

**/** pepco

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May 16, 2016

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")
Informational Filing of 2016 Formula Rate Annual Update in
Docket No. ER09-1159 and Pursuant to Approved
Settlement Agreements in Docket Nos. ER05-515, EL13-48, EL15-27 and
ER16-456, et al.

Dear Ms. Bose,

Pepco hereby submits electronically, for informational purposes, its 2016 Annual Formula Rate Update. On November 3, 2015, the Commission approved an uncontested settlement agreement ("Settlement") filed in Docket Nos. EL13-48, *et al.*<sup>1</sup>. Formula rate implementation protocols contained in the Settlement provide that:

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

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

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

<sup>&</sup>lt;sup>1</sup> Baltimore Gas and Electric Company, et al., 153 FERC ¶ 61,140 (2015)

<sup>&</sup>lt;sup>2</sup> See Settlement, Exhibit A containing PJM Tariff Attachment H9-B, Section 2.b.

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

Pepco's 2016 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 change is discussed in applicable disclosure statements filed within the Securities and Exchange Commission Form 10-K and within the FERC Form No. 1).<sup>4</sup> Pepco has made no change to Other Post-Employment Benefits ("OPEB") charges that exceed the filing threshold set forth in the Settlement.<sup>5</sup>

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

Very truly yours,

/s/ Amy L. Blauman Amy L. Blauman

### Enclosures

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

<sup>&</sup>lt;sup>3</sup> See Letter Order Re: Annual Update to Formula Rate in Docket No. ER09-1159 (February 17, 2010).

<sup>&</sup>lt;sup>4</sup> See Settlement, Exhibit A containing PJM Tariff Attachment H9-B, Section 2.f.(iii).(d).

<sup>&</sup>lt;sup>5</sup> See Settlement, Exhibit A containing PJM Tariff Attachment H9-B, Section 2.h.

### ATTACHMENT H-9A

nula Bata - Annua Ba A			
nula Rate Appendix A ded cells are input cells	Notes	FERC Form 1 Page # or Instruction	2015
tors			
Wages & Salary Allocation Factor Transmission Wages Expense		p354.21b	\$ 7,26
Total Wages Expense		p354.28b	\$ 78,48
Less A&G Wages Expense Total		p354.27b (Line 2 - 3)	\$ 5,19 73,2
Wages & Salary Allocator		(Line 1 / 4)	9.
Plant Allocation Factors	AL ( 2)	227.424 (2 4 4.5)	A 7 500 0
Electric Plant in Service Common Plant In Service - Electric	(Note B)	p207.104g (See attachment 5) (Line 24)	\$ 7,529,2
Total Plant In Service		(Sum Lines 6 & 7)	7,529,2
Accumulated Depreciation (Total Electric Plant) Accumulated Intangible Amontization Accumulated Company Amontization	(Note A)	p219.29c See attachment 5) p200.21c	\$ 2,728,8 \$ 23,9
Accumulated Common Amortization - Electric Accumulated Common Plant Depreciation - Electric	(Note A) (Note A)	p356 p356	0.750
Total Accumulated Depreciation		(Sum Lines 9 to 12)	2,752,8
Net Plant		(Line 8 - 13)	4,776,4
Transmission Gross Plant Gross Plant Allocator		(Line 29 - Line 28) (Line 15 / 8)	1,343,4 17.
Transmission Net Plant		(Line 39 - Line 28)	903,1
Net Plant Allocator		(Line 17 / 14)	18.
alculations			
Plant In Service Transmission Plant In Service	(Note B)	p207.58.g	\$ 1,301,9
For Reconciliation only - remove New Transmission Plant Additions for Current Calendar Year  New Transmission Plant Additions for Current Calendar Year (weighted by months in service)	For Reconciliation Only	Attachment 6 - Enter Negative Attachment 6	11,0
Total Transmission Plant In Service		(Line 19 - 20 + 21)	1,313,0
General & Intangible Common Plant (Electric Only)	(Notes A & B)	p205.5.g & p207.99.g (see attachment 5) p356	307,2
Total General & Common Wage & Salary Allocation Factor		(Line 23 + 24) (Line 5)	307,2 9.9
General & Common Plant Allocated to Transmission		(Line 25 * 26)	30,4
Plant Held for Future Use (Including Land)	(Note C)	p214	
TOTAL Plant In Service		(Line 22 + 27 + 28)	1,343,4
Accumulated Depreciation			
Transmission Accumulated Depreciation	(Note B)	p219.25.c	423,9
Accumulated General Depreciation Accumulated Intangible Amortization		p219.28.c (see attachment 5) (Line 10)	140,8 23,9
Accumulated Common Amortization - Electric Common Plant Accumulated Depreciation (Electric Only)		(Line 11) (Line 12)	
Total Accumulated Depreciation Wage & Salary Allocation Factor		(Sum Lines 31 to 34) (Line 5)	164,i 9.9
General & Common Allocated to Transmission		(Line 35 * 36)	16,3
TOTAL Accumulated Depreciation		(Line 30 + 37)	440,2
TOTAL Net Property, Plant & Equipment		(Line 29 - 38)	903,
ment To Rate Base			
Accumulated Deferred Income Taxes ADIT net of FASB 106 and 109		Attachment 1	-250,
Accumulated Investment Tax Credit Account No. 255  Net Plant Allocation Factor	Enter Negative (Notes A & I)	p266.h (Line 18)	200,0
Accumulated Deferred Income Taxes Allocated To Transmission		(Line 41 * 42) + Line 40	-250,0
Transmission Related CWIP (Current Year 12 Month weighted average balances)	(Note B)	p216.43.b as Shown on Attachment 6	
Unamortized Abandoned Transmission Plant		Attachment 5	
Transmission O&M Reserves			
Total Balance Transmission Related Account 242 Reserves	Enter Negative	Attachment 5	-7,6
Prepayments Prepayments	(Note A)	Attachment 5	30,7
Total Prepayments Allocated to Transmission		(Line 45)	30,7
1.7			
			0.4
Materials and Supplies Undistributed Stores Exp	(Note A)	p227.6c & 16.c	2,2
Materials and Supplies	(Note A)	p227.6c & 16.c (Line 5) (Line 47 * 48)	
Materials and Supplies Undistributed Stores Exp Wage & Salary Allocation Factor Total Transmission Allocated Transmission Materials & Supplies	(Note A)	(Line 5) (Line 47 * 48) p227.8c	6,
Materials and Supplies Undistributed Stores Exp Wage & Salary Allocation Factor Total Transmission Allocated Transmission Materials & Supplies Total Materials & Supplies	(Note A)	(Line 5) (Line 47 * 48)	6,
Materials and Supplies Undistributed Stores Exp Wage & Salary Allocation Factor Total Transmission Allocated Transmission Materials & Supplies Total Materials & Supplies Allocated to Transmission Cash Working Capital Operation & Maintenance Expense	(Note A)	(Line 5) (Line 47 * 48) p227.8c (Line 49 + 50) (Line 85)	6, 6, 6,;
Materials and Supplies Undistributed Stores Exp Wage & Salary Allocation Factor Total Transmission Allocated Transmission Materials & Supplies Total Materials & Supplies Allocated to Transmission  Cash Working Capital	(Note A)	(Line 5) (Line 47 * 48) p.227.8c (Line 49 + 50)	6,6 6,3
Materials and Supplies     Undistributed Stores Exp     Wage & Salary Allocation Factor     Total Transmission Allocated     Transmission Materials & Supplies     Total Materials & Supplies Allocated to Transmission  Cash Working Capital     Operation & Maintenance Expense     1/8th Rule     Total Cash Working Capital Allocated to Transmission		(Line 5) (Line 47 * 48) p227.8c (Line 49 + 50) (Line 85) x 1/8 (Line 52 * 53)	6,6 6,3
Materials and Supplies Undistributed Stores Exp Wage & Salary Allocation Factor Total Transmission Allocated Transmission Materials & Supplies Total Materials & Supplies Allocated to Transmission  Cash Working Capital Operation & Maintenance Expense 1/8th Rule Total Cash Working Capital Allocated to Transmission	(Note A)  (Note N) (Note N)	(Line 5) (Line 47 * 48) p.227.8c (Line 49 + 50) (Line 85) x 1/8	6,6 6,3
Materials and Supplies Undistributed Stores Exp Wage & Salary Allocation Factor Total Transmission Allocated Transmission Materials & Supplies Total Materials & Supplies Allocated to Transmission  Cash Working Capital Operation & Maintenance Expense 1/8th Rule Total Cash Working Capital Allocated to Transmission  Network Credits Outstanding Network Credits	(Note N)	(Line 5) (Line 47 * 48) p227.8c (Line 49 + 50) (Line 85) x 1/8 (Line 52 * 53)	2,4 2 6,1 6,3 44,6 5,5

1						
	M.S.O. Transmission O.S.M.					
The control of the						31,946,59
10   Los Appoint 800   Part						
Pack Stocker   12 Charges St		lary property loss				
### Transmissers (ask) Personnel		arges billed to Transmission O	wner and booked to Account 565	(Note O)		
March   Common September   Com	65 Plus Transmission Lea				p200.3.c	
Part	66 Transmission O&M				(Lines 60 - 63 + 64 + 65)	31,946,59
10		Expenses				
The referencing approach (FEE) Regions in FEE (Account (SG)   Control (SG)   Co				(Note A)		400 004 00
Section   Property Principione Account (Section   1990			4 4000	41.		
			Account 926	(Note S)		
1				(Note E)		
Last OF Errors & Low Ciscons and Vol Libolerons Prints   Date OF Errors & Date OF Errors		ing Exp Account 930 1		(Note E)		
Page	2 Less DE Enviro & Low		nds			.,
Section   Sect				(Note D)	p352-353	268,88
Content & Common Expenses Allocated Di Transmisson   Common Expe						121,466,63
District Name			nn			
7 Regulatory Commission E. P. Account 600 (1905) 1.00	·				,	,,
General Anderdranic Bas Ancestrate State   1987   400   40		Exp Account 928		(Note G)	p323.189b	433,4
Propose   Pr						
General Absorbation   Pays Account 20.1   (Now 1)   20.25 (10.15)   1.15	9 Subtotal - Transmission R	Related			(Line 77 + 78)	433,4
Total	.0 Property Insurance Accou	unt 924			p323.185b	974,88
1996   Abstraction Factor   1997   1998		Account 930.1		(Note F)		
A AG Directly Assigned to Parameterson   (Line 65 + 76 + 79 + 84)		or				
Depression   Expenses						184,34
Depreciation Expense   Depreciation of Abandonard Transmission Plant   Depreciation of Abandonard Transmission   Depreciation (Note A) (1985 1056	Total Transmission O&M				(Line 66 + 76 + 79 + 84)	44 600 0¢
Depreciation Exponse	-				(2.110 00 1 70 1 70 1 0 1)	11,000,00
Total Transmission Depreciation Expense   p336.756c   26.64.86	preciation & Amortization Expense					
Annotazion of Mandored Transmission Plant Assorbment 5  Annotazion of Mandored Transmission Plant Assorbment 5  Assorbment 5  Annotazion of Mandored Transmission Plant Assorbment 5  Assorbment 6  Annotazion of Mandored Transmission Plant Assorbment 6  Assorbment 6  Assorbment 6  Assorbment 6  Assorbment 6  Assorbment 7  Assorbment 6  Assorbment 6  Assorbment 6  Assorbment 6  Assorbment 6  Assorbment 7  Assorbment 8  Assorbment 2  Litre 96  Assorbment 2  Litre 97  Assorbment 2  Litre 96  Assorbment 2  Litre 97  Assorbment 2  Litre 97  Assorbment 2  Litre 98  Assorbment 3  Litre 98  Assorbment 2  Li		_				
General Depreciation	6 I ransmission Depreciatio	n Expense			p336.7b&c	28,624,85
Section   Common Registration   Common Reg	a Amortization of Abandone	ed Transmission Plant			Attachment 5	
Section   Common Registration   Common Reg	7 General Depreciation				n336 10h&c	0 8/3 30
Total				(Note A)		-29,81
1				(-1212-1-4)		9,813,58
Common Depreciation - Electric Cnity		Factor				9.9087
Common Notes   Common Stock   Comm					(Line 89 * 90)	972,39
Common Amortization - Electric Only   (Note A) p366 or p388.11d   (Line 92 - 93)   9.0061	2 Common Depreciation - F	Flectric Only		(Note A)	n336 11 h	
Mage & Salary Allocation Factor   Line 5   9.906						
Common Depreciation - Electric Only Allocated to Transmission   (Line 84 * 95)   20,597.2	94 Total				(Line 92 + 93)	
Total Transmission Depreciation & Amortization			emiceion			9.9087%
Attachment 2	50 Common Depreciation - L	sectific Offig Allocated to Trans	HIISSIOH		(Line 94 95)	,
Attachment 2	7 Total Transmission Depressiation	on & Amortization			(Lino 96 + 962 + 01 + 06)	20 507 25
State   Taxes Other than Income	Total Hallollission Depreciation	TI & ATTORIZATION			(Ellic 60 1 662 1 51 1 50)	23,037,20
Total Taxes Other than Income	xes Other than Income					
Capitalization   Capi	98 Taxes Other than Income				Attachment 2	11,115,313
Capitalization   Capi	Total Taxos Other than Income				(Line 98)	11 115 21
Long Term Interest   Long Te					(Eme 30)	11,110,01
Long Term Interest   Long Te	turn / Capitalization Calculations					
Less LTD Interest on Securitization Bonds	Long Term Interest					
Congrem Interest   Common Stock   Common Stock   Propietary Capital   Common Stock   Propietary Capital   Less Preferred Stock   East Account 216:1   Common Stock   Propietary Capital   Common Stock   Propietary Capital   East Account 216:1   East East East East East East East East					-447 COs the suich C7s	404.000.44
Common Stock   Proprietary Capital   Proprietary Capital   Seas Account 216.1   Common Stock   enter negative   (Line 114)   Seas Account 216.1   Seas Acc	00 Long Term Interest	ecuritization Bonds		(Note P)		124,396,41
Common Stock   Proprietary Capital   Propr	DO Long Term Interest Less LTD Interest on S	Securitization Bonds		(Note P)	Attachment 8	124,396,41 124,396,41
Proprietary Capital	Long Term Interest Less LTD Interest on S Long Term Interest	Securitization Bonds			Attachment 8 "(Line 100 - line 101)"	
Less Preferred Stock enter negative   Line 114    Less Account 216.1   Common Stock   Enter negative   Line 114    Enter negative   Line 114    Enter negative   Line 114    Enter negative   Ent	Long Term Interest Less LTD Interest on S Long Term Interest Preferred Dividends	Securitization Bonds			Attachment 8 "(Line 100 - line 101)"	
Less Account 216.1	100	Securitization Bonds			Attachment 8 "(Line 100 - line 101)" p118.29c	124,396,41
Capitalization   Capi	Dol Long Term Interest Less LTD Interest on S Long Term Interest Preferred Dividends Common Stock Proprietary Capital	Securitization Bonds		enter positive	Attachment 8 "(Line 100 - line 101)" p118.29c p112.16c	124,396,41
Long Term Debt   Long Term Debt   Long Term Debt   Less Loss on Reacquired Debt   Less ADIT associated with Gain or Loss   Long Term Debt   Less LTD on Securitization Bonds   (Note P)   Less LTD on Securitization Bonds   Rote P   Less LTD on Securi	100	Securitization Bonds		enter positive enter negative	Attachment 8 "(Line 100 - line 101)" p118.29c p112.16c (Line 114)	124,396,41 - \$ 2,240,754,792
Long Term Debt   Long Term Debt   Long Term Debt   Less Loss on Reacquired Debt   Less ADIT associated with Gain or Loss   Long Term Debt   Less LTD on Securitization Bonds   (Note P)   Less LTD on Securitization Bonds   Rote P   Less LTD on Securi	Long Term Interest	Securitization Bonds		enter positive enter negative	Attachment 8 "(Line 100 - line 101)"  p118.29c  p112.16c (Line 114) p112.12c	124,396,41 - \$ 2,240,754,792 -1,646,36
Plus Gain on Reacquired Debt   Less ADIT associated with Gain or Loss   Less LTD on Securitization Bonds   (Note P)   enter negative   Attachment 1   7,801,1	Long Term Interest	Securitization Bonds		enter positive enter negative	Attachment 8 "(Line 100 - line 101)" p118.29c p112.16c (Line 114) p112.12c (Sum Lines 104 to 106)	124,396,41 - \$ 2,240,754,79 -1,646,36
Less ADT associated with Gain or Loss	Long Term Interest			enter positive enter negative enter negative	Attachment 8 "(Line 100 - line 101)" p118.29c  p112.16c (Line 114) p112.12c (Sum Lines 104 to 106)  p112.17c through 21c	\$ 2,240,754,799 -1,646,36 2,239,108,42
Less LTD on Securitization Bonds   (Note P)   enter negative   Attachment 8	Long Term Interest	iired Debt		enter positive enter negative enter negative enter negative	Attachment 8  "(Line 100 - line 101)"  p118.29c  p112.16c (Line 114) p112.12c (Sum Lines 104 to 106)  p112.17c through 21c p111.81c	\$ 2,240,754,79 -1,646,36 2,239,108,42 2,334,500,00 -19,446,45
Total Long Term Debt	Long Term Interest Less LTD Interest on S Long Term Interest Long Term Long Long Term Long Long Term Debt Less Loss on Reacqu Long Term Debt Less Loss on Reacqu Long Long Term Debt Less Loss on Reacqu Long Term Long Long Term Debt Less Loss on Reacqu Long Term Long Long Long Long Term Long Lo	iired Debt iired Debt		enter positive enter negative enter negative enter positive enter positive	Attachment 8 "(Line 100 - line 101)" p118.29c  p112.16c (Line 114) p112.12c (Sum Lines 104 to 106)  p112.17c through 21c p111.81c p113.61c	\$ 2,240,754,79 -1,646,36 2,239,108,42 2,334,500,00 -19,446,43
Preferred Stock   Preferred	Long Term Interest	uired Debt ired Debt with Gain or Loss	(Note P)	enter positive enter negative enter negative enter positive enter pagative	Attachment 8 "(Line 100 - line 101)" p118.29c  p112.16c (Line 114) p112.12c (Sum Lines 104 to 106)  p112.17c through 21c p111.81c p113.61c Attachment 1	\$ 2,240,754,79 -1.646,34 2,239,108,42 2,334,500,01 -19,446,43 7,801,17
Total Capitalization   (Sum Lines 113 to 115)   4,561,963,167	Long Term Interest	uired Debt ired Debt with Gain or Loss	(Note P)	enter positive enter negative enter negative enter positive enter pagative	Attachment 8  "(Line 100 - line 101)"  p118.29c  p112.16c (Line 114) p112.12c (Sum Lines 104 to 106)  p112.17c through 21c p111.81c p113.61c Attachment 1 Attachment 1 Attachment 8	\$ 2,240,754,79 -1,646,36 2,239,108,4: 2,334,500,06 -19,446,4: 7,801,11
7 Debt % Total Long Term Debt (Line 113/116) 55 8 Preferred % Preferred Stock (Line 114/116) 6 9 Common % Common Stock (Line 115/116) 45 1 Preferred Cost Total Long Term Debt (Line 102/113) 0.05 1 Preferred Cost Preferred Stock (Line 103/114) 0.00 2 Common Cost Common Stock (Note J) Fixed 0.10 3 Weighted Cost of Debt Total Long Term Debt (WCLTD) (Line 117*120) 0.02 4 Weighted Cost of Preferred Stock (Line 118*121) 0.00 5 Weighted Cost of Preferred Stock (Line 118*121) 0.00 6 Total Return (R) (Sum Lines 123 to 125) 0.00	O Long Term Interest Less LTD Interest on S Dong Term Interest Preferred Dividends Common Stock Proprietary Capital Less Preferred Stock Less Account 216.1 Common Stock Capitalization Less Long Term Debt Less Loss on Reacqu Plus Gain on Reacqu Less LTD on Securitiz Total Long Term Debt Preferred Stock Preferred Stock Less LTD on Securitiz Preferred Stock Preferred	uired Debt ired Debt with Gain or Loss	(Note P)	enter positive enter negative enter negative enter positive enter pagative	Attachment 8  "(Line 100 - line 101)"  p118.29c  p112.16c (Line 114) p112.12c (Sum Lines 104 to 106)  p112.17c through 21c p113.81c p113.81c Attachment 1 Attachment 1 Attachment 8 (Sum Lines 108 to 112) p112.3c	\$ 2,240,754,79 -1,646,34 2,239,108,4: 2,334,500,01 -19,446,4: 7,801,1: 2,322,854,74
8 Preferred %         Preferred Stock         (Line 114 / 116)         0           Common %         Common Stock         (Line 115 / 116)         48           10 Debt Cost         Total Long Term Debt         (Line 102 / 113)         0.05           11 Preferred Cost         Preferred Stock         (Line 103 / 114)         0.00           12 Common Cost         Common Stock         (Note J)         Fixed         0.10           13 Weighted Cost of Debt         Total Long Term Debt (WCLTD)         (Line 117 * 120)         0.02           14 Weighted Cost of Preferred         Preferred Stock         (Line 118 * 121)         0.00           15 Weighted Cost of Common         Common Stock         (Line 119 * 122)         0.05           16 Total Return (R)         (Sum Lines 123 to 125)         0.07	Long Term Interest Less LTD Interest on S Long Term Interest Long Term Interest The Interest on S Common Stock Proprietary Capital Less Preferred Stock Less Account 216.1 Common Stock Capitalization Less Long Term Debt Less Loss on Reacqui Less ALT associated Less LTD on Securitis Total Long Term Debt Preferred Stock Less LTD on Securitis Total Long Term Debt Preferred Stock Common Stock	uired Debt ired Debt with Gain or Loss	(Note P)	enter positive enter negative enter negative enter positive enter pagative	Attachment 8  "(Line 100 - line 101)"  p118.29c  p112.16c (Line 114) p112.12c (Sum Lines 104 to 106)  p112.17c through 21c p111.81c p111.81c Attachment 1 Attachment 1 Attachment 8 (Sum Lines 108 to 112) p112.3c (Line 107)	\$ 2,240,754,79 -1,646,31 2,239,108,4: 2,334,500,01 -19,446,4: 7,801,11 2,322,854,7: 2,239,108,4:
Common Stock   (Line 115 / 116)   48   Common W	Long Term Interest	uired Debt ired Debt with Gain or Loss		enter positive enter negative enter negative enter positive enter pagative	Attachment 8  "(Line 100 - line 101)"  p118.29c  p112.16c (Line 114) p112.12c (Sum Lines 104 to 106)  p112.17c through 21c p111.81c p113.61c Attachment 1 Attachment 8 (Sum Lines 108 to 112) p112.3c (Line 107) (Sum Lines 113 to 115)	\$ 2,240,754,79 -1,646,36 2,239,108,42 2,334,500,00 -19,446,43 7,801,17 2,322,854,74 2,239,108,42 4,561,963,16
Debt Cost	Long Term Interest	uired Debt ired Debt with Gain or Loss	Total Long Term Debt	enter positive enter negative enter negative enter positive enter pagative	Attachment 8  "(Line 100 - line 101)"  p118.29c  p112.16c (Line 114) p112.12c (Sum Lines 104 to 106)  p112.17c through 21c p111.81c p113.61c Attachment 1 Attachment 1 Attachment 8 (Sum Lines 108 to 112) p112.3c (Line 107) (Sum Lines 113 to 115) (Line 113 / 116)	\$ 2,240,754,79 -1,646,36 2,239,108,42 2,334,500,00 -19,446,45 7,801,17 2,322,854,74 2,239,108,42 4,561,963,165
Preferred Cost	Long Term Interest   Less LTD Interest on S	uired Debt ired Debt with Gain or Loss	Total Long Term Debt Preferred Stock	enter positive enter negative enter negative enter positive enter pagative	Attachment 8  "(Line 100 - line 101)"  p118.29c  p112.16c (Line 114) p112.12c (Sum Lines 104 to 106)  p112.17c through 21c p111.81c p113.61c Attachment 1 Attachment 8 (Sum Lines 108 to 112) p112.3c (Line 107) (Sum Lines 113 to 115) (Line 113 / 116) (Line 114 / 116)	\$ 2,240,754,79 -1,646,36 2,239,108,42 2,334,500,00 -19,446,43 7,801,17 2,322,854,74 2,239,108,42 4,561,963,16
22         Common Cost         Common Stock         (Note J)         Fixed         0.10           23         Weighted Cost of Debt         Total Long Term Debt (WCLTD)         (Line 117 * 120)         0.02           24         Weighted Cost of Preferred         Preferred Stock         (Line 118 * 121)         0.00           25         Weighted Cost of Common         Common Stock         (Line 119 * 122)         0.05           26         Total Return ( R )         (Sum Lines 123 to 125)         0.07	Less	uired Debt ired Debt with Gain or Loss	Total Long Term Debt Preferred Stock Common Stock	enter positive enter negative enter negative enter positive enter pagative	Attachment 8  "(Line 100 - line 101)"  p118.29c  p112.16c (Line 114) p112.12c (Sum Lines 104 to 106)  p112.17c through 21c p113.61c Attachment 1 Attachment 1 Attachment 8 (Sum Lines 108 to 112) p112.3c (Line 107) (Sum Lines 113 to 115) (Line 113 / 116) (Line 114 / 116) (Line 115 / 116)	\$ 2,240,754,79  -1,646,34 2,239,108,4:  2,334,500,01 -19,446,4: 7,801,1: 2,322,854,7- 2,239,108,4: 4,561,963,10 0 49
23         Weighted Cost of Debt         Total Long Term Debt (WCLTD)         (Line 117 * 120)         0.02           24         Weighted Cost of Preferred         Preferred Stock         (Line 118 * 121)         0.00           25         Weighted Cost of Common         Common Stock         (Line 119 * 122)         0.05           26         Total Return (R)         (Sum Lines 123 to 125)         0.07	Long Term Interest Less LTD Interest on S Long Term Interest Less LTD Interest on S Long Term Interest  Preferred Dividends  Common Stock Proprietary Capital Less Preferred Stock Less Account 216.1 Common Stock  Capitalization Less Long Term Debt Less Loss on Reacqui Less ADIT associated Less LTD on Securitis Total Long Term Debt Preferred Stock Common Stock Total Capitalization  Pub W Preferred Stock Common Stock Total Capitalization  Debt % Preferred % Debt Common %	uired Debt ired Debt with Gain or Loss	Total Long Term Debt Preferred Stock Common Stock Total Long Term Debt	enter positive enter negative enter negative enter positive enter pagative	Attachment 8  "(Line 100 - line 101)"  p118.29c  p112.16c (Line 114) p112.12c (Sum Lines 104 to 106)  p112.17c through 21c p111.81c p113.61c Attachment 1 Attachment 8 (Sum Lines 108 to 112) p112.3c (Line 107) (Sum Lines 113 to 115)  (Line 114 / 116) (Line 115 / 116) (Line 102 / 113)	\$ 2,240,754,79 -1,646,31 2,239,108,4: 2,334,500,01 -19,446,4: 7,801,1: 2,322,854,7. 2,239,108,4: 4,561,963,11 0 49 0.065
24         Weighted Cost of Preferred 250ck         (Line 118 * 121)         0.00           25         Weighted Cost of Common 5tock         (Line 119 * 122)         0.05           26         Total Return (R)         (Sum Lines 123 to 125)         0.07	Long Term Interest   Less LTD Interest on S	uired Debt ired Debt with Gain or Loss	Total Long Term Debt Preferred Stock Common Stock Total Long Term Debt Preferred Stock	enter positive  enter negative enter negative enter positive enter positive enter negative enter negative	Attachment 8  "(Line 100 - line 101)"  p118.29c  p112.16c (Line 114) p112.12c (Sum Lines 104 to 106)  p112.17c through 21c p111.81c p113.61c Attachment 1 Attachment 8 (Sum Lines 108 to 112) p112.3c (Line 107) (Sum Lines 113 to 115) (Line 113 / 116) (Line 114 / 116) (Line 115 / 116) (Line 102 / 113) (Line 103 / 114)	\$ 2,240,754,79 -1,646,31 2,239,108,4: 2,334,500,0 -19,446,4: 7,801,1: 2,322,854,7: 2,239,108,4: 4,561,963,11 51 0 49 0.05:
24         Weighted Cost of Preferred 250ck         (Line 118 * 121)         0.00           25         Weighted Cost of Common 5tock         (Line 119 * 122)         0.05           26         Total Return (R)         (Sum Lines 123 to 125)         0.07	Long Term Interest   Less LTD Interest on S	uired Debt ired Debt with Gain or Loss	Total Long Term Debt Preferred Stock Common Stock Total Long Term Debt Preferred Stock	enter positive  enter negative enter negative enter positive enter positive enter negative enter negative	Attachment 8  "(Line 100 - line 101)"  p118.29c  p112.16c (Line 114) p112.12c (Sum Lines 104 to 106)  p112.17c through 21c p111.81c p113.61c Attachment 1 Attachment 8 (Sum Lines 108 to 112) p112.3c (Line 107) (Sum Lines 113 to 115) (Line 113 / 116) (Line 114 / 116) (Line 115 / 116) (Line 102 / 113) (Line 103 / 114)	\$ 2,240,754,79 -1,646,31 2,239,108,4: 2,334,500,0 -19,446,4: 7,801,1: 2,322,854,7: 2,239,108,4: 4,561,963,11 51 0 49 0.05:
25         Weighted Cost of Common         Common Stock         (Line 119 * 122)         0.05           26         Total Return ( R )         (Sum Lines 123 to 125)         0.07	Long Term Interest	uired Debt ired Debt with Gain or Loss	Total Long Term Debt Preferred Stock Common Stock  Total Long Term Debt Preferred Stock Common Stock	enter positive  enter negative enter negative enter positive enter positive enter negative enter negative	Attachment 8  "(Line 100 - line 101)"  p118.29c  p112.16c (Line 114) p112.12c (Sum Lines 104 to 106)  p112.17c through 21c p111.81c p113.61c Attachment 1 Attachment 8 (Sum Lines 108 to 112) p112.3c (Line 107) (Sum Lines 113 to 115) (Line 113 / 116) (Line 114 / 116) (Line 115 / 116) (Line 102 / 113) (Line 103 / 114) Fixed	\$ 2,240,754,79; -1,646,36 2,239,108,42 2,334,500,00 -19,446,42 7,801,17 2,322,854,74 2,239,108,42 4,561,963,16 511 00 496
6 Total Return ( R ) (Sum Lines 123 to 125) 0.07	Long Term Interest Less LTD Interest on S Long Term Interest Long Term Debt Less Account 216.1 Common Stock Capitalization Long Term Debt Less Loss on Reacqu Plus Gain on Reacqu Less LTD on Securitiz Total Long Term Debt Preferred Stock Common Stock Total Capitalization Long Term Debt Preferred Stock Common Stock Total Capitalization Debt % Preferred % Preferred % Common % Debt Cost Preferred Cost Common Cost Weighted Cost of Debt	uired Debt ired Debt I with Gain or Loss zation Bonds	Total Long Term Debt Preferred Stock Common Stock Total Long Term Debt Preferred Stock Common Stock Total Long Term Debt (WCLTD)	enter positive  enter negative enter negative enter positive enter positive enter negative enter negative	Attachment 8  "(Line 100 - line 101)"  p118.29c  p112.16c (Line 114) p112.12c (Sum Lines 104 to 106)  p112.17c through 21c p113.61c Attachment 1 Attachment 8 (Sum Lines 108 to 112) p112.3c (Line 107) (Sum Lines 113 to 115) (Line 113 / 116) (Line 114 / 116) (Line 102 / 113) (Line 103 / 114) Fixed  (Line 117 * 120)	\$ 2,240,754,79  -1,646,36 2,239,108,42 2,334,500,00 -19,446,43 7,801,17 2,322,854,74 2,239,108,42 4,561,963,16 511 0 499 0,055 0,0050 0,0050 0,0050
	Less	uired Debt ired Debt d with Gain or Loss zation Bonds	Total Long Term Debt Preferred Stock Common Stock Total Long Term Debt Preferred Stock Common Stock Total Long Term Debt (WCLTD) Preferred Stock	enter positive  enter negative enter negative enter positive enter positive enter negative enter negative	Attachment 8  "(Line 100 - line 101)"  p118.29c  p112.16c (Line 114) p112.12c (Sum Lines 104 to 106)  p112.17c through 21c p111.81c p113.61c Attachment 1 Attachment 1 Attachment 8 (Sum Lines 108 to 112) p112.3c (Line 107) (Sum Lines 113 to 115) (Line 113 / 116) (Line 115 / 116) (Line 115 / 116) (Line 102 / 113) (Line 103 / 114) Fixed  (Line 117 * 120) (Line 118 * 121) (Line 118 * 121) (Line 119 * 122)	\$ 2,240,754,792  -1,646,36 2,239,108,42 2,334,500,00 -19,446,43 7,801,17 2,322,854,74 2,239,108,42 4,561,963,16 511 0,000 0,105 0,027 0,000 0,051
	Less LTD on Securitization  Total Capitalization  Less ADTO ASSOCIATION STORM  Capitalization  Less ADTO ASSOCIATION SECURITION SECU	uired Debt ired Debt d with Gain or Loss zation Bonds	Total Long Term Debt Preferred Stock Common Stock Total Long Term Debt Preferred Stock Common Stock Total Long Term Debt (WCLTD) Preferred Stock	enter positive  enter negative enter negative enter positive enter positive enter negative enter negative	Attachment 8  "(Line 100 - line 101)"  p118.29c  p112.16c (Line 114) p112.12c (Sum Lines 104 to 106)  p112.17c through 21c p111.81c p113.61c Attachment 1 Attachment 1 Attachment 8 (Sum Lines 108 to 112) p112.3c (Line 107) (Sum Lines 113 to 115) (Line 113 / 116) (Line 115 / 116) (Line 115 / 116) (Line 102 / 113) (Line 103 / 114) Fixed  (Line 117 * 120) (Line 118 * 121) (Line 118 * 121) (Line 119 * 122)	\$ 2,240,754,79; -1,646,36 2,239,108,42 2,334,500,00 -19,446,43 7,801,17 2,322,854,74 2,239,108,42 4,561,963,16 519 0,063 0,000 0,105 0,027

Comp	osite Income Taxes				
128	Income Tax Rates FIT=Federal Income Tax Rate				35.00%
129	SIT=State Income Tax Rate or Composite		(Note I)		7.94%
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)} =			40.16%
132	T/ (1-T)				67.12%
	ITC Adjustment		(Note I)		
133	Amortized Investment Tax Credit		enter negative	p266.8f	-208,120
134	T/(1-T)			(Line 132)	67.12%
135 136	Net Plant Allocation Factor ITC Adjustment Allocated to Transmission			(Line 18) (Line 133 * (1 + 134) * 135)	18.9094% -65,768
	,			, , , , , , ,	
137	Income Tax Component =	CIT=(T/1-T) * Investment Return * (1-(WCLTD/R)) =		[Line 132 * 127 * (1-(123 / 126))]	23,809,360
138	Total Income Taxes			(Line 136 + 137)	23,743,592
				(Elito 100 + 161)	20,1 10,002
REVE	NUE REQUIREMENT				
139	Summary Net Property, Plant & Equipment			(Line 39)	903,194,886
140	Adjustment to Rate Base			(Line 39) (Line 58)	-214,867,966
141	Rate Base			(Line 59)	688,326,920
				,	
142 143	O&M Depreciation & Amortization			(Line 85) (Line 97)	44,600,096 29,597,250
143	Taxes Other than Income			(Line 97) (Line 99)	29,597,250 11,115,313
145	Investment Return			(Line 127)	54,243,195
146	Income Taxes			(Line 138)	23,743,592
147	Gross Revenue Requirement			(Sum Lines 142 to 146)	163,299,446
147	Gross Revenue Requirement			(Sum Lines 142 to 140)	103,299,440
	Adjustment to Remove Revenue Requirements Associate	ed with Excluded Transmission Facilities			
148	Transmission Plant In Service			(Line 19)	1,301,956,628
149	Excluded Transmission Facilities		(Note M)	Attachment 5	0
150	Included Transmission Facilities			(Line 148 - 149)	1,301,956,628
151	Inclusion Ratio			(Line 150 / 148)	100.00%
152	Gross Revenue Requirement			(Line 147)	163,299,446
153	Adjusted Gross Revenue Requirement			(Line 151 * 152)	163,299,446
	Revenue Credits & Interest on Network Credits				
154	Revenue Credits			Attachment 3	5,613,662
155	Interest on Network Credits		(Note N)	PJM Data	-
156	Net Revenue Requirement			(Line 153 - 154 + 155)	157,685,784
	Net Plant Carrying Charge				
157	Net Revenue Requirement			(Line 156)	157,685,784
158	Net Transmission Plant			(Line 19 - 30)	878,024,368
159	Net Plant Carrying Charge			(Line 157 / 158)	17.9592%
160 161	Net Plant Carrying Charge without Depreciation Net Plant Carrying Charge without Depreciation, Re	eturn, nor Income Taxes		(Line 157 - 86) / 158 (Line 157 - 86 - 127 - 138) / 158	14.6990% 5.8169%
	not have carrying charge malout poprocation, no	Nam, nor moonie rakes		(2.11.6 167 66 127 166) / 166	0.010070
	Net Plant Carrying Charge Calculation per 100 Basis Poir	nt increase in ROE			
162	Net Revenue Requirement Less Return and Taxes			(Line 156 - 145 - 146)	79,698,997
163	Increased Return and Taxes			Attachment 4	83,632,800
164 165	Net Revenue Requirement per 100 Basis Point incre Net Transmission Plant	ease in KUE		(Line 162 + 163) (Line 19 - 30)	163,331,797 878,024,368
166	Net Plant Carrying Charge per 100 Basis Point incre	ease in ROE		(Line 19 - 30) (Line 164 / 165)	18.6022%
167	Net Plant Carrying Charge per 100 Basis Point in Re	OE without Depreciation		(Line 163 - 86) / 165	15.3421%
168	Net Revenue Requirement			(Line 156)	157,685,784
169	True-up amount			Attachment 6	(13,338,160)
170	Plus any increased ROE calculated on Attachment	7 other than PJM Sch. 12 projects		Attachment 7	1,265,216
171		T and Facility Credits to Vineland per settlement in ER05-515		Attachment 5	-
171a 172	MAPP Abandonment recovery pursuant to ER13-60 Net Zonal Revenue Requirement	)		Attachment 5 (Line 168 - 169 + 171)	145,612,840
	Network Zonal Service Rate				
173	1 CP Peak		(Note L)	PJM Data	6,268
174	Rate (\$/MW-Year)			(Line 172 / 173)	23,232
175	Network Service Rate (\$/MW/Year)			(Line 174)	23,232
				\·/	,

- A Electric portion only
  B Exclude Construction 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 its expected to be inservice. New Transmission plant expected to be placed in service in the current calendar year weighted by number of months its expected to be inservice. 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 Reconcilitation, 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).
- Transmission Portion Only All EPRI Annual Membership Dues
- All Regulatory Commission Expenses Safety related advertising included in Account 930.1
- Regulatory Commission Expenses directly related to transmission service, RTO fillings, or transmission siting itemized in Form 1 at 351.h.
- regulatory Commission Expenses arectly realed to transmission service, RTO mings, or transmission sting itemized in Form 1 at 35 Ln.

  The currently effective income tax rate, where FTI is the Federal income tax rate. STI 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 STI was developed. Furthermore, a utility that
  elected to use amortization of tax credits gainst stable 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%.
  Education and outreach expenses relating to transmission, for example sitting or billing
  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.
- Amount of transmission plant excluded from rates per Atlachment 5.

  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.

  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
- Securitization bonds may be included in the capital structure per settlement in ER05-515.
- O 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.

  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	Plant	Labor	Total
	Related	Related	Related	ADIT
ADIT- 282	0	(1,516,848,835)	0	
ADIT-283	619,579	(7,434,306)	(130,289,315)	
ADIT-190	5,655,923	145,691,878	26,229,348	
Subtotal	6,275,502	(1,378,591,264)	(104,059,967)	
Wages & Salary Allocator			9.9087%	
Gross Plant Allocator		17.8432%		
ADIT	6,275,502	(245,985,159)	(10,310,974)	(250,020,630)

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 (7,801,171)

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	D Only	E	F	G
ADIT-190	rotar	Or Other Related	Transmission Related	Plant Related	Labor Related	Justification
Deferred Compensation	2,173,093	-	-	-	2,173,093	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	6,821,948	6,821,948	_	-	-	Under the Tax Reform Act of 1986, taxpayers were required to switch from the reserve method for bad debts to the specific write-off method. The amounts previously accumulated in a reserve were required to be included in taxable income over a four year period. The reserve method is used for book purposes. Related to all revenues.
Accrued Liabilities	24,056,254		-	-	24,056,254	These accrued liabilities are all related to labor. For book purposes the liabilities are accrued with an offset to book expense. For tax purposes, a deduction is not allowed allowed until the liability is paid.
Environmental Expense	9,813,510	9,813,510	-	-	-	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.
Charitable Contribution Carryfoward	3,569,571	3,569,571	-	-	-	PHI's consolidated tax return is in an NOL situation, therefore, Pepco's charitable contributions are carried forward until such time as PHI is in a taxable income position. For book purposes, the contributions are expensed when incurred.
Capital Loss Limitation	91,980	91,980	-	-	-	Tax capital losses are limited to the amount of tax capital gains.
FAS 106 OPEB Adjustment	19,610,826	-	-	-	19.610.826	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	3.969.224	3,969,224		_	_	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	913,682	-	-	913,682		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	2,499,913			2,499,913		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.
			5 655 022	2,499,913	<del></del>	For book purposes, a regulatory liability has been established for the FERC Formula Rate Filing true-up and book income has been decreased. For tax purposes, this regulatory liability is not recognized and the book expense
Regulatory Liability - FERC Formula Rate True-up	5,655,923	-	5,655,923	-	-	must be reversed.  PHI's consolidated return is in an NOL situation, therefore, they are carried forward until such time as PHI is in a
Federal & State NOL	145,653,136	_	_	145,653,136	-	taxable income position.
Other 190 Deferred Taxes	1,041,647	1,002,905	-	38,742	_	Miscellaneous temporary differences related to DC Gross Receipts Tax and Sales and Use Tax (Plant), and deferred income taxes on a book reserve established for sound barriers at Buzzard Point. (Gas, Production, Other)
Subtotal - p234	225,870,708	25,269,139	5,655,923	149,105,473	45,840,173	
Less FASB 109 Above if not separately removed	3,413,596	-	-	3,413,596	-	
Less FASB 106 Above if not separately removed	19,610,826				19,610,826	
Total	202,846,287	25,269,139	5,655,923	145,691,878	26,229,348	1

Instructions for Account 190:

1. ADIT items related only to NonElectric Operations (e.g., Gas, Water,
Sewer) or Production are directly
assigned to Column C

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

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

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 income in different periods than they are included in items, 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	В	С	D	E	F	G
	Total	Gas, Prod	Only			
ADIT- 282		Or Other	Transmission	Plant	Labor	
		Related	Related	Related	Related	Justification
						This deferred tax balance relates to the life and method differences on property related items for book and tax.
Plant Related Deferred Taxes	(1,516,848,835)			(1,516,848,835)		
						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
FAS109 AFUDC Equity	(24,961,125)			(24,961,125)		from Rate Base.
						Contributions in Aid of Construction (CIAC) are a reduction to Plant for book accounting purposes, but are
						included in taxable income and depeciated 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
						inccurred 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.
CIAC - Non Rate Base	58,201,253	58,201,253				
						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
Leased Vehicles - Non Rate Base	(9,139,388)	(9,139,388)				recorded on the books. Since Leased Vehicles are not included in Rate Base, the deferred income taxes are being
						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	(53,090,855)			(53,090,855)		
Subtotal - p275 (Form 1-F filer: see note 6 below)	(1,545,838,950)	49,061,865	-	(1,594,900,815)		-
Less FASB 109 Above if not separately removed	(78,051,980)	-	-	(78,051,980)		-
Less FASB 106 Above if not separately removed	_					
and the second s						
Total	(1.467.786.970)	49.061.865		(1,516,848,835)		

Instructions for Account 282:

1. ADIT items related only to NonElectric 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

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	В	c	D	E	F	G
ADIT-283	Total	Gas, Prod Or Other	Only Transmission	Plant	Labor	
		Related	Related	Related	Related	Justification
						The cost of bond redemption is deductible currently for tax purposes and is amortized over the life of the new
Reacquired Debt	(7,801,171)	(7,801,171)				bond issue for book purposes. Related to all functions. Excluded here since it is included in Cost of Debt.
Reacquired Debt	(7,801,171)	(7,001,171)	-	-		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.
						deducted when paid based on the hen date.
Maryland Property Taxes	(7,434,306)	-	-	(7,434,306)	-	
						For book purposes, prepaid expenses, which related to a future period but are paid in the current period, must be
						capitalzied and amortized to the balance sheet as an assset. 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
Prepaid Interest	(599,213)				(599,213)	extend beyond 12 months. The prepaid interest relates to the Life Insurance plans, that is why this is labor
riepaid interest	(355,213)				(355,213)	For book purposes, prepaid expenses, which related to a future period but are paid in the current period, must be
						capitalzied and amortized to the balance sheet as an assset. 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
Prepayments	(27,712)	_	_	_	(27.712)	extend beyond 12 months.
	(=-,-=-,				(=-,-=)	When a regulatory asset/liability is established, books credits/debits income, which for tax purposes needs to be
Regulatory Asset - Blueprint	(18,377,487)	(18,377,487)	-	-	-	reversed along with the associated amortization
						For books, Demand Side Management Costs are deferred. For tax these costs are expensed when paid. These
Regulatory Asset - DSM	(117,290,880)	(117,290,880)	-	-	-	deferred taxes are the result of this book/tax difference which is retail in nature.
						Represents deferred taxes on MAPP abandonment costs that are currently deductible for income tax purposes,
						versus amounts included in the MAPP Regulatory Asset that are amortized to book expense over a longer time
Regulatory Asset - MAPP Transmission	2,507,381	-	2,507,381	-	-	period
						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
Regulatory Asset - FERC Formula Rate True-up	(1,887,801)	-	(1,887,801)	-		be reversed.
						For book purposes, regulatory assets are established with an increase to book income. For tax purposes the
Regulatory Assets	(76,081,599)	(63,352,069)	-	-	(12,729,530)	regulatory assets are not recognized and book income is reversed.
						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
Pension Plan Contribution	(116,932,860)				(116,932,860)	the excess tax payment over book. Affects company personnel across all functions.
i ension i lan contribution	(110,932,800)				(110,532,600)	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
FAS 109 - Regulatory Asset	(57,267,343)			(57,267,343)		represent the deferred taxes on prior flow-through items, including the amount of the required gross-up
Subtotal - p277 (Form 1-F filer: see note 6, below)	(401.192.991)	(206,821,606)	619,579	(64,701,649)	(130,289,315)	
Less FASB 109 Above if not separately removed	(57,267,343)	(200,821,000)	015,375	(57,267,343)	(130,203,313)	
Less FASB 106 Above if not separately removed	(57,207,543)			(37,207,343)		
Total	(343,925,648)	(206,821,606)	619,579	(7,434,306)	(130,289,315)	
.0141	(343,323,048)	(200,021,000)	013,373	(7,7-5,700)	(130,203,313)	

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 C

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

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	2,277,589	208,120
5	Total		2,277,589	208,120
6	Total Form No. 1 (p 266 & 267)	Form No. 1 balance (p	2,277,589	208,120
7	Difference /1		-	-

/1 Difference must be zero

### Attachment 2 - Taxes Other Than Income Worksheet

or Taxes	Page 263 Col (i)	Allocator	Allocated Amount
Plant Related	Gre	oss Plant Alloca	tor
1 Transmission Personal Property Tax (directly assigned to Transmission) 1a Other Personal Property Tax (excluded) 2 Capital Stock Tax 3 Gross Premium (insurance) Tax 4 PURTA 5 Corp License  Total Plant Related	\$ 10,510,035 \$ 34,373,645 44,883,680	100% 0% 17.8432% 17.8432% 17.8432% 17.8432% 17.8432%	\$10,510,035 \$ - \$ - \$ - \$ - \$ - \$ - \$ 10,510,035
Total Plant Related	44,003,000		10,510,035
Labor Related	Wage	es & Salary Allo	cator
6 Federal FICA & Unemployment & state unemployment	6,035,162		
Total Labor Related	6,035,162	9.9087%	598,005
Other Included	Gre	oss Plant Alloca	tor
7 Miscellaneous	40,763		
Total Other Included	40,763	17.8432%	7,273
Total Included			11,115,313
Currently Excluded			
8 Franchise 9 kWhTax - State Gross Receipt (Excise Tax) 10 Electric environmental surcharge 11 Universal service fee 12 Montgomery County Fuel 13 PSC assessment 14 Real property (State, Municipal or Local) 15 DC Right of Way 16 Use & Sales Tax 17 FHUT 18 DC Ballpark 19 DC Reliable Energy Trust Fund 20 Misc. Other 21 Total "Other" Taxes (included on p. 263)	24,247,858 83,231,221 2,173,795 8,233,677 142,725,925 9,345,505 7,542,745 23,157,138 3,959,248 8,514 16,500 17,121,179 0		
22 Total "Taxes Other Than Income Taxes" - acct 408.10 (p. 114.14)	372,722,908		

23 Difference

- 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
- 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
- Other taxes that are assessed based on labor will be allocated based on the Wages and Salary Allocator

  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
- 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, 2015

## Assessable Plant

Transmission Distribution General Total T,D&Genl	\$ \$ \$	937,157,656 2,972,053,110 161,174,158 4,070,384,924
Plant ratios by Jurisdiction Transmission Ratio Distribution ratio General Ratio		0.2302380914 0.7301651234 0.0395967853
Property Taxes	\$	1.0000000000 44,883,680
Transmission Property Tax Distribution Property tax General Property Tax Total check	\$ \$ \$	10,333,933 32,772,498 1,777,249 44,883,680
General Property Tax Trans Labor Ratio Trans General	\$	1,777,249 9.909% 176,102

Total Transmission Property Taxes	
Transmission	\$ 10,333,933
General	\$ 176,102
Total Transmission Property Taxes	\$ 10,510,035

#### Attachment 3 - Revenue Credit Workpaper

Account 454 - Rent from Electric Property			
1 Rent from Electric Property - Transmission Related (Note 3)			11,326,926
2 Total Rent Revenues	(Sum Lines 1)		11,326,926
Account 456 - Other Electric Revenues (Note 1)			
Account 430 - Other Electric Neverlues (Note 1)			
3 Schedule 1A		\$	597,392
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 Tran	smission Owner (Note 4)		1,627,373
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)		13,551,691
	(Sum Lines 2-10)		
12 Less line 17g			(7,938,029)

5,613,662

#### Revenue Adjustment to determine Revenue Credit

13 Total Revenue Credits

- 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.
- 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).

	Revenues included in lines 1-11 which are subject to 50/50 sharing.		11,326,926
17b	Costs associated with revenues in line 17a	Attachment 5 - Cost Support	4,549,133
17c	Net Revenues (17a - 17b)		6,777,793
17d	50% Share of Net Revenues (17c / 2)		3,388,897
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)		3,388,897
17g	Line 17f less line 17a		(7,938,029)
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.		69,593,147
19	Amount offset in line 4 above		158,269,092
20	Total Account 454, 456 and 456.1		241,413,930

20 Total Account 454, 456 and 456.1 21 Note 4: SECA revenues booked in Account 447.

### Attachment 4 - Calculation of 100 Basis Point Increase in ROE

Return and Taxes with 100 Basis Point increase in ROE
A 100 Basis Point increase in ROE and Income Taxes (Line 127 + Line 138) 83,632,800
B 100 Basis Point increase in ROE 1.00%

Loss LTD Interest on Securitization E(Note P)	59	Rate Base			(Line 39 + 58)	688,326,920
Less LTD Interest on Securitization E(Note P)		Long Term Interest				
102   Long Term Interest   "Line 100- line 101)"   124,3	100	Long Term Interest			p117.62c through 67c	124,396,41
Preferred Dividends	101	Less LTD Interest on Securitization E	(Note P)		Attachment 8	<u></u>
Common Stock	102	Long Term Interest			"(Line 100 - line 101)"	124,396,41
Proprietary Capital	103	Preferred Dividends		enter positive	p118.29c	(
Lies Prieferred Stock   enter negative   Cline 114						
Less Account 216.1						2,240,754,79
Common Stock						(
Capitalization   Capitalization   Less Loss on Reacquired Debt   enter negative   p112.17c through 21c   2.334.5				enter negative		-1,646,36 2,239,108,42
Long Term Debt   Less Loss on Reacquired Debt   enter negative   p112.17c through 21c   2.334,5	107				(Cull Lines 104 to 100)	2,200,100,42
Less Loss on Reacquired Debt	100				n442 470 through 24 o	2 224 500 00
110				enter negative		-19,446,43
111						-19,446,43
Less LTD on Secunitization Bonds			000			7,801,17
Total Long Term Debt   Stock						7,001,17
114				enter negative		2,322,854,74
115						2,022,004,74
Total Capitalization						2,239,108,42
118						4,561,963,16
118	117	Dobt 0/		Total Long Torm Dobt	(Line 442 / 446)	51%
Common %   Common Stock   (Line 115 / 116)						0%
Preferred Stock						49%
Preferred Stock	120	Debt Cost		Total Long Term Debt	(Line 102 / 113)	0.053
122   Common Cost   (Note J from Appendix A)   Common Stock   Appendix A % plus 100 Basis Pts   Common Stock   Appendix A % plus 100 Basis Pts   Common Stock   Appendix A % plus 100 Basis Pts   Common Stock   Appendix A % plus 100 Basis Pts   Common Stock   C						0.000
Weighted Cost of Preferred   Preferred Stock   (Line 118 * 121)   Weighted Cost of Common   Common Stock   (Line 119 * 122)			(Note J from Appendix A)			0.1150
Weighted Cost of Preferred   Preferred Stock   (Line 118 * 121)   Weighted Cost of Common   Common Stock   (Line 119 * 122)	123	Weighted Cost of Debt		Total Long Term Debt (WCLTD)	(Line 117 * 120)	0.027
125						0.000
Total Return ( R )   (Sum Lines 123 to 125)						0.056
Income Tax Rates    128				Common Glock		0.083
Income Tax Rates	127	Investment Return = Rate Base * Rate of Return	1		(Line 59 * 126)	57,621,64
FIT=Federal Income Tax Rate   SIT=State Income Tax Rate   SIT=State Income Tax Rate   Or Composite	mpos	ite Income Taxes				
SIT=State Income Tax Rate or Composite   p = percent of federal income tax deductible for state purposes   Per State Tax Code		Income Tax Rates				
130	128	FIT=Federal Income Tax Rate				35.00%
131						7.94%
132	130	p = percent of federal income tax deduc	tible for state purposes		Per State Tax Code	0.00%
ITC Adjustment	131	T	T=1 - {[(1 - SIT) * (1 - FI	Γ)] / (1 - SIT * FIT * p)} =		40.16%
133       Amortized Investment Tax Credit       enter negative       p266.8f       (20         134       T/(1-T)       (Line 132)       (Line 132)         135       Net Plant Allocation Factor       (Line 18)       18.         136       ITC Adjustment Allocated to Transmission       (Note I from Appendix A)       (Line 133 * (1 + 134) * 135)       -	132	T/ (1-T)				67.12%
134 T/(1-T) (Line 132) 135 Net Plant Allocation Factor (Line 18) 18.  136 TrC Adjustment Allocated to Transmission (Note I from Appendix A) (Line 133 * (1 + 134) * 135) -		ITC Adjustment				
Net Plant Allocation Factor (Line 18) 18.  ITC Adjustment Allocated to Transmission (Note I from Appendix A) (Line 133 * (1 + 134) * 135) -	133	Amortized Investment Tax Credit		enter negative	p266.8f	(208,120
136 ITC Adjustment Allocated to Transmission (Note I from Appendix A) (Line 133 * (1 + 134) * 135)	101	T/(1-T)			(Line 132)	67%
	134	Net Plant Allocation Factor				18.90949
Income Tax Component = CIT=(T/1-T) * Investment Return * (1-(WCLTD/R)) = 26,07		ITC Adjustment Allocated to Transmi	ssion	(Note I from Appendix A)	(Line 133 * (1 + 134) * 135)	-65,76
13/ income rax component = CTT=(T/1-T) * Investment Return * (1-(WCLTD/R)) = 26,07	135					
	135 136		OIT (T/4 T) * 1			00.070:-

### Attachment 5 - Cost Support

**Electric / Non-electric Cost Support** 

							Non-electric	
	Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and	l Instructio	ns	For	m 1 Amount	Electric Portion	Portion	Details Programme Control of the Con
	Plant Allocation Factors							
10	Accumulated Intangible Amortization	(Note A)	p200.21c	\$	23,998,638	23,998,638	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	\$	2,277,589	2,277,589	0	Respondent is Electric Utility only.
	Materials and Supplies							
47	Undistributed Stores Exp	(Note A)	p227.6c & 16.c	\$	2,422,856	2,422,856	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	\$	(29,816)	-29,816	0	Respondent is Electric Utility only.
92	Common Depreciation - Electric Only	(Note A)	p336.11.b	I	0	0	0	
93	Common Amortization - Electric Only	(Note A)	p356 or p336.11d	I	0	0	0	

**Transmission / Non-transmission Cost Support** 

	Attachment A Line #s, Descriptions, Notes, Form 1 F	age #s and Instructions	Form 1 Amount		Non-transmission Related	Details
28	Plant Held for Future Use (Including Land)	(Note C) p214	\$ 78,605,231	0	78,605,231	Specific identification based on plant records: The following plant investments are included:
						2 3
						4 5

**CWIP & Expensed Lease Worksheet** 

Attachment A Line #s, Descriptions, Notes, F	Form 1 Page #s and Instruction	าร	Form 1 Amount		Expensed Lease in Form 1 Amount	Details
Plant Allocation Factors						
6 Electric Plant in Service	(Note B)	p207.104g	\$ 7,529,520,714	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	\$ 1,301,956,628	0	0	See Form 1
24 Common Plant (Electric Only)	(Notes A & B)		0	0	0	
Accumulated Depreciation						
30 Transmission Accumulated Depreciation	(Note B)	p219.25.c	\$ 423,932,260	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	\$ 268,880	268,880	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	d Instruction	ons	For	rm 1 Amount		Non-transmission Related	Details
Allocated General & Common Expenses							
70 Less Regulatory Commission Exp Account 928	(Note E)	p323.189b	\$	4,421,392	433,416	3,987,976	FERC Form 1 page 351.1 line 28, transmission related only.
Directly Assigned A&G							
77 Regulatory Commission Exp Account 928	(Note G)	p323.189b	\$	4,421,392	433,416	3,987,976	FERC Form 1 page 351.1 line 28, transmission related portion only.

### **Safety Related Advertising Cost Support**

Attachment A Line #s Descriptions Notes E	orm 1 Page #c and Instructions	Form 1 Amount Sofety Polated Non	cofety Deleted	Datalla.
Attachment A Line #s, Descriptions, Notes, F	Jilli i Faye #5 allu ilistructions	FOITH I AIHOURK Safety Related Non-	-Salety Related	Details
Directly Assigned A&G				
81 General Advertising Exp Account 930.1	(Note F) p323.191b	\$ 1,499,269 -	1,499,269	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 Details
Income Tax Rates								
			Maryland	DC	Enter State	Enter State	Enter State	Enter Calculation
129 SIT=State Income Tax Rate or Composite	(Note I)	7.942%	8.25%	9.400%	Enter %	Enter %	Enter %	Apportioned: MD 4.62%, DC 3.32%

### **Education and Out Reach Cost Support**

				Education &		
	Attachment A Line #s, Descriptions, Notes, Form 1 Page #s a	nd Instructions	Form 1 Amount	Outreach	Other	Details
	Directly Assigned A&G					
78	General Advertising Exp Account 930.1	(Note K) p323.191b	\$ 1,499,269	0	1,499,269	None

### **Excluded Plant Cost Support**

_				
			Excluded	
			Transmission	
	Attachment A Line #s, Descriptions, Notes, Form 1 Page	#s and Instructions	Facilities	Description of the Facilities
A	djustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities			
149	Excluded Transmission Facilities	(Note M) Attachment	t 5	O General Description of the Facilities
				ı
	Instructions:		Enter \$	None
	1 Remove all investment below 69 kV or generator step up transformers included in transmission	n 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.	Or	
	the following formula will be used: Examp	•	Enter \$	
	•	.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

### Attachment 5 - Cost Support

### **Transmission Related Account 242 Reserves**

			Transmission	
Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions	Total	Allocation	Related	<b>Details</b>
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	69,988,241	9.91%	6,934,914	
Plant Related	3,784,245	17.84%	675,231	
Other		0.00%	-	
Total Transmission Related Reserves	73,772,486		7,610,145	

### **Prepayments**

Attachment A Line #s, Descriptions, No	otes, Form 1	Page #s and I	nstructions		Description of the Prepayments
45 Prepayments				To Line 45	
5 Wages & Salary Allocator			9.909%		
Pension Liabilities, if any, in Account 242			9.909%	-	
Prepayments	\$	19,243,254	9.909%	1,906,753	
Prepaid Pensions if not included in Prepayments	\$	291,485,327	9.909%	28,882,361	Prepaid Pension is recorded in FERC account 186 (see FERC Form 1 page 233).
		310,728,581	9.91%	30,789,114	

**Outstanding Network Credits Cost Support** 

	Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions			Description of the Credits
N	etwork Credits		Enter \$	
55	Outstanding Network Credits	(Note N) From PJM	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	t
61	Less extraordinary property loss	Attachment 5	\$				
62	Plus amortized extraordinary property loss	Attachment 5	\$	-	5 \$	- \$	•

### 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
Revenue Credits & Interest on Network Credits			
155 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
Net Revenue Requirement		
171 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 P	age #s and Instructions	1 CP Peak	Description & PJM Documentation
Network Zonal Service Rate			
173 1 CP Peak	(Note L) PJM Data	6,267.7	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 Instruction	าร
Α	Beginning Balance of Unamortized Transmission Plant	Per FERC Order	
В	Months Remaining in Amortization Period	Per FERC Order	
С	Monthly Ammortization	A/B	
D	Months in Year to be Amortized		
Е	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, De	scriptions, Notes, Form 1	Page #s and	ıl b	nstruction	S	
			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

#### Attachment 5 - Cost Support

### **Brandywine Fly Ash Landfill Environmental Expenses**

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

tep 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 in a future Annual Update to the 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, expense 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 Protocos, as though the costs had been included in the 2014 Annual Update. Any payments to Pepco for its 2014 Brandywine Fly Ash Expenses shall not be included in any Pepco Annual Update.

### Supporting documentation for FERC Form 1 reconciliation

Comp	liance with FERC Order on the Exelon Merger					
	Attachment A Line #s, Descriptions, Notes, Fo	rm 1 Page #s and Instructions	Form 1 Amount	Merger Costs	Non Merger Related	
60	Transmission O&M	p321.112.b	31,957,925	11,335	31,946,590	
68	Total A&G	p323.197.b	134,609,318	5,978,256	128,631,062	

ARO E	ARO Exclusion - Cost Support		Form 1 Amount	ARO's	Non-ARO's
	Attachment A Line #s, Descriptions, Notes, Form 1 P	age #s and Instructions	Form 1 Amount	ARO's	Non-ARO's
6	Electric Plant in Service	p207.104g	7,529,520,714	283,373	7,529,237,341
9	Accumulated Depreciation (Total Electric Plant)	p219.29c	2,728,947,644	145,876	2,728,801,768
23	General & Intangible	p205.5.g & p207.99.g	307,532,021	283,373	307,248,648
31	Accumulated General Depreciation	p219.28.c	140,969,432	145,876	140,823,556

<b>PBOP E</b>	Expense in FERC 926						
	Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instruction	ons	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	134,609,318	31,319,735	2,002,643	2,007,87	The actuarially determined amount of OPEB expense in FERC 926 increased \$.149 million from the prior year; the increase reflects a \$1.2M increase in amortization of unrecognized gainfloss from assumption changes, primarily a change in the mortality table and decrease in the discount rate, \$0.3M increase in expected return on plan assets, offset by (\$0.6M) in service cost, and (\$0.7M) in interest cost. This increase was offset by a \$0.154 increase 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

\$ 4,549,133

Attachment 5 - Cost Support

#### Attachment 6 - Estimate and Reconciliation Worksheet

Step 9 - Reconciliation adjustment to reflect ROE Settlement in FERC Docket Nos. FL13-48, EL15-27 and ER16-49

True-up amount - calculated at 11.3% ROE (Reconciliation Steps 1 - 9	2,161,930 (a)
True-up amount - calculated at 10.5% ROE (Reconciliation Steps 1 - 9)	(2,244,354) (b)
# of days in rate year at 11.3% ROE (June 1, 2015 to March 7, 2016)	281 (c)
# of days in rate year at 10.5% ROE (March 8, 2016 to May 31, 2016)	85 (d)
	366 (e)
11.3% ROE proration factor	76.7760% (f)
10.5% ROE proration factor	23.2240% (g)
Prorated true-up amount at 11.3% ROE	1,659,843 (a) x (f)
Prorated true-up amount at 10.5% ROE	(521,230) (b) x (g)
Adjusted true-up for prorated ROE's	1,138,613 (1)
ROE Settlement refund per Article II section 2.2	(14,216,703) (h)
Interest associated with rate-year monthly amortization	(260,070) (i)
Total ROE Settlement refund	(14,476,773) (2)
Total true-up amount	(13,338,160) (1) + (2)
True-up per attachment 6 (step 9 - 11.3% ROE)	2,161,930 Attachment 6
True-up adjustment (carry to Attachment 6 - step 9)	(15,500,091) Attachment 6
True-up Summary:	
Prorated true-up amount at 11.3% ROE	1,659,843
Prorated true-up amount at 10.5% ROE	(521,230)
Total refund per ROE Settlement	(14,476,773)
Total true-up amount	(13,338,160)

### Attachment 5a - Allocations of Costs to Affiliate

	Delmarva Power	Atlantic City	Pepco	Non - Regulated	Total
Executive Management	\$ 11,622,846	\$ 9,931,814	\$ 19,914,849	\$ 5,363,748	\$ 46,833,257
Procurement & Administrative Services	6,803,279	4,747,615	9,948,927	397,985	21,897,805
Financial Services & Corporate Expenses	14,392,550	11,405,597	20,949,763	2,548,058	49,295,968
Insurance Coverage and Services	2,936,213	2,443,681	3,976,915	972,086	10,328,895
Human Resources	4,702,235	3,243,502	7,277,658	960,297	16,183,692
Legal Services	2,445,274	2,313,475	6,008,550	2,088,341	12,855,641
Audit Services	950,754	845,150	1,487,115	241,906	3,524,925
Customer Services	61,881,891	53,570,456	52,835,175	7,688	168,295,210
Utility Communication Services	266,488	200,497	415,547	-	882,532
Information Technology	16,532,766	12,290,845	32,565,022	400,519	61,789,153
External Affairs	3,064,379	2,353,071	4,767,843	916,269	11,101,562
Environmental Services	2,147,139	1,834,467	1,986,566	111,504	6,079,676
Safety Services	367,769	465,172	587,283	-	1,420,224
Regulated Electric & Gas T&D	36,940,868	28,738,421	49,154,897	402,956	115,237,143
Internal Consulting Services	553,737	364,355	854,552	-	1,772,645
Interns	239,606	108,950	125,236	-	473,792
Cost of Benefits	13,366,740	8,288,720	22,656,508	1,048,369	45,360,337
Building Services	-	117,184	4,297,944	-	4,415,128
Total	\$ 179,214,534	\$ 143,262,973	\$ 239,810,349	\$ 15,459,727	\$ 577,747,583

Nam	ne of Respondent		This Repor	t Is:	Re	submission Date	Year/Period of Report
	Service Company			n Original		(Mo, Da, Yr)	Dec 31, 2015
	Schedule XVII - Analysis of	f Pilling	` ' []	Resubmission	COLL		200011 2010
							···
1.	For services rendered to associate companies (Account	t 457), li	st all of the	associate com	ipani	es.	
	Name of Associate Company	Acco	unt 457.1	Account 457.2	2	Account 457.3	Total Amount Billed
Line		Direct C	osts Charged	Indirect Costs Cha	arged	Compensation For Use	
No.						of Capital	
	(a)		(b)	(c)		(d)	(e)
1	Potomac Electric Power Company		58,154,693	181,123		532,061	
2	Delmarva Power & Light Company		43,706,288	135,113		394,603	
3	Atlantic City Electric Company		29,494,183	113,464		304,784	~ ~~~~
4	Pepco Energy Services, Inc. Pepco Holdings, Inc.		2,339,977 4,330,208	4,632		19,854 14,805	
5 6	Thermal Energy Limited Partnership		16,780	2,327	,989	14,805	
7	ATS Operating Services, Inc.		96		3,232	741	
8	Atlantic Southern Properties, Inc.		7,860		7,738	461	
9	Potomac Capital Investment Corporation		95,414		9,901	502	
10	Conectiv Properties & Investments, Inc.		175		3,928	363	
11	Conectiv Thermai Systems, Inc.		2,476		1,635	254	
12	Conectiv, LLC		11,532	-	,455	214	
13	Atlantic City Electric Transition Funding, LLC		41,005		,674	101	
14	Conectiv Energy Supply, Inc.		3,196		,312	11	
15	Conectiv Communications, Inc.		7	1	,436	4	1,447
16	Delaware Operating Services Company, LLC		18	1	,031		1,049
17	Conectiv Services II, Inc.		5		946	3	954
18	Conectiv North East, LLC		29		480	2	. 511
19	ATE Investment, inc.		265		169	1	435
20	Atlantic Generation, Inc.		8		1		9
21	Conectiv Solutions LLC		4		1		5
22							,
23							
24							
25							
26							
27	40-1-400						
28							
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31							
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36							
37							
38							
39							***************************************
40	Total		138,204,219	438,27	2 827	1,270,527	577,747,583
	10(8)		130,204,213	430,27	2,037	1,210,321	377,147,303

### Service Company Billing Analysis by Utility FERC Account YTD Dec 2015 Total PHI

FERC						
Accounts FERC Account Name	DPL	ACE	PEPCO	Non-Utility	Total	Inclusion in ATRR
107 Constr Work In Progress	26,825,416	18,942,305	37,932,712	-	83,700,433	Notinduded
182.3 Other Regulatory Assets	5,460,712	412,293	10,748,214	-	16,621,219	Notinduded
184 Clearing Accounts - Other	112,531	(281,147)	243,565	(90,887)	(15,938)	
408.1 Taxes other than inc taxes, utility operating inc	1,689	417	1,869	-	3,975	Notinduded
416-421.2 Other Income -Below the Line	560,693	639,225	1,007,672	15,550,614	17,758,203	Notinduded
426.1-426.5 Other Income Deductions - Below the Line	2,507,498	1,962,834	3,959,947	-	8,430,279	Notinduded
430 Interest-Debt to Associated Companies	421,083	325,336	567,737	-	1,314,155	Notinduded
431 Interest-Short Term Debt	(26,480)	(20,551)	(35,675)	-	(82,707)	
556 System cont & load dispatch	2,079,683	1,803,109	1,792,244	-	5,675,037	Notinduded
557 Other expenses	1,284,612	1,190,052	1,810,559	-	4,285,224	Notinduded
560 Operation Supervision & Engineering	2,534,655	2,301,448	3,986,086	-	8,822,189	100% included
561.1 Load Dispatching - Reliability	14,024	13,489	4 052 426	-	27,513	100% included
561.2 Load Dispatch - Monitor & Operate Transmission Sys	92,489	27,473	1,053,426	-	1,173,387	100% included
561.3 Load Dispatch - Transmission Service & Scheduling	6,974	29,802	36,786	-	73,561	100% included
561.5 Reliability, Planning and Standards	318,713	306,817	72,469	-	697,999	100% included
563 Overhead line expenses	-	-	426	-	426	100% included
562 Station expenses	-	-	15,038	-	15,038	100% included
564 Underground Line Expenses - Transmission	-	-	6,022	-	6,022	100% included
566 Miscellaneous transmission expenses	575,150	466,977	400,103	-	1,442,231	100% included
568 Maintenance Supervision & Engineering	99,986	119,307	513,198	-	732,491	100% included
569.2 Maintenance of Computer Software	692,629	291,080	515,966	-	1,499,676	100% included
569.4 Maintenance of Transmission Plant	-	-	16	-	16	100% included
570 Maintenance of station equipment	179,932	81,307	368,761	-	630,000	100% included
571 Maintenance of overhead lines	208,286	171,938	336,455	-	716,679	100% included
572 Maintenance of underground lines	617	145	31,460	-	32,222	100% included
573 Maintenance of miscellaneous transmission plant	69,397	43,352	176,608	-	289,357	100% included
575.5 Ancillary services market administration	-	-	9,466		9,466	Notinduded
580 Operation Supervision & Engineering	932,222	413,084	1,158,728	-	2,504,033	Notinduded
581 Load dispatching	897,505	609,744	1,583,486	-	3,090,735	Notinduded
582 Station expenses	925,717	-	110,189	-	1,035,906	Notinduded
583 Overhead line expenses	105,764	221,000	40,256	-	367,020	Notinduded
584 Underground line expenses	33,248	-	249,828	-	283,076	Notinduded
585 Street lighting	22,790	-	263	-	23,053	Notinduded
586 Meter expenses	820,745	363,152	1,120,091	-	2,303,988	Notinduded
587 Customer installations expenses	75,048	433,573	459,731	-	968,352	Notinduded
588 Miscellaneous distribution expenses	5,245,589	5,366,288	8,168,015	-	18,779,892	Notinduded
589 Rents	42,788	4,270	110,212	-	157,269	Notinduded
590 Maintenance Supervision & Engineering	849,079	650,593	353,503	-	1,853,176	Notinduded
591 Maintain structures	-	-	832	-	832	Notinduded
592 Maintain equipment	675,851	584,389	1,159,558	-	2,419,798	Notinduded
593 Maintain overhead lines	1,259,886	1,754,712	1,644,100	-	4,658,698	Notinduded
594 Maintain underground line	116,336	77,706	620,650	-	814,692	Notinduded
595 Maintain line transformers	1,601	1,660	206,550	-	209,810	Notinduded
596 Maintain street lighting & signal systems	57,840	39,098	13,385	-	110,323	Notinduded
597 Maintain meters	29,424	34,594	102,937	-	166,954	Notinduded
598 Maintain distribution plant	52,761	16,021	800,876	-	869,658	Notinduded
800-894 Total Gas Accounts	2,312,645	-	-	-	2,312,645	Notinduded
902 Meter reading expenses	159,479	49,499	57,472	-	266,450	Notinduded
903 Customer records and collection expenses	55,012,070	53,333,101	49,706,832	-	158,052,004	Notinduded
907 Supervision - Customer Svc & Information	89,859	155,383	136,073	-	381,314	Notinduded
908 Customer assistance expenses	2,242,487	540,910	814,118	-	3,597,515	Notinduded
909 Informational & instructional advertising	168,512	164,860	244,743	-	578,116	Notinduded
910 Miscellaneous customer service	1	-	-		1	
912 Demonstrating and selling expense	185,430	-	-	-	185,430	Notinduded
913 Advertising expense	47,466	402.020	-	-	47,466	Not included
920 Administrative & General salaries	334,674	102,020	622,253	-	1,058,947	Wage & Salary Factor
921 Office supplies & expenses	17,141	15,321	28,536	-	60,998	Wage & Salary Factor
923 Outside services employed	49,753,374	42,003,778	83,770,249	-	175,527,401	Wage & Salary Factor
924 Property insurance	4,302	3,183	5,843	-	13,327	Net Plant Factor
925 Injuries & damages	2,185,302	1,663,383	3,526,490	-	7,375,175	Wage & Salary Factor
926 Employee pensions & benefits	7,447,074	3,965,508	12,073,981	-	23,486,563	Wage & Salary Factor
928 Regulatory commission expenses	1,269,715	439,944	1,723,002	-		Direct Transmission Onl
929 Duplicate charges-Credit	246,073	146,790	1,304,156	-	1,697,018	Wage & Salary Factor
930.1 General ad expenses	93	92	9,323	-	-	Direct Transmission Only
930.2 Miscellaneous general expenses	1,143,547	1,008,970	1,998,079	-	4,150,596	Wage & Salary Factor
931 Rents	1 420 906	272 240		-	1 020 024	Wage & Salary Factor
935 Maintenance of general plant Total	430,806 179,214,534	273,340 143,262,973	334,877 239,810,349	15,459,727	1,039,024 577,747,583	Wage & Salary Factor

### Attachment 6 - Estimate and Reconciliation Worksheet

6 April Year 3 TO populates the formula with Year 2 data from FERC Form 1 for Year 2 (e.g., 2005)

177,160,993 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)

Step	Month	Year	Action														
Even	Cummon																
Exec 1	Summary April	•	TO nonulates the fe	ormula with Year 1 data fro	om FERC Form 1 data for Y	(ear 1 (e.n. 2004)											
2	April				CWIP for Year 2 weighted	, , ,	ed to be in service in Y	ear 2 (e.g., 2005)									
3	April	Year 2		Cap Adds to plant in service				/									
4	May	Year 2		3 on PJM web site													
5	June	Year 2	Results of Step 3 g	o into effect for the Rate Y	ear 1 (e.g., June 1, 2005 -	May 31, 2006)											
6	April	Year 3			om FERC Form 1 for Year 2												
7	April	Year 3			by removing from Year 2 da	ata - the total Cap Adds p	laced in service in Yea	ar 2 and adding weig	hted average in Year 2 act	ual Cap Adds and CWIF	P in Reconciliation						
8	April	Voor 2		any Reconciliation amount		enths avecated to be in so	unico in Voor 2 (o.a. 2	1004)									
9	April	Year 3			ar 3 weighted based on Mo een the Reconciliation in St				nie difforonco ie aleo addoc	to Stop 9 in the subsect	wont woar)						
10	May	Year 3			sen me reconciliation in St	ep / and the forecast in L	ine 5 with interest to ti	ie result of Step 7 (ii	iis uillerence is also audec	to step o in the subseq	juent year)						
	June				ear 2 (e.g., June 1, 2006 -	May 31, 2007)											
						, ,											
1	April	Year 2			om FERC Form 1 data for Y												
			163,729,150	Rev Req based on Year	1 data	Must run Appendix A to	get this number (witho	out inputs in lines 20,	21 or 43a of Appendix A)								
2	April	Voor 2	TO octimatos all tra	anemicsion Can Adds and	CWIP for Year 2 weighted	hasad on Months avnosts	nd to be in service in V	'oar 2 (o.g. 2005)									
_	гърп	rour z	10 calinates di ire	mamaaan cap Adda and	OWIT TO TELL 2 WEIGHTED	based on World's expect	ou to be in service in 1	cui 2 (c.g., 2003)									
				(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(1)	(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	8,172,728				10.5	85,813,645	-	-	-	7,151,137	-	-	-	
			Mar					9.5	-	-	-	-		-	-	-	
			Apr	51,852,352				8.5 7.5	440,744,994	-	-	-	36,728,749	-	-	-	
			May					7.5 6.5	-	-	-	-	-	-	-	-	
			Jun Jul					5.5		-			-		-	-	
			Aug					4.5	-	_		-	-	-	_	_	
			Sep					3.5		-		-	-	-	-		
			Oct					2.5		-		-	-	-	-	-	
			Nov					1.5	-	-	-	-	-	-	-	-	
			Dec					0.5	-	-	-	-	-	-	-	-	
			Total	60,025,080	-	-	-		526,558,638	-	-	-	43,879,887	-	-	-	
			New Transmission	Plant Additions and CWIF	(weighted by months in se	ervice)							43,879,887	-	-	-	
											Input to Line 21 of App		43,879,887	-		-	43,879,887
											Input to Line 43a of App		2.22	#DIV(0)	#DII/(0)	#DI1//01	-
3	April	Voar 2	TO adds woighted	Cap Adds to plant in service	ce in Formula						Month In Service or Mo	TILL TOLCWIP	3.23	#DIV/0!	#DIV/0!	#DIV/0!	
3	April	Teal 2	-	Input to Formula Line 21													
			0 10,077,007	input to Formula Line 21													
4	May	Year 2	Post results of Step	3 on PJM web site													
			168,280,036			Must run Appendix A to	get this number (with i	inputs on lines 21 an	d 43a of Attachment A)								
5	June	Year 2		o into effect for the Rate Y	'ear 1 (e.g., June 1, 2005 -	May 31, 2006)											
			\$ 168,280,036														

#### 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

\$ 84,083,872 Input to Formula Line 20

Add weighted Cap Adds actually placed in service in Year 2

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(1)	(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 C	ther Plant In Service C	ther 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	\$1,323,165				11.5	15,216,398	-	-	-	1,268,033	-	-	-	
Feb	\$7,666,710				10.5	80,500,455	-	-	-	6,708,371	-	-	-	
Mar	\$321,061				9.5	3,050,083	-	-	-	254,174	-	-	-	
Apr	\$18,866,941				8.5	160,369,002	-	-	-	13,364,083	-	-	-	
May	\$25,955,422				7.5	194,665,664	-	-	-	16,222,139	-	-	-	
Jun	\$7,273,461				6.5	47,277,498	-	-	-	3,939,791	-	-	-	
Jul	\$391,547				5.5	2,153,510	-	-	-	179,459	-	-	-	
Aug	\$3,343,590				4.5	15,046,155	-	-	-	1,253,846	-	-	-	
Sep	\$6,338,427				3.5	22,184,494	-	-	-	1,848,708	-	-	-	
Oct	\$1,563,797				2.5	3,909,493	-	-	-	325,791	-	-	-	
Nov	\$6,797,509				1.5	10,196,263	-	-	-	849,689	-	-	-	
Dec	\$4,242,241				0.5	2,121,121	-	-	-	176,760	-	-	-	
Total	84,083,872	-	-	-		556,690,135	-	-	-	46,390,845	-	-	-	
New Transmission	Plant Additions and CWI	P (weighted by months in se	rvice)							46,390,845	-	-	-	
								Innut to Line 21 of Anno	ndiv A	46 300 845				

Input to Line 21 of Appendix A 46,390,845 Input to Line 43a of Appendix A Month In Service or Month for CWIP 5.38 #DIV/0! #DIV/0! #DIV/0! 46,390,845

173,464,355 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)	(1)	(J)	(K)	(L)	(M)	
	Monthly Additions	Monthly Additions	Monthly Additions	Monthly Additions		Other Plant In Service	Other Plant In Service	MAPP CWIP		ther Plant In Service O		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)	(1 / 12)	
Jan					11.5	-	-	-	-	-	-	-	-	
Feb					10.5	-	-	-	-	-	-	-	-	
Mar					9.5	-	-	-	-	-	-	-	-	
Apr					8.5		-			-	-	-	-	
May					7.5	-	-	-	-	-	-	-	-	
Jun	20,414,640				6.5	132,695,160	-	-	-	11,057,930	-	-	-	
Jul					5.5		-			-	-	-	-	
Aug					4.5	-	-	-		-		-	-	
Sep					3.5	-	-	-	-	-	-	-	-	
Oct					2.5	-	-	-		-		-	-	
Nov					1.5	-	-	-	-	-	-	-	-	
Dec					0.5	-	-	-	-	-	-	-	-	
Total	20,414,640		-	-		132,695,160	-			11,057,930	-	-	-	
New Transmission	Plant Additions and CWII	P (weighted by months in ser	rvice)					(	0	11,057,930	-	-	-	
158,951,000								Input to Line 21 of Appe	endix A	11,057,930	-		-	11,057,930
								Input to Line 43a of Appe	endix A			-		-
								Month In Service or Mon	th for CWIP	5.50	#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

173,464,	355	-	171,376,341	=	2,088,013	See footnote 1 Atta	chment 5 - Cost Support
nterest on Am	ount of Refun	ds or Surcharges					
Interest rate pu	rsuant to 35.1	19a for March o	0.2800%				
Month		Yr	1/12 of Step 9	Interest rate for		Interest	Surcharge (Refund) Owe
				March of the Current Yr	Months		
un	Year 1		174,001	0.2800%	11.5	5,603	179,604
ul	Year 1		174,001	0.2800%	10.5	5,116	179,117
lug	Year 1		174,001	0.2800%	9.5	4,628	178,630
Sep	Year 1		174,001	0.2800%	8.5	4,141	178,142
Oct	Year 1		174,001	0.2800%	7.5	3,654	177,655
Vov	Year 1		174,001	0.2800%	6.5	3,167	177,168
Dec	Year 1		174,001	0.2800%	5.5	2,680	176,681
an	Year 2		174,001	0.2800%	4.5	2,192	176,194
eb	Year 2		174,001	0.2800%	3.5	1,705	175,706
Mar	Year 2		174,001	0.2800%	2.5	1,218	175,219
\pr	Year 2		174,001	0.2800%	1.5	731	174,732
Лау	Year 2		174,001	0.2800%	0.5	244	174,245
otal			2,088,013				2,123,092
			Balance	Interest rate from above	Amortization over Rate Year	Balance	
un	Year 2		2,123,092	0.2800%	180,161	1,948,876	
lul	Year 2		1,948,876	0.2800%	180,161	1,774,172	
lug	Year 2		1,774,172	0.2800%	180,161	1,598,979	
Sep	Year 2		1,598,979	0.2800%	180,161	1,423,295	
)ct	Year 2		1,423,295	0.2800%	180,161	1,247,119	
lov	Year 2		1,247,119	0.2800%	180,161	1,070,450	
Dec	Year 2		1,070,450	0.2800%	180,161	893,287	
an	Year 3		893,287	0.2800%	180,161	715,627	
eb	Year 3		715,627	0.2800%	180,161	537,470	
Mar	Year 3		537,470	0.2800%	180,161	358,814	
\pr	Year 3		358,814	0.2800%	180,161	179,658	
л Лау	Year 3		179,658	0.2800%	180,161	(0)	
otal with inter	est				2,161,930		
he difference	hetween the I	Reconciliation in S	tep 7 and the forecast in P	rior Year with interest	2,161,930		
no umoronice	DOMESTI HIC I	COORDINATION III C		nent for ROE Settlement		Attachment 5 - Cost	Support
			rrue-up Aujusti	Total true-up amount	(13,338,160)	Audenment 3 - Cost	эцроп
				rotal trac up amount	(10,000,100)		
Rev Reg based	d on Year 2 da	ata with estimated	Cap Adds and CWIP for Y	ear 3 (Step 8)	\$ 158,951,000		
			•		445 (40.040		

145,612,840

Revenue Requirement for Year 3

<sup>10</sup> May Year 3 Post results of Step 9 on PJM web site

<sup>\$ 145,612,840</sup> Post results of Step 3 on PJM web site

<sup>11</sup> June Year 3 Results of Step 9 go into effect for the Rate Year 2 (e.g., June 1, 2006 - May 31, 2007) \$ 145,612,840

### Attachment 7 - Transmission Enhancement Charge Worksheet

1	New Plant Carrying	g Charge								
2	Fixed Charge Rat	e (FCR) if not a	CIAC							
3 4	A	Formula Line 160	Net Plant Carryin	a Charge without	Depreciation		14.6990%			
5	В	167	Net Plant Carryin	g Charge per 100		OE without Deprecia	15.3421%			
6	С		Line B less Line	A			0.6430%			
7	FCR if a CIAC									
8	D	161	Net Plant Carryin	g Charge without	Depreciation, Re	eturn, nor Income Ta:	5.8169%			
9	The FCR resulting									
10 11			•	-		or subsequent years ocket No. EL13-48 a		int DTO mombo	robin oddor oo a	with origod by EEDC
11	Details	willen include	s a base ROE of		righton Sub	OCKEL NO. EL 13-46 A	nu a 50 basis pu		230kV Capacitors	dulionzed by FERC
"Yes" if a project under PJM					3				•	
OATT Schedule 12, otherwise 12 "No"	Schedule 12	(Yes or No)	Yes				Yes			
13 Useful life of project	Life	(100 01 110)	35				35			
"Yes" if the customer has paid a lump sum payment in the amount										
of the investment on line 18,										
14 Otherwise "No"	CIAC	(Yes or No)	No				No			
15 Input the allowed ROE Incentive	Increased ROE (Basis	Points)	150				0			
From line 4 above if "No" on line	increased NOE (Basis	T Girts)	130				Ü			
14 and From line 8 above if "Yes"	D FOD		14 (0000)				14 (0000)			
16 on line 14 Line 6 times line 15 divided by	Base FCR		14.6990%				14.6990%			
17 100 basis points Columns A, B or C from	FCR for This Project		15.6636%				14.6990%			
18 Attachment 6	Investment		33,558,380				6,986,903			
19 Line 18 divided by line 13	Annual Depreciation/	Amortization Exp	958,811				199,626			
From Columns H, I or J from 20 Attachment 6	Month In Service or Mon	th for CWIP	6.50				5.50			
		In I We	Desired a	D	For Pro-	D	D. of out of	D	F P	D
37	Base FCR	Invest Yr 2016	Beginning 27,366,060	Depreciation 958,811	Ending 26,407,249	Revenue 4,840,416	Beginning 5,880,643	Depreciation 199,626	Ending 5,681,018	Revenue 1,034,679
38	W Increased ROE	2016	27,366,060	958,811	26,407,249	5,095,128	5,880,643	199,626	5,681,018	1,034,679
39	Base FCR	2017	26,407,249	958,811	25,448,438	4,699,481	5,681,018	199,626	5,481,392	1,005,336
40 41	W Increased ROE Base FCR	2017 2018	26,407,249 25,448,438	958,811 958,811	25,448,438 24,489,627	4,944,944 4,558,545	5,681,018 5,481,392	199,626 199,626	5,481,392 5,281,766	1,005,336 975,993
42	W Increased ROE	2018	25,448,438	958,811	24,489,627	4,794,760	5,481,392	199,626	5,281,766	975,993
43	Base FCR	2019	24,489,627	958,811	23,530,816	4,417,609	5,281,766	199,626	5,082,140	946,650
44 45	W Increased ROE Base FCR	2019 2020	24,489,627 23,530,816	958,811 958,811	23,530,816 22,572,006	4,644,576 4,276,673	5,281,766 5,082,140	199,626 199,626	5,082,140 4,882,514	946,650 917,307
46	W Increased ROE	2020	23,530,816	958,811	22,572,006	4,494,392	5,082,140	199,626	4,882,514	917,307
47	Base FCR	2021	22,572,006	958,811	21,613,195	4,135,738	4,882,514	199,626	4,682,889	887,964
48	W Increased ROE	2021	22,572,006	958,811	21,613,195	4,344,208	4,882,514	199,626	4,682,889	887,964
49 50	Base FCR W Increased ROE	2022 2022	21,613,195 21,613,195	958,811 958,811	20,654,384 20,654,384	3,994,802 4,194,024	4,682,889 4,682,889	199,626 199,626	4,483,263 4,483,263	858,621 858,621
51	Base FCR	2023	20,654,384	958,811	19,695,573	3,853,866	4,483,263	199,626	4,283,637	829,278
52	W Increased ROE	2023	20,654,384	958,811	19,695,573	4,043,840	4,483,263	199,626	4,283,637	829,278
53	Base FCR	2024	19,695,573	958,811	18,736,762	3,712,930	4,283,637	199,626	4,084,011	799,935
54 55	W Increased ROE Base FCR	2024 2025	19,695,573 18,736,762	958,811 958,811	18,736,762 17,777,951	3,893,656 3,571,995	4,283,637 4,084,011	199,626 199,626	4,084,011 3,884,385	799,935 770,592
56	W Increased ROE	2025	18,736,762	958,811	17,777,951	3,743,472	4,084,011	199,626	3,884,385	770,592
57	Base FCR	2026	17,777,951	958,811	16,819,140	3,431,059	3,884,385	199,626	3,684,760	741,249
58 59	W Increased ROE Base FCR	2026 2027	17,777,951 16,819,140	958,811 958,811	16,819,140 15,860,330	3,593,288 3,290,123	3,884,385 3,684,760	199,626 199,626	3,684,760 3,485,134	741,249 711,906
60	W Increased ROE	2027	16,819,140	958,811	15,860,330	3,443,104	3,684,760	199,626	3,485,134	711,906
61							.,			
62	L									
63										

: 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%

			No 35 No 150				Yes 35 No				Yes 35 No			
			35 No 150				35 No				35			
			No 150				No							
			150								No			
			150								No			
			150								NO			
			14.6990%				150				0			
			14.6990%								1			
							14.6990%				14.6990%			
			15.6636%				15.6636%				14.6990%			
			13.003076				13.0030 //				14.077076			
			36,700,000				20,000,000				2,000,000			
			1 048 571				571 429				57 143			
			1,040,371				371,427				37,143			
			8.00				8.00				8.00			
preciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue
														306,326
														306,326 297,927
														297,927
														289,527
														289,527
														281,128
														281,128
														272,728
														272,728
														264,329
														264,329
														255,930
														255,930
														247,530
														247,530
					-1 - 1-									239,131
		, .												239,131
														230,731
														230,73
														222,332
														222,332
									,					213,932
														213,732
pr	reciation 143,233	143,233 4,076,181 143,233 4,076,181 143,233 4,076,181 143,233 3,932,948 143,233 3,789,715 143,233 3,789,715 143,233 3,646,481 143,233 3,646,481 143,233 3,503,248 143,233 3,503,248 143,233 3,503,248 143,233 3,503,248 143,233 3,216,782 143,233 3,216,782 143,233 3,216,782 143,233 3,278,782 143,233 2,787,082 143,233 2,787,082 143,233 2,787,082 143,233 2,787,082 143,233 2,643,848 143,233 2,643,848 143,233 2,643,848 143,233 2,643,848	143,233         4,076,181         742,392           143,233         4,076,181         742,392           143,233         3,932,948         721,338           143,233         3,932,948         721,338           143,233         3,789,715         700,284           143,233         3,646,481         679,230           143,233         3,646,481         679,230           143,233         3,503,248         658,176           143,233         3,503,248         658,176           143,233         3,500,015         637,122           143,233         3,260,015         637,122           143,233         3,216,782         616,069           143,233         3,013,548         595,015           143,233         2,930,315         573,961           143,233         2,930,315         573,961           143,233         2,787,082         552,907           143,233         2,643,848         531,853           143,233         2,643,848         531,853           143,233         2,643,848         531,853           143,233         2,643,848         531,853           143,233         2,650,615         510,799	reciation   Ending   Revenue   Beginning   143,233   4,076,181   742,392   32,156,190   143,233   4,076,181   742,392   32,156,190   143,233   3,932,948   721,338   31,107,619   143,233   3,932,948   721,338   31,107,619   143,233   3,789,715   700,284   30,059,048   143,233   3,789,715   700,284   30,059,048   143,233   3,646,481   679,230   29,010,476   143,233   3,646,481   679,230   29,010,476   143,233   3,503,248   658,176   27,961,905   143,233   3,503,248   658,176   27,961,905   143,233   3,360,015   637,122   26,913,333   143,233   3,360,015   637,122   26,913,333   143,233   3,216,782   616,069   25,864,762   143,233   3,216,782   616,069   25,864,762   143,233   3,073,548   595,015   24,816,190   143,233   2,930,315   573,961   23,767,619   143,233   2,787,082   552,907   22,719,048   143,233   2,787,082   552,907   22,719,048   143,233   2,643,848   531,853   21,670,476   143,233   2,643,848   531,853   21,670,476   143,233   2,643,848   531,853   21,670,476   143,233   2,643,848   531,853   21,670,476   143,233   2,643,848   531,853   21,670,476   143,233   2,643,848   531,853   21,670,476   143,233   2,643,848   531,853   21,670,476   24,619,999   20,621,905   20,621,	reciation	reciation Ending Revenue 143,233 4,076,181 742,392 32,156,190 1,048,571 31,107,619 143,233 4,076,181 742,392 32,156,190 1,048,571 31,107,619 143,233 3,932,948 721,338 31,107,619 1,048,571 30,059,048 143,233 3,789,715 700,284 30,059,048 1,048,571 29,010,476 143,233 3,789,715 700,284 30,059,048 1,048,571 29,010,476 143,233 3,789,715 700,284 30,059,048 1,048,571 29,010,476 143,233 3,646,481 679,230 29,010,476 1,048,571 27,961,905 143,233 3,646,481 679,230 29,010,476 1,048,571 27,961,905 143,233 3,503,248 658,176 27,961,905 1,048,571 27,961,905 143,233 3,503,248 658,176 27,961,905 1,048,571 26,913,333 143,233 3,503,248 658,176 27,961,905 1,048,571 26,913,333 143,233 3,360,015 637,122 26,913,333 1,048,571 25,864,762 143,233 3,216,782 616,069 25,864,762 1,048,571 24,816,190 143,233 3,216,782 616,069 25,864,762 1,048,571 24,816,190 143,233 3,073,548 595,015 24,816,190 1,048,571 23,767,619 143,233 2,930,315 573,961 23,767,619 1,048,571 22,719,048 143,233 2,930,315 573,961 23,767,619 1,048,571 22,719,048 143,233 2,930,315 573,961 23,767,619 1,048,571 22,719,048 143,233 2,787,082 552,907 22,719,048 1,048,571 21,670,476 143,233 2,643,848 531,853 21,670,476 1,048,571 20,621,905 143,233 2,643,848 531,853 21,670,476 1,048,571 20,621,905 143,233 2,643,848 531,853 21,670,476 1,048,571 20,621,905 143,233 2,500,615 510,799 20,621,905 1,048,571 19,573,333	Reciation	reciation Ending Revenue Beginning Depreciation Ending Revenue 143,233 4,076,181 742,392 32,156,190 1,048,571 31,107,619 5,621,085 17,523,810 143,233 4,076,181 742,392 32,156,190 1,048,571 31,107,619 5,921,135 17,523,810 143,233 3,932,948 721,338 31,107,619 1,048,571 30,059,048 5,756,891 16,952,381 143,233 3,789,715 700,284 30,059,048 1,048,571 29,010,476 5,312,826 16,380,952 143,233 3,789,715 700,284 30,059,048 1,048,571 29,010,476 5,512,826 16,380,952 143,233 3,846,481 679,230 29,010,476 1,048,571 27,961,905 5,158,696 15,809,524 143,233 3,646,481 679,230 29,010,476 1,048,571 27,961,905 5,158,696 15,809,524 143,233 3,503,248 658,176 27,961,905 1,048,571 27,961,905 5,428,404 15,809,524 143,233 3,503,248 658,176 27,961,905 1,048,571 26,913,333 5,264,160 15,238,095 143,233 3,360,015 637,122 26,913,333 1,048,571 26,913,333 5,264,160 15,238,095 143,233 3,360,015 637,122 26,913,333 1,048,571 25,864,762 4,850,437 14,666,667 143,233 3,216,782 616,069 25,864,762 1,048,571 24,816,190 4,995,672 14,095,238 143,233 3,216,782 616,069 25,864,762 1,048,571 24,816,190 4,995,672 14,095,238 143,233 3,216,782 616,069 25,864,762 1,048,571 24,816,190 4,995,672 14,095,238 143,233 3,073,548 595,015 24,816,190 1,048,571 24,816,190 4,935,672 14,095,238 143,233 3,073,548 595,015 24,816,190 1,048,571 24,816,190 4,935,672 14,095,238 143,233 2,930,315 573,961 23,767,619 1,048,571 22,719,048 4,388,048 12,952,381 143,233 2,930,315 573,961 23,767,619 1,048,571 22,719,048 4,388,048 12,952,381 143,233 2,930,315 573,961 23,767,619 1,048,571 22,719,048 4,388,048 12,952,381 143,233 2,930,315 573,961 23,767,619 1,048,571 22,719,048 4,460,478 12,952,381 143,233 2,930,315 573,961 23,767,619 1,048,571 22,719,048 4,460,478 12,952,381 143,233 2,930,315 573,961 23,767,619 1,048,571 22,719,048 4,460,478 12,380,952 143,233 2,243,848 531,853 21,670,476 1,048,571 22,719,048 4,460,478 12,380,952 143,233 2,243,848 531,853 21,670,476 1,048,571 20,671,905 4,778,698 11,238,095 11,238,095 11,238,095 11,238,095 11,238,095 11,238,095 11,238,095 11,238,095 11,238,095	reciation Ending Revenue Beginning Depreciation Ending Revenue Beginning Depreciation 143,233 4,076,181 742,392 32,156,190 1,048,571 31,107,619 5,621,085 17,523,810 571,429 143,233 3,932,948 721,338 31,107,619 1,048,571 30,059,048 5,466,955 16,952,381 571,429 143,233 3,789,715 700,284 30,059,048 1,048,571 29,010,476 5,312,826 16,380,952 571,429 143,233 3,789,715 700,284 30,059,048 1,048,571 29,010,476 5,512,826 16,380,952 571,429 143,233 3,789,715 700,284 30,059,048 1,048,571 29,010,476 5,512,826 16,380,952 571,429 143,233 3,646,481 679,230 29,010,476 1,048,571 27,961,905 5,158,696 15,809,524 571,429 143,233 3,646,481 679,230 29,010,476 1,048,571 27,961,905 5,158,696 15,809,524 571,429 143,233 3,503,248 658,176 27,961,905 1,048,571 26,913,333 5,004,566 15,238,095 571,429 143,233 3,503,248 658,176 27,961,905 1,048,571 26,913,333 5,264,160 15,238,095 571,429 143,233 3,360,015 637,122 26,913,333 1,048,571 26,913,333 5,264,160 15,238,095 571,429 143,233 3,360,015 637,122 26,913,333 1,048,571 25,864,762 4,850,437 14,666,667 571,429 143,233 3,216,782 616,069 25,864,762 1,048,571 27,861,900 4,995,047 14,095,238 571,429 143,233 3,216,782 616,069 25,864,762 1,048,571 24,816,190 4,995,672 14,095,238 571,429 143,233 3,713,848 595,015 24,816,190 1,048,571 27,861,90 4,995,072 14,095,238 571,429 143,233 3,713,848 595,015 24,816,190 1,048,571 27,861,90 4,995,672 14,095,238 571,429 143,233 3,713,848 595,015 24,816,190 1,048,571 27,816,190 4,995,672 14,095,238 571,429 143,233 3,73,548 595,015 24,816,190 1,048,571 27,719,048 4,880,437 14,095,238 571,429 143,233 2,930,315 573,961 23,767,619 1,048,571 22,719,048 4,880,448 12,952,381 571,429 143,233 2,930,315 573,961 23,767,619 1,048,571 22,719,048 4,880,448 12,952,381 571,429 143,233 2,787,082 552,907 22,719,048 1,048,571 22,719,048 4,880,448 12,952,381 571,429 143,233 2,787,082 552,907 22,719,048 1,048,571 22,719,048 1,480,571 22,719,048 1,480,571 22,719,048 1,480,571 22,719,048 1,480,571 22,719,048 1,480,571 22,719,048 1,480,571 22,719,048 1,480,571 22,719,048 1,480,571 22,719,0	reciation   Ending   Revenue   Beginning   1,048,571   31,107,619   5,621,085   17,523,810   571,429   16,952,381   143,233   4,076,181   742,392   32,156,190   1,048,571   31,107,619   5,621,085   17,523,810   571,429   16,952,381   143,233   3,932,948   721,338   31,107,619   1,048,571   31,076,19   5,661,085   16,952,381   571,429   16,380,952   143,233   3,932,948   721,338   31,107,619   1,048,571   30,059,048   5,756,891   16,952,381   571,429   16,380,952   143,233   3,789,715   700,284   30,059,048   1,048,571   29,010,476   5,312,826   16,380,952   571,429   15,809,524   143,233   3,646,481   679,230   29,010,476   1,048,571   27,961,905   5,158,696   15,809,524   571,429   15,238,095   143,233   3,503,248   658,176   27,961,905   1,048,571   26,913,333   5,004,566   15,238,095   571,429   15,238,095   143,233   3,503,248   658,176   27,961,905   1,048,571   26,913,333   5,004,566   15,238,095   571,429   14,666,667   143,233   3,503,248   658,176   27,961,905   1,048,571   25,641,623   3,503,248   658,176   27,961,905   1,048,571   25,641,624   4,850,437   14,666,667   571,429   14,666,667   143,233   3,503,248   658,176   27,961,905   1,048,571   25,641,624   4,850,437   14,666,667   571,429   14,066,667   143,233   3,503,248   658,176   27,961,905   1,048,571   25,641,624   4,850,437   14,666,667   571,429   14,066,667   143,233   3,261,762   616,069   25,864,762   1,048,571   25,864,762   4,850,437   14,666,667   571,429   13,523,810   143,233   3,216,782   616,069   25,864,762   1,048,571   25,864,762   4,850,437   14,666,667   571,429   13,523,810   143,233   3,216,782   616,069   25,864,762   1,048,571   25,864,762   4,861,90   4,966,007   14,095,238   571,429   13,523,810   143,233   3,216,782   616,069   25,864,762   1,048,571   23,767,619   4,974,742   13,523,810   571,429   13,523,810   143,233   2,930,315   573,961   23,767,619   1,048,571   23,767,619   4,941,742   13,523,810   571,429   12,952,381   143,233   2,930,315   573,961   23,767,619   1,048,571   22,719,048   4,606,667   4,423,41	reciation   Ending   Revenue   Beginning   Depreciation   1,048,571   31,107,619   5,621,085   17,523,810   571,429   16,952,381   3,063,262   143,233   4,076,181   742,392   32,156,190   1,048,571   31,107,619   5,621,085   17,523,810   571,429   16,952,381   3,063,262   143,233   3,932,948   721,338   31,107,619   1,048,571   30,059,048   5,466,955   16,952,381   571,429   16,380,952   2,979,267   143,233   3,932,948   721,338   31,107,619   1,048,571   30,059,048   5,466,955   16,952,381   571,429   16,380,952   2,979,267   143,233   3,789,715   700,284   30,059,048   1,048,571   29,010,476   5,312,826   16,380,952   571,429   15,809,524   2,895,273   143,233   3,789,715   700,284   30,059,048   1,048,571   29,010,476   5,592,647   16,380,952   571,429   15,809,524   2,895,273   143,233   3,646,481   679,230   29,010,476   1,048,571   27,961,905   5,158,696   15,809,524   571,429   15,238,095   2,811,278   143,233   3,646,481   679,230   29,010,476   1,048,571   27,961,905   5,158,696   15,809,524   571,429   15,238,095   2,811,278   143,233   3,503,248   658,176   27,961,905   1,048,571   26,913,333   5,204,566   15,238,095   571,429   14,666,667   2,727,284   143,233   3,360,15   637,122   26,913,333   1,048,571   25,864,762   4,850,437   4,666,667   571,429   14,095,238   2,779,246   143,233   3,360,015   637,122   26,913,333   1,048,571   25,864,762   5,099,916   14,666,667   571,429   14,095,238   2,779,246   143,233   3,216,782   616,069   25,864,762   1,048,571   23,816,190   4,995,307   14,995,238   571,429   13,523,810   2,559,295   143,233   3,216,782   616,069   25,864,762   1,048,571   23,767,619   4,945,518   23,767,619   1,048,571   23,767,619   4,971,429   13,523,810   571,429   12,982,381   2,475,301   143,233   2,930,315   573,961   23,767,619   1,048,571   23,767,619   4,971,429   13,523,810   571,429   12,982,381   2,475,301   143,233   2,930,315   573,961   23,767,619   1,048,571   23,767,619   4,971,429   13,523,810   571,429   12,380,952   2,510,728   143,233   2,930,315   573,961   23,	Revenue	Revenue	Receiption   Ending   Revenue   Beginning   Depreciation   Ending   Revenue   Haginning   Depreciation   Ending   Revenue   Haginning   Depreciation   Ending   Revenue   Haginning   Depreciation   Ending   Revenue   Haginning   Depreciation   Ending   Depreciation   Haginning   Depreciation   Ending   Depreciation   Haginning   Depreciation   Ending   Depart   Ending   Depart   Depreciation   Ending   Depart   Depart   Depart   Depart   Depreci

Г	BC	BO512.8 Chalk Point 230 kV Breaker 1B			BO	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				Yes				Yes				Yes			
	35				35				35				35			
	No				No				No				No			
	0				0				0				150			
	14.6990%				14.6990%				14.6990%				14.6990%			
	44.00000				44.0000				44 (0000)				45 //0/0/			
	14.6990%				14.6990%				14.6990%				15.6636%			
	2 000 000				2 000 000				2 000 000				15.075.202			
	2,000,000				2,000,000				2,000,000				15,875,382			
	57.440				57.440				57.440				450 500			
	57,143				57,143				57,143				453,582			
									40.00							
	8.00				8.00				12.00				6.00			
F	Btt	D	F. P	B	D	B t. P	F P	D	D	D	F P	D	B. atautaa	D	F P	D
	Beginning	Depreciation 57,143	Ending	Revenue 306,326	Beginning	Depreciation	Ending	Revenue 306,326	Beginning 1,771,429	Depreciation	Ending	Revenue	Beginning	Depreciation 453,582	Ending	Revenue
	1,752,381	57,143 57,143	1,695,238 1,695,238	306,326	1,752,381 1,752,381	57,143 57,143	1,695,238		1,771,429	57,143 57,143	1,714,286	309,126	14,287,844	453,582 453,582	13,834,261 13,834,261	2,487,082
	1,752,381 1,695,238	57,143 57,143	1,638,095	297,927	1,695,238	57,143 57,143	1,695,238 1,638,095	306,326 297,927	1,771,429	57,143	1,714,286 1,657,143	309,126 300,727	14,287,844 13,834,261	453,582 453,582	13,380,679	2,620,521 2,420,410
	1,695,238	57,143	1,638,095	297,927	1,695,238	57,143	1,638,095	297,927	1,714,286	57,143	1,657,143	300,727	13,834,261	453,582	13,380,679	2,549,474
	1,638,095	57,143	1,580,952	289,527	1,638,095	57,143	1,580,952	289,527	1,657,143	57,143	1,600,000	292,327	13,380,679	453,582	12,927,097	2,353,738
	1,638,095	57,143	1,580,952	289,527	1,638,095	57,143	1,580,952	289,527	1,657,143	57,143	1,600,000	292,327	13,380,679	453,582	12,927,097	2,478,427
	1,580,952	57,143	1,523,810	281,128	1,580,952	57,143	1,523,810	281,128	1,600,000	57,143	1,542,857	283,928	12,927,097	453,582	12,473,514	2,287,066
	1,580,952	57,143	1,523,810	281,128	1,580,952	57,143	1,523,810	281,128	1,600,000	57,143	1,542,857	283,928	12,927,097	453,582	12,473,514	2,407,380
	1,523,810	57,143	1,466,667	272,728	1,523,810	57,143	1,466,667	272,728	1,542,857	57,143	1,485,714	275,528	12,473,514	453,582	12,019,932	2,220,394
	1,523,810	57,143	1,466,667	272,728	1,523,810	57,143	1,466,667	272,728	1,542,857	57,143	1,485,714	275,528	12,473,514	453,582	12,019,932	2,336,333
	1,466,667	57,143	1,409,524	264,329	1,466,667	57,143	1,409,524	264,329	1,485,714	57,143	1,428,571	267,129	12,019,932	453,582	11,566,350	2,153,722
	1,466,667	57,143	1,409,524	264,329	1,466,667	57,143	1,409,524	264,329	1,485,714	57,143	1,428,571	267,129	12,019,932	453,582	11,566,350	2,265,285
	1,409,524	57.143	1,352,381	255,930	1,409,524	57,143	1,352,381	255,930	1,428,571	57.143	1,371,429	258,729	11,566,350	453,582	11.112.767	2,087,050
	1,409,524	57,143	1,352,381	255,930	1,409,524	57,143	1,352,381	255,930	1,428,571	57,143	1,371,429	258,729	11,566,350	453,582	11,112,767	2,194,238
	1,352,381	57,143	1,295,238	247,530	1,352,381	57,143	1,295,238	247,530	1,371,429	57,143	1,314,286	250,330	11,112,767	453,582	10,659,185	2,020,378
	1,352,381	57,143	1,295,238	247,530	1,352,381	57,143	1,295,238	247,530	1,371,429	57,143	1,314,286	250,330	11,112,767	453,582	10,659,185	2,123,191
	1,295,238	57,143	1,238,095	239,131	1,295,238	57,143	1,238,095	239,131	1,314,286	57,143	1,257,143	241,930	10,659,185	453,582	10,205,603	1,953,705
	1,295,238	57,143	1,238,095	239,131	1,295,238	57,143	1,238,095	239,131	1,314,286	57,143	1,257,143	241,930	10,659,185	453,582	10,205,603	2,052,144
	1,238,095	57,143	1,180,952	230,731	1,238,095	57,143	1,180,952	230,731	1,257,143	57,143	1,200,000	233,531	10,205,603	453,582	9,752,020	1,887,033
	1,238,095	57,143	1,180,952	230,731	1,238,095	57,143	1,180,952	230,731	1,257,143	57,143	1,200,000	233,531	10,205,603	453,582	9,752,020	1,981,097
	1,180,952	57,143	1,123,810	222,332	1,180,952	57,143	1,123,810	222,332	1,200,000	57,143	1,142,857	225,132	9,752,020	453,582	9,298,438	1,820,361
	1,180,952	57,143	1,123,810	222,332	1,180,952	57,143	1,123,810	222,332	1,200,000	57,143	1,142,857	225,132	9,752,020	453,582	9,298,438	1,910,050
	1,123,810	57,143	1,066,667	213,932	1,123,810	57,143	1,066,667	213,932	1,142,857	57,143	1,085,714	216,732	9,298,438	453,582	8,844,856	1,753,689
	1,123,810	57,143	1,066,667	213,932	1,123,810	57,143	1,066,667	213,932	1,142,857	57,143	1,085,714	216,732	9,298,438	453,582	8,844,856	1,839,002
٠.																

	BO499	Burches Hill Sub:	Add 3rd 500/230k	V	BO526 Ritchie-Benning: Install (2) 230kV Lines				BO701.	1 Benning Sub: Ad	ld 3rd 230/69kV, 25	0MVA	BO496 Brighton Sub: Upgrade T1 500/230kv Transormer					
						•				· ·								
	Yes				Yes				Yes				Yes					
	35				35				35				35					
	No				No				No				No					
	150				0				0				150					
	14 (0000)				14 (0000)				14 (0000)				14 (0000)					
	14.6990%				14.6990%				14.6990%				14.6990%					
	15 //2/0/				14.6990%				14.6990%				15 //2/0/					
	15.6636%				14.0990%				14.0990%				15.6636%					
	29,544,357				58,581,170				5,226,954				19,021,804					
	27,344,337				30,301,170				3,220,734				17,021,004					
	044 124				1 /72 740				140.242				E42 400					
	844,124				1,673,748				149,342				543,480					
	6.00				/ 00				/ 00				2.00					
	0.00				6.00				6.00				2.00					
H	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue		
	26,589,921	844,124	25,745,797	4,628,503	52,723,053	1,673,748	51,049,305	9,177,493	4,704,259	149,342	4,554,917	818,869	17,667,244	543,480	17,123,764	3,060,505		
	26,589,921	844,124	25,745,797	4,876,835	52,723,053	1,673,748	51,049,305	9,177,493	4,704,259	149,342	4,554,917	818,869	17,667,244	543,480	17,123,764	3,225,673		
	25,745,797	844,124	24,901,672	4,504,425	51,049,305	1,673,748	49,375,558	8,931,468	4,554,917	149,342	4,405,576	796,918	17,123,764	543,480	16,580,284	2,980,619		
	25,745,797	844,124	24,901,672	4,744,615	51,049,305	1,673,748	49,375,558	8,931,468	4,554,917	149,342	4,405,576	796,918	17,123,764	543,480	16,580,284	3,140,544		
	24,901,672	844,124	24,057,548	4,380,347	49,375,558	1,673,748	47,701,810	8.685.444	4,405,576	149,342	4,256,234	774,966	16,580,284	543,480	16,036,804	2,900,732		
	24,901,672	844,124	24,057,548	4,612,395	49,375,558	1,673,748	47,701,810	8,685,444	4,405,576	149,342	4,256,234	774,966	16,580,284	543,480	16,036,804	3,055,416		
	24,057,548	844,124	23,213,423	4,256,269	47,701,810	1,673,748	46,028,062	8,439,419	4,256,234	149,342	4,106,892	753,014	16,036,804	543,480	15,493,324	2,820,846		
	24,057,548	844,124	23,213,423	4,480,175	47,701,810	1,673,748	46,028,062	8,439,419	4,256,234	149,342	4,106,892	753,014	16,036,804	543,480	15,493,324	2,970,288		
	23,213,423	844,124	22,369,299	4,132,191	46,028,062	1,673,748	44,354,314	8,193,395	4,106,892	149,342	3,957,551	731,063	15,493,324	543,480	14,949,844	2,740,960		
	23,213,423	844,124	22,369,299	4,347,955	46,028,062	1,673,748	44,354,314	8,193,395	4,106,892	149,342	3,957,551	731,063	15,493,324	543,480	14,949,844	2,885,159		
	22,369,299	844,124	21,525,174	4,008,113	44,354,314	1,673,748	42,680,567	7,947,371	3,957,551	149,342	3,808,209	709,111	14,949,844	543,480	14,406,364	2,661,074		
	22,369,299	844,124	21,525,174	4,215,735	44,354,314	1,673,748	42,680,567	7,947,371	3,957,551	149,342	3,808,209	709,111	14,949,844	543,480	14,406,364	2,800,031		
	21,525,174	844,124	20,681,050	3,884,035	42,680,567	1,673,748	41,006,819	7,701,346	3,808,209	149,342	3,658,868	687,159	14,406,364	543,480	13,862,884	2,581,187		
	21,525,174	844,124	20,681,050	4,083,515	42,680,567	1,673,748	41,006,819	7,701,346	3,808,209	149,342	3,658,868	687,159	14,406,364	543,480	13,862,884	2,714,902		
	20,681,050	844,124	19,836,925	3,759,957	41,006,819	1,673,748	39,333,071	7,455,322	3,658,868	149,342	3,509,526	665,207	13,862,884	543,480	13,319,404	2,501,301		
	20,681,050	844,124	19,836,925	3,951,295	41,006,819	1,673,748	39,333,071	7,455,322	3,658,868	149,342	3,509,526	665,207	13,862,884	543,480	13,319,404	2,629,774		
	19,836,925	844,124	18,992,801	3,635,879	39,333,071	1,673,748	37,659,324	7,209,297	3,509,526	149,342	3,360,185	643,256	13,319,404	543,480	12,775,923	2,421,415		
	19,836,925	844,124	18,992,801	3,819,075	39,333,071	1,673,748	37,659,324	7,209,297	3,509,526	149,342	3,360,185	643,256	13,319,404	543,480	12,775,923	2,544,646		
	18,992,801	844,124	18,148,676	3,511,801	37,659,324	1,673,748	35,985,576	6,963,273	3,360,185	149,342	3,210,843	621,304	12,775,923	543,480	12,232,443	2,341,529		
	18,992,801	844,124	18,148,676	3,686,855	37,659,324	1,673,748	35,985,576	6,963,273	3,360,185	149,342	3,210,843	621,304	12,775,923	543,480	12,232,443	2,459,517		
	18,148,676	844,124	17,304,552	3,387,723	35,985,576	1,673,748	34,311,828	6,717,248	3,210,843	149,342	3,061,502	599,352	12,232,443	543,480	11,688,963	2,261,643		
	18,148,676	844,124	17,304,552	3,554,635	35,985,576	1,673,748	34,311,828	6,717,248	3,210,843	149,342	3,061,502	599,352	12,232,443	543,480	11,688,963	2,374,389		
	17,304,552	844,124	16,460,427	3,263,645	34,311,828	1,673,748	32,638,080	6,471,224	3,061,502	149,342	2,912,160	577,400	11,688,963	543,480	11,145,483	2,181,756		
	17,304,552	844,124	16,460,427	3,422,415	34,311,828	1,673,748	32,638,080	6,471,224	3,061,502	149,342	2,912,160	577,400	11,688,963	543,480	11,145,483	2,289,261		

B1125 Co	nvert Buzzard to R	titchie Line - 138kV	to 230kV	b2008 Reconductor feeder Dickerson to Quince Orchard									
Yes				Yes									
35				35									
No				No									
0				0									
U				U									
14.6990%				14.6990%									
14.6990%				14.6990%									
51,852,352				8,623,505									
1,481,496				246,386									
40.00				0.00									
10.00				2.00									
Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	_	Total		Incentive Charged		Revenue Credit
50,089,658	1,481,496	48,608,162	8,626,417	8,428,916	246,386	8,182,530	1,449,137	\$	46,777,945			\$	46,777,945
50,089,658	1,481,496	48,608,162	8,626,417	8,428,916	246,386	8,182,530	1,449,137	\$	48,043,160	\$	48,043,160	*	10,777,710
48,608,162	1,481,496	47,126,667	8,408,651	8,182,530	246,386	7,936,145	1,412,921	\$	45,522,296		10,010,000	\$	45,522,296
48,608,162	1,481,496	47,126,667	8,408,651	8,182,530	246,386	7,936,145	1,412,921	\$	46,744,879	\$	46,744,879		
47,126,667	1,481,496	45,645,171	8,190,886	7,936,145	246,386	7,689,759	1,376,705	\$	44,266,648			\$	44,266,648
47,126,667	1,481,496	45,645,171	8,190,886	7,936,145	246,386	7,689,759	1,376,705	\$	45,446,597	\$	45,446,597		
45,645,171	1,481,496	44,163,675	7,973,121	7,689,759	246,386	7,443,373	1,340,488	\$	43,010,999			\$	43,010,999
45,645,171	1,481,496	44,163,675	7,973,121	7,689,759	246,386	7,443,373	1,340,488	\$	44,148,315	\$	44,148,315		
44,163,675	1,481,496	42,682,179	7,755,356	7,443,373	246,386	7,196,987	1,304,272	\$	41,755,351			\$	41,755,351
44,163,675	1,481,496	42,682,179	7,755,356	7,443,373	246,386	7,196,987	1,304,272	\$	42,850,033	\$	42,850,033	_	10 100 701
42,682,179	1,481,496	41,200,683	7,537,590	7,196,987	246,386	6,950,601	1,268,056	\$	40,499,702	4		\$	40,499,702
42,682,179	1,481,496	41,200,683	7,537,590	7,196,987	246,386	6,950,601	1,268,056 1,231,839	\$ \$	41,551,752	2	41,551,752	\$	20.244.051
41,200,683 41,200,683	1,481,496 1,481,496	39,719,188 39,719,188	7,319,825 7,319,825	6,950,601 6,950,601	246,386 246,386	6,704,215 6,704,215	1,231,839	\$	39,244,053 40,253,470	\$	40,253,470	Φ	39,244,053
39,719,188	1,481,496	38,237,692	7,102,060	6,704,215	246,386	6,457,829	1,231,639	\$	37,988,405	Φ	40,233,470	\$	37,988,405
39,719,188	1,481,496	38,237,692	7,102,060	6,704,215	246,386	6,457,829	1,195,623	\$	38,955,188	\$	38,955,188	Ψ	37,700,403
38,237,692	1,481,496	36,756,196	6,884,294	6,457,829	246,386	6,211,444	1,159,407	\$	36,732,756	*	00,700,100	\$	36,732,756
38,237,692	1,481,496	36,756,196	6,884,294	6,457,829	246,386	6,211,444	1,159,407	\$	37,656,906	\$	37,656,906	-	33,732,730
36,756,196	1,481,496	35,274,700	6,666,529	6,211,444	246,386	5,965,058	1,123,191	\$	35,477,108			\$	35,477,108
36,756,196	1,481,496	35,274,700	6,666,529	6,211,444	246,386	5,965,058	1,123,191	\$	36,358,624	\$	36,358,624		
35,274,700	1,481,496	33,793,205	6,448,764	5,965,058	246,386	5,718,672	1,086,974	\$	34,221,459			\$	34,221,459
35,274,700	1,481,496	33,793,205	6,448,764	5,965,058	246,386	5,718,672	1,086,974	\$	35,060,343	\$	35,060,343		
33,793,205	1,481,496	32,311,709	6,230,999	5,718,672	246,386	5,472,286	1,050,758	\$	32,965,811			\$	32,965,811
33,793,205	1,481,496	32,311,709	6,230,999	5,718,672	246,386	5,472,286	1,050,758	\$	33,762,061	\$	33,762,061		
												\$	-
	*****					****				\$	747,064,827	¢	726,379,135

# Attachment 8 - Company Exhibit - Securitization Workpaper

Capitalization  112 Less LTD on Securitization Bonds  0	
Calculation of the above Securitization Adjustments	