

Formula Rate - Appendix A Estimate

Notes

FERC Form 1 Page # or Instruction

2015

Shaded cells are input cells

Allocators

1	Transmission Wages Expense		p354.21.b	5,926,573
2	Total Wages Expense		p354.28.b	71,620,135
3	Less A&G Wages Expense		p354.27.b	32,233,252
4	Total		(Line 2 - 3)	39,386,883
5			(Line 1 / Line 4)	15.0471%
Plant Allocation Factors				
6	Total Plant In Service	(Note B)	Attachment 5	3,674,634,835
7	Total Accumulated Depreciation	(Note A)	Attachment 5	1,158,650,973
8	Net Plant		(Line 6 - Line 7)	2,515,983,862
9	Transmission Gross Plant		(Line 21)	895,840,785
10	Gross Plant Allocator		(Line 9 / Line 6)	24.3790%
11	Transmission Net Plant		(Line 33)	666,081,253
12	Net Plant Allocator		(Line 11 / Line 8)	26.4740%

Plant Calculations

Plant In Service				
13	Transmission Plant In Service	(Note B)	Attachment 5	777,430,482
14	New Transmission Plant Additions and Retirements only for Annual Estimate	(Note B)	Attachment 6, Cols H + J + K	46,900,218
15	Total Transmission Plant In Service		(Line 13 + Line 14)	824,330,700
16	General & Intangible		Attachment 5	475,242,500
17	Common Plant (Electric Only)	(Note A)	Attachment 5	-
18	Total General & Common		(Line 16 + Line 17)	475,242,500
19	Wage & Salary Allocation Factor		(Line 5)	15.0471%
20	General & Common Plant Allocated to Transmission		(Line 18 * Line 19)	71,510,085
21	TOTAL Transmission-Related Plant In Service		(Line 15 + Line 20)	895,840,785
Accumulated Depreciation				
22	Transmission Accumulated Depreciation	(Note B)	Attachment 5	206,888,418
23	Accumulated Depreciation for Transmission Plant Additions Only for Estimate	(Note B)	Attachment 6, Col. O + Col. S + Col. W	405,331
24	Total Transmission Accumulated Depreciation		(Line 22 + Line 23)	207,293,749
25	Accumulated General Depreciation		Attachment 5	109,118,284
26	Accumulated Intangible Depreciation		Attachment 5	40,185,061
27	Accumulated Common Amortization - Electric		Attachment 5	-
28	Common Plant Accumulated Depreciation (Electric Only)		Attachment 5	-
29	Total Accumulated General, Intangible and Common Depreciation		(Sum Lines 25 to 28)	149,303,345
30	Wage & Salary Allocation Factor		(Line 5)	15.0471%
31	General & Common Allocated to Transmission		(Line 29 * Line 30)	22,465,783
32	TOTAL Transmission-Related Accumulated Depreciation		(Line 24 + Line 31)	229,759,532
33	TOTAL Transmission-Related Net Property, Plant & Equipment		(Line 21 - Line 32)	666,081,253

Adjustment To Rate Base

Accumulated Deferred Income Taxes				
34	ADIT net of FASB 106 and 109	Enter Negative	Attachment 1, Col B, Line 9	(135,712,019)
35	Accumulated Deferred Income Taxes Allocated To Transmission		Line 34	(135,712,019)
CWIP for Incentive Transmission Projects				
36	CWIP Balance for Current Rate Year	(Note P)	Attachment 6, Col I	22,721,758
37	Total CWIP for Incentive Transmission Projects			22,721,758
38	Plant Held for Future Use	(Note C)	Attachment 5	-
Transmission O&M Reserves				
39	Total Balance Transmission Related Account 242 Reserves	Enter Negative	Attachment 5	(3,153,715)
Prepayments				
40	Prepayments	(Note A)	Attachment 5	1,201,909
41	Total Prepayments Allocated to Transmission		(Line 40)	1,201,909
Materials and Supplies				
42	Undistributed Stores Exp	(Note A)	Attachment 5	2,287,375
43	Wage & Salary Allocation Factor		(Line 5)	15.0471%
44	Total Transmission Allocated		(Line 42 * Line43)	344,183
45	Transmission Materials & Supplies		Attachment 5	4,725,350
46	Total Materials & Supplies Allocated to Transmission		(Line 44 + Line45)	5,069,533
Cash Working Capital				
47	Operation & Maintenance Expense		(Line 75)	27,795,889
48	1/8th Rule		x 1/8	12.5000%
49	Total Cash Working Capital Allocated to Transmission		(Line 47 * Line 48)	3,474,486
50	TOTAL Adjustment to Rate Base		(Lines 35 + 37 + 39 + 41 + 46 + 49)	(106,398,047)
51	Rate Base		(Line 33 + Line 50)	559,683,206

O&M

Transmission O&M				
52	Transmission O&M		p321.112.b	10,095,767
53	Less Account 565		p321.96.b	-
54	Plus PJM Schedule 12 Charges billed to DLC and booked to Account 565	(Note N)	PJM Data	-
55	Plus Net Transmission Lease Payments	(Note A)	p200.4.c	-
56	Transmission O&M		(Lines 52 - 53 + 54 + 55)	10,095,767
Allocated General & Common Expenses				
57	Common Plant O&M	(Note A)	p356	-
58	Total A&G		p323.197.b	115,862,123
59	Less PBOP Expense in Acct. 926 in Excess of Allowed Amount		Attachment 5	-
60	Less Property Insurance Account 924		p323.185.b	5,554,979
61	Less Regulatory Commission Expense Account 928	(Note E)	p323.189.b	1,235,206
62	Less General Advertising Expense Account 930.1		p323.191.b	1,213,769
63	Less EPRI Dues	(Note D)	p352-353	-
64	General & Common Expenses		(Lines 57 thru 58) - Sum (Lines 59 to 63)	107,858,169
65	Wage & Salary Allocation Factor		(Line 5)	15.0471%
66	General & Common Expenses Allocated to Transmission		(Line 64 * Line 65)	16,229,497
Directly Assigned A&G				
67	Regulatory Commission Exp Account 928	(Note G)	Attachment 5	-
68	General Advertising Exp Account 930.1	(Note K)	Attachment 5	-
69	Subtotal - Transmission Related		(Line 67 + Line 68)	-
70	Property Insurance Account 924		Line 60	5,554,979
71	General Advertising Exp Account 930.1	(Note F)	Attachment 5	-
72	Total		(Line 70 + Line 71)	5,554,979
73	Net Plant Allocation Factor		(Line 12)	26.4740%
74	A&G Directly Assigned to Transmission		(Line 72 * Line 73)	1,470,624
75	Total Transmission O&M		(Lines 56 + 66 + 69 + 74)	27,795,889

Depreciation & Amortization Expense

Depreciation Expense				
76	Transmission Depreciation Expense		Attachment 8, Col. (D)	20,143,452
77	New plant Depreciation Expense only for Estimate	(Note B)	Attachment 6, Col. N + Col. R + Col. V	1,341,346
78	Total Transmission Depreciation Expense		(Line 76 + Line 77)	21,484,798
79	General Depreciation		Attachment 8, Col. (D)	17,364,087
80	Intangible Amortization	(Note A)	p336.1.f	21,349,819
81	Total		(Line 79 + Line 80)	38,713,906
82	Wage & Salary Allocation Factor		(Line 5)	15.0471%
83	General Depreciation Allocated to Transmission		(Line 81 * Line 82)	5,825,310
84	Common Depreciation - Electric Only	(Note A)	p336.11.b	-
85	Common Amortization - Electric Only	(Note A)	p356 or p336.11d	-
86	Total		(Line 84 + Line 85)	-
87	Wage & Salary Allocation Factor		(Line 5)	15.0471%
88	Common Depreciation - Electric Only Allocated to Transmission		(Line 86 * Line 87)	-
89	Total Transmission Depreciation & Amortization		(Lines 78 + 83 + 88)	27,310,108

Taxes Other than Income

90	Taxes Other than Income		Attachment 2	1,330,500
91	Total Taxes Other than Income		(Line 90)	1,330,500

Return / Capitalization Calculations

Long Term Interest			
92	Long Term Interest	(Note Q) Attachment 5	51,725,658
93	Amortization of Debt Discount and Expense	p117.63.c	345,343
94	Amortization of Loss on Reacquired Debt	p117.64.c	2,361,737
95	Less Amort of Gain on Reacquired on Debt-Credit	p117.65.c	-
96	Less Amort of Premium on Debt-Credit	p117.66.c	-
97	Interest on Debt to Associated Companies	p117.67.c	4,217,365
98	Total Long Term Debt Costs	(Sum lines 92 to 94) - Line 95 - Line 96 + Line 97	58,650,103
99	Preferred Dividends	Enter Positive p118.29.c	2,628,389
Common Stock			
100	Proprietary Capital	p112.16.c	1,173,239,083
101	Less Accumulated Other Comprehensive Income Account 219	p112.15.c	(7,967,839)
102	Less Preferred Stock	(Line 110)	32,985,500
103	Less Account 216.1	p112.12.c	(14,873,174)
104	Common Stock	(Line 100 - (Sum Lines 101 to 103))	1,163,094,596
Capitalization			
105	Long Term Debt		
106	Bonds	Attachment 5	1,015,717,785
107	Less Loss on Reacquired Debt	Enter Negative p111.81.c	(27,192,032)
108	Plus Gain on Reacquired Debt	p113.61.c	-
109	Total Long Term Debt	Sum (Lines 105 to Line 108)	988,525,753
110	Preferred Stock	p112.3.c	32,985,500
111	Common Stock	(Line 104)	1,163,094,596
112	Total Capitalization	(Sum Lines 109 to 111)	2,184,605,849
113	Debt %	(Line 109 / Line 112)	45.250%
114	Preferred %	(Line 110 / Line 112)	1.510%
115	Common %	(Note O) (Line 111 / Line 112)	53.240%
116	Debt Cost	(Line 98 / Line 109)	0.0593
117	Preferred Cost	(Line 99 / Line 110)	0.0797
118	Common Cost	(Note J) 10.9% ROE + .5% RTO Adder	0.1140
119	Weighted Cost of Debt	(Line 113 * Line 116)	0.0268
120	Weighted Cost of Preferred	(Line 114 * Line 117)	0.0012
121	Weighted Cost of Common	(Line 115 * Line 118)	0.0607
122	Total Return (R)	(Sum Lines 119 to 121)	0.0887
123	Investment Return = Rate Base * Rate of Return	(Line 51 * Line 122)	49,668,684

Composite Income Taxes

Income Tax Rates			
124	FIT=Federal Income Tax Rate	(Note I)	35.0000%
125	SIT=State Income Tax Rate or Composite		9.9900%
126	p (percent of federal income tax deductible for state purposes)	Per State Tax Code	0.0000%
127	T = 1 - (((1 - SIT) * (1 - FIT)) / (1 - SIT * FIT * p)) =		41.4935%
128	T / (1-T)		70.9212%
ITC Adjustment			
129	Amortized Investment Tax Credit	(Note I) Enter Negative Attachment 1	-
130	1/(1-T)	1 / (1 - Line 127)	170.9212%
131	Net Plant Allocation Factor	(Line 12)	26.4740%
132	ITC Adjustment Allocated to Transmission	(Line 129 * (1 + Line 130) * Line 131)	-
133	Income Tax Component = CIT = (T/1-T) * Investment Return * (1-(WCLTD/R)) =	[Line 128 * Line 123 * (1 - (Line 119 / Line 122))]	24,569,133
134	Total Income Taxes	(Line 132 + Line 133)	24,569,133

REVENUE REQUIREMENT

Summary			
135	Net Property, Plant & Equipment	(Line 33)	666,081,253
136	Adjustment to Rate Base	(Line 50)	(106,398,047)
137	Rate Base	(Line 51)	559,683,206
138	O&M	(Line 75)	27,795,889
139	Depreciation & Amortization	(Line 89)	27,310,108
140	Taxes Other than Income	(Line 91)	1,330,500
141	Investment Return	(Line 123)	49,668,684
142	Income Taxes	(Line 134)	24,569,133
143	Gross Revenue Requirement	(Sum Lines 138 to 142)	130,674,313
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities			
144	Transmission Plant In Service	(Line 13)	777,430,482
145	Excluded Transmission Facilities	(Note M) Attachment 5	-
146	Included Transmission Facilities	(Line 144 - Line 145)	777,430,482
147	Inclusion Ratio	(Line 146 / Line 144)	100.00%
148	Gross Revenue Requirement	(Line 143)	130,674,313
149	Adjusted Gross Revenue Requirement	(Line 147 * Line 148)	130,674,313
150	Revenue Credits	Attachment 3	2,149,324
151	Net Revenue Requirement	(Line 149 - Line 150)	128,524,989
Net Plant Carrying Charge			
152	Gross Revenue Requirement	(Line 143)	130,674,313
153	Net Transmission Plant	(Line 13 - Line 22)	570,542,064
154	Net Plant Carrying Charge	(Line 152 / Line 153)	22.9035%
155	Net Plant Carrying Charge without Depreciation	(Line 152 - Line 76) / Line 153	19.3730%
156	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes	(Line 152 - Line 76 - Line 123 - Line 134) / Line 153	6.3612%
Net Plant Carrying Charge Calculation per 100 Basis Point increase in ROE			
157	Gross Revenue Requirement Less Return and Taxes	(Line 143 - Line 141 - Line 142)	56,436,496
158	Increased Return and Taxes	Attachment 4	79,330,892
159	Net Revenue Requirement per 100 Basis Point increase in ROE	(Line 157 + Line 158)	135,767,389
160	Net Transmission Plant	(Line 13 - Line 22)	570,542,064
161	Net Plant Carrying Charge per 100 Basis Point increase in ROE	(Line 159 / Line 160)	23.7962%
162	Net Plant Carrying Charge per 100 Basis Point increase in ROE without Depreciation	(Line 159 - Line 76) / Line 160	20.2656%
163	Net Revenue Requirement	(Line 151)	128,524,989
164	True-up amount	Attachment 6	9,517,652
165	Plus any increased ROE calculated on Attachment 7 other than PJM Sch. 12 projects	Attachment 7	4,106,202
166	Facility Credits under Section 30.9 of the PJM OATT	Attachment 5	-
167	Net Zonal Revenue Requirement	Sum (Lines 163 to 166)	142,148,844
Network Zonal Service Rate			
168	1 CP Peak	(Note L) Attachment 5	2,804.00
169	Rate (\$/MW-Year)	(Line 167 / Line 168)	50,695.02
170	Network Service Rate (\$/MW/Year)	(Line 169)	50,695.02

Notes

- A Electric portion only.
- B Excludes leases that are expensed as O&M (rather than amortized). Includes new Transmission plant that is expected to be placed in service in the current calendar year. New Transmission plant expected to be placed in service in the current calendar year that is not included in the PJM Regional Transmission Expansion Plan (RTEP) must be separately detailed on Attachment 6. Lines 14, 23, and 77 refer to Attachment 6, Step 2 in the first year and Step 9 in all subsequent years; line 36 use Step 6 for True Up and Step 9 for Estimate). For the estimate, all rate base items will be calculated based on end of year data, except transmission plant additions, retirements and depreciation will be calculated based on 13 month averages. For the True-up, transmission and distribution plant and the associated depreciation reserve shall be calculated using the average of 13 monthly balances in Attachment 5 and all other rate base items, excluding Cash Working Capital, shall be calculated using beginning and end of year averages in Attachment 5 or Attachment 1. Include on line 36, the 13 monthly average CWIP balance on Attachment 6 for FERC authorized incentive transmission projects shown on Attachment 6.
- C Includes Transmission Portion Only. Only land held for future use that has an estimated in service date within the next ten years may be included.
- D Excludes All EPRI Annual Membership Dues.
- E Includes All Regulatory Commission Expenses.
- F Includes transmission system safety related advertising included in Account 930.1.
- G Includes Regulatory Commission Expenses directly related to transmission service, RTO filings, or transmission siting itemized in Form 1 at 351.h.
- H Reserved for future use.
- I The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and $p =$ the percentage of federal income tax deductible for state income taxes. If the utility includes taxes in more than one state, it must explain in Attachment 5 the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to use amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by $(1/1-T)$. A utility must not include tax credits as a reduction to rate base and as an amortization against taxable income.
- J ROE will be supported in the original filing and no change in ROE will be made absent a Section 205 filing at FERC.
- K Education and outreach expenses relating to transmission, for example siting or billing.
- L As provided for in Section 34.1 of the PJM OATT; the PJM established billing determinants will not be revised or updated in the annual rate reconciliations.
- M Amount of transmission plant excluded from rates per Attachment 5.
- N Payments made under Schedule 12 of the PJM OATT that are not directly assessed to load in the Zone under Schedule 12 are included in Transmission O&M on line 54. If they are booked to Acct 565, they are included on line 54.
- O The equity component of DLC' capital structure shall not be greater than 59 percent, nor less than 45 percent, regardless of Duquesne's actual capital structure. When DLC's equity component falls within the stated range, DLC shall use its actual capital structure. The input value on line 100 -- Proprietary Capital -- shall be adjusted so that the equity percentage shown on line 115 will be 45% if the actual equity percentage is less than 45% or 59% if the actual equity percentage is above 59%.
- P Include on line 36, the 13 monthly average CWIP balance on Attachment 6 for FERC authorized incentive transmission projects shown on Attachment 6.
- Q DLC will include interest associated with debt that is outstanding using 13 monthly averages at the end of the FERC Form No. 1 year. Therefore only interest included in column I on page 257 of the FERC Form No. 1 that has an outstanding amount included in column H will be included in the interest calculation.

END

35	Subtotal - p234 (Sum line 10 through line 30)	178,559,965	184,169,814	178,559,965	21,142,536	-	-	157,417,429	
36	Less FASB 109 Above if not separately removed	-	-	-	-	-	-	-	
37	Less FASB 106 Above if not separately removed	21,245,268	23,927,806	21,245,268	-	-	-	21,245,268	
38	Total = Line line 35 - (Line 37 + line 36)	157,314,697	160,242,008	157,314,697	21,142,536	-	-	136,172,161	

A	B	C	D	E	F	G	H	G
	<i>End of Year Total</i>	<i>Beg of Year Total</i>	<i>End of Year for Est. Average for Final</i>	<i>Gas, Prod Or Other Related</i>	<i>Only Transmission Related</i>	<i>Plant Related</i>	<i>Labor Related</i>	<i>Justification</i>

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39	Accelerated Depreciation	540,980,070	505,352,514	540,980,070			540,980,070		Property Basis difference resulting from accelerated tax depreciation versus depreciation used for ratemaking purposes - relates to all functions
40	Subtotal - p275	540,980,070	505,352,514	540,980,070	-	-	540,980,070	-	
41	Less FASB 109 Above if not separately removed	-	-	-	-	-	-	-	
42	Less FASB 106 Above if not separately removed	-	-	-	-	-	-	-	
43	Total = Line line 40 - (Line 42 + line 41)	540,980,070	505,352,514	540,980,070	-	-	540,980,070	-	

A	B	C	D	E	F	G	H	G
	<i>End of Year Total</i>	<i>Beg of Year Total</i>	<i>End of Year for Est. Average for Final</i>	<i>Gas, Prod Or Other Related</i>	<i>Only Transmission Related</i>	<i>Plant Related</i>	<i>Labor Related</i>	<i>Justification</i>

NOTE: Schedule Page No. 112 Line No. 64)

ADIT-283

44	Property Depreciation	142,853,542	139,632,595	142,853,542			142,853,542		Total Property basis difference under FAS 109 resulting from book depreciation versus accelerated tax depreciation less the deferred balance recorded in account #282 - relates to all functions.
45	Amortization Loss on Reacquisition	10,738,398	11,559,957	10,738,398			10,738,398		The cost of bond redemption is deductible currently for tax purposes and is amortized over the life of the new bond issue for book purposes - relates to all functions.
46	ASC 740 Tax Gross Up	101,350,337	100,200,883	101,350,337			101,350,337		Gross-up for income tax due on FAS 109 property basis differences, taxable when received - relates to all functions. Formerly referred to as FAS 109 Tax Gross-Up.
47	Partnership Investments	826,289	702,707	826,289	826,289				Difference in book versus tax basis in partnership investment
48	Regulatory Assets	5,820,108	1,642,056	5,820,108	5,820,108				Asset due to rate regulated capitalization of incurred costs that would otherwise be charge to expens
49	Pension Regulatory Asset	140,960,521	156,885,303	140,960,521			140,960,521		Regulatory asset associated with adoption of FAS 158
50	Compensated Absences	3,242,036	3,195,506	3,242,036			3,242,036		Current year vacation pay accrua
51	Other Benefit Costs	-	-	-			-		OPEB contributions funded by employees but not submitted
52	Other	-	528,892	-	-		-		IRS Cycle Adjustments and Reserve for Obsolescence.
53		-	-	-			-		
54		-	-	-			-		
55	Subtotal - p277 (Form 1-F filer: see note 6, below)	405,791,231	414,347,899	405,791,231	6,646,397	-	254,942,277	144,202,557	
56	Less FASB 109 Above if not separately removed	244,203,879	239,833,478	244,203,879	-	-	244,203,879	-	
57	Less FASB 106 Above if not separately removed	-	-	-	-	-	-	-	
58	Total = Line line 55 - (Line 57 + line 56)	161,587,352	174,514,421	161,587,352	6,646,397	-	10,738,398	144,202,557	

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	Item	Amortization
	Amortization	
	Amortization to line 129 of Appendix A	-
	Total	-
	Total Form No. 1 (p 266 & 267)	-
	Difference /1	-

/1 Difference must be zero or the difference included in Appendix A.

Other Taxes	FERC Form No. 1 Page 263 Col (i)	Allocator	Allocated Amount
Plant Related		Gross Plant Allocator	
1 PA Capital Stock Tax	line 15	439,620	
2 Real Estate	line 33	674,950	
3 PA PURTA	line 13	897,059	
4 Total Plant Related -- Sum of line 1 through line 3		2,011,629	24.3790% \$ 490,416
		Wages & Salary Allocator	
5 Federal Unemployment	line 4	33,471	
6 FICA	line 5	4,987,943	
7 PA Unemployment	line 18	293,693	
8 City of Pittsburgh	line 34	267,933	
9 Total Labor Related-- Sum of line 5 through line 8		5,583,040	15.0471% \$ 840,084
Other Excluded		All other	
10 Highway Use	line 6	-	
11 Excise Tax on Coal	line 7	-	
12 PA Gross receipts Tax	line 14	48,109,358	
13 PA Corporate Loans	line 16	-	
14 PA Insurance Premiums	line 17	-	
15 PA Fuel Use	line 19	-	
16 PA Motor Carriers	line 20	-	
17 PA Other	line 21	(598,149)	
18 WV Franchise	line 26	-	
19 WV Income	line 27	-	
20 Gross Receipts	line 32	-	
21 Total Excluded		47,511,209	0.00%
22 Total (line 4 + line 9 + line 21)		55,105,878	\$ 1,330,500
23 Total 'Other' Taxes included on p.114.14c		55,105,878	
Difference (line 23-line 22) Note E		-	

Criteria for Allocation:

- A All Taxes Other than Income Tax line items and allocations will be supported by the settlement in Docket No. ER06-1549 and no change in allocation will be allowed absent a filing at FERC.
- B Any new Taxes Other than Income Tax will be clearly marked and separated in each account from the settled items for review.
- C Other taxes that are incurred through ownership of plant including transmission plant will be allocated based on the Gross Plant Allocator. If the taxes are 100% recovered at retail they may not be included.
- D Other taxes that are incurred through ownership of only general or intangible plant will be allocated based on the Wages and Salary Allocator. If the taxes are 100% recovered at retail they may not be included.
- E Other taxes that are assessed based on labor will be allocated based on the Wages and Salary Allocator.
- F Other taxes, except as provided for in C, D and E above, which include amounts related to transmission service, will be allocated based on the Gross Plant Allocator.
- G Excludes prior period adjustments for periods before January 1, 2007.

Account 454 - Rent from Electric Property

1 Rent from FERC Form No. 1 - Note 8		9,901,171
2 Rent from Electric Property - Transmission Related (Notes 3 & 8)		-
3		
4 Customer Choice - EGS Transmission	See Note 5	67,197,228
5 Other Electric Revenues	See Note 6	17,505,962
6 SECA Credits - Other EGS	See Note 7	-
7 Schedule 1A		776,741
8 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)		1,084,583
9 PTP Serv revs for which the load is not included in the divisor received by TO		-
10 PJM Transitional Revenue Neutrality (Note 1)		-
11 PJM Transitional Market Expansion (Note 1)		-
12 Professional Services (Note 3)		-
13 Revenues from Directly Assigned Transmission Facility Charges (Note 2)		288,000
14 Rent or Attachment Fees associated with Transmission Facilities (Note 3)		-
15 Gross Revenue Credits	Sum Lines 7 to 14 + line 3	2,149,324
16 Less line 20	- line 23	-
17 Total Revenue Credits	line 15 + line 16	2,149,324
18 Revenues associated with lines 15 thru 20 are to be included in lines 1-10 and total of those revenues entered here		-
19 Income Taxes associated with revenues in line 15		-
20 One half margin (line 15 - line 16)/2		-
21 All expenses (other than income taxes) associated with revenues in line 15 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.		-
22 Line 17 plus line 18		-
23 Line 15 less line 19		-

- 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 168 of Appendix A.
- 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). DLC will retain 50% of net revenues consistent with Pacific Gas and Electric Company, 90 FERC ¶ 61,314. Note: In order to use lines 15 - 20, 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).
- Note 4 If the facilities associated with the revenues are not included in the formula, the revenue is shown here, but not included in the total above and explained in the Cost Support. For example, revenues associated with distribution facilities. In addition, revenues from Schedule 12 are not included in the total above to the extent they are credited under Schedule 12.
- Note 5 Customer Choice - EGS Transmission represents revenues received from Electric Generation Suppliers providing energy to retail customers in Duquesne's zone. As a result, the load is in the divisor for the zonal revenue requirement.
- Note 6 Other electric Revenues - includes revenues for various related electricity products/premium services such as surge protectors and appliance guards.
- Note 7 SECA Credits - Other EGS - represents revenues received from Electric Generation Suppliers for transition transmission charges imposed by FERC.

Note 8 All Account 454 and 456 Revenues must be itemized below

Account 454	Include	Exclude
Joint pole attachments - telephone	-	9,066,625
Joint pole attachments - cable	-	-
Underground rentals	-	-
Microwave tower wireless rentals	-	-
Other rentals	-	-
Corporate headquarters sublease	-	-
Misc non-transmission services	-	-
Customer Commitment Services (Account 454.02 & 454.03)	-	834,546
Total	-	9,901,171
Account 456	Include	Exclude
Customer Choice - EGS transmission	-	67,197,228
Other electric revenues	-	17,505,962
SECA credits	-	-
Transmission Revenue - AES/APS (Accounts 456.1 & 456.11)	-	-
Transmission Revenue - Piney Fork	288,000	-
Transmission Revenue - Firm (Account 456.32)	1,081,123	-
Transmission Revenue - Non-Firm	3,460	-
xxxx		
xxxx		
xxxx		
xxxx		
Total	1,372,583	84,703,190

A	100 Basis Point increase in ROE and Income Taxes	Line 12 + Line 23	79,330,892
B	100 Basis Point increase in ROE		1.00%

Return Calculation

1	Rate Base	Appendix A, Line 51	559,683,206
2	Debt % (Line 109 / Line 112)	Appendix A, Line 113	45.2%
3	Preferred % (Line 110 / Line 112)	Appendix A, Line 114	1.5%
4	Common % (Line 111 / Line 112)	Appendix A, Line 115	53.2%
5	Debt Cost (Line 98 / Line 109)	Appendix A, Line 116	5.93%
6	Preferred Cost (Line 99 / Line 110)	Appendix A, Line 117	7.97%
7	Common Cost Appendix A % plus 100 Basis Pts	Appendix A, Line 118 + 1%	12.40%
8	Weighted Cost of Debt (Line 113 * Line 116)	Appendix A, Line 119	0.0268
9	Weighted Cost of Preferred (Line 114 * Line 117)	Appendix A, Line 120	0.0012
10	Weighted Cost of Common (Line 115 * Line 118)	Line 4 * Line 7	0.0660
11	(Sum Lines 119 to 121)	Sum Lines 8 to 10	0.0941
12	(Line 51 * Line 122)	Line 11 * Line 1	52,648,464

Composite Income Taxes

13	FIT=Federal Income Tax Rate	Appendix A, Line 124	35.00%
14	SIT=State Income Tax Rate or Composite	Appendix A, Line 125	9.99%
15	p (percent of federal income tax deductible for state purposes)	Appendix A, Line 126	0.00%
16	$T = 1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$	Appendix A, Line 127	41.49%
17	$T / (1 - T)$	Appendix A, Line 128	70.92%
ITC Adjustment			
18	Amortized Investment Tax Credit; enter negative Attachment 1	Appendix A, Line 129	-
19	$1 / (1 - T)$	Appendix A, Line 130	170.92%
20	Net Plant Allocation Factor (Line 12)	Appendix A, Line 131	26.4740%
21	ITC Adjustment Allocated to Transmission (Line 129 * (1 + Line 130) * Line 131)	Appendix A, Line 132	-
22	Income Tax Component = CIT=(T/1-T) * Investment Return * (1-(WCLTD/R)) =	Line 17*Line 12*(1-(Line 8/Line 11))	26,682,428
23	Total Income Taxes	(Line 132 + Line 133)	26,682,428

Plant in Service Worksheet		Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions			Details	
		Source	Balance For True up		Balance for Estimate	
	Calculation of Transmission Plant In Service					
	December	p206.58.b	For 2014	770,496,213		
	January	Company Records	For 2015	772,538,262		
	February	Company Records	For 2015	773,871,270		
	March	Company Records	For 2015	773,589,076		
	April	Company Records	For 2015	774,933,207		
	May	Company Records	For 2015	777,110,632		
	June	Company Records	For 2015	779,070,266		
	July	Company Records	For 2015	779,185,639		
	August	Company Records	For 2015	779,072,159		
	September	Company Records	For 2015	778,830,554		
	October	Company Records	For 2015	778,060,481		
	November	Company Records	For 2015	775,360,404		
	December	p207.58.g	For 2015	777,430,482	777,430,482	
13	Transmission Plant In Service			776,119,127	777,430,482	
	Calculation of Distribution Plant In Service					
	December	p206.75.b	For 2014	2,360,760,642		
	January	Company Records	For 2015	2,363,746,515		
	February	Company Records	For 2015	2,365,839,171		
	March	Company Records	For 2015	2,365,012,666		
	April	Company Records	For 2015	2,364,526,683		
	May	Company Records	For 2015	2,368,854,476		
	June	Company Records	For 2015	2,378,126,803		
	July	Company Records	For 2015	2,380,275,476		
	August	Company Records	For 2015	2,381,046,815		
	September	Company Records	For 2015	2,388,783,450		
	October	Company Records	For 2015	2,399,841,793		
	November	Company Records	For 2015	2,403,262,071		
	December	p207.75.g	For 2015	2,421,961,853	2,421,961,853	
	Distribution Plant In Service			2,380,156,801	2,421,961,853	
	Calculation of Intangible Plant In Service					
	December	p204.5.b	For 2014	153,023,611		
	December	p205.5.g	For 2015	178,399,795	178,399,795	
16	Intangible Plant In Service			165,711,703	178,399,795	
	Calculation of General Plant In Service					
	December	p206.99.b	For 2014	281,512,271		
	December	p207.99.g	For 2015	296,842,705	296,842,705	
16	General Plant In Service			289,177,488	296,842,705	
	Calculation of Production Plant In Service					
	December	p204.46b	For 2014	-		
	January	Company Records	For 2015	-		
	February	Company Records	For 2015	-		
	March	Company Records	For 2015	-		
	April	Company Records	For 2015	-		
	May	Company Records	For 2015	-		
	June	Company Records	For 2015	-		
	July	Company Records	For 2015	-		
	August	Company Records	For 2015	-		
	September	Company Records	For 2015	-		
	October	Company Records	For 2015	-		
	November	Company Records	For 2015	-		
	December	p205.46.g	For 2015	-	-	
	Production Plant In Service			-	-	
	Calculation of Common Plant In Service					
	December (Electric Portion)	p356	For 2014	-		
	December (Electric Portion)	p356	For 2015	-	-	
17	Common Plant In Service			-	-	
6	Total Plant In Service	Sum of averages above		3,611,165,119	3,674,634,835	

Accumulated Depreciation Worksheet

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

Details

			Balance For True up	Balance for Estimate
	Calculation of Transmission Accumulated Depreciation	Source		
	December	Prior year p219	For 2014 195,890,163	
	January	Company Records	For 2015 198,335,374	
	February	Company Records	For 2015 199,703,519	
	March	Company Records	For 2015 200,993,211	
	April	Company Records	For 2015 202,527,352	
	May	Company Records	For 2015 204,308,938	
	June	Company Records	For 2015 206,005,519	
	July	Company Records	For 2015 207,493,386	
	August	Company Records	For 2015 208,785,348	
	September	Company Records	For 2015 209,884,613	
	October	Company Records	For 2015 210,408,499	
	November	Company Records	For 2015 205,738,082	
	December	p219.25	For 2015 206,888,418	206,888,418
22	Transmission Accumulated Depreciation		204,381,725	206,888,418
	Calculation of Distribution Accumulated Depreciation	Source		
	December	Prior year p219.26	For 2014 790,965,387	
	January	Company Records	For 2015 792,602,794	
	February	Company Records	For 2015 796,757,836	
	March	Company Records	For 2015 794,636,861	
	April	Company Records	For 2015 795,784,589	
	May	Company Records	For 2015 794,059,270	
	June	Company Records	For 2015 789,077,989	
	July	Company Records	For 2015 789,093,756	
	August	Company Records	For 2015 789,303,223	
	September	Company Records	For 2015 791,866,229	
	October	Company Records	For 2015 794,894,490	
	November	Company Records	For 2015 793,963,839	
	December	p219.26	For 2015 802,459,210	802,459,210
	Distribution Accumulated Depreciation		793,497,344	802,459,210
	Calculation of Intangible Accumulated Depreciation	Source		
	December	Prior year p200.21.c	For 2014 23,774,591	
	December	p200.21c	For 2015 40,185,061	40,185,061
26	Accumulated Intangible Depreciation		31,979,826	40,185,061
	Calculation of General Accumulated Depreciation	Source		
	December	Prior year p219	For 2014 99,806,296	
	December	p219.28	For 2015 109,118,284	109,118,284
25	Accumulated General Depreciation		104,462,290	109,118,284
	Calculation of Production Accumulated Depreciation	Source		
	December	Prior year p219	For 2014 -	
	January	Company Records	For 2015 -	
	February	Company Records	For 2015 -	
	March	Company Records	For 2015 -	
	April	Company Records	For 2015 -	
	May	Company Records	For 2015 -	
	June	Company Records	For 2015 -	
	July	Company Records	For 2015 -	
	August	Company Records	For 2015 -	
	September	Company Records	For 2015 -	
	October	Company Records	For 2015 -	
	November	Company Records	For 2015 -	
	December	p219.20 thru 219.24	For 2015 -	-
	Production Accumulated Depreciation		-	-
	Calculation of Common Accumulated Depreciation	Source		
	December (Electric Portion)	p356	For 2014 -	-
	December (Electric Portion)	p356	For 2015 -	-
28	Common Plant Accumulated Depreciation (Electric Only)		-	-
7	Total Accumulated Depreciation	Sum of averages above	1,134,321,185	1,158,650,973

Electric / Non-electric Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Electric Portion	Non-electric Portion	Details
Plant Allocation Factors							
26	Accumulated Intangible Depreciation		p200.21.c	40,185,061	40,185,061		
27	Accumulated Common Amortization - Electric		p356	-	-		
28	Common Plant Accumulated Depreciation (Electric Only)		p356	-	-		
Plant In Service							
17	Common Plant (Electric Only)	6454257	p356	-	-		
Materials and Supplies							
		8507804					
42	Undistributed Stores Exp	1845000	p227.6c & 15.c	2,287,375	2,362,223		
Allocated General & Common Expenses							
		1710262					
55	Plus Net Transmission Lease Payments	1316248	p200.4.c	-	-		
57	Common Plant O&M	2506218	p356	-	-		
Depreciation Expense							
		3725099					
80	Intangible Amortization		p336.1d8e	21,294,631	21,294,631		
84	Common Depreciation - Electric Only		p336.11.b	-	-		
85	Common Amortization - Electric Only		p356 or p336.11d	-	-		

Transmission / Non-transmission Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Beg of year	End of Year	End of Year for Est. Average for Final	Details
38	Plant Held for Future Use	p214	Total	-	-	-	
			Non-transmission Related	-	-	-	
			Transmission Related	-	-	-	

CWIP & Expensed Lease Worksheet

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	CWIP In Form 1 Amount	Expensed Lease in Form 1 Amount	Details
Plant Allocation Factors							
6	Total Plant In Service		p207.104.g	3,680,893,533			
Plant In Service							
13	Transmission Plant In Service		p207.58.g	777,430,482			
17	Common Plant (Electric Only)		p356	-			
Accumulated Depreciation							
22	Transmission Accumulated Depreciation		p219.25.c	206,888,418			

PBOPs Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	PBOBs	All other	Details
Allocated General & Common Expenses							
	Account 926 (Prior Year)			32,357,990	4,456,212	27,901,778	Prior Year
	Account 926 (Current Year)		p323.187.b	29,818,228	4,871,834	24,946,394	Current Year
	Change in PBOP Expense			(2,539,762)	415,622	(2,955,384)	
Calculation of allowed increase in PBOP expense recorded in Acct. 926 (increase not to cause more than \$.05/kW/Mo in zonal rate):							
1	Allowed Change in Rate (\$/kW/mo)		0.05				
2	Divide zonal rate at Appendix A, line 168 by 1000 and by 12 =		4				
3	Multiply Transmission Net Revenue Requirement (Appendix A, line 165) by ratio of line 1 over line 2		1,682,400				
4	Divide line 3 by the wage & salary allocator (Appendix A, line 5)		11,180,912				
5	Subtract line 4 from the Change in PBOP expense shown above		(10,765,290)				This is the increase in PBOP expense permitted in the current year.
6	Enter the result at line 5 on Appendix A, line 62 <u>ONLY</u> if it is positive; otherwise enter zero						
59	Less PBOP Expense in Acct. 926 in Excess of Allowed Amount		-				

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						
63	Less EPRI Dues		p352-353	-		

Regulatory Expense Related to Transmission Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Form 1 Amount	Transmission Related	Non-transmission Related	Details
67	Directly Assigned A&G Regulatory Commission Exp Account 928 p323.189.b	3,050,542	-	3,050,542	FERC Annual Assessment

Safety Related Advertising Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Form 1 Amount	Safety Related	Non-safety Related	Details
68	Directly Assigned A&G General Advertising Exp Account 930.1 p323.191.b	1,213,769	-	1,213,769	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
125	Income Tax Rates SIT=State Income Tax Rate or Composite	PA 9.99%					

Education and Out Reach Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Form 1 Amount	Education & Outreach	Other	Details
68	Directly Assigned A&G General Advertising Exp Account 930.1 p323.191.b	1,213,769	-	1,213,769	None

Excluded Plant Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Excluded Transmission Facilities	Description of the Facilities
145	Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities Excluded Transmission Facilities	0	General Description of the Facilities
	Instructions:	Enter \$	None
1	Remove all investment below 69 kV facilities, including the investment allocated to distribution of a dual function substation, generator, interconnection and local and direct assigned facilities for which separate costs are charged and step-up generation substation included in transmission plant in service.		
2	If unable to determine the investment below 69kV in a substation with investment of 69 kV and higher as well as below 69 kV, the following formula will be used:	Or Enter \$	
	Example		
A	Total investment in substation	1,000,000	
B	Identifiable investment in Transmission (provide workpapers)	500,000	
C	Identifiable investment in Distribution (provide workpapers)	400,000	
D	Amount to be excluded (A x (C / (B + C)))	444,444	

Add more lines if necessary

Transmission Related Account 242 Reserves

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Beg of year	End of Year	End of Year for Est. Average for Final	Allocation	Trans Rtd	Details
39	Transmission Related Account 242 Reserves (exclude current year environmental site related reserves)						Enter \$ Amount
	Directly Assignable to Transmission						
	Legal Accrual	-	-	-			
	Accrued FERC Assessment	-	-	-			
		-	-	-	100%	-	
	Labor Related, General plant related or Common Plant related						
	Workmen's Compensation Liability	1,316,248	1,681,612	1,681,612			
	Accrued Payroll	1,710,262	1,756,433	1,756,433			
	Accrued Vacations	806,582	748,004	748,004			
	Accrued Compensated Absences	7,701,222	7,813,359	7,813,359			
	Accrued Legal Settlements	1,845,000	1,696,880	1,696,880			
	Incentive Compensation Accrual	3,658,306	4,426,973	4,426,973			
	Employee Benefits	2,795,951	2,835,731	2,835,731			
		19,833,571	20,958,992	20,958,992	15.05%	3,153,715	
	Other						
	Affordable Housing Recapture	-	-	-			
	Regulatory Commitment	200,000	-	-			
	Counterparty Collateral	2,506,218	2,741,168	2,741,168			
	Other	3,725,099	5,387,836	5,387,836			
		6,431,317	8,129,004	8,129,004	0.00%	-	
	Total Transmission Related Reserves	26,264,888	29,087,996	29,087,996		3,153,715	

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Beg of year	End of Year	End of Year for Est. Average for Final	Allocation	Trans Rtd	Details
40	Prepayments						To Line 45
	Labor Related						
	Prepaid Federal Highway Use Tax	-	-	-	15.047%	-	
	Infrastructure Improvement Program Project Insurance	343,995	358,995	358,995	15.047%	54,018	
	Workman's Compensation	208,918	316,886	316,886	15.047%	47,682	
	Director's & Officer's Liability	113,498	278,271	278,271	15.047%	41,872	
	Excess General Liability	2,556,134	3,219,590	3,219,590	15.047%	484,454	
	Misc	(2,434,345)	98,700	98,700	15.047%	14,851	
	Other						
	PA PUC Assessments	1,159,467	1,300,000	1,300,000	0.000%	-	
	Plant Related						
	Property insurance	1,578,004	2,111,627	2,111,627	26.474%	559,032	
		3,525,671	7,684,069	7,684,069		1,201,909	

Materials & Supplies

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions			Beg of year	End of Year	End of Year for Est. Average for Final
	Assigned to O&M Stores Expense Undistributed	p227.6 p227.16	2,362,223	2,287,375	2,287,375
42	Undistributed Stores Exp		2,362,223	2,287,375	2,287,375
45	Transmission Materials & Supplies	p227.8	4,304,631	4,725,350	4,725,350

Adjustments to Transmission O&M

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Total	Allocation	Related
55	Plus Net Transmission Lease Payments			

Facility Credits under Section 30.9 of the PJM OATT

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Amount	Description & PJM Documentation
166	Net Revenue Requirement Facility Credits under Section 30.9 of the PJM OATT	-	

PJM Load Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		1 CP Peak	Description & PJM Documentation
168	Network Zonal Service Rate 1 CP Peak	2,804	p401.b

Cost of Long Term Debt

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions						
Long Term Interest			Amount			
92	Long Term Interest	Total Column F below	51,725,658			
105	Long Term Debt	Total Column E below	1,015,717,785			
	A	B	C	D	E	F
		Principle	Outstanding	Months Outstanding	Weighted Outstanding (C*D/12)	Interest
Act	List all Bonds in Accounts 221 thru 224					
221	4.97% 1st Mort Bond due 11/14/2043	160,000,000	160,000,000	12	160,000,000	7,952,000
221	4.76% 1st Mort Bond due 02/03/2042	200,000,000	200,000,000	12	200,000,000	9,520,000
221	5.02% 1st Mort Bond due 02/04/2044	45,000,000	45,000,000	12	45,000,000	2,259,000
221	5.12% 1st Mort Bond due 02/04/2054	85,000,000	85,000,000	12	85,000,000	4,352,000
221	3.78% 1st Mort Bond due 03/02/2045	100,000,000	100,000,000	10	83,333,333	5,306,449
221	3.93% 1st Mort Bond due 03/02/2055	200,000,000	200,000,000	10	166,666,667	10,862,064
221	3.93% 1st Mort Bond due 07/15/2045	160,000,000	160,000,000	5.5	73,333,333	6,366,585
223	4.25% Note Payable - DLH (long term interest included in Appendix A, Line 97)	50,000,000	50,000,000	2.5	10,604,452	
223	4.53% Note Payable - DLH (long term interest included in Appendix A, Line 97)	150,000,000	150,000,000	6.6	81,875,000	
224	Beaver County Industrial Development:					
224	1999 Series B due 2020 Variable Interest Rates	13,700,000	13,700,000	12	13,700,000	650,750
224	1999 Series C due 2033 Variable Interest Rates	18,000,000	18,000,000	12	18,000,000	855,000
224	1999 Series D due 2029 Variable Interest Rates	44,250,000	44,250,000	12	44,250,000	1,991,250
224	1999 Series A due 2031 Variable Interest Rates	25,000,000	-	12	-	(274)
224	1999 Series E due 2031 Variable Interest Rates	75,500,000	-	12	-	(827)
224	Authorities Pollution Control Revenue Bonds:					
224	1999 Series A due 2031 Variable Interest Rates	71,000,000	-	12	-	(778)
224	1999 Series B due 2031 Variable Interest Rates	13,500,000	-	12	-	(148)
224	1999 Series B due 2027 Variable Interest Rates	20,500,000	-	12	-	(225)
224	1999 Series C due 2031 Variable Interest Rates	33,955,000	33,955,000	12	33,955,000	1,612,863
224	1999 Series C due 2031 Variable Interest Rates	4,655,000	-	12	-	(51)
	Total				1,015,717,785	51,725,658

Note: The amount outstanding for debt retired during the year is the outstanding amount as of the last month it was outstanding.

Exec Summary

Step	Month	Year	Action
1	April	Year 2	TO populates the formula with Year 1 data from FERC Form 1.
2	April	Year 2	TO estimates all transmission Cap Adds, Retirements, CWIP and associated depreciation for Year 2 based on Months expected to be in service and monthly CWIP balances in Year 2.
3	April	Year 2	TO adds 13 month average Cap Adds and retirements (line 14), CWIP (line 36) and associated depreciation (lines 23 and 77) to the Formula.
4	May	Year 2	Post results of Step 3 on PJM web site.
5	June	Year 2	Results of Step 3 go into effect.
6	April	Year 3	TO populates the formula with Year 2 data from FERC Form 1.
7	April	Year 3	Reconciliation - TO calculates the true up amount by subtracting the results of Step 6 by Step 3.
8	April	Year 3	Reconciliation - TO calculates interest and amortization associated with the true up calculated in Step 7 and applies that amount to line 164 of the formula (if the difference results in refund and a cash refund is made, then this step is not implemented).
9	April	Year 3	TO estimates all transmission Cap Adds, Retirements, CWIP and associated depreciation for Year 3 based on Months expected to be in service and monthly CWIP balances in Year 3.
10	April	Year 3	TO adds 13 month average Cap Adds and retirements (line 14), CWIP (line 36) and associated depreciation (lines 23 and 77) to the Formula.
11	May	Year 3	Post results of Step 10 on PJM web site.
12	June	Year 3	Results of Step 9 go into effect for the Rate Year 2.

Reconciliation details

1	April	Year 2	TO populates the formula with Year 1 data from FERC Form 1. \$ - Rev Req based on Year 1 data Must run Appendix A to get this number (without any cap adds in line 21) of Appendix A
2	April	Year 2	TO estimates all transmission Cap Adds, Retirements, CWIP and associated depreciation for Year 2 based on Months expected to be in service and monthly CWIP balances in Year 2.

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)		(L)	(M)	(N)	(O)	(P)	Total		
											Accumulated Balance	Other Project PIS	Project X CWIP	Project X PIS	Brady PIS	Brady CWIP	Allegheny S5 PIS			
Dec	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Jan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Feb	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Mar	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Apr	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
May	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Jun	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Jul	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Aug	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Sep	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Oct	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Nov	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Dec	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
			13 month avg of new plant additions = Col K+ Col M + Col N + Col P				-			-			-			-				goes to line 14 of the formula
			13 month avg of current year changes to CWIP = Col L + Col O				-			-			-			-				goes to line 36 of the formula

	(Q) = K Total Other Project PIS	(R) Composite Trans Deprec Rate	(S) = Q * R Depreciation Expense	(T) Accum Deprec	(U) = M Total Project X PIS	(V) Composite Trans Deprec Rate	(W) = U * V Depreciation Expense	(X) Accum Deprec	(Y) = N Total Brady PIS	(Z) Composite Trans Deprec Rate	(AA) = Y * Z Depreciation Expense	(AB) Accum Deprec	(AC) = P Allegheny S5 PIS	(AD) Composite Trans Deprec Rate	(AE) = AC * AD Depreciation Expense	(AF) Accum Deprec
DEC	0	0.22%	-	-	-	0.22%	-	-	-	0.22%	-	-	-	0.22%	-	-
Jan	0	0.22%	-	-	-	0.22%	-	-	-	0.22%	-	-	-	0.22%	-	-
Feb	0	0.22%	-	-	-	0.22%	-	-	-	0.22%	-	-	-	0.22%	-	-
Mar	0	0.22%	-	-	-	0.22%	-	-	-	0.22%	-	-	-	0.22%	-	-
Apr	0	0.22%	-	-	-	0.22%	-	-	-	0.22%	-	-	-	0.22%	-	-
May	0	0.22%	-	-	-	0.22%	-	-	-	0.22%	-	-	-	0.22%	-	-
Jun	0	0.22%	-	-	-	0.22%	-	-	-	0.22%	-	-	-	0.22%	-	-
Jul	0	0.22%	-	-	-	0.22%	-	-	-	0.22%	-	-	-	0.22%	-	-
Aug	0	0.22%	-	-	-	0.22%	-	-	-	0.22%	-	-	-	0.22%	-	-
Sep	0	0.22%	-	-	-	0.22%	-	-	-	0.22%	-	-	-	0.22%	-	-
Oct	0	0.22%	-	-	-	0.22%	-	-	-	0.22%	-	-	-	0.22%	-	-
Nov	0	0.22%	-	-	-	0.22%	-	-	-	0.22%	-	-	-	0.22%	-	-
Dec	0	0.22%	-	-	-	0.22%	-	-	-	0.22%	-	-	-	0.22%	-	-
Total																

13 mo. Avg accumulated depreciation = Col T + Col X + Col AB + Col AF
Depreciation Expense = Col S + Col W + Col AA + Col AE
- goes to line 23 of the formula
- goes to line 77 of the formula

3 April Year 2 TO adds 13 month average Cap Adds and retirements (line 14), CWIP (line 36) and associated depreciation (lines 23 and 77) to the Formula.
Input to Formula Line 21

4 May Year 2 Post results of Step 3 on PJM web site.
\$ - Must run Appendix A to get this number (with results of step 2)

5 June Year 2 Results of Step 3 go into effect.

6 April Year 3 TO populates the formula with Year 2 data from FERC Form 1.

118,648,992 Rev Req based on Prior Year data Must run Appendix A to get this number (without any adjustments for cap adds) of Appendix A

Detail of actual Cap Adds, Retirements, CWIP and associated depreciation for Year 2 based on Months expected to be in service and monthly CWIP balances in Year 2.

	(A) Other Project PIS	(B) other retirements	(C) Project X CWIP	(D) Project X PIS	(E) Project X PIS retirements	(F) Brady PIS	(G) Brady PIS Retirements	(H) Brady CWIP	(I) Allegheny S5 PIS	(J) Allegheny S5 Retirements	(K) Accumulated Balance Other Project PIS	(L) Project X CWIP	(M) Project X PIS	(N) Brady PIS	(O) Brady CWIP	(P) Allegheny S5 PIS	Total
Dac																	
Jan	1,863,798	-	-	-	-	-	-	246,746	-	-	1,863,798	-	262,946,572	92,311,602	3,787,849	3,158,242	
Feb	1,472,879	(141,201)	-	1,307	-	23	-	309,847	-	-	3,195,475	-	262,947,879	92,311,625	4,097,696	3,158,242	
Mar	316,079	(599,900)	-	850	-	777	-	717,709	-	-	2,911,654	-	262,948,729	92,312,401	4,815,405	3,158,242	
Apr	1,408,271	(64,139)	-	-	-	-	-	714,810	-	-	4,255,785	-	262,948,729	92,312,401	5,530,215	3,158,242	
May	2,162,925	(26,107)	-	-	-	40,606	-	889,295	-	-	6,392,604	-	262,948,729	92,353,007	6,419,510	3,158,242	
Jun	2,085,218	(106,939)	-	(19,234)	-	589	-	5,575,026	-	-	8,370,883	-	262,929,495	92,353,596	11,994,536	3,158,242	
Jul	548,692	(343,296)	-	-	-	(54,854)	-	8,855,746	-	-	8,576,279	-	262,929,495	92,298,743	20,850,282	3,158,242	
Aug	413,252	(581,496)	-	-	-	54,763	-	7,564,748	-	-	8,408,035	-	262,929,495	92,353,506	28,415,030	3,158,242	
Sep	267,680	(509,284)	-	-	-	-	-	2,067,556	-	-	8,166,431	-	262,929,495	92,353,506	30,482,586	3,158,242	
Oct	215,414	(1,006,783)	-	21,296	-	-	-	6,346,538	-	-	7,375,062	-	262,950,791	92,353,506	36,829,123	3,158,242	
Nov	1,657,554	(5,934,473)	-	-	-	1,576,841	-	640,780	-	-	3,098,143	-	262,950,791	93,930,347	37,469,904	3,158,242	
Dec	2,637,305	(579,560)	-	-	-	11,736	-	3,642,593	-	-	5,155,888	-	262,950,791	93,942,062	41,112,497	3,158,242	
Total	15,049,066	(9,893,176)	-	4,219	-	1,630,481	-	37,571,394	-	-	5,647,503	-	262,942,890	92,576,763	18,103,518	3,158,242	382,428,916

13 month avg of new plant additions = Col K + Col M + Col N + Col P
End of Year balance new plant additions = Col A + Col D + Col F + Col I

13 month avg of current year changes to CWIP = Col L + Col O

	(Q) = K Total Other Project PIS	(R) Composite Trans Deprec Rate	(S) = Q * R Depreciation Expense	(T) Accum Deprec	(U) = M Total Project X PIS	(V) Composite Trans Deprec Rate	(W) = U * V Depreciation Expense	(X) Accum Deprec	(Y) = N Total Brady PIS	(Z) Composite Trans Deprec Rate	(AA) = Y * Z Depreciation Expense	(AB) Accum Deprec	(AC) = P Allegheny S5 PIS	(AD) Composite Trans Deprec Rate	(AE) = AC * AD Depreciation Expense	(AF) Accum Deprec
DEC	0	0.22%	-	-	262,946,572	0.22%	578,482	33,689,328	92,311,602	0.22%	203,086	6,362,953	3,158,242	0.22%	6,948	270,644
Jan	1,863,798	0.22%	4,100	4,100	262,946,572	0.22%	578,482	34,267,811	92,311,602	0.22%	203,086	6,566,038	3,158,242	0.22%	6,948	277,592
Feb	3,195,475	0.22%	7,030	11,130	262,947,879	0.22%	578,485	34,846,296	92,311,625	0.22%	203,086	6,769,124	3,158,242	0.22%	6,948	284,540
Mar	2,911,654	0.22%	6,406	17,536	262,948,729	0.22%	578,487	35,424,783	92,312,401	0.22%	203,087	6,972,211	3,158,242	0.22%	6,948	291,488
Apr	4,255,785	0.22%	9,363	26,899	262,948,729	0.22%	578,487	36,003,270	92,312,401	0.22%	203,087	7,175,298	3,158,242	0.22%	6,948	298,436
May	6,392,604	0.22%	14,064	40,962	262,948,729	0.22%	578,487	36,581,758	92,353,007	0.22%	203,177	7,378,475	3,158,242	0.22%	6,948	305,384
Jun	8,370,883	0.22%	18,416	59,378	262,929,495	0.22%	578,445	37,160,203	92,353,596	0.22%	203,178	7,581,653	3,158,242	0.22%	6,948	312,333
Jul	8,576,279	0.22%	18,968	78,246	262,929,495	0.22%	578,445	37,738,647	92,298,743	0.22%	203,057	7,784,710	3,158,242	0.22%	6,948	319,281
Aug	8,408,035	0.22%	18,498	96,744	262,929,495	0.22%	578,445	38,317,092	92,353,506	0.22%	203,178	7,987,898	3,158,242	0.22%	6,948	326,229
Sep	8,166,431	0.22%	17,968	114,710	262,929,495	0.22%	578,445	38,895,537	92,353,506	0.22%	203,178	8,191,066	3,158,242	0.22%	6,948	333,177
Oct	7,375,062	0.22%	16,225	130,935	262,950,791	0.22%	578,492	39,474,029	92,353,506	0.22%	203,178	8,394,243	3,158,242	0.22%	6,948	340,125
Nov	3,098,143	0.22%	6,816	137,751	262,950,791	0.22%	578,492	40,052,521	93,930,347	0.22%	206,647	8,600,890	3,158,242	0.22%	6,948	347,073
Dec	5,155,888	0.22%	11,343	149,094	262,950,791	0.22%	578,492	40,631,012	93,942,082	0.22%	206,673	8,807,563	3,158,242	0.22%	6,948	354,021
Total			149,094	66,730	262,942,890		6,941,684	37,160,176	92,576,763		2,444,610	7,582,470	3,158,242		83,378	312,333

7 April Year 3 Reconciliation - TO calculates the true up amount by subtracting the results of Step 6 by Step 3.

Results of Step 6	\$	124,714,128	
Results of Step 3	\$	115,533,229	
True up w/o interest	\$	9,180,899	Note: for 1st year, divide this amt by 12 and multiply by the number of months the rate was in effect
1st year	\$	765,075	Divide this number by the number of months the rate was in effect and place that number in the month that the rate went in effect in the interest calculation below

8 April Year 3 Reconciliation - TO calculates interest and amortization associated with the true up calculated in Step 7 and applies that amount to line 164 of the formula (if the difference results in refund and a cash refund is made, then this step is not implemented).
Interest on Amount of Refunds or Surcharges
Interest 35.19a for 2nd quarter Current Yr

Month	Yr	1/12 of Step 7	Interest 35.19a for and 35.19 b March Current Yr	0.2900%	Months	Interest	Refunds Owed
Jun	Year 1	765,075	0.2900%		11.5	25,515	790,590
Jul	Year 1	765,075	0.2900%		10.5	23,297	788,371
Aug	Year 1	765,075	0.2900%		9.5	21,078	786,153
Sep	Year 1	765,075	0.2900%		8.5	18,859	783,934
Oct	Year 1	765,075	0.2900%		7.5	16,640	781,715
Nov	Year 1	765,075	0.2900%		6.5	14,422	779,497
Dec	Year 1	765,075	0.2900%		5.5	12,203	777,278
Jan	Year 2	765,075	0.2900%		4.5	9,984	775,059
Feb	Year 2	765,075	0.2900%		3.5	7,766	772,840
Mar	Year 2	765,075	0.2900%		2.5	5,547	770,622
Apr	Year 2	765,075	0.2900%		1.5	3,328	768,403
May	Year 2	765,075	0.2900%		0.5	1,109	766,184
Total		9,180,899					9,340,646
		Balance	Interest	Amort	Balance		
Jun	Year 2	9,340,646	0.2900%	793,138	8,574,597		
Jul	Year 2	8,574,597	0.2900%	793,138	7,806,325		
Aug	Year 2	7,806,325	0.2900%	793,138	7,035,826		
Sep	Year 2	7,035,826	0.2900%	793,138	6,263,092		
Oct	Year 2	6,263,092	0.2900%	793,138	5,488,117		
Nov	Year 2	5,488,117	0.2900%	793,138	4,710,895		
Dec	Year 2	4,710,895	0.2900%	793,138	3,931,419		
Jan	Year 3	3,931,419	0.2900%	793,138	3,149,683		
Feb	Year 3	3,149,683	0.2900%	793,138	2,365,679		
Mar	Year 3	2,365,679	0.2900%	793,138	1,579,402		
Apr	Year 3	1,579,402	0.2900%	793,138	790,844		
May	Year 3	790,844	0.2900%	793,138	0		
Total with interest				9,517,652			

The difference between the Reconciliation in Step 6 and the forecast in Prior Year with interest
Place result in line 164 of the formula for Year 2 rate 9,517,652

9 April Year 3 TO estimates all transmission Cap Adds, Retirements, CWIP and associated depreciation for Year 3 based on Months expected to be in service and monthly CWIP balances in Year 3.

	(A) Other Project PIS	(B) other retirements	(C) Project X CWIP	(D) Project X PIS	(E) Project X PIS retirements	(F) Brady PIS	(G) Brady PIS Retirements	(H) Brady CWIP	(I) Allegheny S5 PIS	(J) Allegheny S5 Retirements	(K) Accumulated Balance		(M) Project X PIS		(N) Brady PIS		(O) Brady CWIP		(P) Allegheny S5 PIS		Total	
											Other Project PIS	Project X CWIP	Project X PIS	Brady PIS	Brady CWIP	Allegheny S5 PIS	Allegheny S5 PIS					
Dec																						
Jan	(2,010,679)	-	-	-	-	13,946	-	2,558,245	-	-	-	(2,010,679)	-	-	-	13,946	-	43,670,742	-	-	-	-
Feb	857,563	-	-	1,943	-	114	-	1,308,141	-	-	-	(1,153,116)	-	1,943	14,060	44,978,882	-	-	-	-	-	-
Mar	737,625	-	-	-	-	132	-	7,378,140	-	-	-	(415,490)	-	1,943	14,192	52,357,023	-	-	-	-	-	-
Apr	1,734,386	-	-	-	-	528,418	-	3,605,832	-	-	-	1,318,896	-	1,943	542,610	55,962,855	-	-	-	-	-	-
May	400,000	-	-	-	-	-	-	1,337,999	-	-	-	1,718,896	-	1,943	542,610	57,300,854	-	-	-	-	-	-
Jun	19,200,000	-	-	-	-	63,500,000	-	(57,300,853)	-	-	-	20,918,896	-	1,943	64,042,610	0	-	-	-	-	-	-
Jul	350,000	-	-	-	-	-	-	-	-	-	-	21,268,896	-	1,943	64,042,610	0	-	-	-	-	-	-
Aug	-	-	-	-	-	-	-	-	-	-	-	21,268,896	-	1,943	64,042,610	0	-	-	-	-	-	-
Sep	-	-	-	-	-	-	-	-	-	-	-	21,268,896	-	1,943	64,042,610	0	-	-	-	-	-	-
Oct	65,000	-	-	-	-	-	-	-	-	-	-	21,333,896	-	1,943	64,042,610	0	-	-	-	-	-	-
Nov	1,935,000	-	-	-	-	-	-	-	-	-	-	23,268,896	-	1,943	64,042,610	0	-	-	-	-	-	-
Dec	8,200,000	-	-	-	-	-	-	-	-	-	-	31,468,896	-	1,943	64,042,610	0	-	-	-	-	-	-
Total	31,468,896	-	-	1,943	-	64,042,610	-	(41,112,497)	-	-	-	12,327,368	-	1,644	34,571,207	22,721,758	-	-	-	-	-	69,621,976

13 month avg of new plant additions = Col K + Col M + Col N + Col P goes to line 14 of the formula
 13 month avg of current year changes to CWIP = Col L + Col O goes to line 36 of the formula

	(Q) = K Total Other Project PIS	(R) Composite Trans Deprec Rate	(S) = Q * R Depreciation Expense		(T) Accum Deprec	(U) = M Total Project X PIS	(V) Composite Trans Deprec Rate		(W) = U * V Depreciation Expense	(X) Accum Deprec	(Y) = N Total Brady PIS	(Z) Composite Trans Deprec Rate		(AA) = Y * Z Depreciation Expense	(AB) Accum Deprec	(AC) = P Allegheny S5 PIS	(AD) Composite Trans Deprec Rate		(AE) = AC * AD Depreciation Expense	(AF) Accum Deprec		
			Depreciation Expense	Accum Deprec			Deprec Rate	Depreciation Expense				Deprec Rate	Depreciation Expense				Accum Deprec	Deprec Rate			Depreciation Expense	
DEC	0	0.22%	-	-	-	-	0.22%	-	-	-	-	0.22%	-	-	-	-	0.22%	-	-	-	-	
Jan	(2,010,679)	0.22%	(4,423)	(4,423)	-	-	0.22%	-	-	-	13,946	0.22%	31	31	-	-	0.22%	-	-	-	-	
Feb	(1,153,116)	0.22%	(2,537)	(6,960)	1,943	1,943	0.22%	4	4	4	14,060	0.22%	31	62	-	-	0.22%	-	-	-	-	
Mar	(415,490)	0.22%	(914)	(7,874)	1,943	1,943	0.22%	4	9	9	14,192	0.22%	31	93	-	-	0.22%	-	-	-	-	
Apr	1,318,896	0.22%	2,902	(4,973)	1,943	1,943	0.22%	4	13	13	542,610	0.22%	1,194	1,287	-	-	0.22%	-	-	-	-	
May	1,718,896	0.22%	3,782	(1,191)	1,943	1,943	0.22%	4	17	17	542,610	0.22%	1,194	2,480	-	-	0.22%	-	-	-	-	
Jun	20,918,896	0.22%	46,022	44,830	1,943	1,943	0.22%	4	21	21	64,042,610	0.22%	140,894	143,374	-	-	0.22%	-	-	-	-	
Jul	21,268,896	0.22%	46,792	91,622	1,943	1,943	0.22%	4	26	26	64,042,610	0.22%	140,894	284,268	-	-	0.22%	-	-	-	-	
Aug	21,268,896	0.22%	46,792	138,413	1,943	1,943	0.22%	4	30	30	64,042,610	0.22%	140,894	425,162	-	-	0.22%	-	-	-	-	
Sep	21,268,896	0.22%	46,792	185,205	1,943	1,943	0.22%	4	34	34	64,042,610	0.22%	140,894	566,055	-	-	0.22%	-	-	-	-	
Oct	21,333,896	0.22%	46,935	232,140	1,943	1,943	0.22%	4	38	38	64,042,610	0.22%	140,894	706,949	-	-	0.22%	-	-	-	-	
Nov	23,268,896	0.22%	51,192	283,331	1,943	1,943	0.22%	4	43	43	64,042,610	0.22%	140,894	847,843	-	-	0.22%	-	-	-	-	
Dec	31,468,896	0.22%	69,232	352,563	1,943	1,943	0.22%	4	47	47	64,042,610	0.22%	140,894	988,737	-	-	0.22%	-	-	-	-	
Total			352,563	100,206				47	22				988,737	305,103								

13 mo. Avg accumulated depreciation = Col T + Col X + Col AB + Col AF goes to line 23 of the formula
 405,331
 Depreciation Expense = Col S + Col W + Col AA + Col AE goes to line 77 of the formula
 1,341,346

Rev Req based on Year 2 data with estimated Cap Adds, Rets, CWIP and Deprec for Year 3. Cap Adds (Step 9) and True up of Year 1 data (Step 8)

Must run App A to get this # (with 13 mo. avg cap adds, CWIP, depreciation for Year 3 cap adds)

11 May Year 3 Post results of Step 10 on PJM web site.
 \$ 142,148,844 Post results of Step 3 on PJM web site.

12 June Year 3 Results of Step 9 go into effect for the Rate Year 2.
 \$ 142,148,844

line #	Formula Line		
1	165	Plus any increased ROE calculated on Attachment 7 other than PJM Sch. 12 projects	\$ 4,106,202
		=Incentive - Revenue Credit for the corresponding rate year	
		Fixed Charge Rate (FCR) if not a CIAC	
2	155	Net Plant Carrying Charge without Depreciation	19.3730%
3	162	Net Plant Carrying Charge per 100 Basis Point increase in ROE without Depreciation	20.2666%
4		Line B less Line A	0.8927%
5	156	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes	6.3612%

Beginning = 13 month Plant CWIP or Incentive Plant balance
Deprec = 13 month avg Accumulated Depreciation
Ending = Beginning - Deprec
Revenue = FCR * Ending + Ending

Total = Sum of Revenue for Project CWIP and DTEP
Incentive = Total for "W Increased ROE" row
Revenue Credit = Total for "FCR W base ROE" row

Details		Duquesne Trans Enhancement Project CWIP			Duquesne Trans Enhancement Project PIS			Brady CWP			Brady PIS			Allegheny SS PIS						
6	Schedule 12	Yes			Yes			Yes			Yes			Yes						
7	Life	43			43			43			43			43						
8	CIAC	No			No			No			No			No						
9	Increased ROE (Basis Points)	100			100			150			150			0						
10	FCR W base ROE	19.373%			19.373%			19.373%			19.373%			19.373%						
11	FCR W increased ROE	20.266%			20.266%			20.712%			20.712%			19.373%						
12	Investment				1,943	Estimate - Attachment 6, Step 2, Column D, Total*		64,042,610	Estimate - Attachment 6, Step 2, Column D, Total*						Estimate - Attachment 6, Step 2, Column F, Total*					
13	Annual Depreciation Exp				44,101,965	Estimate - Attachment 6, Step 2, Column U, Total*		10,352,701	Estimate - Attachment 6, Step 2, Column U, Total*						395,710	Estimate - Attachment 6, Step 2, Column Y, Total*				
14	13 month Avg				262,952,435	Estimate - Attachment 6, Step 2, Column K Avg mos*		22,721,758	Estimate - Attachment 6, Step 2, Column J Avg mos*		128,513,290	Estimate - Attachment 6, Step 2, Column K Avg mos*		3,158,242	Estimate - Attachment 6, Step 2, Column L Avg mos*					
		Revenue ((Beginning + Ending)/2* Line 11)			Revenue ((Beginning + Ending)/2* Line 11)			Revenue ((Beginning + Ending)/2* Line 11)			Revenue ((Beginning + Ending)/2* Line 11)			Revenue ((Beginning + Ending)/2* Line 11)						
15	Invest Yr	Beginning	Depreciation	Ending	Beginning	Depreciation	Ending	Beginning	Depreciation	Ending	Beginning	Depreciation	Ending	Beginning	Depreciation	Ending	Total	Incentive	Rev Credit	
16	FCR W base ROE 2006	-	-	-	12,009,449	131,821	11,877,628	-	-	-	-	-	-	-	-	-	\$ 2,445,637	\$ -	\$ -	
17	W increased ROE 2006	-	-	-	12,009,449	131,821	11,877,628	-	-	-	-	-	-	-	-	-	\$ 2,552,254	\$ 2,552,254	\$ 2,445,637	
18	FCR W base ROE 2007	-	-	-	50,485,747	776,718	49,709,030	-	-	-	-	-	-	-	-	-	\$ 10,482,062	\$ -	\$ 10,482,062	
19	W increased ROE 2007	-	-	-	50,485,747	776,718	49,709,030	-	-	-	-	-	-	-	-	-	\$ 10,929,268	\$ 10,929,268	\$ -	
20	FCR W base ROE 2008	-	-	-	96,868,230	1,396,151	95,472,079	-	-	-	-	-	-	-	-	-	\$ 20,027,152	\$ -	\$ 20,027,152	
21	W increased ROE 2008	-	-	-	96,868,230	1,396,151	95,472,079	-	-	-	-	-	-	-	-	-	\$ 20,885,637	\$ 20,885,637	\$ -	
22	FCR W base ROE 2009	-	-	-	115,267,202	4,954,232	110,312,970	-	-	-	-	-	-	-	-	-	\$ 26,805,006	\$ -	\$ 26,805,006	
23	W increased ROE 2009	-	-	-	115,267,202	4,954,232	110,312,970	-	-	-	-	-	-	-	-	-	\$ 27,811,852	\$ 27,811,852	\$ -	
24	FCR W base ROE 2010	-	-	-	195,470,338	8,478,483	186,991,855	-	-	-	-	-	-	-	-	-	\$ 45,525,599	\$ -	\$ 45,525,599	
25	W increased ROE 2010	-	-	-	195,470,338	8,478,483	186,991,855	-	-	-	-	-	-	-	-	-	\$ 47,232,667	\$ 47,232,667	\$ -	
26	FCR W base ROE 2011	-	-	-	230,878,255	13,522,528	217,355,727	-	-	-	24,663,027	245,995	24,417,032	5,000,125	1,942,824	16,719	1,926,105	391,481	\$ 62,332,220	
27	W increased ROE 2011	-	-	-	230,878,255	13,522,528	217,355,727	-	-	-	24,663,027	245,995	24,417,032	5,328,718	1,942,824	16,719	1,926,105	391,481	\$ 64,661,445	
28	FCR W base ROE 2012	-	-	-	230,204,308	18,782,180	211,422,129	-	-	-	59,983,495	1,220,207	58,763,287	12,722,588	3,158,242	83,992	3,074,250	687,701	\$ 74,970,515	
29	W increased ROE 2012	-	-	-	230,204,308	18,782,180	211,422,129	-	-	-	59,983,495	1,220,207	58,763,287	13,517,603	3,158,242	83,992	3,074,250	687,701	\$ 77,736,671	
30	FCR W base ROE 2013	-	-	-	250,007,863	24,198,376	225,809,487	-	-	-	86,857,916	3,021,138	83,836,778	19,555,443	3,158,242	156,000	3,002,242	752,734	\$ 90,596,494	
31	W increased ROE 2013	-	-	-	250,007,863	24,198,376	225,809,487	-	-	-	86,857,916	3,021,138	83,836,778	20,696,251	3,158,242	156,000	3,002,242	752,734	\$ 93,863,050	
32	FCR W base ROE 2014	-	-	-	262,865,544	30,309,925	232,555,619	-	-	-	92,325,264	5,176,295	87,148,968	23,762,616	3,158,242	230,048	2,928,194	819,609	\$ 102,881,012	
33	W increased ROE 2014	-	-	-	262,865,544	30,309,925	232,555,619	-	-	-	92,325,264	5,176,295	87,148,968	23,762,616	3,158,242	230,048	2,928,194	819,609	\$ 105,092,257	
34	FCR W base ROE 2015	-	-	-	262,942,890	37,160,716	225,782,174	-	-	-	92,576,763	7,582,470	84,994,293	24,782,851	3,158,242	312,333	2,845,909	893,923	\$ 110,177,248	
35	W increased ROE 2015	-	-	-	262,942,890	37,160,716	225,782,174	-	-	-	92,576,763	7,582,470	84,994,293	25,971,698	3,158,242	312,333	2,845,909	893,923	\$ 113,547,456	
36	FCR W base ROE 2016	-	-	-	262,952,435	44,101,985	218,850,450	22,721,758	-	22,721,758	4,401,876	128,513,290	10,352,701	118,160,589	34,246,712	3,158,242	2,762,532	969,224	\$ 130,389,527	
37	W increased ROE 2016	-	-	-	262,952,435	44,101,985	218,850,450	22,721,758	-	22,721,758	4,401,876	128,513,290	10,352,701	118,160,589	35,898,205	3,158,242	2,762,532	969,224	\$ 134,495,729	
38	FCR W base ROE 2017	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	
39	W increased ROE 2017	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	
40	FCR W base ROE 2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	
41	W increased ROE 2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	
42	FCR W base ROE 2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	
43	W increased ROE 2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	
44	FCR W base ROE 2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	
45	W increased ROE 2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	
46	FCR W base ROE 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	
47	W increased ROE 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	
48	FCR W base ROE 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	
49	W increased ROE 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	
50	FCR W base ROE 2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	
51	W increased ROE 2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	
52	FCR W base ROE 2024	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	
53	W increased ROE 2024	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	
54	FCR W base ROE 2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	
55	W increased ROE 2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -	
56																				
57																				
																	\$ 134,495,729	\$ 130,389,527	\$ -	\$ -

Duquesne Light Company
Attachment H 17A
Attachment 8 - Depreciation Rates

(A)	(B)	(C)	(D)
Account Number	Depreciation Plant Base	Depreciation Rate	Depreciation Expense
Transmission Plant			
352-Major Structures	6,224,517	3.01	187,358
352-Minor Structures	13,736,485	2.53	347,533
353	349,421,098	3.42	11,950,202
354	67,743,082	1.6	1,083,889
355	51,144,784	2.47	1,263,276
356	88,854,316	2.09	1,857,055
357	67,475,102	1.82	1,228,047
358	109,243,538	1.88	2,053,779
359	9,214,606	1.87	172,313
Subtotal	763,057,528		20,143,452
General Plant			
390	121,228,249	3.73	4,521,814
391	6,326,203	20	1,265,241
391.1	3,705,180	5	185,259
392	58,333,565	9.1	5,308,354
393	2,374,941	3.33	79,086
394	18,716,640	4	748,666
395	3,030,409	5	151,520
396	3,401,975	6.1	207,520
397	73,131,874	6.67	4,877,896
398	374,624	5	18,731
Subtotal	290,623,660		17,364,087