253,644,737	63,541,478	190,103,259	14,965,330
Electric Intangible									
303	Software	N/A	N/A	N/A	Note 10	134,622,757	89,292,867	45,329,891	19,876,263
303	Regulatory Initiatives/Depr Charged to Reg Asset	N/A	N/A	N/A	0.00%	16,961,663	4,531,396	12,430,267	Zero
						151,584,420	93,824,262	57,760,158	19,876,263

PECO Energy Company
Attachment 8 - Depreciation Rates

Common General									
303	Software	N/A	N/A	N/A	Note 10	226,115,529	180,054,329	46,061,199	16,412,986
303	Regulatory Initiatives/Depr Charged to Reg Asset	N/A	N/A	N/A	0.00%	190,679	115,996	74,683	Zero
390	Structures and Improvements	50	R1	36.62	2.66%	271,950,717	75,887,587	196,063,130	5,216,014
391.1	Office Furniture and Equipment - Office Machines	10	SQ	2.95	40.99%	124,606	69,712	54,895	22,502
391.2	Office Furniture and Equipment - Furnitures and Fixtures	15	SQ	7.92	7.17%	15,436,121	4,846,265	10,589,856	759,480
391.3	Office Furniture and Equipment - Computers	5	SQ	2.73	31.70%	28,566,526	10,280,665	18,285,861	5,796,202
392.1	Transportation Equipment - Automobiles	6	L3	4.58	58.23%	93,641	92,683	958	558
392.2	Transportation Equipment - Light Trucks	12	L4	7.95	12.34%	31,551,732	14,085,642	17,466,089	2,155,912
392.3	Transportation Equipment - Heavy Trucks	14	R4	9.13	10.66%	75,251,945	30,514,201	44,737,744	4,766,952
392.4	Transportation Equipment - Tractors	11	L2	2.61	-29.63%	279,351	282,605	(3,255)	964
392.5	Transportation Equipment - Trailers	15	R2	10.00	10.54%	4,549,639	2,154,027	2,395,612	252,548
392.6	Transportation Equipment - Other Vehicles	15	R2	7.27	13.66%	5,071,551	3,639,343	1,432,208	195,694
392.7	Transportation Equipment -Medium Trucks	N/A	N/A	8.00	2.41%	4,348,813	102,501	4,246,312	102,501
393	Stores Equipment	15	SQ	7.46	8.30%	1,253,293	207,643	1,045,650	86,741
394.1	Tools, Shop, Garage Equipment - Construction Tools	15	SQ	5.50	20.11%	11,617	(42,829)	54,446	10,947
394.2	Tools, Shop, Garage Equipment - Common Tools	15	SQ	10.25	10.29%	78,687	27,422	51,265	5,276
394.3	Tools, Shop, Garage Equipment - Garage Equipment	20	SQ	8.00	11.01%	2,499,657	1,383,777	1,115,879	122,858
396	Power Operated Equipment	11	L2	3.17	37.61%	185,066	179,897	5,170	1,944
397	Communication Equipment	20	L3	10.02	10.51%	32,006,547	15,508,096	16,498,451	1,733,522
398	Miscellaneous Equipment	15	SQ	7.69	13.78%	1,679,306	848,595	830,710	114,463
						701,245,023	340,238,160	361,006,863	37,758,064

- 1 Columns (A), (B), (C), and (D) are fixed and cannot be changed absent Commission approval or acceptance. The depreciation expense is calculated separately for each row.
- 2 Column (E) is the remaining life of the assets in the account for each vintage (amount of plant added in each year is a vintage) weighted by the gross plant balance of each account or subaccount. The remaining life for each vintage is equal to the area under the Mortality Curve specified in Columns (C) and (D) using a half year convention for the first year placed in service. The weighted remaining life is calculated once a year at the beginning of the year.
- 3 Column (F) is equal to Column (J) / Column (I).
- 4 Column (G) is the depreciable amount of gross plant investment reported in the annual FERC Form No. 1 filing on pages 207 (Electric) and 356 (Common) by account or subaccount. Column (H) is the accumulated depreciation by account or subaccount.
- 5 Column (I) is the end of year depreciable net plant in the account or subaccount.
- 6 Column (J) is equal to depreciation expense as reported in the annual FERC Form No. 1 filing on page 336 (Electric). Annual depreciation expense is determined by multiplying the beginning of the month net plant balance plus additions (using a half month convention for the first month placed in service) by the remaining life rate divided by 12 for each month.
- 7 Each year, PECO Energy Company will provide a copy of the annual report submitted to the PA PUC and underlying supporting documentation that shows the depreciation expense recognized by account or subaccount for each of the three preceding calendar years.
- 8 At least every 5 years, PECO Energy Company will file with the Commission a depreciation study supporting its existing Estimated Life and Mortality Curve for each account or subaccount.
- 9 The depreciation expense associated with Asset Retirement Obligations (booked to accounts 359.1 and 399.1) are not included in the tables above.
- 10 The amortization rates for Account 303 are weighted based on the relative amount of underlying plant booked to the accounts. The life of each software or other intangible plant will be estimated at the time the plant is placed into service, and will not change over the life of the plant absent Commission approval or acceptance. The combined amortization expense for all intangible plant shall be the sum of each individual plant balance amortized over the life of each individual plant established in this manner.
- 11 The depreciation expenses related to Common General reflect both gas and electric common plant. The depreciation expenses associated with Transportation Equipment, Garage Equipment and Power Operated Tools are excluded from Account 403 and directly assigned to the functional O&M and capital accounts based on use.

Appendix 3

Formula Reference Changes

PECO Energy Company
Formula Reference Changes

Tab	Line	Column	Change
3-Project True-Up	2	E	Amount does not reflect pages 328-330 of the FERC Form No 1, but instead the total amount of revenue PECO received for the 2017 time period that the formula rate was in effect (December 1-31, 2017).
5-P3 Support	2	c	Reference to 263.22.i changed to 263.18.i
5-P3 Support	2	e	Reference to 263.1.6.i & 263.20.i changed to 263.35.i & 263.16.i
5-P3 Support	2	f	Reference to 263.16.i changed to 263.12.i
5-P3 Support	2	g	Reference to 263.1.2.i & 263.9.i changed to 263.33.i
5-P3 Support	2	h	Reference to 263.24.i changed to 263.20.i

Appendix 4
2018 Annual Depreciation Report

PECO ENERGY COMPANY

2018 ANNUAL DEPRECIATION REPORT

PECO Energy Company
2018 Annual Depreciation Report
Executive Summary

Depreciation Methods

The depreciation methods utilized in the 2018 Annual Depreciation Report are consistent with those utilized in the 2017 Annual Depreciation Report. Such methods are as follows:

Electric and Common Plant - The Company uses the straight-line method, remaining life technique, average service life group procedure for electric and common plant which is consistent with accepted Pennsylvania Public Utility Commission (PAPUC) practices.

The Iowa curves for the Electric Distribution, Transmission, General, and Common accounts that are the basis of the Company's depreciation calculations were developed in the 2013 Service Life Study and filed in March 2015 in accordance with Section 73.5 of the Public Utility Code.

Gas Plant - The remaining life method of depreciation is also used for gas plant. The life span procedure is applied to the city gate station facilities, the propane air plant at Tilghman Street, and the liquefied natural gas storage (LNG) plant at West Conshohocken. The average service life group procedure is applied to all other gas plant. The terminal dates and the Iowa curves were developed in the 2013 Service Life Study and filed in March 2015 in accordance with Section 73.5 of the Public Utility Code.

Net Negative Salvage Methodology

The remaining life technique of depreciation incorporates the recovery of net negative salvage through the depreciation accrual without any additional adjustments. Basically, depreciation expense is calculated by taking the value of plant in service less the book reserve, divided by the remaining life. Since salvage and removal cost are part of the book reserve, the unrecovered net negative salvage is recovered over the remaining life of the plant. This treatment was reviewed and found acceptable by the PAPUC in the Company's most recent electric and gas rate proceedings, R-2015-2468981 and R-2010-2161592, respectively.

Depreciation Expense Comparison

Attachments A, B, and C provide a comparison of 2017, 2016, and 2015 depreciation expense by class of service, functional grouping, and plant account.

Attachment A - Electric Plant Depreciation Expense

The change in electric plant depreciation between 2017 and 2016 is primarily due to additions to plant in service. The change between 2016 and 2015 is due to a reclassification of depreciation expense on regulatory assets from the 404 Amortization of Utility Plant account to the 407.3 Regulatory Debits account. In 2015 the expense was charged to the 404 Amortization of Utility Plant account.

Attachment B - Gas Plant Depreciation Expense

The change in gas plant depreciation between 2017 and 2016 is primarily due to additions to plant in service.

Attachment C - Common Plant Depreciation Expense

The change in common plant depreciation between 2017 and 2016 is primarily due to software additions to plant in service during the year.

Information Provided on CD-ROM

The following summary and detail data are provided on CD-ROM:

1. Electric and Gas functional group summaries, including respective allocated common.
2. Calculation of the factors used in 2017 to allocate common plant.
3. Additional data for PECO by Functional Class and FERC Account showing year-end plant in service, current year accrual, year-end reserve and net plant.
4. Book life by FERC Account.

ATTACHMENT A

PECO ENERGY COMPANY

2018 Annual Depreciation Report - Executive Summary

Comparison of 2015 thru 2017 Depreciation Expense

(in \$ thousands)

Depreciation Expense					
Account	2017	2016	2015	2017 vs 2016 \$ Change	2017 vs 2016 % Change
ELECTRIC					
Intangible Plant					
303	\$ 19,876	\$ 18,199	\$ 30,270	\$ 1,678	9.22%
Total	\$ 19,876	\$ 18,199	\$ 30,270	\$ 1,678	9.22%
Transmission Plant					
352	\$ 1,309	\$ 991	\$ 619	\$ 318	32.09%
353	13,794	12,868	12,039	925	7.19%
354	3,519	3,435	3,339	84	2.46%
355	254	253	251	1	0.49%
356	3,031	2,961	2,949	70	2.36%
357	222	208	204	14	6.74%
358	1,625	1,493	1,531	132	8.86%
359	8	8	9	(0)	-3.33%
Total	\$ 23,762	\$ 22,217	\$ 20,941	\$ 1,545	6.95%
Distribution Plant					
361	\$ 2,060	\$ 1,826	\$ 1,719	\$ 234	12.79%
362	18,544	17,705	19,439	839	4.74%
364	13,580	13,091	12,670	488	3.73%
365	23,222	21,961	20,837	1,261	5.74%
366	5,961	5,593	5,433	368	6.58%
367	23,491	22,197	21,614	1,294	5.83%
368	12,121	11,774	12,171	348	2.95%
369	7,919	7,751	8,486	168	2.16%
370	19,080	19,929	20,163	(849)	-4.26%
371	5	5	5	(0)	-0.98%
373	1,364	1,283	1,737	81	6.31%
Total	\$ 127,346	\$ 123,115	\$ 124,274	\$ 4,231	3.44%
General Plant					
390	\$ 1,381	\$ 1,372	\$ 1,051	\$ 9	0.64%
391	2,828	2,295	2,034	533	23.24%
393	4	5	5	(1)	-18.01%
394	2,248	1,994	1,832	255	12.76%
395	20	20	20	(0)	-0.02%
397	8,371	7,268	6,444	1,103	15.17%
398	112	108	120	4	3.60%
Total	\$ 14,965	\$ 13,063	\$ 11,506	\$ 1,903	14.57%
TOTAL ELECTRIC	\$ 185,950	\$ 176,593	\$ 186,991	\$ 9,356	5.30%

ATTACHMENT B

ATTACHMENT B					
PECO ENERGY COMPANY					
2018 Annual Depreciation Report - Executive Summary					
Comparison of 2015 thru 2017 Depreciation Expense					
(in \$ thousands)					
Depreciation Expense					
Account	2017	2016	2015	2017 vs 2016 \$ Change	2017 vs 2016 % Change
GAS					
Intangible Plant					
1303	\$ 3,214	\$ 1,948	\$ 1,565	\$ 1,267	65.03%
Total	\$ 3,214	\$ 1,948	\$ 1,565	\$ 1,267	65.03%
Production Plant					
1305	\$ 33	\$ 13	\$ 13	\$ 20	154.32%
1311	193	195	199	(3)	-1.32%
Total	\$ 226	\$ 208	\$ 212	\$ 17	8.32%
Storage Plant					
1361	\$ 597	\$ 176	\$ 126	\$ 421	238.87%
1362	18	18	19	-	0.00%
1363	1,054	809	769	246	30.36%
Total	\$ 1,670	\$ 1,003	\$ 914	\$ 666	66.42%
Distribution Plant					
1375	\$ 279	\$ 276	\$ 274	\$ 3	1.09%
1376	17,658	16,292	15,491	1,365	8.38%
1377	-	-	-	-	0.00%
1378	306	299	301	7	2.45%
1379	630	626	653	5	0.73%
1380	13,924	12,955	12,564	969	7.48%
1381	4,797	4,663	4,727	135	2.89%
1382	3,057	2,914	2,952	143	4.90%
1387	162	172	199	(10)	-5.55%
Total	\$ 40,813	\$ 38,197	\$ 37,160	\$ 2,617	6.85%
General Plant					
1390	\$ 147	\$ 130	\$ 108	\$ 17	13.08%
1391	53	38	44	15	39.06%
1394	459	400	381	59	14.81%
1395	8	-	48	8	100.00%
1397	847	454	479	393	86.67%
1398	11	6	5	6	101.68%
1399	16	9	-	7	81.81%
Total	\$ 1,541	\$ 1,036	\$ 1,065	\$ 505	48.73%
TOTAL GAS	\$47,464	\$42,392	\$40,917	\$5,072	11.96%

ATTACHMENT C

PECO ENERGY COMPANY

2018 Annual Depreciation Report - Executive Summary

Comparison of 2015 thru 2017 Depreciation Expense

(in \$ thousands)

Depreciation Expense					
Account	2017	2016	2015	2017 vs 2016 \$ Change	2017 vs 2016 % Change
COMMON					
General Plant					
4303	\$ 16,413	\$ 14,606	\$ 13,125	\$ 1,807	12.37%
4390	5,216	5,088	5,043	128	2.52%
4391	6,578	5,190	4,661	1,388	26.75%
4393	87	92	83	(5)	-5.40%
4394	16	16	18	0	0.06%
4397	1,734	1,780	1,867	(47)	-2.62%
4398	114	115	113	(0)	-0.12%
4399	-	-	-	-	0.00%
Total	\$ 30,158	\$ 26,887	\$ 24,912	\$ 3,271	12.17%
Transportation (See Note Below)					
4392	\$ 7,475	\$ 6,584	\$ 7,416	\$ 892	13.54%
4394	123	119	126	3	2.82%
4396	2	3	3	(1)	-24.22%
Total	\$ 7,600	\$ 6,706	\$ 7,544	\$ 894	13.34%
TOTAL COMMON	\$ 37,758	\$ 33,592	\$ 32,456	\$ 4,166	12.40%
Note: Fleet depreciation is charged to a clearing account and then allocated between capital and expense. These amounts represent the total fleet depreciation prior to being charged to the clearing account and being allocated between capital and expense.					

Comparative Analysis of Electric Utilities
Year Ending 12-31-2017
PECO Energy Company ADR 110550

INTANGIBLE PLANT			2017	2016	2015
Original Cost (Depreciable)	A		151,584,420	128,214,346	101,806,620
Book Accrued Depreciation	B		93,824,261	76,419,687	58,200,240
Book Reserve % of O. C.	C	= B/A	61.90%	59.60%	57.17%
Original Cost Depreciated	D	= A-B	57,760,159	51,794,659	43,606,380
Annual Depreciation Expense	E		19,876,263	18,198,653	30,270,000
Annual % of O. C.		= E/A	13.11%	14.19%	29.73%

TRANSMISSION PLANT			2017	2016	2015
Original Cost (Depreciable)	G		1,487,211,494	1,395,173,474	1,310,387,430
Book Accrued Depreciation	H		503,753,019	487,783,614	475,474,108
Book Reserve % of O. C.	I	= H/G	33.87%	34.96%	36.29%
Original Cost Depreciated	J	= G-H	983,458,475	907,389,860	834,913,322
Annual Depreciation Expense	K		23,761,763	22,216,942	20,941,000
Annual % of O. C.		= K/G	1.60%	1.59%	1.60%

DISTRIBUTION PLANT			2017	2016	2015
Original Cost (Depreciable)	M		5,976,992,545	5,728,491,991	5,496,995,052
Book Accrued Depreciation	N		1,689,861,434	1,617,888,458	1,548,820,410
Book Reserve % of O. C.	O	= N/M	28.27%	28.24%	28.18%
Original Cost Depreciated	P	= M-N	4,287,131,111	4,110,603,533	3,948,174,642
Annual Depreciation Expense	Q		127,346,289	123,114,990	124,274,000
Annual % of O. C.		= Q/M	2.13%	2.15%	2.26%

GENERAL PLANT			2017	2016	2015
Original Cost (Depreciable)	S		255,333,466	235,203,471	218,644,099
Book Accrued Depreciation	T		63,845,903	55,085,737	47,113,826
Book Reserve % of O. C.	U	= T/S	25.00%	23.42%	21.55%
Original Cost Depreciated	V	= S-T	191,487,563	180,117,734	171,530,273
Annual Depreciation Expense	W		14,965,330	13,062,714	11,506,000
Annual % of O. C.		= W/S	5.86%	5.55%	5.26%

ALLOCATED COMMON PLANT (including Transportation)			2017	2016	2015
Original Cost (Depreciable)	Y		553,511,064	516,931,630	481,238,615
Book Accrued Depreciation	Z		267,919,312	248,937,023	233,259,524
Book Reserve % of O. C.	AA	= Z/Y	48.40%	48.16%	48.47%
Original Cost Depreciated	AB	= Y-Z	285,591,752	267,994,607	247,979,091
Annual Depreciation Expense	AC		29,749,587	26,212,219	25,069,242
Annual % of O. C.		= AC/Y	5.37%	5.07%	5.21%

TOTAL COMPANY			2017	2016	2015
Original Cost (Depreciable)	AE	= A+G+M+S+Y	8,424,632,989	8,004,014,912	7,609,071,816
Book Accrued Depreciation	AF	= B+H+N+T+Z	2,619,203,928	2,486,114,520	2,362,868,108
Book Reserve % of O. C.	AG	= AF/AE	31.09%	31.06%	31.05%
Original Cost Depreciated	AH	= AE-AF	5,805,429,060	5,517,900,393	5,246,203,708
Annual Depreciation Expense	AI	= K+Q+W+AC	215,699,231	202,805,518	212,060,242
Annual % of O. C.		= AI/AE	2.56%	2.53%	2.79%

NON-DEPRECIABLE PLANT			2017	2016	2015
Land and Land Rights - Electric	AK		103,749,415	103,529,085	102,865,866
Land and Land Rights - Allocated Common	AJ		5,344,370	5,317,569	5,263,732
Intangible Property - Electric	X		162,934	162,934	162,934
Intangible Property - Allocated Common	R		533,515	528,369	523,020
Total Non-Depreciable Plant	AL	= AK+AJ+X+R	109,790,234	109,537,957	108,815,552

Plant Held for Future Use			2017	2016	2015
Plant Held for Future Use - Electric	L		6,964,858	6,950,728	6,767,053
Plant Held for Future Use - Allocated Common	F		0	0	0
Total Plant Held for Future Use	AM	= L+F	6,964,858	6,950,728	6,767,053

TOTAL PLANT IN SERVICE			2017	2016	2015
		= AE+AL+AM	8,541,388,081	8,120,503,597	7,724,654,420

Comparative Analysis of Gas Utilities
Year Ending 12-31-2017
PECO Energy Company ADR 122300

INTANGIBLE PLANT			2017	2016	2015
Original Cost (Depreciable)	A		15,727,137	13,158,843	9,780,256
Book Accrued Depreciation	B		9,069,608	6,110,192	3,889,412
Book Reserve % of O. C.	C	= B/A	57.67%	46.43%	39.85%
Original Cost Depreciated	D	= A-B	6,657,531	7,048,650	5,870,844
Annual Depreciation Expense	E		3,214,102	1,947,540	1,565,211
Annual % of O. C.		= E/A	20.44%	14.80%	16.04%

PRODUCTION PLANT			2017	2016	2015
Original Cost (Depreciable)	F		15,652,508	15,899,476	15,174,244
Book Accrued Depreciation	G		12,486,408	12,260,726	12,052,387
Book Reserve % of O. C.	H	= G/F	79.77%	77.11%	79.43%
Original Cost Depreciated	I	= F-G	3,166,100	3,638,750	3,121,857
Annual Depreciation Expense	J		225,682	208,339	212,028
Annual % of O. C.		= J/F	1.44%	1.31%	1.40%

STORAGE PLANT			2017	2016	2015
Original Cost (Depreciable)	K		51,566,433	49,372,996	40,260,447
Book Accrued Depreciation	L		28,173,844	26,999,986	26,129,833
Book Reserve % of O. C.	M	= L/K	54.64%	54.69%	64.90%
Original Cost Depreciated	N	= K-L	23,392,589	22,373,010	14,130,614
Annual Depreciation Expense	O		1,669,823	1,003,396	913,825
Annual % of O. C.		= O/K	3.24%	2.03%	2.27%

DISTRIBUTION PLANT			2017	2016	2015
Original Cost (Depreciable)	P		2,395,419,985	2,247,909,439	2,119,895,644
Book Accrued Depreciation	Q		697,466,200	672,440,885	647,473,823
Book Reserve % of O. C.	S	= Q/P	29.12%	29.91%	30.54%
Original Cost Depreciated	T	= P-Q	1,697,953,785	1,575,468,554	1,472,421,820
Annual Depreciation Expense	U		40,813,477	38,196,610	37,160,127
Annual % of O. C.		= U/P	1.70%	1.70%	1.75%

GENERAL PLANT			2017	2016	2015
Original Cost (Depreciable)	V		21,550,945	17,820,991	16,463,515
Book Accrued Depreciation	W		8,973,797	7,732,101	6,928,967
Book Reserve % of O. C.	X	= W/V	41.64%	43.39%	42.09%
Original Cost Depreciated	Y	= V-W	12,577,148	10,088,890	9,534,548
Annual Depreciation Expense	Z		1,540,951	1,036,098	1,065,415
Annual % of O. C.		= Z/V	7.15%	5.81%	6.47%

ALLOCATED COMMON PLANT			2017	2016	2015
Original Cost (Depreciable)	AA		149,003,296	145,546,430	141,804,646
Book Accrued Depreciation	AB		72,122,967	70,090,304	68,733,645
Book Reserve % of O. C.	AC	= AB/AA	48.40%	48.16%	48.47%
Original Cost Depreciated	AD	= AA-AB	76,880,328	75,456,126	73,071,001
Annual Depreciation Expense	AE		8,008,488	7,380,270	7,387,053
Annual % of O. C.		= AE/AA	5.37%	5.07%	5.21%

TOTAL COMPANY			2017	2016	2015
Original Cost (Depreciable)	AF	= A+F+K+P+V+AA	2,648,920,304	2,489,708,174	2,343,358,752
Book Accrued Depreciation	AG	= B+G+L+Q+W+AB	828,292,822	795,634,195	765,208,068
Book Reserve % of O. C.	AH	= AG/AF	31.27%	31.96%	32.65%
Original Cost Depreciated	AI	= AF-AG	1,820,627,482	1,694,073,980	1,578,150,684
Annual Depreciation Expense	AJ	= E+J+O+U+Z+AE	55,472,522	49,772,253	48,303,658
Annual % of O. C.		= AJ/AF	2.09%	2.00%	2.06%

NON-DEPRECIABLE PLANT			2017	2016	2015
Land and Land Rights - Gas	AK		3,598,281	3,913,478	3,800,085
Land and Land Rights - Common	AL		1,438,686	1,497,206	1,551,043
Intangible Property - Gas	AM		50,033	50,033	50,033
Intangible Property - Common	AN		143,621	148,767	154,116
Total Non-Depreciable Plant	AO	= AK+AL+AM+AN	5,230,621	5,609,483	5,555,277

Plant Held for Future Use			2017	2016	2015
Plant Held for Future Use - Gas			-	-	-
Plant Held for Future Use - Allocated Common	AP		-	-	-
Total Plant Held for Future Use	AQ	= AP	-	-	-

TOTAL PLANT IN SERVICE			2017	2016	2015
	= AF+AO+AQ		2,654,150,925	2,495,317,658	2,348,914,029

PECO Energy Company
Development of Factors for Allocation of Common Plant - 2017
Data as of December 31, 2016

		[A] Plant in Service @ 12/31/2016	[B] Total Revenue YTD Dec 2016	[C] Total Customers Month-end Dec 16
Electric	\$	7,590,779,745	\$ 2,469,277,946	1,619,646
Gas		2,348,125,255	463,380,763	517,065
Subtotal	\$	9,938,905,001	\$ 2,932,658,709	2,136,711
Common		669,965,526		
Total	\$	10,608,870,527	\$ 2,932,658,709	2,136,711

Allocation Factors:	Plant in Service	Total Revenue	Total Customers	2017
Electric	76.37%	84.20%	75.80%	78.79%
Gas	23.63%	15.80%	24.20%	21.21%
Total	100.00%	100.00%	100.00%	100.00%

Net Plant as of December 31, 2017

TYPE	Plant Category	FERC ACCT	Acct Description	Asset Balance at 12/31/2017	Less: Non Depreciable	Depreciable Asset Balance 12/31/2017	Reserve - 12/31/2017	Net Plant
COMMON	General Plant	301	Organization	677,136	(677,136)	0	0	0
COMMON	General Plant	303	Software	228,115,529		228,115,529	180,054,329	46,061,199
COMMON	General Plant	303	Regulatory Initiatives/Depr charged to Reg Asset	180,679		180,679	115,996	74,683
COMMON	General Plant	388	Land and Land Rights	6,783,056	(6,783,056)	0	0	0
COMMON	General Plant	390	Structures and Improvements	271,950,717		271,950,717	75,887,587	196,063,130
COMMON	General Plant	391	Office Furniture and Equipment	44,127,253		44,127,253	15,195,642	28,930,612
COMMON	General Plant	392	Transportation Equipment	121,146,672		121,146,672	50,871,003	70,275,668
COMMON	General Plant	393	Stores Equipment	1,253,293		1,253,293	207,643	1,045,650
COMMON	General Plant	394	Tools, Shop, Garage Equipment	2,589,861		2,589,861	1,368,371	1,221,590
COMMON	General Plant	396	Power Operated Equipment	185,066		185,066	179,897	5,170
COMMON	General Plant	397	Communication Equipment	32,006,547		32,006,547	15,508,066	16,498,481
COMMON	General Plant	398	Miscellaneous Equipment	1,679,305		1,679,305	848,595	830,710
COMMON	General Plant	399.1	ARC	1,269,336		1,269,336	-195,881	1,465,217
COMMON PLANT GRAND TOTAL				709,874,851	(7,480,192)	702,514,359	340,042,279	362,472,080
GAS	Intangible Plant	G302	Franchises & Consents	50,033	(50,033)	0	0	0
GAS	Intangible Plant	G303	Intangible Property	13,833,332		13,833,332	7,429,824	6,403,409
GAS	Intangible Plant	G303	Regulatory Initiatives/Depr charged to Reg Asset	1,893,805		1,893,805	1,639,682	254,123
Intangible Plant				15,777,170	(50,033)	15,727,137	9,069,506	6,657,531
GAS	Production Plant	G305	Structures and Improvements	1,318,670		1,318,670	714,854	604,016
GAS	Production Plant	G311	Liquid Petroleum Gas Exp	14,333,838		14,333,838	11,771,753	2,562,085
Production Plant				15,652,508	0	15,652,508	12,486,408	3,166,100
GAS	Storage	G360	Land and Land Rights	15,923	(15,923)	0	0	0
GAS	Storage	G361	Structures & Improvements	13,868,211		13,868,211	5,209,608	8,658,604
GAS	Storage	G362	Gas Holders	7,083,540		7,083,540	266,478	6,817,062
GAS	Storage	G363	Gas Storage Equipment	30,614,682		30,614,682	16,147,174	14,467,508
Storage				51,582,356	(15,923)	51,566,433	28,173,644	23,392,569
GAS	Distribution Plant	G374	Land and Land Rights	3,582,359	(3,582,359)	0	0	0
GAS	Distribution Plant	G375	Structures and Improvements	12,918,895		12,918,895	4,860,109	8,058,786
GAS	Distribution Plant	G376	Gas Mains	1,248,232,872		1,248,232,872	318,160,517	930,072,355
GAS	Distribution Plant	G377	Compressor Station Equipment	0		0	0	0
GAS	Distribution Plant	G378	Measure & Regulate Sta Equip	16,421,702		16,421,702	7,255,395	9,166,307
GAS	Distribution Plant	G379	City Gate Station	40,219,359		40,219,359	20,327,103	19,892,257
GAS	Distribution Plant	G380	Services	782,837,882		782,837,882	232,974,248	549,863,634
GAS	Distribution Plant	G381	Meters	144,655,643		144,655,643	50,007,754	94,647,888
GAS	Distribution Plant	G382	Meter Installations	188,613,387		188,613,387	62,833,816	125,779,570
GAS	Distribution Plant	G387	Other Equipment	2,118,323		2,118,323	798,639	1,319,684
GAS	ARC	G388	ARC	1,401,921		1,401,921	248,618	1,153,304
Distribution Plant				2,399,002,343	(3,582,359)	2,395,419,985	697,466,200	1,697,953,785
GAS	General Plant	G390	Structures & Improvements	6,479,948		6,479,948	2,515,453	3,964,494
GAS	General Plant	G391	Office Furniture & Equipment	373,610		373,610	78,504	295,106
GAS	General Plant	G394	Tools, Shop & Garage Equip	9,963,428		9,963,428	3,537,149	6,426,279
GAS	General Plant	G395	Laboratory Equipment	0		0	(18,499)	18,499
GAS	General Plant	G397	Communication Equipment	4,414,460		4,414,460	2,795,170	1,619,290
GAS	General Plant	G398	Miscellaneous Equipment	168,788		168,788	49,784	119,004
GAS	General Plant	G399.1	Other Tangible Property	150,701		150,701	0	150,701
General Plant				21,550,945	0	21,550,945	8,973,797	12,577,148
GAS PLANT GRAND TOTAL				2,503,565,322	(3,648,314)	2,499,917,008	756,169,854	1,743,747,154

Net Plant as of December 31, 2017

TYPE	Plant Category	FERC ACCT	Acct Description	Asset Balance at 12/31/2017	Less: Non Depreciable	Depreciable Asset Balance 12/31/2017	Reserve - 12/31/2017	Net Plant
ELECTRIC	INTANGIBLE PLANT	E302	Franchises & Consents	162,934	(162,934)	0	0	0
ELECTRIC	INTANGIBLE PLANT	E303	Miscellaneous Intangible Plant	134,622,757		134,622,757	89,292,867	45,329,891
ELECTRIC	INTANGIBLE PLANT	E303	Regulatory Initiatives/Dep't charged to Reg Asset	16,961,663		16,961,663	4,531,396	12,430,267
	Intangible Plant Total			151,747,354	(162,934)	151,584,420	93,824,262	57,760,158
ELECTRIC	Transmission Plant	E350	Land and Land Rights	59,602,368	(59,602,368)	0	(0)	0
ELECTRIC	Transmission Plant	E352	Structures and Improvements	72,934,896		72,934,896	20,227,180	52,707,716
ELECTRIC	Transmission Plant	E353	Station Equipment	816,231,943		816,231,943	194,632,452	621,599,491
ELECTRIC	Transmission Plant	E354	Towers and Structures	266,736,648		266,736,648	155,676,350	111,060,298
ELECTRIC	Transmission Plant	E355	Poles and Structures	16,532,820		16,532,820	2,340,646	13,692,174
ELECTRIC	Transmission Plant	E356	Overhead Conductors, Devices	193,124,986		193,124,986	81,056,590	112,068,406
ELECTRIC	Transmission Plant	E357	Underground Conductors, Devices	14,955,807		14,955,807	4,760,414	10,195,393
ELECTRIC	Transmission Plant	E358	Underground Conductors, Devices	104,555,952		104,555,952	42,510,361	62,044,991
ELECTRIC	Transmission Plant	E359	Roads and Trails	2,136,664		2,136,664	2,048,416	88,249
ELECTRIC	Transmission Plant	E359.1	ARC	1,778		1,778	19	1,759
	Transmission Plant Total			1,547,013,882	(59,602,368)	1,487,211,494	503,753,019	983,458,475
ELECTRIC	Distribution Plant	E360	Land and Land Rights	42,883,568	(42,883,568)	0	0	0
ELECTRIC	Distribution Plant	E361	Structures and Improvements	113,662,305		113,662,305	37,680,347	75,981,958
ELECTRIC	Distribution Plant	E362	Station Equipment	1,033,049,272		1,033,049,272	437,329,252	595,720,021
ELECTRIC	Distribution Plant	E362	Regulatory Initiatives/Dep't charged to Reg Asset	939,828		939,828	172,941	766,887
ELECTRIC	Distribution Plant	E364	Poles, Towers and Structures	695,536,322		695,536,322	145,478,432	550,057,890
ELECTRIC	Distribution Plant	E365	Overhead Conductors, Devices	1,176,140,310		1,176,140,310	259,080,282	917,060,028
ELECTRIC	Distribution Plant	E365	Regulatory Initiatives/Dep't charged to Reg Asset	875,927		875,927	159,793	716,134
ELECTRIC	Distribution Plant	E366	Underground Conductors, Devices	407,267,888		407,267,888	157,087,242	250,180,646
ELECTRIC	Distribution Plant	E367	Underground Conductors, Devices	1,187,119,365		1,187,119,365	190,405,488	996,713,877
ELECTRIC	Distribution Plant	E368	Line Transformers	578,337,607		578,337,607	106,687,352	391,650,255
ELECTRIC	Distribution Plant	E369	Services	410,589,531		410,589,531	154,201,172	256,388,359
ELECTRIC	Distribution Plant	E370	Meters	304,938,954		304,938,954	77,710,236	227,228,718
ELECTRIC	Distribution Plant	E371	Installs on Customer Premises	1,030,123		1,030,123	948,216	81,907
ELECTRIC	Distribution Plant	E371	Regulatory Initiatives/Dep't charged to Reg Asset	12,742,223		12,742,223	5,365,250	7,376,973
ELECTRIC	Distribution Plant	E373	Street Lighting, Signal System	62,823,959		62,823,959	34,304,563	28,519,396
ELECTRIC	Distribution Plant	E374	ARC	1,938,911		1,938,911	2,270,869	(331,958)
	Distribution Plant Total			5,019,376,133	(42,883,568)	5,976,992,645	1,690,951,434	4,287,131,111
ELECTRIC	General Plant	E389	Land and Land Rights	1,063,459	(1,063,459)	0	0	0
ELECTRIC	General Plant	E390	Structures and Improvements	49,660,750		49,660,750	11,502,855	38,157,895
ELECTRIC	General Plant	E391	Office Furniture, Equipment	15,879,377		15,879,377	5,502,483	10,376,895
ELECTRIC	General Plant	E393	Stores Equipment	48,470		48,470	2,948	45,522
ELECTRIC	General Plant	E394	Tools, Shop, Garage Equipment	32,073,779		32,073,779	8,989,047	23,084,731
ELECTRIC	General Plant	E395	Laboratory Equipment	419,715		419,715	276,841	142,875
ELECTRIC	General Plant	E397	Communication Equipment	154,699,047		154,699,047	36,541,187	118,157,860
ELECTRIC	General Plant	E398	Miscellaneous Equipment	865,596		865,596	726,118	139,481
ELECTRIC	General Plant	E398.1	ARC	1,688,730		1,688,730	304,425	1,384,305
	General Plant Total			286,396,925	(1,063,459)	255,333,466	63,845,903	191,487,563
			ELECTRIC PLANT GRAND TOTAL	7,975,034,274	(103,912,349)	7,871,121,925	2,351,284,618	5,519,837,307
			TOTAL	11,188,574,147	(115,020,855)	11,073,553,293	3,447,496,751	7,626,056,542

PECO Energy Company

Non-Depreciable Plant as of December 31, 2017

Description	Utility Account	Common	Electric	Gas	Grand Total
Utility Intangible Acct	301	677,136			677,136
Utility Intangible Acct	302		162,934	50,033	212,967
Utility Land Acct	350		59,802,368		59,802,368
Utility Land Acct	360		42,883,588	15,923	42,899,511
Utility Land Acct	374			3,582,359	3,582,359
Utility Land Acct	389	6,783,056	1,063,459		7,846,515
	Grand Total	7,460,192	103,912,349	3,648,314	115,020,855

PECO Energy Company				
Book Life (Average Service Life) by FERC Account				
Product	FERC	Life(Yrs)		
Electric	303	5		
Electric	352	50		
Electric	353	57		
Electric	354	65		
Electric	355	65		
Electric	356	60		
Electric	357	65		
Electric	358	60		
Electric	359	50		
Electric	361	50		
Electric	362	50		
Electric	364	53		
Electric	365	52		
Electric	366	65		
Electric	367	53		
Electric	368	46		
Electric	3691	50		
Electric	3692	53		
Electric	370	35		
Electric	3705	15		
Electric	3706	15		
Electric	3707	15		
Electric	3708	15		
Electric	3709	15		
Electric	371	35		
Electric	3711	15		
Electric	3730	24		
Electric	3731	24		
Electric	3732	24		
Electric	3733	24		
Electric	390	40		
Electric	3911	10		
Electric	3912	15		
Electric	3913	5		
Electric	393	15		
Electric	394	15		
Electric	3951	20		
Electric	3952	15		
Electric	397	20		
Electric	398	15		
Gas	303	5		
Gas	305	2032	Terminal End date used to develop rate	
Gas	311	2032	Terminal End date used to develop rate	
Gas	361	2032	Terminal End date used to develop rate	
Gas	362	2032	Terminal End date used to develop rate	
Gas	363	2031	Terminal End date used to develop rate	

PECO Energy Company		
Book Life (Average Service Life) by FERC Account		
Product	FERC	Life(Yrs)
Gas	375	50
Gas	3761	70
Gas	3762	60
Gas	3763	65
Gas	378	48
Gas	379	48
Gas	3801	37
Gas	3802	55
Gas	3810	40
Gas	3811	20
Gas	382	48
Gas	387	22
Gas	390	40
Gas	3911	10
Gas	3912	15
Gas	3913	5
Gas	394	20
Gas	395	15
Gas	397	5
Gas	398	15
Common	303	5
Common	390	50
Common	3911	10
Common	3912	15
Common	3913	5
Common	3921	8
Common	3922	10
Common	3923	13
Common	3924	11
Common	3925	15
Common	3926	15
Common	3930	15
Common	3941	15
Common	3942	15
Common	3943	20
Common	396	11
Common	397	20
Common	398	15