

ATTACHMENT H-7

Annual Transmission Rates -- PECO Energy Company for Network Integration Transmission Service

1. The annual transmission revenue requirement and the rate for Network Integration Transmission Service are equal to the results of the formula shown in Attachment H-7A posted on the PJM Internet site, which reflects the facilities recorded in FERC Form 1, as transmission for PECO Energy Company and its subsidiaries. The rate determined pursuant to Attachment H-7A shall be implemented pursuant to the Formula Rate Implementation Protocols set forth in Attachment H-7C. In addition, each Network Customer that serves one or more end-use customers taking distribution service from PECO Energy Company under its applicable tariff on file with the Pennsylvania Public Utility Commission shall pay the Monthly Deferred Tax Adjustment Charge shown in Attachment H-7B. Service utilizing other facilities will be provided at rates determined on a case-by-case basis.
2. The rates in (1) shall be effective until amended by the Transmission Owner(s) within the Zone or modified by the Commission.
3. In addition to the rates set forth in paragraph 1 above, the Network Customer purchasing Network Integration Transmission Service shall pay for transmission congestion charges, in accordance with the provisions of the Tariff, and any amounts necessary to reimburse the Transmission Owners for any amounts payable by them as sales, excise, "Btu," carbon, value-added or similar taxes (other than taxes based upon or measured by net income) with respect to the amounts payable pursuant to the Tariff.