

October 9, 2020

Via eTariff

The Honorable Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

**Re: *Potomac Electric Power Company*; Single Issue Depreciation Rate Filing
Docket No. ER21-83-000**

Dear Secretary Bose:

Pursuant to Section 205 of the Federal Power Act (“FPA”),¹ Part 35 of the regulations of the Federal Energy Regulatory Commission (“Commission”),² and Section 4.f. of the Potomac Electric Power Company (“Pepco” or “Company”) Formula Rate Implementation Protocols (“Implementation Protocols”) authorizing a limited Section 205 filing, Pepco hereby submits for filing proposed revisions to the stated transmission depreciation rates contained in its formula transmission rate at Attachment H-9A of the PJM Interconnection, L.L.C. (“PJM”) Open Access Transmission Tariff (“OATT”).³ Based on an independent third-party depreciation study submitted with this filing, the proposed depreciation rates, to be reflected in the 2021 formula rate annual update period beginning June 1, 2021, are estimated to decrease Commission jurisdictional annual depreciation expense by approximately \$4 million.

¹ 16 U.S.C. § 824d.

² 18 C.F.R. Pt. 35.

³ Pursuant to Order No. 714, this filing is submitted by PJM on behalf of Pepco as part of an XML filing package that conforms with the Commission’s regulations. PJM has agreed to make all tariff filings on behalf of all of the PJM Transmission Owners in order to retain administrative control over the PJM OATT. Thus, Pepco has requested PJM to submit this filing in the eTariff system as part of PJM’s electronic Intra PJM OATT.

Pepco proposes that Attachment H-9A, “Attachment 12 – Depreciation Rates” tariff sheets be revised to update the depreciation rates to reflect the most recent study. Pepco requests that the proposed tariff sheets be made effective January 1, 2021.

I. BACKGROUND

A. Description of Pepco

Pepco, a District of Columbia and Virginia Corporation, is a wholly owned subsidiary of Pepco Holdings, LLC, a public utility holding company. Pepco Holdings, LLC is a wholly owned subsidiary of Exelon, a Pennsylvania corporation. Pepco owns approximately 12,000 miles of transmission and distribution facilities and provides delivered electric power to approximately 885,000 customers in the District of Columbia and Maryland. Pepco’s retail electric service is regulated by the Maryland Public Service Commission and the Public Service Commission of the District of Columbia, while PJM’s provision of transmission service over Pepco’s transmission facilities and sales for resale of electric energy in interstate commerce are regulated by this Commission.

B. Pepco’s Formula Rate Depreciation Provision

Pepco’s transmission formula rate, which originated from a March 20, 2006 Settlement Agreement and Offer of Settlement (“settlement”), was approved by Commission order issued on April 19, 2006.⁴ Pepco’s current depreciation rates for electric transmission plant were adopted in the 2006 settlement.

Pepco’s transmission formula rate is at Attachment H-9A of the PJM OATT. Through an annual update adjustment that is required by May 15th of each year to be effective each June 1st, the formula template is repopulated with the most current Form 1 data submitted by Pepco. On

⁴ *Baltimore Gas and Elec. Co.*, 115 FERC ¶ 61,066 (2006).

May 15, 2006, Pepco submitted its first formula rate update and it became effective on June 1, 2006. The Company has repeated this process on or before May 15th of each year since then.

As specified in Pepco's Implementation Protocols, its depreciation rates are "stated values to be used in the rate formula until changed pursuant to an FPA Section 205 ... filing."⁵ Pepco's Implementation Protocols further provide that Pepco may make a limited, single issue filing pursuant to Section 205 to modify the stated values in the formula rate for depreciation rates.⁶ Moreover, even where no such right exists under the Protocols, the Commission has found that a filing limited to a change in depreciation rates is properly reviewed as a single-issue filing because the filing "only affects the timing of recovery of the costs and does not change the overall amount of recovery."⁷

II. EXPLANATION AND PURPOSE OF PROPOSED CHANGES

A. Derivation of Proposed Revised Deprecation Rates

The purpose of this filing is to adjust Pepco's transmission depreciation rates pursuant to Section 205 to reflect revisions in accordance with the depreciation study prepared by Ned W. Allis, Vice President of Gannett Fleming Valuation and Rate Consultants, LLC., an independent third-party depreciation expert ("Depreciation Study"). The Depreciation Study is included among the exhibits sponsored by Witness Allis.⁸

The Depreciation Study analyzes annual transmission depreciation rates based on Pepco's depreciable plant in service as of December 31, 2019.⁹ As explained by Witness Allis,

⁵ Implementation Protocols, PJM OATT Attachment H-9B at Section 2.h.

⁶ *Id.* at 4.f.

⁷ *Ameren Ill. Co.*, 141 FERC ¶ 61,264 at P 32 (2012).

⁸ Allis Direct Testimony at NWA-3.

⁹ *Id.* at 3.

the recommended annual depreciation accrual rates were developed by first estimating the service life and net salvage characteristics for each depreciable property group (*i.e.*, each plant account or subaccount identified as having similar characteristics) and then calculating the composite remaining lives and annual depreciation accrual rates based on the service life and net salvage estimates.¹⁰ Witness Allis is also sponsoring an exhibit that provides a breakdown of the depreciation rates by FERC plant account number and compares the existing and proposed annual depreciation accrual rates.¹¹

The Depreciation Study results in an overall decrease in depreciation expense of approximately \$4.0 million primarily due to lower depreciation rates for Account 352, Structures and Improvements and Account 353, Station Equipment.¹² Generally, the lower depreciation rates for these accounts are the result of longer asset lives in the Depreciation Study than were used when the Company's current depreciation rates were adopted. The decrease in expense for these accounts is partially offset by higher depreciation rates for the towers, poles, overhead conductors and underground conductors accounts.¹³ Since Pepco's last transmission depreciation study, service lives have trended longer in the industry while net salvage has trended more negative.¹⁴ Accordingly, the results of the Depreciation Study are generally consistent with these industry trends.

¹⁰ *Id.* at 7-8, 13.

¹¹ *Id.* at Exh. NWA-2.

¹² *Id.* at 4.

¹³ *Id.*

¹⁴ *Id.* at 16.

B. Implementation of Revised Deprecation Rates Under Pepco's Formula Rate

To further support Pepco's request to modify its transmission depreciation rates, Pepco is also submitting the testimony and associated exhibits of Jay C. Ziminsky, Director of Regulatory Strategy & Revenue Policy, Pepco Holdings, LLC. As explained by Witness Ziminsky, depreciation rates change over time due to numerous factors including, among others, changes in technology, updates to operational practices, which may shorten or extend the useful life of property, and variances in estimated removal costs and salvage recoveries versus actual amounts.¹⁵ In addition, Pepco intends to update its deprecation rates on a regular basis.¹⁶

Witness Ziminsky also describes how Pepco will implement the revised stated rates under its formula transmission rate. He explains that Pepco will be filing an annual update to its formula transmission rate in May 2021, setting new rate levels that will go into effect June 1, 2021.¹⁷ That update includes a projection of calendar year 2021.¹⁸ The transmission rate charged for the following year will then be subject to a true-up in the May 2022 annual update, based on 2021 actuals.¹⁹

III. INFORMATION SUBMITTED WITH THIS FILING

This submission includes, along with this transmittal letter, the following documents:

- Attachment A: Clean Tariff Attachment (PJM OATT Attachment H-9A – Pepco's Formula Rate Template) to be effective January 1, 2021;

¹⁵ Ziminsky Direct Testimony at 3.

¹⁶ Pepco recently committed to update its depreciation rates on a regular basis in Docket No. ER19-10. *See PJM Interconnection, L.L.C.*, 172 FERC ¶ 61,271 (2020) (approving settlement agreement).

¹⁷ Ziminsky Direct Testimony at 5.

¹⁸ *Id.*

¹⁹ *Id.*

- Attachment B: Marked Tariff Attachment (PJM OATT Attachment H-9A – Pepco’s Formula Rate Template) to be effective January 1, 2021;
- Attachment C: Prepared Direct Testimony of Ned W. Allis and accompanying exhibits (Exh. No. 1); and
- Attachment D: Prepared Direct Testimony of Jay C. Ziminsky and accompanying exhibits (Exh. No. 2).

IV. LIST OF PERSONS RECEIVING A COPY OF THIS FILING

On behalf of Pepco, PJM has served a copy of this filing on behalf of all PJM Members and on all state utility regulatory commissions in the PJM Region by posting this filing electronically. In accordance with the Commission’s regulations,²⁰ PJM will post a copy of this filing to the FERC filings section of its internet site, located at the following link:

<http://www.pjm.com/documents/ferc-manuals/ferc-filings.aspx> with a specific link to the new-filed document, and will send an e-mail on the same date as this filing to all PJM Members and all state utility regulatory commissions in the PJM Region²¹ alerting them that this filing has been made by PJM and is available by following such link. If the document is not immediately available through the referenced link, the document will be available through the referenced link within 24 hours of the filing. Also, a copy of this filing will be available on the Commission’s eLibrary website located at the following link: <http://www.ferc.gov/docs-filing/elibrary.asp> in accordance with the Commission’s regulations and Order No. 714.

Additionally, a copy of this filing is being served directly by Pepco on representatives of the Maryland Public Service Commission, Maryland Office of the People’s Counsel, the Public Service Commission of the District of Columbia, and the District of Columbia Office of People’s

²⁰ See 18 C.F.R. §§ 35.2(e) and 385.2010(f)(3).

²¹ PJM already maintains, updates, and regularly uses e-mail lists for all PJM members and affected state commissions.

Counsel, and is also available for public inspection, during regular business hours, in convenient form and place, at the offices of Pepco.

V. OTHER FILING REQUIREMENTS

None of the costs proposed to be recovered in proposed tariff sheets 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.²²

VI. REQUESTED EFFECTIVE DATE AND DESIGNATION

Pepco requests that the enclosed proposed tariff sheets be included in Attachment H-9A of the PJM OATT effective January 1, 2021 without suspension, or with a nominal one-day suspension period, with the understanding that the depreciation rate change requested herein will not be reflected in rates until Pepco submits its annual formula rate update to be effective June 1, 2021.

VII. COST OF SERVICE, REVENUE INFORMATION, AND REQUEST FOR WAIVERS

As no cost of service or rate design change is being made as part of this filing, Pepco requests that the Commission find good cause to waive Section 35.13 of the Commission's regulations, 18 C.F.R. § 35.13, including any requirement that the filing contain Statements AA through BM in support of the filing; any Period I-Period II data requirements, and any requirement in Section 35.13(a)(2)(iv) to determine if and the extent to which a proposed change constitutes a rate increase based on Period I-Period II rates and billing determinants. In addition, Pepco hereby respectfully requests a waiver, to the extent one is deemed necessary, of the requirement that it file an attestation pursuant to 18 C.F.R. § 35.13(d) as inapplicable under the

²² 18 C.F.R. 35.13(b)(7)(2019).

circumstances presented here, inasmuch as there are no costs contained in this filing to be attested to by any corporate official.

Although Pepco has not identified any additional waivers of the Commission's Regulations that are necessary to permit this filing to be granted, Pepco further requests that the Commission grant any additional waivers of its rules and regulations it may deem necessary to approve this rate application by the requested effective date.

VIII. NOTICE AND CORRESPONDENCE

Correspondence, pleadings and other materials regarding this filing should be addressed to the following persons:

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IX. CONCLUSION

For all the reasons set forth herein, Pepco respectfully request that the Commission accept for filing its proposed revised PJM OATT Attachment H-9A, reflecting decreased transmission depreciation rates, effective January 1, 2021 with no suspension or hearing, or with a nominal one-day suspension period.

Sincerely,

/s/ Arthur L. Brown
Arthur L. Brown
Assistant General Counsel
Exelon Corporation
701 Ninth Street, NW
Washington, DC 20068

Attachment A
Revisions to PJM OATT
Attachment H-9A
(Clean Tariff)

ATTACHMENT H-9A

Potomac Electric Power Company			
Formula Rate -- Appendix A			
		Notes	FERC Form 1 Page # or Instruction

Shaded cells are input cells

Allocators			
Wages & Salary Allocation Factor			
1	Transmission Wages Expense		p354.21b
2	Total Wages Expense		p354.28b
3	Less A&G Wages Expense		p354.27b
4	Total		(Line 2 - 3)
5	Wages & Salary Allocator		(Line 1 / 4)
Plant Allocation Factors			
6	Electric Plant in Service	(Note B)	p207.104g (See Attachment 9A, line 14, column j)
6a	Less Merger Costs to Achieve		Attachment 10, line 80, column b
7	Common Plant In Service - Electric		(Line 24 -24a)
8	Total Plant In Service		(Line 6 - 6a + 7)
9	Accumulated Depreciation (Total Electric Plant)		p219.29c (See Attachment 9A, line 42, column b)
9a	Less Merger Costs to Achieve		Attachment 10, line 39, column b
10	Accumulated Intangible Amortization	(Note A)	p200.21c (See Attachment 9, line 14, column h)
10a	Less Merger Costs to Achieve		Attachment 9, line 15, column h
11	Accumulated Common Amortization - Electric	(Note A)	p356 (See Attachment 9, line 14, column i)
11a	Less Merger Costs to Achieve		Attachment 9, line 15, column i
12	Accumulated Common Plant Depreciation - Electric	(Note A)	p356 (See Attachment 9, line 14, column g)
12a	Less Merger Costs to Achieve		Attachment 9, line 15, column g
13	Total Accumulated Depreciation		(Line 9 - 9a + 10 - 10a + 11 - 11a + 12 - 12a)
14	Net Plant		(Line 8 - 13)
15	Transmission Gross Plant		(Line 29 - Line 28)
16	Gross Plant Allocator		(Line 15 / 8)
17	Transmission Net Plant		(Line 39 - Line 28)
18	Net Plant Allocator		(Line 17 / 14)
Plant Calculations			
Plant In Service			
19	Transmission Plant In Service	(Note B)	p207.58.g (See Attachment 9, line 14, column b)
19a	Less Merger Costs to Achieve		Attachment 9, line 15, column b
20	This line Intentionally Left Blank		

21	<u>This line Intentionaly Left Blank</u>		
22	Total Transmission Plant In Service		(Line 19 - 19a)
23	General & Intangible		p205.5.g & p207.99.g (See Attachment 9, line 14, column c)
23a	Less Merger Costs to Achieve		Attachment 9, line 15, column c
24	Common Plant (Electric Only)	(Notes A & B)	p356 (See Attachment 9, line 14, column d)
24a	Less Merger Costs to Achieve		Attachment 9, line 15, column d
25	Total General & Common		(Line 23 – 23a + 24 – 24a)
26	Wage & Salary Allocation Factor		(Line 5)
27	General & Common Plant Allocated to Transmission		(Line 25 * 26)
28	Plant Held for Future Use (Including Land)	(Note C)	p214 (See Attachment 9, line 30, column c)
29	TOTAL Plant In Service		(Line 22 + 27 + 28)
Accumulated Depreciation			
30	Transmission Accumulated Depreciation	(Note B)	p219.25.c (See Attachment 9, line 14, column e)
30a	Less Merger Costs to Achieve		Attachment 9, line 15, column e
30b	Transmission Accumulated Depreciation Less Merger Costs to Achieve		(Line 30 - 30a)
31	Accumulated General Depreciation		p219.28.c (See Attachment 9, line 14, column f)
31a	Less Merger Costs to Achieve		Attachment 9, line 15, column f
32	Accumulated Intangible Amortization		(Line 10 – 10a)
33	Accumulated Common Amortization - Electric		(Line 11 – 11a)
34	Common Plant Accumulated Depreciation (Electric Only)		(Line 12 – 12a)
35	Total Accumulated Depreciation		(Sum Lines 31 – 31a + 32 + 33 + 34)
36	Wage & Salary Allocation Factor		(Line 5)
37	General & Common Allocated to Transmission		(Line 35 * 36)
38	TOTAL Accumulated Depreciation		(Line 30b + 37)
39	TOTAL Net Property, Plant & Equipment		(Line 29 - 38)

Adjustment To Rate Base

Accumulated Deferred Income Taxes (ADIT)				
40a	Account No. 190 (ADIT)	Projected Activity	(Note V)	Attachment 1A - ADIT Summary, Line 23
40b	Account No. 281 (ADIT - Accel. Amort)	Projected Activity	(Note V)	Attachment 1A - ADIT Summary, Line 46
40c	Account No. 282 (ADIT - Other Property)	Projected Activity	(Note V)	Attachment 1A - ADIT Summary, Line 69
40d				
40e	Account No. 283 (ADIT - Other)	Projected Activity	(Note V)	Attachment 1A - ADIT Summary, Line 92
	Account No. 255 (Accum. Deferred Investment Tax Credits)	Projected Activity	(Note U)	Attachment 1A - ADIT Summary, Line 115
40f	Accumulated Deferred Income Taxes Allocated To Transmission			(Line 40a+40b + 40c + 40d + 40e)
Unamortized Deficient / (Excess) ADIT				
41a	Unamortized Deficient / (Excess) ADIT - (Federal)	Projected Activity	(Note W)	Attachment 1D - ADIT Rate Base Adjustment, Line 73
41b	Unamortized Deficient / (Excess) ADIT - (State)	Projected Activity	(Note W)	Attachment 1D - ADIT Rate Base Adjustment, Line 146
42	Unamortized Deficient / (Excess) ADIT Allocated to Transmission			(Line 41a + 41b)

43	Adjusted Accumulated Deferred Income Taxes Allocated To Transmission		(Line 40f +42)
43a	Transmission Related CWIP (Current Year 12 Month weighted average balances)	(Note B)	p216.43.b (See Attachment 9, line 30, column b)
43b	Unamortized Abandoned Transmission Plant		Attachment - 9, line 30, column h
44	Transmission O&M Reserves		
	Total Balance Transmission Related Account -Reserves	Enter Negative	Attachment 5
45	Prepayments		
46	Prepayments	(Note A)	Attachment 9, line 30, column f
	Total Prepayments Allocated to Transmission		(Line 45)
	Materials and Supplies		
47	Undistributed Stores Exp	(Note A)	p227.6c & 16.c (See Attachment 9, line 30, column e)
48	Wage & Salary Allocation Factor		(Line 5)
49	Total Transmission Allocated		(Line 47 * 48)
50	Transmission Materials & Supplies	(Note AA)	p227.8c + p227.5c (See Attachment 9, line 30, column d)
51	Total Materials & Supplies Allocated to Transmission		(Line 49 + 50)
52	Cash Working Capital		
53	Operation & Maintenance Expense		(Line 85)
54	1/8th Rule		x 1/8
	Total Cash Working Capital Allocated to Transmission		(Line 52 * 53)
	Network Credits		
55		Outstanding Network Credits	(Note N)
56		Less Accumulated Depreci	(Note N)
57		Net Outstanding Credits	
58	TOTAL Adjustment to Rate Base		(Line 43 + 43a + 43b + 44 + 46 + 51 + 54 - 57)
59	Rate Base		(Line 39 + 58)
O&M			
	Transmission O&M		
60			
61	Transmission O&M		Attachment 11A, line 27, column c
62	Less extraordinary property loss		Attachment 5
63	Plus amortized extraordinary property loss		Attachment 5
63a	Less Account 565		p321.96.b
64	Less Merger Costs to Achieve		Attachment 10, line 1, column x
65	Plus Schedule 12 Charges billed to Transmission Owner and booked to Account 565	(Note O)	PJM Data
66	Plus Transmission Lease Payments	(Note A)	p200.3.c
	Transmission O&M		(Lines 60 - 61 + 62 - 63 – 63a + 64 + 65)
	Allocated General & Common Expenses	(Note A)	p356
67	Common Plant O&M		
68	Total A&G		Attachment 11B, line 15, column a
68	For informational purposes: PBOP expense in FERC Account 926	(Note S)	Attachment 5
68a	Less Merger Costs to Achieve		Attachment 10, line 2, column b
68b	Less Other		Attachment 5
68c	Less Property Insurance Account 924		p323.185b
69			

70	Less Regulatory Commission Exp Account 928	(Note E)	p323.189b
71	Less General Advertising Exp Account 930.1		p323.191b
72	Less DE Enviro & Low Income and MD Universal Funds		p335.b
73	Less EPRI Dues	(Note D)	p352-353
74	General & Common Expenses		(Lines 67 + 68) - Sum (68b to 73)
75	Wage & Salary Allocation Factor		(Line 5)
76	General & Common Expenses Allocated to Transmission		(Line 74 * 75)
Directly Assigned A&G			
77	Regulatory Commission Exp Account 928	(Note G)	p323.189b
78	General Advertising Exp Account 930.1	(Note K)	p323.191b
79	Subtotal - Transmission Related		(Line 77 + 78)
80	Property Insurance Account 924		p323.185b
81	General Advertising Exp Account 930.1	(Note F)	p323.191b
82	Total		(Line 80 + 81)
83	Net Plant Allocation Factor		(Line 18)
84	A&G Directly Assigned to Transmission		(Line 82 * 83)
85	Total Transmission O&M		(Line 66 + 76 + 79 + 84)

Depreciation & Amortization Expense

Depreciation Expense			
86	Transmission Depreciation Expense		P336.7b&c (See Attachment 5)
86a	Amortization of Abandoned Transmission Plant		Attachment 5
87	General Depreciation		p336.10b&c (See Attachment 5)
87a	Less Merger Costs to Achieve		Attachment 10, line 8, column b
88	Intangible Amortization	(Note A)	p336.1d&e (See Attachment 5)
88a	Less Merger Costs to Achieve		Attachment 10, line 9, column b
89	Total		(Line 87 – 87a + 88 – 88a)
90	Wage & Salary Allocation Factor		(Line 5)
91	General Depreciation Allocated to Transmission		(Line 89 * 90)
92	Common Depreciation - Electric Only	(Note A)	p336.11.b (See Attachment 5)
93	Common Amortization - Electric Only	(Note A)	p356 or p336.11d (See Attachment 5)
94	Total		(Line 92 + 93)
95	Wage & Salary Allocation Factor		(Line 5)
96	Common Depreciation - Electric Only Allocated to Transmission		(Line 94 * 95)
97	Total Transmission Depreciation & Amortization		(Line 86 + 86a + 91 + 96)

Taxes Other than Income

98	Taxes Other than Income		Attachment 2
99	Total Taxes Other than Income		(Line 98)

Return/ Capitalization Calculations

Long Term Interest			
100	Long Term Interest		p117.62c through 67c
101	Less LTD Interest on Securitization Bonds	(Note P)	Attachment 8

102	Long Term Interest			"(Line 100 - line 101)"
103	Preferred Dividends		enter positive	p118.29c
	Common Stock			
104	Proprietary Capital			p112.16c
105	Less Preferred Stock		enter negative	(Line 114)
106	Less Account 216.1		enter negative	p112.12c
106a	Less Account 219		enter negative	p112.15c
107	Common Stock		(Note Z)	(Sum Lines 104 to 106a)
	Capitalization			
108	Long Term Debt			p112.18c through 21c
109	Less Loss on Reacquired Debt		enter negative	p111.81c
110	Plus Gain on Reacquired Debt		enter positive	p113.61c
111	Less ADIT associated with Gain or Loss		enter negative	Attachment 1B - ADIT EOY, Line 7
112	Less LTD on Securitization Bonds	(Note P)	enter negative	Attachment 8
113	Total Long Term Debt		(Note X)	(Sum Lines 108 to 112)
114	Preferred Stock		(Note Y)	p112.3c
115	Common Stock			(Line 107)
116	Total Capitalization			(Sum Lines 113 to 115)
117	Debt %	Total Long Term Debt	(Note Q)	(Line 108 / (108+114+115))
118	Preferred %	Preferred Stock		(Line 114 / (108+114+115))
119	Common %	Common Stock	(Note Q)	(Line 115 / (108+ 114+115))
120	Debt Cost	Total Long Term Debt		(Line 102 / 113)
121	Preferred Cost	Preferred Stock		(Line 103 / 114)
122	Common Cost	Common Stock	(Note J)	Fixed
123	Weighted Cost of Debt	Total Long Term Debt (WCLTD)		(Line 117 * 120)
124	Weighted Cost of Preferred	Preferred Stock		(Line 118 * 121)
125	Weighted Cost of Common	Common Stock		(Line 119 * 122)
126	Total Return (R)			(Sum Lines 123 to 125)
127	Investment Return = Rate Base * Rate of Return			(Line 59 * 126)

Composite Income Taxes

Income Tax Rates				
128	FIT=Federal Income Tax Rate		(Note I)	
129	SIT=State Income Tax Rate or Composite		(Note I)	
130	P	(percent of federal income tax deductible for state purposes)		Per State Tax Code
131	T	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		
132a	T/ (1-T)			
132b	Tax Gross-Up Factor	$1*1/(1-T)$		
ITC Adjustment			(Note U)	
133	Amortized Investment Tax Credit		enter negative	Attachment 1B - ADIT EOY
134	Tax Gross-Up Factor			(Line 132b)
135	ITC Adjustment Allocated to Transmission			(Line 133 * + 134 * 135)
Other Income Tax Adjustment				
136a	Tax Adjustment for AFUDC Equity Component of Transmission Depreciation Expense		(Note T)	Attachment 5, Line 136a
136b	Amortization Deficient / (Excess) Deferred Taxes			
136c	(Federal) - Transmission Component Amortization Deficient / (Excess) Deferred Taxes		(Note T)	Attachment 5, Line 136b
136d	(State) - Transmission Component Amortization of Other Flow-Through Items - Transmission Component		(Note T)	Attachment 5, Line 136c
136e	Other Income Tax Adjustments - Expense / (Benefit)		(Note T)	Attachment 5, Line 136d
136f	Tax Gross-Up Factor			(Line 136a + 136b + 136c +136d)
136g	Other Income Tax Adjustment			(Line 136e * 136f)
137	Income Tax Component =	$CIT=(T/1-T) * Investment\ Return * (1-(WCLTD/R)) =$		[Line 132a * 127 * (1-(123 / 126))]
138	Total Income Taxes			(Line 135 + 136g + 137)

REVENUE REQUIREMENT

Summary			
139	Net Property, Plant & Equipment		(Line 39)
140	<u>Adjustment to Rate Base</u>		<u>(Line 58)</u>
141	Rate Base		(Line 59)
142	O&M		(Line 85)
143	Depreciation & Amortization		(Line 97)
144	Taxes Other than Income		(Line 99)
145	Investment Return		(Line 127)
146	Income Taxes		(Line 138)
147	Gross Revenue Requirement		(Sum Lines 142 to 146)
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities			
148	Transmission Plant In Service		(Line 19)
149	<u>Excluded Transmission Facilities</u>	(Note M)	<u>Attachment 5</u>
150	Included Transmission Facilities		(Line 148 - 149)
151	Inclusion Ratio		(Line 150 / 148)
152	<u>Gross Revenue Requirement</u>		<u>(Line 147)</u>

153	Adjusted Gross Revenue Requirement		(Line 151 * 152)
	Revenue Credits & Interest on Network Credits		
154	Revenue Credits		Attachment 3
155	Interest on Network Credits	(Note N)	PJM Data
156	Net Revenue Requirement		(Line 153 - 154 + 155)
	Net Plant Carrying Charge		
157	Net Revenue Requirement		(Line 156)
158	Net Transmission Plant		(Line 19 - 30)
159	Net Plant Carrying Charge		(Line 157 / 158)
160	Net Plant Carrying Charge without Depreciation		(Line 157 - 86) / 158
161	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes		(Line 157 - 86 - 127 - 138) / 158
	Net Plant Carrying Charge Calculation per 100 Basis Point increase in ROE		
162	Net Revenue Requirement Less Return and Taxes		(Line 156 - 145 - 146)
163	Increased Return and Taxes		Attachment 4
164	Net Revenue Requirement per 100 Basis Point increase in ROE		(Line 162 + 163)
165	Net Transmission Plant		(Line 19 - 30)
166	Net Plant Carrying Charge per 100 Basis Point increase in ROE		(Line 164 / 165)
167	Net Plant Carrying Charge per 100 Basis Point in ROE without Depreciation		(Line 163 - 86) / 165
168	Net Revenue Requirement		(Line 156)
169	True-up amount		Attachment 6A, line 4, column j
170	Plus any increased ROE calculated on Attachment 7 other than PJM Sch. 12 projects		Attachment 6, line 18, column 12
171	Facility Credits under Section 30.9 of the PJM OATT and Facility Credits to Vineland per settlement in ER05-515		Attachment 5
171a	MAPP Abandonment recovery pursuant to ER13-607		Attachment 5
172	Net Zonal Revenue Requirement		(Line 168 + 169 + 170 + 171 +171a)
	Network Zonal Service Rate		
173	1 CP Peak	(Note L)	PJM Data
174	Rate (\$/MW-Year)		(Line 172 / 173)
175	Network Service Rate (\$/MW/Year)		(Line 174)

Notes	
A	Electric portion only
B	Exclude Construction Work In Progress and leases that are expensed as O&M (rather than amortized). New Transmission plant that is expected to be placed in service in the current calendar year weighted by number of months it is expected to be in-service. New Transmission plant expected to be placed in service in the current calendar year that is not included in the PJM Regional Transmission Plan (RTEP) detailed on Attachments 9 or 9A. For the Reconciliation, new transmission plant that was actually placed in service weighted by the number of months it was actually in service CWIP will be linked to Attachment 6 which shows detail support by project (incentive and non-incentive).
C	Transmission Portion Only
D	All EPRI Annual Membership Dues E All Regulatory Commission Expenses
F	Safety related advertising included in Account 930.1
G	Regulatory Commission Expenses directly related to transmission service, RTO filings, or transmission siting itemized in Form 1 at 351.h.
I	The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = "the percentage of federal income tax deductible for state income taxes". If the utility includes taxes in more than one state, it must explain in Attachment 5 the name of each state and how the blended or composite SIT was developed.
J	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%.
K	Education and outreach expenses relating to transmission, for example siting or billing
L	As provided for in Section 34.1 of the PJM OATT and the PJM established billing determinants will not be revised or updated in the annual rate reconciliations per settlement in ER05-515.
M	Amount of transmission plant excluded from rates per Attachment 5.
N	Outstanding Network Credits is the balance of Network Facilities Upgrades Credits due Transmission Customers who have made lump-sum payments (net of accumulated depreciation) towards the construction of Network Transmission Facilities consistent with Paragraph 657 of Order 2003-A. Interest on the Network Credits as booked each year is added to the revenue requirement to make the Transmission Owner whole on Line 155.
O	Payments made under Schedule 12 of the PJM OATT that are not directly assessed to load in the Zone under Schedule 12 are included in Transmission O&M. If they are booked to Acct 565, they are included in on line 64
P	Securitization bonds may be included in the capital structure per settlement in ER05-515.
Q	Pepco capital structure is derived from gross debt.
R	Per the settlement in ER05-515, the facility credits of \$15,000 per month paid to Vineland will increase to \$37,500 per month (prorated for partial months) effective on the date FERC approves the settlement in ER05-515.
S	See Attachment 5, Cost Support, section entitled "PBOP expense in FERC Account 926 " for additional information per FERC orders in Docket Nos. EL13-48, EL15-27 and ER16-456.
T	See Attachment 5 - Cost Support, section entitled "Other Income Tax Adjustment" for additional information.
U	Potomac Electric Power Company elected to amortize investment tax credits against recoverable income tax expense, rather than to reduce rate base by unamortized investment tax credit. Amortization reduces income tax expense and reduces the revenue requirement by the amount of the Investment Tax Credit Amortization (Form 1, 266.8.f) multiplied by (1/1-T).
V	The Accumulated Deferred Income Tax (ADIT) balances in Accounts 190, 281, 282, and 283 are measured using the enacted tax rate that is expected to apply when the underlying temporary differences are expected to be settled or realized. To preserve rate base neutrality, theses balances appropriately exclude ADIT amounts associated with income tax related regulatory assets and liabilities. The balances in Accounts 190, 281, 282 and 283 are adjusted in accordance with Treasury regulation Section 1.167(l)-1(h)(6) and averaged in accordance with IRC Section 168(i)(9)(B) in the calculations of rate base in the projected revenue requirement and in the true-up adjustment. Differences attributable to over-projection of ADIT in the projected revenue requirement will result in a proportionate reversal of the projected prorated ADIT activity in the true-up adjustment to the extent of the over-projection. Differences attributable to under-projection of ADIT in the projected revenue requirement will result in an adjustment to the projected prorated ADIT activity by 50 percent of the difference between the projected monthly activity and the actual monthly activity. However, when projected monthly ADIT activity is an increase and actual monthly ADIT activity is a decrease, 50 percent of the actual monthly ADIT activity will be used. Likewise, when projected monthly ADIT activity is a decrease and actual monthly ADIT activity is an increase, 50 percent of actual monthly ADIT activity will be used. For the Annual Update (Projected) filing, see Attachment 1A - ADIT Summary, Column H for inputs. For the Annual Update (True-Up) filing, See Attachment 1A - ADIT Summary, Column M for inputs.
W	These balances represent the unamortized federal and state deficient / (excess) deferred income taxes. For the Annual Update (Projected) filing, see Attachment 1D - ADIT Rate Base Adjustment, Column H for inputs. For the Annual Update (True-Up) filing, See Attachment 1D - ADIT Rate Base Adjustment, Column M for inputs.

XLong Term Debt balance will reflect the 13 month average of the balances, of which the 1st and 13th are found on page 112 lines 18.c & d to 21.c & d in the Form No. 1. The balances for January through November shall represent the actual balances in Pepco’s books and records (trial balance or monthly balance sheet).

YPreferred Stock balance will reflect the 13 month average of the balances, of which the 1st and 13th are found on page 112 lines 18.c & d to 21.c & d in the Form No. 1. The balances for January through November shall represent the actual balances in Pepco’s books and records (trial balance or monthly balance sheet).

ZCommon Stock balance will reflect the 13 month average of the balances, of which the 1st and 13th are found on page 112 lines 18.c & d to 21.c & d in the Form No. 1. The balances for January through November shall represent the actual balances in Pepco’s books and records (trial balance or monthly balance sheet).

AAOnly the transmission portion of amounts reported at Form 1, page 227, line 5 is used. The transmission portion is derived by applying the wages and salary allocator to the total of line 5 is and specified in a footnote to the Form 1, page 227.

Potomac Electric Power Company

Accumulated Deferred Income Taxes (ADIT)

Attachment 1A - ADIT Summary

Rate Year =

Accumulated Deferred Income Taxes (Account No. 190)					Projection - Proration of Deferred Tax Activity (Note A)			Actual - Proration of Deferred Tax Activity (Note B)				
Days in Period					(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
(A)	(B)	(C)	(D)	(E)	Projected Monthly Activity	Prorated Projected Monthly Activity (Column E x Column F)	Prorated Projected Balance (Column G Plus Column H, Preceding Balance)	Actual Monthly Activity	Difference Projected vs. Actual (Note C)	Preserve Proration (Actual vs Projected) (Note D)	Preserve Proration (Actual vs Projected) (Note E)	Preserved Prorated Actual Balance (Col. K + Col. L + Col. M, Preceding Balance)
Month	Days Per Month	Remaining Days Per Month	Total Days in Future Test Period	Proration Amount (Column C / Column D) Note 1								
ADIT Subject to Proration							-					-
1												
2	January	31	-	214	50.00%	-	-	-	-	-	-	-
3	February	28	-	214	50.00%	-	-	-	-	-	-	-
4	March	31	-	214	50.00%	-	-	-	-	-	-	-
5	April	30	-	214	50.00%	-	-	-	-	-	-	-
6	May	31	-	214	50.00%	-	-	-	-	-	-	-
7	June	30	185	214	86.45%	-	-	-	-	-	-	-
8	July	31	154	214	71.96%	-	-	-	-	-	-	-
9	August	31	123	214	57.48%	-	-	-	-	-	-	-
10	September	30	93	214	43.46%	-	-	-	-	-	-	-
11	October	31	62	214	28.97%	-	-	-	-	-	-	-
12	November	30	32	214	14.95%	-	-	-	-	-	-	-
13	December	31	1	214	0.47%	-	-	-	-	-	-	-
Total (Sum of Lines 2 - 13)					-	-	-	-	-	-	-	-
14												
15	Beginning Balance - ADIT Not Subject to Proration											-
16	Beginning Balance - ADIT Depreciation Adjustment				(Note F)		-					-
17	Beginning Balance - DTA / (DTL)				(Col. (H), Line 15 + Line 16)			(Col. (M), Line 15 + Line 16)				-
18	Ending Balance - ADIT Not Subject to Proration											-
19	Ending Balance - ADIT Depreciation Adjustment				(Note F)		-					-

20	Ending Balance - DTA / (DTL)	(Col. (H), Line 18 + Line 19)	(Col. (M), Line 18 + Line 19)	-
21	Average Balance as adjusted (non-prorated)	((Col. (H), Line 17 + Line 20] / 2) (Col. (H)),	([Col. (M), Line 17 + Line 20] / 2) (Col. (M)),	-
22	Prorated ADIT Amount for Attachment H-9A, Line	Line 13) _____	Line 13) _____	-
		-		-
23	40a	(Col. (H), Line 21 + Line 22) _____	(Col. (M), Line 21 + Line 22) _____	

Potomac Electric Power Company
Accumulated Deferred Income Taxes (ADIT)
Attachment 1A - ADIT Summary

Accumulated Deferred Income Taxes - Property (Account No. 281)					Projection - Proration of Deferred Tax Activity (Note A)			Actual - Proration of Deferred Tax Activity (Note B)				
Days in Period					(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
(A)	(B)	(C)	(D)	(E)	Projected Monthly Activity	Prorated Projected Monthly Activity (Column E x Column F)	Prorated Projected Balance (Column G Plus Column H, Preceding Balance)	Actual Monthly Activity	Difference Projected vs. Actual (Note C)	Preserve Proration (Actual vs Projected) (Note D)	Preserve Proration (Actual vs Projected) (Note E)	Preserved Prorated Actual Balance (Col. K + Col. L + Col. M, Preceding Balance)
Month	Days Per Month	Prorated Days Per Month	Total Days Per Future Test Period	Proration Amount (Column C / Column D)								
24	ADIT Subject to Proration						-					-
25	January	31	-	214	50.00%					-	-	-
26	February	28	-	214	50.00%					-	-	-
27	March	31	-	214	50.00%					-	-	-
28	April	30	-	214	50.00%					-	-	-
29	May	31	-	214	50.00%					-	-	-
30	June	30	185	214	86.45%					-	-	-
31	July	31	154	214	71.96%					-	-	-
32	August	31	123	214	57.48%					-	-	-
33	September	30	93	214	43.46%					-	-	-
34	October	31	62	214	28.97%					-	-	-
35	November	30	32	214	14.95%					-	-	-
36	December	31	1	214	0.47%					-	-	-
37	Total (Sum of Lines 25 - 36)	365				-	-	-	-	-	-	
38	Beginning Balance - ADIT Not Subject to Proration											-
39	Beginning Balance - ADIT Depreciation Adjustment				(Note F)							-
40	Beginning Balance - DTA / (DTL)				(Col. (H), Line 38 + Line 39)			(Col. (M), Line 38 + Line 39)				-
41	Estimated Ending Balance - ADIT Not Subject to Proration				2018 Projected			2018 Projected				-
42	Ending Balance - ADIT Depreciation Adjustment				(Note F)							-

43	Ending Balance - DTA / (DTL)	(Col. (H), Line 41 + Line 42)		(Col. (M), Line 41 + Line 42)	-
44	Average Balance as adjusted (non-prorated)	[(Col. (H), Line 40+ Line 43] / 2)		[(Col. (M), Line 40+ Line 43] / 2)	-
45	Prorated ADIT	(Col. (H), Line 36)	<hr/>	(Col. (M), Line 36)	<hr/>
	Amount for Attachment H-				
46	9A, Line 40b	(Col. (H), Line 44 + Line 45)	<hr/>	(Col. (M), Line 44 + Line 45)	<hr/>

Potomac Electric Power Company
Accumulated Deferred Income Taxes (ADIT)
Attachment 1A - ADIT Summary

Accumulated Deferred Income Taxes - Other (Account No. 282)						Projection - Proration of Deferred Tax Activity (Note A)			Actual - Proration of Deferred Tax Activity (Note B)				
Days in Period						(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
(A)	(B)	(C)	(D)	(E)		Projected Monthly Activity	Prorated Projected Monthly Activity (Column E x Column F)	Prorated Projected Balance (Column G Plus Column H, Preceding Balance)	Actual Monthly Activity	Difference Projected vs. Actual (Note C)	Preserve Proration (Actual vs Projected) (Note D)	Preserve Proration (Actual vs Projected) (Note E)	Preserved Prorated Actual Balance (Col. K + Col. L + Col. M, Preceding Balance)
Month	Days Per Month	Prorated Days Per Month	Total Days Per Future Test Period	Proration Amount (Column C / Column D)									
47	ADIT Subject to Proration							-					-
48	January	31	-	214	50.00%	-	-	-	-	-	-	-	-
49	February	28	-	214	50.00%	-	-	-	-	-	-	-	-
50	March	31	-	214	50.00%	-	-	-	-	-	-	-	-
51	April	30	-	214	50.00%	-	-	-	-	-	-	-	-
52	May	31	-	214	50.00%	-	-	-	-	-	-	-	-
53	June	30	185	214	86.45%	-	-	-	-	-	-	-	-
54	July	31	154	214	71.96%	-	-	-	-	-	-	-	-
55	August	31	123	214	57.48%	-	-	-	-	-	-	-	-
56	September	30	93	214	43.46%	-	-	-	-	-	-	-	-
57	October	31	62	214	28.97%	-	-	-	-	-	-	-	-
58	November	30	32	214	14.95%	-	-	-	-	-	-	-	-
59	December	31	1	214		-	-	-	-	-	-	-	-
Total (Sum of Lines 51 - 62)						-	-	-	-	-	-	-	-
60	0.47% 365					-	-	-	-	-	-	-	-
61	Beginning Balance - ADIT Not Subject to Proration					(Note F)							-
62	Beginning Balance - ADIT Depreciation Adjustment												-
63	Beginning Balance - DTA / (DTL)					(Col. (H), Line 61 + Line 62)			(Col. (M), Line 61 + Line 62)				
64	Estimated Ending Balance - ADIT Not Subject to Proration					(Note F)							-
65	Ending Balance - ADIT Depreciation Adjustment												-
66	Ending Balance - DTA / (DTL)					(Col. (H), Line 64 + Line 65)			(Col. (M), Line 64 + Line 65)				
67	Average Balance as adjusted (non-prorated)					([Col. (H), Line 63 + Line 66] / 2)			([Col. (M), Line 63 + Line 66] / 2)				
68	Prorated ADIT Amount for Attachment H-					(Col. (H), Line 59)			(Col. (M), Line 59)				
69	9A, Line 40c					(Col. (H), Line 67 + Line 68)			(Col. (M), Line 67 + Line 68)				

Potomac Electric Power Company
Accumulated Deferred Income Taxes (ADIT)
Attachment 1A - ADIT Summary

Accumulated Deferred Income Taxes - Other (Account No. 283)						Projection - Proration of Deferred Tax Activity (Note A)			Actual - Proration of Deferred Tax Activity (Note B)				
Days in Period						(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
(A)	(B)	(C)	(D)	(E)		Projected Monthly Activity	Prorated Projected Monthly Activity (Column E x Column F)	Prorated Projected Balance (Column G Plus Column H, Preceding Balance)	Actual Monthly Activity	Difference Projected vs. Actual (Note C)	Preserve Proration (Actual vs Projected) (Note D)	Preserve Proration (Actual vs Projected) (Note E)	Preserved Prorated Actual Balance (Col. K + Col. L + Col. M, Preceding Balance)
	Month	Days Per Month	Prorated Days Per Month	Total Days Per Future Test Period	Proration Amount (Column C / Column D)								
70	ADIT Subject to Proration							-					-
71	January	31	-	214	50.00%	-	-	-	-	-	-	-	-
72	February	28	-	214	50.00%	-	-	-	-	-	-	-	-
73	March	31	-	214	50.00%	-	-	-	-	-	-	-	-
74	April	30	-	214	50.00%	-	-	-	-	-	-	-	-
75	May	31	-	214	50.00%	-	-	-	-	-	-	-	-
76	June	30	185	214	86.45%	-	-	-	-	-	-	-	-
77	July	31	154	214	71.96%	-	-	-	-	-	-	-	-
78	August	31	123	214	57.48%	-	-	-	-	-	-	-	-
79	September	30	93	214	43.46%	-	-	-	-	-	-	-	-
80	October	31	62	214	28.97%	-	-	-	-	-	-	-	-
81	November	30	32	214	14.95%	-	-	-	-	-	-	-	-
82	December	31	1	214		-	-	-	-	-	-	-	-
Total (Sum of Lines 51 - 62)						-	-		-	-	-	-	
83													
84	Beginning Balance - ADIT Not Subject to Proration												-
85	Beginning Balance - ADIT Depreciation Adjustment					(Note F)							-
86	Beginning Balance - DTA / (DTL)					(Col. (H), Line 84 + Line 85)			(Col. (M), Line 84 + Line 85)				-
87	Estimated Ending Balance - ADIT Not Subject to Proration												-
88	Ending Balance - ADIT Depreciation Adjustment					(Note F)							-
89	Ending Balance - DTA / (DTL)					(Col. (H), Line 87 + Line 88)			(Col. (M), Line 87 + Line 88)				-
90	Average Balance as adjusted (non-prorated)					([Col. (H), Line 86 + Line 89] / 2)			([Col. (M), Line 86 + Line 89] / 2)				-
91	Prorated ADIT Amount for Attachment H-					(Col. (H), Line 82)			(Col. (M), Line 82)				-
92	9A, Line 40d					(Col. (H), Line 90 + Line 91)			(Col. (M), Line 90 + Line 91)				-

Potomac Electric Power Company
Accumulated Deferred Income Taxes (ADIT)
Attachment 1A - ADIT Summary

Accumulated Deferred Investment Tax Credits (Account No. 255)						Projection - Proration of Deferred ITC Activity (Note A)			Actual - Proration of Deferred ITC Activity (Note B)				
Days in Period						(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
(A)	(B)	(C)	(D)	(E)		Projected Monthly Activity	Prorated Projected Monthly Activity (Column E x Column F)	Prorated Projected Balance (Column G Plus Column H, Preceding Balance)	Actual Monthly Activity	Difference Projected vs. Actual (Note C)	Preserve Proration (Actual vs Projected) (Note D)	Preserve Proration (Actual vs Projected) (Note E)	Preserved Prorated Actual Balance (Col. K + Col. L + Col. M, Preceding Balance)
ADIT Subject to Proration								-					-
93													
94	January	31	-	214	50.00%	-	-	-	-	-	-	-	-
95	February	28	-	214	50.00%	-	-	-	-	-	-	-	-
96	March	31	-	214	50.00%	-	-	-	-	-	-	-	-
97	April	30	-	214	50.00%	-	-	-	-	-	-	-	-
98	May	31	-	214	50.00%	-	-	-	-	-	-	-	-
99	June	30	185	214	86.45%	-	-	-	-	-	-	-	-
100	July	31	154	214	71.96%	-	-	-	-	-	-	-	-
101	August	31	123	214	57.48%	-	-	-	-	-	-	-	-
102	September	30	93	214	43.46%	-	-	-	-	-	-	-	-
103	October	31	62	214	28.97%	-	-	-	-	-	-	-	-
104	November	30	32	214	14.95%	-	-	-	-	-	-	-	-
105	December	31	1	214		-	-	-	-	-	-	-	-
Total (Sum of Lines 51 - 62)						-	-		-	-	-	-	
106													
107	Beginning Balance - ADIT Not Subject to Proration												-
108	Beginning Balance - ADIT Depreciation Adjustment					(Note F)							-
109	Beginning Balance - DTA / (DTL)					(Col. (H), Line 107 + Line 108)			(Col. (M), Line 107 + Line 108)				-
Estimated Ending Balance - ADIT Not Subject to Proration													
110													-
111	Ending Balance - ADIT Depreciation Adjustment					(Note F)							-
112	Ending Balance - DTA / (DTL)					(Col. (H), Line 110 + Line 111)			(Col. (M), Line 110 + Line 111)				-
Average Balance as adjusted (non-prorated)						([Col. (H), Line 109 + Line 112] / 2) (Col. (H), Line 105)			([Col. (M), Line 109 + Line 112 / 2] (Col. (M), Line 105)				-
114	Prorated ADIT Amount for Attachment H-					105)			Line 105)				-
													-
115	9A, Line 40e					(Col. (H), Line 113 + Line 114)			(Col. (M), Line 113 + Line 114)				

Potomac Electric Power Company
Accumulated Deferred Income Taxes (ADIT)
Attachment 1A - ADIT Summary

Instructions

1. For purposes of calculating projected activity, use Columns (F), (G), and (H) and set the "Rate Year" below to "Projected Activity". For purposes of calculating the "True-Up" adjustment, use Columns (I), (J), (K), (L), and (M) and set the "Rate Year" below to "True-Up Adjustment".

Rate Year

Projected Activity

Check

2. For the Annual Update (Projected) filing, see Attachment 1A - ADIT Summary, Column H for inputs. For the Annual Update (True-Up) filing, See Attachment 1A - ADIT Summary, Column M for inputs.

Notes

- A** The computations on this worksheet apply the proration rules of Reg. Sec. 1.167(l)-1(h)(6) to the annual activity of accumulated deferred income taxes subject to the normalization requirements. Activity related to the portions of the account balances not subject to the proration requirement are averaged instead of prorated. For accumulated deferred income taxes subject to the normalization requirements, activity for months prior to the future portion of the test period is averaged rather than prorated. This section is used to prorate the projected ADIT balance.
- B** The balances in Accounts 190, 281, 282 and 283 are adjusted in accordance with Treasury regulation Section 1.167(l)-1(h)(6) and averaged in accordance with IRC Section 168(i)(9)(B) in the calculations of rate base in the projected revenue requirement and in the true-up adjustment. Differences attributable to over-projection of ADIT in the projected revenue requirement will result in a proportionate reversal of the projected prorated ADIT activity in the true-up adjustment to the extent of the over-projection. Differences attributable to under-projection of ADIT in the projected revenue requirement will result in an adjustment to the projected prorated ADIT activity by 50 percent of the difference between the projected monthly activity and the actual monthly activity. However, when projected monthly ADIT activity is an increase and actual monthly ADIT activity is a decrease, 50 percent of the actual monthly ADIT activity will be used. Likewise, when projected monthly ADIT activity is a decrease and actual monthly ADIT activity is an increase, 50 percent of actual monthly ADIT activity will be used. This section is used to calculate ADIT activity in the true-up adjustment only.
- C** Column J is the difference between projected monthly and actual monthly activity (Column I minus Column F). Specifically, if projected and actual activity are both positive, a negative in Column J represents over-projection (amount of projected activity that did not occur) and a positive in Column J represents under-projection (excess of actual activity over projected activity). If projected and actual activity are both negative, a negative in Column J represents under-projection (excess of actual activity over projected activity) and a positive in Column J represents over-projection (amount of projected activity that did not occur).
- D** Column K preserves proration when actual monthly and projected monthly activity are either both increases or decreases. Specifically, if Column J is over-projected, enter Column G x [Column I/Column F]. If Column J is under-projected, enter the amount from Column G and complete Column L). In other situations, enter zero.
- E** Column L applies when (1) Column J is under-projected AND (2) actual monthly and projected monthly activity are either both increases or decreases. Enter the amount from Column J. In other situations, enter zero.
- F** IRS normalization adjustment for timing when accelerated tax depreciation should affect rate base.

Potomac Electric Power Company
Accumulated Deferred Income Taxes (ADIT)
Attachment 1B - ADIT Worksheet – End of Year

Line ADIT (Not Subject to Proration)		Total	Gas, Production, Distribution or Labor Other Related	Only Transmission Related	Plant Related	Related
1	ADIT-190					
2	ADIT-281					
3	ADIT-282					
4	ADIT-283					
5	ADITC-255					
6	Subtotal - Transmission ADIT					

Line	Description	Total
7	ADIT (Required Debt)	

Note: ADIT associated with Gain or Loss on Reacquired Debt included in ADIT-283, Column A is excluded from rate base and instead included in Cost of Debt on Attachment H-9A, Line 111. A deferred tax (liability) should be reported as a positive balance and a deferred tax asset should be reported as a negative balance on Attachment H-9A, Line 111.

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

(A)	(B)	(C)	(D)	(E)	(F)	(G)
ADIT-190 (Not Subject to Proration)	Total	Gas, Production, Distribution or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
Subtotal: ADIT-190 (Not Subject to Proration)						
Less: ASC 740 ADIT Adjustments excluded from rate base						
Less: ASC 740 ADIT Adjustments related to unamortized ITC						
Less: ASC 740 ADIT balances related to income tax regulatory assets / (liabilities)						
Less: OPEB related ADIT, Above if not separately removed						
Total: ADIT-190 (Not Subject to Proration)						
Wages & Salary Allocator						
Gross Plant Allocator						
Transmission Allocator						
Other Allocator						
ADIT - Transmission						

Potomac Electric Power Company
Accumulated Deferred Income Taxes (ADIT)
Attachment 1B - ADIT Worksheet - End of Year

(A)			(B)	(C)	(D)	(E)	(F)	(G)
			Total	Gas, Production, Distribution Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
ADIT-190 (Subject to Proration)								
Subtotal: ADIT-190 (Subject to Proration)			-	-	-	-	-	
Less: ASC 740 ADIT Adjustments excluded from rate base			-	-	-	-	-	
Less: ASC 740 ADIT Adjustments related to unamortized ITC								
Less: ASC 740 ADIT balances related to income tax regulatory assets / (liabilities)								
Less: OPEB related ADIT, Above if not separately removed			-	-	-	-	-	
Total: ADIT-190 (Subject to Proration)			-	-	-	-	-	
Wages & Salary Allocator								
Gross Plant Allocator								
Transmission Allocator								
Other Allocator								
ADIT - Transmission			-					

(A)			(B)	(C)	(D)	(E)	(F)	(G)
			Total	Gas, Production, Distribution , Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
ADIT-190 (Subject to Proration)								
ADIT-190 (Not Subject to Proration)			-	-	-	-	-	
ADIT-190 (Subject to Proration)			-	-	-	-	-	
Total - FERC Form 1, Page 234			-	-	-	-	-	

- Instructions for Account 190:
- 1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer), Production or Distribution Only are directly assigned to Column C
 - 2. ADIT items related only to Transmission are directly assigned to Column D
 - 3. ADIT items related to Plant and not in Columns C & D are included in Column E
 - 4. ADIT items related to labor and not in Columns C & D are included in Column F
 - 5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded.
 - 6. ADIT items subject to the proration under the "normalization" rules will be included in ADIT-190 (Subject to Proration)

Potomac Electric Power Company
Accumulated Deferred Income Taxes (ADIT)
Attachment 1B - ADIT Worksheet - End of Year

(A)		(B)	(C)	(D)	(E)	(F)	(G)
		Total	Gas, Production, Distribution, Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
ADIT- 282 (Not Subject to Proration)							
Subtotal: ADIT-282 (Not Subject to Proration)		-	-	-	-	-	
Less: ASC 740 ADIT Adjustments excluded from rate base							
Less: ASC 740 ADIT Adjustments related to unamortized ITC							
Less: ASC 740 ADIT balances related to income tax regulatory assets / (liabilities)							
Less: OPEB related ADIT, Above if not separately removed							
Total: ADIT-282 (Not Subject to Proration)							
Wages & Salary Allocator							
Gross Plant Allocator							
Transmission Allocator							
Other Allocator							
ADIT - Transmission							

(A)		(B)	(C)	(D)	(E)	(F)	(G)
		Total	Gas, Production, Distribution, Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
ADIT-282 (Subject to Proration)							
Subtotal: ADIT-282 (Subject to Proration)							
Less: ASC 740 ADIT Adjustments excluded from rate base							
Less: ASC 740 ADIT Adjustments related to unamortized ITC							
Less: ASC 740 ADIT balances related to income tax regulatory assets / (liabilities)							
Less: OPEB related ADIT, Above if not separately removed							
Total: ADIT-282 (Subject to Proration)							
Wages & Salary Allocator							
Gross Plant Allocator							
Transmission Allocator							
Other Allocator							
ADIT - Transmission							

(A)

(B)

(C)
Gas,
Production,

(D)
Only

(E)

(F)

(G)

ADIT-282				Distribution, Or Other Related	Transmission Related	Plant Related	Labor Related	Justification
ADIT-282 (Not Subject to Proration)			-	-	-	-	-	
ADIT-282 (Subject to Proration)			-	-	-	-	-	
Total - Pg. 277 (Form 1-F filer: see note 7, below)			-	-	-	-	-	

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

Potomac Electric Power Company
Accumulated Deferred Income Taxes (ADIT)
Attachment 1B - ADIT Worksheet - End of Year

	(A)	(B)	(C)	(D)	€	(F)	(G)
		Total	Gas, Production, Distribution, Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
ADIT- 283 (Not Subject to Proration)							
Subtotal: ADIT-283 (Not Subject to Proration)							
Less: ASC 740 ADIT Adjustments excluded from rate base							
Less: ASC 740 ADIT Adjustments related to unamortized ITC							
Less: ASC 740 ADIT balances related to income tax regulatory assets / (liabilities)							
Less: OPEB related ADIT, Above if not separately removed							
Total: ADIT-283 (Not Subject to Proration)							
Wages & Salary Allocator							
Gross Plant Allocator							
Transmission Allocator							
Other Allocator							
ADIT - Transmission							

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
		Total	Gas, Production, Distribution, Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
ADIT-283 (Subject to Proration)							
Subtotal: ADIT-283 (Subject to Proration)		-	-	-	-	-	
Less: ASC 740 ADIT Adjustments excluded from rate base		-	-	-	-	-	
Less: ASC 740 ADIT Adjustments related to unamortized ITC							
Less: ASC 740 ADIT balances related to income tax regulatory assets / (liabilities)							
Less: OPEB related ADIT, Above if not separately removed		-	-	-	-	-	

Total: ADIT-283 (Subject to Proration)			-	-	-	-	-	
Wages & Salary Allocator							%	
Gross Plant Allocator						%		
Transmission Allocator					100.0000%			
Other Allocator				0.0000%				
ADIT - Transmission			-	-	-	-	-	

(A)	(B)	(C)	(D)	(E)	(F)	(G)
	Total	Gas, Production, Distribution, Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
ADIT-283 (Subject to Proration)						
ADIT-283 (Not Subject to Proration)		-	-	-	-	
ADIT-283 (Subject to Proration)		-	-	-	-	
Total - Pg. 277 (Form 1-F filer: see note 7, below)		-	-	-	-	

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

Potomac Electric Power Company
Accumulated Deferred Income Taxes (ADIT)
Attachment 1B - ADIT Worksheet - End of Year

(A)	(B)	(C)	(D)	(E)	(F)	(G)
	Total	Gas, Production, Distribution, Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
ADITC- 255 (Unamortized Investment Tax Credits)						
Account No. 255 (Accum. Deferred Investment Tax Credits)						
Subtotal: ADIT-255 (Form No. 1 p. 266 & 267)						
Less: Adjustment to rate base						
Total : ADITC 255						
Wages & Salary Allocator					%	
Gross Plant Allocator				%		
Transmission Allocator			100%			
Other Allocator		%				
Investment Tax Credit - Transmission						

(A)	(B)	(C)	(D)	(E)	(F)	(G)
	Total	Gas, Production, Distribution, Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
Investment Tax Credit Amortization						
Investment Tax Credit Amortization						

Subtotal: (Form No. 1 p. 266 & 267)			-	-	-	-	-
Wages & Salary Allocator						0.00%	
Gross Plant Allocator						0.00%	
Transmission Allocator					100.00%		
Other Allocator				0.00%			
Investment Tax Credit Amortization - Transmission			-	-	-	-	-

END

Potomac Electric Power Company
Accumulated Deferred Income Taxes (ADIT)
Attachment 1C - ADIT Worksheet - Beginning of Year

Line ADIT (Not Subject to Proration)	Total	Gas, Production, Distribution, Or Other Related	Only Transmission Related	Plant Related	Labor Related
1 ADIT-190					
2 ADIT-281					
3 ADIT-282					
4 ADIT-283					
5 ADITC 255					
6 Subtotal - Transmission ADIT					
Line	Description	Total			
7	ADIT (Required Debt)				

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

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)	(C)	(D)	(E)	(F)	(G)
	Total	Gas, Production, Distribution, Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification

ADIT-190 (Not Subject to Proration)

Subtotal: ADIT-190 (Not Subject to Proration)							
Less: ASC 740 ADIT Adjustments excluded from rate base							
Less: ASC 740 ADIT Adjustments related to unamortized ITC							
Less: ASC 740 ADIT balances related to income tax regulatory assets / (liabilities)							
Less: OPEB related ADIT, Above if not separately removed							
Total: ADIT-190 (Not Subject to Proration)							
Wages & Salary Allocator					%		
Gross Plant Allocator				%			
Transmission Allocator			%				
Other Allocator		%					
ADIT - Transmission							

Potomac Electric Power Company
Accumulated Deferred Income Taxes (ADIT)
Attachment 1C - ADIT Worksheet - Beginning of Year

(A)	(B)	(C)	(D)	(E)	(F)	(G)
	Total	Gas, Production Distribution , Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification

ADIT-190 (Subject to Proration)

Subtotal: ADIT-190 (Subject to Proration)		-	-	-	-	-		
Less ASC 740 ADIT Adjustments excluded from rate base		-	-	-	-	-		

Less: ASC 740 ADIT Adjustments related to unamortized ITC								
Less: ASC 740 ADIT balances related to income tax regulatory assets / (liabilities)								
Less: OPEB related ADIT, Above if not separately removed			-	-	-	-	-	
Total: ADIT-190 (Subject to Proration)			-	-	-	-	-	
Wages & Salary Allocator							%	
Gross Plant Allocator						%		
Transmission Allocator					%			
Other Allocator				%				
ADIT - Transmission			-					

(A)	(B)	(C)	(D)	(E)	(F)	(G)
	Total	Gas, Production Distribution , Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
ADIT-190 (Subject to Proration)						
ADIT-190 (Not Subject to Proration)		-	-	-	-	
ADIT-190 (Subject to Proration)		-	-	-	-	
Total - FERC Form 1, Page 234		-	-	-	-	

Instructions for Account 190:

1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) Production or Distribution Only are directly assigned to Column C

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

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

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

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

6. ADIT items subject to the proration under the "normalization" rules will be included in ADIT-190 (Subject to Proration)

Potomac Electric Power Company
Accumulated Deferred Income Taxes (ADIT)
Attachment 1C - ADIT Worksheet - Beginning of Year

(A)	(B)	(C)	(D)	(E)	(F)	(G)
	Total	Gas, Production, Distribution, Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
ADIT- 282 (Not Subject to Proration)						
Subtotal: ADIT-282 (Not Subject to Proration)	-	-	-	-	-	
Less ASC 740 ADIT Adjustments excluded from rate base						

Less: ASC 740 ADIT Adjustments related to unamortized ITC								
Less: ASC 740 ADIT balances related to income tax regulatory assets / (liabilities)								
Less: OPEB related ADIT, Above if not separately removed								
Total: ADIT-282 (Not Subject to Proration)								
Wages & Salary Allocator							%	
Gross Plant Allocator						%		
Transmission Allocator					%			
Other Allocator				%				
ADIT - Transmission								

(A)		(B)	(C)	(D)	(E)	(F)	(G)
ADIT-282 (Subject to Proration)		Total	Gas, Production Distribution Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
Subtotal: ADIT-282 (Subject to Proration)							
Less: ASC 740 ADIT Adjustments excluded from rate base							
Less: ASC 740 ADIT Adjustments related to unamortized ITC							
Less: ASC 740 ADIT balances related to income tax regulatory assets / (liabilities)							
Less: OPEB related ADIT, Above if not separately removed							
Total: ADIT-282 (Subject to Proration)							
Wages & Salary Allocator							
Gross Plant Allocator							
Transmission Allocator							
Other Allocator							
ADIT - Transmission							

(A)		(B)	(C)	(D)	(E)	(F)	(G)
ADIT-282		Total	Gas, Production Distribution, Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
ADIT-282 (Not Subject to Proration)		-	-	-	-	-	
ADIT-282 (Subject to Proration)		-	-	-	-	-	
Total - Pg. 277 (Form 1-F filer: see note 7, below)		-	-	-	-	-	

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

	(A)		(B)	(C)	(D)	(E)	(F)	(G)
ADIT- 283 (Not Subject to Proration)			Total	Gas, Production, Distribution, Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
Subtotal: ADIT-283 (Not Subject to Proration)								
Less: ASC 740 ADIT Adjustments excluded from rate base								
Less: ASC 740 ADIT Adjustments related to unamortized ITC								
Less: ASC 740 ADIT balances related to income tax regulatory assets / (liabilities)								
Less: OPEB related ADIT, Above if not separately removed								
Total: ADIT-283 (Not Subject to Proration)								
Wages & Salary Allocator							%	
Gross Plant Allocator						%		
Transmission Allocator					%			
Other Allocator				%				
ADIT - Transmission								

	(A)		(B)	(C)	(D)	(E)	(F)	(G)
ADIT-283 (Subject to Proration)			Total	Gas, Production, Distribution, Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
Subtotal: ADIT-283 (Subject to Proration)			-	-	-	-	-	
Less ASC 740 ADIT Adjustments excluded from rate base			-	-	-	-	-	
Less: ASC 740 ADIT Adjustments related to unamortized ITC								
Less: ASC 740 ADIT balances related to income tax regulatory assets / (liabilities)								
Less: OPEB related ADIT, Above if not separately removed			-	-	-	-	-	
Total: ADIT-283 (Subject to Proration)			-	-	-	-	-	
Wages & Salary Allocator							%	
Gross Plant Allocator						%		
Transmission Allocator					%			
Other Allocator				%				
ADIT - Transmission			-	-	-	-	-	

	(A)		(B)	(C)	(D)	(E)	(F)	(G)
ADIT-283 (Subject to Proration)			Total	Gas, Production. Distribution. Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
ADIT-283 (Not Subject to Proration)			-	-	-	-	-	
ADIT-283 (Subject to Proration)			-	-	-	-	-	
Total - Pg. 277 (Form 1-F filer: see note 7, below)			-	-	-	-	-	

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

Accumulated Deferred Income Taxes
(ADIT)
Attachment 1C - ADIT Worksheet - Beginning of Year

		(A)	(B)	(C)	(D)	(E)	(F)	(G)
			Total	Gas, Production, Distribution, or Other	Only			
ADITC- 255 (Unamortized Investment Tax Credits)					Transmission	Plant	Labor	
				Related	Related	Related	Related	Justification
Account No. 255 (Accum. Deferred Investment Tax Credits)								
Subtotal: ADIT-255 (Form No. 1 p. 266 & 267)								
Less: Adjustment to rate base								
Total : ADITC 255								
Wages & Salary Allocator							%	
Gross Plant Allocator						%		
Transmission Allocator					%			
Other Allocator				%				
Unamortized Investment Tax Credits - Transmission								

		(A)	(B)	(C)	(D)	(E)	(F)	(G)
			Total	Gas, Production, Distribution, Or Other	Only			
ADITC-255					Transmission	Plant	Labor	
				Related	Related	Related	Related	Justification

Investment Tax Credit Amortization								
Subtotal: ADIT-255 (Form No. 1 p. 266 & 267)				-	-	-	-	-
Wages & Salary Allocator								0.00%
Gross Plant Allocator							0.00%	
Transmission Allocator						100.00%		
Other Allocator					0.00%			
Investment Tax Credit Amortization - Transmission				-	-	-	-	-

END

Potomac Electric Power Company
Deficient / (Excess) Accumulated Deferred Income
Taxes
Attachment 1D - ADIT Rate Base Adjustment

Rate
Year =

Federal Deficient / (Excess) Deferred Income Taxes

Deficient / (Excess) Accumulated Deferred Income Taxes (Account No. 190)														
Line	Days in Period					Projection - Proration of Deficient / (Excess) ADIT Activity (Note A)			Actual - Proration of Deficient / (Excess) ADIT Activity (Note B)					
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	
	Month	Days Per Month	Remaining Days Per Month	Total Days in Future Test Period	Proration Amount (Column C / Column D)	Projected Monthly Activity	Prorated Projected Monthly Activity (Column E x Column F)	Prorated Projected Balance (Col. G Plus Col. H, Preceding Balance)	Actual Monthly Activity	Difference Projected vs. Actual (Note C)	Preserve Proration (Actual vs Projected) (Note D)	Preserve Proration (Actual vs Projected) (Note E)	Preserved Prorated Actual Balance (Col. K + Col. L + Col. M, Preceding Balance)	
1	Deficient / (Excess) ADIT Subject to Proration							-					-	
2	January	31	-	214	50.00%	-	-	-	-	-	-	-	-	
3	February	28	-	214	50.00%	-	-	-	-	-	-	-	-	
4	March	31	-	214	50.00%	-	-	-	-	-	-	-	-	
5	April	30	-	214	50.00%	-	-	-	-	-	-	-	-	
6	May	31	-	214	50.00%	-	-	-	-	-	-	-	-	
7	June	30	185	214	86.45%	-	-	-	-	-	-	-	-	
8	July	31	154	214	71.96%	-	-	-	-	-	-	-	-	
9	August	31	123	214	57.48%	-	-	-	-	-	-	-	-	
10	September	30	93	214	43.46%	-	-	-	-	-	-	-	-	
11	October	31	62	214	28.97%	-	-	-	-	-	-	-	-	
12	November	30	32	214	14.95%	-	-	-	-	-	-	-	-	
13	December	31	1	214	0.47%	-	-	-	-	-	-	-	-	
	Total (Sum of													
14	Lines 2 - 13)	365				-	-		-	-	-	-		
15	Beginning Balance - Deficient / (Excess) ADIT Not Subject to Proration							-					-	
16	Beginning Balance - Deficient / (Excess) ADIT Adjustment					(Note F)		-					-	
17	Beginning Balance - Deficient / (Excess) ADIT					(Col. (H), Line 15 + Line 16)		-	(Col. (M), Line 15 + Line 16)					-
18	Ending Balance - Deficient / (Excess) ADIT Not Subject to Proration							Ending Balance	20	Deficient / (Excess) ADIT				
19	Ending Balance - Deficient / (Excess) ADIT Adjustment							Deficient / (Excess) ADIT						

(Note
F)

(Col. (H),
Line
18 +
Line 19)

-

-
-

-
-

-
(Col. (M), Line 18
+ Line 19)

21	Average Balance as adjusted (non-prorated) Prorated Deficient / (Excess) ADIT	(Col. (H), Line 17 + Line 20] /2)	-	(Col. (M), Line 17 + Line 20] /2)	-
22	Deficient / (Excess) ADIT - Account 190	(Col. (H), Line 13) (Col. (H), Line 21 + Line 22)	-	(Col. (M), Line 13)	-
23			-	(Col. (M), Line 21 + Line 22)	-

Deficient / (Excess) Accumulated
Deferred Income Taxes - Property
(Account No. 282)

Line	Days in Period					Projection - Proration of Deficient / (Excess) ADIT Activity (Note A)			Actual - Proration of Deficient / (Excess) ADIT Activity (Note B)				
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
	Month	Days Per Month	Prorated Days Per Month	Total Days Per Future Test Period	Proration Amount (Column C / Column D)	Projected Monthly Activity	Prorated Projected Monthly Activity (Column E x Column F)	Prorated Projected Balance (Col. G Plus Col. H, Preceding Balance)	Actual Monthly Activity	Difference Projected vs. Actual (Note C)	Preserve Proration (Actual vs Projected) (Note D)	Preserve Proration (Actual vs Projected) (Note E)	Preserved Prorated Actual Balance (Col. K + Col. L + Col. M, Preceding Balance)
24	Deficient / (Excess) ADIT Subject to Proration						-						-
25	January	31	-	214	50.00%	-	-	-	-	-	-	-	-
26	February	28	-	214	50.00%	-	-	-	-	-	-	-	-
27	March	31	-	214	50.00%	-	-	-	-	-	-	-	-
28	April	30	-	214	50.00%	-	-	-	-	-	-	-	-
29	May	31	-	214	50.00%	-	-	-	-	-	-	-	-
30	June	30	185	214	86.45%	-	-	-	-	-	-	-	-
31	July	31	154	214	71.96%	-	-	-	-	-	-	-	-
32	August	31	123	214	57.48%	-	-	-	-	-	-	-	-
33	September	30	93	214	43.46%	-	-	-	-	-	-	-	-
34	October	31	62	214	28.97%	-	-	-	-	-	-	-	-
35	November	30	32	214	14.95%	-	-	-	-	-	-	-	-
36	December	31	1	214	0.47%	-	-	-	-	-	-	-	-
37	Total (Sum of Lines 25 - 36)	365				-	-		-	-	-	-	
38	Beginning Balance - Deficient / (Excess) ADIT Not Subject to Proration						-						-
39	Beginning Balance - Deficient / (Excess) ADIT Adjustment					(Note F)	-						-
40	Beginning Balance - Deficient / (Excess) ADIT					(Col. (H), Line 38 + Line 39)	-		(Col. (M), Line 38 + Line 39)				-
41	Ending Balance - Deficient / (Excess) ADIT Not Subject to Proration						-						-

42	Ending Balance - Deficient / (Excess) ADIT Adjustment	(Note F)	-		-								
43	Ending Balance - Deficient / (Excess) ADIT	(Col. (H), Line 41 + Line 42)	-	(Col. (M), Line 41 + Line 42)	-								
44	Average Balance as adjusted (non-prorated) Prorated Deficient / (Excess) ADIT	([Col. (H), Line 40 + Line 43] /2)	-	([Col. (M), Line 40 + Line 43] /2)	-								
45		(Col. (H), Line 36)	-	(Col. (M), Line 36)	-								
46	Deficient / (Excess) ADIT - Account 282	(Col. (H), Line 44 + Line 45)	-	(Col. (M), Line 44 + Line 45)	-								
Deficient / (Excess) Accumulated Deferred Income Taxes - Other (Account No. 283)													
Line	Days in Period					Projection - Proration of Deficient / (Excess) ADIT Activity (Note A)			Actual - Proration of Deficient / (Excess) ADIT Activity (Note B)				
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
	Month	Days Per Month	Prorated Days Per Month	Total Days Per Future Test Period	Proration Amount (Column C / Column D)	Projected Monthly Activity	Prorated Projected Monthly Activity (Column E x Column F)	Prorated Projected Balance (Col. G Plus Col. H, Preceding Balance)	Actual Monthly Activity	Difference Projected vs. Actual (Note C)	Preserve Proration (Actual vs Projected) (Note D)	Preserve Proration (Actual vs Projected) (Note E)	Preserved Prorated Actual Balance (Col. K + Col. L + Col. M, Preceding Balance)
47	ADIT Subject to Proration						-						-
48	January	31	-	214	50.00%	-	-	-	-	-	-	-	-
49	February	28	-	214	50.00%	-	-	-	-	-	-	-	-
50	March	31	-	214	50.00%	-	-	-	-	-	-	-	-
51	April	30	-	214	50.00%	-	-	-	-	-	-	-	-
52	May	31	-	214	50.00%	-	-	-	-	-	-	-	-
53	June	30	185	214	86.45%	-	-	-	-	-	-	-	-
54	July	31	154	214	71.96%	-	-	-	-	-	-	-	-
55	August	31	123	214	57.48%	-	-	-	-	-	-	-	-
56	September	30	93	214	43.46%	-	-	-	-	-	-	-	-
57	October	31	62	214	28.97%	-	-	-	-	-	-	-	-
58	November	30	32	214	14.95%	-	-	-	-	-	-	-	-
59	December	31	1	214	0.47%	-	-	-	-	-	-	-	-
60	Total (Sum of Lines 48 - 59)	365				-	-		-	-	-	-	
61	Beginning Balance - Deficient / (Excess) ADIT Not Subject to Proration						Beginning		63	Balance -			
62	Beginning Balance - Deficient / (Excess) ADIT Adjustment						Balance -						

(Note
F)

(Col.
(H),

-

-
-

-
-

(Col. (M), Line 61
+ Line
62)

-

	Deficient / (Excess) ADIT	Line 61 + Line 62)				
64	Ending Balance - Deficient / (Excess) ADIT Not Subject to Proration		-			-
65	Ending Balance - Deficient / (Excess) ADIT Adjustment	(Note F)	-			-
		(Col. (H), Line 64 + Line 65)	-		(Col. (M), Line 64 + Line 65)	-
67	Average Balance as adjusted (non-prorated) Prorated Deficient / (Excess) ADIT	(Col. (H), Line 63 + Line 66] /2)	-		(Col. (M), Line 63 + Line 66] /2)	-
68		(Col. (H), Line 59)	-		(Col. (M), Line 59)	-
69	Deficient / (Excess) ADIT - Account 283	(Col. (H), Line 67 + Line 68)	-		(Col. (M), Line 67 + Line 68)	-

Line	Unamortized Deficient / (Excess) ADIT - Federal (Projected)					Unamortized Deficient / (Excess) ADIT - Federal (Actual)				
	(A)	(B)	(C)	(D)	(E)	(A)	(B)	(C)	(D)	(E)
	Deficient / (Excess) Deferred Income Taxes		Reference		Projected EOY Balance	Deficient / (Excess) Deferred Income Taxes		Reference		Projected EOY Balance
70	ADIT - 190		(Col. (H), Line 23)		\$ -	ADI T - 190		(Col. (M), Line 23)		\$ -
71	ADIT - 282		(Col. (H), Line 46)		-	ADI T - 282		(Col. (M), Line 46)		-
72	ADIT - 283		(Col. (H), Line 69)		-	ADI T - 283		(Col. (M), Line 69)		-
73	Unamortized Deficient / (Excess) ADIT - Federal		(Entered in ATT H-9A, Line 41a)		\$ -	Unamortized Deficient / (Excess) ADIT - Federal		(Entered in ATT H-9A, Line 41a)		\$ -

State Deficient / (Excess) Deferred Income Taxes

Deficient / (Excess) Accumulated Deferred Income Taxes (Account No. 190)													
Line	Days in Period					Projection - Proration of Deficient / (Excess) ADIT Activity (Note A)			Actual - Proration of Deficient / (Excess) ADIT Activity (Note B)				
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
	Month	Days Per Month	Remainin g Days Per Month	Tota l Day s in Futu re Test Peri od	Prorati on Amoun t (Colum n C / Colum n D)	Project ed Monthl y Activity	Prorat ed Project ed Monthl y Activity (Colum n E x Colum n F)	Prorated Projected Balance (Col. G Plus Col. H, Precedin g Balance)	Actual Monthl y Activity	Difference Project ed vs. Actual (Note C)	Preserve Prorati on (Actual vs Project ed) (Note D)	Preserve Prorati on (Actual vs Project ed) (Note E)	Preserved Prorated Actual Balance (Col. K + Col. L + Col. M, Precedi ng Balance)
	Deficient / (Excess) ADIT Subject to Proration							-					-
74													

75	January	31	-	214	50.00%	-	-	-	-	-	-	-	-
76	February	28	-	214	50.00%	-	-	-	-	-	-	-	-
77	March	31	-	214	50.00%	-	-	-	-	-	-	-	-
78	April	30	-	214	50.00%	-	-	-	-	-	-	-	-
79	May	31	-	214	50.00%	-	-	-	-	-	-	-	-
80	June	30	185	214	86.45%	-	-	-	-	-	-	-	-
81	July	31	154	214	71.96%	-	-	-	-	-	-	-	-
82	August	31	123	214	57.48%	-	-	-	-	-	-	-	-
83	September	30	93	214	43.46%	-	-	-	-	-	-	-	-
84	October	31	62	214	28.97%	-	-	-	-	-	-	-	-
85	November	30	32	214	14.95%	-	-	-	-	-	-	-	-
86	December	31	1	214	0.47%	-	-	-	-	-	-	-	-
Total (Sum of													
87	Lines 75 - 86)	365				-	-			-	-	-	-
88	Beginning Balance - Deficient / (Excess) ADIT Not Subject to Proration							-					
89	Beginning Balance - Deficient / (Excess) ADIT Adjustment					(Note F)		-					
90	Beginning Balance - Deficient / (Excess) ADIT					(Col. (H), Line 88 + Line 89)		-	(Col. (M), Line 88 + Line 89)				
91	Ending Balance - Deficient / (Excess) ADIT Not Subject to Proration							-					
92	Ending Balance - Deficient / (Excess) ADIT Adjustment					(Note F)		-					
93	Ending Balance - Deficient / (Excess) ADIT					(Col. (H), Line 91 + Line 92)		-	(Col. (M), Line 91 + Line 92)				
94	Average Balance as adjusted (non-prorated) Prorated Deficient / (Excess) ADIT					([Col. (H), Line 90 + Line 93] /2)		-	([Col. (M), Line 90 + Line 93] /2)				
95						(Col. (H), Line 86)		-	(Col. (M), Line 86)				
96	Deficient / (Excess) ADIT - Account 190					(Col. (H), Line 94 + Line 95)		-	(Col. (M), Line 94 + Line 95)				
Deficient / (Excess) Accumulated Deferred Income Taxes - Property (Account No. 282)													

Line

Days in Period					Projection - Proration of Deficient / (Excess) ADIT Activity (Note A)			Actual - Proration of Deficient / (Excess) ADIT Activity (Note B)				
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
Month	Days Per Month	Prorated Days Per Month	Total Days Per Future Test Period	Proration Amount (Column C / Column D)	Projected Monthly Activity	Prorated Projected Monthly Activity (Column E x Column F)	Prorated Projected Balance (Col. G Plus Col. H, Preceding Balance)	Actual Monthly Activity	Difference Projected vs. Actual (Note C)	Preserve Proration (Actual vs Projected) (Note D)	Preserve Proration (Actual vs Projected) (Note E)	Preserved Prorated Actual Balance (Col. K + Col. L + Col. M, Precedi

														ng Balanc e)
97	Deficient / (Excess) ADIT Subject to Proration							-						-
98	January	31	-	214	50.00%	-	-	-	-	-	-	-	-	-
99	February	28	-	214	50.00%	-	-	-	-	-	-	-	-	-
100	March	31	-	214	50.00%	-	-	-	-	-	-	-	-	-
101	April	30	-	214	50.00%	-	-	-	-	-	-	-	-	-
102	May	31	-	214	50.00%	-	-	-	-	-	-	-	-	-
103	June	30	185	214	86.45%	-	-	-	-	-	-	-	-	-
104	July	31	154	214	71.96%	-	-	-	-	-	-	-	-	-
105	August	31	123	214	57.48%	-	-	-	-	-	-	-	-	-
106	September	30	93	214	43.46%	-	-	-	-	-	-	-	-	-
107	October	31	62	214	28.97%	-	-	-	-	-	-	-	-	-
108	November	30	32	214	14.95%	-	-	-	-	-	-	-	-	-
109	December	31	1	214	0.47%	-	-	-	-	-	-	-	-	-
	Total (Sum of													
110	Lines 98 - 109)	365				-	-		-	-	-	-		
111	Beginning Balance - Deficient / (Excess) ADIT Not Subject to Proration							-						-
112	Beginning Balance - Deficient / (Excess) ADIT Adjustment					(Note F)		-						-
113	Beginning Balance - Deficient / (Excess) ADIT					(Col. (H), Line 111 + Line 112)		-		(Col. (M), Line 111 + Line 112)				-
114	Ending Balance - Deficient / (Excess) ADIT Not Subject to Proration							-						-
115	Ending Balance - Deficient / (Excess) ADIT Adjustment					(Note F)		-						-
116	Ending Balance - Deficient / (Excess) ADIT					(Col. (H), Line 114 + Line 115)		-		(Col. (M), Line 114 + Line 115)				-
117	Average Balance as adjusted (non-prorated) Prorated Deficient / (Excess) ADIT					([Col. (H), Line 113 + Line 116] /2)		-		([Col. (M), Line 113 + Line 116] /2)				-
118						(Col. (H), Line 109)		-		(Col. (M), Line 109)				-
119	Deficient / (Excess) ADIT - Account 282					(Col. (H), Line 117 + Line 118)		-		(Col. (M), Line 117 + Line 118)				-
	Deficient / (Excess) Accumulated Deferred Income Taxes - Other (Account No. 283)													

Line	Days in Period					Projection - Proration of Deficient / (Excess) ADIT Activity (Note A)			Actual - Proration of Deficient / (Excess) ADIT Activity (Note B)				
	(A) Month	(B) Days Per Month	(C) Prorated Days Per Month	(D) Total Days Per	(E) Proration Amount (Column	(F) Projected Monthl	(G) Prorated Projected Monthl	(H) Prorated Projected Balance (Col. G Plus Col.	(I) Actual Monthly Activity	(J) Difference Projected vs. Actual	(K) Preserve Proration (Actual	(L) Preserve Proration (Actual	(M) Preserved Prorated Actual

					Future Test Period	Column D)	Activity	Activity (Column E x Column F)	H, Preceding Balance)	(Note C)		vs Projected) (Note D)	vs Projected) (Note E)	Balance (Col. K + Col. L + Col. M, Preceding Balance)
120	ADIT Subject to Proration								-					-
121	January	31	-	214	50.00%	-	-	-	-	-	-	-	-	-
122	February	28	-	214	50.00%	-	-	-	-	-	-	-	-	-
123	March	31	-	214	50.00%	-	-	-	-	-	-	-	-	-
124	April	30	-	214	50.00%	-	-	-	-	-	-	-	-	-
125	May	31	-	214	50.00%	-	-	-	-	-	-	-	-	-
126	June	30	185	214	86.45%	-	-	-	-	-	-	-	-	-
127	July	31	154	214	71.96%	-	-	-	-	-	-	-	-	-
128	August	31	123	214	57.48%	-	-	-	-	-	-	-	-	-
129	September	30	93	214	43.46%	-	-	-	-	-	-	-	-	-
130	October	31	62	214	28.97%	-	-	-	-	-	-	-	-	-
131	November	30	32	214	14.95%	-	-	-	-	-	-	-	-	-
132	December Total (Sum of	31	1	214	0.47%									
133	Lines 121 - 132)	365				-	-			-	-	-	-	
134	Beginning Balance - Deficient / (Excess) ADIT Not Subject to Proration)			-					-
135	Beginning Balance - Deficient / (Excess) ADIT Adjustment					(Note F)			-					-
136	Beginning Balance - Deficient / (Excess) ADIT					(Col. (H), Line 134 + Line 135)			-		(Col. (M), Line 134 + Line 135)			-
137	Ending Balance - Deficient / (Excess) ADIT Not Subject to Proration								-					-
138	Ending Balance - Deficient / (Excess) ADIT Adjustment					(Note F)			-					-
139	Ending Balance - Deficient / (Excess) ADIT					(Col. (H), Line 137 + Line 138)			-		(Col. (M), Line 137 + Line 138)			-
140	Average Balance as adjusted (non-prorated) Prorated Deficient / (Excess) ADIT					([Col. (H), Line 136 + Line 139] /2)		-			([Col. (M), Line 136 + Line 139] /2)			-
141						(Col. (H), Line 132)		-			(Col. (M), Line 132)			-
142	Deficient / (Excess) ADIT - Account 283					(Col. (H), Line 140 + Line 141)		-			(Col. (M), Line 140 + Line 141)			-

Line	Unamortized Deficient / (Excess) ADIT - State (Projected)					Unamortized Deficient / (Excess) ADIT - State (Actual)				
	(A)	(B)	(C)	(D)	(E)	(A)	(B)	(C)	(D)	(E)

	Deficient / (Excess) Deferred Income Taxes	Refere nce	EOY Balanc e	Deficient / (Excess) Deferred Income Taxes	Refere nce	Project ed EOY Balanc e
		(Col. (H), Line 96)	\$		(Col. (M), Line 96)	\$
143	ADIT - 190		-	ADI T - 190		-
		(Col. (H), Line 119)			(Col. (M), Line 119)	
144	ADIT - 282		-	ADI T - 282		-
		(Col. (H), Line 142)			(Col. (M), Line 142)	
145	ADIT - 283		-	ADI T - 283		-
	Unamortized			Unamortized		
	Deficient / (Excess) ADIT - State	(Entered in ATT H-9A, Line 41b)	\$	Deficient / (Excess) ADIT - State	(Entered in ATT H-9A, Line 41b)	\$
146			-			-

Instructions

1. For purposes of calculating projected activity, use Columns (F), (G), and (H) and set the "Rate Year" below to "Projected Activity". For purposes of calculating the "True-Up" adjustment, use Columns (I), (J), (K), (L), and (M) and set the "Rate Year" below to "True-Up Adjustment".

Rate
Year

Projected
Activity

Check

2. For the Annual Update (Projected) filing, see Attachment 1A - ADIT Summary, Column H for inputs. For the Annual Update (True-Up) filing, See Attachment 1A - ADIT Summary, Column M for inputs.

Notes

- A

This section is used to calculate the projected deficient / (excess) ADIT balances. The computations in columns A-H of this workpaper apply the proration rules of Reg. Sec. 1.167(l)-1(h)(6) to the projected annual activity of deficient / (excess) accumulated deferred income taxes subject to the normalization requirements . Activity related to the portions of the account balances not subject to the proration requirement are averaged instead of prorated. For deficient (excess) accumulated deferred income taxes subject to the normalization requirements, projected activity for months prior to the future portion of the test period is averaged rather than prorated.
- B

This section is used to calculate the actual deficient / (excess) ADIT balances. The computations in columns A-M of this workpaper apply the proration rules of Reg. Sec. 1.167(l)-1(h)(6) and averaging in accordance with IRC Section 168(i)(9)(B) consistency requirement to the actual annual activity of deficient / (excess) accumulated deferred income taxes subject to the normalization requirements. Differences attributable to over-projection of deficient / (excess) ADIT amortization in the projected revenue requirement will result in a proportionate reversal of the projected prorated deficient / (excess) ADIT activity in the true-up adjustment to the extent of the over-projection. Differences attributable to under-projection of deficient / (excess) ADIT in the projected revenue requirement will result in an adjustment to the projected prorated ADIT activity by 50 percent of the difference between the projected monthly activity and the actual monthly activity. However, when projected monthly deficient / (excess) ADIT activity is an increase and actual monthly deficient / (excess) ADIT activity is a decrease, 50 percent of the actual monthly deficient / (excess) ADIT activity will be used. Likewise, when projected monthly deficient / (excess) ADIT activity is a decrease and actual monthly deficient / (excess) ADIT activity is an increase, 50 percent of actual monthly deficient / (excess) ADIT activity will be used. This section is used to calculate deficient / (excess) ADIT activity in the true-up adjustment only. Activity related to the portions of the account balances not subject to the proration requirement are averaged instead of prorated. For deficient (excess) accumulated deferred income taxes subject to the normalization requirements, actual activity for months prior to the future portion of the test period is averaged rather than prorated.
- C

Column (J) is the difference between projected monthly and actual monthly activity (Column (I) minus Column (F)). Specifically, if projected and actual activity are both positive, a negative in Column (J) represents over-projection (amount of projected activity that did not occur) and a positive in Column (J) represents under-projection (excess of actual activity over projected activity). If projected and actual activity are both negative, a negative in Column (J) represents under-projection (excess of actual activity over projected activity) and a positive in Column (J) represents over-projection (amount of projected activity that did not occur).
- D

Column (K) preserves proration when actual monthly and projected monthly activity are either both increases or decreases. Specifically, if Column (J) is over-projected, enter Column (G) x [Column (I)/Column (F)]. If Column (J) is under-projected, enter the amount from Column (G) and complete Column (L)). In other situations, enter zero.
- E

Column (L) applies when (1) Column (J) is under-projected AND (2) actual monthly and projected monthly activity are either both increases or decreases. Enter the amount from Column (J). In other situations, enter zero.
- F

IRS normalization adjustment

Attachment 1E - Deficient / (Excess) Deferred Income Tax Amortization Worksheet

Federal Deficient / (Excess) Deferred Income Taxes							
Tax Cuts and Jobs Act of 2017							
Line	(A) Deficient / (Excess) Deferred Income Taxes	(B) Notes	(C) Amortization Fixed Period	(D) December 31, 2017 ADIT Deficient / (Excess)	(E) December 31, 2017 BOY Balance	(F) Current Year Amortization	(G) December 31, 2018 EOY Balance
1	<u>Unprotected Non-Property</u>						
		(Note		\$	\$	\$	\$
2	ADIT - 190	A)	4 Years	-	-	-	-
3	ADIT - 281	(Note A)	4 Years	-	-	-	-
4	ADIT - 282	(Note A)	4 Years	-	-	-	-
5	ADIT - 283	(Note A)	4 Years	-	-	-	-
6	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
7	<u>Unprotected Property</u>						
		(Note		\$	\$	\$	\$
8	ADIT - 190	A)	5 Years	-	-	-	-
9	ADIT - 281	(Note A)	5 Years	-	-	-	-
10	ADIT - 282	(Note A)	5 Years	-	-	-	-
11	ADIT - 283	(Note A)	5 Years	-	-	-	-
12	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
13	<u>Protected Property</u>						
		(Note		\$			
14	ADIT - 190	A)	ARAM	-	-	-	-
15	ADIT - 281	(Note A)	ARAM	-	-	-	-
16	ADIT - 282	(Note A)	ARAM	-	-	-	-
17	ADIT - 283	(Note A)	ARAM	-	-	-	-
18	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
19	Total - Deficient / (Excess) ADIT			\$ --	\$ --	\$ --	\$ --
Line	(A) Deficient / (Excess) Deferred Income Taxes	(B) Notes	(C) Amortization Fixed Period	(D) September 30, 2018 ADIT Deficient / (Excess)	(E) September 30, 2018 BOY Balance	(F) Current Year Amortization	(G) December 31, 2018 EOY Balance
20	<u>Protected Property</u>						
		(Note		\$	\$	\$	\$
21	ADIT - 190	B)	ARAM	-	-	-	-
22	ADIT - 281	(Note B)	ARAM	-	-	-	-
23	ADIT - 282	(Note B)	ARAM	-	-	-	-
24	ADIT - 283	(Note B)	ARAM	-	-	-	-
25	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
26	Total - Deficient / (Excess) ADIT			\$ --	\$ --	\$ --	\$ --

Total Federal Deficient / (Excess) Deferred Income Taxes
--

Line	(A) Deficient / (Excess) Deferred Income Taxes	(B) Notes	(C) Amortization Fixed Period	(D) ADIT Deficient / (Excess)	(E) December 31, 2017 BOY Balance	(F) Current Year Amortization	(G) December 31, 2018 EOY Balance
1	Unprotected Non-Property						
2	ADIT - 190			\$ -	\$ -	\$ -	\$ -
3	ADIT - 281			-	-	-	-
4	ADIT - 282			-	-	-	-
5	ADIT - 283			-	-	-	-
6	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
7	Unprotected Property						
8	ADIT - 190			\$ -	\$ -	\$ -	\$ -
9	ADIT - 281			-	-	-	-
10	ADIT - 282			-	-	-	-
11	ADIT - 283			-	-	-	-
12	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
13	Protected Property						
14	ADIT - 190			\$ -	\$ -	\$ -	\$ -
15	ADIT - 281			-	-	-	-
16	ADIT - 282			-	-	-	-
17	ADIT - 283			-	-	-	-
18	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
19	Total - Deficient / (Excess) ADIT			\$ --	\$ --	\$ --	\$ --

Total Federal Deficient / (Excess) Deferred Income Taxes
--

Line	(A) Deficient / (Excess) Deferred Income Taxes	(B) Notes	(C) Amortization Fixed Period	(D) ADIT Deficient / (Excess)	(E) Blended Dates BOY Balance	(F) Current Year Amortization	(G) December 31, 2018 EOY Balance
27	ADIT - 190			\$ -	\$ -	\$ -	\$ -
28	ADIT - 281			-	-	-	-
29	ADIT - 282			-	-	-	-
30	ADIT - 283			-	-	-	-
31	Total - Deficient / (Excess) ADIT			\$ --	\$ --	\$ --	\$ --
32	Tax Gross-Up Factor	ATT H-9A, Line 132b		1.00	1.00	1.00	1.00
33	Regulatory Asset / (Liability)			\$ --	\$ -	\$ -	\$ -

Federal Income Tax Regulatory Asset / (Liability)

(A)	(B)	(D)	(E)	(F)	(G)
	Notes	ADIT Deficient / (Excess)	Blended Dates BOY Balance	Current Year Amortization	December 31, 2018 EOY Balance

Line	Regulatory Assets / (Liabilities)

34	Account 182.3 (Other Regulatory Assets)	\$ -	\$ -	\$ -	\$ -
35	Account 254 (Other Regulatory Liabilities)		-	-	-
36	Total - Transmission Regulatory Asset / (Liability)	\$ -	\$ -	\$ -	\$ -

State Deficient / (Excess) Deferred Income Taxes							
Maryland (2018 Apportionment Weighting Change)							

Line	(A) Deficient / (Excess) Deferred Income Taxes	(B) Notes	(C) Amortization Fixed Period	(D) ADIT Deficient / (Excess)	(E) September 30, 2018 BOY Balance	(F) Current Year Amortization	(G) December 31, 2018 EOY Balance
37	Unprotected Non-Property						
		(Note					
38	ADIT - 190	C)	4 Years	\$ -	\$ -	\$ -	\$ -
39	ADIT - 281	(Note C)	4 Years	-	-	-	-
40	ADIT - 282	(Note C)	4 Years	-	-	-	-
41	ADIT - 283	(Note C)	4 Years	-	-	-	-
42	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
43	Unprotected Property						
		(Note					
44	ADIT - 190	C)	5 Years	\$ -	\$ -	\$ -	\$ -
45	ADIT - 281	(Note C)	5 Years	-	-	-	-
46	ADIT - 282	(Note C)	5 Years	-	-	-	-
47	ADIT - 283	(Note C)	5 Years	-	-	-	-
48	Subtotal - Deficient / (Excess) ADIT						\$ -
49	Protected Property						
		(Note					
50	ADIT - 190	C)			NA	\$ -	-
51	ADIT - 281	(Note C)			NA	-	-
52	ADIT - 282	(Note C)			NA	-	-
53	ADIT - 283	(Note C)			NA	-	-
54	Subtotal - Deficient / (Excess) ADIT					\$ -	\$ -
55	Total - Deficient / (Excess) ADIT					\$ -	\$ -

Washin gton, D.C. (2018 Apportionment Weighting Change)							
Line	(A) Deficient / (Excess) Deferred Income Taxes	(B) Notes	(C) Amortization Fixed Period	(D) ADIT Deficient / (Excess)	(E) September 30, 2018 BOY Balance	(F) Current Year Amortization	(G) December 31, 2018 EOY Balance
56	Unprotected Non-Property						
		(Note					
57	ADIT - 190						
58	ADIT - 281	60	ADIT - 283				
59	ADIT - 282						

D)	4 Years	D)	4 Years	\$	\$	\$	\$
(Note		(Note		-	-	-	-
D)	4 Years	D)	4 Years	-	-	-	-
(Note				-	-	-	-
				-	-	-	-

61	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
62	Unprotected Property						
63	ADIT - 190	(Note D)	5 Years	\$ -	\$ -	\$ -	\$ -
64	ADIT - 281	(Note D)	5 Years	-	-	-	-
65	ADIT - 282	(Note D)	5 Years	-	-	-	-
66	ADIT - 283	(Note D)	5 Years	-	-	-	-
67	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
68	Protected Property						
69	ADIT - 190	(Note D)	NA	\$ -	-	-	-
70	ADIT - 281	(Note D)	NA	-	-	-	-
71	ADIT - 282	(Note D)	NA	-	-	-	-
72	ADIT - 283	(Note D)	NA	-	-	-	-
73	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
74	Total - Deficient / (Excess) ADIT			\$ --	\$ --	\$ --	\$ --

Washington, D.C. (2017 Corporate Rate Change)

Line	(A) Deficient / (Excess) Deferred Income Taxes	(B) Notes	(C) Amortization Fixed Period	(D) ADIT Deficient / (Excess)	(E) September 30, 2018 BOY Balance	(F) Current Year Amortization	(G) December 31, 2018 EOY Balance
75	Unprotected Non-Property						
76	ADIT - 190	(Note E)	4 Years	\$ -	\$ -	\$ -	\$ -
77	ADIT - 281	(Note E)	4 Years	-	-	-	-
78	ADIT - 282	(Note E)	4 Years	-	-	-	-
79	ADIT - 283	(Note E)	4 Years	-	-	-	-
80	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
81	Unprotected Property						
82	ADIT - 190	(Note E)	5 Years	\$ -	\$ -	\$ -	\$ -
83	ADIT - 281	(Note E)	5 Years	-	-	-	-
84	ADIT - 282	(Note E)	5 Years	-	-	-	-
85	ADIT - 283	(Note E)	5 Years	-	-	-	-
86	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
87	Protected Property						
88	ADIT - 190	(Note E)	NA	\$ -	-	-	-
89	ADIT - 281	(Note E)	NA	-	-	-	-
90	ADIT - 282	(Note E)	NA	-	-	-	-
91	ADIT - 283	(Note E)	NA	-	-	-	-
92	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -

Washington, D.C. (2016 Corporate Rate Change)

Line	(A) Deficient / (Excess) Deferred Income Taxes	(B) Notes	(C) Amortization Fixed Period	(D) ADIT Deficient / (Excess)	(E) September 30, 2018 BOY Balance	(F) Current Year Amortization	(G) December 31, 2018 EOY Balance
94	Unprotected Non-Property						
		(Note					
95	ADIT - 190	F)	4 Years	\$ -	\$ -	\$ -	\$ -
96	ADIT - 281	(Note F)	4 Years	-	-	-	-
97	ADIT - 282	(Note F)	4 Years	-	-	-	-
98	ADIT - 283	(Note F)	4 Years	-	-	-	-
99	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
100	Unprotected Property						
		(Note					
101	ADIT - 190	F)	5 Years	\$ -	\$ -	\$ -	\$ -
102	ADIT - 281	(Note F)	5 Years	-	-	-	-
103	ADIT - 282	(Note F)	5 Years	-	-	-	-
104	ADIT - 283	(Note F)	5 Years	-	-	-	-
105	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
106	Protected Property						
		(Note					
107	ADIT - 190	F)	NA	\$ -	-	-	-
108	ADIT - 281	(Note F)	NA	-	-	-	-
109	ADIT - 282	(Note F)	NA	-	-	-	-
110	ADIT - 283	(Note F)	NA	-	-	-	-
111	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
112	Total - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -

Washington, D.C. (2015 Corporate Rate Change)

Line	(A) Deficient / (Excess) Deferred Income Taxes	(B) Notes	(C) Amortization Fixed Period	(D) ADIT Deficient / (Excess)	(E) September 30, 2018 BOY Balance	(F) Current Year Amortization	(G) December 31, 2018 EOY Balance
113	Unprotected Non-Property						
		(Note					
114	ADIT - 190	G)	4 Years	\$ -	\$ -	\$ -	\$ -
115	ADIT - 281	(Note G)	4 Years	-	-	-	-
116	ADIT - 282	(Note G)	4 Years	-	-	-	-
117	ADIT - 283	(Note G)	4 Years	-	-	-	-
118	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
119	Unprotected Property						
		(Note					
120	ADIT - 190	122	ADIT - 282	\$ -	\$ -	\$ -	\$ -
121	ADIT - 281	123	ADIT - 283	-	-	-	-
				-	-	-	-
				-	-	-	-

125	- <u>Protected Property</u>						
126	ADIT - 190	(Note G)	NA	\$	-	-	-
127	ADIT - 281	(Note G)	NA	-	-	-	-
128	ADIT - 282	(Note G)	NA	-	-	-	-
129	ADIT - 283	(Note G)	NA	-	-	-	-
				\$	\$	\$	\$
130	Subtotal - Deficient / (Excess) ADIT			-	-	-	-
				\$	\$	\$	\$
131	Total - Deficient / (Excess) ADIT			-	-	-	-

Maryland (2007 Corporate Rate Change)							
Line	(A) Deficient / (Excess) Deferred Income Taxes	(B) Notes	(C) Amortization Fixed Period	(D) ADIT Deficient / (Excess)	(E) September 30, 2018 BOY Balance	(F) Current Year Amortization	(G) December 31, 2018 EOY Balance
132	- <u>Unprotected Non-Property</u>						
		(Note		\$	\$	\$	\$
133	ADIT - 190	H)	4 Years	-	-	-	-
134	ADIT - 281	(Note H)	4 Years	-	-	-	-
135	ADIT - 282	(Note H)	4 Years	-	-	-	-
136	ADIT - 283	(Note H)	4 Years	-	-	-	-
				\$	\$	\$	\$
137	Subtotal - Deficient / (Excess) ADIT			-	-	-	-
138	- <u>Unprotected Property</u>						
		(Note		\$	\$	\$	\$
139	ADIT - 190	H)	5 Years	-	-	-	-
140	ADIT - 281	(Note H)	5 Years	-	-	-	-
141	ADIT - 282	(Note H)	5 Years	-	-	-	-
142	ADIT - 283	(Note H)	5 Years	-	-	-	-
				\$	\$	\$	\$
143	Subtotal - Deficient / (Excess) ADIT			-	-	-	-
144	- <u>Protected Property</u>						
		(Note		\$			
145	ADIT - 190	H)	NA	-	-	-	-
146	ADIT - 281	(Note H)	NA	-	-	-	-
147	ADIT - 282	(Note H)	NA	-	-	-	-
148	ADIT - 283	(Note H)	NA	-	-	-	-
				\$	\$	\$	\$
149	Subtotal - Deficient / (Excess) ADIT			-	-	-	-
				\$	\$	\$	\$
150	Total - Deficient / (Excess) ADIT			-	-	-	-

tate Deficient / (Excess) Deferred Income Taxes

Total S							
Line	(A) Deficient / (Excess) Deferred Income Taxes	(B) Notes	(C) Amortization Fixed Period	(D) ADIT Deficient / (Excess)	(E) December 31, 2017 BOY Balance	(F) Current Year Amortization	(G) December 31, 2018 EOY Balance
1	- <u>Unprotected Non-Property</u>						

2	ADIT - 190	\$ -	\$ -	\$ -	\$ -
3	ADIT - 281	-	-	-	-
4	ADIT - 282	-	-	-	-

5	ADIT - 283		-	-	-
6	Subtotal - Deficient / (Excess) ADIT	\$	\$	\$	\$
		-	-	-	-
7	<u>Unprotected Property</u>				
8	ADIT - 190	\$	\$	\$	\$
9	ADIT - 281	-	-	-	-
10	ADIT - 282	-	-	-	-
11	ADIT - 283	-	-	-	-
12	Subtotal - Deficient / (Excess) ADIT	\$	\$	\$	\$
		-	-	-	-
13	<u>Protected Property</u>				
14	ADIT - 190	\$	\$	\$	\$
15	ADIT - 281	-	-	-	-
16	ADIT - 282	-	-	-	-
17	ADIT - 283	-	-	-	-
18	Subtotal - Deficient / (Excess) ADIT	\$	\$	\$	\$
		-	-	-	-
19	Total - Deficient / (Excess) ADIT	\$	\$	\$	\$
		--	--	--	--

Total State Deficient / (Excess) Deferred Income Taxes

Line	(A) Deficient / (Excess) Deferred Income Taxes	(B) Notes	(C) Amortization Fixed Period	(D) ADIT Deficient / (Excess)	(E) Blended Dates BOY Balance	(F) Current Year Amortization	(G) December 31, 2018 EOY Balance
151	ADIT - 190			\$	\$	\$	\$
152	ADIT - 281			-	-	-	-
153	ADIT - 282			-	-	-	-
154	ADIT - 283			-	-	-	-
155	Total - Deficient / (Excess) ADIT			\$	\$	\$	\$
				--	--	--	--
156	Tax Gross-Up Factor	ATT H-9A, Line 132b		1.00	1.00	1.00	1.00
157	Regulatory Asset / (Liability)			\$	\$	\$	\$
				--	-	-	-

State Income Tax Regulatory Asset / (Liability)

Line	(A) Regulatory Assets / (Liabilities)	(B) Notes	(D) ADIT Deficient / (Excess)	(E) Blended Dates BOY Balance	(F) Current Year Amortization	(G) December 31, 2018 EOY Balance
158	Account 182.3 (Other Regulatory Assets)		\$	\$	\$	\$
159	Account 254 (Other Regulatory Liabilities)		-	-	-	-
160	Total - Transmission Regulatory Asset / (Liability)		\$	\$	\$	\$
			-	-	-	-

Federal and State Income Tax Regulatory Asset / (Liability)
Federal and State Income Tax Regulatory Asset / (Liability) related to Excess / Deficient Deferred Income Taxes

Line	(A) Regulatory Assets / (Liabilities)	(B) Notes	(C)	(D) ADIT Deficient / (Excess)	(E) Blended Dates	(F) Current Year Amortization	(G) December 31, 2018
					BOY Balance		EOY Balance
				-	-	-	-
161	Account 182.3 (Other Regulatory Assets)			\$ -	\$ -	\$ -	\$ -
162	Account 254 (Other Regulatory Liabilities)			-	-	-	-
163	Total - Transmission Regulatory Asset / (Liability)			\$ -	\$ -	\$ -	\$ -

Instructions

1. For transmission allocated deficient / (excess) deferred income taxes related to rate changes occurring after September 30, 2018, insert new amortization table that delineate the deficient and excess deferred taxes by protected property, unprotected property, and unprotected non-property by ADIT category.
2. Set the amortization period for unprotected property to 5 years and unprotected non-property to 4 years. The amortization of deficient and (excess) ADIT designated as protected will be calculated using the Average Rate Assumption Method (ARAM) or a manner that complies with the normalization requirements.
3. Update applicable formulas in the "Total Federal Deficient / (Excess) Deferred Income Taxes" and "Total State Deficient / (Excess) Deferred Income Taxes" sections to ensure appropriate inclusion of deficient / (excess) ADIT deferred income taxes related to rate changes occurring after September 30, 2018.
4. Insert note explaining the event giving rise to the deficient / (excess) ADIT including the start and end date for the amortization. The amortization ceases after the related regulatory asset / liability is drawn down to zero.

Notes

- A Deficient and (excess) ADIT related to the Tax Cuts and Jobs Act of 2017 (TCJA) will be amortized beginning January 1, 2018 based on the prescribed amortization periods as provided in the Settlement in Docket No. ER19-5 et al. The amortization periods for unprotected property and unprotected non-property related deficient and (excess) ADIT are fixed and cannot be changed without the Commission's express approval except, balances and categorizations may be changed if required by audit adjustments, tax return amendments, or new IRS guidance. The amortization of protected property related deficient and (excess) ADIT will be calculated using the Average Rate Assumption Method (ARAM) or a manner that complies with the normalization requirements and may vary by year depending on where each underlying asset resides in its individual life cycle. The unprotected property related deficient and (excess) ADIT will be fully amortized by December 31, 2022. The unprotected non-property related excess and deficient ADIT will be fully amortized by December 31, 2021. Note - The amortization formula in Column F will change based on where Pepco resides in the amortization cycle. The current year amortization of deficient and (excess) ADIT is recorded in FERC Accounts 410.1 and 411.1.
- B The remaining unamortized excess and deficient ADIT related to the Tax Reform Act of 1986 will be amortized using the Average Rate Assumption Method (ARAM) as provided in the Settlement in Docket No. ER19-5 et al. The current year amortization of deficient and (excess) ADIT is recorded in FERC Accounts 410.1 and 411.1.
- C The remaining unamortized deficient and (excess) ADIT related to the Maryland 2018 "Apportionment Weighting Change" as of September 30, 2018 will be amortized beginning October 1, 2018 based on the prescribed amortization periods as provided in the Settlement in Docket No. ER19-5 et al. The amortization periods for unprotected property and unprotected non-property related deficient and (excess) ADIT are fixed and cannot be changed without the Commission's express approval except, balances and categorizations may be changed if required by audit adjustments or tax return amendments. The unprotected property related deficient and (excess) ADIT will be fully amortized by September 30, 2023. The unprotected non-property related deficient and (excess) ADIT will be fully amortized by September 30, 2022. The unamortized deficient and (excess) state related ADIT including related amortization is reported net of federal taxes. Note - The amortization formula in Column F will change based on where Pepco resides in the amortization cycle. The current year amortization of deficient and (excess) ADIT is recorded in FERC Accounts 410.1 and 411.1.
- D The remaining unamortized deficient and (excess) ADIT related to the Washington, D.C. 2018 "Apportionment Weighting Change" as of September 30, 2018 will be amortized beginning October 1, 2018 based on the prescribed amortization periods as provided in the Settlement in Docket No. ER19-5 et al. The amortization periods for unprotected property and unprotected non-property related deficient and (excess) ADIT are fixed and cannot be changed without the Commission's express approval except, balances and categorizations may be changed if required by audit adjustments or tax return amendments. The unprotected property related deficient and (excess) ADIT will be fully amortized by September 30, 2023. The unprotected non-property related deficient and (excess) ADIT will be fully amortized by September 30, 2022. The unamortized deficient and (excess) state related ADIT including related amortization is reported net of federal taxes. Note - The amortization formula in Column F will change based on where Pepco resides in the amortization cycle. The current year amortization of deficient and (excess) ADIT is recorded in FERC Accounts 410.1 and 411.1.
- E The remaining unamortized deficient and (excess) ADIT related to the Washington, D.C. 2017 "Corporate Rate Change" as of September 30, 2018 will be amortized beginning October 1, 2018 based on the prescribed amortization periods as provided in the Settlement in Docket No. ER19-5 et al. The amortization periods for unprotected property and unprotected non-property related deficient and (excess) ADIT are fixed and cannot be changed without the Commission's express approval except, balances and categorizations may be changed if required by audit adjustments or tax return amendments. The unprotected property related deficient and (excess) ADIT will be fully amortized by September 30, 2023. The unprotected non-property related deficient and (excess) ADIT will be fully amortized by September 30, 2022. The unamortized deficient and (excess) state related ADIT including related amortization is reported net of federal taxes. Note - The amortization formula in Column F will change based on where Pepco resides in the amortization cycle. The current year amortization of deficient and (excess) ADIT is recorded in FERC Accounts 410.1 and 411.1.
- F The remaining unamortized deficient and (excess) ADIT related to the Washington, D.C. 2016 "Corporate Rate Change" as of September 30, 2018 will be amortized beginning October 1, 2018 based on the prescribed amortization periods as provided in the Settlement in Docket No. ER19-5 et al. The amortization periods for unprotected property and unprotected non-property related deficient and (excess) ADIT are fixed and cannot be changed without the Commission's express approval except, balances and categorizations may be changed if required by audit adjustments or tax return amendments. The unprotected property related deficient and (excess) ADIT will be fully amortized by September 30, 2023. The unprotected non-property related deficient and (excess) ADIT will be fully amortized by September 30, 2022. Note - The amortization formula in Column F will change based on where Pepco resides in the amortization cycle. The current year amortization of deficient and (excess) ADIT is recorded in FERC Accounts 410.1 and 411.1.
- G The remaining unamortized deficient and (excess) ADIT related to the Washington, D.C. 2015 "Corporate Rate Change" as of September 30, 2018 will be amortized beginning October 1, 2018 based on the prescribed amortization periods as provided in the Settlement in Docket No. ER19-5 et al. The amortization periods for unprotected property and unprotected non-property related deficient and (excess) ADIT are fixed and cannot be changed without the Commission's express approval except, balances and categorizations may be changed

if required by audit adjustments or tax return amendments. The unprotected property related deficient and (excess) ADIT will be fully amortized by September 30, 2023. The unprotected non-property related deficient and (excess) ADIT will be fully amortized by September 30, 2022. The unamortized deficient and (excess) state related ADIT including related amortization is reported net of federal taxes. Note - The amortization formula in Column F will change based on where Pepco resides in the amortization cycle. The current year amortization of deficient and (excess) ADIT is recorded in FERC Accounts 410.1 and 411.1.

H The remaining unamortized deficient and (excess) ADIT related to the Maryland 2007 "Corporate Rate Change" as of September 30, 2018 will be amortized beginning October 1, 2018 based on the prescribed amortization periods as provided in the Settlement in Docket No.

ER19-5 et al. The amortization periods for unprotected property and unprotected non-property related deficient and (excess) ADIT are fixed and cannot be changed without the Commission's express approval except, balances and categorizations may be changed if required by audit adjustments or tax return amendments. The unprotected property related deficient and (excess) ADIT will be fully amortized by September 30, 2023. The unprotected non-property related deficient and (excess) ADIT will be fully amortized by September 30, 2022. The unamortized deficient and (excess) state related ADIT including related amortization is reported net of federal taxes. Note - The amortization formula in Column F will change based on where Pepco resides in the amortization cycle. The current year amortization deficient and (excess) ADIT is recorded in FERC Accounts 410.1 and 411.1.

Tax Cuts and Jobs Act of 2017

				12/31/2017 ADIT - Pre Rate Change					12/31/2017 ADIT - Post Rate Change					12/31/17 Deficient / (Excess) Deferred Income Taxes											
Line	Detailed Description	Description	Category	Federal Gross Timing Difference	Federal ADI T @ 35%	State AD IT	Firm Total ADIT	Total ADIT	Federal Gross Timing Difference	Federal ADI T @ 21%	State AD IT	Firm Total ADIT	Total ADIT	Rate Change Deferred Tax Impact	Non- Recoverable	FAS 109 Regulatory Asset / Liability Deferred Taxes	Total Deficient / (Excess) ADIT Balance	Jurisdiction Allocator	Electric Transmission	Allocator (Note B)	Transmission Allocated Deficient / (Excess) ADIT Balance	FERC Account			
							(H)						(M)												
							(G =					(L =													
							) = (E)					) = (J)										
							(F +					(K +													
					(E) =		) * (F)		(J) =		) * (K)		(N) =				(Q) =					
					(D) *	35	+ (F)		(I) *	21	+ (K)		(H) -				(N) -				(U) = (Q)				
	(A)	(B)	(C)	(D)	35%	(F)	% (G)		(I)	21%	(K)	% (L)		(M)	(O)	(P)	(P)	(R)	(S)	(T)	* (T)	(V)			

**FERC
Account
190 -
Non-
Current
(Note A)**

1	Accrued Payroll Taxes - Manual Other	Accrued Liabilitie s	Non- Propert y		\$		\$	\$		\$		\$	\$	\$		\$	\$	Labor	Yes	10.09 0%	\$	190
					-		-	-		-		-	-	-		-	-				-	
2	Current Liabilities - General Accrued Liab- Required Health	Accrued Liabilitie s	Non- Propert y															100% DC	No	0.000 %	-	190
					-		-	-		-		-	-	-		-	-				-	

3	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	190
---	---	---	---	---	---	---	---	---	---	-------	-----	-------------	---	-----

4	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	190
5	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	190
6	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	190
7	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	190
8	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	190
9	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	190
10	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	190
11	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	190
12	-	-	-	-	-	-	-	-	-	Labor 100% Transmi ssion	Yes	100.0 00%	-	190
13	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	190

17		-	-	-	-	-	-	-	-	100% DC	No	0.000 %	-	190
18		-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	190
19		-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	190
20		-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
21		-	-	-	-	-	-	-	-	100% MD	No	0.000 %	-	190
22		-	-	-	-	-	-	-	-	100% DC	No	0.000 %	-	190
23		-	-	-	-	-	-	-	-	100% DC	No	0.000 %	-	190
24		-	-	-	-	-	-	-	-	100% MD	No	0.000 %	-	190

26	-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
27	-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
28	-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
29	-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
30	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	190
31	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	190
32	-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190

35		-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
36		-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
37		-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
38		-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
39		-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
40		-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
41		-	-	-	-	-	-	-	-	100% DC	No	0.000 %	-	190
42		-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190

43	FIN 48 Interest Payable-MD-NonCurrent Accrued Charitable Contributions-MD-Current Accrued Charitable Contributions-DC-Current	Interest on Contingent Taxes	Non-Property	-	-	-	-	-	-	-	-	-	-	Labor	Yes	10.090%	-	190
44	Merger Commitment Deferrals	Merger Commitment Deferrals	Non-Property	-	-	-	-	-	-	-	-	-	-	Plant	Yes	17.320%	-	190
	Merger Commitments Accrued Charitable Contributions-MD-Non-Current Accrued Charitable Contributions-DC-Non-Current	Merger Commitment Deferrals	Non-Property															
	Use Tax Payable-DC Other Long-Term Liabilities Federal State Income Taxes Deductible Maryland 1/1/2000 Basis	190 Deferred Taxes	Non-Property															

45	-	-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
46	-	-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
47	-	-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
48	-	-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
49	-	-	-	-	-	-	-	-	-	100% MD	No	0.000 %	-	190
50	-	-	-	-	-	-	-	-	-	100% MD	No	0.000 %	-	190
51	-	-	-	-	-	-	-	-	-	100% MD	No	0.000 %	-	190

52	Carryforward Asset Retirement Obligation -Electric Utility Plant	Regulatory Liabilities	Non-Property	-	-	-	-	-	-	-	-	-	-	100% DC	No	0.000 %	-	190
	Other Regulatory Liability - General Oth Reg Liab-	Regulatory Liabilities	Non-Property															
	Asset Retirement Obligation -Electric Reg Liab-	Regulatory Liabilities	Non-Property															
	Asset Retirement Obligation -Electric- Contra	Regulatory Liabilities	Non-Property															
	Regulatory Liability- MD Grid Resiliency Charge Reg Liab-	Regulatory Liabilities	Non-Property															
	MD Dynamic Pricing/Critical Pk Rebate Cr	Regulatory Liabilities	Non-Property															
	Regulatory Liability - MD - Base Reg Liab-	Regulatory Liabilities	Non-Property															
	Third Party Supplier- DC Distribution	Regulatory Liabilities	Non-Property															

53	Maryland Net Operating Loss Carryfor ard	State NOL	Non- Propert y	-	-	-	-	-	-	Plant	Yes	17.32 0%	-	190
54	DC Net Operating Loss Carryfor ard	State NOL	Non- Propert y	-	-	-	-	-	-	Plant	Yes	17.32 0%	-	190
55	Federal Net Operating Loss Carryfor ard	Federal NOL	Protect ed Propert y	-	-	-	-	-	-	Plant	Yes	17.32 0%	-	190
56	Unamorti zed Investme nt Tax Credits Other Reg Assets - Income Tax Recov thru Rates FAS 109	FAS 109 - Deferred Taxes on ITC	Protect ed Propert y	-	-	-	-	-	-	Plant	Yes	17.32 0%	-	190
57	- Regulator y Asset Electric	FAS109 Non- TCJA	N/A	-	-	-	-	-	-	N/A	No	17.32 0%	-	190
58	SFAS109 - Regulator y Liability Electric	FAS109 Non- TCJA	N/A	-	-	-	-	-	-	N/A	No	17.32 0%	-	190
59	SFAS109 - Regulator y Liability Electric	FAS109 TCJA	N/A	-	-	-	-	-	-	N/A	No	17.32 0%	-	190

FERC
Account
282 -
Property

62	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	Plant	Yes	17.32 0%	\$ -	282
63	-	-	-	-	-	-	-	-	-	-	-	-	-	Plant	Yes	17.32 0%	-	282
64	-	-	-	-	-	-	-	-	-	-	-	-	-	Plant	No	0.000 %	-	282
65	-	-	-	-	-	-	-	-	-	-	-	-	-	Plant	Yes	17.32 0%	-	282
66	-	-	-	-	-	-	-	-	-	-	-	-	-	Plant	Yes	17.32 0%	-	282

68		-	-	-	-	-	-	-	-	Plant	Yes	17.32 0%	-	282
69		-	-	-	-	-	-	-	-	Plant	Yes	17.32 0%	-	282
70		-	-	-	-	-	-	-	-	Plant	No	0.000 %	-	282
71		-	-	-	-	-	-	-	-	Plant	Yes	17.32 0%	-	282
72		-	-	-	-	-	-	-	-	Plant	No	0.000 %	-	282

[illegible]

75	es (Non-PowerTax) - Non-Protected DC Fixed Asset Differences (Non-PowerTax) - Non-Protected CIAC	Property (Non-PowerTax) Non-Protected Property (Non-PowerTax)	Property Unprotected Property	-	-	-	-	-	-	-	-	-	-	-	-	Plant	No	0.000 %	-	282
76	Fixed Asset Basis Differences (Non-PowerTax) - Non-Protected CIAC	Non-Protected Property (Non-PowerTax)	Unprotected Property	-	-	-	-	-	-	-	-	-	-	-	-	Plant	Yes	17.32 0%	-	282
77	Total FERC			-	-	-	-	-	-	-	-	-	-	-	-	Plant	No	0.000 %	-	282
78	Account 282			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				\$ -	

FERC Account 283 - Non-Current (Note A)

79	Unamortized Loss on Reacquired Debt - General	Reacquired Debt	Non-Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Labor	Yes	10.09 0%	\$ -	283
	Unamortized Loss - Pollution Bonds	Reacquired Debt	Non-Property																	

80	-	-	-		-	-	-	-	-	Labor	Yes	10.09 0%	-	283
----	---	---	---	--	---	---	---	---	---	-------	-----	-------------	---	-----

81	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	283
82	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	283
83	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	283
84	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	283
85	-	-	-	-	-	-	-	-	-	100% MD	No	0.000 %	-	283
86	-	-	-	-	-	-	-	-	-	100% MD	No	0.000 %	-	283
87	-	-	-	-	-	-	-	-	-	100% Transmi ssion	Yes	100.0 00%	-	283

88	Unamortized Loss - First Mortgage Bonds	Reacquired Debt	Non-Property	-	-	-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	283
89	Prepayments - Other Taxes	Maryland Property Taxes	Non-Property	-	-	-	-	-	-	-	-	-	-	100% DC	No	0.000 %	-	283
	Prepayments - General	Prepaid Interest	Non-Property															
	Prepayments - Workmen's Compensation DSM - Energy Efficient Products - Community - MD	Prepayments	Non-Property															
	Regulatory Assets - DSM - Direct Load Control - MD	Regulatory Asset - DSM	Non-Property															
	Regulatory Assets - FERC Formula Rate Adjustment - Transmission Svc	Regulatory Asset - FERC Formula Rate True-up	Non-Property															
	Regulatory Assets - Retirement Obligation	Regulatory Assets	Non-Property															
	Regulatory Assets -	Regulatory	Non-Property															

90	-	-	-	-	-	-	-	-	-	100% MD	No	0.000 %	-	283
91	-	-	-	-	-	-	-	-	-	100% DC	No	0.000 %	-	283
92	-	-	-	-	-	-	-	-	-	100% MD	No	0.000 %	-	283
93	-	-	-	-	-	-	-	-	-	100% DC	No	0.000 %	-	283
94	-	-	-	-	-	-	-	-	-	100% MD	No	0.000 %	-	283
95	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	283
96	-	-	-	-	-	-	-	-	-	100% DC	No	0.000 %	-	283

97	DC Recovery - Base	ry Assets		-	-	-	-	-	-	-	-	-	-	100% MD	No	0.000 %	-	283
98	Regulatory Assets - MD Recovery - Base	Regulatory Assets	Non-Property	-	-	-	-	-	-	-	-	-	-	100% DC	No	0.000 %	-	283
	Regulatory Assets - DC	Regulatory Assets	Non-Property									-	-					
	Regulatory Assets - MD	Regulatory Assets	Non-Property									-	-					
	Regulatory Assets - DC Power Line Undergrounding Reg Assets-Third Party Supplier Recovery-MD Dist	Regulatory Assets	Non-Property									-	-					
	Regulatory Asset - Wks Comp/LT Disability Accrual	Regulatory Assets	Non-Property									-	-					
	Regulatory Assets-DC Residential Aid	Regulatory Assets	Non-Property									-	-					
	Regulatory Asset-Maryland Meters	Regulatory Assets	Non-Property									-	-					
	AMI - Recoverable - DC	Regulatory Assets	Non-Property									-	-					

99	Prepaid Pension Costs	Pension Plan Contribution	Non-Property	-	-	-	-	-	-	-	-	-	-	-	-	Labor	Yes	10.090%	-	283
	Total FERC																			
100	Account 283			\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-				\$-	
101	Grand Total			<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>				<u>\$-</u>	

Protected Property	-	-
Unprotected Property	-	-
Non-Property	-	-
Total Unprotected	-	-
Total (Excess) / Deficient ADIT	-	-

Instructions

1. In accordance with ASC 740, deferred tax assets and liabilities are adjusted (re-measured) for the effect of the changes in tax law (including tax rates) in the period that the change is enacted. Adjustments are recorded in the appropriate deferred income tax balance sheet accounts (Accounts 190, 281, 282 and 283) based on the nature of the temporary difference and the related classification requirements of the accounts. If as a result of action or expected action by a regulator, it is probable that the effect of a future increase or decrease in taxes payable resulting from a change in tax law or rates will be recovered from or passed through to customers through future rates, a regulatory asset or liability is recognized in Account 182.3 (Other Regulatory Assets), or Account 254 (Other Regulatory Liabilities), as appropriate, for that probable future revenue or reduction in future revenue. The amortization of deficient and (excess) deferred income taxes that will be recovered from or passed through to customers through future rates will be recorded in FERC Accounts 410.1 (Provision for Deferred Income Taxes, Utility Operating Income) and 411.1 (Provision for Deferred Income Taxes—Credit, Utility Operating Income), as appropriate. Re-measurements of deferred tax balance sheet accounts may also result in re-measurements of tax-related regulatory assets or liabilities that had been recorded prior to the change in tax law. If it is not probable that the effect of a future increase or decrease in taxes payable resulting from a change in tax law or rates will be recovered from or passed through to customers through future rates, tax expense will be recognized in Account 410.2 (Provision for Deferred Income Taxes, Other Income or Deductions) or tax benefit is recognized in Account 411.2 (Provision for Deferred Income Taxes-Credit, Other Income or Deductions), as appropriate.
2. For deficient and (excess) accumulated deferred income taxes (ADIT) related to change(s) to income tax rates occurring after September 30, 2018, insert calculations that support the re-measurement amount delineated by category (i.e., protected property, unprotected property, and unprotected non-property).

3. Set the allocation percentages equal to the applicable percentages at the date of the rate change.

Notes

- A Categorization of items as protected or non-protected will remain as originally agreed, absent a change in guidance from the Internal Revenue Service (IRS) with respect to that items. Balances associated with the tax rate change will not be adjusted (except for amortization each year) absent audit adjustments, tax return amendments, or a change in IRS guidance. Any resulting changes will be prominently disclosed including the basis for the change.

- B The allocation percentage in Column T are based on the applicable percentages at the date of the rate change and must remain fixed absent the Commission's express approval.

END

Potomac Electric Power Company

Attachment 2 - Taxes Other Than Income Worksheet

Other Taxes		Page 263 Col (i)	Allocator	Allocated Amount
Plant Related		Gross Plant Allocator		
1				
1a				
2				
3				
4				
5		0		0
Total Plant Related				
Labor Related		Wages & Salary Allocator		
6				
Total Labor Related		0	0.0000%	0
Other Included		Gross Plant Allocator		
7				
Total Other Included		0	0.0000%	0
Total Included				
Currently Excluded				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17	Total "Other" Taxes (included on p.263)			
18	Total "Taxes Other Than Income Taxes" - acct 408.10 (p. 114.14)			
19	Difference	-		

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

Potomac Electric Power Company

Allocation of Property taxes to Transmission Function

<u>Plant</u>	<u>DC</u>	<u>Maryland</u>	<u>Virginia</u>	<u>PA</u>	<u>Total</u> <u>(from p. 263)</u>
Transmission					
Distribution					
General					
Total T,D, & General					
<u>Plant ratios by Jurisdiction</u>					
Transmission Ratio					
Distribution ratio					
General Ratio					
check					
<u>Property Taxes (Direct to Jurisdiction) Functionalization</u>					
Transmission Property Tax					
Distribution Property tax					
General Property Tax Total					
check					
<u>Allocation of General to Transmission</u>					
General Property Tax					
Trans Labor Ratio					
Trans General					

<u>Total Transmission Property Taxes</u>
Transmission
General
Total Transmission Property Taxes

Potomac Electric Power Company

Attachment 3 - Revenue Credit Workpaper

			Total Amount	Allocation Factor	Allocation %	Total Amount Included In Rates
Account 454 - Rent from Electric Property						
1	Rent from Electric Property - Transmission Related (Note 3)			Transmission	100%	\$ -
2	Total Rent Revenues	(Sum Lines 1)	-			\$ -
Account 456 - Other Electric Revenues (Note 1)						
3	Schedule 1A			Transmission	100%	\$ -
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)			Transmission	100%	-
5	Point to Point Service revenues for which the load is not included in the divisor received by Transmission Owner (Note 4)			Transmission	100%	-
6	PJM Transitional Revenue Neutrality (Note 1)			Transmission	100%	-
7	PJM Transitional Market Expansion (Note 1)			Transmission	100%	-
8	Professional Services (Note 3)			Transmission	100%	-
9	Revenues from Directly Assigned Transmission Facility Charges (Note 2)			Transmission	100%	-
10	Rent or Attachment Fees associated with Transmission Facilities (Note 3)			Transmission	100%	-
11	Affiliate Credits			Wages and Salaries	#DIV/0!	#DIV/0!
11a	Miscellaneous Credits (Attachment 5)			Various		#VALUE!
12	Gross Revenue Credits	(Sum Lines 2-11a)	-			#DIV/0!
13	Less line 18g		-	Transmission	100%	\$ -
14	Total Revenue Credits		-			#DIV/0!
Revenue Adjustment to determine Revenue Credit						
15	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.					
16	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.					
17	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 18a - 18g, 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).					
18a	Revenues included in lines 1-11 which are subject to 50/50 sharing.			-		
18b	Costs associated with revenues in line 18a	Attachment 5 - Cost Support		-		
18c	Net Revenues (18a - 18b)			-		
18d	50% Share of Net Revenues (18c / 2)			-		
18e	Costs associated with revenues in line 18a 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.			-		
18f	Net Revenue Credit (18d + 18e)			-		
18g	Line 18f less line 18a			-		
19	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.					
20	Amount offset in line 4 above					
21	Total Account 454, 456 and 456.1			-		
22	Note 4: SECA revenues booked in Account 447.					

Potomac Electric Power Company

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)	#DIV/0!
B	100 Basis Point increase in ROE			1.00%

Return Calculation				
59	Rate Base		(Line 39 + 58)	#DIV/0!
Long Term Interest				
100	Long Term Interest		p117.62c through 67c	0
101	Less LTD Interest on Securitization Bonds	(Note P)	Attachment 8	0
102	Long Term Interest		"(Line 100 - line 101)"	0
103	Preferred Dividends	enter positive	p118.29c	0
Common Stock				
104	Proprietary Capital		p112.16c	0
105	Less Preferred Stock	enter negative	(Line 114)	0
106	Less Account 216.1	- enter negative	p112.12c	0
107	Common Stock		(Sum Lines 104 to 106a)	0
Capitalization				
108	Long Term Debt		p112.17c through 21c	0
109	Less Loss on Reacquired Debt	enter negative	p111.81c	0
110	Plus Gain on Reacquired Debt	enter positive	p113.61c	0
111	Less ADIT associated with Gain or Loss	enter negative	Attachment 1B - ADIT EOY, Line 7	0
112	Less LTD on Securitization Bonds	enter negative	Attachment 8	0
113	Total Long Term Debt		(Sum Lines 108 to 112)	0
114	Preferred Stock		p112.3c	0
115	Common Stock		(Line 107)	0
116	Total Capitalization		(Sum Lines 113 to 115)	0
117	Debt %	Total Long Term Debt	(Line 108 / (108+114+115))	0%
118	Preferred %	Preferred Stock	(Line 114 / (108+114+115))	0%
119	Common %	Common Stock	(Line 115 / (108+114+115))	0%
120	Debt Cost	Total Long Term Debt	(Line 102 / 113)	0.0000
121	Preferred Cost	Preferred Stock	(Line 103 / 114)	0.0000
122	Common Cost	(Note J from Appendix A) Common Stock	Appendix A % plus 100 Basis Pts	0.0100
123	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 117 * 120)	0.0000
124	Weighted Cost of Preferred	Preferred Stock	(Line 118 * 121)	0.0000
125	Weighted Cost of Common	Common Stock	(Line 119 * 122)	0.0000
126	Total Return (R)		(Sum Lines 123 to 125)	0.0000
127	Investment Return = Rate Base * Rate of Return		(Line 59 * 126)	#DIV/0!

Composite Income Taxes				
Income Tax Rates				
128	FIT=Federal Income Tax Rate	(Note I from ATT H-9A)		0.00%
129	SIT=State Income Tax Rate or Composite	(Note I from ATT H-9A)		0.00%
130	p = percent of federal income tax deductible for state purposes		Per State Tax Code	0.00%
131	T	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		0.00%
132a	T/(1-T)			0.00%
132b	Tax Gross-Up Factor	$1*1/(1-T)$		1.0000
ITC Adjustment				
133	Investment Tax Credit Amortization	enter negative	Attachment 1A - ADIT	0

134	Tax Gross-Up Factor		(Line 132b)	1.0000
135	ITC Adjustment Allocated to Transmission		(Line 133 * 134)	#DIV/0!
	Other Income Tax Adjustment			
136a	Tax Adjustment for AFUDC Equity Component of Transmission Depreciation Expense	(Note T from ATT H-9A)	Attachment 5, Line 136a	0
136b	Amortization Deficient / (Excess) Deferred Taxes (Federal) - Transmission Component	(Note T from ATT H-9A)	Attachment 5, Line 136b	0
136c	AmortizationDeficient / (Excess) Deferred Taxes (State) - Transmission Component	(Note T from ATT H-9A)	Attachment 5, Line 136c	0
136d	Amortization of Other Flow-Through Items - Transmission Component	(Note T from ATT H-9A)	Attachment 5, Line 136d	0
136e	Other Income Tax Adjustments - Expense / (Benefit)		(Line 136a + 136b + 136c + 136d)	0
136f	Tax Gross-Up Factor		(Line 132b)	1.0000
136g	Other Income Tax Adjustment		(Line 136f * 136g)	0
137	Income Tax Component =	CIT=(T/1-T) * Investment Return * (1-(WCLTD/R)) =	[Line 132a * 127 * (1-(123 / 126))]	#DIV/0!
138	Total Income Taxes		(Line 135 + 136g +137)	#DIV/0!

Potomac Electric Power Company
Attachment 5 - Cost Support

Electric / Non-electric Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Electric Portion	Non-electric Portion	Details
Plant Allocation Factors							
10	Accumulated Intangible Amortization	(Note A)	p200.21c (See Attachment 9, column h)				
11	Accumulated Common Amortization - Electric	(Note A)	p356 (See Attachment 9, column i)				
12	Accumulated Common Plant Depreciation - Electric	(Note A)	p356 (See Attachment 9, column d)				
Plant In Service							
24	Common Plant (Electric Only)	(Notes A & B)	p356 (See Attachment 9, column d)				
Accumulated Deferred Income Taxes							
41	Accumulated Investment Tax Credit Account No. 255	(Notes A & I)	p266.h (See Attachment 1B)				
Materials and Supplies							
47	Undistributed Stores Exp	(Note A)	p227.6c & 16.c (See Attachment 9, column e)				
Allocated General & Common Expenses							
65	Plus Transmission Lease Payments	(Note A)	p200.3.c				
67	Common Plant O&M	(Note A)	p356				

Transmission / Non-transmission Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Transmission Related	Non-transmission Related	Details
28	Plant Held for Future Use (Including Land)	(Note C)	p214 (See Attachment 9, column c)				
							1
							2
							3
							4
							5

CWIP & Expensed Lease Worksheet

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	CWIP In Form 1 Amount	Expensed Lease in Form 1 Amount	Details
Plant Allocation Factors							
6	Electric Plant in Service	(Note B)	p207.104g (See Attachment 9A, column b)				
Plant In Service							
19	Transmission Plant In Service	(Note B)	p207.58.g (See Attachment 9, column b)				
24	Common Plant (Electric Only)	(Notes A & B)	p356 (See Attachment 9, column d)				
Accumulated Depreciation							
30	Transmission Accumulated Depreciation	(Note B)	p219.25.c (See Attachment 9, column e)				

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			

Interest on Outstanding Network Credits Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Interest on Network Credits	Description of the Interest on the Credits
155	Revenue Credits & Interest on Network Credits			Enter \$	General Description of the Credits
	Interest on Network Credits (Note N) PJM Data				
				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 Page #s and Instructions				1 CP Peak	Description & PJM Documentation
Network Zonal Service Rate					
173	1 CP Peak	(Note L)	PJM Data		

Statements BG/BH (Present and Proposed Revenues)

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

Abandoned Transmission Plant

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

MAPP Abandonment recovery pursuant to ER13-607

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions	
171a	2013-14 rate period
171a	2014-15 rate period
171a	2015-16 rate period
Total	

Brandywine Fly Ash Landfill Environmental Expenses

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

Depreciation & Amortization - Cost Support

Attachment A Line #s, Descriptions and Notes		Amounts	Merger Costs	Non Merger Related
86	Transmission Depreciation Expense			
87	General Depreciation			
88	Intangible Amortization			
92	Common Depreciation - Electric Only	-	-	-
93	Common Amortization - Electric Only	-	-	-

PBOP Expense in FERC 926

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Total A&G Form 1 Amount	Account 926 Form 1 Amount	PBOP in FERC 926 current rate year	PBOP in FERC 926 prior rate year	Explanation of change in PBOP in FERC 926
68	Total A&G Total: p.323.197.b Account 926: p.323.187.b and c					

Other Income Tax Adjustments

		Transmission		Tax Rate		Amount to Line 136f
		Depreciation		from Attachment H-9A, Line 131		
Line	Component Descriptions	Instruction References	Expense Amount			
136b	Tax Adjustment for AFUDC Equity Component of Transmission Depreciation Expense	Instr. 1, 2, 3 below	\$ -	X	0.00%	\$ -
136c	Amortization of Excess/Deficient Deferred Taxes - Transmission Component Amortization Excess / Deficient Deferred Taxes (Federal) - Transmission Component	Instr. 4 below				-
136d	Amortization Excess / Deficient Deferred Taxes (State) - Transmission Component	Instr. 4 below				-
136e	Amortization of Other Flow- Through Items - Transmission Component	Instr. 5 below				-
136f	Total Other Income Tax Adjustments - Expense / (Benefit)					\$ -

Instr. #s	Instructions
Inst. 1	Transmission Depreciation Expense is the gross cumulative amount based upon tax records of capitalized AFUDC equity embedded in the gross plant attributable to the transmission function multiplied by the Capital Recovery Rate (described in Instruction 2).
Inst. 2	Capital Recovery Rate is the book depreciation rate applicable to the underlying plant assets.
Inst. 3	"AFUDC-Equity" category reflects the nondeductible component of depreciation expense related to the capitalized equity portion of Allowance for Funds Used During Construction (AFUDC).
Inst. 4	Upon enactment of changes in tax law, accumulated deferred income taxes are re-measured and adjusted in the Company's books of account, resulting in deficient or (excess) accumulated deferred income taxes (ADIT). Such deficient or (excess) ADIT attributed to the transmission function will be based upon tax records and calculated in the calendar year in which the deficient or (excess) amount was measured and recorded for financial reporting purposes. See Attachment 1E - ADIT Amortization, Column F, Line 50 and Line 193 for additional information and support for the current year amortization. The current year amortization of deficient and (excess) ADIT is recorded in FERC Accounts 410.1 and 411.1.
Inst. 5	Other Flow-Through Items - In the past regulatory agencies required certain federal and state income tax savings resulting from temporary differences between the amount of taxes computed for ratemaking purposes and taxes on the amount of actual current federal income tax liability to be immediately "flowed through" rates for certain assets. The "flow-through" savings were accounted for in deferred tax balances, based on the expectation and understanding that while tax savings would be immediately flowed through to ratepayers, the flow-through expense incurred when the temporary differences reverse would be recovered from ratepayers. The "Amortization of Other Flow-Through Items" represents the transmission portion of tax expense relating to the reversal of these temporary differences. The Other Flow-Through balance as of September 30, 2018 will reverse beginning October 1, 2018 based on the prescribed periods.
Inst. 6	Negative amounts (i.e. tax benefits) reduce recoverable tax expense and positive amounts (i.e. tax expense) increase recoverable tax expense.

Potomac Electric Power Company

Attachment 5a - Allocations of Costs to Affiliates

Potomac Electric Power Company

Attachment 5b - Allocations of EBSC Costs to Affiliate

Attachment 6
True-Up Revenue Requirement Worksheet
Potomac Electric Power Company

Line No.	(1)	(2) Attachment H-9A Page, Line, Col.	(3) Transmission	(4) Allocator
1	Gross Transmission Plant - Total	Attach 9, line 16, column b	-	
2	Net Transmission Plant - Total	Attach 9, line 16, column i	-	
	O&M EXPENSE			
3	Total O&M Allocated to Transmission	Attach H-9A, line 85	#DIV/0!	
4	Annual Allocation Factor for O&M	(line 3 divided by line 1 col 3)	-	-
	GENERAL, INTANGIBLE AND COMMON (G&C) DEPRECIATION EXPENSE			
5	Total G, I & C Depreciation Expense	Attach H-9A, line 86a plus 91plus line 96	#DIV/0!	
6	Annual Allocation Factor for G, I & C Depreciation Expense	(line 5 divided by line 1 col 3)	#DIV/0!	#DIV/0!
	TAXES OTHER THAN INCOME TAXES			
7	Total Other Taxes	Attach H-9A, line 99	#DIV/0!	
8	Annual Allocation Factor for Other Taxes	(line 7 divided by line 1 col 3)	#DIV/0!	#DIV/0!
9	Less Revenue Credits (Enter As Negative)	Attach H-9A, line 154	-	
10	Annual Allocation Factor Revenue Credits	(line 9 divided by line 1 col 3)	-	-
11	Annual Allocation Factor for Expense	Sum of line 4, 6, 8, and 10		#DIV/0!
	INCOME TAXES			

12	Total Income Taxes	Attach H-9A, line 138	#DIV/0!		
13	Annual Allocation Factor for Income Taxes	(line 12 divided by line 2 col 3)	-	-	
	RETURN				
14	Return on Rate Base	Attach H-9A, line 145	#DIV/0!		
15	Annual Allocation Factor for Return on Rate Base	(line 14 divided by line 2 col 3)	-	-	
16	Annual Allocation Factor for Return	Sum of line 13 and 15	-	-	

Attachment 6
True-Up Revenue Requirement Worksheet
Potomac Electric Power Company

(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Line No.	All True-Up Items	PJM Project Number	Project Gross Plant	Annual Allocation Factor for Expense	Annual Expense Charge	Project Net Plant or CWIP Balance	Annual Allocation Factor for Return	Annual Return Charge	Project Depreciation/A mortization Expense	Annual Revenue Requirement	Incentive Return in basis Points	Incentive Return	Total Annual Revenue Requirement	True-Up Adjustmen t	Net Rev Req
			(Page 1 line 11) (Note C)	(Col. 3 * Col. 4)		(Page 1 line 16) (Notes D & I)	(Col. 6 * Col. 7)		(Notes E & I)	(Sum Col. 5, 8 & 9)	(Note K)	(Attachment 2, Line 28 /100 * Col. 11 * Col. 6)	(Sum Col. 10 & 12)	(Note F)	Sum Col. 13 & 14 (Note G)
17a	All revenue requirements excluding projects and adjustments	N/A		#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!		#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!
17b				#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!		#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!
17c				#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!		#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!
17d				#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!		#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!
17e				#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!		#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!
17f				#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!		#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!
17g				#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!		#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!
17h				#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!		#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!
17i				#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!		#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!
17j				#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!		#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!
17k				#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!		#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!
17l				#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!		#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!
17m				#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!		#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!
17n				#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!		#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!

17o		#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	#DIV/0!	#DIV/0!
17p		#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	#DIV/0!	#DIV/0!
17q		#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	#DIV/0!	#DIV/0!
17r												
17s												
17t												
17u												
17v												
17w												
17x												
17y												

18	Annual Totals	-	#DIV/0!	#DIV/0!		#DIV/0!	-	#DIV/0!	-	#DIV/0!	#DIV/0!	#DIV/0!
----	---------------	---	---------	---------	--	---------	---	---------	---	---------	---------	---------

- Note
- Letter
- A Gross Transmission Plant is that identified on page 2 line 2 of Attachment H
- B Inclusive of any CWIP or unamortized abandoned plant included in rate base when authorized by FERC order less any prefunded AFUDC, if applicable.
- C Project Gross Plant is the total capital investment for the project calculated in the same method as the gross plant value in line 1. This value includes subsequent capital investments required to maintain the facilities to their original capabilities.
Gross plant does not include Unamortized Abandoned Plant.
- D Project Net Plant is the Project Gross Plant Identified in Column 3 less the associated Accumulated Depreciation. Net Plant includes CWIP and Unamortized Abandoned Plant and excludes any regulatory asset, which are to entered as a separate line item. E
Project Depreciation Expense is the actual value booked for the project and included in the Depreciation Expense in Attachment H, page 3, line 14. Project Depreciation Expense includes the amortization of Abandoned Plant
- F True-Up Adjustment is calculated on the Project True-up Schedule for the Rate Year
- G The Net Rev Req is the value to be used in the rate calculation under the applicable Schedule under the PJM OATT for each project.
- H The Total General, Intangible and Common Depreciation Expense excludes any depreciation expense directly associated with a project and thereby included in page 2 column 9.
The Unamortized Abandoned Plant balance is included in Net Plant, and Amortization of Abandoned Plant is
- I included in Depreciation/Amortization Expense.
The Competitive Bid Concession is the reduction in revenue, if any, that the company agreed to, for instance, to be selected to build facilities as the result of a competitive process and equals
- J the amount by which the annual revenue requirement is reduced from the ceiling rate
Requires approval by FERC of incentive return applicable to
- K the specified project(s)
All transmission facilities reflected in the revenue requirement on Attachment
- M H-9A are to be included in this Attachment 6.
Facilities that provide Wholesale Distribution Service are not to be listed as projects on lines 15, the revenue requirements
- N associated with these facilities are calculated on Attachment 11
When an updated projected net revenue requirement is posted due to an asset acquisition as provided for in the Protocols, the difference between the updated net revenue
- O requirement in Col (16) and the revenues collected to date will be recovered
over the remaining months of the Rate Year.
- P "All revenue requirements excluding projects and adjustments" on line 17a refers to all projects not qualifying
for regional recovery or adjustments.

Attachment 6A
True-Up
Potomac Electric Power Company

1
2

Rate Year being Trued-Up		For Rate Year		Revenue Received ³	Actual Revenue Received Annual True-Up Calculation				
A	B	C	D	E	F	G	H	I	J
			% of						
		Projected	Total	Revenue	Actual Revenue Received	Net Revenue	Unneeded Revenue	Interest	Total True-Up
All True-Up Items	PJM Project Number	Net Revenue	Revenue	Received	Revenue Received	Revenue Received	Revenue Received	Revenue Received	Revenue Received

Notes:

- 1) From Attachment 1, line 15, col. 14 for the projection for the Rate Year.
- 2) From Attachment 1, line 15, col. 14 for that project based on the actual costs for the Rate Year.
- 3) The "Revenue Received" on line 2, Col. (E), is the total amount of revenue distributed to company in the year as shown on pages 328-330 of the Form No 1. The Revenue Received is input on line 2, Col. E excludes any True-Up revenues.
Column E, lines 3 are the dollar amounts of Revenue Received reflecting the % in Column D. This assigns to each project a percentage of the revenue received based on the percentage of the Projected Net Revenue Requirement in Column C.
Column D, lines 3 are sourced from the projected revenue requirement for the year at issue.
- 4) Interest from Attachment 6.
- 5) Prior Period Adjustment from line 5 is pro rata to each project, unless the error was project specific.

Attachment 6A
True-Up
Potomac Electric Power Company

Prior Period Adjustments

5

(a)	(b)	(c)	(d)
Prior Period Adjustments	Amount	Interest	Total Col. (b) + Col. (c)
(Note B)	In Dollars	Note B	
-	-	-	-

6	TO calculates NITS revenues, net of true-ups, received in calendar Year 1 (e.g., 2018)			
7		(A)	(B)	(C) = (A) - (B) Revenue s Received (net of true-ups)
8		PJM Billed Revenue Received	True-up	
9	Jan-May (Year 1)			-
10	June-Dec (Year 1)			-
11				-
12	TO calculates Reconciliation Revenues for Year 1 (e.g. 2018) by populating template with Year 1 actuals.			
13	Jan-Dec (Year 1)			-

- Notes:
- A

For each project or Attachment H-9A, the utility will populate the formula rate with the inputs for the True-Up Year. The revenue requirements, based on actual operating results for the True-Up Year, associated with the projects and Attachment H-9A will then be entered in Col. (F) above. Column (E) above contains the actual revenues received associated with Attachment H-9A and any Projects paid by the RTO to the utility during the True-Up Year. Then in Col. (G), Col. (E) is subtracted from Col. (F) to calculate the True-up Adjustment. The Prior Period Adjustment from Line 5 below is input in Col. (H). Column (I) is the applicable interest rate from Attachment 6B. Column (I) adds the interest on the sum of Col.(G) and (H). Col. (J) is the sum of Col. (G), (H), and (I).
- B

Prior Period Adjustment is the amount of an adjustment to correct an error in a prior period. The adjustment will include a gross-up for income tax purpose, as appropriate. The FERC Refund interest rate specified in CFR 35.19(a) for the period up to the date the projected rates that are subject to True Up here went into effect.

1

New Plant Carrying Charge

2

Fixed Charge Rate (FCR) if not a CIAC

3

Formula Line

4

A160Net Plant Carrying Charge without Depreciation

5

B167Net Plant Carrying Charge per 100 Basis Point increase in ROE without Depreciation

6

CLine B less Line A

7

FCR if a CIAC

8

D161Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes

9

The FCR resulting from Formula in a given year is used for that year only.

10

Therefore actual revenues collected in a year do not change based on cost data for subsequent years

11

The ROE is 10.5% which includes a base ROE of 10.0% ROE per FERC order in Docket No. EL13-48 and a 50 basis point RTO membership adder as authorized by FERC: provided, that the projects identified in Docket Nos. ER08-686 and ER08-1423 have been awarded an additional 150 basis point adder and, thus, their ROE is 12.0%.

	Details	Other Plant In Service				Other Plant In Service				MAPP CWIP				MAPP In Service						
"Yes" if a project under PJM OATT Schedule 12, otherwise "No"	Schedule 12 (Yes or No)																			
Useful life of project	Life																			
"Yes" if the customer has paid a lump sum payment in the amount of the investment on line 18, Otherwise "No"	CIAC (Yes or No)																			
Input the allowed ROE Incentive	Increased ROE (Basis Points)																			
From line 4 above if "No" on line 14 and From line 8 above if "Yes" on line 14	Base FCR																			
Line 6 times line 15 divided by 100 basis points	FCR for This Project																			
Columns A, B or C from Attachment 6	Investment	may be weighted average of small projects																		
Line 18 divided by line 13	Annual Depreciation Exp																			
From Columns H, I or J from Attachment 6	Month In Service or Month for CWIP																			
	Invest Yr	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Total	Incentive Charged	Revenue Credit
Base FCR	2008	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2008	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
Base FCR	2009	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2009	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
Base FCR	2010	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2010	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
Base FCR	2011	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2011	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
Base FCR	2012	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2012	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
Base FCR	2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
																		\$		
																		\$	\$ -	\$ -

Potomac Electric Power Company

Attachment 8 - Company Exhibit - Securitization Workpaper

Line #	Long Term Interest	
101	Less LTD Interest on Securitization Bonds	0
112	Capitalization	
	Less LTD on Securitization Bonds	0

Calculation of the above Securitization Adjustments

Potomac Electric Power Company
Attachment 9 – Rate Base Worksheet

(Note K)		Gross Plant In Service			Accumulated Depreciation			Accumulated Amortization		Net Plant In Service			
Line No	Month (a)	Transmission (b)	General & Intangible (c)	Common (d)	Transmission (e)	General (f)	Common (g)	Intangible (h)	Common (i)	Transmission (j)	General & Intangible (k)	Common (l)	
	Attachment H-9A, Line No:	19	23	24	30	31	12	10	11				
		207.58.g minus 207.57.g. Projected monthly balances that are the amounts expected to be included in 207.58.g for end of year and records for other months (Note I)	207.99.g minus 207.98.g for end of year, records for other months	Electric Only, Form No 1, page 356 for end of year, records for other months	Projected monthly balances that are expected to be included in 219.25.c for end of year and records for other months (Note I)	219.28.c for end of year, records for other months	Electric Only, Form No 1, page 356 for end of year, records for other months	200.21c for end of year, records for other months	Electric Only, Form No 1, page 356 for end of year, records for other months	Col. (b) - Col. (e)	Col. (c) - Col. (f) - Col. (h)	Col. (d) - Col. (g) - Col. (i)	
1	December Prior Year												
2	January												
3	February												
4	March												
5	April												
6	May												
7	June												
8	July												
9	August												
10	September												
11	October												
12	November												
13	December												
	Average of the 13 Monthly Balances												
14	(Attachment 9A)												
	Less Merger Cost to Achieve												
15	(Attachment 10)												
	Average of the 13 Monthly Balances Less Merger Cost to												
16	Achieve												

Attachment 9 – Rate Base Worksheet

Adjustments to Rate Base												
Line No	Month	CWIP CWIP in Rate Base (b)	PHFU Held for Future Use (c)	Materials & Supplies (d)	Undistributed Stores Expense (e)	Prepayments (f)	Unamortized Regulatory Asset (g)	Unamortized Abandoned Plant (h)	Account No. 282 Accumulated Deferred Income Taxes (Note D) (i)	Account No. 283 Accumulated Deferred Income Taxes (Note D) (j)	Account No. 190 Accumulated Deferred Income Taxes (Note D) (k)	Account No. 255 Accumulated Deferred Investment Credit (l)
	Attachment H-9A, Line No:	43a	28	49	47	45		43b				
		(Note C)	214 for end of year, records for other months	227.8. c + 227.5.c (See Att H-9A Note AA) for end of year, records for other months	(227.16.c * Labor Ratio) for end of year, records for other months	Notes J	Notes A & E	Notes B & F	Attachment 1	Attachment 1	Attachment 1	Attachment 1
17	December Prior Year	-	-	-	-	-	-	-	-	-	-	-
18	January	-	-	-	-	-	-	-	-	-	-	-
19	February	-	-	-	-	-	-	-	-	-	-	-
20	March	-	-	-	-	-	-	-	-	-	-	-
21	April	-	-	-	-	-	-	-	-	-	-	-
22	May	-	-	-	-	-	-	-	-	-	-	-
23	June	-	-	-	-	-	-	-	-	-	-	-
24	July	-	-	-	-	-	-	-	-	-	-	-
25	August	-	-	-	-	-	-	-	-	-	-	-
26	September	-	-	-	-	-	-	-	-	-	-	-
27	October	-	-	-	-	-	-	-	-	-	-	-
28	November	-	-	-	-	-	-	-	-	-	-	-
29	December	-	-	-	-	-	-	-	-	-	-	-
	Average of the 13 Monthly Balances (except ADIT - see Attachment 1)	-	-	-	-	-	-	-	-	-	-	-

Notes:

- A Recovery of regulatory asset or any associated amortization expenses is limited to any regulatory assets authorized by FERC.
- B Recovery of abandoned plant is limited to any abandoned plant recovery authorized by FERC.
- C Includes only CWIP authorized by the Commission for inclusion in rate base. The annual report filed pursuant to Section 7 of the Protocols will include for each project under construction (i) the CWIP balance eligible for inclusion in rate base; (ii) the CWIP balance ineligible for inclusion in rate base; and (iii) a demonstration that AFUDC is only applied to the CWIP balance that is not included in rate base. The annual report will reconcile the project-specific CWIP balances to the total Account 107 CWIP balance reported on p. 216.b of the FERC Form 1. The demonstration in (iii) above will show that monthly debts and credits do not contain entries for AFUDC for each CWIP project in rate base.
- D ADIT and Accumulated Deferred Income Tax Credits are computed using the average of the beginning of the year and the end of the year balances. The projection will use line 108 of Attachment 4a to populate the average ADIT balance on line 28 above.
- E Recovery of a Regulatory Asset is permitted only for pre-commercial and formation expenses, and is subject to FERC approval before the amortization of the Regulatory Asset can be included in rates. Recovery of any other regulatory assets requires authorization from the Commission. A carrying charge equal to the weighted cost of capital will be applied to the Regulatory Asset prior to the rate year when costs are first recovered.
- F Unamortized Abandoned Plant and Amortization of Abandoned Plant will be zero until the Commission accepts or approves recovery of the cost of abandoned plant.
- G The Formula Rate shall include a credit to rate base for all unfunded reserves (funds collected from customers that (1) have not been set aside in a trust, escrow or restricted account; (2) whose balance are collected from customers through cost accruals to accounts that are recovered under the Formula Rate; and (3) exclude the portion of any balance offset by a balance sheet account). Each unfunded reserve will be included on lines 30 above. The allocators in Col. (g) and Col. (m) will be the same allocators used in the formula for the cost accruals to the account that is recovered under the Formula Rate. Since reserves can be created by an offsetting balance sheet account, rather than through cost accruals, the amount to be deducted from rate base should exclude the portion offset by another balance sheet account.
- H Calculate using 13 month average balance, except ADIT.
- I Projected balances are for the calendar year the revenue under this formula begins to be charged.
- J From Attachment 5, line 45 column F for the end of year balance and records for other months.
- K In the true-up calculation, actual monthly balance records are used.

Potomac Electric Power Company
Attachment 9A – Gross Plant in Service and Accumulated Depreciation (Less Asset Retirement Obligations)

(Note A)		Gross Plant In Service				Asset Retirement Obligations				Gross Plant in Service Less Asset Retirement Obligations			
Line No	Month (a)	Total Plant in Service (b)	Transmission (c)	General & Intangible (d)	Common (e)	Total Plant in Service (f)	Transmission (g)	General & Intangible (h)	Common (i)	Total Plant in Service (j)	Transmission (k)	General (l)	Common (m)
	Attachment H-9A, Line No:	p207.104.g. Projected monthly balances that are the amounts expected to be included in 207.104.g for end of year and records for other months	207.58.g. Projected monthly balances that are the amounts expected to be included in 207.58.g for end of year and records for other months (Note I)	207.99.g. plus 205.5.g. for end of year, records for other months	Electric Only, Form No 1, page 356 for end of year, records for other months	207.57.g. + 207.74.g. + 207.83.g. + 207.98.g. Projected monthly balances that are the amounts expected to be included in 207.57.g. + 207.74.g. + 207.83.g. + 207.98.g. for end of year and records for other months	207.57.g. Projected monthly balances that are the amounts expected to be included in 207.57.g for end of year and records for other months	207.98.g. for end of year, records for other months	Electric Only, Form No 1, page 356 for end of year, records for other months	Col. (b) - Col. (f)	Col. (c) - Col. (g)	Col. (d) - Col. (h)	Col. (e) - Col. (i)
1	December Prior Year					-				-	-	-	-
2	January					-				-	-	-	-
3	February					-				-	-	-	-
4	March					-				-	-	-	-
5	April					-				-	-	-	-
6	May					-				-	-	-	-
7	June					-				-	-	-	-
8	July					-				-	-	-	-
9	August					-				-	-	-	-
10	September					-				-	-	-	-
11	October					-				-	-	-	-
12	November					-				-	-	-	-
13	December					-				-	-	-	-
14	Average of the 13 Monthly Balances	-	-	-	-	-	-	-	-	-	-	-	-

Potomac Electric Power Company
Attachment 9A – Gross Plant in Service and Accumulated Depreciation (Less Asset Retirement Obligations)

Line No	Month	Accumulated Depreciation				Asset Retirement Obligations				Accumulated Depreciation Less Asset Retirement Obligations			
		Total Plant in Service	Transmission	General	Common	Total Plant in Service	Transmission	General	Common	Total Plant in Service	Transmission	General	Common
		(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
	(a) Attachment H-9A, Line No:	219.29.c Projected monthly balances that are the amounts expected to be included in 219.29.c for end of year and records for other months	219.25.c Projected monthly balances that are the amounts expected to be included in 219.25.c for end of year and records for other months	219.28c for end of year, records for other months	200.21c for end of year, records for other months	Electric Only, Form No 1, page 356 for end of year, records for other months	Electric Only, Form No 1, page 356 for end of year, records for other months	219.29.c Projected monthly balances that are the amounts expected to be included in 219.29.c for end of year and records for other months	219.25.c Projected monthly balances that are the amounts expected to be included in 219.25.c for end of year and records for other months	219.28c for end of year, records for other months	200.21c for end of year, records for other months	Electric Only, Form No 1, page 356 for end of year, records for other months	Electric Only, Form No 1, page 356 for end of year, records for other months
15	December Prior Year					-				-	-	-	-
16	January					-				-	-	-	-
17	February					-				-	-	-	-
18	March					-				-	-	-	-
19	April					-				-	-	-	-
20	May					-				-	-	-	-
21	June					-				-	-	-	-
22	July					-				-	-	-	-
23	August					-				-	-	-	-
24	September					-				-	-	-	-
25	October					-				-	-	-	-
26	November					-				-	-	-	-
27	December					-				-	-	-	-
28	Average of the 13 Monthly Balances	-	-	-	-	-	-	-	-	-	-	-	-

Potomac Electric Power Company
Attachment 9A – Gross Plant in Service and Accumulated Depreciation (Less Asset Retirement Obligations)

Accumulated Depreciation & Amortization Less Asset Retirement Obligations							
Line No	Month (a) Attachment H-9A, Line No:	Total Plant in Service (b) 9	Transmission (c) 30	General Depreciation (d) 31	Intangibl e (e) 32	Common Depreciation (f) 12	Common Amortization (g) 11
		Col. (b) - Col. (h)	Col. (c) - Col. (i)	Col. (d) - Col. (j)	Col. (e) - Col. (k)	Col. (f) - Col. (l)	Col. (g) - Col. (m)
29	December Prior Year					-	-
30	January					-	-
31	February					-	-
32	March					-	-
33	April					-	-
34	May					-	-
35	June					-	-
36	July					-	-
37	August					-	-
38	September					-	-
39	October					-	-
40	November					-	-
41	December					-	-
42	Average of the 13 Monthly Balances					-	-

Note:
A In the true-up calculation, actual monthly balance records are used.

Potomac Electric Power Company
Attachment 10 – Merger Costs

	(a)	(b)	(c)	(d)	(...)	(x)
O&M Cost To Achieve						
FERC Account		Total	Allocation to Trans.			Total
1	Transmission O&M					

2	A&G				
4	Total				
5					
6	Depreciation & Amortization Expense Cost To Achieve				
7	FERC Account	Total	Allocation to Trans.		Total
8	General Plant				
9	Intangible Plant				
11	Total				
	Capital Cost To Achieve included in the General and Intangible Plant	General	Intangible		Total
	Gross Plant				
12	December Prior Year				
13	January				
14	February				
15	March				
16	April				
17	May				
18	June				
19	July				
20	August				
21	September				
22	October				
23	November				
24	December				
25	Average				
	Accumulated Depreciation	General	Intangible		Total
26	December Prior Year				
27	January				
28	February				
29	March				
30	April				
31	May				
32	June				
33	July				
34	August				
35	September				
36	October				
37	November				
38	December				
39	Average				

Potomac Electric Power Company
Attachment 10 – Merger Costs

	(a)	(c)	(d)	(e)	(...)	(x)
	Net Plant = Gross Plant Minus Accumulated Depreciation from above					Total
40	December Prior Year	-	-	-	-	\$ -
41	January	-	-	-	-	\$ -

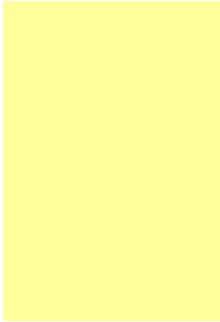
42	February	-	-	-	-	\$	-
43	March	-	-	-	-	\$	-
44	April	-	-	-	-	\$	-
45	May	-	-	-	-	\$	-
46	June	-	-	-	-	\$	-
47	July	-	-	-	-	\$	-
48	August	-	-	-	-	\$	-
49	September	-	-	-	-	\$	-
50	October	-	-	-	-	\$	-
51	November	-	-	-	-	\$	-
52	December	-	-	-	-	\$	-
53	Average	-	-	-	-		-

Depreciation (Monthly Change of Accumulated Depreciation from above)							Total
54	January	-				\$	-
55	February	-				\$	-
56	March	-				\$	-
57	April	-				\$	-
58	May	-				\$	-
59	June	-				\$	-
60	July	-				\$	-
61	August	-				\$	-
62	September	-				\$	-
63	October	-				\$	-
64	November	-				\$	-
65	December	-				\$	-
66	Total	-				\$	-

Potomac Electric Power Company
Attachment 10 – Merger Costs

	(a)	(b)
Capital Cost To Achieve included in Total Electric Plant in Service		
67	December Prior Year	
68	January	
69	February	
70	March	
71	April	

72 May
73 June
74 July
75 August
76 September
77 October
78 November
79 December
80 Average



Potomac Electric Power Company
Attachment 11A - O&M Workpaper

		(a)	(b)	(c)	
		Non-Recoverable	Directly Assigned		
1	Operation, Supervision & Engineering	560.0	\$ -	\$	-
2	Load Dispatch-Reliability	561.1	-	\$	-
3	Load Dispatch-Monitor & Oper Tran Sys	561.2	-	\$	-
4	Load Dispatch-Trans Svc & Scheduling	561.3	-	\$	-
5	Scheduling, Sys Control & Dispatch Svc	561.4	-	\$	-
6	Reliability Planning & Standards Devel	561.5	-	\$	-
7	Transmission Service Studies	561.6	-	\$	-
8	Generation Interconnection Studies	561.7	-	\$	-
9	Reliability Planning & Standard Devel	561.8	-	\$	-
10	Station Expenses	562.0	-	\$	-
11	Overhead Line Expenses	563.0	-	\$	-
12	Underground Line Expenses	564.0	-	\$	-
13	Transmission of Electricity by Others	565.0	-	\$	-
14	Miscellaneous Transmission Expenses	566.0	-	\$	-
15	Rents	567.0	-	\$	-
16	Maintenance, Supervision & Engineering	568.0	-	\$	-
17	Maintenance of Structures	569.0	-	\$	-
18	Maintenance of Computer Hardware	569.1	-	\$	-
19	Maintenance of Computer Software	569.2	-	\$	-
20	Maintenance of Communication Equipment	569.3	-	\$	-
21	Maintenance of Misc Regional Transmission Plant	569.4	-	\$	-
22	Maintenance of Station Equipment	570.0	-	\$	-
23	Maintenance of Overhead Lines	571.0	-	\$	-
24	Maintenance of Underground Lines	572.0	-	\$	-
25	Maintenance of Misc Transmission Plant	573.0	\$ -	\$	-
26	Transmission Expenses - Total (Sum of lines 1-25)	- \$	- \$	- \$	-
27	Transmission O&M		Total		-

Potomac Electric Power Company
Attachment 11B - A&G Workpaper

			(a)	(b)	(c)	(d)	(e)
			323.181.b to 323.196.b				
			Total	S&W Allocation	Net Plant Allocation	Non-Recoverable	Directly Assigned
1	Administrative and General Salaries	920.0	\$ -	\$ -			\$ -
2	Office Supplies and Expenses	921.0	-	-			-
3	Administrative Expenses Transferred-Credit	922.0	-	-			-
4	Outside Service Employed	923.0	-	-			-
5	Property Insurance	924.0	-	-			-
6	Injuries and Damages	925.0	-	-			-
7	Employee Pensions and Benefits	926.0	-	-			-
8	Franchise Requirements	927.0	-	-			-
9	Regulatory Commission Expenses	928.0	-	-			-
10	Duplicate Charges-Credit	929.0	-	-			-
11	General Advertising Expenses	930.1	-	-			-
12	Miscellaneous General Expenses	930.2	-	-			-
13	Rents	931.0	-	-			-
14	Maintenance of General Plant	935	\$ -	\$ -			\$ -
15	Administrative & General - Total (Sum of lines 1-14)		\$ -	\$ -	\$ -	\$ -	\$ -
16	Allocation Factor			0.00%	0.00%	0.00%	100.00%
17	Transmission A&G ¹			-	-	-	-
18						Total ²	\$0

¹ Multiply total amounts on line 15, columns (b)-(e) by allocation factors on line 16.

² Sum of line 17, columns (b), (c), (d), (e).

Potomac Electric Power Company
Attachment 12 - Depreciation Rates

(A)	(B)	(C)
Number	Plant Type	Applied Depreciation Rate
Electric Transmission		
350.2	Land and Land Rights	1.55%
352	Structures and Improvements	1.36%
353	Station Equipment	1.97%
354	Towers and Fixtures	2.74%
355	Poles and Fixtures	3.21%
356	Overhead Conductors and Devices	3.13%
357	Underground Conduit	1.53%
358	Underground Conductors and Devices	2.46%
359	Roads and Trails	1.14%
Electric General		
390 - ALLOCABLE	Structures and Improvements	
390 - DC	Structures and Improvements	
390 - MD	Structures and Improvements	
390 - SMECO	Structures and Improvements	
391.1 - ALLOCABLE	Office Furniture and Equipment	
391.1 - DC	Office Furniture and Equipment	
391.1 - MD	Office Furniture and Equipment	
391.3 - ALLOCABLE	Office Furniture and Equipment	
391.3 - DC	Office Furniture and Equipment	
391.3 - MD	Office Furniture and Equipment	
393 - DC	Stores Equipment	
393 - MD	Stores Equipment	
394 - DC	Tools, Shop, Garage Equipment	
394 - MD	Tools, Shop, Garage Equipment	
395 - DC	Laboratory Equipment	
395 - MD	Laboratory Equipment	
396 - ALLOCABLE	Power Operated Equipment	
397 - ALLOCABLE	Communication Equipment	
397 - DC	Communication Equipment	
397 - MD	Communication Equipment	
397 - SMECO	Communication Equipment	
397.1 - ALLOCABLE	Communication Equipment	
397.1 - MD	Communication Equipment	
397.3 - DC	Communication Equipment	
397.3 - MD	Communication Equipment	
398 - DC	Miscellaneous Equipment	
398 - MD	Miscellaneous Equipment	
Electric Intangible		
302	Franchises and Consents	
303	Miscellaneous Intangible Plant	
303.1	2-year plant	
303.2	3-year plant	
303.3	4-year plant	
303.4	5-year plant	
303.5	7-year plant	
303.6	10-year plant	
303.7	12-year plant	
303.8	15-year plant	

Note: Depreciation and amortization rates as approved by FERC in Docket #

Attachment B
Revisions to PJM OATT
Attachment H-9A
(Marked Tariff)

ATTACHMENT H-9A

Potomac Electric Power Company			
Formula Rate -- Appendix A			
		Notes	FERC Form 1 Page # or Instruction

Shaded cells are input cells

Allocators

Wages & Salary Allocation Factor			
1	Transmission Wages Expense		p354.21b
2	Total Wages Expense		p354.28b
3	Less A&G Wages Expense		p354.27b
4	Total		(Line 2 - 3)
5	Wages & Salary Allocator		(Line 1 / 4)
Plant Allocation Factors			
6	Electric Plant in Service	(Note B)	p207.104g (See Attachment 9A, line 14, column j)
6a	Less Merger Costs to Achieve		Attachment 10, line 80, column b
7	Common Plant In Service - Electric		(Line 24 -24a)
8	Total Plant In Service		(Line 6 - 6a + 7)
9	Accumulated Depreciation (Total Electric Plant)		p219.29c (See Attachment 9A, line 42, column b)
9a	Less Merger Costs to Achieve		Attachment 10, line 39, column b
10	Accumulated Intangible Amortization	(Note A)	p200.21c (See Attachment 9, line 14, column h)
10a	Less Merger Costs to Achieve		Attachment 9, line 15, column h
11	Accumulated Common Amortization - Electric	(Note A)	p356 (See Attachment 9, line 14, column i)
11a	Less Merger Costs to Achieve		Attachment 9, line 15, column i
12	Accumulated Common Plant Depreciation - Electric	(Note A)	p356 (See Attachment 9, line 14, column g)
12a	Less Merger Costs to Achieve		Attachment 9, line 15, column g
13	Total Accumulated Depreciation		(Line 9 - 9a + 10 - 10a + 11 - 11a + 12 - 12a)
14	Net Plant		(Line 8 - 13)
15	Transmission Gross Plant		(Line 29 - Line 28)
16	Gross Plant Allocator		(Line 15 / 8)
17	Transmission Net Plant		(Line 39 - Line 28)
18	Net Plant Allocator		(Line 17 / 14)

Plant Calculations

Plant In Service			
19	Transmission Plant In Service	(Note B)	p207.58.g (See Attachment 9, line 14, column b)
19a	Less Merger Costs to Achieve		Attachment 9, line 15, column b
20	This line Intentionally Left Blank		

21	<u>This line Intentionaly Left Blank</u>		
22	Total Transmission Plant In Service		(Line 19 - 19a)
23	General & Intangible		p205.5.g & p207.99.g (See Attachment 9, line 14, column c)
23a	Less Merger Costs to Achieve		Attachment 9, line 15, column c
24	Common Plant (Electric Only)	(Notes A & B)	p356 (See Attachment 9, line 14, column d)
24a	Less Merger Costs to Achieve		Attachment 9, line 15, column d
25	Total General & Common		(Line 23 – 23a + 24 – 24a)
26	Wage & Salary Allocation Factor		(Line 5)
27	General & Common Plant Allocated to Transmission		(Line 25 * 26)
28	Plant Held for Future Use (Including Land)	(Note C)	p214 (See Attachment 9, line 30, column c)
29	TOTAL Plant In Service		(Line 22 + 27 + 28)
Accumulated Depreciation			
30	Transmission Accumulated Depreciation	(Note B)	p219.25.c (See Attachment 9, line 14, column e)
30a	Less Merger Costs to Achieve		Attachment 9, line 15, column e
30b	Transmission Accumulated Depreciation Less Merger Costs to Achieve		(Line 30 - 30a)
31	Accumulated General Depreciation		p219.28.c (See Attachment 9, line 14, column f)
31a	Less Merger Costs to Achieve		Attachment 9, line 15, column f
32	Accumulated Intangible Amortization		(Line 10 – 10a)
33	Accumulated Common Amortization - Electric		(Line 11 – 11a)
34	Common Plant Accumulated Depreciation (Electric Only)		(Line 12 – 12a)
35	Total Accumulated Depreciation		(Sum Lines 31 – 31a + 32 + 33 + 34)
36	Wage & Salary Allocation Factor		(Line 5)
37	General & Common Allocated to Transmission		(Line 35 * 36)
38	TOTAL Accumulated Depreciation		(Line 30b + 37)
39	TOTAL Net Property, Plant & Equipment		(Line 29 - 38)

Adjustment To Rate Base

Accumulated Deferred Income Taxes (ADIT)				
40a	Account No. 190 (ADIT)	Projected Activity	(Note V)	Attachment 1A - ADIT Summary, Line 23
40b	Account No. 281 (ADIT - Accel. Amort)	Projected Activity	(Note V)	Attachment 1A - ADIT Summary, Line 46
40c	Account No. 282 (ADIT - Other Property)	Projected Activity	(Note V)	Attachment 1A - ADIT Summary, Line 69
40d				
40e	Account No. 283 (ADIT - Other)	Projected Activity	(Note V)	Attachment 1A - ADIT Summary, Line 92
	Account No. 255 (Accum. Deferred Investment Tax Credits)	Projected Activity	(Note U)	Attachment 1A - ADIT Summary, Line 115
40f	Accumulated Deferred Income Taxes Allocated To Transmission			(Line 40a+40b + 40c + 40d + 40e)
Unamortized Deficient / (Excess) ADIT				
41a	Unamortized Deficient / (Excess) ADIT - (Federal)	Projected Activity	(Note W)	Attachment 1D - ADIT Rate Base Adjustment, Line 73
41b	Unamortized Deficient / (Excess) ADIT - (State)	Projected Activity	(Note W)	Attachment 1D - ADIT Rate Base Adjustment, Line 146
42	Unamortized Deficient / (Excess) ADIT Allocated to Transmission			(Line 41a + 41b)

43	Adjusted Accumulated Deferred Income Taxes Allocated To Transmission		(Line 40f +42)
43a	Transmission Related CWIP (Current Year 12 Month weighted average balances)	(Note B)	p216.43.b (See Attachment 9, line 30, column b)
43b	Unamortized Abandoned Transmission Plant		Attachment - 9, line 30, column h
44	Transmission O&M Reserves		
	Total Balance Transmission Related Account -Reserves	Enter Negative	Attachment 5
45	Prepayments		
46	Prepayments	(Note A)	Attachment 9, line 30, column f
	Total Prepayments Allocated to Transmission		(Line 45)
	Materials and Supplies		
47	Undistributed Stores Exp	(Note A)	p227.6c & 16.c (See Attachment 9, line 30, column e)
48	Wage & Salary Allocation Factor		(Line 5)
49	Total Transmission Allocated		(Line 47 * 48)
50	Transmission Materials & Supplies	(Note AA)	p227.8c + p227.5c (See Attachment 9, line 30, column d)
51	Total Materials & Supplies Allocated to Transmission		(Line 49 + 50)
	Cash Working Capital		
52	Operation & Maintenance Expense		(Line 85)
53	1/8th Rule		x 1/8
54	Total Cash Working Capital Allocated to Transmission		(Line 52 * 53)
	Network Credits		
55		Outstanding Network Credits	(Note N)
56		Less Accumulated Depreci	(Note N)
57		Net Outstanding Credits	
58	TOTAL Adjustment to Rate Base		(Line 43 + 43a + 43b + 44 + 46 + 51 + 54 - 57)
59	Rate Base		(Line 39 + 58)
O&M			
	Transmission O&M		
60			
61	Transmission O&M		Attachment 11A, line 27, column c
62	Less extraordinary property loss		Attachment 5
63	Plus amortized extraordinary property loss		Attachment 5
63a	Less Account 565		p321.96.b
64	Less Merger Costs to Achieve		Attachment 10, line 1, column x
65	Plus Schedule 12 Charges billed to Transmission Owner and booked to Account 565	(Note O)	PJM Data
66	Plus Transmission Lease Payments	(Note A)	p200.3.c
	Transmission O&M		(Lines 60 - 61 + 62 - 63 – 63a + 64 + 65)
	Allocated General & Common Expenses	(Note A)	p356
67	Total A&G		Attachment 11B, line 15, column a
68	For informational purposes: PBOP expense in FERC Account 926	(Note S)	Attachment 5
68a	Less Merger Costs to Achieve		Attachment 10, line 2, column b
68b	Less Other		Attachment 5
68c	Less Property Insurance Account 924		p323.185b
69			

70	Less Regulatory Commission Exp Account 928	(Note E)	p323.189b
71	Less General Advertising Exp Account 930.1		p323.191b
72	Less DE Enviro & Low Income and MD Universal Funds		p335.b
73	Less EPRI Dues	(Note D)	p352-353
74	General & Common Expenses		(Lines 67 + 68) - Sum (68b to 73)
75	Wage & Salary Allocation Factor		(Line 5)
76	General & Common Expenses Allocated to Transmission		(Line 74 * 75)
Directly Assigned A&G			
77	Regulatory Commission Exp Account 928	(Note G)	p323.189b
78	General Advertising Exp Account 930.1	(Note K)	p323.191b
79	Subtotal - Transmission Related		(Line 77 + 78)
80	Property Insurance Account 924		p323.185b
81	General Advertising Exp Account 930.1	(Note F)	p323.191b
82	Total		(Line 80 + 81)
83	Net Plant Allocation Factor		(Line 18)
84	A&G Directly Assigned to Transmission		(Line 82 * 83)
85	Total Transmission O&M		(Line 66 + 76 + 79 + 84)

Depreciation & Amortization Expense

Depreciation Expense		
86	Transmission Depreciation Expense	P336.7b&c (See Attachment 5)
86a	Amortization of Abandoned Transmission Plant	Attachment 5
87	General Depreciation	p336.10b&c (See Attachment 5)
87a	Less Merger Costs to Achieve	Attachment 10, line 8, column b
88	Intangible Amortization	(Note A) p336.1d&e (See Attachment 5)
88a	Less Merger Costs to Achieve	Attachment 10, line 9, column b
89	Total	(Line 87 – 87a + 88 – 88a)
90	Wage & Salary Allocation Factor	(Line 5)
91	General Depreciation Allocated to Transmission	(Line 89 * 90)
92	Common Depreciation - Electric Only	(Note A) p336.11.b (See Attachment 5)
93	Common Amortization - Electric Only	(Note A) p356 or p336.11d (See Attachment 5)
94	Total	(Line 92 + 93)
95	Wage & Salary Allocation Factor	(Line 5)
96	Common Depreciation - Electric Only Allocated to Transmission	(Line 94 * 95)
97	Total Transmission Depreciation & Amortization	(Line 86 + 86a + 91 + 96)

Taxes Other than Income

98	Taxes Other than Income	Attachment 2
99	Total Taxes Other than Income	(Line 98)

Return / Capitalization Calculations

Long Term Interest		
100	Long Term Interest	p117.62c through 67c
101	Less LTD Interest on Securitization Bonds	(Note P) Attachment 8

Composite Income Taxes

Income Tax Rates				
128	FIT=Federal Income Tax Rate		(Note I)	
129	SIT=State Income Tax Rate or Composite		(Note I)	
130	P	(percent of federal income tax deductible for state purposes)		Per State Tax Code
131	T	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		
132a	T/(1-T)			
132b	Tax Gross-Up Factor	$1*1/(1-T)$		
ITC Adjustment			(Note U)	
133	Amortized Investment Tax Credit		enter negative	Attachment 1B - ADIT EOY
134	Tax Gross-Up Factor			(Line 132b)
135	ITC Adjustment Allocated to Transmission			(Line 133 * + 134 * 135)
Other Income Tax Adjustment				
136a	Tax Adjustment for AFUDC Equity Component of Transmission Depreciation Expense		(Note T)	Attachment 5, Line 136a
136b	Amortization Deficient / (Excess) Deferred Taxes			
136c	(Federal) - Transmission Component Amortization Deficient / (Excess) Deferred Taxes		(Note T)	Attachment 5, Line 136b
136d	(State) - Transmission Component Amortization of Other Flow-Through Items - Transmission Component		(Note T)	Attachment 5, Line 136c
136e			(Note T)	Attachment 5, Line 136d
136f	Other Income Tax Adjustments - Expense / (Benefit)			(Line 136a + 136b + 136c +136d)
	Tax Gross-Up Factor			(Line 132b)
136g	Other Income Tax Adjustment			(Line 136e * 136f)
137	Income Tax Component =	$CIT=(T/1-T) * Investment\ Return * (1-(WCLTD/R)) =$		[Line 132a * 127 * (1-(123 / 126))]
138	Total Income Taxes			(Line 135 + 136g + 137)

REVENUE REQUIREMENT

Summary				
139	Net Property, Plant & Equipment			(Line 39)
140	- Adjustment to Rate Base			(Line 58)
141	Rate Base			(Line 59)
142	O&M			(Line 85)
143	Depreciation & Amortization			(Line 97)
144	Taxes Other than Income			(Line 99)
145	Investment Return			(Line 127)
146	Income Taxes			(Line 138)
147	Gross Revenue Requirement			(Sum Lines 142 to 146)
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities				
148	Transmission Plant In Service			(Line 19)
149	- Excluded Transmission Facilities		(Note M)	Attachment 5
150	Included Transmission Facilities			(Line 148 - 149)
151	Inclusion Ratio			(Line 150 / 148)
152	- Gross Revenue Requirement			(Line 147)

102	Long Term Interest			"(Line 100 - line 101)"
103	Preferred Dividends		enter positive	p118.29c
	Common Stock			
104	Proprietary Capital			p112.16c
105	Less Preferred Stock		enter negative	(Line 114)
106	Less Account 216.1		enter negative	p112.12c
106a	Less Account 219		enter negative	p112.15c
107	Common Stock		(Note Z)	(Sum Lines 104 to 106a)
	Capitalization			
108	Long Term Debt			p112.18c through 21c
109	Less Loss on Reacquired Debt		enter negative	p111.81c
110	Plus Gain on Reacquired Debt		enter positive	p113.61c
111	Less ADIT associated with Gain or Loss		enter negative	Attachment 1B - ADIT EOY, Line 7
112	Less LTD on Securitization Bonds	(Note P)	enter negative	Attachment 8
113	Total Long Term Debt		(Note X)	(Sum Lines 108 to 112)
114	Preferred Stock		(Note Y)	p112.3c
115	Common Stock			(Line 107)
116	Total Capitalization			(Sum Lines 113 to 115)
117	Debt %	Total Long Term Debt	(Note Q)	(Line 108 / (108+114+115))
118	Preferred %	Preferred Stock		(Line 114 / (108+114+115))
119	Common %	Common Stock	(Note Q)	(Line 115 / (108+ 114+115))
120	Debt Cost	Total Long Term Debt		(Line 102 / 113)
121	Preferred Cost	Preferred Stock		(Line 103 / 114)
122	Common Cost	Common Stock	(Note J)	Fixed
123	Weighted Cost of Debt	Total Long Term Debt (WCLTD)		(Line 117 * 120)
124	Weighted Cost of Preferred	Preferred Stock		(Line 118 * 121)
125	Weighted Cost of Common	Common Stock		(Line 119 * 122)
126	Total Return (R)			(Sum Lines 123 to 125)
127	Investment Return = Rate Base * Rate of Return			(Line 59 * 126)

153	Adjusted Gross Revenue Requirement		(Line 151 * 152)
	Revenue Credits & Interest on Network Credits		
154	Revenue Credits		Attachment 3
155	Interest on Network Credits	(Note N)	PJM Data
156	Net Revenue Requirement		(Line 153 - 154 + 155)
	Net Plant Carrying Charge		
157	Net Revenue Requirement		(Line 156)
158	Net Transmission Plant		(Line 19 - 30)
159	Net Plant Carrying Charge		(Line 157 / 158)
160	Net Plant Carrying Charge without Depreciation		(Line 157 - 86) / 158
161	Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes		(Line 157 - 86 - 127 - 138) / 158
	Net Plant Carrying Charge Calculation per 100 Basis Point increase in ROE		
162	Net Revenue Requirement Less Return and Taxes		(Line 156 - 145 - 146)
163	Increased Return and Taxes		Attachment 4
164	Net Revenue Requirement per 100 Basis Point increase in ROE		(Line 162 + 163)
165	Net Transmission Plant		(Line 19 - 30)
166	Net Plant Carrying Charge per 100 Basis Point increase in ROE		(Line 164 / 165)
167	Net Plant Carrying Charge per 100 Basis Point in ROE without Depreciation		(Line 163 - 86) / 165
168	Net Revenue Requirement		(Line 156)
169	True-up amount		Attachment 6A, line 4, column j
170	Plus any increased ROE calculated on Attachment 7 other than PJM Sch. 12 projects		Attachment 6, line 18, column 12
171	Facility Credits under Section 30.9 of the PJM OATT and Facility Credits to Vineland per settlement in ER05-515		Attachment 5
171a	MAPP Abandonment recovery pursuant to ER13-607		Attachment 5
172	Net Zonal Revenue Requirement		(Line 168 + 169 + 170 + 171 +171a)
	Network Zonal Service Rate		
173	1 CP Peak	(Note L)	PJM Data
174	Rate (\$/MW-Year)		(Line 172 / 173)
175	Network Service Rate (\$/MW/Year)		(Line 174)

Notes	
A	Electric portion only
B	Exclude Construction Work In Progress and leases that are expensed as O&M (rather than amortized). New Transmission plant that is expected to be placed in service in the current calendar year weighted by number of months it is expected to be in-service. New Transmission plant expected to be placed in service in the current calendar year that is not included in the PJM Regional Transmission Plan (RTEP) detailed on Attachments 9 or 9A. For the Reconciliation, new transmission plant that was actually placed in service weighted by the number of months it was actually in service CWIP will be linked to Attachment 6 which shows detail support by project (incentive and non-incentive).
C	Transmission Portion Only
D	All EPRI Annual Membership Dues E All Regulatory Commission Expenses
F	Safety related advertising included in Account 930.1
G	Regulatory Commission Expenses directly related to transmission service, RTO filings, or transmission siting itemized in Form 1 at 351.h.
I	The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = "the percentage of federal income tax deductible for state income taxes". If the utility includes taxes in more than one state, it must explain in Attachment 5 the name of each state and how the blended or composite SIT was developed.
J	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%.
K	Education and outreach expenses relating to transmission, for example siting or billing
L	As provided for in Section 34.1 of the PJM OATT and the PJM established billing determinants will not be revised or updated in the annual rate reconciliations per settlement in ER05-515.
M	Amount of transmission plant excluded from rates per Attachment 5.
N	Outstanding Network Credits is the balance of Network Facilities Upgrades Credits due Transmission Customers who have made lump-sum payments (net of accumulated depreciation) towards the construction of Network Transmission Facilities consistent with Paragraph 657 of Order 2003-A. Interest on the Network Credits as booked each year is added to the revenue requirement to make the Transmission Owner whole on Line 155.
O	Payments made under Schedule 12 of the PJM OATT that are not directly assessed to load in the Zone under Schedule 12 are included in Transmission O&M. If they are booked to Acct 565, they are included in on line 64
P	Securitization bonds may be included in the capital structure per settlement in ER05-515.
Q	Pepco capital structure is derived from gross debt.
R	Per the settlement in ER05-515, the facility credits of \$15,000 per month paid to Vineland will increase to \$37,500 per month (prorated for partial months) effective on the date FERC approves the settlement in ER05-515.
S	See Attachment 5, Cost Support, section entitled “PBOP expense in FERC Account 926 “ for additional information per FERC orders in Docket Nos. EL13-48, EL15-27 and ER16-456.
T	See Attachment 5 - Cost Support, section entitled “Other Income Tax Adjustment” for additional information.
U	Potomac Electric Power Company elected to amortize investment tax credits against recoverable income tax expense, rather than to reduce rate base by unamortized investment tax credit. Amortization reduces income tax expense and reduces the revenue requirement by the amount of the Investment Tax Credit Amortization (Form 1, 266.8.f) multiplied by (1/1-T).
V	The Accumulated Deferred Income Tax (ADIT) balances in Accounts 190, 281, 282, and 283 are measured using the enacted tax rate that is expected to apply when the underlying temporary differences are expected to be settled or realized. To preserve rate base neutrality, theses balances appropriately exclude ADIT amounts associated with income tax related regulatory assets and liabilities. The balances in Accounts 190, 281, 282 and 283 are adjusted in accordance with Treasury regulation Section 1.167(l)-1(h)(6) and averaged in accordance with IRC Section 168(i)(9)(B) in the calculations of rate base in the projected revenue requirement and in the true-up adjustment. Differences attributable to over-projection of ADIT in the projected revenue requirement will result in a proportionate reversal of the projected prorated ADIT activity in the true-up adjustment to the extent of the over-projection. Differences attributable to under-projection of ADIT in the projected revenue requirement will result in an adjustment to the projected prorated ADIT activity by 50 percent of the difference between the projected monthly activity and the actual monthly activity. However, when projected monthly ADIT activity is an increase and actual monthly ADIT activity is a decrease, 50 percent of the actual monthly ADIT activity will be used. Likewise, when projected monthly ADIT activity is a decrease and actual monthly ADIT activity is an increase, 50 percent of actual monthly ADIT activity will be used. For the Annual Update (Projected) filing, see Attachment 1A - ADIT Summary, Column H for inputs. For the Annual Update (True-Up) filing, See Attachment 1A - ADIT Summary, Column M for inputs.
W	These balances represent the unamortized federal and state deficient / (excess) deferred income taxes. For the Annual Update (Projected) filing, see Attachment 1D - ADIT Rate Base Adjustment, Column H for inputs. For the Annual Update (True-Up) filing, See Attachment 1D - ADIT Rate Base Adjustment, Column M for inputs.

- X

Long Term Debt balance will reflect the 13 month average of the balances, of which the 1st and 13th are found on page 112 lines 18.c & d to 21.c & d in the Form No. 1. The balances for January through November shall represent the actual balances in Pepco’s books and records (trial balance or monthly balance sheet).
- Y

Preferred Stock balance will reflect the 13 month average of the balances, of which the 1st and 13th are found on page 112 lines 18.c & d to 21.c & d in the Form No. 1. The balances for January through November shall represent the actual balances in Pepco’s books and records (trial balance or monthly balance sheet).
- Z

Common Stock balance will reflect the 13 month average of the balances, of which the 1st and 13th are found on page 112 lines 18.c & d to 21.c & d in the Form No. 1. The balances for January through November shall represent the actual balances in Pepco’s books and records (trial balance or monthly balance sheet).
- AA

Only the transmission portion of amounts reported at Form 1, page 227, line 5 is used. The transmission portion is derived by applying the wages and salary allocator to the total of line 5 is and specified in a footnote to the Form 1, page 227.

Potomac Electric Power Company

Accumulated Deferred Income Taxes (ADIT)

Attachment 1A - ADIT Summary

Rate Year =

Accumulated Deferred Income Taxes (Account No. 190)					Projection - Proration of Deferred Tax Activity (Note A)			Actual - Proration of Deferred Tax Activity (Note B)				
Days in Period					(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
(A)	(B)	(C)	(D)	(E)	Projected Monthly Activity	Prorated Projected Monthly Activity (Column E x Column F)	Prorated Projected Balance (Column G Plus Column H, Preceding Balance)	Actual Monthly Activity	Difference Projected vs. Actual (Note C)	Preserve Proration (Actual vs Projected) (Note D)	Preserve Proration (Actual vs Projected) (Note E)	Preserved Prorated Actual Balance (Col. K + Col. L + Col. M, Preceding Balance)
Month	Days Per Month	Remaining Days Per Month	Total Days in Future Test Period	Proration Amount (Column C / Column D) Note 1								
ADIT Subject to Proration							-					-
1												
2	January	31	-	214	50.00%	-	-	-	-	-	-	-
3	February	28	-	214	50.00%	-	-	-	-	-	-	-
4	March	31	-	214	50.00%	-	-	-	-	-	-	-
5	April	30	-	214	50.00%	-	-	-	-	-	-	-
6	May	31	-	214	50.00%	-	-	-	-	-	-	-
7	June	30	185	214	86.45%	-	-	-	-	-	-	-
8	July	31	154	214	71.96%	-	-	-	-	-	-	-
9	August	31	123	214	57.48%	-	-	-	-	-	-	-
10	September	30	93	214	43.46%	-	-	-	-	-	-	-
11	October	31	62	214	28.97%	-	-	-	-	-	-	-
12	November	30	32	214	14.95%	-	-	-	-	-	-	-
13	December	31	1	214	0.47%	-	-	-	-	-	-	-
Total (Sum of Lines 2 - 13)					-	-	-	-	-	-	-	-
14		365										
15	Beginning Balance - ADIT Not Subject to Proration											-
16	Beginning Balance - ADIT Depreciation Adjustment				(Note F)		-					-
17	Beginning Balance - DTA / (DTL)				(Col. (H), Line 15 + Line 16)			(Col. (M), Line 15 + Line 16)				-
18	Ending Balance - ADIT Not Subject to Proration											-
19	Ending Balance - ADIT Depreciation Adjustment				(Note F)		-					-

20	Ending Balance - DTA / (DTL)	(Col. (H), Line 18 + Line 19)	(Col. (M), Line 18 + Line 19)	-
21	Average Balance as adjusted (non-prorated)	((Col. (H), Line 17 + Line 20] / 2) (Col. (H)),	([Col. (M), Line 17 + Line 20] / 2) (Col. (M)),	-
22	Prorated ADIT Amount for Attachment H-9A, Line	Line 13) -	Line 13) -	-
23	40a	(Col. (H), Line 21 + Line 22) -	(Col. (M), Line 21 + Line 22) -	-

Potomac Electric Power Company

Accumulated Deferred Income Taxes (ADIT)

Attachment 1A - ADIT Summary

Accumulated Deferred Income Taxes - Property (Account No. 281)					Projection - Proration of Deferred Tax Activity (Note A)			Actual - Proration of Deferred Tax Activity (Note B)				
Days in Period					(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
(A)	(B)	(C)	(D)	(E)	Projected Monthly Activity	Prorated Projected Monthly Activity (Column E x Column F)	Prorated Projected Balance (Column G Plus Column H, Preceding Balance)	Actual Monthly Activity	Difference Projected vs. Actual (Note C)	Preserve Proration (Actual vs Projected) (Note D)	Preserve Proration (Actual vs Projected) (Note E)	Preserved Prorated Actual Balance (Col. K + Col. L + Col. M, Preceding Balance)
Month	Days Per Month	Prorated Days Per Month	Total Days Per Future Test Period	Proration Amount (Column C / Column D)								
24	ADIT Subject to Proration						-					-
25	January	31	-	214	50.00%					-	-	-
26	February	28	-	214	50.00%					-	-	-
27	March	31	-	214	50.00%					-	-	-
28	April	30	-	214	50.00%					-	-	-
29	May	31	-	214	50.00%					-	-	-
30	June	30	185	214	86.45%					-	-	-
31	July	31	154	214	71.96%					-	-	-
32	August	31	123	214	57.48%					-	-	-
33	September	30	93	214	43.46%					-	-	-
34	October	31	62	214	28.97%					-	-	-
35	November	30	32	214	14.95%					-	-	-
36	December	31	1	214	0.47%					-	-	-
37	Total (Sum of Lines 25 - 36)	365				-	-	-	-	-	-	
38	Beginning Balance - ADIT Not Subject to Proration											-
39	Beginning Balance - ADIT Depreciation Adjustment					(Note F)						-
40	Beginning Balance - DTA / (DTL)					(Col. (H), Line 38 + Line 39)		(Col. (M), Line 38 + Line 39)				-
41	Estimated Ending Balance - ADIT Not Subject to Proration					2018 Projected		2018 Projected				-
42	Ending Balance - ADIT Depreciation Adjustment					(Note F)						-

43	Ending Balance - DTA / (DTL)	(Col. (H), Line 41 + Line 42)		(Col. (M), Line 41 + Line 42)	-
44	Average Balance as adjusted (non-prorated)	[(Col. (H), Line 40+ Line 43] / 2)		[(Col. (M), Line 40+ Line 43] / 2)	-
45	Prorated ADIT	(Col. (H), Line 36)	<hr/>	(Col. (M), Line 36)	<hr/>
	Amount for Attachment H-				
46	9A, Line 40b	(Col. (H), Line 44 + Line 45)	<hr/>	(Col. (M), Line 44 + Line 45)	<hr/>

Potomac Electric Power Company
Accumulated Deferred Income Taxes (ADIT)
Attachment 1A - ADIT Summary

Accumulated Deferred Income Taxes - Other (Account No. 282)						Projection - Proration of Deferred Tax Activity (Note A)			Actual - Proration of Deferred Tax Activity (Note B)				
Days in Period						(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
(A)	(B)	(C)	(D)	(E)		Projected Monthly Activity	Prorated Projected Monthly Activity (Column E x Column F)	Prorated Projected Balance (Column G Plus Column H, Preceding Balance)	Actual Monthly Activity	Difference Projected vs. Actual (Note C)	Preserve Proration (Actual vs Projected) (Note D)	Preserve Proration (Actual vs Projected) (Note E)	Preserved Prorated Actual Balance (Col. K + Col. L + Col. M, Preceding Balance)
ADIT Subject to Proration								-					-
48	January	31	-	214	50.00%	-	-	-	-	-	-	-	-
49	February	28	-	214	50.00%	-	-	-	-	-	-	-	-
50	March	31	-	214	50.00%	-	-	-	-	-	-	-	-
51	April	30	-	214	50.00%	-	-	-	-	-	-	-	-
52	May	31	-	214	50.00%	-	-	-	-	-	-	-	-
53	June	30	185	214	86.45%	-	-	-	-	-	-	-	-
54	July	31	154	214	71.96%	-	-	-	-	-	-	-	-
55	August	31	123	214	57.48%	-	-	-	-	-	-	-	-
56	September	30	93	214	43.46%	-	-	-	-	-	-	-	-
57	October	31	62	214	28.97%	-	-	-	-	-	-	-	-
58	November	30	32	214	14.95%	-	-	-	-	-	-	-	-
59	December	31	1	214		-	-	-	-	-	-	-	-
Total (Sum of Lines 51 - 62)						-	-		-	-	-	-	
60	0.47% 365												
61	Beginning Balance - ADIT Not Subject to Proration					(Note F)							-
62	Beginning Balance - ADIT Depreciation Adjustment												-
63	Beginning Balance - DTA / (DTL)					(Col. (H), Line 61 + Line 62)			(Col. (M), Line 61 + Line 62)				-
64	Estimated Ending Balance - ADIT Not Subject to Proration					(Note F)							-
65	Ending Balance - ADIT Depreciation Adjustment												-
66	Ending Balance - DTA / (DTL)					(Col. (H), Line 64 + Line 65)			(Col. (M), Line 64 + Line 65)				-
67	Average Balance as adjusted (non-prorated)					([Col. (H), Line 63 + Line 66] / 2)			([Col. (M), Line 63 + Line 66] / 2)				-
68	Prorated ADIT Amount for Attachment H-					(Col. (H), Line 59)			(Col. (M), Line 59)				=
69	9A, Line 40c					(Col. (H), Line 67 + Line 68)			(Col. (M), Line 67 + Line 68)				-

Potomac Electric Power Company
Accumulated Deferred Income Taxes (ADIT)
Attachment 1A - ADIT Summary

Accumulated Deferred Income Taxes - Other (Account No. 283)						Projection - Proration of Deferred Tax Activity (Note A)			Actual - Proration of Deferred Tax Activity (Note B)				
Days in Period						(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
(A)	(B)	(C)	(D)	(E)		Projected Monthly Activity	Prorated Projected Monthly Activity (Column E x Column F)	Prorated Projected Balance (Column G Plus Column H, Preceding Balance)	Actual Monthly Activity	Difference Projected vs. Actual (Note C)	Preserve Proration (Actual vs Projected) (Note D)	Preserve Proration (Actual vs Projected) (Note E)	Preserved Prorated Actual Balance (Col. K + Col. L + Col. M, Preceding Balance)
Month	Days Per Month	Prorated Days Per Month	Total Days Per Future Test Period	Proration Amount (Column C / Column D)									
ADIT Subject to Proration								-					-
71	January	31	-	214	50.00%	-	-	-	-	-	-	-	-
72	February	28	-	214	50.00%	-	-	-	-	-	-	-	-
73	March	31	-	214	50.00%	-	-	-	-	-	-	-	-
74	April	30	-	214	50.00%	-	-	-	-	-	-	-	-
75	May	31	-	214	50.00%	-	-	-	-	-	-	-	-
76	June	30	185	214	86.45%	-	-	-	-	-	-	-	-
77	July	31	154	214	71.96%	-	-	-	-	-	-	-	-
78	August	31	123	214	57.48%	-	-	-	-	-	-	-	-
79	September	30	93	214	43.46%	-	-	-	-	-	-	-	-
80	October	31	62	214	28.97%	-	-	-	-	-	-	-	-
81	November	30	32	214	14.95%	-	-	-	-	-	-	-	-
82	December	31	1	214		-	-	-	-	-	-	-	-
Total (Sum of Lines 51 - 62)						-	-		-	-	-	-	
83	0.47% 365					-			-				-
84	Beginning Balance - ADIT Not Subject to Proration					(Note F)							-
85	Beginning Balance - ADIT Depreciation Adjustment												-
86	Beginning Balance - DTA / (DTL)					(Col. (H), Line 84 + Line 85)			(Col. (M), Line 84 + Line 85)				
87	Estimated Ending Balance - ADIT Not Subject to Proration					(Note F)							-
88	Ending Balance - ADIT Depreciation Adjustment												-
89	Ending Balance - DTA / (DTL)					(Col. (H), Line 87 + Line 88)			(Col. (M), Line 87 + Line 88)				
90	Average Balance as adjusted (non-prorated)					([Col. (H), Line 86 + Line 89] / 2)			([Col. (M), Line 86 + Line 89] / 2)				
91	Prorated ADIT Amount for Attachment H-					(Col. (H), Line 82)			(Col. (M), Line 82)				
92	9A, Line 40d					(Col. (H), Line 90 + Line 91)			(Col. (M), Line 90 + Line 91)				

Potomac Electric Power Company
Accumulated Deferred Income Taxes (ADIT)
Attachment 1A - ADIT Summary

Accumulated Deferred Investment Tax Credits (Account No. 255)					Projection - Proration of Deferred ITC Activity (Note A)			Actual - Proration of Deferred ITC Activity (Note B)				
Days in Period					(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
(A)	(B)	(C)	(D)	(E)	Projected Monthly Activity	Prorated Projected Monthly Activity (Column E x Column F)	Prorated Projected Balance (Column G Plus Column H, Preceding Balance)	Actual Monthly Activity	Difference Projected vs. Actual (Note C)	Preserve Proration (Actual vs Projected) (Note D)	Preserve Proration (Actual vs Projected) (Note E)	Preserved Prorated Actual Balance (Col. K + Col. L + Col. M, Preceding Balance)
ADIT Subject to Proration							-					-
94	January	31	-	214	50.00%	-	-	-	-	-	-	-
95	February	28	-	214	50.00%	-	-	-	-	-	-	-
96	March	31	-	214	50.00%	-	-	-	-	-	-	-
97	April	30	-	214	50.00%	-	-	-	-	-	-	-
98	May	31	-	214	50.00%	-	-	-	-	-	-	-
99	June	30	185	214	86.45%	-	-	-	-	-	-	-
100	July	31	154	214	71.96%	-	-	-	-	-	-	-
101	August	31	123	214	57.48%	-	-	-	-	-	-	-
102	September	30	93	214	43.46%	-	-	-	-	-	-	-
103	October	31	62	214	28.97%	-	-	-	-	-	-	-
104	November	30	32	214	14.95%	-	-	-	-	-	-	-
105	December	31	1	214		-	-	-	-	-	-	-
Total (Sum of Lines 51 - 62)					0.47%	365		-	-	-	-	-
107	Beginning Balance - ADIT Not Subject to Proration											-
108	Beginning Balance - ADIT Depreciation Adjustment					(Note F)						-
109	Beginning Balance - DTA / (DTL)					(Col. (H), Line 107 + Line 108)		(Col. (M), Line 107 + Line 108)				-
110	Estimated Ending Balance - ADIT Not Subject to Proration											-
111	Ending Balance - ADIT Depreciation Adjustment					(Note F)						-
112	Ending Balance - DTA / (DTL)					(Col. (H), Line 110 + Line 111)		(Col. (M), Line 110 + Line 111)				-
113	Average Balance as adjusted (non-prorated)					([Col. (H), Line 109 + Line 112] / 2) (Col. (H), Line 105)		([Col. (M), Line 109 + Line 112] / 2) (Col. (M), Line 105)				-
114	Prorated ADIT Amount for Attachment H-					105)		Line 105)				-
115	9A, Line 40e					(Col. (H), Line 113 + Line 114)		(Col. (M), Line 113 + Line 114)				-

Potomac Electric Power Company
Accumulated Deferred Income Taxes (ADIT)
Attachment 1A - ADIT Summary

Instructions

1. For purposes of calculating projected activity, use Columns (F), (G), and (H) and set the "Rate Year" below to "Projected Activity". For purposes of calculating the "True-Up" adjustment, use Columns (I), (J), (K), (L), and (M) and set the "Rate Year" below to "True-Up Adjustment".

Rate Year

Projected Activity

Check

2. For the Annual Update (Projected) filing, see Attachment 1A - ADIT Summary, Column H for inputs. For the Annual Update (True-Up) filing, See Attachment 1A - ADIT Summary, Column M for inputs.

Notes

- A

The computations on this worksheet apply the proration rules of Reg. Sec. 1.167(l)-1(h)(6) to the annual activity of accumulated deferred income taxes subject to the normalization requirements . Activity related to the portions of the account balances not subject to the proration requirement are averaged instead of prorated. For accumulated deferred income taxes subject to the normalization requirements, activity for months prior to the future portion of the test period is averaged rather than prorated. This section is used to prorate the projected ADIT balance.
- B

The balances in Accounts 190, 281, 282 and 283 are adjusted in accordance with Treasury regulation Section 1.167(l)-1(h)(6) and averaged in accordance with IRC Section 168(i)(9)(B) in the calculations of rate base in the projected revenue requirement and in the true-up adjustment. Differences attributable to over-projection of ADIT in the projected revenue requirement will result in a proportionate reversal of the projected prorated ADIT activity in the true-up adjustment to the extent of the over-projection. Differences attributable to under-projection of ADIT in the projected revenue requirement will result in an adjustment to the projected prorated ADIT activity by 50 percent of the difference between the projected monthly activity and the actual monthly activity. However, when projected monthly ADIT activity is an increase and actual monthly ADIT activity is a decrease, 50 percent of the actual monthly ADIT activity will be used. Likewise, when projected monthly ADIT activity is a decrease and actual monthly ADIT activity is an increase, 50 percent of actual monthly ADIT activity will be used. This section is used to calculate ADIT activity in the true-up adjustment only.
- C

Column J is the difference between projected monthly and actual monthly activity (Column I minus Column F). Specifically, if projected and actual activity are both positive, a negative in Column J represents over-projection (amount of projected activity that did not occur) and a positive in Column J represents under-projection (excess of actual activity over projected activity). If projected and actual activity are both negative, a negative in Column J represents under-projection (excess of actual activity over projected activity) and a positive in Column J represents over-projection (amount of projected activity that did not occur).
- D

Column K preserves proration when actual monthly and projected monthly activity are either both increases or decreases. Specifically, if Column J is over-projected, enter Column G x [Column I/Column F]. If Column J is under-projected, enter the amount from Column G and complete Column L). In other situations, enter zero.
- E

Column L applies when (1) Column J is under-projected AND (2) actual monthly and projected monthly activity are either both increases or decreases. Enter the amount from Column J. In other situations, enter zero.
- F

IRS normalization adjustment for timing when accelerated tax depreciation should affect rate base.

Potomac Electric Power Company
Accumulated Deferred Income Taxes (ADIT)
Attachment 1B - ADIT Worksheet – End of Year

Line	ADIT (Not Subject to Proration)	Total	Gas, Production, Distribution or	Only	Plant
			Labor Other Related	Transmission Related	Related
1	ADIT-190				
2	ADIT-281				
3	ADIT-282				
4	ADIT-283				
5	ADITC-255				
6	Subtotal - Transmission ADIT				

Line	Description	Total
7	ADIT (Required Debt)	

Note: ADIT associated with Gain or Loss on Reacquired Debt included in ADIT-283, Column A is excluded from rate base and instead included in Cost of Debt on Attachment H-9A, Line 111. A deferred tax (liability) should be reported as a positive balance and a deferred tax asset should be reported as a negative balance on Attachment H-9A, Line 111.

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

(A)	(B)	(C)	(D)	(E)	(F)	(G)
ADIT-190 (Not Subject to Proration)	Total	Gas, Production, Distribution or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
Subtotal: ADIT-190 (Not Subject to Proration)						
Less: ASC 740 ADIT Adjustments excluded from rate base						
Less: ASC 740 ADIT Adjustments related to unamortized ITC						
Less: ASC 740 ADIT balances related to income tax regulatory assets / (liabilities)						
Less: OPEB related ADIT, Above if not separately removed						
Total: ADIT-190 (Not Subject to Proration)						
Wages & Salary Allocator						
Gross Plant Allocator						
Transmission Allocator						
Other Allocator						
ADIT - Transmission						

Potomac Electric Power Company
Accumulated Deferred Income Taxes (ADIT)
Attachment 1B - ADIT Worksheet - End of Year

(A)			(B)	(C)	(D)	(E)	(F)	(G)
			Total	Gas, Production, Distribution Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
ADIT-190 (Subject to Proration)								
Subtotal: ADIT-190 (Subject to Proration)			-	-	-	-	-	
Less: ASC 740 ADIT Adjustments excluded from rate base			-	-	-	-	-	
Less: ASC 740 ADIT Adjustments related to unamortized ITC								
Less: ASC 740 ADIT balances related to income tax regulatory assets / (liabilities)								
Less: OPEB related ADIT, Above if not separately removed			-	-	-	-	-	
Total: ADIT-190 (Subject to Proration)			-	-	-	-	-	
Wages & Salary Allocator								
Gross Plant Allocator								
Transmission Allocator								
Other Allocator								
ADIT - Transmission			-					

(A)			(B)	(C)	(D)	(E)	(F)	(G)
			Total	Gas, Production, Distribution , Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
ADIT-190 (Subject to Proration)								
ADIT-190 (Not Subject to Proration)			-	-	-	-	-	
ADIT-190 (Subject to Proration)			-	-	-	-	-	
Total - FERC Form 1, Page 234			-	-	-	-	-	

- Instructions for Account 190:
- 1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer), Production or Distribution Only are directly assigned to Column C
 - 2. ADIT items related only to Transmission are directly assigned to Column D
 - 3. ADIT items related to Plant and not in Columns C & D are included in Column E
 - 4. ADIT items related to labor and not in Columns C & D are included in Column F
 - 5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded.
 - 6. ADIT items subject to the proration under the "normalization" rules will be included in ADIT-190 (Subject to Proration)

Potomac Electric Power Company
Accumulated Deferred Income Taxes (ADIT)
Attachment 1B - ADIT Worksheet - End of Year

(A)		(B)	(C)	(D)	(E)	(F)	(G)
		Total	Gas, Production, Distribution, Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
ADIT- 282 (Not Subject to Proration)							
Subtotal: ADIT-282 (Not Subject to Proration)		-	-	-	-	-	
Less: ASC 740 ADIT Adjustments excluded from rate base							
Less: ASC 740 ADIT Adjustments related to unamortized ITC							
Less: ASC 740 ADIT balances related to income tax regulatory assets / (liabilities)							
Less: OPEB related ADIT, Above if not separately removed							
Total: ADIT-282 (Not Subject to Proration)							
Wages & Salary Allocator							
Gross Plant Allocator							
Transmission Allocator							
Other Allocator							
ADIT - Transmission							

(A)		(B)	(C)	(D)	(E)	(F)	(G)
		Total	Gas, Production, Distribution, Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
ADIT-282 (Subject to Proration)							
Subtotal: ADIT-282 (Subject to Proration)							
Less: ASC 740 ADIT Adjustments excluded from rate base							
Less: ASC 740 ADIT Adjustments related to unamortized ITC							
Less: ASC 740 ADIT balances related to income tax regulatory assets / (liabilities)							
Less: OPEB related ADIT, Above if not separately removed							
Total: ADIT-282 (Subject to Proration)							
Wages & Salary Allocator							
Gross Plant Allocator							
Transmission Allocator							
Other Allocator							
ADIT - Transmission							

(A)

(B)

(C)
Gas,
Production,

(D)
Only

(E)

(F)

(G)

ADIT-282				Distribution, Or Other Related	Transmission Related	Plant Related	Labor Related	Justification
ADIT-282 (Not Subject to Proration)			-	-	-	-	-	
ADIT-282 (Subject to Proration)			-	-	-	-	-	
Total - Pg. 277 (Form 1-F filer: see note 7, below)			-	-	-	-	-	

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

Potomac Electric Power Company
Accumulated Deferred Income Taxes (ADIT)
Attachment 1B - ADIT Worksheet - End of Year

	(A)	(B)	(C)	(D)	€	(F)	(G)
		Total	Gas, Production, Distribution, Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
ADIT- 283 (Not Subject to Proration)							
Subtotal: ADIT-283 (Not Subject to Proration)							
Less: ASC 740 ADIT Adjustments excluded from rate base							
Less: ASC 740 ADIT Adjustments related to unamortized ITC							
Less: ASC 740 ADIT balances related to income tax regulatory assets / (liabilities)							
Less: OPEB related ADIT, Above if not separately removed							
Total: ADIT-283 (Not Subject to Proration)							
Wages & Salary Allocator							
Gross Plant Allocator							
Transmission Allocator							
Other Allocator							
ADIT - Transmission							

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
		Total	Gas, Production, Distribution, Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
ADIT-283 (Subject to Proration)							
Subtotal: ADIT-283 (Subject to Proration)		-	-	-	-	-	
Less: ASC 740 ADIT Adjustments excluded from rate base		-	-	-	-	-	
Less: ASC 740 ADIT Adjustments related to unamortized ITC							
Less: ASC 740 ADIT balances related to income tax regulatory assets / (liabilities)							
Less: OPEB related ADIT, Above if not separately removed		-	-	-	-	-	

Total: ADIT-283 (Subject to Proration)			-	-	-	-	-	
Wages & Salary Allocator							%	
Gross Plant Allocator						%		
Transmission Allocator					100.0000%			
Other Allocator				0.0000%				
ADIT - Transmission			-	-	-	-	-	

(A)	(B)	(C)	(D)	(E)	(F)	(G)
	Total	Gas, Production, Distribution, Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
ADIT-283 (Subject to Proration)						
ADIT-283 (Not Subject to Proration)		-	-	-	-	
ADIT-283 (Subject to Proration)		-	-	-	-	
Total - Pg. 277 (Form 1-F filer: see note 7, below)		-	-	-	-	

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

Potomac Electric Power Company
Accumulated Deferred Income Taxes (ADIT)
Attachment 1B - ADIT Worksheet - End of Year

(A)	(B)	(C)	(D)	(E)	(F)	(G)
	Total	Gas, Production, Distribution, Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
ADITC- 255 (Unamortized Investment Tax Credits)						
Account No. 255 (Accum. Deferred Investment Tax Credits)						
Subtotal: ADIT-255 (Form No. 1 p. 266 & 267)						
Less: Adjustment to rate base						
Total : ADITC 255						
Wages & Salary Allocator					%	
Gross Plant Allocator				%		
Transmission Allocator			100%			
Other Allocator		%				
Investment Tax Credit - Transmission						

(A)	(B)	(C)	(D)	(E)	(F)	(G)
	Total	Gas, Production, Distribution, Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
Investment Tax Credit Amortization						
Investment Tax Credit Amortization						

Subtotal: (Form No. 1 p. 266 & 267)		-	-	-	-	-	
Wages & Salary Allocator						0.00%	
Gross Plant Allocator					0.00%		
Transmission Allocator				100.00%			
Other Allocator			0.00%				
Investment Tax Credit Amortization - Transmission		-	-	-	-	-	

END

Potomac Electric Power Company
Accumulated Deferred Income Taxes (ADIT)
Attachment 1C - ADIT Worksheet - Beginning of Year

Line ADIT (Not Subject to Proration)	Total	Gas, Production, Distribution, Or Other Related	Only Transmission Related	Plant Related	Labor Related
1 ADIT-190					
2 ADIT-281					
3 ADIT-282					
4 ADIT-283					
5 ADITC 255					
6 Subtotal - Transmission ADIT					

Line	Description	Total
7	ADIT (Required Debt)	

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

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)

(C)
Gas,
Production,
Distribution,
Or Other
Related

(D)
Only
Transmission
Related

(E)
Plant
Related

(F)
Labor
Related

(G)
Justification

ADIT-190 (Not Subject to Proration)

Subtotal: ADIT-190 (Not Subject to Proration)							
Less: ASC 740 ADIT Adjustments excluded from rate base							
Less: ASC 740 ADIT Adjustments related to unamortized ITC							
Less: ASC 740 ADIT balances related to income tax regulatory assets / (liabilities)							
Less: OPEB related ADIT, Above if not separately removed							
Total: ADIT-190 (Not Subject to Proration)							
Wages & Salary Allocator						%	
Gross Plant Allocator					%		
Transmission Allocator				%			
Other Allocator			%				
ADIT - Transmission							

Potomac Electric Power Company
Accumulated Deferred Income Taxes (ADIT)
Attachment 1C - ADIT Worksheet - Beginning of Year

(A)

(B)

(C)
Gas,
Production
Distribution
,
Or Other
Related

(D)
Only
Transmission
Related

(E)
Plant
Related

(F)
Labor
Related

(G)
Justification

ADIT-190 (Subject to Proration)

Subtotal: ADIT-190 (Subject to Proration)			-	-	-	-	-	
Less ASC 740 ADIT Adjustments excluded from rate base			-	-	-	-	-	

Less: ASC 740 ADIT Adjustments related to unamortized ITC								
Less: ASC 740 ADIT balances related to income tax regulatory assets / (liabilities)								
Less: OPEB related ADIT, Above if not separately removed			-	-	-	-	-	
Total: ADIT-190 (Subject to Proration)			-	-	-	-	-	
Wages & Salary Allocator							%	
Gross Plant Allocator						%		
Transmission Allocator					%			
Other Allocator				%				
ADIT - Transmission			-					

(A)	(B)	(C)	(D)	(E)	(F)	(G)
	Total	Gas, Production Distribution , Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
ADIT-190 (Subject to Proration)						
ADIT-190 (Not Subject to Proration)		-	-	-	-	
ADIT-190 (Subject to Proration)		-	-	-	-	
Total - FERC Form 1, Page 234		-	-	-	-	

Instructions for Account 190:

1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) Production or Distribution Only are directly assigned to Column C

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

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

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

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

6. ADIT items subject to the proration under the "normalization" rules will be included in ADIT-190 (Subject to Proration)

Potomac Electric Power Company
Accumulated Deferred Income Taxes (ADIT)
Attachment 1C - ADIT Worksheet - Beginning of Year

(A)	(B)	(C)	(D)	(E)	(F)	(G)
	Total	Gas, Production, Distribution, Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
ADIT- 282 (Not Subject to Proration)						
Subtotal: ADIT-282 (Not Subject to Proration)	-	-	-	-	-	
Less ASC 740 ADIT Adjustments excluded from rate base						

		(A)	(B)	(C)	(D)	(E)	(F)	(G)
ADIT- 283 (Not Subject to Proration)			Total	Gas, Production, Distribution, Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
Subtotal: ADIT-283 (Not Subject to Proration)								
Less: ASC 740 ADIT Adjustments excluded from rate base								
Less: ASC 740 ADIT Adjustments related to unamortized ITC								
Less: ASC 740 ADIT balances related to income tax regulatory assets / (liabilities)								
Less: OPEB related ADIT, Above if not separately removed								
Total: ADIT-283 (Not Subject to Proration)								
Wages & Salary Allocator							%	
Gross Plant Allocator						%		
Transmission Allocator					%			
Other Allocator				%				
ADIT - Transmission								

		(A)	(B)	(C)	(D)	(E)	(F)	(G)
ADIT-283 (Subject to Proration)			Total	Gas, Production, Distribution, Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
Subtotal: ADIT-283 (Subject to Proration)			-	-	-	-	-	
Less ASC 740 ADIT Adjustments excluded from rate base			-	-	-	-	-	
Less: ASC 740 ADIT Adjustments related to unamortized ITC								
Less: ASC 740 ADIT balances related to income tax regulatory assets / (liabilities)								
Less: OPEB related ADIT, Above if not separately removed			-	-	-	-	-	
Total: ADIT-283 (Subject to Proration)			-	-	-	-	-	
Wages & Salary Allocator							%	
Gross Plant Allocator						%		
Transmission Allocator					%			
Other Allocator				%				
ADIT - Transmission			-	-	-	-	-	

		(A)	(B)	(C)	(D)	(E)	(F)	(G)
ADIT-283 (Subject to Proration)			Total	Gas, Production. Distribution. Or Other Related	Only Transmission Related	Plant Related	Labor Related	Justification
ADIT-283 (Not Subject to Proration)			-	-	-	-	-	
ADIT-283 (Subject to Proration)			-	-	-	-	-	
Total - Pg. 277 (Form 1-F filer: see note 7, below)			-	-	-	-	-	

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

Accumulated Deferred Income Taxes
(ADIT)
Attachment 1C - ADIT Worksheet - Beginning of Year

		(A)	(B)	(C)	(D)	(E)	(F)	(G)
			Total	Gas, Production, Distribution, or Other	Only			
ADITC- 255 (Unamortized Investment Tax Credits)					Transmission	Plant	Labor	
				Related	Related	Related	Related	Justification
Account No. 255 (Accum. Deferred Investment Tax Credits)								
Subtotal: ADIT-255 (Form No. 1 p. 266 & 267)								
Less: Adjustment to rate base								
Total : ADITC 255								
Wages & Salary Allocator							%	
Gross Plant Allocator						%		
Transmission Allocator					%			
Other Allocator				%				
Unamortized Investment Tax Credits - Transmission								

		(A)	(B)	(C)	(D)	(E)	(F)	(G)
			Total	Gas, Production, Distribution, Or Other	Only			
ADITC-255					Transmission	Plant	Labor	
				Related	Related	Related	Related	Justification

Investment Tax Credit Amortization								
Subtotal: ADIT-255 (Form No. 1 p. 266 & 267)				-	-	-	-	-
Wages & Salary Allocator								0.00%
Gross Plant Allocator							0.00%	
Transmission Allocator						100.00%		
Other Allocator					0.00%			
Investment Tax Credit Amortization - Transmission				-	-	-	-	-

END

Potomac Electric Power Company
Deficient / (Excess) Accumulated Deferred Income
Taxes
Attachment 1D - ADIT Rate Base Adjustment

Rate
Year =

Federal Deficient / (Excess) Deferred Income Taxes

Deficient / (Excess) Accumulated Deferred Income Taxes (Account No. 190)														
Line	Days in Period					Projection - Proration of Deficient / (Excess) ADIT Activity (Note A)			Actual - Proration of Deficient / (Excess) ADIT Activity (Note B)					
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	
	Month	Days Per Month	Remaining Days Per Month	Total Days in Future Test Period	Proration Amount (Column C / Column D)	Projected Monthly Activity	Prorated Projected Monthly Activity (Column E x Column F)	Prorated Projected Balance (Col. G Plus Col. H, Preceding Balance)	Actual Monthly Activity	Difference Projected vs. Actual (Note C)	Preserve Proration (Actual vs Projected) (Note D)	Preserve Proration (Actual vs Projected) (Note E)	Preserved Prorated Actual Balance (Col. K + Col. L + Col. M, Preceding Balance)	
1	Deficient / (Excess) ADIT Subject to Proration							-					-	
2	January	31	-	214	50.00%	-	-	-	-	-	-	-	-	
3	February	28	-	214	50.00%	-	-	-	-	-	-	-	-	
4	March	31	-	214	50.00%	-	-	-	-	-	-	-	-	
5	April	30	-	214	50.00%	-	-	-	-	-	-	-	-	
6	May	31	-	214	50.00%	-	-	-	-	-	-	-	-	
7	June	30	185	214	86.45%	-	-	-	-	-	-	-	-	
8	July	31	154	214	71.96%	-	-	-	-	-	-	-	-	
9	August	31	123	214	57.48%	-	-	-	-	-	-	-	-	
10	September	30	93	214	43.46%	-	-	-	-	-	-	-	-	
11	October	31	62	214	28.97%	-	-	-	-	-	-	-	-	
12	November	30	32	214	14.95%	-	-	-	-	-	-	-	-	
13	December	31	1	214	0.47%	-	-	-	-	-	-	-	-	
	Total (Sum of													
14	Lines 2 - 13)					-	-		-	-	-	-		
15	Beginning Balance - Deficient / (Excess) ADIT Not Subject to Proration							-					-	
16	Beginning Balance - Deficient / (Excess) ADIT Adjustment					(Note F)		-					-	
17	Beginning Balance - Deficient / (Excess) ADIT					(Col. (H), Line 15 + Line 16)		-	(Col. (M), Line 15 + Line 16)					-
18	Ending Balance - Deficient / (Excess) ADIT Not Subject to Proration							Ending Balance	20	Deficient / (Excess) ADIT				
19	Ending Balance - Deficient / (Excess) ADIT Adjustment							Deficient / (Excess) ADIT Adjustment						

(Note
F)

(Col. (H),
Line
18 +
Line 19)

-

-
-

-
-

-
(Col. (M), Line 18
+ Line 19)

21	Average Balance as adjusted (non-prorated) Prorated Deficient / (Excess) ADIT	(Col. (H), Line 17 + Line 20] /2)	-	(Col. (M), Line 17 + Line 20] /2)	-
22	Deficient / (Excess) ADIT - Account 190	(Col. (H), Line 13) (Col. (H), Line 21 + Line 22)	-	(Col. (M), Line 13) (Col. (M), Line 21 + Line 22)	-

Deficient / (Excess) Accumulated
Deferred Income Taxes - Property
(Account No. 282)

Line	Days in Period					Projection - Proration of Deficient / (Excess) ADIT Activity (Note A)			Actual - Proration of Deficient / (Excess) ADIT Activity (Note B)				
	(A) Month	(B) Days Per Month	(C) Prorated Days Per Month	(D) Total Days Per Future Test Period	(E) Proration Amount (Column C / Column D)	(F) Projected Monthly Activity	(G) Prorated Projected Monthly Activity (Column E x Column F)	(H) Prorated Projected Balance (Col. G Plus Col. H, Preceding Balance)	(I) Actual Monthly Activity	(J) Difference Projected vs. Actual (Note C)	(K) Preserve Proration (Actual vs Projected) (Note D)	(L) Preserve Proration (Actual vs Projected) (Note E)	(M) Preserved Prorated Actual Balance (Col. K + Col. L + Col. M, Preceding Balance)
24	Deficient / (Excess) ADIT Subject to Proration						-						-
25	January	31	-	214	50.00%	-	-	-	-	-	-	-	-
26	February	28	-	214	50.00%	-	-	-	-	-	-	-	-
27	March	31	-	214	50.00%	-	-	-	-	-	-	-	-
28	April	30	-	214	50.00%	-	-	-	-	-	-	-	-
29	May	31	-	214	50.00%	-	-	-	-	-	-	-	-
30	June	30	185	214	86.45%	-	-	-	-	-	-	-	-
31	July	31	154	214	71.96%	-	-	-	-	-	-	-	-
32	August	31	123	214	57.48%	-	-	-	-	-	-	-	-
33	September	30	93	214	43.46%	-	-	-	-	-	-	-	-
34	October	31	62	214	28.97%	-	-	-	-	-	-	-	-
35	November	30	32	214	14.95%	-	-	-	-	-	-	-	-
36	December	31	1	214	0.47%	-	-	-	-	-	-	-	-
37	Total (Sum of Lines 25 - 36)					-	-		-	-	-	-	
38	Beginning Balance - Deficient / (Excess) ADIT Not Subject to Proration						-						-
39	Beginning Balance - Deficient / (Excess) ADIT Adjustment					(Note F)	-						-
40	Beginning Balance - Deficient / (Excess) ADIT					(Col. (H), Line 38 + Line 39)	-		(Col. (M), Line 38 + Line 39)				-
41	Ending Balance - Deficient / (Excess) ADIT Not Subject to Proration						-						-

42	Ending Balance - Deficient / (Excess) ADIT Adjustment	(Note F)	-		-								
43	Ending Balance - Deficient / (Excess) ADIT	(Col. (H), Line 41 + Line 42)	-	(Col. (M), Line 41 + Line 42)	-								
44	Average Balance as adjusted (non-prorated) Prorated Deficient / (Excess) ADIT	([Col. (H), Line 40 + Line 43] /2)	-	([Col. (M), Line 40 + Line 43] /2)	-								
45		(Col. (H), Line 36)	-	(Col. (M), Line 36)	-								
46	Deficient / (Excess) ADIT - Account 282	(Col. (H), Line 44 + Line 45)	-	(Col. (M), Line 44 + Line 45)	-								
	Deficient / (Excess) Accumulated Deferred Income Taxes - Other (Account No. 283)												
Line	Days in Period					Projection - Proration of Deficient / (Excess) ADIT Activity (Note A)			Actual - Proration of Deficient / (Excess) ADIT Activity (Note B)				
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
	Month	Days Per Month	Prorated Days Per Month	Total Days Per Future Test Period	Proration Amount (Column C / Column D)	Projected Monthly Activity	Prorated Projected Monthly Activity (Column E x Column F)	Prorated Projected Balance (Col. G Plus Col. H, Preceding Balance)	Actual Monthly Activity	Difference Projected vs. Actual (Note C)	Preserve Proration (Actual vs Projected) (Note D)	Preserve Proration (Actual vs Projected) (Note E)	Preserved Prorated Actual Balance (Col. K + Col. L + Col. M, Preceding Balance)
47	ADIT Subject to Proration							-					-
48	January	31	-	214	50.00%	-	-	-	-	-	-	-	-
49	February	28	-	214	50.00%	-	-	-	-	-	-	-	-
50	March	31	-	214	50.00%	-	-	-	-	-	-	-	-
51	April	30	-	214	50.00%	-	-	-	-	-	-	-	-
52	May	31	-	214	50.00%	-	-	-	-	-	-	-	-
53	June	30	185	214	86.45%	-	-	-	-	-	-	-	-
54	July	31	154	214	71.96%	-	-	-	-	-	-	-	-
55	August	31	123	214	57.48%	-	-	-	-	-	-	-	-
56	September	30	93	214	43.46%	-	-	-	-	-	-	-	-
57	October	31	62	214	28.97%	-	-	-	-	-	-	-	-
58	November	30	32	214	14.95%	-	-	-	-	-	-	-	-
59	December	31	1	214	0.47%	-	-	-	-	-	-	-	-
60	Total (Sum of Lines 48 - 59)	365				-	-		-	-	-	-	
61	Beginning Balance - Deficient / (Excess) ADIT Not Subject to Proration						Beginning Balance - Deficient / (Excess) ADIT Adjustment		63		Beginning Balance -		
62													

(Note
F)

(Col.
(H),

-

-
-

-
-

(Col. (M), Line 61
+ Line
62)

-

	Deficient / (Excess) ADIT	Line 61 + Line 62)				
64	Ending Balance - Deficient / (Excess) ADIT Not Subject to Proration		-			-
65	Ending Balance - Deficient / (Excess) ADIT Adjustment	(Note F)	-			-
		(Col. (H), Line 64 + Line 65)	-		(Col. (M), Line 64 + Line 65)	-
67	Average Balance as adjusted (non-prorated) Prorated Deficient / (Excess) ADIT	(Col. (H), Line 63 + Line 66] /2)	-		(Col. (M), Line 63 + Line 66] /2)	-
68		(Col. (H), Line 59)	-		(Col. (M), Line 59)	-
69	Deficient / (Excess) ADIT - Account 283	(Col. (H), Line 67 + Line 68)	-		(Col. (M), Line 67 + Line 68)	-

Line	Unamortized Deficient / (Excess) ADIT - Federal (Projected)					Unamortized Deficient / (Excess) ADIT - Federal (Actual)				
	(A)	(B)	(C)	(D)	(E)	(A)	(B)	(C)	(D)	(E)
	Deficient / (Excess) Deferred Income Taxes		Reference		Projected EOY Balance	Deficient / (Excess) Deferred Income Taxes		Reference		Projected EOY Balance
70	ADIT - 190		(Col. (H), Line 23)		\$ -	ADI T - 190		(Col. (M), Line 23)		\$ -
71	ADIT - 282		(Col. (H), Line 46)		-	ADI T - 282		(Col. (M), Line 46)		-
72	ADIT - 283		(Col. (H), Line 69)		-	ADI T - 283		(Col. (M), Line 69)		-
73	Unamortized Deficient / (Excess) ADIT - Federal		(Entered in ATT H-9A, Line 41a)		\$ --	Unamortized Deficient / (Excess) ADIT - Federal		(Entered in ATT H-9A, Line 41a)		\$ --

State Deficient / (Excess) Deferred Income Taxes

Deficient / (Excess) Accumulated Deferred Income Taxes (Account No. 190)													
Line	Days in Period					Projection - Proration of Deficient / (Excess) ADIT Activity (Note A)			Actual - Proration of Deficient / (Excess) ADIT Activity (Note B)				
	(A) Month	(B) Days Per Month	(C) Remainin g Days Per Month	(D) Tota l Day s in Futu re Test Peri od	(E) Prorati on Amoun t (Colum n C / Colum n D)	(F) Project ed Monthl y Activity	(G) Prorat ed Project ed Monthl y Activity (Colum n E x Colum n F)	(H) Prorated Projected Balance (Col. G Plus Col. H, Precedin g Balance)	(I) Actual Monthl y Activity	(J) Differ ence Project ed vs. Actual (Note C)	(K) Preser ve Prorati on (Actual vs Project ed) (Note D)	(L) Preser ve Prorati on (Actual vs Project ed) (Note E)	(M) Preser ved Prorate d Actual Balanc e (Col. K + Col. L + Col. M, Precedi ng Balanc e)
	Deficient / (Excess) ADIT Subject to Proration						-						-
74													

75	January	31	-	214	50.00%	-	-	-	-	-	-	-	-
76	February	28	-	214	50.00%	-	-	-	-	-	-	-	-
77	March	31	-	214	50.00%	-	-	-	-	-	-	-	-
78	April	30	-	214	50.00%	-	-	-	-	-	-	-	-
79	May	31	-	214	50.00%	-	-	-	-	-	-	-	-
80	June	30	185	214	86.45%	-	-	-	-	-	-	-	-
81	July	31	154	214	71.96%	-	-	-	-	-	-	-	-
82	August	31	123	214	57.48%	-	-	-	-	-	-	-	-
83	September	30	93	214	43.46%	-	-	-	-	-	-	-	-
84	October	31	62	214	28.97%	-	-	-	-	-	-	-	-
85	November	30	32	214	14.95%	-	-	-	-	-	-	-	-
86	December	31	1	214	0.47%	-	-	-	-	-	-	-	-
Total (Sum of													
87	Lines 75 - 86)	365				-	-			-	-	-	-
88	Beginning Balance - Deficient / (Excess) ADIT Not Subject to Proration							-				-	
89	Beginning Balance - Deficient / (Excess) ADIT Adjustment					(Note F)		-				-	
90	Beginning Balance - Deficient / (Excess) ADIT					(Col. (H), Line 88 + Line 89)		-	(Col. (M), Line 88 + Line 89)				-
91	Ending Balance - Deficient / (Excess) ADIT Not Subject to Proration							-				-	
92	Ending Balance - Deficient / (Excess) ADIT Adjustment					(Note F)		-				-	
93	Ending Balance - Deficient / (Excess) ADIT					(Col. (H), Line 91 + Line 92)		-	(Col. (M), Line 91 + Line 92)				-
94	Average Balance as adjusted (non-prorated) Prorated Deficient / (Excess) ADIT					([Col. (H), Line 90 + Line 93] / 2)		-	(Col. (M), Line 90 + Line 93] / 2)				-
95						(Col. (H), Line 86)		-	(Col. (M), Line 86)				-
96	Deficient / (Excess) ADIT - Account 190					(Col. (H), Line 94 + Line 95)		-	(Col. (M), Line 94 + Line 95)				-
Deficient / (Excess) Accumulated Deferred Income Taxes - Property (Account No. 282)													

Line

Days in Period					Projection - Proration of Deficient / (Excess) ADIT Activity (Note A)			Actual - Proration of Deficient / (Excess) ADIT Activity (Note B)				
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
Month	Days Per Month	Prorated Days Per Month	Total Days Per Future Test Period	Proration Amount (Column C / Column D)	Projected Monthly Activity	Prorated Projected Monthly Activity (Column E x Column F)	Prorated Projected Balance (Col. G Plus Col. H, Preceding Balance)	Actual Monthly Activity	Difference Projected vs. Actual (Note C)	Preserve Proration (Actual vs Projected) (Note D)	Preserve Proration (Actual vs Projected) (Note E)	Preserved Prorated Actual Balance (Col. K + Col. L + Col. M, Precedi

														ng Balanc e)
97	Deficient / (Excess) ADIT Subject to Proration							-						-
98	January	31	-	214	50.00%	-	-	-	-	-	-	-	-	-
99	February	28	-	214	50.00%	-	-	-	-	-	-	-	-	-
100	March	31	-	214	50.00%	-	-	-	-	-	-	-	-	-
101	April	30	-	214	50.00%	-	-	-	-	-	-	-	-	-
102	May	31	-	214	50.00%	-	-	-	-	-	-	-	-	-
103	June	30	185	214	86.45%	-	-	-	-	-	-	-	-	-
104	July	31	154	214	71.96%	-	-	-	-	-	-	-	-	-
105	August	31	123	214	57.48%	-	-	-	-	-	-	-	-	-
106	September	30	93	214	43.46%	-	-	-	-	-	-	-	-	-
107	October	31	62	214	28.97%	-	-	-	-	-	-	-	-	-
108	November	30	32	214	14.95%	-	-	-	-	-	-	-	-	-
109	December	31	1	214	0.47%	-	-	-	-	-	-	-	-	-
	Total (Sum of													
110	Lines 98 - 109)	365				-	-		-	-	-	-		
111	Beginning Balance - Deficient / (Excess) ADIT Not Subject to Proration							-						-
112	Beginning Balance - Deficient / (Excess) ADIT Adjustment					(Note F)		-						-
113	Beginning Balance - Deficient / (Excess) ADIT					(Col. (H), Line 111 + Line 112)		-		(Col. (M), Line 111 + Line 112)				-
114	Ending Balance - Deficient / (Excess) ADIT Not Subject to Proration							-						-
115	Ending Balance - Deficient / (Excess) ADIT Adjustment					(Note F)		-						-
116	Ending Balance - Deficient / (Excess) ADIT					(Col. (H), Line 114 + Line 115)		-		(Col. (M), Line 114 + Line 115)				-
117	Average Balance as adjusted (non- prorated) Prorated Deficient / (Excess) ADIT					([Col. (H), Line 113 + Line 116] /2)	-			([Col. (M), Line 113 + Line 116] /2)				-
118						(Col. (H), Line 109)	-			(Col. (M), Line 109)				-
119	Deficient / (Excess) ADIT - Account 282					(Col. (H), Line 117 + Line 118)	-	-		(Col. (M), Line 117 + Line 118)				-
	Deficient / (Excess) Accumulated Deferred Income Taxes - Other (Account No. 283)													

Line	Days in Period					Projection - Proration of Deficient / (Excess) ADIT Activity (Note A)			Actual - Proration of Deficient / (Excess) ADIT Activity (Note B)				
	(A) Month	(B) Days Per Month	(C) Prorated Days Per Month	(D) Total Days Per	(E) Prorati on Amount (Colum	(F) Project ed Monthl	(G) Prorat ed Project ed Monthl	(H) Prorated Projected Balance (Col. G Plus Col.	(I) Actual Monthl y Activity	(J) Differe nce Project ed vs. Actual	(K) Preser ve Prorati on (Actual	(L) Preser ve Prorati on (Actual	(M) Preser ved Prorate d Actual

					Future Test Period	Column C / Column D	Activity	Activity (Column E x Column F)	Historical, Preceding Balance	(Note C)		vs Projected (Note D)	vs Projected (Note E)	Balance (Col. K + Col. L + Col. M, Preceding Balance)
120	ADIT Subject to Proration								-					-
121	January	31	-	214	50.00%		-	-	-	-	-	-	-	-
122	February	28	-	214	50.00%		-	-	-	-	-	-	-	-
123	March	31	-	214	50.00%		-	-	-	-	-	-	-	-
124	April	30	-	214	50.00%		-	-	-	-	-	-	-	-
125	May	31	-	214	50.00%		-	-	-	-	-	-	-	-
126	June	30	185	214	86.45%		-	-	-	-	-	-	-	-
127	July	31	154	214	71.96%		-	-	-	-	-	-	-	-
128	August	31	123	214	57.48%		-	-	-	-	-	-	-	-
129	September	30	93	214	43.46%		-	-	-	-	-	-	-	-
130	October	31	62	214	28.97%		-	-	-	-	-	-	-	-
131	November	30	32	214	14.95%		-	-	-	-	-	-	-	-
132	December Total (Sum of	31	1	214	0.47%									
133	Lines 121 - 132)	365					-	-		-	-	-	-	
134	Beginning Balance - Deficient / (Excess) ADIT Not Subject to Proration)		-					-
135	Beginning Balance - Deficient / (Excess) ADIT Adjustment						(Note F)		-					-
136	Beginning Balance - Deficient / (Excess) ADIT						(Col. (H), Line 134 + Line 135)		-		(Col. (M), Line 134 + Line 135)			-
137	Ending Balance - Deficient / (Excess) ADIT Not Subject to Proration								-					-
138	Ending Balance - Deficient / (Excess) ADIT Adjustment						(Note F)		-					-
139	Ending Balance - Deficient / (Excess) ADIT						(Col. (H), Line 137 + Line 138)		-		(Col. (M), Line 137 + Line 138)			-
140	Average Balance as adjusted (non- prorated) Prorated Deficient / (Excess) ADIT						([Col. (H), Line 136 + Line 139] /2)		-		([Col. (M), Line 136 + Line 139] /2)			-
141							(Col. (H), Line 132)		-		(Col. (M), Line 132)			-
142	Deficient / (Excess) ADIT - Account 283						(Col. (H), Line 140 + Line 141)		-		(Col. (M), Line 140 + Line 141)			-

Line	Unamortized Deficient / (Excess) ADIT - State (Projected)					Unamortized Deficient / (Excess) ADIT - State (Actual)				
	(A)	(B)	(C)	(D)	(E)	(A)	(B)	(C)	(D)	(E)

	Deficient / (Excess) Deferred Income Taxes	Refere nce	EOY Balanc e	Deficient / (Excess) Deferred Income Taxes	Refere nce	Project ed EOY Balanc e
		(Col. (H), Line 96)	\$	ADI T - 190	(Col. (M), Line 96)	\$
143	ADIT - 190		-			-
		(Col. (H), Line 119)	-	ADI T - 282	(Col. (M), Line 119)	-
144	ADIT - 282		-			-
		(Col. (H), Line 142)	-	ADI T - 283	(Col. (M), Line 142)	-
145	ADIT - 283		-			-
	Unamortized			Unamortized		
	Deficient / (Excess) ADIT - State	(Entered in ATT H-9A, Line 41b)	\$	Deficient / (Excess) ADIT - State	(Entered in ATT H-9A, Line 41b)	\$
146			-			-

Instructions

1. For purposes of calculating projected activity, use Columns (F), (G), and (H) and set the "Rate Year" below to "Projected Activity". For purposes of calculating the "True-Up" adjustment, use Columns (I), (J), (K), (L), and (M) and set the "Rate Year" below to "True-Up Adjustment".

Rate
Year

Projected
Activity

Check

2. For the Annual Update (Projected) filing, see Attachment 1A - ADIT Summary, Column H for inputs. For the Annual Update (True-Up) filing, See Attachment 1A - ADIT Summary, Column M for inputs.

Notes

- A
 This section is used to calculate the projected deficient / (excess) ADIT balances. The computations in columns A-H of this workpaper apply the proration rules of Reg. Sec. 1.167(l)-1(h)(6) to the projected annual activity of deficient / (excess) accumulated deferred income taxes subject to the normalization requirements . Activity related to the portions of the account balances not subject to the proration requirement are averaged instead of prorated. For deficient (excess) accumulated deferred income taxes subject to the normalization requirements, projected activity for months prior to the future portion of the test period is averaged rather than prorated.
- B
 This section is used to calculate the actual deficient / (excess) ADIT balances. The computations in columns A-M of this workpaper apply the proration rules of Reg. Sec. 1.167(l)-1(h)(6) and averaging in accordance with IRC Section 168(i)(9)(B) consistency requirement to the actual annual activity of deficient / (excess) accumulated deferred income taxes subject to the normalization requirements. Differences attributable to over-projection of deficient / (excess) ADIT amortization in the projected revenue requirement will result in a proportionate reversal of the projected prorated deficient / (excess) ADIT activity in the true-up adjustment to the extent of the over-projection. Differences attributable to under-projection of deficient / (excess) ADIT in the projected revenue requirement will result in an adjustment to the projected prorated ADIT activity by 50 percent of the difference between the projected monthly activity and the actual monthly activity. However, when projected monthly deficient / (excess) ADIT activity is an increase and actual monthly deficient / (excess) ADIT activity is a decrease, 50 percent of the actual monthly deficient / (excess) ADIT activity will be used. Likewise, when projected monthly deficient / (excess) ADIT activity is a decrease and actual monthly deficient / (excess) ADIT activity is an increase, 50 percent of actual monthly deficient / (excess) ADIT activity will be used. This section is used to calculate deficient / (excess) ADIT activity in the true-up adjustment only. Activity related to the portions of the account balances not subject to the proration requirement are averaged instead of prorated. For deficient (excess) accumulated deferred income taxes subject to the normalization requirements, actual activity for months prior to the future portion of the test period is averaged rather than prorated.
- C
 Column (J) is the difference between projected monthly and actual monthly activity (Column (I) minus Column (F)). Specifically, if projected and actual activity are both positive, a negative in Column (J) represents over-projection (amount of projected activity that did not occur) and a positive in Column (J) represents under-projection (excess of actual activity over projected activity). If projected and actual activity are both negative, a negative in Column (J) represents under-projection (excess of actual activity over projected activity) and a positive in Column (J) represents over-projection (amount of projected activity that did not occur).
- D
 Column (K) preserves proration when actual monthly and projected monthly activity are either both increases or decreases. Specifically, if Column (J) is over-projected, enter Column (G) x [Column (I)/Column (F)]. If Column (J) is under-projected, enter the amount from Column (G) and complete Column (L)). In other situations, enter zero.
- E
 Column (L) applies when (1) Column (J) is under-projected AND (2) actual monthly and projected monthly activity are either both increases or decreases. Enter the amount from Column (J). In other situations, enter zero.
- F
 IRS normalization adjustment

Attachment 1E - Deficient / (Excess) Deferred Income Tax Amortization Worksheet

Federal Deficient / (Excess) Deferred Income Taxes							
Tax Cuts and Jobs Act of 2017							
Line	(A) Deficient / (Excess) Deferred Income Taxes	(B) Notes	(C) Amortization Fixed Period	(D) December 31, 2017 ADIT Deficient / (Excess)	(E) December 31, 2017 BOY Balance	(F) Current Year Amortization	(G) December 31, 2018 EOY Balance
1	<u>Unprotected Non-Property</u>						
		(Note					
2	ADIT - 190	A)	4 Years	\$ -	\$ -	\$ -	\$ -
3	ADIT - 281	(Note A)	4 Years	-	-	-	-
4	ADIT - 282	(Note A)	4 Years	-	-	-	-
5	ADIT - 283	(Note A)	4 Years	-	-	-	-
6	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
7	<u>Unprotected Property</u>						
		(Note					
8	ADIT - 190	A)	5 Years	\$ -	\$ -	\$ -	\$ -
9	ADIT - 281	(Note A)	5 Years	-	-	-	-
10	ADIT - 282	(Note A)	5 Years	-	-	-	-
11	ADIT - 283	(Note A)	5 Years	-	-	-	-
12	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
13	<u>Protected Property</u>						
		(Note					
14	ADIT - 190	A)	ARAM	\$ -	-	-	-
15	ADIT - 281	(Note A)	ARAM	-	-	-	-
16	ADIT - 282	(Note A)	ARAM	-	-	-	-
17	ADIT - 283	(Note A)	ARAM	-	-	-	-
18	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
19	Total - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
Line	(A) Deficient / (Excess) Deferred Income Taxes	(B) Notes	(C) Amortization Fixed Period	(D) September 30, 2018 ADIT Deficient / (Excess)	(E) September 30, 2018 BOY Balance	(F) Current Year Amortization	(G) December 31, 2018 EOY Balance
20	<u>Protected Property</u>						
		(Note					
21	ADIT - 190	B)	ARAM	\$ -	\$ -	\$ -	\$ -
22	ADIT - 281	(Note B)	ARAM	-	-	-	-
23	ADIT - 282	(Note B)	ARAM	-	-	-	-
24	ADIT - 283	(Note B)	ARAM	-	-	-	-
25	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
26	Total - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -

Total Federal Deficient / (Excess) Deferred Income Taxes
--

Line	(A) Deficient / (Excess) Deferred Income Taxes	(B) Notes	(C) Amortization Fixed Period	(D) ADIT Deficient / (Excess)	(E) December 31, 2017 BOY Balance	(F) Current Year Amortization	(G) December 31, 2018 EOY Balance
1	<u>Unprotected Non-Property</u>						
2	ADIT - 190			\$ -	\$ -	\$ -	\$ -
3	ADIT - 281			-	-	-	-
4	ADIT - 282			-	-	-	-
5	ADIT - 283			-	-	-	-
6	Subtotal - Deficient / (Excess) ADIT			<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
7	<u>Unprotected Property</u>						
8	ADIT - 190			\$ -	\$ -	\$ -	\$ -
9	ADIT - 281			-	-	-	-
10	ADIT - 282			-	-	-	-
11	ADIT - 283			-	-	-	-
12	Subtotal - Deficient / (Excess) ADIT			<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
13	<u>Protected Property</u>						
14	ADIT - 190			\$ -	\$ -	\$ -	\$ -
15	ADIT - 281			-	-	-	-
16	ADIT - 282			-	-	-	-
17	ADIT - 283			-	-	-	-
18	Subtotal - Deficient / (Excess) ADIT			<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
19	Total - Deficient / (Excess) ADIT			<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

Total Federal Deficient / (Excess) Deferred Income Taxes

Line	(A) Deficient / (Excess) Deferred Income Taxes	(B) Notes	(C) Amortization Fixed Period	(D) ADIT Deficient / (Excess)	(E) Blended Dates BOY Balance	(F) Current Year Amortization	(G) December 31, 2018 EOY Balance
27	ADIT - 190			\$ -	\$ -	\$ -	\$ -
28	ADIT - 281			-	-	-	-
29	ADIT - 282			-	-	-	-
30	ADIT - 283			-	-	-	-
31	Total - Deficient / (Excess) ADIT			<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
32	Tax Gross-Up Factor	ATT H-9A, Line 132b		1.00	1.00	1.00	1.00
33	Regulatory Asset / (Liability)			<u>\$ --</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Federal Income Tax Regulatory Asset / (Liability)

(A)	(B)	(D)	(E) Blended Dates BOY Balance	(F) Current Year Amortization	(G) December 31, 2018 EOY Balance
	Notes	ADIT Deficient / (Excess)			

Line	Regulatory Assets / (Liabilities)

34	Account 182.3 (Other Regulatory Assets)	\$ -	\$ -	\$ -	\$ -
35	Account 254 (Other Regulatory Liabilities)		-	-	-
36	Total - Transmission Regulatory Asset / (Liability)	\$ -	\$ -	\$ -	\$ -

State Deficient / (Excess) Deferred Income Taxes							
Maryland (2018 Apportionment Weighting Change)							

Line	(A) Deficient / (Excess) Deferred Income Taxes	(B) Notes	(C) Amortization Fixed Period	(D) ADIT Deficient / (Excess)	(E) September 30, 2018 BOY Balance	(F) Current Year Amortization	(G) December 31, 2018 EOY Balance
37	Unprotected Non-Property						
		(Note					
38	ADIT - 190	C)	4 Years	\$ -	\$ -	\$ -	\$ -
39	ADIT - 281	(Note C)	4 Years	-	-	-	-
40	ADIT - 282	(Note C)	4 Years	-	-	-	-
41	ADIT - 283	(Note C)	4 Years	-	-	-	-
42	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
43	Unprotected Property						
		(Note					
44	ADIT - 190	C)	5 Years	\$ -	\$ -	\$ -	\$ -
45	ADIT - 281	(Note C)	5 Years	-	-	-	-
46	ADIT - 282	(Note C)	5 Years	-	-	-	-
47	ADIT - 283	(Note C)	5 Years	-	-	-	-
48	Subtotal - Deficient / (Excess) ADIT					\$ -	\$ -
49	Protected Property						
		(Note					
50	ADIT - 190	C)			NA	\$ -	-
51	ADIT - 281	(Note C)			NA	-	-
52	ADIT - 282	(Note C)			NA	-	-
53	ADIT - 283	(Note C)			NA	-	-
54	Subtotal - Deficient / (Excess) ADIT					\$ -	\$ -
55	Total - Deficient / (Excess) ADIT					\$ - =	\$ - =

Washington, D.C. (2018 Apportionment Weighting Change)							
Line	(A) Deficient / (Excess) Deferred Income Taxes	(B) Notes	(C) Amortization Fixed Period	(D) ADIT Deficient / (Excess)	(E) September 30, 2018 BOY Balance	(F) Current Year Amortization	(G) December 31, 2018 EOY Balance
56	Unprotected Non-Property						
		(Note					
57	ADIT - 190	60	ADIT - 283				
58	ADIT - 281						
59	ADIT - 282						

D)	4 Years	D)	4 Years	\$	\$	\$	\$
(Note		(Note		-	-	-	-
D)	4 Years	D)	4 Years	-	-	-	-
(Note				-	-	-	-
				-	-	-	-

61	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
62	Unprotected Property						
63	ADIT - 190	(Note D)	5 Years	\$ -	\$ -	\$ -	\$ -
64	ADIT - 281	(Note D)	5 Years	-	-	-	-
65	ADIT - 282	(Note D)	5 Years	-	-	-	-
66	ADIT - 283	(Note D)	5 Years	-	-	-	-
67	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
68	Protected Property						
69	ADIT - 190	(Note D)	NA	\$ -	-	-	-
70	ADIT - 281	(Note D)	NA	-	-	-	-
71	ADIT - 282	(Note D)	NA	-	-	-	-
72	ADIT - 283	(Note D)	NA	-	-	-	-
73	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
74	Total - Deficient / (Excess) ADIT			\$ --	\$ --	\$ --	\$ --

Washington, D.C. (2017 Corporate Rate Change)

Line	(A) Deficient / (Excess) Deferred Income Taxes	(B) Notes	(C) Amortization Fixed Period	(D) ADIT Deficient / (Excess)	(E) September 30, 2018 BOY Balance	(F) Current Year Amortization	(G) December 31, 2018 EOY Balance
75	Unprotected Non-Property						
76	ADIT - 190	(Note E)	4 Years	\$ -	\$ -	\$ -	\$ -
77	ADIT - 281	(Note E)	4 Years	-	-	-	-
78	ADIT - 282	(Note E)	4 Years	-	-	-	-
79	ADIT - 283	(Note E)	4 Years	-	-	-	-
80	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
81	Unprotected Property						
82	ADIT - 190	(Note E)	5 Years	\$ -	\$ -	\$ -	\$ -
83	ADIT - 281	(Note E)	5 Years	-	-	-	-
84	ADIT - 282	(Note E)	5 Years	-	-	-	-
85	ADIT - 283	(Note E)	5 Years	-	-	-	-
86	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
87	Protected Property						
88	ADIT - 190	(Note E)	NA	\$ -	-	-	-
89	ADIT - 281	(Note E)	NA	-	-	-	-
90	ADIT - 282	(Note E)	NA	-	-	-	-
91	ADIT - 283	(Note E)	NA	-	-	-	-
92	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
				\$ --	\$ --	\$ --	\$ --

Washington, D.C. (2016 Corporate Rate Change)

Line	(A) Deficient / (Excess) Deferred Income Taxes	(B) Notes	(C) Amortization Fixed Period	(D) ADIT Deficient / (Excess)	(E) September 30, 2018 BOY Balance	(F) Current Year Amortization	(G) December 31, 2018 EOY Balance
94	<u>Unprotected Non-Property</u>						
		(Note		\$	\$	\$	\$
95	ADIT - 190	F)	4 Years	-	-	-	-
96	ADIT - 281	(Note F)	4 Years	-	-	-	-
97	ADIT - 282	(Note F)	4 Years	-	-	-	-
98	ADIT - 283	(Note F)	4 Years	-	-	-	-
99	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
100	<u>Unprotected Property</u>						
		(Note		\$	\$	\$	\$
101	ADIT - 190	F)	5 Years	-	-	-	-
102	ADIT - 281	(Note F)	5 Years	-	-	-	-
103	ADIT - 282	(Note F)	5 Years	-	-	-	-
104	ADIT - 283	(Note F)	5 Years	-	-	-	-
105	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
106	<u>Protected Property</u>						
		(Note		\$			
107	ADIT - 190	F)	NA	-	-	-	-
108	ADIT - 281	(Note F)	NA	-	-	-	-
109	ADIT - 282	(Note F)	NA	-	-	-	-
110	ADIT - 283	(Note F)	NA	-	-	-	-
111	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
112	Total - Deficient / (Excess) ADIT			\$ -=-	\$ -=-	\$ -=-	\$ -=-

Washington, D.C. (2015 Corporate Rate Change)

Line	(A) Deficient / (Excess) Deferred Income Taxes	(B) Notes	(C) Amortization Fixed Period	(D) ADIT Deficient / (Excess)	(E) September 30, 2018 BOY Balance	(F) Current Year Amortization	(G) December 31, 2018 EOY Balance
113	<u>Unprotected Non-Property</u>						
		(Note		\$	\$	\$	\$
114	ADIT - 190	G)	4 Years	-	-	-	-
115	ADIT - 281	(Note G)	4 Years	-	-	-	-
116	ADIT - 282	(Note G)	4 Years	-	-	-	-
117	ADIT - 283	(Note G)	4 Years	-	-	-	-
118	Subtotal - Deficient / (Excess) ADIT			\$ -	\$ -	\$ -	\$ -
119	<u>Unprotected Property</u>						
		(Note		\$	\$	\$	\$
120	ADIT - 190	122	ADIT - 282	-	-	-	-
121	ADIT - 281	123	ADIT - 283	-	-	-	-
				-	-	-	-
				-	-	-	-

G)
(Note
G)
(Note

5 Years
5 Years

G)
(Note
G)

5 Years
5 Years

124

Subtotal - Deficient /
(Excess) ADIT

\$	\$	\$	\$
-	-	-	-

125	- <u>Protected Property</u>						
126	ADIT - 190	(Note G)	NA	\$	-	-	-
127	ADIT - 281	(Note G)	NA	-	-	-	-
128	ADIT - 282	(Note G)	NA	-	-	-	-
129	ADIT - 283	(Note G)	NA	-	-	-	-
				\$	\$	\$	\$
130	Subtotal - Deficient / (Excess) ADIT			-	-	-	-
				\$	\$	\$	\$
131	Total - Deficient / (Excess) ADIT			-	-	-	-

Maryland (2007 Corporate Rate Change)

Line	(A) Deficient / (Excess) Deferred Income Taxes	(B) Notes	(C) Amortization Fixed Period	(D) ADIT Deficient / (Excess)	(E) September 30, 2018 BOY Balance	(F) Current Year Amortization	(G) December 31, 2018 EOY Balance
132	- <u>Unprotected Non-Property</u>						
		(Note		\$	\$	\$	\$
133	ADIT - 190	H)	4 Years	-	-	-	-
134	ADIT - 281	(Note H)	4 Years	-	-	-	-
135	ADIT - 282	(Note H)	4 Years	-	-	-	-
136	ADIT - 283	(Note H)	4 Years	-	-	-	-
				\$	\$	\$	\$
137	Subtotal - Deficient / (Excess) ADIT			-	-	-	-
138	- <u>Unprotected Property</u>						
		(Note		\$	\$	\$	\$
139	ADIT - 190	H)	5 Years	-	-	-	-
140	ADIT - 281	(Note H)	5 Years	-	-	-	-
141	ADIT - 282	(Note H)	5 Years	-	-	-	-
142	ADIT - 283	(Note H)	5 Years	-	-	-	-
				\$	\$	\$	\$
143	Subtotal - Deficient / (Excess) ADIT			-	-	-	-
144	- <u>Protected Property</u>						
		(Note		\$			
145	ADIT - 190	H)	NA	-	-	-	-
146	ADIT - 281	(Note H)	NA	-	-	-	-
147	ADIT - 282	(Note H)	NA	-	-	-	-
148	ADIT - 283	(Note H)	NA	-	-	-	-
				\$	\$	\$	\$
149	Subtotal - Deficient / (Excess) ADIT			-	-	-	-
				\$	\$	\$	\$
150	Total - Deficient / (Excess) ADIT			-	-	-	-

tate Deficient / (Excess) Deferred Income Taxes

Total S							
Line	(A) Deficient / (Excess) Deferred Income Taxes	(B) Notes	(C) Amortization Fixed Period	(D) ADIT Deficient / (Excess)	(E) December 31, 2017 BOY Balance	(F) Current Year Amortization	(G) December 31, 2018 EOY Balance
1	- <u>Unprotected Non-Property</u>						

2	ADIT - 190	\$ -	\$ -	\$ -	\$ -
3	ADIT - 281	-	-	-	-
4	ADIT - 282	-	-	-	-

5	ADIT - 283		-	-	-
6	Subtotal - Deficient / (Excess) ADIT	\$	\$	\$	\$
		-	-	-	-
7	<u>Unprotected Property</u>				
8	ADIT - 190	\$	\$	\$	\$
9	ADIT - 281	-	-	-	-
10	ADIT - 282	-	-	-	-
11	ADIT - 283	-	-	-	-
12	Subtotal - Deficient / (Excess) ADIT	\$	\$	\$	\$
		-	-	-	-
13	<u>Protected Property</u>				
14	ADIT - 190	\$	\$	\$	\$
15	ADIT - 281	-	-	-	-
16	ADIT - 282	-	-	-	-
17	ADIT - 283	-	-	-	-
18	Subtotal - Deficient / (Excess) ADIT	\$	\$	\$	\$
		-	-	-	-
19	Total - Deficient / (Excess) ADIT	\$	\$	\$	\$
		-	-	-	-

Total State Deficient / (Excess) Deferred Income Taxes

Line	(A) Deficient / (Excess) Deferred Income Taxes	(B) Notes	(C) Amortization Fixed Period	(D) ADIT Deficient / (Excess)	(E) Blended Dates BOY Balance	(F) Current Year Amortization	(G) December 31, 2018 EOY Balance
151	ADIT - 190			\$	\$	\$	\$
152	ADIT - 281			-	-	-	-
153	ADIT - 282			-	-	-	-
154	ADIT - 283			-	-	-	-
155	Total - Deficient / (Excess) ADIT			\$	\$	\$	\$
				-	-	-	-
156	Tax Gross-Up Factor	ATT H-9A, Line 132b		1.00	1.00	1.00	1.00
157	Regulatory Asset / (Liability)			\$	\$	\$	\$
				-	-	-	-

State Income Tax Regulatory Asset / (Liability)

Line	(A) Regulatory Assets / (Liabilities)	(B) Notes	(D) ADIT Deficient / (Excess)	(E) Blended Dates BOY Balance	(F) Current Year Amortization	(G) December 31, 2018 EOY Balance
158	Account 182.3 (Other Regulatory Assets)		\$	\$	\$	\$
159	Account 254 (Other Regulatory Liabilities)		-	-	-	-
160	Total - Transmission Regulatory Asset / (Liability)		\$	\$	\$	\$
			-	-	-	-

Federal and State Income Tax Regulatory Asset / (Liability)
Federal and State Income Tax Regulatory Asset / (Liability) related to Excess / Deficient Deferred Income Taxes

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
	Regulatory Assets / (Liabilities)	Notes		ADIT Deficient / (Excess)	Blended Dates	Current Year Amortization	December 31, 2018
Line					BOY Balance		EOY Balance
				-	-	-	-
161	Account 182.3 (Other Regulatory Assets)			\$ -	\$ -	\$ -	\$ -
162	Account 254 (Other Regulatory Liabilities)			-	-	-	-
163	Total - Transmission Regulatory Asset / (Liability)			\$ -	\$ -	\$ -	\$ -

Instructions

1. For transmission allocated deficient / (excess) deferred income taxes related to rate changes occurring after September 30, 2018, insert new amortization table that delineate the deficient and excess deferred taxes by protected property, unprotected property, and unprotected non-property by ADIT category.
2. Set the amortization period for unprotected property to 5 years and unprotected non-property to 4 years. The amortization of deficient and (excess) ADIT designated as protected will be calculated using the Average Rate Assumption Method (ARAM) or a manner that complies with the normalization requirements.
3. Update applicable formulas in the "Total Federal Deficient / (Excess) Deferred Income Taxes" and "Total State Deficient / (Excess) Deferred Income Taxes" sections to ensure appropriate inclusion of deficient / (excess) ADIT deferred income taxes related to rate changes occurring after September 30, 2018.
4. Insert note explaining the event giving rise to the deficient / (excess) ADIT including the start and end date for the amortization. The amortization ceases after the related regulatory asset / liability is drawn down to zero.

Notes

- A Deficient and (excess) ADIT related to the Tax Cuts and Jobs Act of 2017 (TCJA) will be amortized beginning January 1, 2018 based on the prescribed amortization periods as provided in the Settlement in Docket No. ER19-5 et al. The amortization periods for unprotected property and unprotected non-property related deficient and (excess) ADIT are fixed and cannot be changed without the Commission's express approval except, balances and categorizations may be changed if required by audit adjustments, tax return amendments, or new IRS guidance. The amortization of protected property related deficient and (excess) ADIT will be calculated using the Average Rate Assumption Method (ARAM) or a manner that complies with the normalization requirements and may vary by year depending on where each underlying asset resides in its individual life cycle. The unprotected property related deficient and (excess) ADIT will be fully amortized by December 31, 2022. The unprotected non-property related excess and deficient ADIT will be fully amortized by December 31, 2021. Note - The amortization formula in Column F will change based on where Pepco resides in the amortization cycle. The current year amortization of deficient and (excess) ADIT is recorded in FERC Accounts 410.1 and 411.1.
- B The remaining unamortized excess and deficient ADIT related to the Tax Reform Act of 1986 will be amortized using the Average Rate Assumption Method (ARAM) as provided in the Settlement in Docket No. ER19-5 et al. The current year amortization of deficient and (excess) ADIT is recorded in FERC Accounts 410.1 and 411.1.
- C The remaining unamortized deficient and (excess) ADIT related to the Maryland 2018 "Apportionment Weighting Change" as of September 30, 2018 will be amortized beginning October 1, 2018 based on the prescribed amortization periods as provided in the Settlement in Docket No. ER19-5 et al. The amortization periods for unprotected property and unprotected non-property related deficient and (excess) ADIT are fixed and cannot be changed without the Commission's express approval except, balances and categorizations may be changed if required by audit adjustments or tax return amendments. The unprotected property related deficient and (excess) ADIT will be fully amortized by September 30, 2023. The unprotected non-property related deficient and (excess) ADIT will be fully amortized by September 30, 2022. The unamortized deficient and (excess) state related ADIT including related amortization is reported net of federal taxes. Note - The amortization formula in Column F will change based on where Pepco resides in the amortization cycle. The current year amortization of deficient and (excess) ADIT is recorded in FERC Accounts 410.1 and 411.1.
- D The remaining unamortized deficient and (excess) ADIT related to the Washington, D.C. 2018 "Apportionment Weighting Change" as of September 30, 2018 will be amortized beginning October 1, 2018 based on the prescribed amortization periods as provided in the Settlement in Docket No. ER19-5 et al. The amortization periods for unprotected property and unprotected non-property related deficient and (excess) ADIT are fixed and cannot be changed without the Commission's express approval except, balances and categorizations may be changed if required by audit adjustments or tax return amendments. The unprotected property related deficient and (excess) ADIT will be fully amortized by September 30, 2023. The unprotected non-property related deficient and (excess) ADIT will be fully amortized by September 30, 2022. The unamortized deficient and (excess) state related ADIT including related amortization is reported net of federal taxes. Note - The amortization formula in Column F will change based on where Pepco resides in the amortization cycle. The current year amortization of deficient and (excess) ADIT is recorded in FERC Accounts 410.1 and 411.1.
- E The remaining unamortized deficient and (excess) ADIT related to the Washington, D.C. 2017 "Corporate Rate Change" as of September 30, 2018 will be amortized beginning October 1, 2018 based on the prescribed amortization periods as provided in the Settlement in Docket No. ER19-5 et al. The amortization periods for unprotected property and unprotected non-property related deficient and (excess) ADIT are fixed and cannot be changed without the Commission's express approval except, balances and categorizations may be changed if required by audit adjustments or tax return amendments. The unprotected property related deficient and (excess) ADIT will be fully amortized by September 30, 2023. The unprotected non-property related deficient and (excess) ADIT will be fully amortized by September 30, 2022. The unamortized deficient and (excess) state related ADIT including related amortization is reported net of federal taxes. Note - The amortization formula in Column F will change based on where Pepco resides in the amortization cycle. The current year amortization of deficient and (excess) ADIT is recorded in FERC Accounts 410.1 and 411.1.
- F The remaining unamortized deficient and (excess) ADIT related to the Washington, D.C. 2016 "Corporate Rate Change" as of September 30, 2018 will be amortized beginning October 1, 2018 based on the prescribed amortization periods as provided in the Settlement in Docket No. ER19-5 et al. The amortization periods for unprotected property and unprotected non-property related deficient and (excess) ADIT are fixed and cannot be changed without the Commission's express approval except, balances and categorizations may be changed if required by audit adjustments or tax return amendments. The unprotected property related deficient and (excess) ADIT will be fully amortized by September 30, 2023. The unprotected non-property related deficient and (excess) ADIT will be fully amortized by September 30, 2022. Note - The amortization formula in Column F will change based on where Pepco resides in the amortization cycle. The current year amortization of deficient and (excess) ADIT is recorded in FERC Accounts 410.1 and 411.1.
- G The remaining unamortized deficient and (excess) ADIT related to the Washington, D.C. 2015 "Corporate Rate Change" as of September 30, 2018 will be amortized beginning October 1, 2018 based on the prescribed amortization periods as provided in the Settlement in Docket No. ER19-5 et al. The amortization periods for unprotected property and unprotected non-property related deficient and (excess) ADIT are fixed and cannot be changed without the Commission's express approval except, balances and categorizations may be changed

if required by audit adjustments or tax return amendments. The unprotected property related deficient and (excess) ADIT will be fully amortized by September 30, 2023. The unprotected non-property related deficient and (excess) ADIT will be fully amortized by September 30, 2022. The unamortized deficient and (excess) state related ADIT including related amortization is reported net of federal taxes. Note - The amortization formula in Column F will change based on where Pepco resides in the amortization cycle. The current year amortization of deficient and (excess) ADIT is recorded in FERC Accounts 410.1 and 411.1.

H The remaining unamortized deficient and (excess) ADIT related to the Maryland 2007 "Corporate Rate Change" as of September 30, 2018 will be amortized beginning October 1, 2018 based on the prescribed amortization periods as provided in the Settlement in Docket No.

ER19-5 et al. The amortization periods for unprotected property and unprotected non-property related deficient and (excess) ADIT are fixed and cannot be changed without the Commission's express approval except, balances and categorizations may be changed if required by audit adjustments or tax return amendments. The unprotected property related deficient and (excess) ADIT will be fully amortized by September 30, 2023. The unprotected non-property related deficient and (excess) ADIT will be fully amortized by September 30, 2022. The unamortized deficient and (excess) state related ADIT including related amortization is reported net of federal taxes. Note - The amortization formula in Column F will change based on where Pepco resides in the amortization cycle. The current year amortization deficient and (excess) ADIT is recorded in FERC Accounts 410.1 and 411.1.

Tax Cuts and Jobs Act of 2017

				12/31/2017 ADIT - Pre Rate Change					12/31/2017 ADIT - Post Rate Change					12/31/17 Deficient / (Excess) Deferred Income Taxes									
Line	Detailed Description	Description	Category	Federal Gross Timing Difference	Federal ADI T @ 35%	State AD IT	Firm Total AD IT	Total AD IT	Federal Gross Timing Difference	Federal ADI T @ 21%	State AD IT	Firm Total AD IT	Total AD IT	Rate Change Deferred Tax Impact	Non- Recoverable	FAS 109 Regulatory Asset / Liability Deferred Taxes	Total Deficient / (Excess) ADIT Balance	Jurisdiction Allocator	Electric Transmission	Allocator (Note B)	Transmission Allocated Deficient / (Excess) ADIT Balance	FERC Account	
							(H)						(M)										
							(G =					(L =											
							) = (E)					) = (J)										
							(F +					(K +						(Q) =					
					(E) =		) * (F)		(J) =			) * (K)		(N) =			(N) -					
					(D) *		35 +		(I) *			21 +		(H) -			(O) -				(U) = (Q)		
	(A)	(B)	(C)	(D)	35%	(F)	%	(G)	(I)	21%	(K)	%	(L)	(M)	(O)	(P)	(P)	(R)	(S)	(T)	* (T)	(V)	

**FERC
Account
190 -
Non-
Current
(Note A)**

1	Accrued Payroll Taxes - Manual Other	Accrued Liabilitie s	Non- Propert y		\$		\$	\$		\$		\$	\$	\$		\$	\$	Labor	Yes	10.09 0%	\$ -	190
					-		-	-		-		-	-	-		-	-					
2	Current Liabilities - General Accrued Liab- Required Health	Accrued Liabilitie s	Non- Propert y															100% DC	No	0.000 %	-	190
					-		-	-		-		-	-	-		-	-					
		Accrued Liabilitie s	Non- Propert y													-						

3	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	190
---	---	---	---	---	---	---	---	---	---	-------	-----	-------------	---	-----

4	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	190
5	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	190
6	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	190
7	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	190
8	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	190
9	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	190
10	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	190
11	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	190
12	-	-	-	-	-	-	-	-	-	Labor 100% Transmi ssion	Yes	100.0 00%	-	190
13	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	190

17	-	-	-	-	-	-	-	-	100% DC	No	0.000 %	-	190
18	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	190
19	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	190
20	-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
21	-	-	-	-	-	-	-	-	100% MD	No	0.000 %	-	190
22	-	-	-	-	-	-	-	-	100% DC	No	0.000 %	-	190
23	-	-	-	-	-	-	-	-	100% DC	No	0.000 %	-	190
24	-	-	-	-	-	-	-	-	100% MD	No	0.000 %	-	190

26	-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
27	-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
28	-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
29	-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
30	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	190
31	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	190
32	-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190

Page 5

35	-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
36	-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
37	-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
38	-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
39	-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
40	-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
41	-	-	-	-	-	-	-	-	100% DC	No	0.000 %	-	190
42	-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190

43	FIN 48 Interest Payable-MD-NonCurrent Accrued Charitable Contributions-MD-Current Accrued Charitable Contributions-DC-Current	Interest on Contingent Taxes	Non-Property	-	-	-	-	-	-	-	-	-	-	Labor	Yes	10.090%	-	190
44	Merger Commitment Deferrals	Merger Commitment Deferrals	Non-Property	-	-	-	-	-	-	-	-	-	-	Plant	Yes	17.320%	-	190
	Merger Commitments Accrued Charitable Contributions-MD-Non-Current Accrued Charitable Contributions-DC-Non-Current	Merger Commitment Deferrals	Non-Property															
	Use Tax Payable-DC Other Long-Term Liabilities Federal State Income Taxes Deductible Maryland 1/1/2000 Basis	190 Deferred Taxes	Non-Property															

45	-	-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
46	-	-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
47	-	-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
48	-	-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	190
49	-	-	-	-	-	-	-	-	-	100% MD	No	0.000 %	-	190
50	-	-	-	-	-	-	-	-	-	100% MD	No	0.000 %	-	190
51	-	-	-	-	-	-	-	-	-	100% MD	No	0.000 %	-	190

52	Carryforward Asset Retirement Obligation - Electric Utility Plant	Regulatory Liabilities	Non-Property	-	-	-	-	-	-	-	-	-	-	100% DC	No	0.000 %	-	190
	Other Regulatory Liability - General Oth Reg	Regulatory Liabilities	Non-Property															
	Liab-Asset Retirement Obligation - Electric Reg	Regulatory Liabilities	Non-Property															
	Liab-Asset Retirement Obligation - Electric- Contra	Regulatory Liabilities	Non-Property															
	Regulatory Liability- MD Grid Resiliency Charge Reg Liab- MD	Regulatory Liabilities	Non-Property															
	Dynamic Pricing/Critical Pk Rebate Cr	Regulatory Liabilities	Non-Property															
	Regulatory Liability - MD - Base Reg Liab- Third Party Supplier- DC Distribution	Regulatory Liabilities	Non-Property															
		Regulatory Liabilities	Non-Property															

53	Maryland Net Operating Loss Carryforward	State NOL	Non-Property	-	-	-	-	-	-	Plant	Yes	17.320%	-	190
54	DC Net Operating Loss Carryforward	State NOL	Non-Property	-	-	-	-	-	-	Plant	Yes	17.320%	-	190
55	Federal Net Operating Loss Carryforward	Federal NOL	Protected Property	-	-	-	-	-	-	Plant	Yes	17.320%	-	190
56	Unamortized Investment Tax Credits	FAS 109 - Deferred Taxes on ITC	Protected Property	-	-	-	-	-	-	Plant	Yes	17.320%	-	190
57	Other Reg Assets - Income Tax Recov thru Rates	FAS109 Non-TCJA	N/A	-	-	-	-	-	-	Plant	Yes	17.320%	-	190
58	FAS 109 - Regulatory Asset Electric	FAS109 Non-TCJA	N/A	-	-	-	-	-	-	N/A	No	17.320%	-	190
59	SFAS109 - Regulatory Liability Electric	FAS109 Non-TCJA	N/A	-	-	-	-	-	-	N/A	No	17.320%	-	190

FERC
Account
282 -
Property

62	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	Plant	Yes	17.32 0%	\$ -	282
63	-	-	-	-	-	-	-	-	-	-	-	-	-	Plant	Yes	17.32 0%	-	282
64	-	-	-	-	-	-	-	-	-	-	-	-	-	Plant	No	0.000 %	-	282
65	-	-	-	-	-	-	-	-	-	-	-	-	-	Plant	Yes	17.32 0%	-	282
66	-	-	-	-	-	-	-	-	-	-	-	-	-	Plant	Yes	17.32 0%	-	282

68	-	-	-	-	-	-	-	-	-	Plant	Yes	17.32 0%	-	282
69	-	-	-	-	-	-	-	-	-	Plant	Yes	17.32 0%	-	282
70	-	-	-	-	-	-	-	-	-	Plant	No	0.000 %	-	282
71	-	-	-	-	-	-	-	-	-	Plant	Yes	17.32 0%	-	282
72	-	-	-	-	-	-	-	-	-	Plant	No	0.000 %	-	282

[illegible]

75	es (Non-PowerTax) - Non-Protected DC Fixed Asset Differences (Non-PowerTax) - Non-Protected CIAC	Property (Non-PowerTax) Non-Protected Property (Non-PowerTax)	Property Unprotected Property	-	-	-	-	-	-	-	-	-	-	-	-	Plant	No	0.000 %	-	282
76	Fixed Asset Basis Differences (Non-PowerTax) - Non-Protected CIAC	Non-Protected Property (Non-PowerTax)	Unprotected Property	-	-	-	-	-	-	-	-	-	-	-	-	Plant	Yes	17.32 0%	-	282
77	Total FERC			-	-	-	-	-	-	-	-	-	-	-	-	Plant	No	0.000 %	=	282
78	Account 282			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				\$ -	

FERC Account 283 - Non-Current (Note A)

79	Unamortized Loss on Reacquired Debt - General	Reacquired Debt	Non-Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Labor	Yes	10.09 0%	\$ -	283
	Unamortized Loss - Pollution Bonds	Reacquired Debt	Non-Property																	

80

-

-

-



-

-

-

-

-

Labor

Yes

10.09
0%

-

283

81	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	283
82	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	283
83	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	283
84	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	283
85	-	-	-	-	-	-	-	-	-	100% MD	No	0.000 %	-	283
86	-	-	-	-	-	-	-	-	-	100% MD	No	0.000 %	-	283
87	-	-	-	-	-	-	-	-	-	100% Transmi ssion	Yes	100.0 00%	-	283

88	Unamortized Loss - First Mortgage Bonds	Reacquired Debt	Non-Property	-	-	-	-	-	-	-	-	-	-	Labor	No	0.000 %	-	283
89	Prepayments - Other Taxes	Maryland Property Taxes	Non-Property	-	-	-	-	-	-	-	-	-	-	100% DC	No	0.000 %	-	283
	Prepayments - General	Prepaid Interest	Non-Property															
	Prepayments - Workmen's Compensation DSM - Energy Efficient Products - Community - MD	Prepayments	Non-Property															
	Regulatory Assets - DSM - Direct Load Control - MD	Regulatory Asset - DSM	Non-Property															
	Regulatory Assets - FERC Formula Rate Adjustment - Transmission Svc	Regulatory Asset - FERC Formula Rate True-up	Non-Property															
	Regulatory Assets - Retirement Obligation	Regulatory Assets	Non-Property															
	Regulatory Assets -	Regulatory	Non-Property															

90	-	-	-	-	-	-	-	-	-	100% MD	No	0.000 %	-	283
91	-	-	-	-	-	-	-	-	-	100% DC	No	0.000 %	-	283
92	-	-	-	-	-	-	-	-	-	100% MD	No	0.000 %	-	283
93	-	-	-	-	-	-	-	-	-	100% DC	No	0.000 %	-	283
94	-	-	-	-	-	-	-	-	-	100% MD	No	0.000 %	-	283
95	-	-	-	-	-	-	-	-	-	Labor	Yes	10.09 0%	-	283
96	-	-	-	-	-	-	-	-	-	100% DC	No	0.000 %	-	283

97	DC Recovery - Base	ry Assets		-	-	-	-	-	-	-	-	-	-	100% MD	No	0.000 %	-	283
98	Regulatory Assets - MD Recovery - Base	Regulatory Assets	Non-Property	-	-	-	-	-	-	-	-	-	-	100% DC	No	0.000 %	-	283
	Regulatory Assets - DC	Regulatory Assets	Non-Property										-					
	Regulatory Assets - MD	Regulatory Assets	Non-Property										-					
	Regulatory Assets - DC Power Line Undergrounding Reg Assets-Third Party Supplier Recovery-MD Dist	Regulatory Assets	Non-Property										-					
	Regulatory Asset - Wks Comp/LT Disability Accrual	Regulatory Assets	Non-Property										-					
	Regulatory Assets-DC Residential Aid	Regulatory Assets	Non-Property										-					
	Regulatory Asset-Maryland Meters	Regulatory Assets	Non-Property										-					
	AMI - Recoverable - DC	Regulatory Assets	Non-Property										-					

99	Prepaid Pension Costs	Pension Plan Contribution	Non-Property	-	-	-	-	-	-	-	-	-	-	-	-	Labor	Yes	10.090%	-	283
	Total FERC																			
100	Account 283			\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-				\$-	
101	Grand Total			<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>	<u>\$-</u>				<u>\$-</u>	

Protected Property	-	-
Unprotected Property	-	-
Non-Property	-	-
Total Unprotected	-	-
Total (Excess) / Deficient ADIT	-	-

Instructions

1. In accordance with ASC 740, deferred tax assets and liabilities are adjusted (re-measured) for the effect of the changes in tax law (including tax rates) in the period that the change is enacted. Adjustments are recorded in the appropriate deferred income tax balance sheet accounts (Accounts 190, 281, 282 and 283) based on the nature of the temporary difference and the related classification requirements of the accounts. If as a result of action or expected action by a regulator, it is probable that the effect of a future increase or decrease in taxes payable resulting from a change in tax law or rates will be recovered from or passed through to customers through future rates, a regulatory asset or liability is recognized in Account 182.3 (Other Regulatory Assets), or Account 254 (Other Regulatory Liabilities), as appropriate, for that probable future revenue or reduction in future revenue. The amortization of deficient and (excess) deferred income taxes that will be recovered from or passed through to customers through future rates will be recorded in FERC Accounts 410.1 (Provision for Deferred Income Taxes, Utility Operating Income) and 411.1 (Provision for Deferred Income Taxes—Credit, Utility Operating Income), as appropriate. Re-measurements of deferred tax balance sheet accounts may also result in re-measurements of tax-related regulatory assets or liabilities that had been recorded prior to the change in tax law. If it is not probable that the effect of a future increase or decrease in taxes payable resulting from a change in tax law or rates will be recovered from or passed through to customers through future rates, tax expense will be recognized in Account 410.2 (Provision for Deferred Income Taxes, Other Income or Deductions) or tax benefit is recognized in Account 411.2 (Provision for Deferred Income Taxes-Credit, Other Income or Deductions), as appropriate.
2. For deficient and (excess) accumulated deferred income taxes (ADIT) related to change(s) to income tax rates occurring after September 30, 2018, insert calculations that support the re-measurement amount delineated by category (i.e., protected property, unprotected property, and unprotected non-property).

3. Set the allocation percentages equal to the applicable percentages at the date of the rate change.

Notes

- A Categorization of items as protected or non-protected will remain as originally agreed, absent a change in guidance from the Internal Revenue Service (IRS) with respect to that items. Balances associated with the tax rate change will not be adjusted (except for amortization each year) absent audit adjustments, tax return amendments, or a change in IRS guidance. Any resulting changes will be prominently disclosed including the basis for the change.

- B The allocation percentage in Column T are based on the applicable percentages at the date of the rate change and must remain fixed absent the Commission's express approval.

END

Potomac Electric Power Company
Attachment 2 - Taxes Other Than Income Worksheet

Other Taxes		Page 263 Col (i)	Allocator	Allocated Amount
Plant Related		Gross Plant Allocator		
1				
1a				
2				
3				
4				
5		0		0
Total Plant Related				
Labor Related		Wages & Salary Allocator		
6				
Total Labor Related		0	0.0000%	0
Other Included		Gross Plant Allocator		
7				
Total Other Included		0	0.0000%	0
Total Included				
Currently Excluded				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17	Total "Other" Taxes (included on p.263)			
18	Total "Taxes Other Than Income Taxes" - acct 408.10 (p. 114.14)			
19	Difference	-		

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

Potomac Electric Power Company

Allocation of Property taxes to Transmission Function

<u>Plant</u>	<u>DC</u>	<u>Maryland</u>	<u>Virginia</u>	<u>PA</u>	<u>Total</u> <u>(from p. 263)</u>
Transmission					
Distribution					
General					
Total T,D, & General					
<u>Plant ratios by Jurisdiction</u>					
Transmission Ratio					
Distribution ratio					
General Ratio					
check					
<u>Property Taxes (Direct to Jurisdiction) Functionalization</u>					
Transmission Property Tax					
Distribution Property tax					
General Property Tax Total					
check					
<u>Allocation of General to Transmission</u>					
General Property Tax					
Trans Labor Ratio					
Trans General					

<u>Total Transmission Property Taxes</u>
Transmission
General
Total Transmission Property Taxes

Potomac Electric Power Company

Attachment 3 - Revenue Credit Workpaper

			Total Amount	Allocation Factor	Allocation %	Total Amount Included In Rates
Account 454 - Rent from Electric Property						
1	Rent from Electric Property - Transmission Related (Note 3)			Transmission	100%	\$ -
2	Total Rent Revenues	(Sum Lines 1)	-			\$ -
Account 456 - Other Electric Revenues (Note 1)						
3	Schedule 1A			Transmission	100%	\$ -
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)			Transmission	100%	-
5	Point to Point Service revenues for which the load is not included in the divisor received by Transmission Owner (Note 4)			Transmission	100%	-
6	PJM Transitional Revenue Neutrality (Note 1)			Transmission	100%	-
7	PJM Transitional Market Expansion (Note 1)			Transmission	100%	-
8	Professional Services (Note 3)			Transmission	100%	-
9	Revenues from Directly Assigned Transmission Facility Charges (Note 2)			Transmission	100%	-
10	Rent or Attachment Fees associated with Transmission Facilities (Note 3)			Transmission	100%	-
11	Affiliate Credits			Wages and Salaries	#DIV/0!	#DIV/0!
11a	Miscellaneous Credits (Attachment 5)			Various		#VALUE!
12	Gross Revenue Credits	(Sum Lines 2-11a)	-			#DIV/0!
13	Less line 18g		-	Transmission	100%	\$ -
14	Total Revenue Credits		-			#DIV/0!
Revenue Adjustment to determine Revenue Credit						
15	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.					
16	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.					
17	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 18a - 18g, 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).					
18a	Revenues included in lines 1-11 which are subject to 50/50 sharing.			-		
18b	Costs associated with revenues in line 18a	Attachment 5 - Cost Support		-		
18c	Net Revenues (18a - 18b)			-		
18d	50% Share of Net Revenues (18c / 2)			-		
18e	Costs associated with revenues in line 18a 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.			-		
18f	Net Revenue Credit (18d + 18e)			-		
18g	Line 18f less line 18a			-		
19	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.					
20	Amount offset in line 4 above					
21	Total Account 454, 456 and 456.1			-		
22	Note 4: SECA revenues booked in Account 447.					

Potomac Electric Power Company

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)	#DIV/0!
B	100 Basis Point increase in ROE			1.00%

Return Calculation				
59	Rate Base		(Line 39 + 58)	#DIV/0!
Long Term Interest				
100	Long Term Interest		p117.62c through 67c	0
101	Less LTD Interest on Securitization Bonds	(Note P)	Attachment 8	0
102	Long Term Interest		"(Line 100 - line 101)"	0
103	Preferred Dividends	enter positive	p118.29c	0
Common Stock				
104	Proprietary Capital		p112.16c	0
105	Less Preferred Stock	enter negative	(Line 114)	0
106	Less Account 216.1	enter negative	p112.12c	0
107	Common Stock		(Sum Lines 104 to 106a)	0
Capitalization				
108	Long Term Debt		p112.17c through 21c	0
109	Less Loss on Reacquired Debt	enter negative	p111.81c	0
110	Plus Gain on Reacquired Debt	enter positive	p113.61c	0
111	Less ADIT associated with Gain or Loss	enter negative	Attachment 1B - ADIT EOY, Line 7	0
112	Less LTD on Securitization Bonds	enter negative	Attachment 8	0
113	Total Long Term Debt		(Sum Lines 108 to 112)	0
114	Preferred Stock		p112.3c	0
115	Common Stock		(Line 107)	0
116	Total Capitalization		(Sum Lines 113 to 115)	0
117	Debt %	Total Long Term Debt	(Line 108 / (108+114+115))	0%
118	Preferred %	Preferred Stock	(Line 114 / (108+114+115))	0%
119	Common %	Common Stock	(Line 115 / (108+114+115))	0%
120	Debt Cost	Total Long Term Debt	(Line 102 / 113)	0.0000
121	Preferred Cost	Preferred Stock	(Line 103 / 114)	0.0000
122	Common Cost	(Note J from Appendix A) Common Stock	Appendix A % plus 100 Basis Pts	0.0100
123	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Line 117 * 120)	0.0000
124	Weighted Cost of Preferred	Preferred Stock	(Line 118 * 121)	0.0000
125	Weighted Cost of Common	Common Stock	(Line 119 * 122)	0.0000
126	Total Return (R)		(Sum Lines 123 to 125)	0.0000
127	Investment Return = Rate Base * Rate of Return		(Line 59 * 126)	#DIV/0!

Composite Income Taxes				
Income Tax Rates				
128	FIT=Federal Income Tax Rate	(Note I from ATT H-9A)		0.00%
129	SIT=State Income Tax Rate or Composite	(Note I from ATT H-9A)		0.00%
130	p = percent of federal income tax deductible for state purposes		Per State Tax Code	0.00%
131	T	T=1 - {[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)} =		0.00%
132a	T/(1-T)			0.00%
132b	Tax Gross-Up Factor	1*1/(1-T)		1.0000
ITC Adjustment				
133	Investment Tax Credit Amortization	enter negative	Attachment 1A - ADIT	0

134	Tax Gross-Up Factor		(Line 132b)	1.0000
135	ITC Adjustment Allocated to Transmission		(Line 133 * 134)	#DIV/0!
	Other Income Tax Adjustment			
136a	Tax Adjustment for AFUDC Equity Component of Transmission Depreciation Expense	(Note T from ATT H-9A)	Attachment 5, Line 136a	0
136b	Amortization Deficient / (Excess) Deferred Taxes (Federal) - Transmission Component	(Note T from ATT H-9A)	Attachment 5, Line 136b	0
136c	AmortizationDeficient / (Excess) Deferred Taxes (State) - Transmission Component	(Note T from ATT H-9A)	Attachment 5, Line 136c	0
136d	Amortization of Other Flow-Through Items - Transmission Component	(Note T from ATT H-9A)	Attachment 5, Line 136d	0
136e	Other Income Tax Adjustments - Expense / (Benefit)		(Line 136a + 136b + 136c + 136d)	0
136f	Tax Gross-Up Factor		(Line 132b)	1.0000
136g	Other Income Tax Adjustment		(Line 136f * 136g)	0
137	Income Tax Component =	CIT=(T/1-T) * Investment Return * (1-(WCLTD/R)) =	[Line 132a * 127 * (1-(123 / 126))]	#DIV/0!
138	Total Income Taxes		(Line 135 + 136g +137)	#DIV/0!

Potomac Electric Power Company
Attachment 5 - Cost Support

Electric / Non-electric Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Electric Portion	Non-electric Portion	Details
Plant Allocation Factors							
10	Accumulated Intangible Amortization	(Note A)	p200.21c (See Attachment 9, column h)				
11	Accumulated Common Amortization - Electric	(Note A)	p356 (See Attachment 9, column i)				
12	Accumulated Common Plant Depreciation - Electric	(Note A)	p356 (See Attachment 9, column d)				
Plant In Service							
24	Common Plant (Electric Only)	(Notes A & B)	p356 (See Attachment 9, column d)				
Accumulated Deferred Income Taxes							
41	Accumulated Investment Tax Credit Account No. 255	(Notes A & I)	p266.h (See Attachment 1B)				
Materials and Supplies							
47	Undistributed Stores Exp	(Note A)	p227.6c & 16.c (See Attachment 9, column e)				
Allocated General & Common Expenses							
65	Plus Transmission Lease Payments	(Note A)	p200.3.c				
67	Common Plant O&M	(Note A)	p356				

Transmission / Non-transmission Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Transmission Related	Non-transmission Related	Details
28	Plant Held for Future Use (Including Land)	(Note C)	p214 (See Attachment 9, column c)				
							1
							2
							3
							4
							5

CWIP & Expensed Lease Worksheet

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	CWIP In Form 1 Amount	Expensed Lease in Form 1 Amount	Details
Plant Allocation Factors							
6	Electric Plant in Service	(Note B)	p207.104g (See Attachment 9A, column b)				
Plant In Service							
19	Transmission Plant In Service	(Note B)	p207.58.g (See Attachment 9, column b)				
24	Common Plant (Electric Only)	(Notes A & B)	p356 (See Attachment 9, column d)				
Accumulated Depreciation							
30	Transmission Accumulated Depreciation	(Note B)	p219.25.c (See Attachment 9, column e)				

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			

Attachment H-9A
Line 44

Interest on Outstanding Network Credits Cost Support

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Interest on Network Credits	Description of the Interest on the Credits
155	Revenue Credits & Interest on Network Credits	(Note N)	PJM Data		General Description of the Credits
	Interest on Network Credits			Enter \$	
Add more lines if necessary					

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

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

PJM Load Cost Support

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

Statements BG/BH (Present and Proposed Revenues)

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

Abandoned Transmission Plant

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

MAPP Abandonment recovery pursuant to ER13-607

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions	
171a	2013-14 rate period
171a	2014-15 rate period
171a	2015-16 rate period
	Total

Brandywine Fly Ash Landfill Environmental Expenses

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

Depreciation & Amortization - Cost Support

Attachment A Line #s, Descriptions and Notes		Amounts	Merger Costs	Non Merger Related
86	Transmission Depreciation Expense			
87	General Depreciation			
88	Intangible Amortization			
92	Common Depreciation - Electric Only	-	-	-
93	Common Amortization - Electric Only	-	-	-

PBOP Expense in FERC 926

Attachment A Line #s, Descriptions, Notes, Form 1 Page #s and Instructions		Total A&G Form 1 Amount	Account 926 Form 1 Amount	PBOP in FERC 926 current rate year	PBOP in FERC 926 prior rate year	Explanation of change in PBOP in FERC 926
68	Total A&G					
	Total: p.323.197.b Account 926: p.323.187.b and c					

Other Income Tax Adjustments

		Transmission		Tax Rate		Amount to Line 136f
		Depreciation		from Attachment H-9A, Line 131		
Line	Component Descriptions	Instruction References	Expense Amount			
136b	Tax Adjustment for AFUDC Equity Component of Transmission Depreciation Expense	Instr. 1, 2, 3 below	\$ -	X	0.00%	\$ -
136c	Amortization of Excess/Deficient Deferred Taxes - Transmission Component Amortization Excess / Deficient Deferred Taxes (Federal) - Transmission Component	Instr. 4 below				-
136d	Amortization Excess / Deficient Deferred Taxes (State) - Transmission Component	Instr. 4 below				-
136e	Amortization of Other Flow- Through Items - Transmission Component	Instr. 5 below				-
136f	Total Other Income Tax Adjustments - Expense / (Benefit)					\$ -

Instr. #s	Instructions
Inst. 1	Transmission Depreciation Expense is the gross cumulative amount based upon tax records of capitalized AFUDC equity embedded in the gross plant attributable to the transmission function multiplied by the Capital Recovery Rate (described in Instruction 2).
Inst. 2	Capital Recovery Rate is the book depreciation rate applicable to the underlying plant assets.
Inst. 3	"AFUDC-Equity" category reflects the nondeductible component of depreciation expense related to the capitalized equity portion of Allowance for Funds Used During Construction (AFUDC).
Inst. 4	Upon enactment of changes in tax law, accumulated deferred income taxes are re-measured and adjusted in the Company's books of account, resulting in deficient or (excess) accumulated deferred income taxes (ADIT). Such deficient or (excess) ADIT attributed to the transmission function will be based upon tax records and calculated in the calendar year in which the deficient or (excess) amount was measured and recorded for financial reporting purposes. See Attachment 1E - ADIT Amortization, Column F, Line 50 and Line 193 for additional information and support for the current year amortization. The current year amortization of deficient and (excess) ADIT is recorded in FERC Accounts 410.1 and 411.1.
Inst. 5	Other Flow-Through Items - In the past regulatory agencies required certain federal and state income tax savings resulting from temporary differences between the amount of taxes computed for ratemaking purposes and taxes on the amount of actual current federal income tax liability to be immediately "flowed through" rates for certain assets. The "flow-through" savings were accounted for in deferred tax balances, based on the expectation and understanding that while tax savings would be immediately flowed through to ratepayers, the flow-through expense incurred when the temporary differences reverse would be recovered from ratepayers. The "Amortization of Other Flow-Through Items" represents the transmission portion of tax expense relating to the reversal of these temporary differences. The Other Flow-Through balance as of September 30, 2018 will reverse beginning October 1, 2018 based on the prescribed periods.
Inst. 6	Negative amounts (i.e. tax benefits) reduce recoverable tax expense and positive amounts (i.e. tax expense) increase recoverable tax expense.

Potomac Electric Power Company

Attachment 5a - Allocations of Costs to Affiliates

Potomac Electric Power Company

Attachment 5b - Allocations of EBSC Costs to Affiliate

Attachment 6
True-Up Revenue Requirement Worksheet
Potomac Electric Power Company

Line No.	(1)	(2) Attachment H-9A Page, Line, Col.	(3) Transmission	(4) Allocator
1	Gross Transmission Plant - Total	Attach 9, line 16, column b	-	
2	Net Transmission Plant - Total	Attach 9, line 16, column i	-	
	O&M EXPENSE			
3	Total O&M Allocated to Transmission	Attach H-9A, line 85	#DIV/0!	
4	Annual Allocation Factor for O&M	(line 3 divided by line 1 col 3)	-	-
	GENERAL, INTANGIBLE AND COMMON (G&C) DEPRECIATION EXPENSE			
5	Total G, I & C Depreciation Expense	Attach H-9A, line 86a plus 91plus line 96	#DIV/0!	
6	Annual Allocation Factor for G, I & C Depreciation Expense	(line 5 divided by line 1 col 3)	#DIV/0!	#DIV/0!
	TAXES OTHER THAN INCOME TAXES			
7	Total Other Taxes	Attach H-9A, line 99	#DIV/0!	
8	Annual Allocation Factor for Other Taxes	(line 7 divided by line 1 col 3)	#DIV/0!	#DIV/0!
9	Less Revenue Credits (Enter As Negative)	Attach H-9A, line 154	-	
10	Annual Allocation Factor Revenue Credits	(line 9 divided by line 1 col 3)	-	-
11	Annual Allocation Factor for Expense	Sum of line 4, 6, 8, and 10		#DIV/0!
	INCOME TAXES			

12	Total Income Taxes	Attach H-9A, line 138	#DIV/0!		
13	Annual Allocation Factor for Income Taxes	(line 12 divided by line 2 col 3)	-	-	
	RETURN				
14	Return on Rate Base	Attach H-9A, line 145	#DIV/0!		
15	Annual Allocation Factor for Return on Rate Base	(line 14 divided by line 2 col 3)	-	-	
16	Annual Allocation Factor for Return	Sum of line 13 and 15	-	-	

Attachment 6
True-Up Revenue Requirement Worksheet
Potomac Electric Power Company

(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Line No.	All True-Up Items	PJM Project Number	Project Gross Plant	Annual Allocation Factor for Expense	Annual Expense Charge	Project Net Plant or CWIP Balance	Annual Allocation Factor for Return	Annual Return Charge	Project Depreciation/A mortization Expense	Annual Revenue Requirement	Incentive Return in basis Points	Incentive Return	Total Annual Revenue Requirement	True-Up Adjustment	Net Rev Req
			(Page 1 line 11) (Note C)	(Col. 3 * Col. 4)		(Page 1 line 16) (Notes D & I)	(Col. 6 * Col. 7)		(Notes E & I)	(Sum Col. 5, 8 & 9)	(Note K)	(Attachment 2, Line 28 /100 * Col. 11 * Col. 6)	(Sum Col. 10 & 12)	(Note F)	Sum Col. 13 & 14 (Note G)
17a	All revenue requirements excluding projects and adjustments	N/A		#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!		#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!
17b				#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!		#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!
17c				#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!		#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!
17d				#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!		#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!
17e				#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!		#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!
17f				#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!		#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!
17g				#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!		#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!
17h				#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!		#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!
17i				#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!		#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!
17j				#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!		#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!
17k				#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!		#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!
17l				#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!		#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!
17m				#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!		#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!
17n				#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!		#DIV/0!			#DIV/0!	#DIV/0!	#DIV/0!

17o		#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	#DIV/0!	#DIV/0!
17p		#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	#DIV/0!	#DIV/0!
17q		#DIV/0!	#DIV/0!	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	#DIV/0!	#DIV/0!
17r												
17s												
17t												
17u												
17v												
17w												
17x												
17y												
18	Annual Totals	-	#DIV/0!	#DIV/0!		#DIV/0!	-	#DIV/0!	-	#DIV/0!	#DIV/0!	#DIV/0!

- Note
Letter
- A Gross Transmission Plant is that identified on page 2 line 2 of Attachment H
- B Inclusive of any CWIP or unamortized abandoned plant included in rate base when authorized by FERC order less any prefunded AFUDC, if applicable.
- C Project Gross Plant is the total capital investment for the project calculated in the same method as the gross plant value in line 1. This value includes subsequent capital investments required to maintain the facilities to their original capabilities.
Gross plant does not include Unamortized Abandoned Plant.
- D Project Net Plant is the Project Gross Plant Identified in Column 3 less the associated Accumulated Depreciation. Net Plant includes CWIP and Unamortized Abandoned Plant and excludes any regulatory asset, which are to entered as a separate line item. E
Project Depreciation Expense is the actual value booked for the project and included in the Depreciation Expense in Attachment H, page 3, line 14. Project Depreciation Expense includes the amortization of Abandoned Plant
- F True-Up Adjustment is calculated on the Project True-up Schedule for the Rate Year
- G The Net Rev Req is the value to be used in the rate calculation under the applicable Schedule under the PJM OATT for each project.
- H The Total General, Intangible and Common Depreciation Expense excludes any depreciation expense directly associated with a project and thereby included in page 2 column 9.
The Unamortized Abandoned Plant balance is included in Net Plant, and Amortization of Abandoned Plant is
- I included in Depreciation/Amortization Expense.
The Competitive Bid Concession is the reduction in revenue, if any, that the company agreed to, for instance, to be selected to build facilities as the result of a competitive process and equals
- J the amount by which the annual revenue requirement is reduced from the ceiling rate
Requires approval by FERC of incentive return applicable to
- K the specified project(s)
All transmission facilities reflected in the revenue requirement on Attachment
- M H-9A are to be included in this Attachment 6.
Facilities that provide Wholesale Distribution Service are not to be listed as projects on lines 15, the revenue requirements
- N associated with these facilities are calculated on Attachment 11
When an updated projected net revenue requirement is posted due to an asset acquisition as provided for in the Protocols, the difference between the updated net revenue
- O requirement in Col (16) and the revenues collected to date will be recovered
over the remaining months of the Rate Year.
- P "All revenue requirements excluding projects and adjustments" on line 17a refers to all projects not qualifying
for regional recovery or adjustments.

Attachment 6A
True-Up
Potomac Electric Power Company

1
2

Rate Year being Trued-Up		For Rate Year		Revenue Received ³	Actual Revenue Received ³ for Rate Year				
A	B	C	D	E	F	G	H	I	J
			% of						
		Projected	Total	Revenue	Actual Revenue Received ³	Net Revenue	Net Revenue	Net Revenue	Total True-Up
All True-Up Items	PJM Project Number	Net Revenue	Revenue	Received					

Notes:

- 1) From Attachment 1, line 15, col. 14 for the projection for the Rate Year.
- 2) From Attachment 1, line 15, col. 14 for that project based on the actual costs for the Rate Year.
- 3) The "Revenue Received" on line 2, Col. (E), is the total amount of revenue distributed to company in the year as shown on pages 328-330 of the Form No 1. The Revenue Received is input on line 2, Col. E excludes any True-Up revenues.
Column E, lines 3 are the dollar amounts of Revenue Received reflecting the % in Column D. This assigns to each project a percentage of the revenue received based on the percentage of the Projected Net Revenue Requirement in Column C.
Column D, lines 3 are sourced from the projected revenue requirement for the year at issue.
- 4) Interest from Attachment 6.
- 5) Prior Period Adjustment from line 5 is pro rata to each project, unless the error was project specific.

Attachment 6A
True-Up
Potomac Electric Power Company

Prior Period Adjustments

5

(a)	(b)	(c)	(d)
Prior Period Adjustments	Amount	Interest	Total Col. (b) + Col. (c)
(Note B)	In Dollars	Note B	
-	-	-	-

6	TO calculates NITS revenues, net of true-ups, received in calendar Year 1 (e.g., 2018)			
7		(A)	(B)	(C) = (A) - (B) Revenue s Received (net of true-ups)
8		PJM Billed Revenue Received	True-up	
9	Jan-May (Year 1)			-
10	June-Dec (Year 1)			-
11				-
12	TO calculates Reconciliation Revenues for Year 1 (e.g. 2018) by populating template with Year 1 actuals.			
13	Jan-Dec (Year 1)			-

- Notes: A For each project or Attachment H-9A, the utility will populate the formula rate with the inputs for the True-Up Year. The revenue requirements, based on actual operating results for the True-Up Year, associated with the projects and Attachment H-9A will then be entered in Col. (F) above. Column (E) above contains the actual revenues received associated with Attachment H-9A and any Projects paid by the RTO to the utility during the True-Up Year. Then in Col. (G), Col. (E) is subtracted from Col. (F) to calculate the True-up Adjustment. The Prior Period Adjustment from Line 5 below is input in Col. (H). Column (I) is the applicable interest rate from Attachment 6B. Column (I) adds the interest on the sum of Col.(G) and (H). Col. (J) is the sum of Col. (G), (H), and (I).
- B Prior Period Adjustment is the amount of an adjustment to correct an error in a prior period. The adjustment will include a gross-up for income tax purpose, as appropriate. The FERC Refund interest rate specified in CFR 35.19(a) for the period up to the date the projected rates that are subject to True Up here went into effect.

Potomac Electric Power Company
Attachment 6B – True-Up Interest Rate

[A]

FERC
Monthly
Interest Rate

Month (Note A)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17

January
February
March
April
May
June
July
August
September
October
November
December
January
February
March
April
May

18 Average of lines 1-17 above

#DIV/0!

Note A:

(1) The FERC Quarterly Interest Rate in column [A] is the interest applicable to the Month indicated.

19 Year
20

	A	B	C	D	E	F
	Project Name	RTO Project Number or Zonal	Amount Attachment 6A, Col. G + Col H	17 Months	Monthly Interest Rate Line 18 above	Interest Col. C x Col D x Col E
21						
21a						
21b						
21c						
21d						
21e						
21f						
21g						
21h						
21i						
21j						
21k						
21l						
21m						
21n						
21o						
21p						
Total			-			-

1

New Plant Carrying Charge

2

Fixed Charge Rate (FCR) if not a CIAC

3

Formula Line

4

A160Net Plant Carrying Charge without Depreciation

5

B167Net Plant Carrying Charge per 100 Basis Point increase in ROE without Depreciation

6

CLine B less Line A

7

FCR if a CIAC

8

D161Net Plant Carrying Charge without Depreciation, Return, nor Income Taxes

9

The FCR resulting from Formula in a given year is used for that year only.

10

Therefore actual revenues collected in a year do not change based on cost data for subsequent years

11

The ROE is 10.5% which includes a base ROE of 10.0% ROE per FERC order in Docket No. EL13-48 and a 50 basis point RTO membership adder as authorized by FERC: provided, that the projects identified in Docket Nos. ER08-686 and ER08-1423 have been awarded an additional 150 basis point adder and, thus, their ROE is 12.0%.

	Details	Other Plant In Service				Other Plant In Service				MAPP CWIP				MAPP In Service						
"Yes" if a project under PJM OATT Schedule 12, otherwise "No"	Schedule 12 (Yes or No)																			
Useful life of project	Life																			
"Yes" if the customer has paid a lump sum payment in the amount of the investment on line 18, Otherwise "No"	CIAC (Yes or No)																			
Input the allowed ROE Incentive	Increased ROE (Basis Points)																			
From line 4 above if "No" on line 14 and From line 8 above if "Yes" on line 14	Base FCR																			
Line 6 times line 15 divided by 100 basis points	FCR for This Project																			
Columns A, B or C from Attachment 6	Investment	may be weighted average of small projects																		
Line 18 divided by line 13	Annual Depreciation Expense																			
From Columns H, I or J from Attachment 6	Month In Service or Month for CWIP																			
	Invest Yr	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Beginning	Depreciation	Ending	Revenue	Total	Incentive Charged	Revenue Credit
Base FCR	2008	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2008	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
Base FCR	2009	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2009	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
Base FCR	2010	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2010	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
Base FCR	2011	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2011	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
Base FCR	2012	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2012	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
Base FCR	2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
W Increased ROE	2013	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -
																		\$		
	\$	\$ -	\$ -

Attachment 8 - Company Exhibit - Securitization Workpaper

Long Term Interest

Less LTD Interest on Securitization Bonds

0

112

Less LTD on Securitization Bonds

0

Calculation of the above Securitization Adjustments

Potomac Electric Power Company
Attachment 9 – Rate Base Worksheet

(Note K)		Gross Plant In Service			Accumulated Depreciation			Accumulated Amortization		Net Plant In Service			
Line No	Month (a)	Transmission (b)	General & Intangible (c)	Common (d)	Transmission (e)	General (f)	Common (g)	Intangible (h)	Common (i)	Transmission (j)	General & Intangible (k)	Common (l)	
	Attachment H-9A, Line No:	19	23	24	30	31	12	10	11				
		207.58.g minus 207.57.g. Projected monthly balances that are the amounts expected to be included in 207.58.g for end of year and records for other months (Note I)	207.99.g minus 207.98.g for end of year, records for other months	Electric Only, Form No 1, page 356 for end of year, records for other months	Projected monthly balances that are expected to be included in 219.25.c for end of year and records for other months (Note I)	219.28.c for end of year, records for other months	Electric Only, Form No 1, page 356 for end of year, records for other months	200.21c for end of year, records for other months	Electric Only, Form No 1, page 356 for end of year, records for other months	Col. (b) - Col. (e)	Col. (c) - Col. (f) - Col. (h)	Col. (d) - Col. (g) - Col. (i)	
1	December Prior Year												
2	January												
3	February												
4	March												
5	April												
6	May												
7	June												
8	July												
9	August												
10	September												
11	October												
12	November												
13	December												
	Average of the 13 Monthly Balances												
14	(Attachment 9A)												
	Less Merger Cost to Achieve												
15	(Attachment 10)												
	Average of the 13 Monthly Balances Less Merger Cost to												
16	Achieve												

Attachment 9 – Rate Base Worksheet

Adjustments to Rate Base												
Line No	Month	CWIP CWIP in Rate Base (b)	PHFU Held for Future Use (c)	Materials & Supplies (d)	Undistributed Stores Expense (e)	Prepayments (f)	Unamortized Regulatory Asset (g)	Unamortized Abandoned Plant (h)	Account No. 282 Accumulated Deferred Income Taxes (Note D) (i)	Account No. 283 Accumulated Deferred Income Taxes (Note D) (j)	Account No. 190 Accumulated Deferred Income Taxes (Note D) (k)	Account No. 255 Accumulated Deferred Investment Credit (l)
	Attachment H-9A, Line No:	43a	28	49	47	45		43b				
		(Note C)	214 for end of year, records for other months	227.8. c + 227.5.c (See Att H-9A Note AA) for end of year, records for other months	(227.16.c * Labor Ratio) for end of year, records for other months	Notes J	Notes A & E	Notes B & F	Attachment 1	Attachment 1	Attachment 1	Attachment 1
17	December Prior Year	-	-	-	-	-	-	-	-	-	-	-
18	January	-	-	-	-	-	-	-	-	-	-	-
19	February	-	-	-	-	-	-	-	-	-	-	-
20	March	-	-	-	-	-	-	-	-	-	-	-
21	April	-	-	-	-	-	-	-	-	-	-	-
22	May	-	-	-	-	-	-	-	-	-	-	-
23	June	-	-	-	-	-	-	-	-	-	-	-
24	July	-	-	-	-	-	-	-	-	-	-	-
25	August	-	-	-	-	-	-	-	-	-	-	-
26	September	-	-	-	-	-	-	-	-	-	-	-
27	October	-	-	-	-	-	-	-	-	-	-	-
28	November	-	-	-	-	-	-	-	-	-	-	-
29	December	-	-	-	-	-	-	-	-	-	-	-
	Average of the 13 Monthly Balances (except ADIT - see Attachment 1)	-	-	-	-	-	-	-	-	-	-	-

Notes:

- A Recovery of regulatory asset or any associated amortization expenses is limited to any regulatory assets authorized by FERC.
- B Recovery of abandoned plant is limited to any abandoned plant recovery authorized by FERC.
- C Includes only CWIP authorized by the Commission for inclusion in rate base. The annual report filed pursuant to Section 7 of the Protocols will include for each project under construction (i) the CWIP balance eligible for inclusion in rate base; (ii) the CWIP balance ineligible for inclusion in rate base; and (iii) a demonstration that AFUDC is only applied to the CWIP balance that is not included in rate base. The annual report will reconcile the project-specific CWIP balances to the total Account 107 CWIP balance reported on p. 216.b of the FERC Form 1. The demonstration in (iii) above will show that monthly debts and credits do not contain entries for AFUDC for each CWIP project in rate base.
- D ADIT and Accumulated Deferred Income Tax Credits are computed using the average of the beginning of the year and the end of the year balances. The projection will use line 108 of Attachment 4a to populate the average ADIT balance on line 28 above.
- E Recovery of a Regulatory Asset is permitted only for pre-commercial and formation expenses, and is subject to FERC approval before the amortization of the Regulatory Asset can be included in rates. Recovery of any other regulatory assets requires authorization from the Commission. A carrying charge equal to the weighted cost of capital will be applied to the Regulatory Asset prior to the rate year when costs are first recovered.
- F Unamortized Abandoned Plant and Amortization of Abandoned Plant will be zero until the Commission accepts or approves recovery of the cost of abandoned plant.
- G The Formula Rate shall include a credit to rate base for all unfunded reserves (funds collected from customers that (1) have not been set aside in a trust, escrow or restricted account; (2) whose balance are collected from customers through cost accruals to accounts that are recovered under the Formula Rate; and (3) exclude the portion of any balance offset by a balance sheet account). Each unfunded reserve will be included on lines 30 above. The allocators in Col. (g) and Col. (m) will be the same allocators used in the formula for the cost accruals to the account that is recovered under the Formula Rate. Since reserves can be created by an offsetting balance sheet account, rather than through cost accruals, the amount to be deducted from rate base should exclude the portion offset by another balance sheet account.
- H Calculate using 13 month average balance, except ADIT.
- I Projected balances are for the calendar year the revenue under this formula begins to be charged.
- J From Attachment 5, line 45 column F for the end of year balance and records for other months.
- K In the true-up calculation, actual monthly balance records are used.

Potomac Electric Power Company
Attachment 9A – Gross Plant in Service and Accumulated Depreciation (Less Asset Retirement Obligations)

(Note A)		Gross Plant In Service				Asset Retirement Obligations				Gross Plant in Service Less Asset Retirement Obligations			
Line No	Month (a)	Total Plant in Service (b)	Transmission (c)	General & Intangible (d)	Common (e)	Total Plant in Service (f)	Transmission (g)	General & Intangible (h)	Common (i)	Total Plant in Service (j)	Transmission (k)	General (l)	Common (m)
	Attachment H-9A, Line No:	p207.104.g. Projected monthly balances that are the amounts expected to be included in 207.104.g for end of year and records for other months	207.58.g. Projected monthly balances that are the amounts expected to be included in 207.58.g for end of year and records for other months (Note I)	207.99.g. plus 205.5.g. for end of year, records for other months	Electric Only, Form No 1, page 356 for end of year, records for other months	207.57.g. + 207.74.g. + 207.83.g. + 207.98.g. Projected monthly balances that are the amounts expected to be included in 207.57.g. + 207.74.g. + 207.83.g. + 207.98.g. for end of year and records for other months	207.57.g. Projected monthly balances that are the amounts expected to be included in 207.57.g for end of year and records for other months	207.98.g. for end of year, records for other months	Electric Only, Form No 1, page 356 for end of year, records for other months	Col. (b) - Col. (f)	Col. (c) - Col. (g)	Col. (d) - Col. (h)	Col. (e) - Col. (i)
1	December Prior Year					-				-	-	-	-
2	January					-				-	-	-	-
3	February					-				-	-	-	-
4	March					-				-	-	-	-
5	April					-				-	-	-	-
6	May					-				-	-	-	-
7	June					-				-	-	-	-
8	July					-				-	-	-	-
9	August					-				-	-	-	-
10	September					-				-	-	-	-
11	October					-				-	-	-	-
12	November					-				-	-	-	-
13	December					-				-	-	-	-
14	Average of the 13 Monthly Balances	-	-	-	-	-	-	-	-	-	-	-	-

Potomac Electric Power Company
Attachment 9A – Gross Plant in Service and Accumulated Depreciation (Less Asset Retirement Obligations)

Line No	Month	Accumulated Depreciation				Asset Retirement Obligations				Accumulated Depreciation Less Asset Retirement Obligations			
		Total Plant in Service	Transmission	General	Common	Total Plant in Service	Transmission	General	Common	Total Plant in Service	Transmission	General	Common
		(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
	(a) Attachment H-9A, Line No:	219.29.c Projected monthly balances that are the amounts expected to be included in 219.29.c for end of year and records for other months	219.25.c Projected monthly balances that are the amounts expected to be included in 219.25.c for end of year and records for other months	219.28c for end of year, records for other months	200.21c for end of year, records for other months	Electric Only, Form No 1, page 356 for end of year, records for other months	Electric Only, Form No 1, page 356 for end of year, records for other months	219.29.c Projected monthly balances that are the amounts expected to be included in 219.29.c for end of year and records for other months	219.25.c Projected monthly balances that are the amounts expected to be included in 219.25.c for end of year and records for other months	219.28c for end of year, records for other months	200.21c for end of year, records for other months	Electric Only, Form No 1, page 356 for end of year, records for other months	Electric Only, Form No 1, page 356 for end of year, records for other months
15	December Prior Year					-				-	-	-	-
16	January					-				-	-	-	-
17	February					-				-	-	-	-
18	March					-				-	-	-	-
19	April					-				-	-	-	-
20	May					-				-	-	-	-
21	June					-				-	-	-	-
22	July					-				-	-	-	-
23	August					-				-	-	-	-
24	September					-				-	-	-	-
25	October					-				-	-	-	-
26	November					-				-	-	-	-
27	December					-				-	-	-	-
28	Average of the 13 Monthly Balances	-	-	-	-	-	-	-	-	-	-	-	-

Potomac Electric Power Company
Attachment 9A – Gross Plant in Service and Accumulated Depreciation (Less Asset Retirement Obligations)

Accumulated Depreciation & Amortization Less Asset Retirement Obligations							
Line No	Month (a)	Total Plant in Service (b)	Transmission (c)	General Depreciation (d)	Intangible Depreciation (e)	Common Depreciation (f)	Common Amortization (g)
	Attachment H-9A, Line No:	9	30	31	32	12	11
		Col. (b) - Col. (h)	Col. (c) - Col. (i)	Col. (d) - Col. (j)	Col. (e) - Col. (k)	Col. (f) - Col. (l)	Col. (g) - Col. (m)
29	December Prior Year					-	-
30	January					-	-
31	February					-	-
32	March					-	-
33	April					-	-
34	May					-	-
35	June					-	-
36	July					-	-
37	August					-	-
38	September					-	-
39	October					-	-
40	November					-	-
41	December					-	-
42	Average of the 13 Monthly Balances					-	-

Note:
A In the true-up calculation, actual monthly balance records are used.

Potomac Electric Power Company
Attachment 10 – Merger Costs

	(a)	(b)	(c)	(d)	(...)	(x)
O&M Cost To Achieve						
FERC Account		Total	Allocation to Trans.			Total
1	Transmission O&M					

2	A&G				
4	Total				
5					
6	Depreciation & Amortization Expense Cost To Achieve				
7	FERC Account	Total	Allocation to Trans.		Total
8	General Plant				
9	Intangible Plant				
11	Total				
	Capital Cost To Achieve included in the General and Intangible Plant	General	Intangible		Total
	Gross Plant				
12	December Prior Year				
13	January				
14	February				
15	March				
16	April				
17	May				
18	June				
19	July				
20	August				
21	September				
22	October				
23	November				
24	December				
25	Average				
	Accumulated Depreciation	General	Intangible		Total
26	December Prior Year				
27	January				
28	February				
29	March				
30	April				
31	May				
32	June				
33	July				
34	August				
35	September				
36	October				
37	November				
38	December				
39	Average				

Potomac Electric Power Company
Attachment 10 – Merger Costs

	(a)	(c)	(d)	(e)	(...)	(x)
	Net Plant = Gross Plant Minus Accumulated Depreciation from above					Total
40	December Prior Year	-	-	-	-	\$ -
41	January	-	-	-	-	\$ -

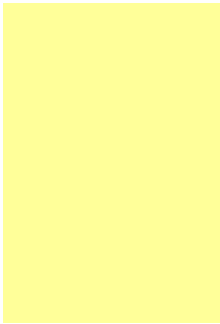
42	February	-	-	-	-	\$	-
43	March	-	-	-	-	\$	-
44	April	-	-	-	-	\$	-
45	May	-	-	-	-	\$	-
46	June	-	-	-	-	\$	-
47	July	-	-	-	-	\$	-
48	August	-	-	-	-	\$	-
49	September	-	-	-	-	\$	-
50	October	-	-	-	-	\$	-
51	November	-	-	-	-	\$	-
52	December	-	-	-	-	\$	-
53	Average	-	-	-	-		-

	Depreciation (Monthly Change of Accumulated Depreciation from above)						Total
54	January	-				\$	-
55	February	-				\$	-
56	March	-				\$	-
57	April	-				\$	-
58	May	-				\$	-
59	June	-				\$	-
60	July	-				\$	-
61	August	-				\$	-
62	September	-				\$	-
63	October	-				\$	-
64	November	-				\$	-
65	December	-				\$	-
66	Total	-				\$	-

Potomac Electric Power Company
Attachment 10 – Merger Costs

	(a)	(b)
	Capital Cost To Achieve included in Total Electric Plant in Service	
67	December Prior Year	
68	January	
69	February	
70	March	
71	April	

72 May
73 June
74 July
75 August
76 September
77 October
78 November
79 December
80 Average



Potomac Electric Power Company
Attachment 11A - O&M Workpaper

		(a)	(b)	(c)	
		Non-Recoverable	Directly Assigned		
1	Operation, Supervision & Engineering	560.0	\$ -	\$	-
2	Load Dispatch-Reliability	561.1	-	\$	-
3	Load Dispatch-Monitor & Oper Tran Sys	561.2	-	\$	-
4	Load Dispatch-Trans Svc & Scheduling	561.3	-	\$	-
5	Scheduling, Sys Control & Dispatch Svc	561.4	-	\$	-
6	Reliability Planning & Standards Devel	561.5	-	\$	-
7	Transmission Service Studies	561.6	-	\$	-
8	Generation Interconnection Studies	561.7	-	\$	-
9	Reliability Planning & Standard Devel	561.8	-	\$	-
10	Station Expenses	562.0	-	\$	-
11	Overhead Line Expenses	563.0	-	\$	-
12	Underground Line Expenses	564.0	-	\$	-
13	Transmission of Electricity by Others	565.0	-	\$	-
14	Miscellaneous Transmission Expenses	566.0	-	\$	-
15	Rents	567.0	-	\$	-
16	Maintenance, Supervision & Engineering	568.0	-	\$	-
17	Maintenance of Structures	569.0	-	\$	-
18	Maintenance of Computer Hardware	569.1	-	\$	-
19	Maintenance of Computer Software	569.2	-	\$	-
20	Maintenance of Communication Equipment	569.3	-	\$	-
21	Maintenance of Misc Regional Transmission Plant	569.4	-	\$	-
22	Maintenance of Station Equipment	570.0	-	\$	-
23	Maintenance of Overhead Lines	571.0	-	\$	-
24	Maintenance of Underground Lines	572.0	-	\$	-
25	Maintenance of Misc Transmission Plant	573.0	\$ -	\$	-
26	Transmission Expenses - Total (Sum of lines 1-25)	- \$	- \$	- \$	-
27	Transmission O&M		Total		-

Potomac Electric Power Company
Attachment 11B - A&G Workpaper

			(a)	(b)	(c)	(d)	(e)
			323.181.b to 323.196.b				
			Total	S&W Allocation	Net Plant Allocation	Non-Recoverable	Directly Assigned
1	Administrative and General Salaries	920.0	\$ -	\$ -			\$ -
2	Office Supplies and Expenses	921.0	-	-			-
3	Administrative Expenses Transferred-Credit	922.0	-	-			-
4	Outside Service Employed	923.0	-	-			-
5	Property Insurance	924.0	-	-			-
6	Injuries and Damages	925.0	-	-			-
7	Employee Pensions and Benefits	926.0	-	-			-
8	Franchise Requirements	927.0	-	-			-
9	Regulatory Commission Expenses	928.0	-	-			-
10	Duplicate Charges-Credit	929.0	-	-			-
11	General Advertising Expenses	930.1	-	-			-
12	Miscellaneous General Expenses	930.2	-	-			-
13	Rents	931.0	-	-			-
14	Maintenance of General Plant	935	\$ -	\$ -			\$ -
15	Administrative & General - Total (Sum of lines 1-14)		\$ -	\$ -	\$ -	\$ -	\$ -
16	Allocation Factor			0.00%	0.00%	0.00%	100.00%
17	Transmission A&G ¹			-	-	-	-
18						Total ²	\$0

¹ Multiply total amounts on line 15, columns (b)-(e) by allocation factors on line 16.

² Sum of line 17, columns (b), (c), (d), (e).

Potomac Electric Power Company
Attachment 12 - Depreciation Rates

(A)	(B)	(C)
Number	Plant Type	Applied Depreciation Rate
Electric Transmission		
350.2 ALLOCABLE	Land and Land Rights	1.55%
352 ALLOCABLE	Structures and Improvements	1.36%
352.1 DC	Structures and Improvements	
352.2 MD	Structures and Improvements	
352.3 SMECO	Structures and Improvements	
353 ALLOCABLE	Station Equipment	1.97%
353.1 DC	Station Equipment	
353.2 MD	Station Equipment	
353.3 SMECO	Station Equipment	
354 ALLOCABLE	Towers and Fixtures	2.74%
354.1 DC	Towers and Fixtures	
354.2 MD	Towers and Fixtures	
354.3 SMECO	Towers and Fixtures	
355 ALLOCABLE	Poles and Fixtures	3.21%
355.1 DC	Poles and Fixtures	
355.2 MD	Poles and Fixtures	
355.3 SMECO	Poles and Fixtures	
356 ALLOCABLE	Overhead Conductors and Devices	3.13%
356.1 DC	Overhead Conductors and Devices	
356.2 MD	Overhead Conductors and Devices	
356.3 SMECO	Overhead Conductors and Devices	
357 ALLOCABLE	Underground Conduit	1.53%
357.1 DC	Underground Conduit	
357.2 MD	Underground Conduit	
357.3 SMECO	Underground Conduit	
358 ALLOCABLE	Underground Conductors and Devices	2.46%
358.1 DC	Underground Conductors and Devices	
358.2 MD	Underground Conductors and Devices	
358.3 SMECO	Underground Conductors and Devices	
359 ALLOCABLE	Roads and Trails	1.14%
		359.1 DC Roads and Trails
		359.2 MD Roads and Trails
		359.3 SMECO Roads and Trails
Electric General		
390 - ALLOCABLE	Structures and Improvements	
390 - DC	Structures and Improvements	
390 - MD	Structures and Improvements	
390 - SMECO	Structures and Improvements	
391.1 - ALLOCABLE	Office Furniture and Equipment	
391.1 - DC	Office Furniture and Equipment	
391.1 - MD	Office Furniture and Equipment	
391.3 - ALLOCABLE	Office Furniture and Equipment	
391.3 - DC	Office Furniture and Equipment	
391.3 - MD	Office Furniture and Equipment	
393 - DC	Stores Equipment	
393 - MD	Stores Equipment	
394 - DC	Tools, Shop, Garage Equipment	
394 - MD	Tools, Shop, Garage Equipment	
395 - DC	Laboratory Equipment	
395 - MD	Laboratory Equipment	
396 - ALLOCABLE	Power Operated Equipment	
397 - ALLOCABLE	Communication Equipment	
397 - DC	Communication Equipment	
397 - MD	Communication Equipment	
397 - SMECO	Communication Equipment	
397.1 - ALLOCABLE	Communication Equipment	
397.1 - MD	Communication Equipment	
397.3 - DC	Communication Equipment	

397.3 - MD	Communication Equipment
398 - DC	Miscellaneous Equipment
398 - MD	Miscellaneous Equipment

Electric Intangible

302	Franchises and Consents
303	Miscellaneous Intangible Plant
303.1	2-year plant
303.2	3-year plant
303.3	4-year plant
303.4	5-year plant
303.5	7-year plant
303.6	10-year plant
303.7	12-year plant
303.8	15-year plant

Note:

Depreciation and amortization rates as approved by FERC in Docket #

Attachment C
(Exhibit 1)

Ned W. Allis

Testimony and Exhibits

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION
DIRECT TESTIMONY OF NED W. ALLIS
DOCKET NO. ER20-____-000

I. Introduction

Q1. Please state your name and business address.

A1. My name is Ned W. Allis. My business address is 207 Senate Avenue, Camp Hill, Pennsylvania, 17011.

Q2. By whom and in what capacity are you employed?

A2. I am Vice President of Gannett Fleming Valuation and Rate Consultants, LLC (“Gannett Fleming”). Gannett Fleming provides depreciation consulting services to utility companies in the United States and Canada. I am responsible for conducting depreciation, valuation and original cost studies, determining service life and net salvage estimates, conducting field reviews, presenting recommended depreciation rates to clients, and supporting such rates before state and federal regulatory agencies. I am also responsible for Gannett Fleming’s depreciation software, training of depreciation staff, and the development of solutions for technical issues related to depreciation.

Q3. What is your educational background?

A3. I have Bachelor of Science degree in Mathematics from Lafayette College in Easton, PA.

Q4. Do you belong to any professional societies?

A4. Yes. I am a member of the Society of Depreciation Professionals (“Society”) and an associate member of the American Gas Association/Edison Electric Institute

1 (“AGA/EEI”), an industry accounting committee. I am a past president of the Society
2 and currently serve as an instructor for depreciation training sponsored by the Society.

3 **Q5. Do you hold any special certification as a depreciation expert?**

4 A5. Yes. The Society of Depreciation Professionals has established national standards
5 for depreciation professionals. The Society administers an examination to become
6 certified in this field. I passed the certification exam in September of 2011 and was
7 recertified in March of 2017.

8 **Q6. Have you received any additional education relating to utility plant depreciation?**

9 A6. Yes. I have completed the following courses conducted by the Society of
10 Depreciation Professionals: “Depreciation Basics,” “Life and Net Salvage Analysis” and
11 “Preparing and Defending Depreciation Study”.

12 **Q7. Please outline your experience in the field of depreciation.**

13 A7. I joined Gannett Fleming in October 2006 as an Analyst. My duties included
14 assembling basic data required for depreciation studies, conducting statistical analyses of
15 service life and net salvage data, calculating annual and accrued depreciation, assisting
16 in preparing reports and assisting in providing testimony setting forth and defending the
17 results of the studies. I also developed and maintained Gannett Fleming’s proprietary
18 depreciation software. In March of 2013, I was promoted to the position of Supervisor,
19 Depreciation Studies. In March of 2017, I was promoted to Project Manager,
20 Depreciation and Technical Development. In January 2019, I was promoted to my
21 current position of Vice President.

22 **Q8. Have you previously testified before the Commission?**

23 A8. Yes.

Q9. Have you submitted testimony in any other jurisdictions?

A9. Yes. I have testified on depreciation-related issues in the states of Florida, New York, Connecticut, Rhode Island, California, the District of Columbia, New Jersey, Kansas, Massachusetts, California, Maryland and Nevada. In addition to submitting testimony in these jurisdictions, I have also assisted other witnesses in the preparation of direct and rebuttal testimony in numerous other states and two Canadian provinces. Exhibit NWA-1 provides a list of depreciation cases in which I have submitted testimony.

Q10. What is the purpose of your pre-filed direct testimony in this proceeding?

A10. I was asked to recommend depreciation rates for Potomac Electric Power Company ("Pepco" or the "Company") transmission plant accounts. I am sponsoring Exhibit NWA-3, which provides the results of my depreciation analysis related to Pepco electric transmission plant as of December 31, 2019 (the "Depreciation Study" or "Study"). The recommended depreciation rates in my study for Pepco are set forth on Table 1 on pages VI-4 of the Study.

Q11. Please summarize your testimony.

A11. My testimony explains the methods and procedures of the Depreciation Study and sets forth the annual depreciation rates as of December 31, 2019 for transmission plant. Exhibit NWA-3, which is the Depreciation Study, sets in detail the methods, procedures and results of the Depreciation Study as of December 31, 2019. My Depreciation Study will be explained in Part II of this testimony. The results of the Study will be explained in Part III of this testimony.

Q12. Please summarize the principal conclusion of your Depreciation Study.

1 A12. The principal conclusion of the Study is that Pepco's current depreciation rates
2 should be updated to reflect the results of the Depreciation Study. Generally, my
3 recommended rates are based on a combination of my review of Pepco's s historical data
4 and operating practices, as well as the application of informed judgment that incorporates
5 factors such as general knowledge of the property studied, information obtained from site
6 visits and meetings with Company personnel, and service life and net salvage estimates
7 of other electric utilities. Exhibit NWA-2 sets forth a comparison of the proposed rates
8 with the current rates as of December 31, 2019.¹ As shown in Exhibit NWA-2, the
9 recommended depreciation rates result in an estimated decrease in depreciation expense
10 of approximately \$4.0 million, when compared to the depreciation expense that results
11 from the current depreciation rates.

12 The decrease in depreciation expense was primarily driven by the decrease in rate
13 for Account 352, Structures and Improvements and Account 353, Station Equipment.
14 Generally, the lower depreciation rates for these accounts are likely due to longer service
15 lives in the Depreciation Study than were used when the Company's current depreciation
16 rates were adopted. The decrease in expense for these accounts is partially offset by
17 increases in the towers, poles, overhead conductors and underground conductors
18 accounts, which are likely the result of more negative net salvage estimates.

19 **II. Methods Used in the Depreciation Study**

20 **Q13. Please define the concept of depreciation.**

¹ Pepco's current depreciation rates for electric transmission plant were originally established at the retail jurisdictional level. The current depreciation rates in Column 4 of Exhibit NWA-2 are shown at the account level.

1 A13. The Commission's Uniform System of Accounts ("USOA") defines depreciation
2 as follows:

3 Depreciation, as applied to depreciable electric plant, means the loss in
4 service value not restored by current maintenance, incurred in connection
5 with the consumption or prospective retirement of electric plant in the
6 course of service from causes which are known to be in current operation
7 and against which the utility is not protected by insurance. Among the
8 causes to be given consideration are wear and tear, decay, action of the
9 elements, inadequacy, obsolescence, changes in the art, changes in
10 demand and requirements of public authorities.²

11 **Q14. What is the purpose of a depreciation study?**

12 A14 The purpose of a depreciation study is to recommend depreciation rates to be used
13 for book and ratemaking purposes. The study recommends service life and net salvage
14 estimates for each depreciable group (e.g., a plant account), which are used to calculate
15 depreciation rates based on plant and reserve balances as of December 31, 2019.

16 **Q15 In preparing the Depreciation Study, did you follow generally accepted practices in**
17 **the field of depreciation?**

18 A15. Yes.

19 **Q16. Please describe the contents of your report.**

20 A16. The Study is presented in nine parts:

- 21 • Part I, Introduction, presents the scope and basis for the Depreciation Study;
- 22 • Part II, Estimation of Survivor Curves, explains the process of estimating
23 survivor curves and the retirement rate method of life analysis;
- 24 • Part III, Service Life Considerations, discusses factors and the informed
25 judgment involved with the estimation of service life;

² 18 C.F.R. 101 (Uniform System of Accounts), Definition 12.

- Part IV, Net Salvage Considerations, discusses factors and the informed judgment involved with the estimation of net salvage;
- Part V, Calculation of Annual and Accrued Depreciation, explains the method, procedure and technique used in the calculation of annual depreciation expense and the theoretical reserve;
- Part VI, Results of Study, sets forth the service life estimates, net salvage estimates, and annual depreciation rates and accruals for each depreciable group. This section also includes a description of the detailed tabulations supporting the Depreciation Study. Additionally, this section includes the depreciation rates and accruals resulting from using different net salvage methods;
- Part VII, Service Life Statistics, sets forth the survivor curve estimates and original life tables for each plant account and subaccount;
- Part VIII, Net Salvage Statistics, sets forth the net salvage analysis for each plant account and subaccount; and
- Part IX, Detailed Depreciation Calculations, sets forth the calculation of average remaining life for each property group.

Q17. Please identify the depreciation method that you used.

A17. I used the straight line remaining life method of depreciation (also referred to as the straight line method and remaining life technique), with the average service life procedure. This method of depreciation aims to distribute the unrecovered cost of fixed capital assets over the estimated remaining useful life of each unit or group of assets in a

1 systematic and rational manner as required in the Commission's USOA³ and has been
2 used in many depreciation studies before the Commission.

3 **Q18. Did you review prior Commission filings on Pepco's depreciation accrual rates?**

4 A18. Yes. Pepco's current depreciation rates for electric transmission plant were
5 adopted in the Company's initial formula rate filing in Docket No. ER05-515. I have
6 reviewed this filing. Pepco's electric transmission depreciation rates had previously been
7 established in filings before the Maryland Public Service Commission and District of
8 Columbia Public Service Commission prior to the Company's initial formula rate filing
9 and have been in place for a number of years.

10 **Q19. What are your recommended annual depreciation accrual rates for Pepco?**

11 A19. My recommended annual depreciation accrual rates as of December 31, 2019 for
12 Pepco are set forth in Exhibit NWA-2 on Table 1 on page VI-4 of the Depreciation Study.

13 **Q20. How did you determine the recommended annual depreciation accrual rates?**

14 A20. I did this in two phases. In the first phase, I estimated the service life and net
15 salvage characteristics for each depreciable group (*i.e.*, each plant account or subaccount
16 identified as having similar characteristics). In the second phase, I calculated the
17 composite remaining lives and annual depreciation accrual rates based on the service life
18 estimates and net salvage estimates.

19 **Q21. Please describe the first phase of the Depreciation Study, in which you estimated**
20 **the service life characteristics for each depreciable group.**

³ 18 C.F.R. 101 (Uniform System of Accounts), General Instructions, 22.

1 A21. The service life and net salvage study consisted of compiling historic data from
2 records related to Pepco's plant; analyzing these data to obtain historic trends of survivor
3 characteristics; obtaining supplementary information from management and operating
4 personnel concerning practices and plans as they relate to plant operations; and
5 interpreting the above data and the estimates used by other electric utilities to form
6 judgments of average service life characteristics.

7 **Q22. What historic data did you analyze for the purpose of estimating service life**
8 **characteristics?**

9 A22. I analyzed the Company's accounting entries that record plant transactions during
10 the 21-year period from 1999 through 2019. The transactions included additions,
11 retirements, transfers and the related balances. The Company records also included
12 surviving dollar value by year installed for each plant account as of December 31, 2019.
13 The vintage years (or ages) of retirements were available from 2005 through 2019. For
14 the years prior to 2005, for which the vintage years of retirements were unavailable, the
15 total annual retirements by account were statistically aged. This allowed for a longer
16 period of data to be available for the life analysis than if only the recorded aged
17 retirements were used.

18 **Q23. What method did you use to analyze this service life data?**

19 A23. I used the retirement rate method for all accounts. This is the most appropriate
20 method when aged retirement data are available, because it determines the average rates
21 of retirement actually experienced by the Company during the period covered by the
22 study. For the study, bands of years were considered that included the full range of data
23 available (aged and statistically aged) as well as bands with only recorded aged data.

1 **Q24. Please explain how you used the retirement rate method to analyze Pepco's service**
2 **life data.**

3 A24. I applied the retirement rate method to each different group of property in the
4 study. For each property group, I used the retirement rate method to form a life table
5 which, when plotted, shows an original survivor curve for that property group. Each
6 original survivor curve represents the average survivor pattern experienced by the several
7 vintage groups during the experience band studied. The survivor patterns do not
8 necessarily describe the life characteristics of the property group; therefore, interpretation
9 of the original survivor curves is required in order to use them as valid considerations in
10 estimating service life. The Iowa-type survivor curves were used to perform these
11 interpretations.

12 **Q25. What is an "Iowa-type survivor curve" and how did you use such curves to estimate**
13 **the service life characteristics for each property group?**

14 A25. Iowa-type curves are a widely used group of generalized survivor curves that
15 contain the range of survivor characteristics usually experienced by utilities and other
16 industrial companies. The Iowa curves were developed at the Iowa State University
17 College of Engineering Experiment Station through an extensive process of observing
18 and classifying the ages at which various types of property used by utilities and other
19 industrial companies had been retired.

20 Iowa-type curves are used to smooth and extrapolate original survivor curves
21 determined by the retirement rate method. The Iowa curves and truncated Iowa curves
22 were used in this study to describe the forecasted rates of retirement based on the
23 observed rates of retirement and the outlook for future retirements.

1 The estimated survivor curve designations for each depreciable property group
2 indicate the average service life, the family within the Iowa system to which the property
3 group belongs, and the relative height of the mode. For example, the Iowa 50-R2
4 indicates an average service life of fifty years; a right-moded, or R, type curve (the mode
5 occurs after average life for right-moded curves); and a moderate height, 2, for the mode
6 (possible modes for R type curves range from 1 to 5, not including half mode curves such
7 as the R0.5).

8 **Q26. Should the estimation of survivor curves be based solely on the mathematical results**
9 **of statistical life analyses?**

10 A26. No. Because depreciation requires the estimation of future service lives for assets
11 currently in service, and because the historical database only allows for the analysis of a
12 portion of the full service lives of each group of assets, informed judgment is necessary
13 to determine the most reasonable survivor curve estimate. Judgment must be used not
14 only to incorporate information external to the statistical analyses, but also to properly
15 interpret the historical data as part of the curve fitting process. Authoritative depreciation
16 texts support that judgment is necessary in the estimation of depreciation, and that
17 reliance only on statistical results can, and does, produce unreasonable results.

18 **Q27. Have you physically observed Pepco's assets as part of your depreciation studies?**

19 A27. Yes. I performed a field review of Pepco's property in April 2019. Field reviews
20 are conducted to become familiar with Company operations and obtain an understanding
21 of the function of the plant and information with respect to the reasons for past
22 retirements and the expected future causes of retirements. This knowledge as well as

1 information from other discussions with management was incorporated into my
2 statistical analyses.

3 **Q28. How did your experience performing or participating in other depreciation studies**
4 **affect your work in this case?**

5 A28. Because I customarily conduct field reviews for depreciation studies, I have had
6 the opportunity to visit many similar facilities and meet with operations personnel at
7 other companies. The knowledge accumulated from those visits and meetings provide
8 me useful information that I can draw on to confirm or challenge my numerical analyses
9 concerning plant condition and remaining life estimates.

10 **Q29. Please explain the concept of “net salvage.”**

11 A29. Net salvage is a component of the service value of capital assets that is
12 traditionally recovered through depreciation rates. The service value of an asset is its
13 original cost less its net salvage. Net salvage is the salvage value received for the asset
14 upon retirement less the cost to retire the asset. When the cost to retire exceeds the
15 salvage value, the result is negative net salvage.

16 Inasmuch as depreciation expense is the loss in service value of an asset during a
17 defined period, *e.g.*, one year, it should include a ratable portion of both the original cost
18 and the net salvage. That is, the net salvage related to an asset should be incorporated in
19 the cost of service during the same period as its original cost so that customers receiving
20 service from the asset pay rates that include a portion of both elements of the asset’s
21 service value, the original cost and the net salvage value.

22 For example, the full recovery of the service value of a \$1,000 pole may include
23 not only the \$1,000 of original cost, but also, on average, \$450 to remove the pole at the

1 end of its life and \$50 in salvage value. In this example, the net salvage component is
2 negative \$400 (\$50 - \$450), and the net salvage percent is negative 40% (($\$50 -$
3 $\$450$)/\$1,000).

4 **Q30. Please explain how the net salvage estimates were determined based on the**
5 **traditional method.**

6 A30. I estimated the net salvage percentages by incorporating Pepco's actual historical
7 net salvage data for the period 2005 through 2019. The net salvage percentages in the
8 Depreciation Study are based on a combination of statistical analyses and informed
9 judgment. For the net salvage analysis, cost of removal, gross salvage and net salvage
10 are expressed as a percentage of retirements. The statistical analyses consider the cost of
11 removal and gross salvage ratios to the associated retirements during the 15-year period
12 for which net salvage data were available. Trends of such data are also measured based
13 on three-year moving averages and the most recent five-year indications.

14 **Q31. Were the statistical analyses of net salvage in the Depreciation Study based on**
15 **widely accepted methods?**

16 A31. Yes. The analysis of net salvage as a percentage of historical retirements is
17 widely accepted in the industry and supported by depreciation textbooks such as the
18 National Association of Regulatory Utility Commissioners' *Public Utility Depreciation*
19 *Practices*. Because the net salvage estimates are percentages that are applied to the total
20 future retirements (*i.e.*, plant currently in service), analyzing net salvage as a percentage
21 of historical retirements provides a reasonable basis for developing estimates of future
22 net salvage and is the predominant analytical method for the analysis of historical net
23 salvage.

1 **Q32. Please describe the process that you used in the Depreciation Study to calculate**
2 **composite remaining lives and annual depreciation accrual rates.**

3 A32. After I estimated the service life and net salvage characteristics for each
4 depreciable property group, I calculated the annual depreciation accrual rates for each
5 group based on the straight line remaining life method, using remaining lives weighted
6 consistent with the average service life procedure. The annual depreciation accrual rates
7 were developed as of December 31, 2019.

8 **Q33. Please describe the straight line remaining life method of depreciation.**

9 A33. The straight line remaining life method of depreciation allocates the original cost
10 of the property, less accumulated depreciation, less future net salvage, in equal amounts
11 to each year of remaining service life.

12 **Q34. Please describe the average service life procedure for calculating remaining life**
13 **accrual rates.**

14 A34. The average service life procedure defines the group for which the remaining life
15 annual accrual is determined. Under this procedure, the annual accrual rate is determined
16 for the entire group or account based on its average remaining life and this rate is applied
17 to the surviving balance of the group's cost. The average remaining life of the group is
18 calculated by first dividing the future book accruals (original cost less allocated book
19 reserve less future net salvage) by the average remaining life for each vintage. The
20 average remaining life for each vintage is derived from the area under the survivor curve
21 between the attained age of the vintage and the maximum age. Then, the sum of the
22 future book accruals is divided by the sum of the annual accruals to determine the average

1 remaining life of the entire group for use in calculating the annual depreciation accrual
2 rate.

3 **Q35. Please use an example to illustrate the development of the annual depreciation**
4 **accrual rate for a particular group of property in your Depreciation Study.**

5 A35. I will use Account 353, Station Equipment, as an example because it is the largest
6 depreciable group and represents approximately 58% of depreciable plant for Pepco's
7 transmission plant accounts. I used the retirement rate method to analyze the survivor
8 characteristics of this property group. I compiled plant accounting data from 1999
9 through 2019 and analyzed the data for periods that best represent the overall service life
10 of the property. I present the life tables for the 1999-2019 experience band and 2005-
11 2019 experience bands on pages VII-11 through VII-16 of Exhibit NWA-2. The life
12 table displays the retirement and surviving ratios of the aged plant data exposed to
13 retirement by age interval. For example, page VII-11 shows \$428,245 retired during age
14 interval 1.5-2.5 with \$663,374,940 exposed to retirement at the beginning of the interval.
15 Consequently, the retirement ratio is 0.0006 ($\$428,245 / \$663,374,940$) and the survivor
16 ratio is .9994 ($1 - .0006$). The percent surviving at age 1.5 of 99.95 percent is multiplied
17 by the survivor ratio of 0.9994 to derive the percent surviving at age 2.5 of 99.89 percent.
18 This process continues for the remaining age intervals for which plant was exposed to
19 retirement during the period 1999-2019. The resultant life table, or original survivor
20 curve, is plotted along with the estimated smooth survivor curve, the 52-R2, on page VII-
21 10.

22 The net salvage analysis is presented in Part VIII on page VIII-4 of the
23 Depreciation Study. The net salvage percentages are based on the result of annual gross

1 salvage minus the cost to remove plant assets, divided by the original cost of plant retired
2 during the period 2005 through 2019. This 15-year period experienced \$8,556,005
3 (\$1,961,432 - \$10,517,437) in net salvage for \$48,199,443 plant retired. The result is
4 negative net salvage of 18% (\$8,556,005 divided by \$48,199,443). Cost of removal has
5 been somewhat lower in recent years than the overall average. The recommended net
6 salvage estimate of negative 15% is similar to but somewhat less negative than the overall
7 average net salvage for the full fifteen year period.

8 I provide my calculation of the annual depreciation related to original cost of
9 Account 353, Station Equipment, at December 31, 2019, on page IX-6 of Exhibit NWA-
10 2. The calculation is based on the 52-R2 survivor curve, the negative 15% net salvage
11 estimate, the attained age, and the allocated book reserve. The tabulation sets forth the
12 installation year, the original cost, calculated accrued depreciation, allocated book
13 reserve, future accruals, remaining life and annual accrual. These totals are brought
14 forward to Table 1 on page VI-4.

15 **III. Results of the Depreciation Study**

16 **Q36. What are the results of your Depreciation Study?**

17 A36. The study results in an estimated overall decrease in depreciation expense of
18 approximately \$4.0 million primarily due to lower depreciation rates for Account 352,
19 Structures and Improvements and Account 353, Station Equipment. The lower
20 depreciation rates are likely the result of longer asset lives in recommended in the
21 Depreciation Study. The lower depreciation rates for these accounts are partially offset
22 by higher depreciation rates for the towers, poles, overhead conductors and underground
23 conductors accounts. The higher depreciation rates for these accounts are likely the result

1 of more negative net salvage estimates than those used for the current depreciation rates.
2 A comparison of the current and proposed depreciation rates and accruals is provided in
3 Exhibit NWA-2. Since the time of Pepco's last electric transmission depreciation study,
4 service lives have trended longer in the industry for many accounts while net salvage has
5 trended more negative. The results of the Depreciation Study are generally consistent
6 with these long-term industry trends.

7 **Q37. Does this conclude your testimony?**

8 A37. Yes. It does.

LIST OF CASES IN WHICH NED W. ALLIS SUBMITTED TESTIMONY

	<u>Year</u>	<u>Jurisdiction</u>	<u>Docket No.</u>	<u>Client/Utility</u>	<u>Subject</u>
01.	2013	NV	13-06004	Sierra Pacific Power Company	Depreciation
02.	2013	NY	13-E-0030, 13-G-0031 & 13-S-0032	Consolidated Edison Company of New York	Depreciation
03.	2013	DC	Case No. 1103	Pepco	Depreciation
04.	2014	NY	14-G-0494	Orange and Rockland - Gas	Depreciation
05.	2014	NY	14-E-0493	Orange and Rockland - Electric	Depreciation
06.	2014	NY	15-E-0050	Consolidated Edison Company of New York - Electric	Depreciation
07.	2015	FERC	ER15-2294-000	Pacific Gas & Electric Company TO17	Depreciation
08.	2015	NY	16-E-0060	Consolidated Edison Company of New York - Electric	Depreciation
09.	2015	NY	16-G-0061	Consolidated Edison Company of New York - Gas	Depreciation
10.	2016	FL	160021-EI	Florida Power & Light Company	Depreciation
11.	2016	NV	16-06008	Sierra Pacific Power Company - Electric	Depreciation
12.	2016	NV	16-06009	Sierra Pacific Power Company - Gas	Depreciation
13.	2016	NJ	ER 16050428	Rockland Electric Company	Depreciation
14.	2016	FERC	ER16-2320-000	Pacific Gas & Electric Company – Electric Transmission	Depreciation
15.	2016	DC	Case No. 1139	Pepco	Depreciation
16.	2017	NV	17-06004	Nevada Power Company	Depreciation
17.	2017	FERC	ER17-2154-000	Pacific Gas & Electric Company – Electric Transmission	Depreciation
18.	2017	CT	17-10-46	Connecticut Light & Power	Depreciation
19.	2017	CA	A.17-11-009	Pacific Gas & Electric – Gas Transmission and Storage	Depreciation
20.	2017	RI	4770	Narragansett Electric Company	Depreciation
21.	2017	DC	Case No. 1150	Pepco	Depreciation
22.	2018	CT	18-05-10	Yankee Gas Services Company	Depreciation
23.	2018	NY	18-E-0067	Orange and Rockland – Electric	Depreciation
24.	2018	NY	18-G-0068	Orange and Rockland – Gas	Depreciation
25.	2018	NJ	ER18080925	Atlantic City Electric Company	Depreciation
26.	2018	FERC	ER19-13-000	Pacific Gas & Electric Company – Electric Transmission	Depreciation
27.	2018	FERC	ER19-284-000	Florida Power & Light Company	Depreciation
28.	2018	CA	A. 18-12-009	Pacific Gas & Electric Company	Depreciation

Attachment C
Exhibit NWA-1

	<u>Year</u>	<u>Jurisdiction</u>	<u>Docket No.</u>	<u>Client/Utility</u>	<u>Subject</u>
29.	2018	NY	19-E-0065	Consolidated Edison Company of New York - Electric	Depreciation
30.	2018	NY	19-G-0065	Consolidated Edison Company of New York - Gas	Depreciation
31.	2019	MA	18-150	Massachusetts Electric Company	PBR / Depreciation
32.	2019	MD	9610	Baltimore Gas & Electric Company	Depreciation
33.	2019	KS	19-ATMG-525-RTS	Atmos Energy	Depreciation

POTOMAC ELECTRIC POWER COMPANY

Attachment C

COMPARISON OF EXISTING AND PROPOSED
ANNUAL DEPRECIATION ACCRUAL RATES AND ACCRUALS AS OF DECEMBER 31, 2019

Exhibit NWA-2

ACCOUNT		ORIGINAL COST AS OF DECEMBER 31, 2019	BOOK RESERVE	EXISTING CALCULATED ANNUAL ACCRUAL		PROPOSED CALCULATED ANNUAL ACCRUAL		INCREASE/ (DECREASE)
(1)		(2)	(3)	RATE (4)	AMOUNT (5)=(4)*(2)	RATE (6)	AMOUNT (7)	(8)=(7)-(5)
TRANSMISSION PLANT								
350.20	LAND RIGHTS	1,470,951.90	431,141	1.25	18,387	1.55	22,865	4,478
352.00	STRUCTURES AND IMPROVEMENTS	68,923,082.37	20,568,117	2.95	2,033,231	1.36	934,173	(1,099,058)
353.00	STATION EQUIPMENT	1,018,418,481.02	299,021,930	2.67	27,191,773	1.97	20,111,882	(7,079,891)
354.00	TOWERS AND FIXTURES	117,691,545.76	75,684,409	1.97	2,318,523	2.74	3,221,057	902,534
355.00	POLES AND FIXTURES	12,919,840.20	2,729,397	2.82	364,339	3.21	415,202	50,863
356.00	OVERHEAD CONDUCTORS AND DEVICES	141,595,599.62	33,039,346	1.79	2,534,561	3.13	4,436,728	1,902,167
357.00	UNDERGROUND CONDUIT	160,633,583.45	50,694,536	1.77	2,843,214	1.53	2,459,892	(383,322)
358.00	UNDERGROUND CONDUCTORS AND DEVICES	234,306,771.02	47,335,710	1.69	3,959,784	2.46	5,769,836	1,810,052
359.00	ROADS AND TRAILS	10,675,655.77	5,330,405	1.80	192,162	1.14	121,469	(70,693)
TOTAL DEPRECIABLE PLANT		1,766,635,511.11	534,834,991	2.35	41,455,976	2.12	37,493,104	(3,962,872)
NONDEPRECIABLE AND ACCOUNTS NOT STUDIED								
350.10	LAND	32,581,935.36						
TOTAL NONDEPRECIABLE AND ACCOUNTS NOT STUDIED		32,581,935.36						
TOTAL TRANSMISSION PLANT		1,799,217,446.47						

POTOMAC ELECTRIC POWER COMPANY

2019 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION
ACCRUALS RELATED TO ELECTRIC TRANSMISSION PLANT
AS OF DECEMBER 31, 2019

Prepared by:



Gannett Fleming

*Excellence Delivered **As Promised***

POTOMAC ELECTRIC POWER COMPANY

DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS

RELATED TO ELECTRIC TRANSMISSION PLANT

AS OF DECEMBER 31, 2019

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC

Camp Hill, Pennsylvania



*Excellence Delivered **As Promised***

September 16, 2020

Potomac Electric Power Company
701 Ninth Street, NW
Washington, DC 20068

Attention Julie Giese
Accounting Director - PHI

Ladies & Gentlemen:

Pursuant to your request, we have conducted a depreciation study related to the electric transmission assets of Potomac Electric Power Company as of December 31, 2019. The attached report presents a description of the methods used in the estimation of depreciation, the summary of annual and accrued depreciation, the statistical support for the service life and net salvage estimates, and the detailed tabulations of annual and accrued depreciation.

Respectfully submitted,

GANNETT FLEMING VALUATION
AND RATE CONSULTANTS, LLC

A handwritten signature in black ink, appearing to read "Ned W. Allis".

NED W. ALLIS
Vice President

NWA:mle
064733.000

Gannett Fleming Valuation and Rate Consultants, LLC

207 Senate Avenue • Camp Hill, PA 17011-2316

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POTOMAC ELECTRIC POWER COMPANY

DEPRECIATION STUDY

EXECUTIVE SUMMARY

Pursuant to Potomac Electric Power Company (“Pepco” or “Company”) request, Gannett Fleming Valuation and Rate Consultants, LLC (“Gannett Fleming”) conducted a depreciation study related to Pepco’s electric transmission plant as of December 31, 2019. The purpose of this study was to determine the annual depreciation accrual rates and amounts for book and ratemaking purposes.

The depreciation rates are based on the straight line method using the average service life (“ASL”) procedure and were applied on a remaining life basis. The calculations were based on attained ages and estimated average service life and forecasted net salvage characteristics for each depreciable group of assets. Gannett Fleming recommends the calculated annual depreciation accrual rates set forth herein apply specifically to electric transmission plant in service as of December 31, 2019 as summarized in Table 1 of the study. The recommended depreciation rates are appropriate to apply to balances subsequent to December 31, 2019. It is recommended that for most accounts, depreciation rates should be updated after a period of three to five years. Supporting analysis and calculations are provided within the study.

The study results set forth an annual depreciation expense of approximately \$37.5 million when applied to depreciable plant balances as of December 31, 2019. The results are summarized as follows:

FUNCTION	ORIGINAL COST AS OF DECEMBER 31, 2019	ANNUAL ACCRUAL RATE	ANNUAL ACCRUAL AMOUNT
DEPRECIABLE TRANSMISSION PLANT	1,766,635,511.11	2.12	37,493,104

PART I. INTRODUCTION



POTOMAC ELECTRIC POWER COMPANY

DEPRECIATION STUDY

PART I. INTRODUCTION

SCOPE

This report presents the results of the depreciation study prepared for the electric transmission assets of Potomac Electric Power Company (“Pepco” or “Company”) as applied to electric transmission plant in service as of December 31, 2019. The rates and amounts are based on the straight line remaining life method of depreciation. The report also describes the concepts, methods and basic judgments which underlie recommended annual depreciation accrual rates and amounts related to current electric plant in service.

The service life and net salvage estimates resulting from the study were based on informed judgment which incorporated analyses of historical plant retirement data as recorded through 2019; a review of Company practice and outlook as they relate to plant operation and retirement; and consideration of current practice in the electric industry, including knowledge of service life and net salvage estimates used for other electric utilities.

PLAN OF REPORT

Part I, Introduction, contains statements with respect to the plan of the report, and the basis of the study. Part II, Estimation of Survivor Curves, presents descriptions of the considerations and the methods used in the service life studies. Part III, Service Life Considerations, presents the factors and judgment utilized in the average service life analysis. Part IV, Net Salvage Considerations, presents the judgment utilized for the net salvage study. Part V, Calculation of Annual and Accrued Depreciation, describes the procedures used in the calculation of group depreciation. Part VI, Results of Study, presents a summary by depreciable group of annual depreciation accrual rates

and amounts. Part VII, Service Life Statistics, presents the statistical analysis of service life estimates; Part VIII, Net Salvage Statistics, sets forth the statistical indications of net salvage percents; and Part IX, Detailed Depreciation Calculations, presents the detailed tabulations of annual depreciation.

BASIS OF THE STUDY

Depreciation

Depreciation, in public utility regulation, is the loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of utility plant in the course of service from causes which are known to be in current operation and against which the utility is not protected by insurance. Among causes to be given consideration are wear and tear, deterioration, action of the elements, inadequacy, obsolescence, changes in the art, changes in demand, and the requirements of public authorities.

Depreciation, as used in accounting, is a method of distributing fixed capital costs, less net salvage, over a period of time by allocating annual amounts to expense. Each annual amount of such depreciation expense is part of that year's total cost of providing utility service. Normally, the period of time over which the fixed capital cost is allocated to the cost of service is equal to the period of time over which an item renders service, that is, the item's service life. The most prevalent method of allocation is to distribute an equal amount of cost to each year of service life. This method is known as the straight-line method of depreciation.

For all accounts, the annual depreciation was calculated by the straight line remaining life method using the average service life procedure. The calculated annual and accrued depreciation were based on attained ages of plant in service and the estimated service life and net salvage characteristics of each depreciable group.

Service Life and Net Salvage Estimates

The service life and net salvage estimates used in the depreciation calculations were based on informed judgment which incorporated statistical analyses of the Company's historical data; a review of management's plans, policies and outlook; a general knowledge of the electric utility industry; and comparisons of the service life and net salvage estimates from our studies of other electric utilities. The use of survivor curves to reflect the expected dispersion of retirement provides a consistent method of estimating depreciation for utility plant. Iowa type survivor curves were used to depict the estimated survivor curves for the electric transmission plant accounts.

The procedure for estimating service lives consisted of compiling historical data for the plant accounts or depreciable groups, analyzing this history through the use of widely accepted techniques, and forecasting the survivor characteristics for each depreciable group on the basis of interpretations of the historical data analyses and the probable future. The combination of the historical experience and estimates of future experience yielded estimated survivor curves from which the average service lives were derived.

The Company's service life estimates used in the depreciation calculation incorporated historical data compiled through 2019 from the property records of the Company. Such data included plant additions, retirements, transfers and other activity. Generally, retirement data for the years 1999 through 2019 were used in the actuarial life table computations which were the primary statistical support of the service life estimates. The vintage years of transactions were available for the retirement data for the years 2005 through 2019. In order to incorporate a longer period of history into the statistical life analysis, retirement data for the years 1999 through 2004 were statistically aged and combined with the 2005 to 2019 data. Experience bands incorporating the full range of data as well as bands incorporating on the recorded aged data were considered when

estimating service lives.

A general understanding of the function of the plant and information with respect to the reasons for past retirements and the expected future causes of retirement was obtained through discussions with operating and management personnel conducted during the course of the service life study. Information regarding plans for the future was incorporated in the interpretation and extrapolation of the statistical analyses.

The estimates of net salvage were based in part on historical data compiled for the years 2005 through 2019. Gross salvage and cost of removal as recorded to the depreciation reserve account and related to experienced retirements were used. Percentages of the cost of plant retired were calculated for each component of net salvage, on both annual and five-year moving average bases. The estimates of net salvage are expressed as percentages of the cost of plant retired.

PART II. ESTIMATION OF SURVIVOR CURVES

PART II. ESTIMATION OF SURVIVOR CURVES

The calculation of annual depreciation based on the straight line method requires the estimation of survivor curves and the selection of group depreciation procedures. The estimation of survivor curves is discussed below and the development of net salvage is discussed in later sections of this report.

SURVIVOR CURVES

The use of an average service life for a property group implies that the various units in the group have different lives. Thus, the average life may be obtained by determining the separate lives of each of the units, or by constructing a survivor curve by plotting the number of units which survive at successive ages.

The survivor curve graphically depicts the amount of property existing at each age throughout the life of an original group. From the survivor curve, the average life of the group, the remaining life expectancy, the probable life, and the frequency curve can be calculated. In Figure 1, a typical smooth survivor curve and the derived curves are illustrated. The average life is obtained by calculating the area under the survivor curve, from age zero to the maximum age, and dividing this area by the ordinate at age zero. The remaining life expectancy at any age can be calculated by obtaining the area under the curve, from the observation age to the maximum age, and dividing this area by the percent surviving at the observation age. For example, in Figure 1, the remaining life at age 30 is equal to the crosshatched area under the survivor curve divided by 29.5 percent surviving at age 30. The probable life at any age is developed by adding the age and remaining life. If the probable life of the property is calculated for each year of age, the probable life curve shown in the chart can be developed. The frequency curve presents the number of units retired in each age interval. It is derived by obtaining the differences between the amount of property surviving at the beginning and at the end of each interval.

This study has incorporated the use of Iowa curves developed from a retirement rate analysis of historical retirement history. A discussion of the concepts of survivor curves and of the development of survivor curves using the retirement rate method is presented below.

Iowa Type Curves

The range of survivor characteristics usually experienced by utility and industrial properties is encompassed by a system of generalized survivor curves known as the Iowa type curves. There are four families in the Iowa system, labeled in accordance with the location of the modes of the retirements (or the portion of the frequency curve with the highest level of retirements) in relationship to the average life and the relative height of the modes. The left moded curves, presented in Figure 2, are those in which the greatest frequency of retirement occurs to the left of, or prior to, average service life. The symmetrical moded curves, presented in Figure 3, are those in which the greatest frequency of retirement occurs at average service life. The right moded curves, presented in Figure 4, are those in which the greatest frequency occurs to the right of, or after, average service life. The origin moded curves, presented in Figure 5, are those in which the greatest frequency of retirement occurs at the origin, or immediately after age zero. The letter designation of each family of curves (L, S, R or O) represents the location of the mode of the associated frequency curve with respect to the average service life. The numbers represent the relative heights of the modes of the frequency curves within each family. A higher number designates a higher mode curve.

The Iowa curves were developed at the Iowa State College Engineering Experiment Station through an extensive process of observation and classification of the ages at which industrial property had been retired. A report of the study which resulted in the classification of property survivor characteristics into 18 type curves,

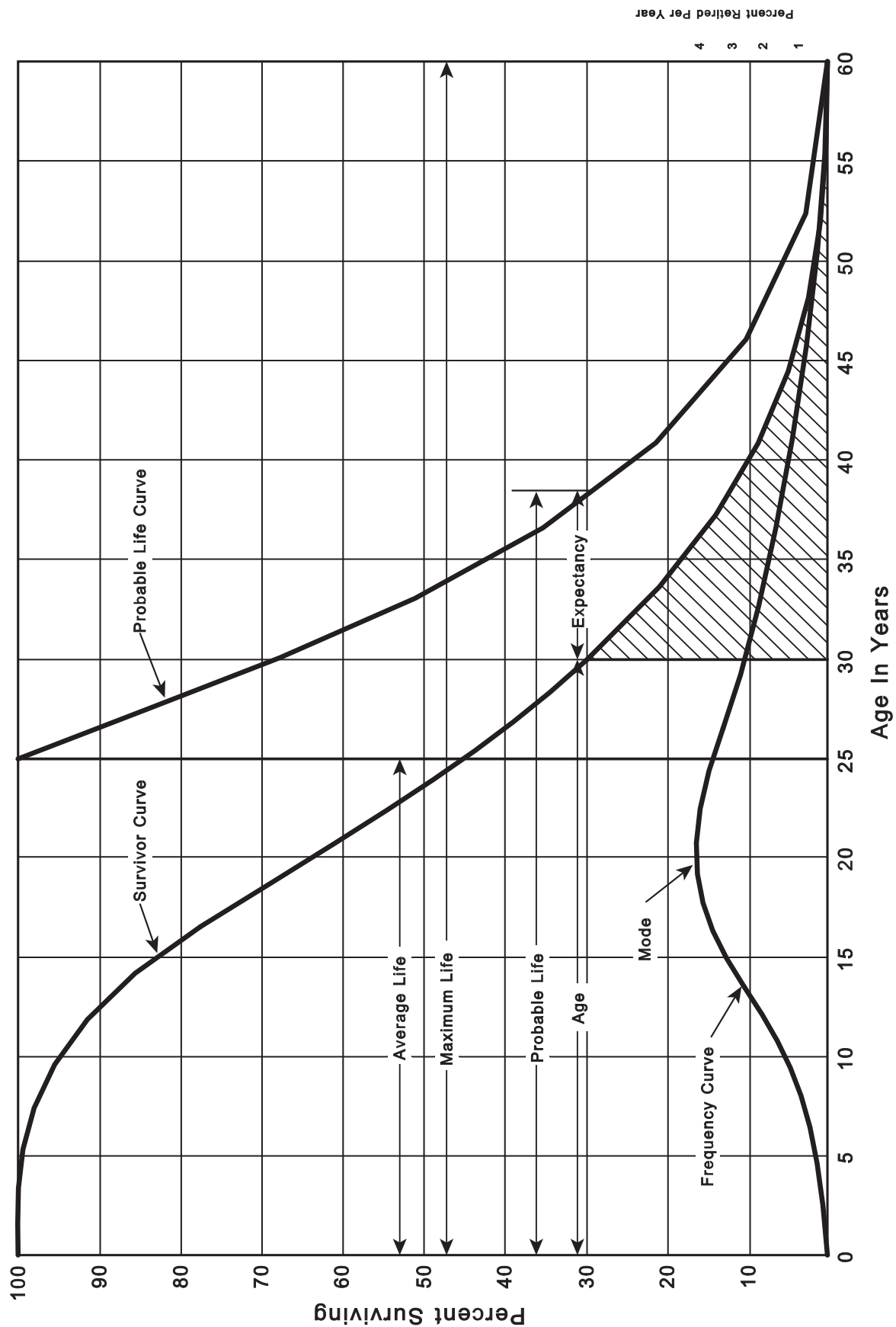


Figure 1. A Typical Survivor Curve and Derived Curves

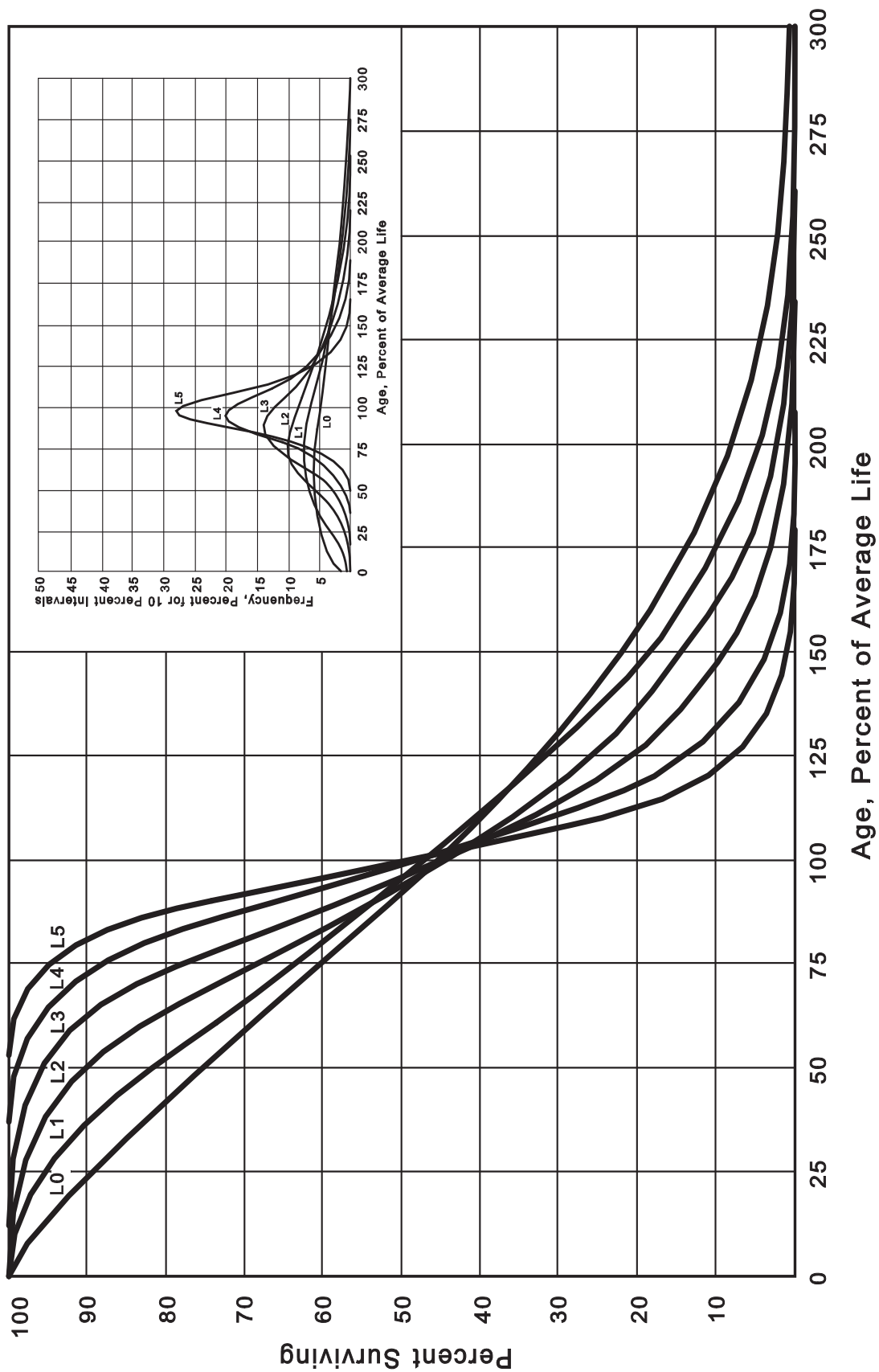


Figure 2. Left Modal or "L" Iowa Type Survivor Curves

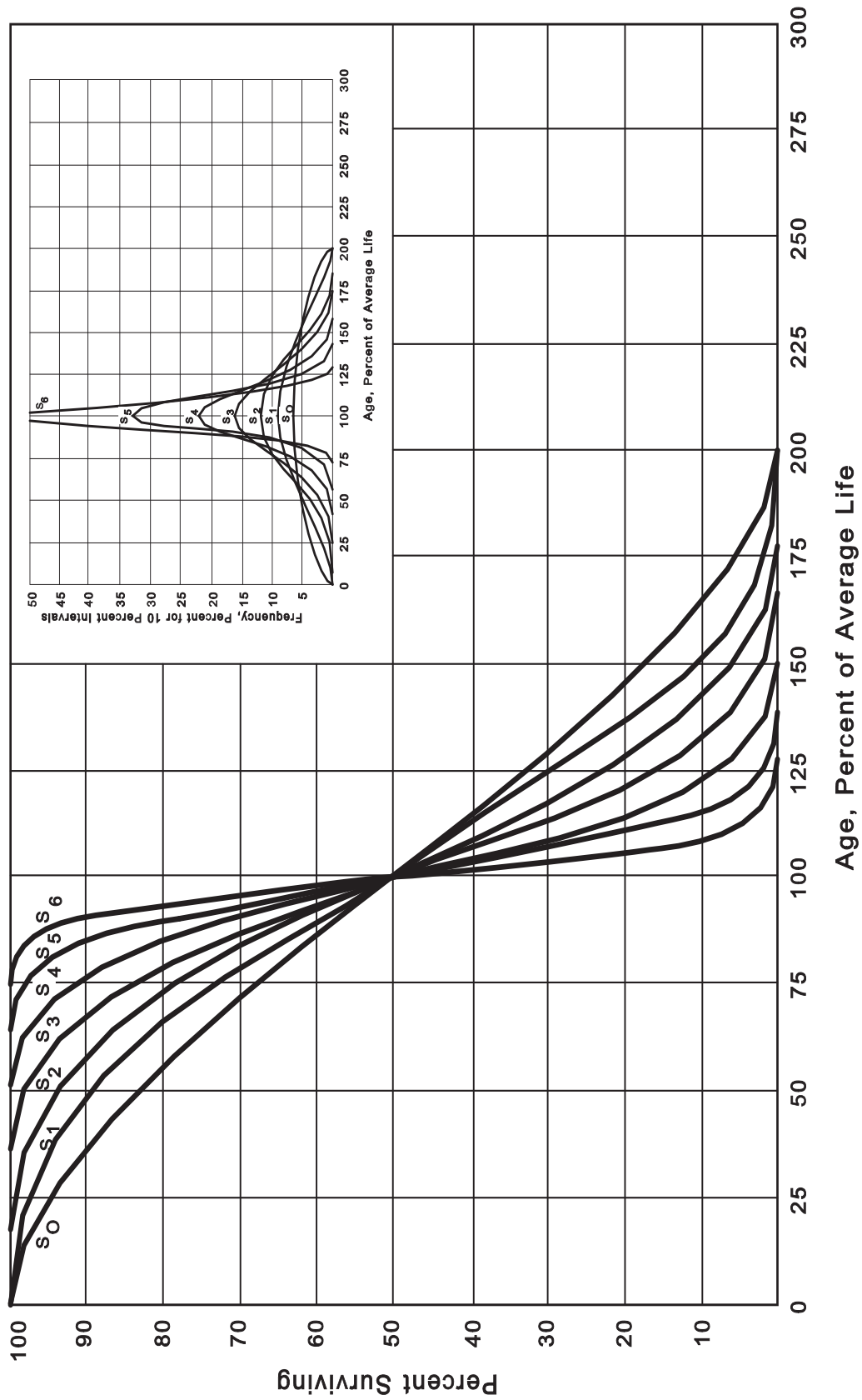


Figure 3. Symmetrical or "S" Iowa Type Survivor Curves

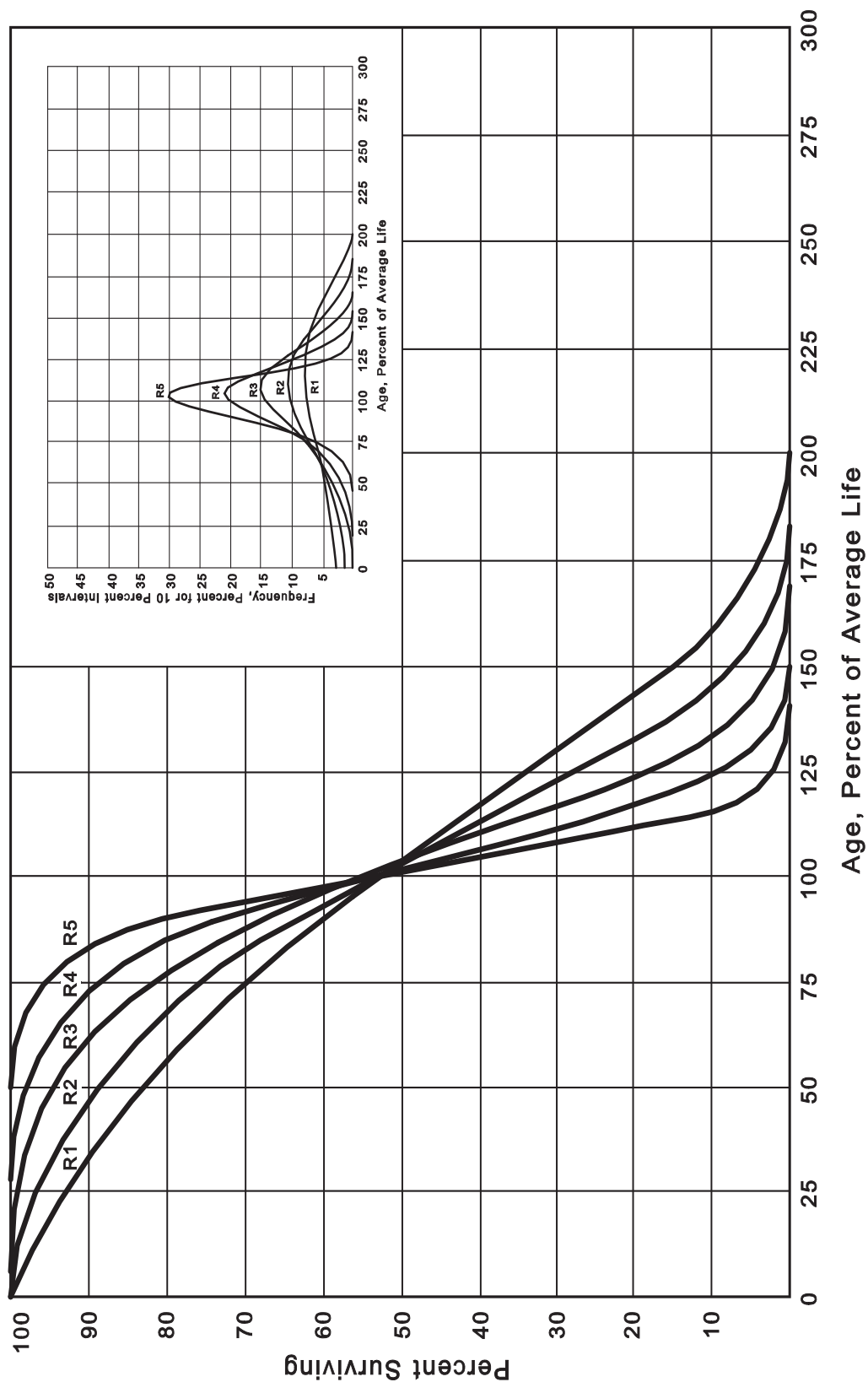


Figure 4. Right Modal or "R" Iowa Type Survivor Curves

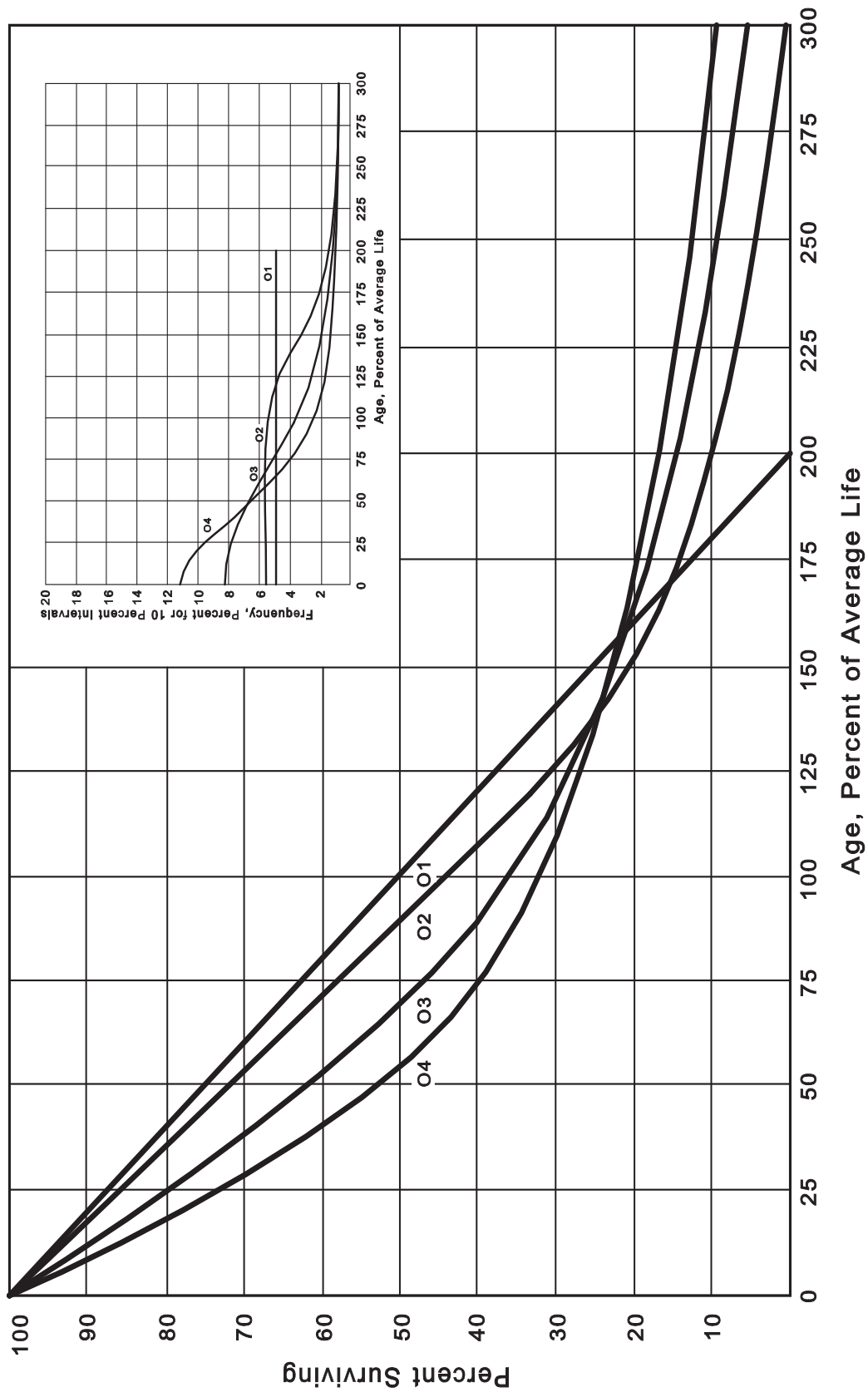


Figure 5. Origin Modal or "O" Iowa Type Survivor Curves

These curve types have also been presented in subsequent Experiment Station bulletins and in the text, "Engineering Valuation and Depreciation."¹ In 1957, Frank V. B. Couch, Jr., an Iowa State College graduate student submitted a thesis presenting his development of the fourth family consisting of the four O type survivor curves.

Retirement Rate Method of Analysis

The retirement rate method is an actuarial method of deriving survivor curves using the average rates at which property of each age group is retired. The method relates to property groups for which aged accounting experience is available and is the method used to develop the original stub survivor curves in this study. The method (also known as the annual rate method) is illustrated through the use of an example in the following text, and is also explained in several publications, including "Statistical Analyses of Industrial Property Retirements,"² "Engineering Valuation and Depreciation,"³ and "Depreciation Systems."⁴

The average rate of retirement used in the calculation of the percent surviving for the survivor curve (life table) requires two sets of data: first, the property retired during a period of observation, identified by the property's age at retirement; and second, the property exposed to retirement at the beginning of the age intervals during the same period. The period of observation is referred to as the experience band, and the band of years which represent the installation dates of the property exposed to retirement during the experience band is referred to as the placement band. An example of the calculations used in the development of a life table follows. The example includes

¹Marston, Anson, Robley Winfrey and Jean C. Hempstead. Engineering Valuation and Depreciation, 2nd Edition. New York, McGraw-Hill Book Company. 1953.

²Winfrey, Robley, Statistical Analyses of Industrial Property Retirements. Iowa State College, Engineering Experiment Station, Bulletin 125. 1935.

³Marston, Anson, Robley Winfrey, and Jean C. Hempstead, Supra Note 1.

⁴Wolf, Frank K. and W. Chester Fitch. Depreciation Systems. Iowa State University Press. 1994.

schedules of annual aged property transactions, a schedule of plant exposed to retirement, a life table and illustrations of smoothing the stub survivor curve.

Schedules of Annual Transactions in Plant Records

A hypothetical property group is used to illustrate the retirement rate method. This property group is observed for the experience band 2010-2019 during which there were placements (or installations) during the years 2005-2019. In order to illustrate the summation of the aged data by age interval, the data were compiled in the manner presented in Schedules 1 and 2 on pages II-11 and II-12. In Schedule 1, year placed and the year of retirement are shown. The age interval during which a retirement occurred is determined from this information. In the example which follows, \$10,000 of the dollars invested in 2002 were retired in 2007. The \$10,000 retirement occurred during the age interval between 4½ and 5½ years on the basis that approximately one-half of the amount of property was installed prior to and subsequent to July 1 of each year. That is, on the average, property installed during a year is placed in service at the midpoint of the year for the purpose of the analysis. All retirements also are stated as occurring at the midpoint of a one-year age interval of time, except the first age interval which encompasses only one-half year.

The total retirements occurring in each age interval in a band are determined by summing the amounts for each transaction year-installation year combination for that age interval. For example, the total of \$143,000 retired for age interval 4½-5½ is the sum of the retirements entered on Schedule 1 immediately above the stair step line drawn on the table beginning with the 2010 retirements of 2005 installations and ending with the 2019 retirements of the 2014 installations. Thus, the total amount of 143 for age interval 4½-5½ equals the sum of:

$$10 + 12 + 13 + 11 + 13 + 13 + 15 + 17 + 19 + 20.$$

SCHEDULE 1. RETIREMENTS FOR EACH YEAR 2010-2019
SUMMARIZED BY AGE INTERVAL

Experience Band 2010-2019										Placement Band 2005-2019			
Year Placed (1)	Retirements, Thousands of Dollars										Total During		Age Interval (13)
	During Year										Age Interval (12)		
	2010 (2)	2011 (3)	2012 (4)	2013 (5)	2014 (6)	2015 (7)	2016 (8)	2017 (9)	2018 (10)	2019 (11)			
2005	10	11	12	13	14	16	23	24	25	26	26	13½-14½	
2006	11	12	13	15	16	18	20	21	22	19	44	12½-13½	
2007	11	12	13	14	16	17	19	21	22	18	64	11½-12½	
2008	8	9	10	11	11	13	14	15	16	17	83	10½-11½	
2009	9	10	11	12	13	14	16	17	19	20	93	9½-10½	
2010	4	9	10	11	12	13	14	15	16	20	105	8½-9½	
2011		5	11	12	13	14	15	16	18	20	113	7½-8½	
2012			6	12	13	15	16	17	19	19	124	6½-7½	
2013				6	13	15	16	17	19	19	131	5½-6½	
2014					7	14	16	17	19	20	143	4½-5½	
2015						8	18	20	22	23	146	3½-4½	
2016							9	20	22	25	150	2½-3½	
2017								11	23	25	151	1½-2½	
2018									11	24	153	½-1½	
2019										13	80	0-½	
Total	53	68	86	106	128	157	196	231	273	308	1,606		

SCHEDULE 2. OTHER TRANSACTIONS FOR EACH YEAR 2010-2019
SUMMARIZED BY AGE INTERVAL

Experience Band 2010-2019		Placement Band 2005-2019									
		Acquisitions, Transfers and Sales, Thousands of Dollars									
		During Year									
Year		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Placed		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
2005		-	-	-	-	-	-	60 ^a	-	-	-
2006		-	-	-	-	-	-	-	-	-	-
2007		-	-	-	-	-	-	-	-	-	-
2008		-	-	-	-	-	-	-	(5) ^b	-	-
2009		-	-	-	-	-	-	-	6 ^a	-	-
2010		-	-	-	-	-	-	-	-	-	-
2011		-	-	-	-	-	-	-	-	-	-
2012		-	-	-	-	-	-	-	-	-	-
2013		-	-	-	-	-	-	-	(12) ^b	-	-
2014		-	-	-	-	-	-	-	-	22 ^a	-
2015		-	-	-	-	-	-	-	(19) ^b	-	-
2016		-	-	-	-	-	-	-	-	-	-
2017		-	-	-	-	-	-	-	-	-	(102) ^c
2018		-	-	-	-	-	-	-	-	-	-
2019		-	-	-	-	-	-	-	-	-	-
Total		-	-	-	-	-	-	60	(30)	22	(102)
											(50)

^a Transfer Affecting Exposures at Beginning of Year

^b Transfer Affecting Exposures at End of Year

^c Sale with Continued Use

Parentheses Denote Credit Amount.

In Schedule 2, other transactions which affect the group are recorded in a similar manner. The entries illustrated include transfers and sales. The entries which are credits to the plant account are shown in parentheses. The items recorded on this schedule are not totaled with the retirements but are used in developing the exposures at the beginning of each age interval.

Schedule of Plant Exposed to Retirement

The development of the amount of plant exposed to retirement at the beginning of each age interval is illustrated in Schedule 3 on page II-14. The surviving plant at the beginning of each year from 2010 through 2019 is recorded by year in the portion of the table headed "Annual Survivors at the Beginning of the Year." The last amount entered in each column is the amount of new plant added to the group during the year. The amounts entered in Schedule 3 for each successive year following the beginning balance or addition are obtained by adding or subtracting the net entries shown on Schedules 1 and 2. For the purpose of determining the plant exposed to retirement, transfers-in are considered as being exposed to retirement in this group at the beginning of the year in which they occurred, and the sales and transfers-out are considered to be removed from the plant exposed to retirement at the beginning of the following year. Thus, the amounts of plant shown at the beginning of each year are the amounts of plant from each placement year considered to be exposed to retirement at the beginning of each successive transaction year. For example, the exposures for the installation year 2012 are calculated in the following manner:

Exposures at age 0	= amount of addition	=	\$750,000
Exposures at age ½	= \$750,000 - \$ 8,000	=	\$742,000
Exposures at age 1½	= \$742,000 - \$18,000	=	\$724,000
Exposures at age 2½	= \$724,000 - \$20,000 - \$19,000	=	\$685,000
Exposures at age 3½	= \$685,000 - \$22,000	=	\$663,000

For the entire experience band 2010-2019, the total exposures at the beginning of an age interval are obtained by summing diagonally in a manner similar to the summing

**SCHEDULE 3. PLANT EXPOSED TO RETIREMENT
JANUARY 1 OF EACH YEAR 2010-2019
SUMMARIZED BY AGE INTERVAL**

Experience Band 2010-2019										Placement Band 2005-2019			
Year	Exposures, Thousands of Dollars										Total at Beginning of Age Interval	Age Interval	Age Interval (13)
	Annual Survivors at the Beginning of the Year												
	2010 (2)	2011 (3)	2012 (4)	2013 (5)	2014 (6)	2015 (7)	2016 (8)	2017 (9)	2018 (10)	2019 (11)			
Placed (1)													
2005	255	245	234	222	209	195	239	216	192	167	167	167	13½-14½
2006	279	268	256	243	228	212	194	174	153	131	323	323	12½-13½
2007	307	296	284	271	257	241	224	205	184	162	531	531	11½-12½
2008	338	330	321	311	300	289	276	262	242	226	823	823	10½-11½
2009	376	367	357	346	334	321	307	297	280	261	1,097	1,097	9½-10½
2010	420 ^a	416	407	397	386	374	361	347	332	316	1,503	1,503	8½-9½
2011		460 ^a	455	444	432	419	405	390	374	356	1,952	1,952	7½-8½
2012			510 ^a	504	492	479	464	448	431	412	2,463	2,463	6½-7½
2013				580 ^a	574	561	546	530	501	482	3,057	3,057	5½-6½
2014					660 ^a	653	639	623	628	609	3,789	3,789	4½-5½
2015						750 ^a	742	724	685	663	4,332	4,332	3½-4½
2016							850 ^a	841	821	799	4,955	4,955	2½-3½
2017								960 ^a	949	926	5,719	5,719	1½-2½
2018									1,080 ^a	1,069	6,579	6,579	½-1½
2019										1,220 ^a	7,490	7,490	0-½
Total	1,975	2,382	2,824	3,318	3,872	4,494	5,247	6,017	6,852	7,799	44,780	44,780	

^aAdditions during the year

of the retirements during an age interval (Schedule 1). For example, the figure of 3,789, shown as the total exposures at the beginning of age interval 4½-5½, is obtained by summing:

$$255 + 268 + 284 + 311 + 334 + 374 + 405 + 448 + 501 + 609.$$

Original Life Table

The original life table, illustrated in Schedule 4 on page II-16, is developed from the totals shown on the schedules of retirements and exposures, Schedules 1 and 3, respectively. The exposures at the beginning of the age interval are obtained from the corresponding age interval of the exposure schedule, and the retirements during the age interval are obtained from the corresponding age interval of the retirement schedule. The retirement ratio is the result of dividing the retirements during the age interval by the exposures at the beginning of the age interval. The percent surviving at the beginning of each age interval is derived from survivor ratios, each of which equals one minus the retirement ratio. The percent surviving is developed by starting with 100% at age zero and successively multiplying the percent surviving at the beginning of each interval by the survivor ratio, i.e., one minus the retirement ratio for that age interval. The calculations necessary to determine the percent surviving at age 5½ are as follows:

Percent surviving at age 4½	=	88.15	
Exposures at age 4½	=	3,789,000	
Retirements from age 4½ to 5½	=	143,000	
Retirement Ratio	=	$143,000 \div 3,789,000$	= 0.0377
Survivor Ratio	=	$1.000 - 0.0377$	= 0.9623
Percent surviving at age 5½	=	$(88.15) \times (0.9623)$	= 84.83

The totals of the exposures and retirements (columns 2 and 3) are shown for the purpose of checking with the respective totals in Schedules 1 and 3. The ratio of the total retirements to the total exposures, other than for each age interval, is meaningless.

SCHEDULE 4. ORIGINAL LIFE TABLE
CALCULATED BY THE RETIREMENT RATE METHOD

Experience Band 2010-2019

Placement Band 2005-2019

(Exposure and Retirement Amounts are in Thousands of Dollars)

Age at Beginning of Interval	Exposures at Beginning of Age Interval	Retirements During Age Interval	Retirement Ratio	Survivor Ratio	Percent Surviving at Beginning of Age Interval
(1)	(2)	(3)	(4)	(5)	(6)
0.0	7,490	80	0.0107	0.9893	100.00
0.5	6,579	153	0.0233	0.9767	98.93
1.5	5,719	151	0.0264	0.9736	96.62
2.5	4,955	150	0.0303	0.9697	94.07
3.5	4,332	146	0.0337	0.9663	91.22
4.5	3,789	143	0.0377	0.9623	88.15
5.5	3,057	131	0.0429	0.9571	84.83
6.5	2,463	124	0.0503	0.9497	81.19
7.5	1,952	113	0.0579	0.9421	77.11
8.5	1,503	105	0.0699	0.9301	72.65
9.5	1,097	93	0.0848	0.9152	67.57
10.5	823	83	0.1009	0.8991	61.84
11.5	531	64	0.1205	0.8795	55.60
12.5	323	44	0.1362	0.8638	48.90
13.5	167	26	0.1557	0.8443	42.24
14.5					35.66
Total	<u>44,780</u>	<u>1,606</u>			

Column 2 from Schedule 3, Column 12, Plant Exposed to Retirement.

Column 3 from Schedule 1, Column 12, Retirements for Each Year.

Column 4 = Column 3 Divided by Column 2.

Column 5 = 1.0000 Minus Column 4.

Column 6 = Column 5 Multiplied by Column 6 as of the Preceding Age Interval.

The original survivor curve is plotted from the original life table (column 6, Schedule 4). When the curve terminates at a percent surviving greater than zero, it is called a stub survivor curve. Survivor curves developed from retirement rate studies generally are stub curves.

Smoothing the Original Survivor Curve

The smoothing of the original survivor curve eliminates any irregularities and serves as the basis for the preliminary extrapolation to zero percent surviving of the original stub curve. Even if the original survivor curve is complete from 100% to zero percent, it is desirable to eliminate any irregularities, as there is still an extrapolation for the vintages which have not yet lived to the age at which the curve reaches zero percent. In this study, the smoothing of the original curve with established type curves was used to eliminate irregularities in the original curve.

The Iowa type curves are used in this study to smooth those original stub curves which are expressed as percents surviving at ages in years. Each original survivor curve was compared to the Iowa curves using visual and mathematical matching in order to determine the better fitting smooth curves. In Figures 6, 7, and 8, the original curve developed in Schedule 4 is compared with the L, S, and R Iowa type curves which most nearly fit the original survivor curve. In Figure 6, the L1 curve with an average life between 12 and 13 years appears to be the best fit. In Figure 7, the S0 type curve with a 12-year average life appears to be the best fit and appears to be better than the L1 fitting. In Figure 8, the R1 type curve with a 12-year average life appears to be the best fit and appears to be better than either the L1 or the S0.

In Figure 9, the three fittings, 12-L1, 12-S0 and 12-R1 are drawn for comparison purposes. It is probable that the 12-R1 Iowa curve would be selected as the most representative of the plotted survivor characteristics of the group.

FIGURE 6. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN L1 IOWA TYPE CURVE
ORIGINAL AND SMOOTH SURVIVOR CURVES

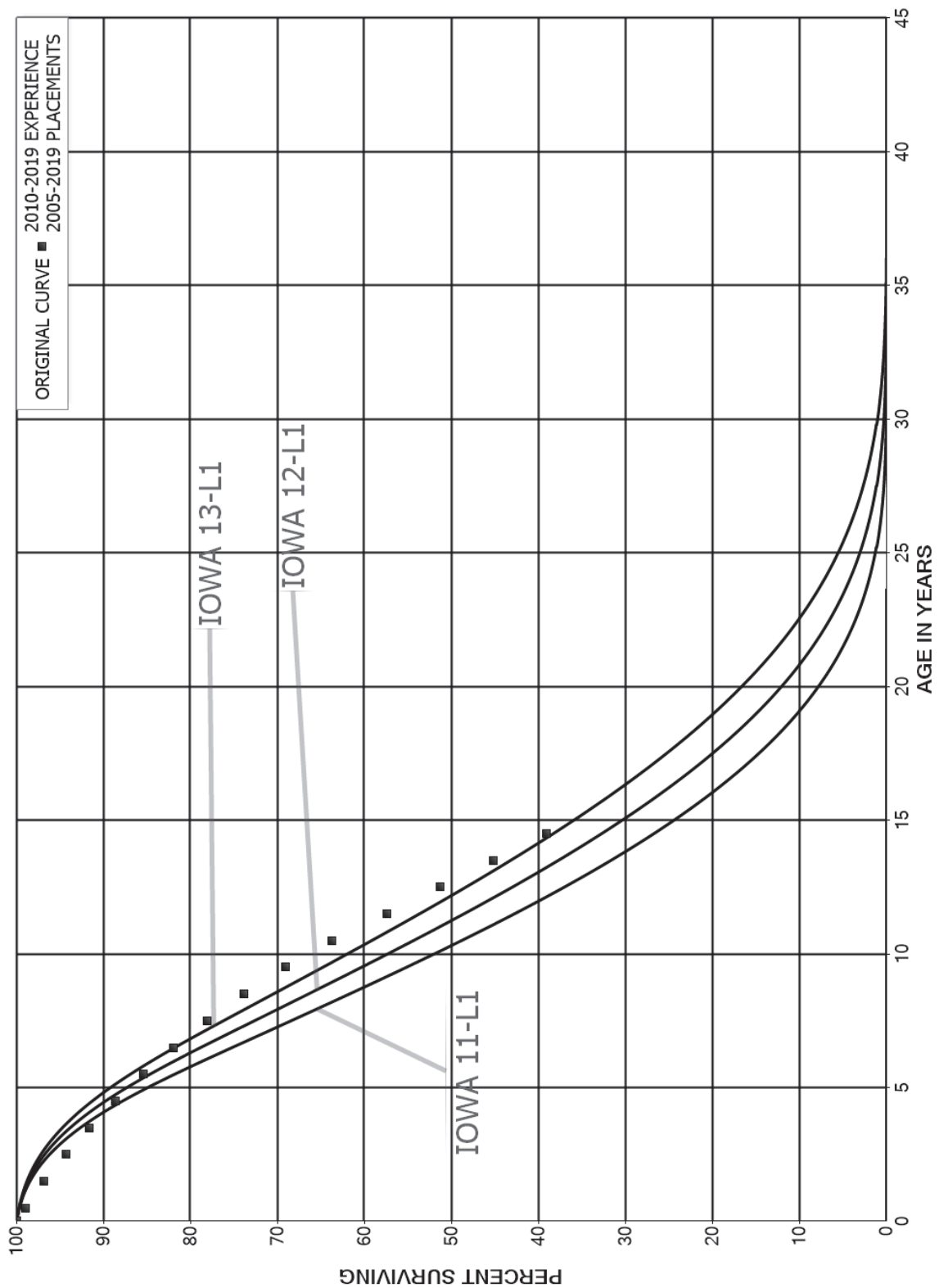


FIGURE 7. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN S0 IOWA TYPE CURVE
ORIGINAL AND SMOOTH SURVIVOR CURVES

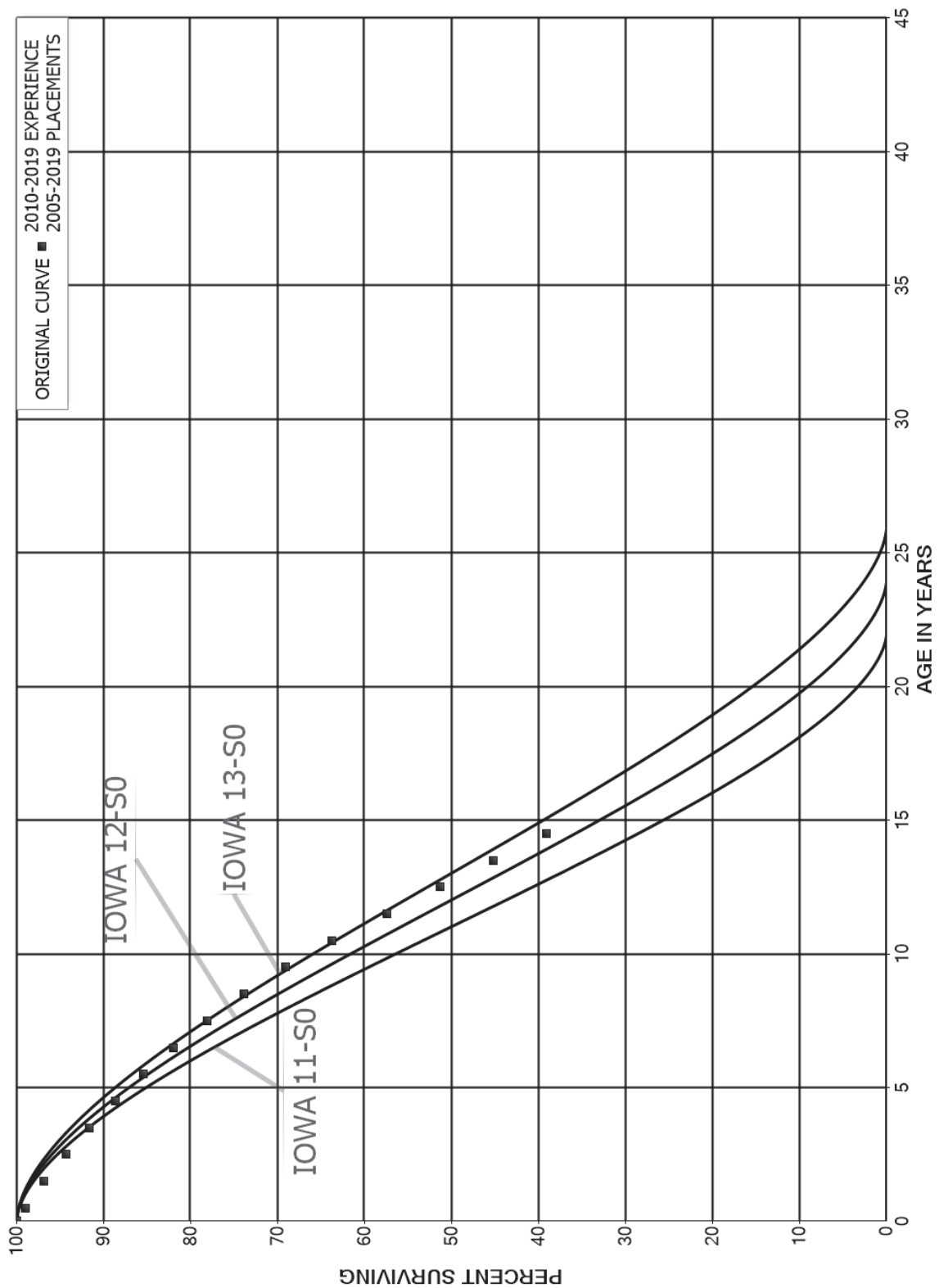


FIGURE 8. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN R1 IOWA TYPE CURVE
ORIGINAL AND SMOOTH SURVIVOR CURVES

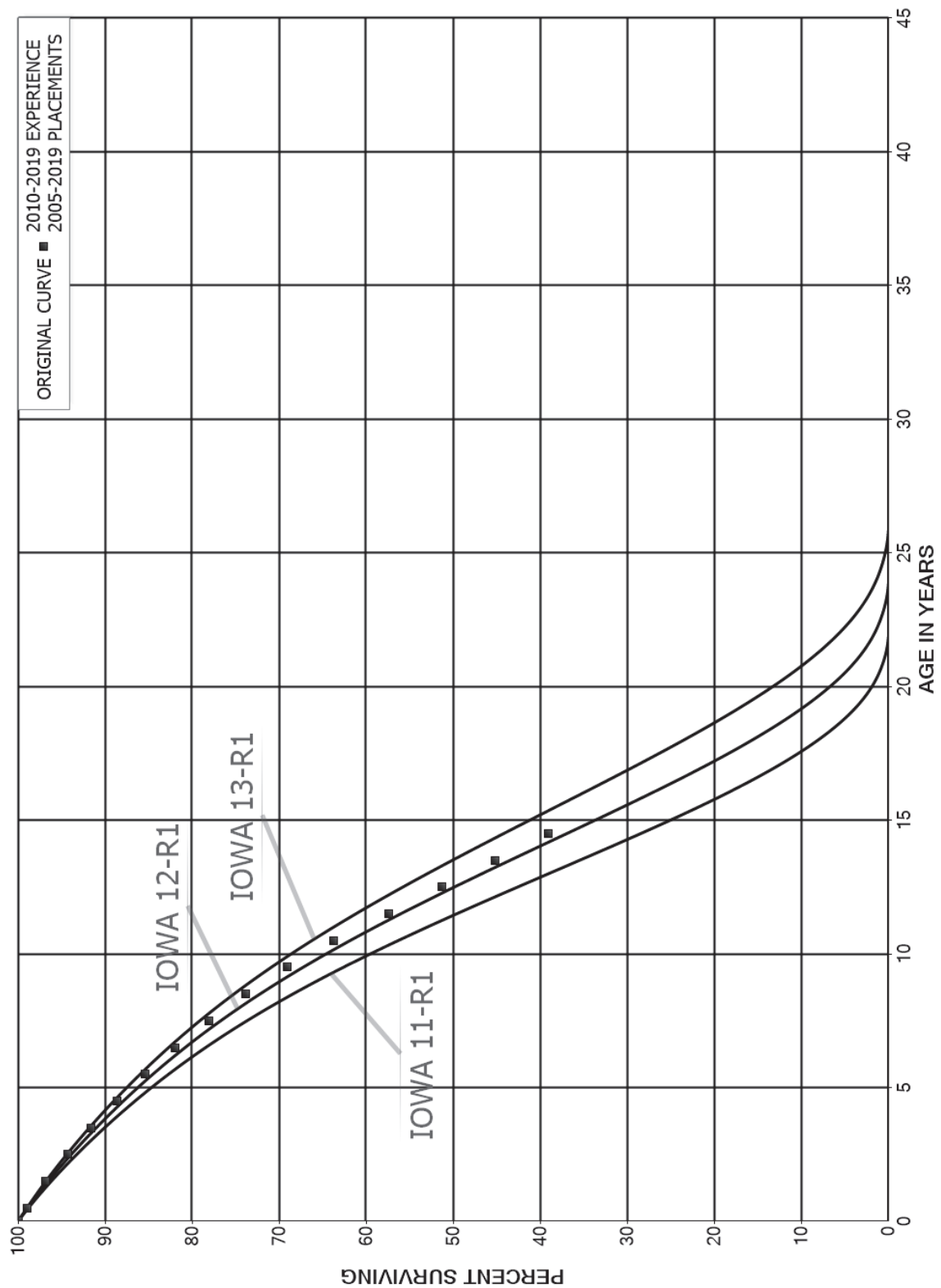
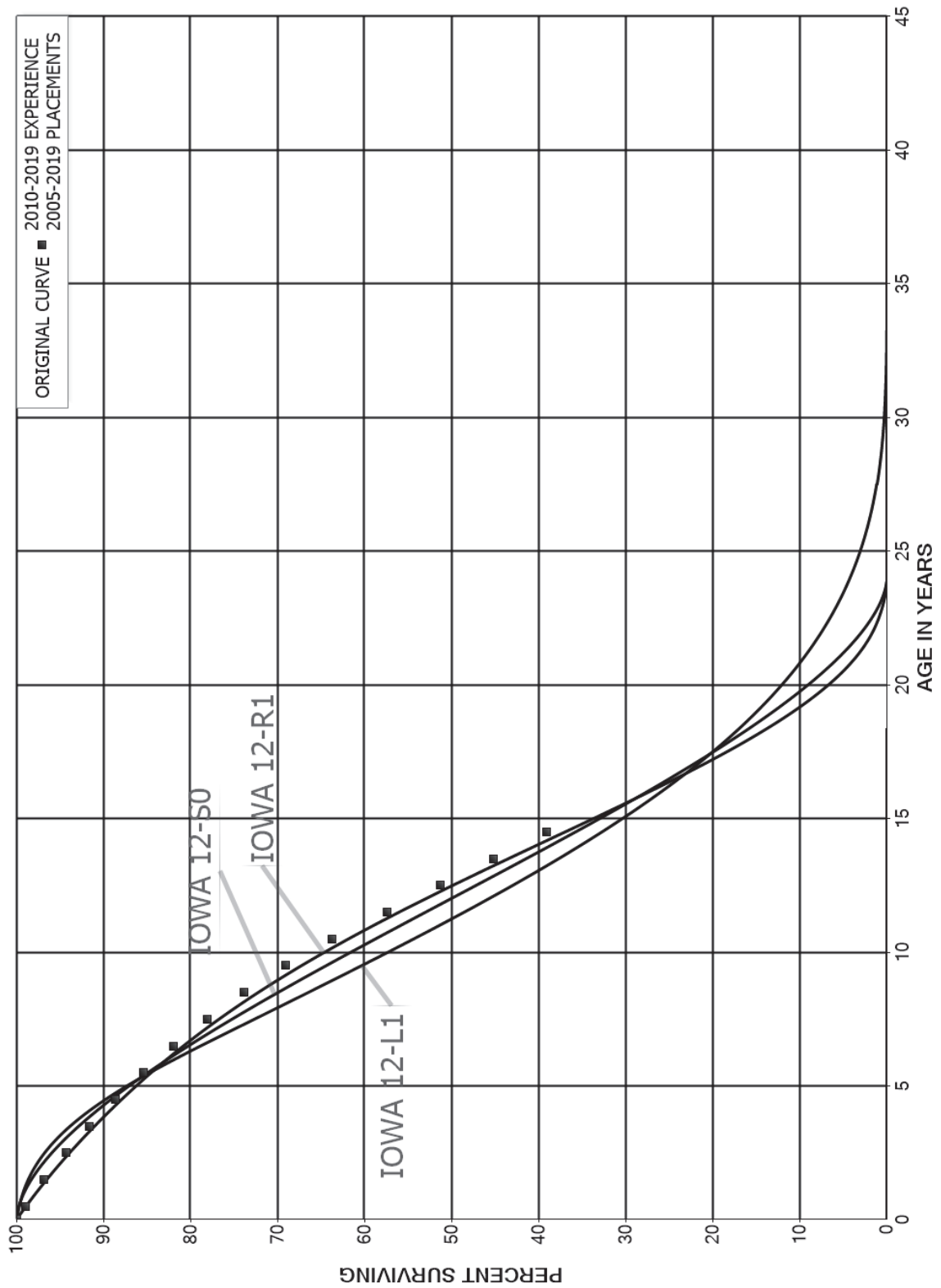


FIGURE 9. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN L1, S0 AND R1 IOWA TYPE CURVE
ORIGINAL AND SMOOTH SURVIVOR CURVES



PART III. SERVICE LIFE CONSIDERATIONS

PART III. SERVICE LIFE CONSIDERATIONS

FIELD TRIPS

In order to be familiar with the operation of the Company and observe representative portions of the plant, a field trip was conducted for the study. A general understanding of the function of the plant and information with respect to the reasons for past retirements and the expected future causes of retirements are obtained during field trips. This knowledge and information were incorporated in the interpretation and extrapolation of the statistical analyses.

The following is a list of the locations visited during the field trip:

April 18, 2019

Takoma Substation
Brighton Substation

SERVICE LIFE CONSIDERATIONS

The service life estimates were based on judgment which considered a number of factors. The primary factors were statistical analyses of the Company's property accounting data; current Company policies and outlook as determined during conversations with management; and the survivor curve estimates from previous studies of other electric utility companies.

For five of the plant accounts and subaccounts for which survivor curves were estimated, the statistical analyses using the retirement rate method contributed significantly towards the recommended survivor curves. These accounts represent 92 percent of depreciable plant. The statistical support for the service life estimates is presented in the section beginning on page VII-2.

TRANSMISSION PLANT

352.00	Structures and Improvements
353.00	Station Equipment
356.00	Overhead Conductors and Devices
357.00	Underground Conduit
358.00	Underground Conductors and Devices

Account 353, Station Equipment, is used to illustrate the manner in which the study was conducted for the groups in the preceding list. Aged plant accounting data for all plant accounts have been compiled for the years 1999 through 2019. These data have been coded in the course of the Company's normal record keeping according to account or property group, type of transaction, year in which the transaction took place, and year in which the electric plant was placed in service. The retirements, other plant transactions, and plant additions were analyzed by the retirement rate method.

The survivor curve estimate is based in part on the statistical indications for the period 1999 through 2019. An experience band for the years 2005 through 2019, which only incorporates recorded aged data, was also analyzed as part of the service life estimate process. This more recent band indicates a somewhat shorter service life than the overall band from 1999 through 2019. The 52-R2 survivor curve, which is shown on page VII-10 of the study, is a good fit of the most representative data points for the 1999 through 2019 experience band as well as the 2005-2019 experience band. The 52-R2 survivor curve is consistent with the outlook and operations of the assets in this account. A 52-year average service life is also within the typical range of estimates for this account for others in the industry. Given these considerations the 52-R2 survivor curve is recommended for this account.

Similar studies were performed for the remaining plant accounts. Each of the judgments represented a consideration of statistical analyses of aged property accounting

data, discussions with management, as well as field trips, and the typical range of lives used by other electric companies.

PART IV. NET SALVAGE CONSIDERATIONS

PART IV. NET SALVAGE CONSIDERATIONS

NET SALVAGE ANALYSIS

The estimates of net salvage by account were based in part on historical data compiled through 2019. Cost of removal and gross salvage were expressed as percents of the original cost of plant retired, both on annual and three-year moving average bases. The most recent five-year average also was calculated for consideration. The net salvage estimates by account are expressed as a percent of the original cost of plant retired.

Net Salvage Considerations

The estimates of future net salvage are expressed as percentages of surviving plant in service, i.e., all future retirements. In cases in which removal costs are expected to exceed salvage receipts, a negative net salvage percentage is estimated. The net salvage estimates were based on judgment which incorporated analyses of historical cost of removal and gross salvage data, expectations with respect to future removal requirements and markets for retired equipment and materials, general knowledge of the property studied, and the current net salvage estimates for this Company and for other electric utilities.

The analyses of historical costs of removal and gross salvage data are presented in Part VIII of the report. Statistical analyses of historical data for the period 2005 through 2019 for electric transmission plant were analyzed. The analyses contributed significantly toward the net salvage estimates for 4 plant accounts, representing 76 percent of the depreciable transmission plant. However, for many accounts the net salvage estimates are conservative (i.e., less negative) when compared to the historical data.

TRANSMISSION PLANT

352.00	Structures and Improvements
353.00	Station Equipment
354.00	Towers and Fixtures
356.00	Overhead Conductors and Devices

Account 353, Station Equipment, is used to illustrate the manner in which the study was conducted for the groups in the preceding list. Net salvage data for the period 2005 through 2019 were analyzed for this account. The data include cost of removal, gross salvage and net salvage amounts and each of these amounts is expressed as a percent of the original cost of regular retirements. Three-year moving averages for the 2005-2007 through 2017-2019 periods were computed to smooth the annual amounts.

The overall average cost of removal is 22 percent, the overall average gross salvage is 4 percent and the overall average net salvage is negative 18 percent. The most recent five-year average net salvage is negative 9 percent. An estimate of negative 15 percent net salvage is recommended, which is somewhat less negative than the overall average net salvage of negative 18 percent. An estimate of negative 15 percent net salvage is consistent with the outlook for the assets in the account and with the typical estimates for other electric utility companies.

The net salvage percents for the remaining accounts were based on judgment incorporating the available historical data, general knowledge of the property studied, and estimates of previous studies of this and other electric utilities. For some of the transmission accounts, the net salvage indications from the data alone were more negative than most estimates used in the industry. For these accounts, the recommended estimates are conservative when compared to the data (i.e., less negative than indicated by the data).

PART V. CALCULATION OF ANNUAL AND ACCRUED DEPRECIATION

PART V. CALCULATION OF ANNUAL AND ACCRUED DEPRECIATION

After the survivor curve and net salvage are estimated, the annual depreciation accrual rate can be calculated. In the average service life procedure, the annual accrual rate is computed by the following equation:

$$\text{Annual Accrual Rate, Percent} = \frac{(100\% - \text{Net Salvage, Percent})}{\text{Average Service Life}}.$$

The calculated accrued depreciation for each depreciable property group represents that portion of the depreciable cost of the group which will not be allocated to expense through future depreciation accruals, if current forecasts of life characteristics are used as a basis for straight line depreciation accounting.

The accrued depreciation calculation consists of applying an appropriate ratio to the surviving original cost of each vintage of each account, based upon the attained age and the estimated survivor curve. The accrued depreciation ratios are calculated as follows:

$$\text{Ratio} = 1 - \left(\frac{\text{Average Remaining Life}}{\text{Average Service Life}} \right) (1 - \text{Net Salvage, Percent})$$

The application of these procedures is described for a single unit of property and a group of property units. Net salvage is omitted from the description for ease of application.

Single Unit of Property

The calculation of straight line depreciation for a single unit of property is straightforward. For example, if a \$1,000 unit of property attains an age of four years and has a life expectancy of six years, the annual accrual over the total life is:

$$\frac{\$1,000}{4 + 6} = \$100 \text{ per year}$$

The accrued depreciation is:

$$\$1,000 \left(1 - \frac{6}{10}\right) = \$400.$$

Group Depreciation Procedures

When more than a single item of property is under consideration, a group procedure for depreciation is appropriate because normally all of the items within a group do not have identical service lives, but have lives that are dispersed over a range of time. There are two primary group procedures, namely, average service life and equal life group. The average service life procedure is used in this study.

Remaining Life Annual Accruals

For the purpose of calculating remaining life accruals as of December 31, 2019, the depreciation reserve for each plant account is allocated among vintages in proportion to the calculated accrued depreciation for the account. Explanations of remaining life accruals and calculated accrued depreciation follow. The detailed calculations as of December 31, 2019, are set forth in the Part IX, Detailed Depreciation Calculations.

Average Service Life Procedure

In the average service life procedure, the remaining life annual accrual for each vintage is determined by dividing future book accruals (original cost less book reserve) by the average remaining life of the vintage. The average remaining life is a directly

weighted average derived from the estimated future survivor curve in accordance with the average service life procedure.

The calculated accrued depreciation for each depreciable property group represents that portion of the depreciable cost of the group which would not be allocated to expense through future depreciation accruals, if current forecasts of life characteristics are used as the basis for such accruals. The accrued depreciation calculation consists of applying an appropriate ratio to the surviving original cost of each vintage of each account, based upon the attained age and service life. The straight line accrued depreciation ratios are calculated as follows for the average service life procedure:

$$\text{Ratio} = 1 - \frac{\text{Average Remaining Life Expectancy}}{\text{Average Service Life}}.$$

PART VI. RESULTS OF STUDY

PART VI. RESULTS OF STUDY

QUALIFICATION OF RESULTS

The calculated annual and accrued depreciation are the principal results of the study. Continued surveillance and periodic revisions are normally required to maintain continued use of appropriate annual depreciation accrual rates. An assumption that accrual rates can remain unchanged over a long period of time implies a disregard for the inherent variability in service lives and net salvage and for the change of the composition of property in service. The annual accrual rates were calculated in accordance with the straight line remaining life method of depreciation, using the average service life procedure based on estimates which reflect considerations of current historical evidence and expected future conditions.

The annual depreciation accrual rates are applicable specifically to the electric transmission plant in service as of December 31, 2019. For most plant accounts, the application of such rates to future balances that reflect additions subsequent to December 31, 2019, is reasonable for a period of three to five years.

DESCRIPTION OF STATISTICAL SUPPORT

The service life and net salvage estimates were based on judgment which incorporated statistical analyses of retirement data, discussions with management and consideration of estimates made for other electric utility companies. The results of the statistical analyses of service life are presented in the section titled "Service Life Statistics".

The estimated survivor curves for each account are presented in graphical form. The charts depict the estimated smooth survivor curve and original survivor curve(s), when applicable, related to each specific group. For groups where the original survivor

curve was plotted, the calculation of the original life table is also presented.

The analyses of net salvage data are presented in the section titled, "Net Salvage Statistics". The tabulations present annual cost of removal and gross salvage data, three-year moving averages and the most recent five-year average. Data are shown in dollars and as percentages of the original cost retired.

DESCRIPTION OF DEPRECIATION TABULATIONS

A summary of the results of the study, as applied to the original cost of electric plant as of December 31, 2019, is presented in Table 1 on page VI-4 of this report. The schedule sets forth the original cost, the book reserve, future accruals, the calculated annual depreciation rate and amount, and the composite remaining life related to electric transmission plant.

The tables of the calculated annual depreciation accruals are presented in account sequence in the section titled "Part IX. Detailed Depreciation Calculations." The tables indicate the estimated survivor curve and net salvage percent for the account and set forth, for each installation year, the original cost, the calculated accrued depreciation, the allocated book reserve, future accruals, the remaining life and the calculated annual accrual amount.

POTOMAC ELECTRIC POWER COMPANY

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVES, NET SALVAGE PERCENTS, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION RATES RELATED TO TRANSMISSION PLANT AS OF DECEMBER 31, 2019

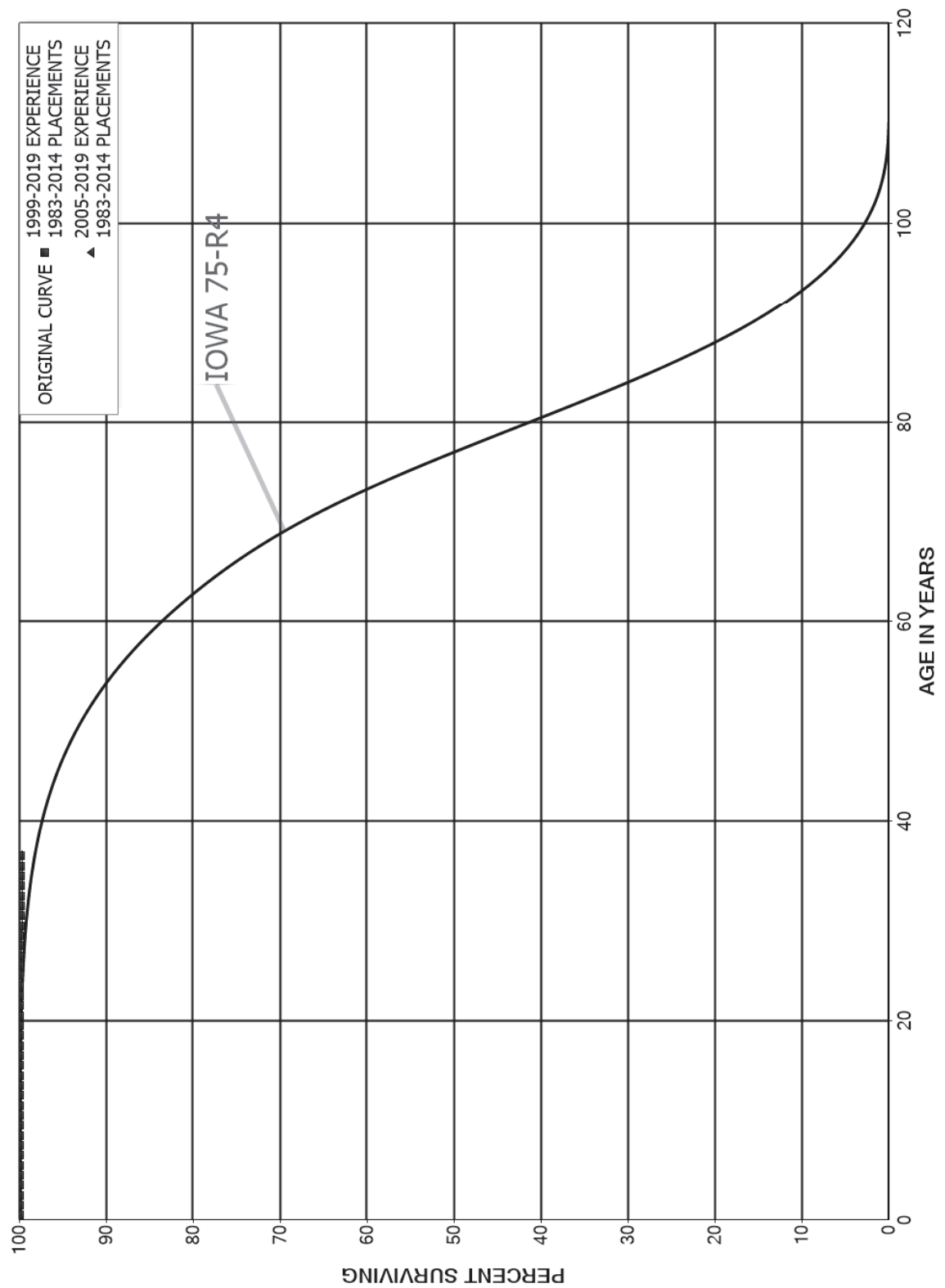
ACCOUNT (1)	SURVIVOR CURVE (2)	NET SALVAGE PERCENT (3)	ORIGINAL COST AS OF DECEMBER 31, 2019 (4)	BOOK DEPRECIATION RESERVE (5)	FUTURE ACCRUALS (6)	CALCULATED		COMPOSITE REMAINING LIFE (9)=(6)/(7)
						ANNUAL ACCRUAL AMOUNT (7)	RATE (8)=(7)/(4)	
TRANSMISSION PLANT								
350.20 LAND RIGHTS	75-R4	0	1,470,951.90	431,141	1,039,811	22,865	1.55	45.5
352.00 STRUCTURES AND IMPROVEMENTS	70-R2	(15)	68,923,082.37	20,568,117	58,693,428	934,173	1.36	62.8
353.00 STATION EQUIPMENT	52-R2	(15)	1,018,418,481.02	299,021,930	872,159,323	20,111,882	1.97	43.4
354.00 TOWERS AND FIXTURES	75-R4	(75)	117,691,545.76	75,684,409	130,275,796	3,221,057	2.74	40.4
355.00 POLES AND FIXTURES	55-R3	(75)	12,919,840.20	2,729,397	19,880,323	415,202	3.21	47.9
356.00 OVERHEAD CONDUCTORS AND DEVICES	65-R3	(75)	141,595,599.62	33,039,346	214,752,953	4,436,728	3.13	48.4
357.00 UNDERGROUND CONDUIT	65-S4	(10)	160,633,583.45	50,694,536	126,002,406	2,459,892	1.53	51.2
358.00 UNDERGROUND CONDUCTORS AND DEVICES	55-R4	(20)	234,306,771.02	47,335,710	233,832,415	5,769,836	2.46	40.5
359.00 ROAD AND TRAILS	65-R4	0	10,675,655.77	5,330,405	5,345,251	121,469	1.14	44.0
TOTAL DEPRECIABLE PLANT				534,834,991	1,661,981,706	37,493,104	2.12	44.3

NONDEPRECIABLE AND ACCOUNTS NOT STUDIED

350.10 LAND			32,581,935.36					
TOTAL NONDEPRECIABLE AND ACCOUNTS NOT STUDIED			32,581,935.36					
TOTAL TRANSMISSION PLANT			1,799,217,446.47					

PART VII. SERVICE LIFE STATISTICS

POTOMAC ELECTRIC POWER COMPANY
ACCOUNT 350.20 LAND RIGHTS
ORIGINAL AND SMOOTH SURVIVOR CURVES



POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 350.20 LAND RIGHTS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1983-2014

EXPERIENCE BAND 1999-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	163,358	0	0.0000	1.0000	100.00
0.5	289,031	0	0.0000	1.0000	100.00
1.5	289,031		0.0000	1.0000	100.00
2.5	289,031		0.0000	1.0000	100.00
3.5	289,031		0.0000	1.0000	100.00
4.5	363,611	0	0.0000	1.0000	100.00
5.5	212,380		0.0000	1.0000	100.00
6.5	212,380		0.0000	1.0000	100.00
7.5	212,380		0.0000	1.0000	100.00
8.5	212,380		0.0000	1.0000	100.00
9.5	212,380		0.0000	1.0000	100.00
10.5	212,380		0.0000	1.0000	100.00
11.5	863,272	3	0.0000	1.0000	100.00
12.5	863,269		0.0000	1.0000	100.00
13.5	863,269		0.0000	1.0000	100.00
14.5	863,269		0.0000	1.0000	100.00
15.5	1,321,310	3	0.0000	1.0000	100.00
16.5	1,321,307		0.0000	1.0000	100.00
17.5	1,321,185		0.0000	1.0000	100.00
18.5	1,321,185		0.0000	1.0000	100.00
19.5	1,321,185		0.0000	1.0000	100.00
20.5	1,309,179		0.0000	1.0000	100.00
21.5	1,183,506		0.0000	1.0000	100.00
22.5	1,183,506		0.0000	1.0000	100.00
23.5	1,183,506		0.0000	1.0000	100.00
24.5	1,183,506		0.0000	1.0000	100.00
25.5	1,108,927		0.0000	1.0000	100.00
26.5	1,108,927		0.0000	1.0000	100.00
27.5	1,108,927		0.0000	1.0000	100.00
28.5	1,108,927	1,585	0.0014	0.9986	100.00
29.5	1,107,342		0.0000	1.0000	99.86
30.5	1,107,342		0.0000	1.0000	99.86
31.5	1,107,342		0.0000	1.0000	99.86
32.5	458,038		0.0000	1.0000	99.86
33.5	458,038		0.0000	1.0000	99.86
34.5	458,038		0.0000	1.0000	99.86
35.5	458,038		0.0000	1.0000	99.86
36.5					99.86

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 350.20 LAND RIGHTS

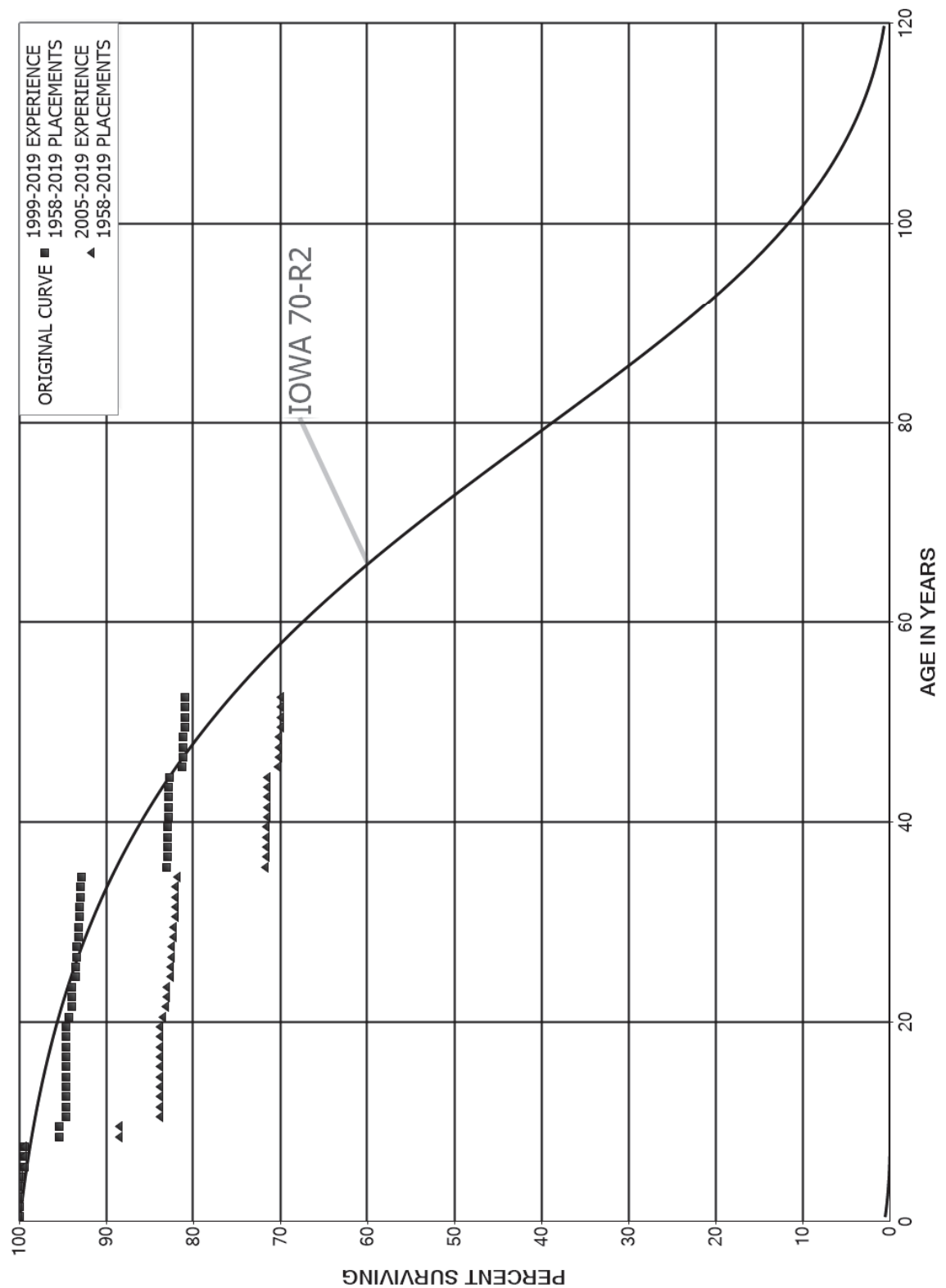
ORIGINAL LIFE TABLE

PLACEMENT BAND 1983-2014

EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	151,230		0.0000	1.0000	100.00
0.5	151,230		0.0000	1.0000	100.00
1.5	151,230		0.0000	1.0000	100.00
2.5	151,352		0.0000	1.0000	100.00
3.5	151,352		0.0000	1.0000	100.00
4.5	151,352		0.0000	1.0000	100.00
5.5	12,128		0.0000	1.0000	100.00
6.5	137,801		0.0000	1.0000	100.00
7.5	137,801		0.0000	1.0000	100.00
8.5	137,801		0.0000	1.0000	100.00
9.5	137,801		0.0000	1.0000	100.00
10.5	212,380		0.0000	1.0000	100.00
11.5	212,380		0.0000	1.0000	100.00
12.5	212,380		0.0000	1.0000	100.00
13.5	212,380		0.0000	1.0000	100.00
14.5	212,380		0.0000	1.0000	100.00
15.5	212,380		0.0000	1.0000	100.00
16.5	212,380		0.0000	1.0000	100.00
17.5	863,147		0.0000	1.0000	100.00
18.5	863,147		0.0000	1.0000	100.00
19.5	863,147		0.0000	1.0000	100.00
20.5	851,141		0.0000	1.0000	100.00
21.5	1,183,506		0.0000	1.0000	100.00
22.5	1,183,506		0.0000	1.0000	100.00
23.5	1,183,506		0.0000	1.0000	100.00
24.5	1,183,506		0.0000	1.0000	100.00
25.5	1,108,927		0.0000	1.0000	100.00
26.5	1,108,927		0.0000	1.0000	100.00
27.5	1,108,927		0.0000	1.0000	100.00
28.5	1,108,927	1,585	0.0014	0.9986	100.00
29.5	1,107,342		0.0000	1.0000	99.86
30.5	1,107,342		0.0000	1.0000	99.86
31.5	1,107,342		0.0000	1.0000	99.86
32.5	458,038		0.0000	1.0000	99.86
33.5	458,038		0.0000	1.0000	99.86
34.5	458,038		0.0000	1.0000	99.86
35.5	458,038		0.0000	1.0000	99.86
36.5					99.86

POTOMAC ELECTRIC POWER COMPANY
ACCOUNT 352.00 STRUCTURES AND IMPROVEMENTS
ORIGINAL AND SMOOTH SURVIVOR CURVES



POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 352.00 STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1958-2019

EXPERIENCE BAND 1999-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	45,640,015		0.0000	1.0000	100.00
0.5	44,834,366		0.0000	1.0000	100.00
1.5	25,221,939		0.0000	1.0000	100.00
2.5	14,201,182		0.0000	1.0000	100.00
3.5	10,339,396	18,259	0.0018	0.9982	100.00
4.5	7,428,622	28,176	0.0038	0.9962	99.82
5.5	7,109,587		0.0000	1.0000	99.44
6.5	18,213,268		0.0000	1.0000	99.44
7.5	18,054,744	732,761	0.0406	0.9594	99.44
8.5	13,611,683		0.0000	1.0000	95.41
9.5	13,661,126	120,046	0.0088	0.9912	95.41
10.5	13,024,236		0.0000	1.0000	94.57
11.5	13,006,791		0.0000	1.0000	94.57
12.5	12,900,459		0.0000	1.0000	94.57
13.5	13,112,309		0.0000	1.0000	94.57
14.5	13,005,481		0.0000	1.0000	94.57
15.5	14,584,452		0.0000	1.0000	94.57
16.5	14,584,452		0.0000	1.0000	94.57
17.5	17,570,150		0.0000	1.0000	94.57
18.5	17,705,172		0.0000	1.0000	94.57
19.5	18,122,745	55,709	0.0031	0.9969	94.57
20.5	17,617,596	60,563	0.0034	0.9966	94.28
21.5	17,570,809	9,546	0.0005	0.9995	93.96
22.5	19,771,991	1,157	0.0001	0.9999	93.90
23.5	19,876,029	86,409	0.0043	0.9957	93.90
24.5	19,870,668		0.0000	1.0000	93.49
25.5	19,754,981	17,053	0.0009	0.9991	93.49
26.5	19,862,380	6,441	0.0003	0.9997	93.41
27.5	7,692,222	13,819	0.0018	0.9982	93.38
28.5	7,917,695		0.0000	1.0000	93.21
29.5	7,868,188	12,862	0.0016	0.9984	93.21
30.5	7,812,626		0.0000	1.0000	93.06
31.5	8,127,739	7,955	0.0010	0.9990	93.06
32.5	8,046,930	563	0.0001	0.9999	92.97
33.5	8,213,697	13,950	0.0017	0.9983	92.96
34.5	8,196,593	864,589	0.1055	0.8945	92.80
35.5	7,540,155	6,231	0.0008	0.9992	83.02
36.5	7,501,638		0.0000	1.0000	82.95
37.5	7,501,638	4,880	0.0007	0.9993	82.95
38.5	5,475,199		0.0000	1.0000	82.89

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 352.00 STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1958-2019

EXPERIENCE BAND 1999-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	5,419,150	5,107	0.0009	0.9991	82.89
40.5	5,041,411	289	0.0001	0.9999	82.81
41.5	5,025,508	700	0.0001	0.9999	82.81
42.5	4,998,353		0.0000	1.0000	82.80
43.5	2,784,313	3,978	0.0014	0.9986	82.80
44.5	2,612,741	44,399	0.0170	0.9830	82.68
45.5	2,262,012	3,813	0.0017	0.9983	81.27
46.5	2,258,198		0.0000	1.0000	81.14
47.5	2,166,770		0.0000	1.0000	81.14
48.5	1,772,779	5,166	0.0029	0.9971	81.14
49.5	1,583,937		0.0000	1.0000	80.90
50.5	1,303,242		0.0000	1.0000	80.90
51.5	1,248,772		0.0000	1.0000	80.90
52.5	938,825		0.0000	1.0000	80.90
53.5	937,990		0.0000	1.0000	80.90
54.5	694,260		0.0000	1.0000	80.90
55.5	387,317		0.0000	1.0000	80.90
56.5	174,144		0.0000	1.0000	80.90
57.5	146,742		0.0000	1.0000	80.90
58.5	146,742		0.0000	1.0000	80.90
59.5	129,801		0.0000	1.0000	80.90
60.5	22,827		0.0000	1.0000	80.90
61.5					80.90

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 352.00 STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1958-2019

EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	45,076,288		0.0000	1.0000	100.00
0.5	44,257,960		0.0000	1.0000	100.00
1.5	24,645,534		0.0000	1.0000	100.00
2.5	13,616,823		0.0000	1.0000	100.00
3.5	9,560,660	18,259	0.0019	0.9981	100.00
4.5	6,661,728	28,176	0.0042	0.9958	99.81
5.5	6,792,998		0.0000	1.0000	99.39
6.5	6,773,846		0.0000	1.0000	99.39
7.5	6,615,321	732,761	0.1108	0.8892	99.39
8.5	2,090,655		0.0000	1.0000	88.38
9.5	2,268,210	120,046	0.0529	0.9471	88.38
10.5	1,575,611		0.0000	1.0000	83.70
11.5	1,484,477		0.0000	1.0000	83.70
12.5	12,376,694		0.0000	1.0000	83.70
13.5	12,273,908		0.0000	1.0000	83.70
14.5	12,322,293		0.0000	1.0000	83.70
15.5	13,938,746		0.0000	1.0000	83.70
16.5	13,994,455		0.0000	1.0000	83.70
17.5	14,162,124		0.0000	1.0000	83.70
18.5	14,271,086		0.0000	1.0000	83.70
19.5	14,573,881	55,709	0.0038	0.9962	83.70
20.5	14,058,139	60,563	0.0043	0.9957	83.38
21.5	14,044,585	9,546	0.0007	0.9993	83.02
22.5	14,019,807	1,157	0.0001	0.9999	82.97
23.5	16,831,739	86,409	0.0051	0.9949	82.96
24.5	16,683,073		0.0000	1.0000	82.53
25.5	16,996,236	17,053	0.0010	0.9990	82.53
26.5	17,002,207	6,441	0.0004	0.9996	82.45
27.5	4,464,512	13,819	0.0031	0.9969	82.42
28.5	6,676,654		0.0000	1.0000	82.16
29.5	6,525,274	12,862	0.0020	0.9980	82.16
30.5	6,721,572		0.0000	1.0000	82.00
31.5	6,722,135	7,955	0.0012	0.9988	82.00
32.5	6,757,534	563	0.0001	0.9999	81.90
33.5	7,074,561	13,950	0.0020	0.9980	81.90
34.5	6,985,292	864,589	0.1238	0.8762	81.74
35.5	6,401,377	6,231	0.0010	0.9990	71.62
36.5	6,389,928		0.0000	1.0000	71.55
37.5	6,705,041	4,880	0.0007	0.9993	71.55
38.5	4,662,497		0.0000	1.0000	71.50

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 352.00 STRUCTURES AND IMPROVEMENTS

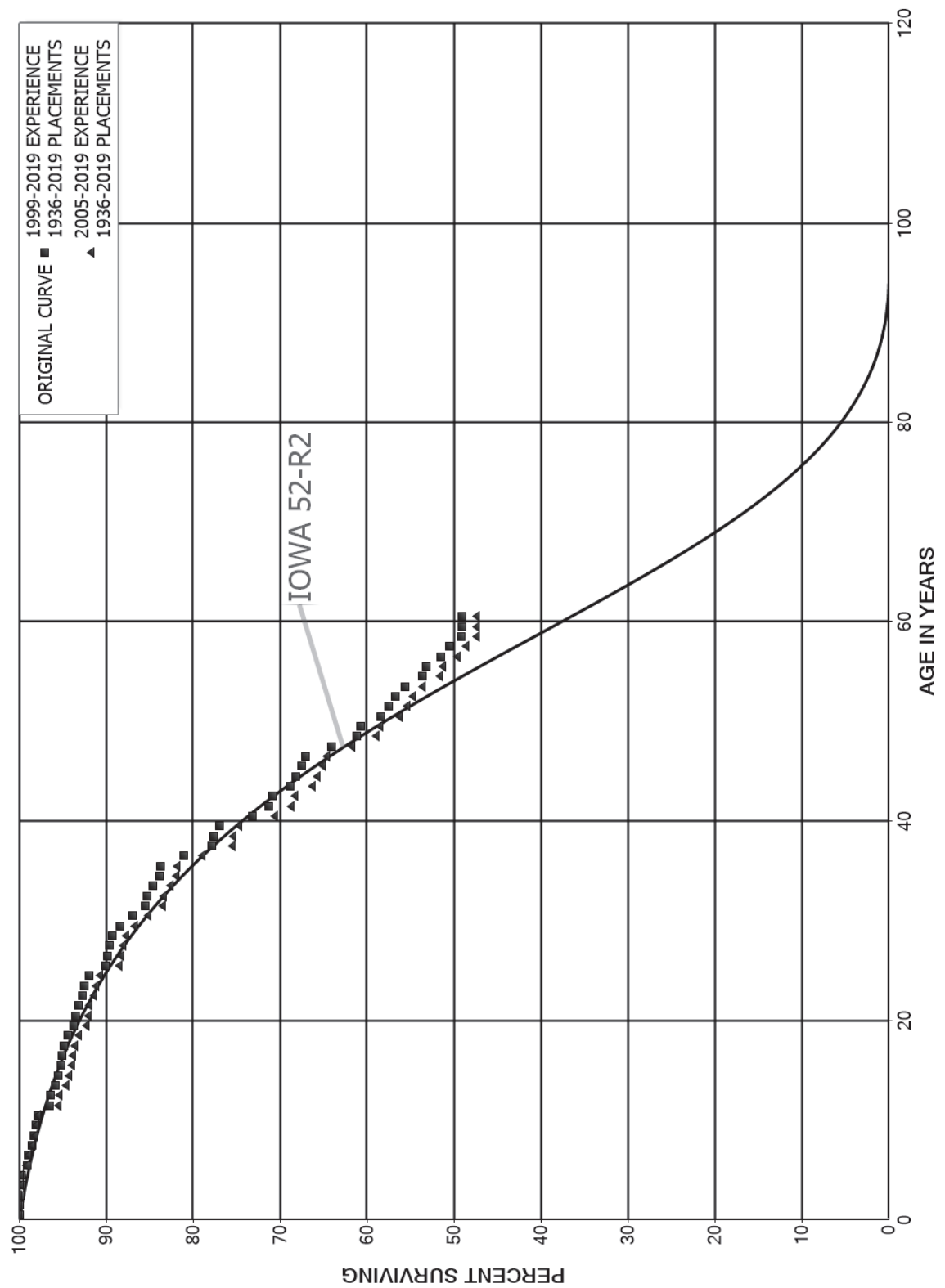
ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1958-2019

EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	4,743,203	5,107	0.0011	0.9989	71.50
40.5	4,649,827		0.0000	1.0000	71.42
41.5	4,847,385	700	0.0001	0.9999	71.42
42.5	4,847,633		0.0000	1.0000	71.41
43.5	2,633,593		0.0000	1.0000	71.41
44.5	2,482,939	44,399	0.0179	0.9821	71.41
45.5	2,239,185	3,813	0.0017	0.9983	70.13
46.5	2,258,198		0.0000	1.0000	70.01
47.5	2,166,770		0.0000	1.0000	70.01
48.5	1,772,779	5,166	0.0029	0.9971	70.01
49.5	1,583,937		0.0000	1.0000	69.81
50.5	1,303,242		0.0000	1.0000	69.81
51.5	1,248,772		0.0000	1.0000	69.81
52.5	938,825		0.0000	1.0000	69.81
53.5	937,990		0.0000	1.0000	69.81
54.5	694,260		0.0000	1.0000	69.81
55.5	387,317		0.0000	1.0000	69.81
56.5	174,144		0.0000	1.0000	69.81
57.5	146,742		0.0000	1.0000	69.81
58.5	146,742		0.0000	1.0000	69.81
59.5	129,801		0.0000	1.0000	69.81
60.5	22,827		0.0000	1.0000	69.81
61.5					69.81

POTOMAC ELECTRIC POWER COMPANY
ACCOUNT 353.00 STATION EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 353.00 STATION EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1936-2019

EXPERIENCE BAND 1999-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	793,402,293	355,861	0.0004	0.9996	100.00
0.5	757,177,422	28,132	0.0000	1.0000	99.96
1.5	663,374,940	428,245	0.0006	0.9994	99.95
2.5	535,343,391	752,720	0.0014	0.9986	99.89
3.5	493,036,824	165,642	0.0003	0.9997	99.75
4.5	471,887,088	3,064,689	0.0065	0.9935	99.71
5.5	463,727,357	774,476	0.0017	0.9983	99.07
6.5	455,608,675	1,770,625	0.0039	0.9961	98.90
7.5	368,984,383	955,209	0.0026	0.9974	98.52
8.5	300,288,940	478,668	0.0016	0.9984	98.26
9.5	271,739,070	682,519	0.0025	0.9975	98.10
10.5	214,281,758	2,853,668	0.0133	0.9867	97.86
11.5	211,849,641	335,212	0.0016	0.9984	96.55
12.5	184,288,229	1,162,751	0.0063	0.9937	96.40
13.5	167,696,297	574,363	0.0034	0.9966	95.79
14.5	179,271,734	555,849	0.0031	0.9969	95.47
15.5	185,047,112	199,388	0.0011	0.9989	95.17
16.5	193,810,851	550,796	0.0028	0.9972	95.07
17.5	207,333,995	816,503	0.0039	0.9961	94.80
18.5	208,064,899	1,641,117	0.0079	0.9921	94.42
19.5	212,891,235	495,330	0.0023	0.9977	93.68
20.5	219,303,220	571,586	0.0026	0.9974	93.46
21.5	215,066,819	1,209,580	0.0056	0.9944	93.22
22.5	220,191,898	534,080	0.0024	0.9976	92.69
23.5	199,502,573	997,023	0.0050	0.9950	92.47
24.5	199,814,894	4,202,749	0.0210	0.9790	92.01
25.5	190,078,216	538,425	0.0028	0.9972	90.07
26.5	186,146,479	408,930	0.0022	0.9978	89.82
27.5	140,246,631	527,774	0.0038	0.9962	89.62
28.5	130,436,762	1,364,468	0.0105	0.9895	89.28
29.5	114,872,262	1,840,650	0.0160	0.9840	88.35
30.5	111,672,532	1,825,842	0.0163	0.9837	86.93
31.5	108,251,114	236,299	0.0022	0.9978	85.51
32.5	101,229,974	870,551	0.0086	0.9914	85.32
33.5	100,168,797	835,319	0.0083	0.9917	84.59
34.5	99,874,684	128,870	0.0013	0.9987	83.88
35.5	100,468,317	3,298,778	0.0328	0.9672	83.78
36.5	92,501,037	3,685,975	0.0398	0.9602	81.03
37.5	78,991,896	142,767	0.0018	0.9982	77.80
38.5	61,101,983	547,889	0.0090	0.9910	77.66

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 353.00 STATION EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1936-2019

EXPERIENCE BAND 1999-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	58,406,227	2,894,892	0.0496	0.9504	76.96
40.5	50,988,083	1,286,001	0.0252	0.9748	73.15
41.5	45,996,023	309,773	0.0067	0.9933	71.30
42.5	45,426,675	1,253,427	0.0276	0.9724	70.82
43.5	38,849,729	390,966	0.0101	0.9899	68.87
44.5	35,805,845	351,965	0.0098	0.9902	68.17
45.5	31,645,843	194,892	0.0062	0.9938	67.50
46.5	24,681,253	1,094,498	0.0443	0.9557	67.09
47.5	22,692,277	1,032,803	0.0455	0.9545	64.11
48.5	19,585,611	140,795	0.0072	0.9928	61.19
49.5	15,338,656	597,496	0.0390	0.9610	60.75
50.5	10,442,139	165,040	0.0158	0.9842	58.39
51.5	9,042,620	111,862	0.0124	0.9876	57.46
52.5	7,533,043	153,912	0.0204	0.9796	56.75
53.5	7,375,936	265,348	0.0360	0.9640	55.59
54.5	6,540,895	50,977	0.0078	0.9922	53.59
55.5	4,073,518	131,451	0.0323	0.9677	53.18
56.5	2,728,142	53,314	0.0195	0.9805	51.46
57.5	1,261,462	32,842	0.0260	0.9740	50.45
58.5	1,182,757	636	0.0005	0.9995	49.14
59.5	1,136,490	27	0.0000	1.0000	49.11
60.5	140,976	122	0.0009	0.9991	49.11
61.5	24,996	29	0.0012	0.9988	49.07
62.5	42,925	305	0.0071	0.9929	49.01
63.5	42,620	1,303	0.0306	0.9694	48.67
64.5	41,316	183	0.0044	0.9956	47.18
65.5	41,133	983	0.0239	0.9761	46.97
66.5	40,150	2,323	0.0579	0.9421	45.85
67.5	37,827		0.0000	1.0000	43.19
68.5	37,827		0.0000	1.0000	43.19
69.5	37,827		0.0000	1.0000	43.19
70.5	37,827	7,662	0.2025	0.7975	43.19
71.5	30,165		0.0000	1.0000	34.44
72.5	30,165		0.0000	1.0000	34.44
73.5	30,165		0.0000	1.0000	34.44
74.5	30,165		0.0000	1.0000	34.44
75.5	20,805		0.0000	1.0000	34.44
76.5	20,805		0.0000	1.0000	34.44
77.5	20,805		0.0000	1.0000	34.44
78.5	20,805		0.0000	1.0000	34.44

POTOMAC ELECTRIC POWER COMPANY
ACCOUNT 353.00 STATION EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1936-2019

EXPERIENCE BAND 1999-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	20,701		0.0000	1.0000	34.44
80.5	15,897		0.0000	1.0000	34.44
81.5	15,897		0.0000	1.0000	34.44
82.5	15,897		0.0000	1.0000	34.44
83.5					34.44

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 353.00 STATION EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1936-2019

EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	770,158,057	346,352	0.0004	0.9996	100.00
0.5	728,976,837		0.0000	1.0000	99.96
1.5	641,044,897	399,551	0.0006	0.9994	99.96
2.5	490,292,414	703,226	0.0014	0.9986	99.89
3.5	447,627,835	94,792	0.0002	0.9998	99.75
4.5	417,483,274	2,996,648	0.0072	0.9928	99.73
5.5	388,133,135	654,820	0.0017	0.9983	99.01
6.5	353,115,420	1,579,926	0.0045	0.9955	98.85
7.5	259,258,377	816,567	0.0031	0.9969	98.40
8.5	195,890,775	295,527	0.0015	0.9985	98.09
9.5	165,481,977	444,931	0.0027	0.9973	97.95
10.5	115,776,300	2,650,892	0.0229	0.9771	97.68
11.5	124,708,317	190,136	0.0015	0.9985	95.45
12.5	127,624,218	999,614	0.0078	0.9922	95.30
13.5	116,406,450	515,719	0.0044	0.9956	94.55
14.5	151,428,004	479,239	0.0032	0.9968	94.13
15.5	158,651,575	119,799	0.0008	0.9992	93.84
16.5	160,902,978	495,930	0.0031	0.9969	93.77
17.5	163,786,262	700,555	0.0043	0.9957	93.48
18.5	162,340,355	1,519,374	0.0094	0.9906	93.08
19.5	165,852,062	374,188	0.0023	0.9977	92.21
20.5	166,677,075	358,120	0.0021	0.9979	92.00
21.5	165,012,672	984,679	0.0060	0.9940	91.80
22.5	172,491,812	442,503	0.0026	0.9974	91.25
23.5	170,284,454	854,227	0.0050	0.9950	91.02
24.5	169,492,252	4,095,188	0.0242	0.9758	90.56
25.5	159,256,621	448,280	0.0028	0.9972	88.37
26.5	159,803,135	251,355	0.0016	0.9984	88.12
27.5	112,256,724	439,285	0.0039	0.9961	87.99
28.5	110,357,418	1,243,698	0.0113	0.9887	87.64
29.5	90,588,044	1,704,671	0.0188	0.9812	86.65
30.5	89,956,703	1,725,890	0.0192	0.9808	85.02
31.5	91,815,278	168,042	0.0018	0.9982	83.39
32.5	87,683,372	795,948	0.0091	0.9909	83.24
33.5	87,857,804	707,348	0.0081	0.9919	82.48
34.5	86,381,300	63,559	0.0007	0.9993	81.82
35.5	91,083,951	3,235,787	0.0355	0.9645	81.76
36.5	83,399,839	3,649,537	0.0438	0.9562	78.86
37.5	72,082,210	86,051	0.0012	0.9988	75.40
38.5	54,216,992	483,030	0.0089	0.9911	75.31

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 353.00 STATION EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1936-2019

EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	51,082,800	2,820,848	0.0552	0.9448	74.64
40.5	45,330,644	1,227,090	0.0271	0.9729	70.52
41.5	42,589,943	302,474	0.0071	0.9929	68.61
42.5	43,808,498	1,236,260	0.0282	0.9718	68.13
43.5	37,294,701	350,010	0.0094	0.9906	66.20
44.5	34,342,930	348,005	0.0101	0.9899	65.58
45.5	31,513,731	194,546	0.0062	0.9938	64.92
46.5	24,670,903	1,094,498	0.0444	0.9556	64.52
47.5	22,692,277	1,032,803	0.0455	0.9545	61.65
48.5	19,585,611	140,795	0.0072	0.9928	58.85
49.5	15,338,656	597,496	0.0390	0.9610	58.42
50.5	10,442,139	165,040	0.0158	0.9842	56.15
51.5	9,042,620	111,862	0.0124	0.9876	55.26
52.5	7,533,043	153,912	0.0204	0.9796	54.58
53.5	7,375,936	265,348	0.0360	0.9640	53.46
54.5	6,530,414	50,937	0.0078	0.9922	51.54
55.5	4,063,078	131,263	0.0323	0.9677	51.14
56.5	2,717,891	53,270	0.0196	0.9804	49.49
57.5	1,251,255	32,631	0.0261	0.9739	48.52
58.5	1,172,642		0.0000	1.0000	47.25
59.5	1,121,485		0.0000	1.0000	47.25
60.5	135,358		0.0000	1.0000	47.25
61.5	19,499		0.0000	1.0000	47.25
62.5	9,360		0.0000	1.0000	47.25
63.5	9,360		0.0000	1.0000	47.25
64.5	9,464		0.0000	1.0000	47.25
65.5	14,268		0.0000	1.0000	47.25
66.5	14,268		0.0000	1.0000	47.25
67.5	14,268		0.0000	1.0000	47.25
68.5	37,827		0.0000	1.0000	47.25
69.5	37,827		0.0000	1.0000	47.25
70.5	37,827	7,662	0.2025	0.7975	47.25
71.5	30,165		0.0000	1.0000	37.68
72.5	30,165		0.0000	1.0000	37.68
73.5	30,165		0.0000	1.0000	37.68
74.5	30,165		0.0000	1.0000	37.68
75.5	20,805		0.0000	1.0000	37.68
76.5	20,805		0.0000	1.0000	37.68
77.5	20,805		0.0000	1.0000	37.68
78.5	20,805		0.0000	1.0000	37.68

POTOMAC ELECTRIC POWER COMPANY
ACCOUNT 353.00 STATION EQUIPMENT

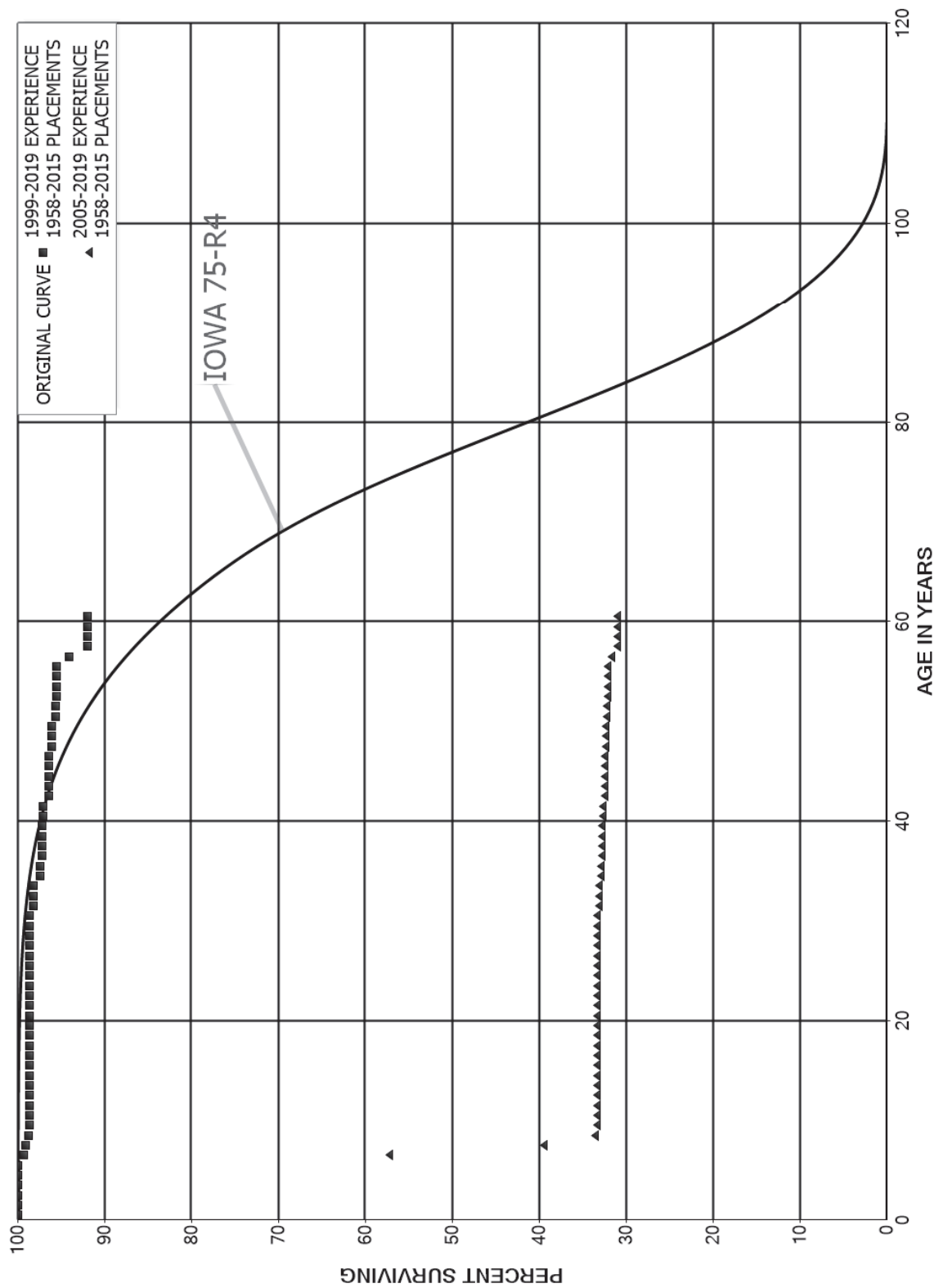
ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1936-2019

EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	20,701		0.0000	1.0000	37.68
80.5	15,897		0.0000	1.0000	37.68
81.5	15,897		0.0000	1.0000	37.68
82.5	15,897		0.0000	1.0000	37.68
83.5					37.68

POTOMAC ELECTRIC POWER COMPANY
ACCOUNT 354.00 TOWERS AND FIXTURES
ORIGINAL AND SMOOTH SURVIVOR CURVES



POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 354.00 TOWERS AND FIXTURES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1958-2015

EXPERIENCE BAND 1999-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	2,163,756		0.0000	1.0000	100.00
0.5	2,224,057		0.0000	1.0000	100.00
1.5	2,665,095		0.0000	1.0000	100.00
2.5	12,385,251		0.0000	1.0000	100.00
3.5	12,387,221		0.0000	1.0000	100.00
4.5	39,309,840		0.0000	1.0000	100.00
5.5	46,461,008	311,262	0.0067	0.9933	100.00
6.5	47,204,488	147,352	0.0031	0.9969	99.33
7.5	47,057,136	115,260	0.0024	0.9976	99.02
8.5	51,146,832	90,414	0.0018	0.9982	98.78
9.5	51,056,418		0.0000	1.0000	98.60
10.5	51,056,418		0.0000	1.0000	98.60
11.5	51,868,656		0.0000	1.0000	98.60
12.5	51,851,781		0.0000	1.0000	98.60
13.5	51,851,781		0.0000	1.0000	98.60
14.5	52,093,569		0.0000	1.0000	98.60
15.5	56,668,042		0.0000	1.0000	98.60
16.5	56,670,076		0.0000	1.0000	98.60
17.5	87,886,777		0.0000	1.0000	98.60
18.5	88,098,655		0.0000	1.0000	98.60
19.5	89,549,376		0.0000	1.0000	98.60
20.5	90,141,076		0.0000	1.0000	98.60
21.5	90,085,009		0.0000	1.0000	98.60
22.5	94,578,641		0.0000	1.0000	98.60
23.5	91,565,259		0.0000	1.0000	98.60
24.5	91,563,289		0.0000	1.0000	98.60
25.5	63,487,916		0.0000	1.0000	98.60
26.5	56,596,198		0.0000	1.0000	98.60
27.5	58,691,870		0.0000	1.0000	98.60
28.5	61,452,854		0.0000	1.0000	98.60
29.5	58,739,480		0.0000	1.0000	98.60
30.5	58,880,240	241,788	0.0041	0.9959	98.60
31.5	59,130,980		0.0000	1.0000	98.20
32.5	58,296,141		0.0000	1.0000	98.20
33.5	59,794,653	478,288	0.0080	0.9920	98.20
34.5	60,678,599		0.0000	1.0000	97.41
35.5	61,755,007	125,716	0.0020	0.9980	97.41
36.5	57,795,185		0.0000	1.0000	97.21
37.5	57,793,151	4,234	0.0001	0.9999	97.21
38.5	27,087,472		0.0000	1.0000	97.21

POTOMAC ELECTRIC POWER COMPANY
ACCOUNT 354.00 TOWERS AND FIXTURES
ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1958-2015

EXPERIENCE BAND 1999-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	29,212,278	51,200	0.0018	0.9982	97.21
40.5	27,915,387		0.0000	1.0000	97.04
41.5	27,312,850	169,050	0.0062	0.9938	97.04
42.5	27,143,800		0.0000	1.0000	96.44
43.5	22,209,131		0.0000	1.0000	96.44
44.5	15,543,509		0.0000	1.0000	96.44
45.5	15,543,509		0.0000	1.0000	96.44
46.5	15,426,466	67,749	0.0044	0.9956	96.44
47.5	15,099,267		0.0000	1.0000	96.01
48.5	11,948,851		0.0000	1.0000	96.01
49.5	9,187,868	39,238	0.0043	0.9957	96.01
50.5	7,657,048		0.0000	1.0000	95.60
51.5	7,584,038	7,618	0.0010	0.9990	95.60
52.5	7,093,939		0.0000	1.0000	95.51
53.5	7,088,644		0.0000	1.0000	95.51
54.5	5,590,132		0.0000	1.0000	95.51
55.5	4,227,899	62,576	0.0148	0.9852	95.51
56.5	3,096,533	69,827	0.0225	0.9775	94.09
57.5	2,325,577		0.0000	1.0000	91.97
58.5	2,325,577		0.0000	1.0000	91.97
59.5	2,288,609		0.0000	1.0000	91.97
60.5	14,500		0.0000	1.0000	91.97
61.5					91.97

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 354.00 TOWERS AND FIXTURES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1958-2015

EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	2,147,906		0.0000	1.0000	100.00
0.5	2,147,906		0.0000	1.0000	100.00
1.5	2,147,906		0.0000	1.0000	100.00
2.5	2,147,906		0.0000	1.0000	100.00
3.5	2,147,906		0.0000	1.0000	100.00
4.5	714,072		0.0000	1.0000	100.00
5.5	724,909	311,262	0.4294	0.5706	100.00
6.5	473,948	147,352	0.3109	0.6891	57.06
7.5	767,633	115,260	0.1501	0.8499	39.32
8.5	10,372,530	90,414	0.0087	0.9913	33.42
9.5	10,284,085		0.0000	1.0000	33.13
10.5	38,645,551		0.0000	1.0000	33.13
11.5	45,768,824		0.0000	1.0000	33.13
12.5	46,806,691		0.0000	1.0000	33.13
13.5	46,806,691		0.0000	1.0000	33.13
14.5	51,011,647		0.0000	1.0000	33.13
15.5	51,011,647		0.0000	1.0000	33.13
16.5	51,011,647		0.0000	1.0000	33.13
17.5	51,851,781		0.0000	1.0000	33.13
18.5	51,851,781		0.0000	1.0000	33.13
19.5	51,846,768		0.0000	1.0000	33.13
20.5	52,077,719		0.0000	1.0000	33.13
21.5	56,591,891		0.0000	1.0000	33.13
22.5	56,152,887		0.0000	1.0000	33.13
23.5	77,649,432		0.0000	1.0000	33.13
24.5	77,859,340		0.0000	1.0000	33.13
25.5	50,953,608		0.0000	1.0000	33.13
26.5	44,404,977		0.0000	1.0000	33.13
27.5	43,354,469		0.0000	1.0000	33.13
28.5	48,289,138		0.0000	1.0000	33.13
29.5	50,790,956		0.0000	1.0000	33.13
30.5	50,790,956	241,788	0.0048	0.9952	33.13
31.5	50,835,262		0.0000	1.0000	32.97
32.5	50,254,578		0.0000	1.0000	32.97
33.5	53,404,993	478,288	0.0090	0.9910	32.97
34.5	55,687,689		0.0000	1.0000	32.67
35.5	57,179,271	125,716	0.0022	0.9978	32.67
36.5	52,619,842		0.0000	1.0000	32.60
37.5	53,110,336	4,234	0.0001	0.9999	32.60
38.5	22,372,983		0.0000	1.0000	32.60

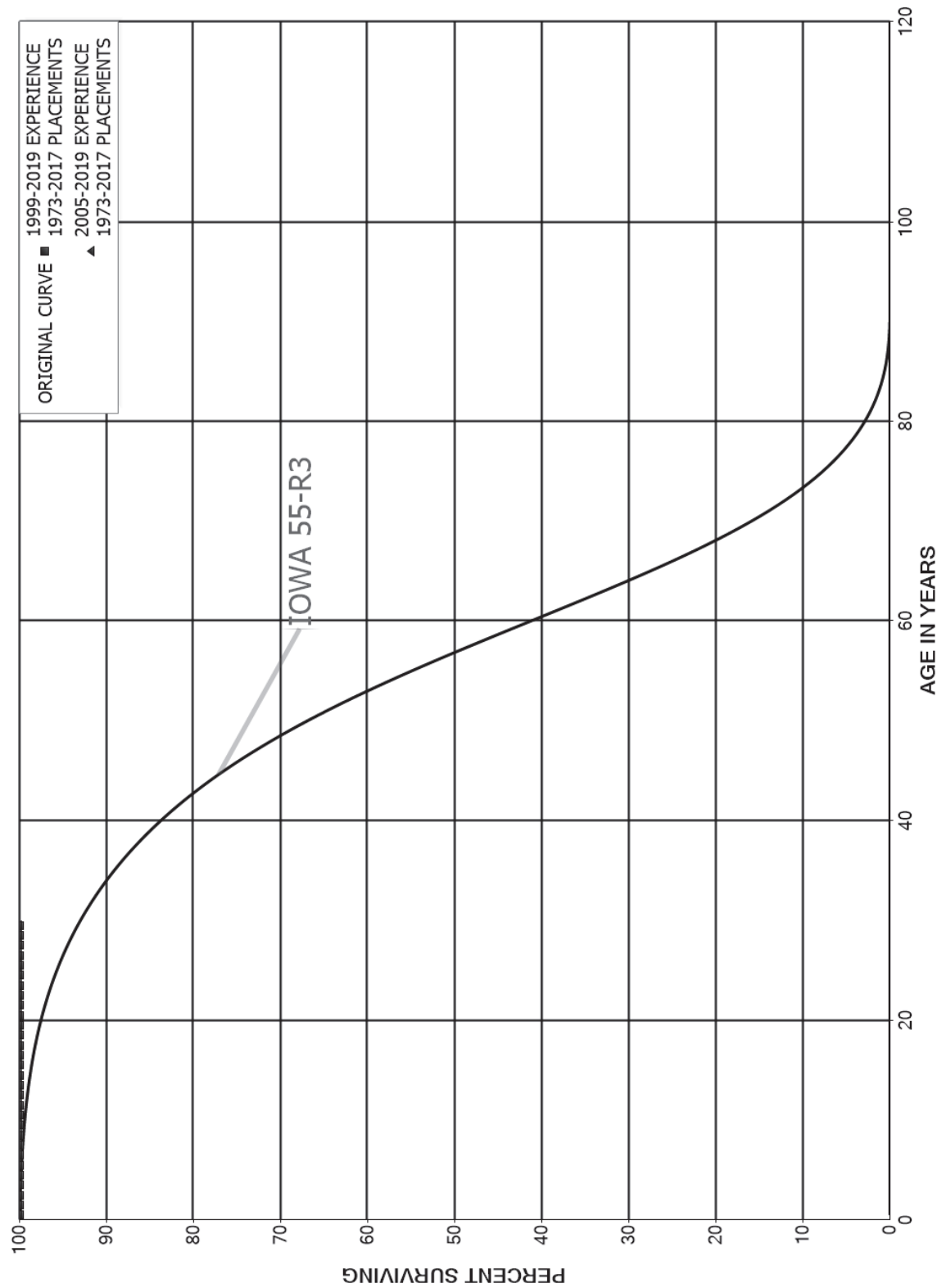
POTOMAC ELECTRIC POWER COMPANY
ACCOUNT 354.00 TOWERS AND FIXTURES
ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1958-2015

EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	23,659,617	51,200	0.0022	0.9978	32.60
40.5	23,640,632		0.0000	1.0000	32.53
41.5	24,114,503	169,050	0.0070	0.9930	32.53
42.5	24,685,821		0.0000	1.0000	32.30
43.5	19,751,151		0.0000	1.0000	32.30
44.5	13,122,498		0.0000	1.0000	32.30
45.5	15,459,183		0.0000	1.0000	32.30
46.5	15,426,466	67,749	0.0044	0.9956	32.30
47.5	15,099,267		0.0000	1.0000	32.16
48.5	11,948,851		0.0000	1.0000	32.16
49.5	9,187,868	39,238	0.0043	0.9957	32.16
50.5	7,657,048		0.0000	1.0000	32.02
51.5	7,584,038	7,618	0.0010	0.9990	32.02
52.5	7,093,939		0.0000	1.0000	31.99
53.5	7,088,644		0.0000	1.0000	31.99
54.5	5,590,132		0.0000	1.0000	31.99
55.5	4,227,899	62,576	0.0148	0.9852	31.99
56.5	3,096,533	69,827	0.0225	0.9775	31.52
57.5	2,325,577		0.0000	1.0000	30.80
58.5	2,325,577		0.0000	1.0000	30.80
59.5	2,288,609		0.0000	1.0000	30.80
60.5	14,500		0.0000	1.0000	30.80
61.5					30.80

POTOMAC ELECTRIC POWER COMPANY
ACCOUNT 355.00 POLES AND FIXTURES
ORIGINAL AND SMOOTH SURVIVOR CURVES



POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 355.00 POLES AND FIXTURES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1973-2017

EXPERIENCE BAND 1999-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	11,492,296		0.0000	1.0000	100.00
0.5	11,497,345		0.0000	1.0000	100.00
1.5	11,497,345		0.0000	1.0000	100.00
2.5	11,656,838		0.0000	1.0000	100.00
3.5	11,654,259		0.0000	1.0000	100.00
4.5	819,231		0.0000	1.0000	100.00
5.5	846,168		0.0000	1.0000	100.00
6.5	846,168		0.0000	1.0000	100.00
7.5	846,168		0.0000	1.0000	100.00
8.5	1,087,296		0.0000	1.0000	100.00
9.5	1,087,296		0.0000	1.0000	100.00
10.5	1,087,296		0.0000	1.0000	100.00
11.5	1,215,881		0.0000	1.0000	100.00
12.5	1,210,832		0.0000	1.0000	100.00
13.5	1,373,239		0.0000	1.0000	100.00
14.5	1,401,798		0.0000	1.0000	100.00
15.5	1,401,798		0.0000	1.0000	100.00
16.5	1,401,798		0.0000	1.0000	100.00
17.5	1,405,526		0.0000	1.0000	100.00
18.5	1,405,526		0.0000	1.0000	100.00
19.5	1,418,493		0.0000	1.0000	100.00
20.5	1,418,493		0.0000	1.0000	100.00
21.5	1,418,493		0.0000	1.0000	100.00
22.5	1,418,493		0.0000	1.0000	100.00
23.5	1,248,860		0.0000	1.0000	100.00
24.5	1,248,860		0.0000	1.0000	100.00
25.5	1,090,454		0.0000	1.0000	100.00
26.5	1,063,517		0.0000	1.0000	100.00
27.5	1,034,958		0.0000	1.0000	100.00
28.5	1,034,958		0.0000	1.0000	100.00
29.5	149,281		0.0000	1.0000	100.00
30.5	149,281		0.0000	1.0000	100.00
31.5	149,281		0.0000	1.0000	100.00
32.5	20,696		0.0000	1.0000	100.00
33.5	20,696		0.0000	1.0000	100.00
34.5	20,696		0.0000	1.0000	100.00
35.5	20,696		0.0000	1.0000	100.00
36.5	20,696		0.0000	1.0000	100.00
37.5	20,696		0.0000	1.0000	100.00
38.5	16,969		0.0000	1.0000	100.00

POTOMAC ELECTRIC POWER COMPANY
ACCOUNT 355.00 POLES AND FIXTURES
ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1973-2017

EXPERIENCE BAND 1999-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	16,969		0.0000	1.0000	100.00
40.5	4,002		0.0000	1.0000	100.00
41.5	4,002		0.0000	1.0000	100.00
42.5	4,002		0.0000	1.0000	100.00
43.5	4,002		0.0000	1.0000	100.00
44.5	4,002		0.0000	1.0000	100.00
45.5	4,002		0.0000	1.0000	100.00
46.5					100.00

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 355.00 POLES AND FIXTURES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1973-2017

EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	11,492,296		0.0000	1.0000	100.00
0.5	11,497,345		0.0000	1.0000	100.00
1.5	11,497,345		0.0000	1.0000	100.00
2.5	11,487,205		0.0000	1.0000	100.00
3.5	11,484,625		0.0000	1.0000	100.00
4.5	649,598		0.0000	1.0000	100.00
5.5	649,598		0.0000	1.0000	100.00
6.5	649,598		0.0000	1.0000	100.00
7.5	649,598		0.0000	1.0000	100.00
8.5	174,683		0.0000	1.0000	100.00
9.5	174,683		0.0000	1.0000	100.00
10.5	174,683		0.0000	1.0000	100.00
11.5	201,620		0.0000	1.0000	100.00
12.5	196,570		0.0000	1.0000	100.00
13.5	358,978		0.0000	1.0000	100.00
14.5	1,273,214		0.0000	1.0000	100.00
15.5	1,273,214		0.0000	1.0000	100.00
16.5	1,273,214		0.0000	1.0000	100.00
17.5	1,401,798		0.0000	1.0000	100.00
18.5	1,401,798		0.0000	1.0000	100.00
19.5	1,401,798		0.0000	1.0000	100.00
20.5	1,401,798		0.0000	1.0000	100.00
21.5	1,401,798		0.0000	1.0000	100.00
22.5	1,401,798		0.0000	1.0000	100.00
23.5	1,235,892		0.0000	1.0000	100.00
24.5	1,235,892		0.0000	1.0000	100.00
25.5	1,086,452		0.0000	1.0000	100.00
26.5	1,059,516		0.0000	1.0000	100.00
27.5	1,030,956		0.0000	1.0000	100.00
28.5	1,030,956		0.0000	1.0000	100.00
29.5	145,279		0.0000	1.0000	100.00
30.5	145,279		0.0000	1.0000	100.00
31.5	149,281		0.0000	1.0000	100.00
32.5	20,696		0.0000	1.0000	100.00
33.5	20,696		0.0000	1.0000	100.00
34.5	20,696		0.0000	1.0000	100.00
35.5	20,696		0.0000	1.0000	100.00
36.5	20,696		0.0000	1.0000	100.00
37.5	20,696		0.0000	1.0000	100.00
38.5	16,969		0.0000	1.0000	100.00

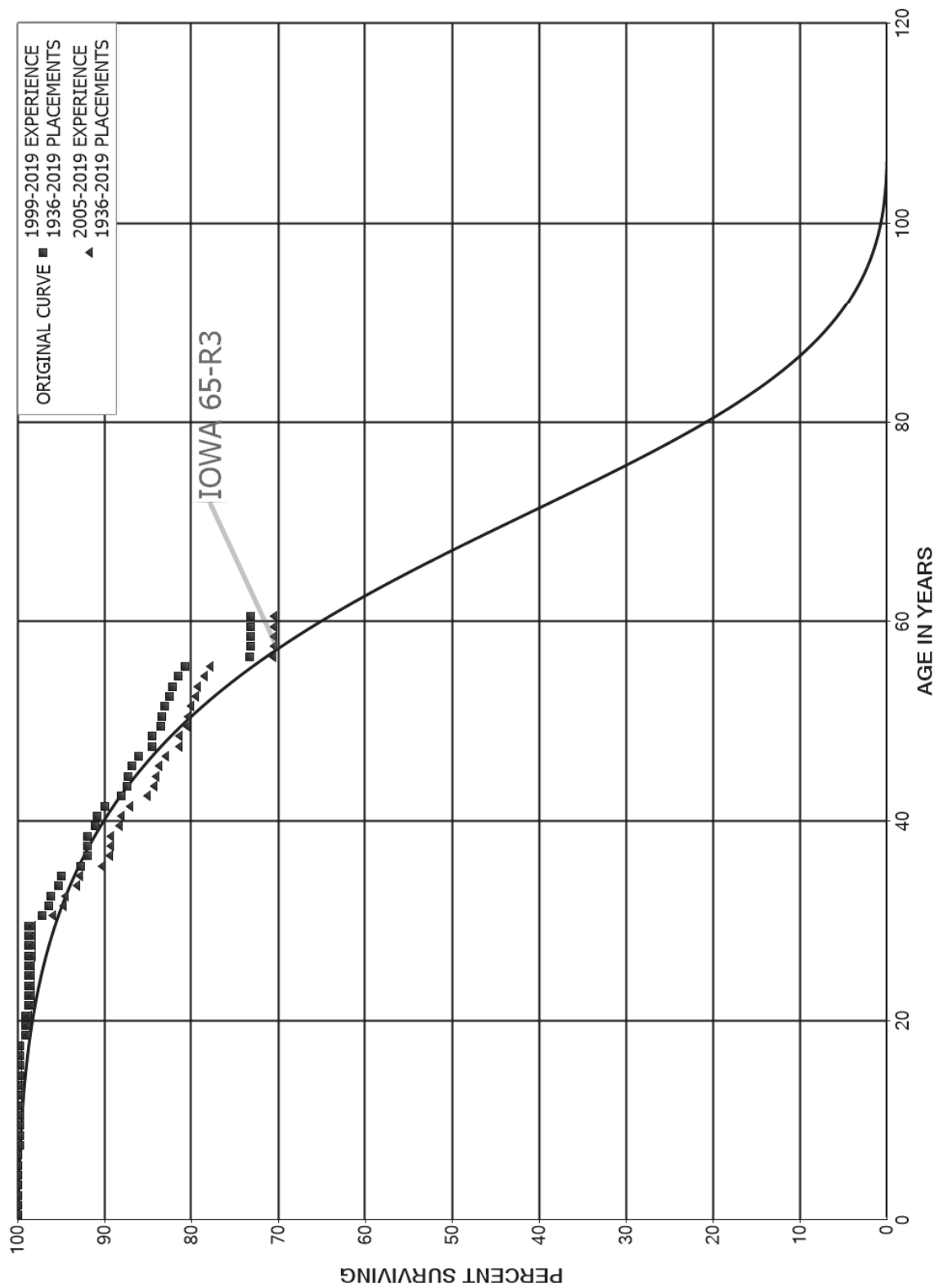
POTOMAC ELECTRIC POWER COMPANY
ACCOUNT 355.00 POLES AND FIXTURES
ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1973-2017

EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	16,969		0.0000	1.0000	100.00
40.5	4,002		0.0000	1.0000	100.00
41.5	4,002		0.0000	1.0000	100.00
42.5	4,002		0.0000	1.0000	100.00
43.5	4,002		0.0000	1.0000	100.00
44.5	4,002		0.0000	1.0000	100.00
45.5	4,002		0.0000	1.0000	100.00
46.5					100.00

POTOMAC ELECTRIC POWER COMPANY
ACCOUNT 356.00 OVERHEAD CONDUCTORS AND DEVICES
ORIGINAL AND SMOOTH SURVIVOR CURVES



POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 356.00 OVERHEAD CONDUCTORS AND DEVICES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1936-2019

EXPERIENCE BAND 1999-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	97,410,665	1	0.0000	1.0000	100.00
0.5	83,057,594		0.0000	1.0000	100.00
1.5	81,073,718	21,657	0.0003	0.9997	100.00
2.5	82,940,621	181	0.0000	1.0000	99.97
3.5	77,483,858	0	0.0000	1.0000	99.97
4.5	67,466,228	720	0.0000	1.0000	99.97
5.5	62,172,802	72	0.0000	1.0000	99.97
6.5	55,978,353	114,678	0.0020	0.9980	99.97
7.5	39,653,045		0.0000	1.0000	99.77
8.5	19,876,315	154	0.0000	1.0000	99.77
9.5	19,637,982		0.0000	1.0000	99.77
10.5	19,133,059		0.0000	1.0000	99.77
11.5	20,852,600	135	0.0000	1.0000	99.77
12.5	20,888,757	3	0.0000	1.0000	99.77
13.5	20,888,754		0.0000	1.0000	99.77
14.5	20,992,286	9	0.0000	1.0000	99.77
15.5	22,344,886	115	0.0000	1.0000	99.77
16.5	22,713,265	34	0.0000	1.0000	99.77
17.5	29,491,946	195,708	0.0066	0.9934	99.76
18.5	29,617,371	30	0.0000	1.0000	99.10
19.5	30,187,456	21,385	0.0007	0.9993	99.10
20.5	31,292,354	86,961	0.0028	0.9972	99.03
21.5	31,205,393		0.0000	1.0000	98.76
22.5	34,045,016	314	0.0000	1.0000	98.76
23.5	31,259,519	22	0.0000	1.0000	98.76
24.5	31,614,388	40	0.0000	1.0000	98.76
25.5	21,728,299	15,258	0.0007	0.9993	98.76
26.5	20,790,937	18	0.0000	1.0000	98.69
27.5	22,813,691	385	0.0000	1.0000	98.69
28.5	24,586,524	220	0.0000	1.0000	98.69
29.5	23,548,981	368,598	0.0157	0.9843	98.68
30.5	23,873,514	194,935	0.0082	0.9918	97.14
31.5	23,678,580	28,988	0.0012	0.9988	96.35
32.5	21,945,265	223,713	0.0102	0.9898	96.23
33.5	22,540,520	56,248	0.0025	0.9975	95.25
34.5	23,496,030	561,728	0.0239	0.9761	95.01
35.5	23,464,767	203,593	0.0087	0.9913	92.74
36.5	22,648,758	9,879	0.0004	0.9996	91.93
37.5	22,638,879		0.0000	1.0000	91.89
38.5	16,750,158	153,301	0.0092	0.9908	91.89

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 356.00 OVERHEAD CONDUCTORS AND DEVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1936-2019

EXPERIENCE BAND 1999-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	17,457,354	42,592	0.0024	0.9976	91.05
40.5	17,130,924	154,797	0.0090	0.9910	90.83
41.5	15,832,424	338,229	0.0214	0.9786	90.01
42.5	15,494,194	128,692	0.0083	0.9917	88.09
43.5	12,432,885	16,061	0.0013	0.9987	87.36
44.5	12,256,282	55,943	0.0046	0.9954	87.24
45.5	11,856,832	111,264	0.0094	0.9906	86.84
46.5	10,749,021	191,733	0.0178	0.9822	86.03
47.5	10,556,516	4,425	0.0004	0.9996	84.49
48.5	7,538,100	85,809	0.0114	0.9886	84.46
49.5	5,679,293	3,956	0.0007	0.9993	83.50
50.5	4,719,008	23,759	0.0050	0.9950	83.44
51.5	4,059,809	24,000	0.0059	0.9941	83.02
52.5	4,035,809	15,703	0.0039	0.9961	82.53
53.5	4,020,106	35,461	0.0088	0.9912	82.21
54.5	3,389,388	31,582	0.0093	0.9907	81.48
55.5	2,386,222	219,902	0.0922	0.9078	80.72
56.5	1,612,640	2,214	0.0014	0.9986	73.28
57.5	894,439		0.0000	1.0000	73.18
58.5	894,439		0.0000	1.0000	73.18
59.5	894,439		0.0000	1.0000	73.18
60.5					73.18
61.5					
62.5	19,565	6	0.0003		
63.5	19,559		0.0000		
64.5	19,559		0.0000		
65.5	19,559		0.0000		
66.5	19,559		0.0000		
67.5	19,559		0.0000		
68.5	19,559		0.0000		
69.5	19,559		0.0000		
70.5	19,559		0.0000		
71.5	19,559		0.0000		
72.5	19,559		0.0000		
73.5	19,559		0.0000		
74.5	19,559		0.0000		
75.5	19,559		0.0000		
76.5	19,559		0.0000		
77.5	19,559		0.0000		
78.5	19,559		0.0000		

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 356.00 OVERHEAD CONDUCTORS AND DEVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1936-2019

EXPERIENCE BAND 1999-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	19,559		0.0000		
80.5	19,559		0.0000		
81.5	19,559		0.0000		
82.5	19,559	9,957	0.5091		
83.5					

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 356.00 OVERHEAD CONDUCTORS AND DEVICES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1936-2019

EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	97,381,865		0.0000	1.0000	100.00
0.5	83,028,796		0.0000	1.0000	100.00
1.5	80,951,605	21,652	0.0003	0.9997	100.00
2.5	79,810,309		0.0000	1.0000	99.97
3.5	74,353,304		0.0000	1.0000	99.97
4.5	52,618,637		0.0000	1.0000	99.97
5.5	46,276,966		0.0000	1.0000	99.97
6.5	39,002,032	114,606	0.0029	0.9971	99.97
7.5	22,770,105		0.0000	1.0000	99.68
8.5	3,873,233		0.0000	1.0000	99.68
9.5	3,635,477		0.0000	1.0000	99.68
10.5	14,846,871		0.0000	1.0000	99.68
11.5	15,924,562		0.0000	1.0000	99.68
12.5	17,005,048		0.0000	1.0000	99.68
13.5	17,005,048		0.0000	1.0000	99.68
14.5	19,133,059		0.0000	1.0000	99.68
15.5	19,133,059		0.0000	1.0000	99.68
16.5	19,133,059		0.0000	1.0000	99.68
17.5	20,852,465	195,086	0.0094	0.9906	99.68
18.5	20,693,667		0.0000	1.0000	98.75
19.5	20,693,667	21,328	0.0010	0.9990	98.75
20.5	20,747,064	86,846	0.0042	0.9958	98.65
21.5	22,012,712		0.0000	1.0000	98.23
22.5	22,287,863		0.0000	1.0000	98.23
23.5	26,071,880		0.0000	1.0000	98.23
24.5	26,392,561		0.0000	1.0000	98.23
25.5	15,535,614	15,080	0.0010	0.9990	98.23
26.5	15,597,810		0.0000	1.0000	98.14
27.5	14,517,325		0.0000	1.0000	98.14
28.5	17,449,943		0.0000	1.0000	98.14
29.5	15,530,802	368,460	0.0237	0.9763	98.14
30.5	15,517,615	194,842	0.0126	0.9874	95.81
31.5	16,863,552	28,988	0.0017	0.9983	94.61
32.5	15,285,806	223,713	0.0146	0.9854	94.44
33.5	18,128,677	56,125	0.0031	0.9969	93.06
34.5	19,845,550	561,583	0.0283	0.9717	92.77
35.5	20,321,471	203,505	0.0100	0.9900	90.15
36.5	19,466,356	9,766	0.0005	0.9995	89.24
37.5	19,456,589		0.0000	1.0000	89.20
38.5	13,567,868	153,301	0.0113	0.9887	89.20

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 356.00 OVERHEAD CONDUCTORS AND DEVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1936-2019

EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	13,992,080	42,404	0.0030	0.9970	88.19
40.5	14,677,450	154,797	0.0105	0.9895	87.92
41.5	13,962,370	338,229	0.0242	0.9758	87.00
42.5	14,356,263	128,692	0.0090	0.9910	84.89
43.5	11,294,953	16,061	0.0014	0.9986	84.13
44.5	11,118,351	55,943	0.0050	0.9950	84.01
45.5	11,856,832	111,264	0.0094	0.9906	83.59
46.5	10,749,021	191,733	0.0178	0.9822	82.80
47.5	10,556,516	4,425	0.0004	0.9996	81.33
48.5	7,538,100	85,809	0.0114	0.9886	81.29
49.5	5,679,293	3,956	0.0007	0.9993	80.37
50.5	4,719,008	23,759	0.0050	0.9950	80.31
51.5	4,059,809	24,000	0.0059	0.9941	79.91
52.5	4,035,809	15,703	0.0039	0.9961	79.43
53.5	4,020,106	35,461	0.0088	0.9912	79.12
54.5	3,389,388	31,582	0.0093	0.9907	78.43
55.5	2,386,222	219,902	0.0922	0.9078	77.70
56.5	1,612,640	2,214	0.0014	0.9986	70.54
57.5	894,439		0.0000	1.0000	70.44
58.5	894,439		0.0000	1.0000	70.44
59.5	894,439		0.0000	1.0000	70.44
60.5					70.44
61.5					
62.5					
63.5					
64.5					
65.5					
66.5					
67.5					
68.5	19,559		0.0000		
69.5	19,559		0.0000		
70.5	19,559		0.0000		
71.5	19,559		0.0000		
72.5	19,559		0.0000		
73.5	19,559		0.0000		
74.5	19,559		0.0000		
75.5	19,559		0.0000		
76.5	19,559		0.0000		
77.5	19,559		0.0000		
78.5	19,559		0.0000		

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 356.00 OVERHEAD CONDUCTORS AND DEVICES

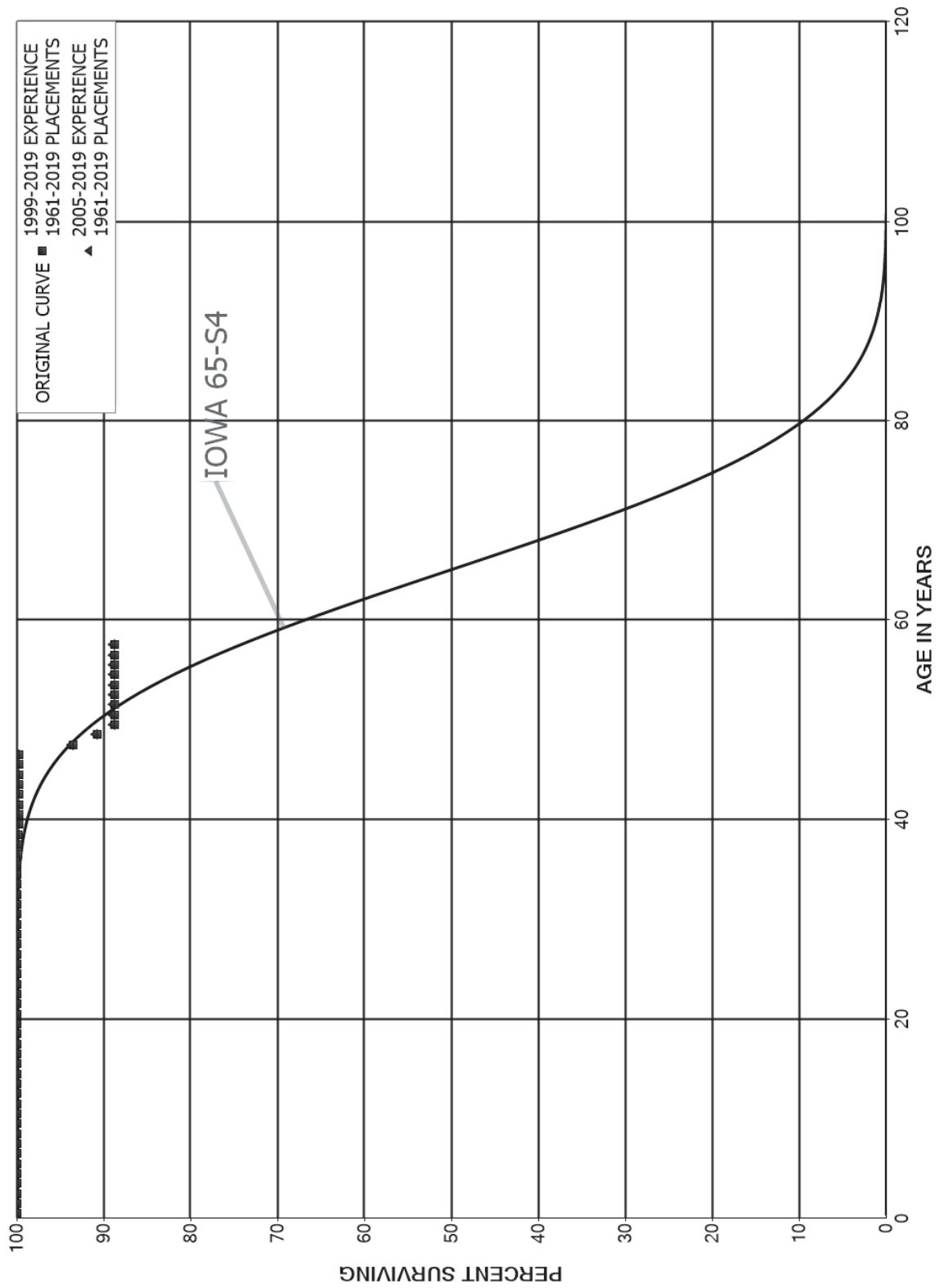
ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1936-2019

EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	19,559		0.0000		
80.5	19,559		0.0000		
81.5	19,559		0.0000		
82.5	19,559	9,957	0.5091		
83.5					

POTOMAC ELECTRIC POWER COMPANY
ACCOUNT 357.00 UNDERGROUND CONDUIT
ORIGINAL AND SMOOTH SURVIVOR CURVES



POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 357.00 UNDERGROUND CONDUIT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1961-2019

EXPERIENCE BAND 1999-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	97,680,764		0.0000	1.0000	100.00
0.5	63,584,690		0.0000	1.0000	100.00
1.5	61,620,857		0.0000	1.0000	100.00
2.5	22,319,506		0.0000	1.0000	100.00
3.5	22,101,158		0.0000	1.0000	100.00
4.5	18,662,838		0.0000	1.0000	100.00
5.5	32,123,096		0.0000	1.0000	100.00
6.5	30,735,298		0.0000	1.0000	100.00
7.5	21,175,021		0.0000	1.0000	100.00
8.5	22,143,693		0.0000	1.0000	100.00
9.5	21,855,879		0.0000	1.0000	100.00
10.5	21,855,879		0.0000	1.0000	100.00
11.5	21,851,749		0.0000	1.0000	100.00
12.5	20,744,469		0.0000	1.0000	100.00
13.5	20,759,272		0.0000	1.0000	100.00
14.5	20,926,942	0	0.0000	1.0000	100.00
15.5	20,978,371	0	0.0000	1.0000	100.00
16.5	26,221,070	3	0.0000	1.0000	100.00
17.5	26,220,805	1	0.0000	1.0000	100.00
18.5	28,708,024	41	0.0000	1.0000	100.00
19.5	37,899,247	63	0.0000	1.0000	100.00
20.5	48,954,637	225	0.0000	1.0000	100.00
21.5	48,954,412	463	0.0000	1.0000	100.00
22.5	48,981,122	852	0.0000	1.0000	100.00
23.5	50,566,644	112	0.0000	1.0000	100.00
24.5	53,002,047	328	0.0000	1.0000	100.00
25.5	52,800,798	645	0.0000	1.0000	100.00
26.5	36,795,407	1,911	0.0001	0.9999	99.99
27.5	36,024,897	402	0.0000	1.0000	99.99
28.5	36,591,200	2,963	0.0001	0.9999	99.99
29.5	35,682,316	132	0.0000	1.0000	99.98
30.5	35,791,341	1,215	0.0000	1.0000	99.98
31.5	38,688,064	4,656	0.0001	0.9999	99.98
32.5	38,683,408	2,249	0.0001	0.9999	99.96
33.5	38,681,160	12,552	0.0003	0.9997	99.96
34.5	42,239,688	12,829	0.0003	0.9997	99.93
35.5	42,059,190	5,577	0.0001	0.9999	99.90
36.5	43,079,095	36,165	0.0008	0.9992	99.88
37.5	37,882,417	3,276	0.0001	0.9999	99.80
38.5	37,878,669	13,798	0.0004	0.9996	99.79

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 357.00 UNDERGROUND CONDUIT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1961-2019

EXPERIENCE BAND 1999-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	35,377,723	1,257	0.0000	1.0000	99.75
40.5	26,183,353	150	0.0000	1.0000	99.75
41.5	15,066,047	15	0.0000	1.0000	99.75
42.5	15,066,032		0.0000	1.0000	99.75
43.5	15,038,867		0.0000	1.0000	99.75
44.5	13,453,153		0.0000	1.0000	99.75
45.5	11,019,196		0.0000	1.0000	99.75
46.5	10,840,697	677,658	0.0625	0.9375	99.75
47.5	7,547,481	221,020	0.0293	0.9707	93.51
48.5	7,326,460	167,467	0.0229	0.9771	90.78
49.5	6,593,246		0.0000	1.0000	88.70
50.5	6,593,246		0.0000	1.0000	88.70
51.5	6,484,638		0.0000	1.0000	88.70
52.5	4,671,966		0.0000	1.0000	88.70
53.5	4,671,966		0.0000	1.0000	88.70
54.5	4,671,966		0.0000	1.0000	88.70
55.5	1,134,818		0.0000	1.0000	88.70
56.5	1,134,818		0.0000	1.0000	88.70
57.5	80,003		0.0000	1.0000	88.70
58.5					88.70

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 357.00 UNDERGROUND CONDUIT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1961-2019

EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	97,678,351		0.0000	1.0000	100.00
0.5	63,582,277		0.0000	1.0000	100.00
1.5	61,618,444		0.0000	1.0000	100.00
2.5	22,317,093		0.0000	1.0000	100.00
3.5	22,098,908		0.0000	1.0000	100.00
4.5	18,283,246		0.0000	1.0000	100.00
5.5	13,118,831		0.0000	1.0000	100.00
6.5	10,962,434		0.0000	1.0000	100.00
7.5	1,401,474		0.0000	1.0000	100.00
8.5	1,401,474		0.0000	1.0000	100.00
9.5	1,113,660		0.0000	1.0000	100.00
10.5	1,493,252		0.0000	1.0000	100.00
11.5	20,113,795		0.0000	1.0000	100.00
12.5	19,775,114		0.0000	1.0000	100.00
13.5	19,775,797		0.0000	1.0000	100.00
14.5	20,744,469		0.0000	1.0000	100.00
15.5	20,744,469		0.0000	1.0000	100.00
16.5	20,744,469		0.0000	1.0000	100.00
17.5	20,743,735		0.0000	1.0000	100.00
18.5	20,743,735		0.0000	1.0000	100.00
19.5	20,756,199		0.0000	1.0000	100.00
20.5	20,861,117		0.0000	1.0000	100.00
21.5	20,912,545		0.0000	1.0000	100.00
22.5	26,155,207		0.0000	1.0000	100.00
23.5	26,155,680		0.0000	1.0000	100.00
24.5	28,642,827		0.0000	1.0000	100.00
25.5	37,456,349		0.0000	1.0000	100.00
26.5	29,949,565		0.0000	1.0000	100.00
27.5	29,180,966		0.0000	1.0000	100.00
28.5	29,207,538		0.0000	1.0000	100.00
29.5	29,887,331		0.0000	1.0000	100.00
30.5	32,321,288		0.0000	1.0000	100.00
31.5	32,499,787		0.0000	1.0000	100.00
32.5	35,115,345		0.0000	1.0000	100.00
33.5	35,115,345		0.0000	1.0000	100.00
34.5	35,666,290		0.0000	1.0000	100.00
35.5	35,498,620		0.0000	1.0000	100.00
36.5	35,555,799		0.0000	1.0000	100.00
37.5	33,191,955		0.0000	1.0000	100.00
38.5	33,191,482		0.0000	1.0000	100.00

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 357.00 UNDERGROUND CONDUIT

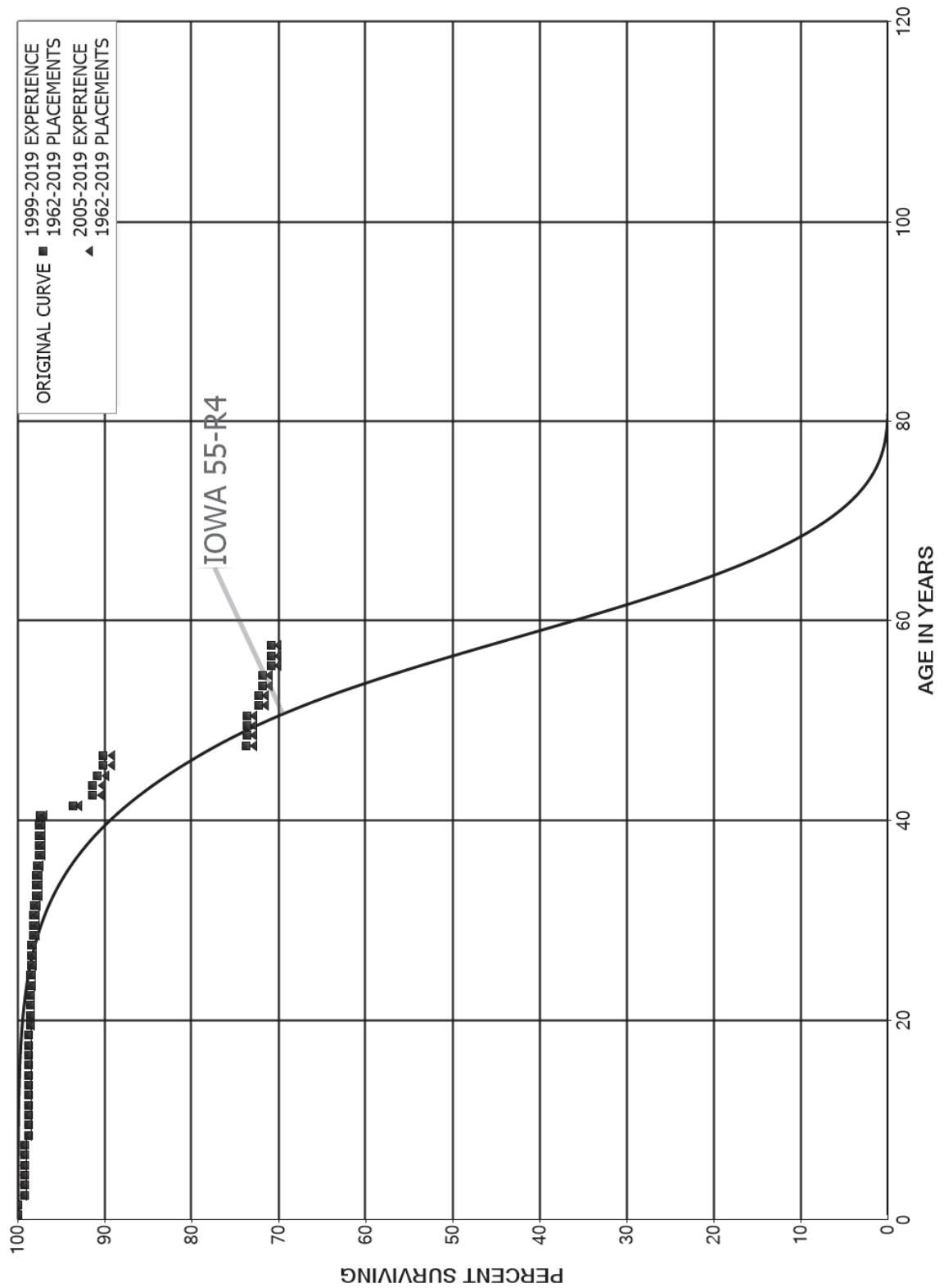
ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1961-2019

EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	30,704,335		0.0000	1.0000	100.00
40.5	25,048,369		0.0000	1.0000	100.00
41.5	13,931,214		0.0000	1.0000	100.00
42.5	14,986,029		0.0000	1.0000	100.00
43.5	15,038,867		0.0000	1.0000	100.00
44.5	13,453,153		0.0000	1.0000	100.00
45.5	11,019,196		0.0000	1.0000	100.00
46.5	10,840,697	677,658	0.0625	0.9375	100.00
47.5	7,547,481	221,020	0.0293	0.9707	93.75
48.5	7,326,460	167,467	0.0229	0.9771	91.00
49.5	6,593,246		0.0000	1.0000	88.92
50.5	6,593,246		0.0000	1.0000	88.92
51.5	6,484,638		0.0000	1.0000	88.92
52.5	4,671,966		0.0000	1.0000	88.92
53.5	4,671,966		0.0000	1.0000	88.92
54.5	4,671,966		0.0000	1.0000	88.92
55.5	1,134,818		0.0000	1.0000	88.92
56.5	1,134,818		0.0000	1.0000	88.92
57.5	80,003		0.0000	1.0000	88.92
58.5					88.92

POTOMAC ELECTRIC POWER COMPANY
ACCOUNT 358.00 UNDERGROUND CONDUCTORS AND DEVICES
ORIGINAL AND SMOOTH SURVIVOR CURVES



POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 358.00 UNDERGROUND CONDUCTORS AND DEVICES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1962-2019

EXPERIENCE BAND 1999-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	190,588,555		0.0000	1.0000	100.00
0.5	169,549,747		0.0000	1.0000	100.00
1.5	164,530,518	1,407,287	0.0086	0.9914	100.00
2.5	145,617,594		0.0000	1.0000	99.14
3.5	144,218,411		0.0000	1.0000	99.14
4.5	140,964,267		0.0000	1.0000	99.14
5.5	108,254,674		0.0000	1.0000	99.14
6.5	103,609,508		0.0000	1.0000	99.14
7.5	46,184,668	190,960	0.0041	0.9959	99.14
8.5	48,102,595	2,683	0.0001	0.9999	98.73
9.5	48,095,042		0.0000	1.0000	98.73
10.5	48,313,222		0.0000	1.0000	98.73
11.5	47,245,943		0.0000	1.0000	98.73
12.5	13,191,520		0.0000	1.0000	98.73
13.5	13,191,520		0.0000	1.0000	98.73
14.5	14,671,814		0.0000	1.0000	98.73
15.5	14,671,814		0.0000	1.0000	98.73
16.5	23,965,946	7,930	0.0003	0.9997	98.73
17.5	23,958,016		0.0000	1.0000	98.70
18.5	25,355,202	36,496	0.0014	0.9986	98.70
19.5	34,014,196	3,696	0.0001	0.9999	98.55
20.5	36,935,747		0.0000	1.0000	98.54
21.5	36,912,090		0.0000	1.0000	98.54
22.5	36,554,766	22,135	0.0006	0.9994	98.54
23.5	37,042,624	9,904	0.0003	0.9997	98.48
24.5	37,694,231	6,652	0.0002	0.9998	98.46
25.5	39,243,531		0.0000	1.0000	98.44
26.5	36,204,603	2,733	0.0001	0.9999	98.44
27.5	35,530,214	106,206	0.0030	0.9970	98.43
28.5	33,351,022		0.0000	1.0000	98.14
29.5	30,078,436		0.0000	1.0000	98.14
30.5	30,301,843	31,836	0.0011	0.9989	98.14
31.5	30,615,354	63,856	0.0021	0.9979	98.04
32.5	30,551,498		0.0000	1.0000	97.83
33.5	30,551,498		0.0000	1.0000	97.83
34.5	33,628,448	52,024	0.0015	0.9985	97.83
35.5	32,100,986	58,134	0.0018	0.9982	97.68
36.5	33,300,079		0.0000	1.0000	97.50
37.5	24,058,603		0.0000	1.0000	97.50
38.5	24,058,603		0.0000	1.0000	97.50

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 358.00 UNDERGROUND CONDUCTORS AND DEVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1962-2019

EXPERIENCE BAND 1999-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	22,715,399	34,648	0.0015	0.9985	97.50
40.5	14,103,600	538,197	0.0382	0.9618	97.35
41.5	10,775,603	262,390	0.0244	0.9756	93.64
42.5	10,508,953	1,680	0.0002	0.9998	91.36
43.5	10,492,907	55,578	0.0053	0.9947	91.34
44.5	10,115,047	79,864	0.0079	0.9921	90.86
45.5	9,431,606		0.0000	1.0000	90.14
46.5	8,032,199	1,467,408	0.1827	0.8173	90.14
47.5	5,058,113	650	0.0001	0.9999	73.67
48.5	5,057,463		0.0000	1.0000	73.67
49.5	4,663,751		0.0000	1.0000	73.67
50.5	4,638,781	83,996	0.0181	0.9819	73.67
51.5	4,331,378	2,117	0.0005	0.9995	72.33
52.5	4,248,065	29,087	0.0068	0.9932	72.30
53.5	4,218,978		0.0000	1.0000	71.80
54.5	4,218,978	55,953	0.0133	0.9867	71.80
55.5	1,172,187		0.0000	1.0000	70.85
56.5	1,172,187		0.0000	1.0000	70.85
57.5					70.85

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 358.00 UNDERGROUND CONDUCTORS AND DEVICES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1962-2019

EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	190,588,020		0.0000	1.0000	100.00
0.5	169,523,343		0.0000	1.0000	100.00
1.5	164,131,684	1,407,287	0.0086	0.9914	100.00
2.5	145,182,125		0.0000	1.0000	99.14
3.5	143,639,111		0.0000	1.0000	99.14
4.5	140,037,890		0.0000	1.0000	99.14
5.5	102,734,586		0.0000	1.0000	99.14
6.5	97,443,632		0.0000	1.0000	99.14
7.5	37,868,733	190,960	0.0050	0.9950	99.14
8.5	36,563,697	2,683	0.0001	0.9999	98.64
9.5	36,699,977		0.0000	1.0000	98.64
10.5	36,058,592		0.0000	1.0000	98.64
11.5	39,585,025		0.0000	1.0000	98.64
12.5	6,202,258		0.0000	1.0000	98.64
13.5	8,725,282		0.0000	1.0000	98.64
14.5	11,984,879		0.0000	1.0000	98.64
15.5	11,984,879		0.0000	1.0000	98.64
16.5	13,190,985	7,930	0.0006	0.9994	98.64
17.5	13,183,055		0.0000	1.0000	98.58
18.5	13,183,055	36,496	0.0028	0.9972	98.58
19.5	13,155,707	3,696	0.0003	0.9997	98.30
20.5	14,676,917		0.0000	1.0000	98.28
21.5	14,649,000		0.0000	1.0000	98.28
22.5	23,570,701	22,135	0.0009	0.9991	98.28
23.5	23,511,932	9,904	0.0004	0.9996	98.18
24.5	24,795,575	6,652	0.0003	0.9997	98.14
25.5	33,128,188		0.0000	1.0000	98.12
26.5	31,419,208	2,733	0.0001	0.9999	98.12
27.5	30,749,078	106,206	0.0035	0.9965	98.11
28.5	28,154,284		0.0000	1.0000	97.77
29.5	25,403,355		0.0000	1.0000	97.77
30.5	26,168,504	31,836	0.0012	0.9988	97.77
31.5	26,835,789	63,856	0.0024	0.9976	97.65
32.5	28,322,622		0.0000	1.0000	97.42
33.5	28,322,622		0.0000	1.0000	97.42
34.5	28,753,865	52,024	0.0018	0.9982	97.42
35.5	27,251,374	58,134	0.0021	0.9979	97.24
36.5	27,416,647		0.0000	1.0000	97.03
37.5	19,724,425		0.0000	1.0000	97.03
38.5	19,724,425		0.0000	1.0000	97.03

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 358.00 UNDERGROUND CONDUCTORS AND DEVICES

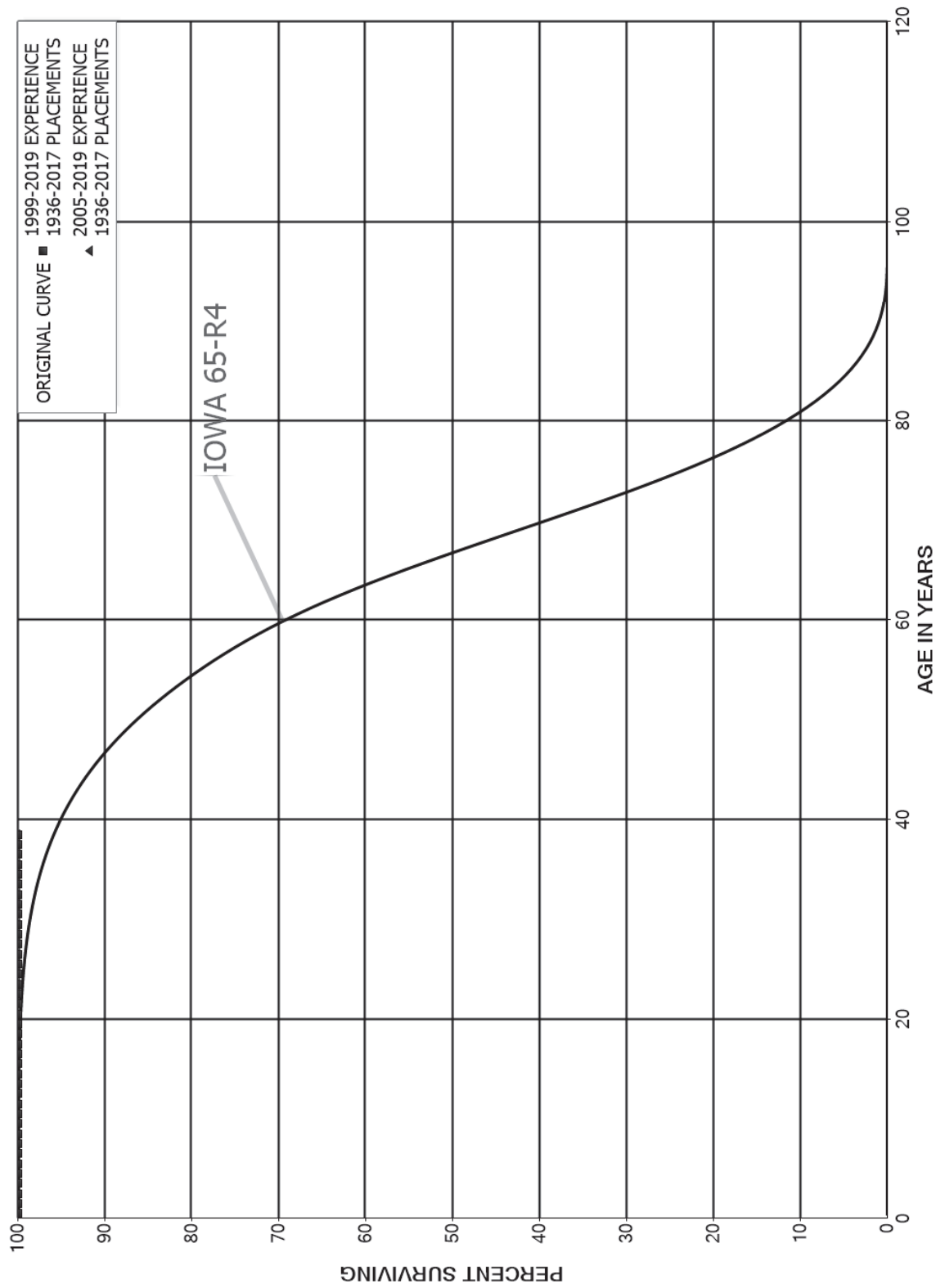
ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1962-2019

EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	18,381,221	34,648	0.0019	0.9981	97.03
40.5	12,846,373	538,197	0.0419	0.9581	96.85
41.5	9,518,376	262,390	0.0276	0.9724	92.79
42.5	10,508,953	1,680	0.0002	0.9998	90.23
43.5	10,492,907	55,578	0.0053	0.9947	90.22
44.5	10,115,047	79,864	0.0079	0.9921	89.74
45.5	9,431,606		0.0000	1.0000	89.03
46.5	8,032,199	1,467,408	0.1827	0.8173	89.03
47.5	5,058,113	650	0.0001	0.9999	72.77
48.5	5,057,463		0.0000	1.0000	72.76
49.5	4,663,751		0.0000	1.0000	72.76
50.5	4,638,781	83,996	0.0181	0.9819	72.76
51.5	4,331,378	2,117	0.0005	0.9995	71.44
52.5	4,248,065	29,087	0.0068	0.9932	71.41
53.5	4,218,978		0.0000	1.0000	70.92
54.5	4,218,978	55,953	0.0133	0.9867	70.92
55.5	1,172,187		0.0000	1.0000	69.98
56.5	1,172,187		0.0000	1.0000	69.98
57.5					69.98

POTOMAC ELECTRIC POWER COMPANY
ACCOUNT 359.00 ROADS AND TRAILS
ORIGINAL AND SMOOTH SURVIVOR CURVES



POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 359.00 ROADS AND TRAILS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1936-2017

EXPERIENCE BAND 1999-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	2,439,173		0.0000	1.0000	100.00
0.5	2,439,173		0.0000	1.0000	100.00
1.5	2,532,350		0.0000	1.0000	100.00
2.5	1,241,111		0.0000	1.0000	100.00
3.5	1,241,111		0.0000	1.0000	100.00
4.5	4,584,264		0.0000	1.0000	100.00
5.5	4,584,504		0.0000	1.0000	100.00
6.5	4,584,504		0.0000	1.0000	100.00
7.5	4,489,589		0.0000	1.0000	100.00
8.5	4,589,986		0.0000	1.0000	100.00
9.5	4,589,986		0.0000	1.0000	100.00
10.5	4,589,986		0.0000	1.0000	100.00
11.5	4,611,589		0.0000	1.0000	100.00
12.5	4,611,589		0.0000	1.0000	100.00
13.5	4,611,589		0.0000	1.0000	100.00
14.5	4,611,589		0.0000	1.0000	100.00
15.5	4,778,329		0.0000	1.0000	100.00
16.5	4,782,324		0.0000	1.0000	100.00
17.5	7,818,789		0.0000	1.0000	100.00
18.5	7,818,789		0.0000	1.0000	100.00
19.5	7,891,090		0.0000	1.0000	100.00
20.5	7,886,549		0.0000	1.0000	100.00
21.5	7,886,549		0.0000	1.0000	100.00
22.5	7,983,096		0.0000	1.0000	100.00
23.5	6,934,646		0.0000	1.0000	100.00
24.5	6,934,646		0.0000	1.0000	100.00
25.5	3,591,493		0.0000	1.0000	100.00
26.5	3,591,253		0.0000	1.0000	100.00
27.5	3,591,278		0.0000	1.0000	100.00
28.5	3,592,271		0.0000	1.0000	100.00
29.5	3,536,786		0.0000	1.0000	100.00
30.5	3,550,498		0.0000	1.0000	100.00
31.5	3,555,673		0.0000	1.0000	100.00
32.5	3,534,070		0.0000	1.0000	100.00
33.5	3,543,433		0.0000	1.0000	100.00
34.5	3,548,949		0.0000	1.0000	100.00
35.5	3,551,984		0.0000	1.0000	100.00
36.5	3,408,785		0.0000	1.0000	100.00
37.5	3,404,790		0.0000	1.0000	100.00
38.5	368,325		0.0000	1.0000	100.00

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 359.00 ROADS AND TRAILS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1936-2017

EXPERIENCE BAND 1999-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	420,564		0.0000	1.0000	100.00
40.5	348,236		0.0000	1.0000	100.00
41.5	348,236		0.0000	1.0000	100.00
42.5	348,236		0.0000	1.0000	100.00
43.5	158,512		0.0000	1.0000	100.00
44.5	158,512		0.0000	1.0000	100.00
45.5	158,512		0.0000	1.0000	100.00
46.5	158,512		0.0000	1.0000	100.00
47.5	158,512		0.0000	1.0000	100.00
48.5	158,487		0.0000	1.0000	100.00
49.5	157,494		0.0000	1.0000	100.00
50.5	112,582		0.0000	1.0000	100.00
51.5	98,870		0.0000	1.0000	100.00
52.5	93,694		0.0000	1.0000	100.00
53.5	93,694		0.0000	1.0000	100.00
54.5	84,331		0.0000	1.0000	100.00
55.5	78,815		0.0000	1.0000	100.00
56.5	75,780		0.0000	1.0000	100.00
57.5	52,239		0.0000	1.0000	100.00
58.5	52,239		0.0000	1.0000	100.00
59.5	52,239		0.0000	1.0000	100.00
60.5					100.00
61.5					
62.5	1,698		0.0000		
63.5	1,698		0.0000		
64.5	1,698		0.0000		
65.5	1,698		0.0000		
66.5	1,698		0.0000		
67.5	1,698		0.0000		
68.5	1,698		0.0000		
69.5	1,698		0.0000		
70.5	1,698		0.0000		
71.5	1,698		0.0000		
72.5	1,698		0.0000		
73.5	1,698		0.0000		
74.5	1,698		0.0000		
75.5	1,698		0.0000		
76.5	1,698		0.0000		
77.5	1,698		0.0000		
78.5	1,698		0.0000		

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 359.00 ROADS AND TRAILS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1936-2017

EXPERIENCE BAND 1999-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	1,698		0.0000		
80.5	1,698		0.0000		
81.5	1,698		0.0000		
82.5	1,698		0.0000		
83.5					

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 359.00 ROADS AND TRAILS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1936-2017

EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	2,434,604		0.0000	1.0000	100.00
0.5	2,434,604		0.0000	1.0000	100.00
1.5	2,434,604		0.0000	1.0000	100.00
2.5	94,915		0.0000	1.0000	100.00
3.5	94,915		0.0000	1.0000	100.00
4.5	94,943		0.0000	1.0000	100.00
5.5	99,484		0.0000	1.0000	100.00
6.5	99,484		0.0000	1.0000	100.00
7.5	97,745		0.0000	1.0000	100.00
8.5	1,146,196		0.0000	1.0000	100.00
9.5	1,146,196		0.0000	1.0000	100.00
10.5	4,489,349		0.0000	1.0000	100.00
11.5	4,489,589		0.0000	1.0000	100.00
12.5	4,489,589		0.0000	1.0000	100.00
13.5	4,489,589		0.0000	1.0000	100.00
14.5	4,589,986		0.0000	1.0000	100.00
15.5	4,589,986		0.0000	1.0000	100.00
16.5	4,589,986		0.0000	1.0000	100.00
17.5	4,611,589		0.0000	1.0000	100.00
18.5	4,611,589		0.0000	1.0000	100.00
19.5	4,611,561		0.0000	1.0000	100.00
20.5	4,607,020		0.0000	1.0000	100.00
21.5	4,773,760		0.0000	1.0000	100.00
22.5	4,684,579		0.0000	1.0000	100.00
23.5	6,672,593		0.0000	1.0000	100.00
24.5	6,672,593		0.0000	1.0000	100.00
25.5	3,401,769		0.0000	1.0000	100.00
26.5	3,401,529		0.0000	1.0000	100.00
27.5	3,401,529		0.0000	1.0000	100.00
28.5	3,591,253		0.0000	1.0000	100.00
29.5	3,490,856		0.0000	1.0000	100.00
30.5	3,490,856		0.0000	1.0000	100.00
31.5	3,490,856		0.0000	1.0000	100.00
32.5	3,469,252		0.0000	1.0000	100.00
33.5	3,469,277		0.0000	1.0000	100.00
34.5	3,470,270		0.0000	1.0000	100.00
35.5	3,515,183		0.0000	1.0000	100.00
36.5	3,362,155		0.0000	1.0000	100.00
37.5	3,363,335		0.0000	1.0000	100.00
38.5	326,870		0.0000	1.0000	100.00

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 359.00 ROADS AND TRAILS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1936-2017

EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	336,233		0.0000	1.0000	100.00
40.5	269,421		0.0000	1.0000	100.00
41.5	272,455		0.0000	1.0000	100.00
42.5	295,996		0.0000	1.0000	100.00
43.5	106,272		0.0000	1.0000	100.00
44.5	106,272		0.0000	1.0000	100.00
45.5	158,512		0.0000	1.0000	100.00
46.5	158,512		0.0000	1.0000	100.00
47.5	158,512		0.0000	1.0000	100.00
48.5	158,487		0.0000	1.0000	100.00
49.5	157,494		0.0000	1.0000	100.00
50.5	112,582		0.0000	1.0000	100.00
51.5	98,870		0.0000	1.0000	100.00
52.5	93,694		0.0000	1.0000	100.00
53.5	93,694		0.0000	1.0000	100.00
54.5	84,331		0.0000	1.0000	100.00
55.5	78,815		0.0000	1.0000	100.00
56.5	75,780		0.0000	1.0000	100.00
57.5	52,239		0.0000	1.0000	100.00
58.5	52,239		0.0000	1.0000	100.00
59.5	52,239		0.0000	1.0000	100.00
60.5					100.00
61.5					
62.5					
63.5					
64.5					
65.5					
66.5					
67.5					
68.5	1,698		0.0000		
69.5	1,698		0.0000		
70.5	1,698		0.0000		
71.5	1,698		0.0000		
72.5	1,698		0.0000		
73.5	1,698		0.0000		
74.5	1,698		0.0000		
75.5	1,698		0.0000		
76.5	1,698		0.0000		
77.5	1,698		0.0000		
78.5	1,698		0.0000		

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 359.00 ROADS AND TRAILS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1936-2017

EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
79.5	1,698		0.0000		
80.5	1,698		0.0000		
81.5	1,698		0.0000		
82.5	1,698		0.0000		
83.5					

PART VIII. NET SALVAGE STATISTICS

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 350.20 LAND RIGHTS

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	PCT	GROSS SALVAGE AMOUNT	PCT	NET SALVAGE AMOUNT	PCT
2016	1,585		0		0		0
2017							
2018							
2019							
TOTAL	1,585		0		0		0
THREE-YEAR MOVING AVERAGES							
16-18	528		0		0		0
17-19							

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 352.00 STRUCTURES AND IMPROVEMENTS

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	PCT	GROSS SALVAGE AMOUNT	PCT	NET SALVAGE AMOUNT	PCT
2005	17,658	5,813	33		0	5,813-	33-
2006	3,262	358	11	28	1	330-	10-
2007	100,280	15,177	15		0	15,177-	15-
2008	67,029	72,641	108		0	72,641-	108-
2009	24,120	3,597	15		0	3,597-	15-
2010	7,028	26,559	378		0	26,559-	378-
2011							
2012							
2013							
2014	37,697	4,883	13		0	4,883-	13-
2015	45,555	40,613	89		0	40,613-	89-
2016	1,052,625	109,730	10	26,097	2	83,633-	8-
2017	18,259	55,473	304		0	55,473-	304-
2018							
2019	732,761	85,363	12		0	85,363-	12-
TOTAL	2,106,277	420,207	20	26,124	1	394,083-	19-

THREE-YEAR MOVING AVERAGES

05-07	40,400	7,116	18	9	0	7,107-	18-
06-08	56,857	29,392	52	9	0	29,383-	52-
07-09	63,810	30,472	48		0	30,472-	48-
08-10	32,726	34,266	105		0	34,266-	105-
09-11	10,383	10,052	97		0	10,052-	97-
10-12	2,343	8,853	378		0	8,853-	378-
11-13							
12-14	12,566	1,628	13		0	1,628-	13-
13-15	27,751	15,165	55		0	15,165-	55-
14-16	378,626	51,742	14	8,699	2	43,043-	11-
15-17	372,147	68,605	18	8,699	2	59,906-	16-
16-18	356,961	55,068	15	8,699	2	46,369-	13-
17-19	250,340	46,945	19		0	46,945-	19-

FIVE-YEAR AVERAGE

15-19	369,840	58,236	16	5,219	1	53,016-	14-
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POTOMAC ELECTRIC POWER COMPANY
ACCOUNT 353.00 STATION EQUIPMENT

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	PCT	GROSS SALVAGE AMOUNT	PCT	NET SALVAGE AMOUNT	PCT
2005	107,670	35,447	33		0	35,447-	33-
2006	591,790	64,888	11	5,020	1	59,868-	10-
2007	1,853,093	193,919	10	874,553	47	680,634	37
2008	1,579,390	125,124-	8-		0	125,124	8
2009	2,805,520	346,127	12		0	346,127-	12-
2010	1,699,167	2,439,583	144		0	2,439,583-	144-
2011	2,966,576	432,845	15		0	432,845-	15-
2012	5,593,773	3,279,410	59		0	3,279,410-	59-
2013	4,444,670	1,002,938	23	642,964	14	359,974-	8-
2014	3,277,326	217,305	7	19,575	1	197,730-	6-
2015	7,947,171	824,092	10	216,108	3	607,984-	8-
2016	3,008,599	762,947	25	134,623	4	628,324-	21-
2017	7,415,822	589,131	8		0	589,131-	8-
2018	4,199,392	171,029	4	28,691	1	142,337-	3-
2019	709,485	282,902	40	39,898	6	243,004-	34-
TOTAL	48,199,443	10,517,437	22	1,961,432	4	8,556,005-	18-

THREE-YEAR MOVING AVERAGES

05-07	850,851	98,085	12	293,191	34	195,106	23
06-08	1,341,424	44,561	3	293,191	22	248,630	19
07-09	2,079,334	138,307	7	291,518	14	153,210	7
08-10	2,028,026	886,862	44		0	886,862-	44-
09-11	2,490,421	1,072,851	43		0	1,072,851-	43-
10-12	3,419,839	2,050,612	60		0	2,050,612-	60-
11-13	4,335,006	1,571,731	36	214,321	5	1,357,410-	31-
12-14	4,438,590	1,499,884	34	220,846	5	1,279,038-	29-
13-15	5,223,056	681,445	13	292,882	6	388,563-	7-
14-16	4,744,365	601,448	13	123,435	3	478,013-	10-
15-17	6,123,864	725,390	12	116,910	2	608,480-	10-
16-18	4,874,604	507,702	10	54,438	1	453,264-	9-
17-19	4,108,233	347,687	8	22,863	1	324,824-	8-

FIVE-YEAR AVERAGE

15-19	4,656,094	526,020	11	83,864	2	442,156-	9-
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POTOMAC ELECTRIC POWER COMPANY
ACCOUNT 354.00 TOWERS AND FIXTURES

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	PCT	GROSS SALVAGE AMOUNT	PCT	NET SALVAGE AMOUNT	PCT
2007	10,047	625	6		0	625-	6-
2008							
2009							
2010							
2011							
2012	39,238	17	0		0	17-	0
2013							
2014							
2015	1,267,997	4,341,730	342		0	4,341,730-	342-
2016	664,288	11,056	2		0	11,056-	2-
2017		24-				24	
2018							
2019							
TOTAL	1,981,570	4,353,404	220		0	4,353,404-	220-

THREE-YEAR MOVING AVERAGES

07-09	3,349	208	6		0	208-	6-
08-10							
09-11							
10-12	13,079	6	0		0	6-	0
11-13	13,079	6	0		0	6-	0
12-14	13,079	6	0		0	6-	0
13-15	422,666	1,447,243	342		0	1,447,243-	342-
14-16	644,095	1,450,929	225		0	1,450,929-	225-
15-17	644,095	1,450,921	225		0	1,450,921-	225-
16-18	221,429	3,677	2		0	3,677-	2-
17-19		8-				8	

FIVE-YEAR AVERAGE

15-19	386,457	870,552	225		0	870,552-	225-
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POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 356.00 OVERHEAD CONDUCTORS AND DEVICES

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	PCT	GROSS SALVAGE AMOUNT	PCT	NET SALVAGE AMOUNT	PCT
2007				95,780		95,780	
2008							
2009							
2010	18,580		0		0		0
2011							
2012	1,371,580	641,199	47		0	641,199-	47-
2013	259,934	1,206,490	464	328,163	126	878,326-	338-
2014	86,954	804,271	925		0	804,271-	925-
2015	995,900	4,360,214	438		0	4,360,214-	438-
2016	624,439	1,065,797	171	4,879	1	1,060,918-	170-
2017	205,397	488,741	238		0	488,741-	238-
2018							
2019	187,991	262,846	140		0	262,846-	140-
TOTAL	3,750,773	8,829,557	235	428,822	11	8,400,735-	224-

THREE-YEAR MOVING AVERAGES

07-09				31,927		31,927	
08-10	6,193		0		0		0
09-11	6,193		0		0		0
10-12	463,387	213,733	46		0	213,733-	46-
11-13	543,838	615,896	113	109,388	20	506,509-	93-
12-14	572,822	883,986	154	109,388	19	774,599-	135-
13-15	447,596	2,123,658	474	109,388	24	2,014,270-	450-
14-16	569,097	2,076,760	365	1,626	0	2,075,134-	365-
15-17	608,578	1,971,584	324	1,626	0	1,969,958-	324-
16-18	276,612	518,179	187	1,626	1	516,553-	187-
17-19	131,129	250,529	191		0	250,529-	191-

FIVE-YEAR AVERAGE

15-19	402,745	1,235,520	307	976	0	1,234,544-	307-
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POTOMAC ELECTRIC POWER COMPANY
ACCOUNT 357.00 UNDERGROUND CONDUIT

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	PCT	GROSS SALVAGE AMOUNT	PCT	NET SALVAGE AMOUNT	PCT
2014	677,658		0		0		0
2015	221,020	917,616	415		0	917,616-	415-
2016	167,467	262,927	157		0	262,927-	157-
2017							
2018		197,107		82,379		114,728-	
2019							
TOTAL	1,066,145	1,377,650	129	82,379	8	1,295,271-	121-
THREE-YEAR MOVING AVERAGES							
14-16	355,382	393,514	111		0	393,514-	111-
15-17	129,496	393,514	304		0	393,514-	304-
16-18	55,822	153,345	275	27,460	49	125,885-	226-
17-19		65,702		27,460		38,243-	
FIVE-YEAR AVERAGE							
15-19	77,697	275,530	355	16,476	21	259,054-	333-

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 358.00 UNDERGROUND CONDUCTORS AND DEVICES

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	PCT	GROSS SALVAGE AMOUNT	PCT	NET SALVAGE AMOUNT	PCT
2007	106,206	6,940	7	11,980	11	5,040	5
2008							
2009	31,836	3,039	10		0	3,039-	10-
2010	59,000		0		0		0
2011							
2012							
2013							
2014	1,952,891	159	0	2,007,853	103	2,007,694	103
2015	2,049,158	3,996,408	195	306,601	15	3,689,807-	180-
2016	18,240	893,079			0	893,079-	
2017	288,002	2,852,858	991		0	2,852,858-	991-
2018	108,769	854,521	786		0	854,521-	786-
2019							
TOTAL	4,614,103	8,607,004	187	2,326,434	50	6,280,571-	136-

THREE-YEAR MOVING AVERAGES

07-09	46,014	3,326	7	3,993	9	667	1
08-10	30,279	1,013	3		0	1,013-	3-
09-11	30,279	1,013	3		0	1,013-	3-
10-12	19,667		0		0		0
11-13							
12-14	650,964	53	0	669,284	103	669,231	103
13-15	1,334,016	1,332,189	100	771,485	58	560,704-	42-
14-16	1,340,096	1,629,882	122	771,485	58	858,398-	64-
15-17	785,133	2,580,782	329	102,200	13	2,478,581-	316-
16-18	138,337	1,533,486			0	1,533,486-	
17-19	132,257	1,235,793	934		0	1,235,793-	934-

FIVE-YEAR AVERAGE

15-19	492,834	1,719,373	349	61,320	12	1,658,053-	336-
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PART IX. DETAILED DEPRECIATION CALCULATIONS

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 350.20 LAND RIGHTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 75-R4						
NET SALVAGE PERCENT.. 0						
1983	458,037.86	217,902	164,856	293,182	39.32	7,456
1987	649,303.64	276,688	209,331	439,973	43.04	10,222
1994	74,579.25	25,128	19,011	55,568	49.73	1,117
1998	125,673.39	35,792	27,079	98,594	53.64	1,838
1999	12,006.00	3,262	2,468	9,538	54.62	175
2002	121.80	28	21	101	57.58	2
2014	151,229.96	11,070	8,375	142,855	69.51	2,055
	1,470,951.90	569,870	431,141	1,039,811		22,865
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 45.5						1.55

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 352.00 STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R2						
NET SALVAGE PERCENT.. -15						
1958	22,826.50	17,359	26,250			
1959	106,974.77	80,368	123,021			
1960	16,941.07	12,572	19,482			
1962	27,402.10	19,821	31,512			
1963	213,172.06	152,131	245,148			
1964	306,943.11	216,076	352,985			
1965	243,730.66	169,175	280,290			
1966	835.19	571	960			
1967	309,946.70	208,923	354,999	1,440	28.97	50
1968	54,470.04	36,152	61,429	1,212	29.60	41
1969	280,695.02	183,395	311,622	11,177	30.23	370
1970	183,675.44	118,076	200,633	10,594	30.87	343
1971	393,991.07	249,136	423,328	29,762	31.51	945
1972	91,428.18	56,822	96,551	8,591	32.17	267
1974	306,330.07	183,689	312,121	40,159	33.50	1,199
1975	167,594.68	98,653	167,630	25,104	34.17	735
1976	2,214,040.21	1,278,522	2,172,445	373,701	34.85	10,723
1977	26,454.47	14,977	25,449	4,974	35.54	140
1978	15,614.00	8,660	14,715	3,241	36.24	89
1979	399,724.97	217,104	368,900	90,784	36.94	2,458
1980	163,024.19	86,641	147,219	40,259	37.65	1,069
1981	2,038,499.70	1,059,612	1,800,476	543,799	38.36	14,176
1983	59,688.33	29,604	50,303	18,339	39.81	461
1984	5,021.06	2,429	4,127	1,647	40.55	41
1985	314,611.59	148,390	252,142	109,661	41.29	2,656
1986	76,400.40	35,106	59,652	28,208	42.03	671
1987	73,689.10	32,940	55,971	28,771	42.79	672
1989	97,170.01	41,011	69,685	42,061	44.31	949
1990	335,202.30	137,232	233,182	152,301	45.08	3,378
1992	12,557,708.62	4,821,394	8,192,438	6,248,927	46.63	134,011
1994	116,250.82	41,616	70,713	62,975	48.21	1,306
1995	225,281.70	77,686	132,003	127,071	49.01	2,593
1996	78,628.12	26,081	44,316	46,106	49.81	926
1997	15,232.36	4,850	8,241	9,276	50.62	183
1998	12,678.37	3,868	6,572	8,008	51.43	156
1999	465,054.48	135,612	230,430	304,383	52.25	5,826
2000	11,840.68	3,293	5,595	8,022	53.07	151
2001	28,002.02	7,407	12,586	19,616	53.90	364
2002	73,577.91	18,458	31,364	53,251	54.73	973
2005	111,849.17	23,428	39,809	88,818	57.25	1,551
2006	219,036.94	42,786	72,701	179,191	58.11	3,084
2007	243,295.42	44,126	74,978	204,812	58.96	3,474
2008	105,882.25	17,708	30,089	91,676	59.82	1,533

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 352.00 STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R2						
NET SALVAGE PERCENT.. -15						
2009	587,785.38	89,996	152,920	523,033	60.68	8,620
2010	44,823.25	6,222	10,572	40,975	61.55	666
2011	3,873,436.40	481,704	818,504	3,635,948	62.43	58,240
2012	158,524.48	17,448	29,647	152,656	63.30	2,412
2013	31,831.08	3,043	5,171	31,435	64.18	490
2014	290,860.08	23,558	40,029	294,460	65.07	4,525
2015	2,892,514.31	191,966	326,186	3,000,205	65.96	45,485
2016	4,087,068.49	211,506	359,388	4,340,741	66.85	64,933
2017	13,370,750.71	496,503	843,651	14,532,712	67.74	214,537
2018	19,956,744.07	445,923	757,705	22,192,551	68.64	323,318
2019	818,328.27	6,051	10,282	930,796	69.55	13,383
	68,923,082.37	12,137,380	20,568,117	58,693,428		934,173
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						62.8 1.36

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 353.00 STATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 52-R2						
NET SALVAGE PERCENT.. -15						
1936	15,896.61	17,044	18,281			
1939	4,804.51	5,059	5,525			
1940	103.99	109	120			
1944	9,359.77	9,553	10,764			
1957	10,139.39	9,418	11,660			
1958	115,858.44	106,667	133,237			
1959	995,486.69	908,143	1,144,810			
1960	51,157.90	46,239	58,832			
1961	45,981.78	41,154	52,879			
1962	1,413,366.20	1,252,153	1,619,724	5,647	11.94	473
1963	1,213,924.54	1,064,195	1,376,591	19,422	12.36	1,571
1964	2,416,399.63	2,095,371	2,710,469	68,391	12.79	5,347
1965	580,173.33	497,450	643,477	23,722	13.23	1,793
1966	3,195.28	2,708	3,503	172	13.68	13
1967	1,397,714.73	1,169,974	1,513,421	93,951	14.15	6,640
1968	1,234,478.40	1,020,516	1,320,090	99,560	14.62	6,810
1969	4,299,022.22	3,507,284	4,536,851	407,025	15.11	26,937
1970	4,106,159.89	3,304,562	4,274,620	447,464	15.61	28,665
1971	2,073,862.92	1,645,610	2,128,681	256,261	16.12	15,897
1972	894,267.40	699,317	904,602	123,806	16.64	7,440
1973	6,769,698.04	5,214,573	6,745,316	1,039,837	17.17	60,561
1974	3,794,258.10	2,876,482	3,720,876	642,521	17.72	36,260
1975	2,652,918.90	1,978,938	2,559,857	491,000	18.27	26,875
1976	5,323,518.41	3,903,968	5,049,982	1,072,064	18.84	56,904
1977	259,575.75	187,030	241,933	56,579	19.42	2,913
1978	3,717,066.45	2,629,707	3,401,660	872,966	20.01	43,626
1979	5,680,088.04	3,943,103	5,100,605	1,431,496	20.61	69,456
1980	3,550,948.13	2,417,976	3,127,775	955,815	21.21	45,064
1981	17,801,098.65	11,877,222	15,363,793	5,107,470	21.83	233,966
1982	9,800,577.60	6,400,385	8,279,225	2,991,439	22.47	133,130
1983	5,902,284.14	3,771,070	4,878,072	1,909,555	23.11	82,629
1984	1,563,314.65	976,356	1,262,966	534,846	23.76	22,510
1985	5,499,650.45	3,354,440	4,339,140	1,985,458	24.42	81,305
1986	1,186,010.70	705,825	913,021	450,891	25.09	17,971
1987	10,207,365.96	5,923,467	7,662,307	4,076,164	25.76	158,236
1988	3,883,599.55	2,194,438	2,838,618	1,627,521	26.45	61,532
1989	3,432,261.92	1,886,241	2,439,949	1,507,152	27.15	55,512
1990	21,601,024.87	11,532,020	14,917,257	9,923,922	27.86	356,207
1991	9,761,792.78	5,058,239	6,543,091	4,682,971	28.57	163,912
1992	47,655,805.40	23,934,628	30,960,664	23,843,512	29.29	814,050
1993	6,316,507.98	3,069,033	3,969,951	3,294,033	30.03	109,691
1994	13,725,622.00	6,444,324	8,336,062	7,448,403	30.77	242,067
1995	3,541,319.41	1,604,735	2,075,807	1,996,710	31.51	63,368

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 353.00 STATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 52-R2						
NET SALVAGE PERCENT.. -15						
1996	24,942,475.48	10,883,225	14,078,007	14,605,840	32.27	452,614
1997	2,404,777.78	1,008,880	1,305,038	1,460,456	33.03	44,216
1998	3,898,075.62	1,568,124	2,028,448	2,454,339	33.81	72,592
1999	588,956.87	226,767	293,335	383,965	34.59	11,100
2000	581,316.44	213,797	276,557	391,957	35.37	11,082
2001	1,790,268.21	626,742	810,723	1,248,085	36.17	34,506
2002	7,227,821.07	2,402,499	3,107,755	5,204,239	36.97	140,769
2003	764,273.86	240,348	310,902	568,013	37.78	15,035
2005	2,896,064.86	806,375	1,043,087	2,287,388	39.41	58,041
2006	6,949,602.82	1,807,401	2,337,966	5,654,077	40.24	140,509
2007	29,708,871.18	7,181,184	9,289,228	24,875,974	41.07	605,697
2008	11,896,089.82	2,651,966	3,430,453	10,250,050	41.92	244,515
2009	60,980,510.19	12,460,971	16,118,903	54,008,684	42.76	1,263,066
2010	32,403,099.04	6,005,023	7,767,804	29,495,760	43.62	676,198
2011	90,405,917.90	15,035,679	19,449,419	84,517,387	44.48	1,900,121
2012	93,129,813.58	13,717,277	17,743,999	89,355,287	45.34	1,970,783
2013	39,284,395.45	5,030,465	6,507,163	38,669,892	46.21	836,830
2014	26,954,734.79	2,926,826	3,785,999	27,211,946	47.09	577,871
2015	34,782,010.71	3,099,947	4,009,940	35,989,372	47.97	750,247
2016	43,981,992.33	3,053,978	3,950,476	46,628,815	48.86	954,335
2017	159,156,721.03	7,919,718	10,244,560	172,785,669	49.75	3,473,079
2018	88,303,792.12	2,636,221	3,410,087	98,139,274	50.65	1,937,597
2019	40,879,238.37	406,646	526,017	46,485,107	51.55	901,748
	1,018,418,481.02	231,196,785	299,021,930	872,159,323		20,111,882
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						43.4 1.97

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 354.00 TOWERS AND FIXTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 75-R4						
NET SALVAGE PERCENT.. -75						
1958	14,499.95	18,937	15,434	9,941	19.03	522
1959	2,274,108.91	2,932,753	2,390,312	1,589,379	19.73	80,556
1960	36,968.04	47,063	38,358	26,336	20.44	1,288
1962	701,129.02	869,030	708,295	518,681	21.88	23,706
1963	1,068,790.72	1,306,519	1,064,866	805,518	22.61	35,627
1964	1,362,232.94	1,641,392	1,337,801	1,046,107	23.36	44,782
1965	1,498,512.23	1,779,375	1,450,263	1,172,133	24.11	48,616
1966	5,294.38	6,192	5,047	4,218	24.88	170
1967	482,481.20	555,577	452,818	391,524	25.65	15,264
1968	73,009.88	82,725	67,424	60,343	26.44	2,282
1969	1,491,582.50	1,662,559	1,355,053	1,255,216	27.23	46,097
1970	2,760,983.29	3,025,285	2,465,729	2,365,992	28.04	84,379
1971	3,150,415.20	3,392,454	2,764,987	2,748,240	28.85	95,260
1972	259,450.00	274,361	223,615	230,422	29.68	7,764
1973	117,043.46	121,503	99,030	105,796	30.51	3,468
1975	6,665,621.30	6,655,140	5,424,208	6,240,629	32.21	193,748
1976	4,934,669.68	4,827,945	3,934,970	4,700,702	33.07	142,144
1978	602,536.98	565,043	460,533	593,907	34.81	17,061
1979	1,330,018.33	1,219,627	994,045	1,333,487	35.70	37,353
1980	211,878.66	189,891	154,769	216,019	36.59	5,904
1981	30,738,413.03	26,903,104	21,927,117	31,865,106	37.49	849,963
1982	2,033.78	1,737	1,416	2,143	38.40	56
1983	4,574,473.38	3,808,375	3,103,979	4,901,349	39.32	124,653
1987	840,133.79	626,511	510,632	959,602	43.04	22,296
1990	4,204,955.88	2,857,152	2,328,694	5,029,979	45.88	109,633
1992	1,054,742.29	669,416	545,601	1,300,198	47.80	27,201
1993	7,151,168.00	4,376,711	3,567,196	8,947,348	48.77	183,460
1994	28,361,466.13	16,722,700	13,629,676	36,002,890	49.73	723,967
1995	1,970.07	1,117	910	2,538	50.71	50
1996	9,720,156.04	5,289,004	4,310,753	12,699,520	51.68	245,734
1997	441,037.74	229,901	187,379	584,437	52.66	11,098
1998	60,301.16	30,054	24,495	81,032	53.64	1,511
1999	10,837.03	5,153	4,200	14,765	54.62	270
2000	5,013.00	2,269	1,849	6,924	55.60	125
2007	16,875.25	4,910	4,002	25,530	62.53	408
2008	27,895.04	7,465	6,084	42,732	63.53	673
2015	1,438,847.48	150,752	122,869	2,395,114	70.51	33,968
	117,691,545.76	92,859,702	75,684,409	130,275,796		3,221,057
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 40.4 2.74						

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 355.00 POLES AND FIXTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 55-R3						
NET SALVAGE PERCENT.. -75						
1973	4,001.59	5,003	4,732	2,271	15.71	145
1979	12,967.26	14,593	13,803	8,890	19.63	453
1981	3,727.45	4,028	3,810	2,713	21.04	129
1987	128,584.70	120,489	113,968	111,055	25.55	4,347
1990	885,676.57	762,568	721,297	828,637	27.94	29,658
1992	28,559.62	23,090	21,840	28,139	29.59	951
1993	26,936.78	21,067	19,927	27,212	30.42	895
1994	162,407.26	122,678	116,038	168,175	31.26	5,380
1996	169,633.48	118,907	112,472	184,387	32.97	5,593
2007	5,049.29	1,939	1,834	7,002	42.93	163
2011	644,548.36	169,814	160,623	967,337	46.72	20,705
2015	10,835,027.60	1,520,317	1,438,035	17,523,263	50.59	346,378
2016	2,579.62	282	267	4,247	51.57	82
2017	10,140.62	794	751	16,995	52.54	323
	12,919,840.20	2,885,569	2,729,397	19,880,323		415,202
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						47.9 3.21

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 356.00 OVERHEAD CONDUCTORS AND DEVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R3						
NET SALVAGE PERCENT.. -75						
1936	9,601.73	15,097	9,421	7,382	6.60	1,118
1959	894,439.11	1,194,895	745,626	819,642	15.38	53,293
1962	715,987.12	924,309	576,778	676,199	17.05	39,660
1963	553,679.91	706,134	440,634	528,306	17.63	29,966
1964	971,583.25	1,223,413	763,421	936,850	18.23	51,391
1965	595,257.70	739,764	461,620	580,081	18.84	30,790
1968	635,440.61	757,031	472,395	639,626	20.75	30,825
1969	956,329.21	1,122,334	700,347	973,229	21.41	45,457
1970	1,772,998.02	2,048,775	1,278,455	1,824,292	22.08	82,622
1971	3,013,991.45	3,427,624	2,138,870	3,135,615	22.76	137,769
1972	771.56	863	539	811	23.45	35
1973	996,547.06	1,095,746	683,756	1,060,201	24.16	43,882
1974	343,506.81	371,130	231,589	369,548	24.87	14,859
1975	160,541.49	170,341	106,294	174,654	25.59	6,825
1976	2,932,617.94	3,053,178	1,905,212	3,226,869	26.33	122,555
1978	1,143,703.43	1,144,847	714,395	1,287,086	27.82	46,265
1979	283,838.08	278,315	173,671	323,046	28.58	11,303
1980	277,621.20	266,462	166,275	319,562	29.35	10,888
1981	5,888,721.93	5,528,362	3,449,751	6,855,512	30.13	227,531
1983	1,344,650.00	1,205,159	752,031	1,601,106	31.71	50,492
1984	53,044.31	46,400	28,954	63,874	32.51	1,965
1986	36,288.63	30,150	18,814	44,691	34.14	1,309
1987	1,704,326.58	1,378,395	860,132	2,122,440	34.96	60,711
1990	2,128,010.82	1,576,117	983,512	2,740,507	37.49	73,100
1992	1,080,485.63	750,232	468,152	1,422,698	39.21	36,284
1993	1,077,690.98	723,039	451,183	1,434,776	40.08	35,798
1994	11,427,004.95	7,398,986	4,617,038	15,380,221	40.95	375,585
1995	422.45	264	165	574	41.83	14
1996	2,994,075.59	1,795,989	1,120,714	4,118,918	42.72	96,417
1997	93,308.96	53,710	33,516	129,775	43.62	2,975
1999	28,798.53	15,174	9,469	40,928	45.43	901
2009	504,923.48	138,931	86,694	796,922	54.78	14,548
2010	238,178.83	59,379	37,053	379,760	55.74	6,813
2011	21,904,895.20	4,889,063	3,050,822	35,282,745	56.71	622,161
2012	16,210,629.74	3,199,127	1,996,286	26,372,316	57.67	457,297
2013	7,274,934.62	1,245,742	777,355	11,953,781	58.64	203,850
2014	6,370,469.47	924,419	576,846	10,571,476	59.61	177,344
2015	21,734,667.25	2,580,720	1,610,394	36,425,274	60.59	601,176
2016	5,457,004.60	505,373	315,358	9,234,400	61.56	150,006

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 356.00 OVERHEAD CONDUCTORS AND DEVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R3						
NET SALVAGE PERCENT.. -75						
2017	1,354,345.41	89,708	55,979	2,314,125	62.54	37,002
2018	2,077,196.16	82,771	51,650	3,583,443	63.52	56,414
2019	14,353,069.82	189,389	118,180	24,999,692	64.51	387,532
	141,595,599.62	52,946,857	33,039,346	214,752,953		4,436,728
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 48.4 3.13						

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 357.00 UNDERGROUND CONDUIT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-S4						
NET SALVAGE PERCENT.. -10						
1961	80,002.92	71,851	82,293	5,710	11.93	479
1962	1,054,815.06	938,053	1,074,383	85,914	12.45	6,901
1964	3,537,148.39	3,079,774	3,527,365	363,498	13.55	26,826
1967	1,812,671.77	1,522,133	1,743,348	250,591	15.38	16,293
1968	108,607.57	89,987	103,065	16,403	16.04	1,023
1970	565,748.20	455,348	521,525	100,798	17.44	5,780
1972	2,615,557.28	2,038,780	2,335,081	542,032	18.94	28,618
1973	178,499.34	136,749	156,623	39,726	19.73	2,013
1974	2,433,957.13	1,831,711	2,097,918	579,435	20.53	28,224
1975	1,585,714.03	1,170,817	1,340,975	403,310	21.37	18,873
1976	27,165.11	19,667	22,525	7,357	22.22	331
1978	11,117,155.04	7,719,230	8,841,084	3,387,787	23.97	141,334
1979	9,193,113.73	6,241,692	7,148,812	2,963,613	24.88	119,116
1980	2,487,147.32	1,649,944	1,889,734	846,128	25.80	32,796
1981	472.84	306	350	170	26.74	6
1982	5,242,661.70	3,311,082	3,792,290	1,974,638	27.68	71,338
1983	51,428.66	31,645	36,244	20,328	28.64	710
1984	167,669.26	100,448	115,046	69,390	29.60	2,344
1985	14,803.09	8,623	9,876	6,407	30.58	210
1990	905,920.83	452,108	517,814	478,699	35.51	13,481
1991	593.60	286	328	325	36.51	9
1992	768,598.65	357,697	409,682	435,777	37.50	11,621
1993	18,623,939.02	8,352,073	9,565,900	10,920,433	38.50	283,648
1994	379,592.18	163,810	187,617	229,934	39.50	5,821
2000	2,250.00	742	850	1,625	45.50	36
2007	1,107,279.68	234,235	268,277	949,731	52.50	18,090
2008	4,130.51	804	921	3,623	53.50	68
2010	287,650.29	46,244	52,965	263,450	55.50	4,747
2012	9,560,960.42	1,213,458	1,389,813	9,127,243	57.50	158,735
2013	2,156,396.51	237,204	271,677	2,100,359	58.50	35,904
2014	5,164,415.72	480,714	550,577	5,130,280	59.50	86,223
2015	3,817,911.89	290,745	333,000	3,866,703	60.50	63,912
2016	218,347.61	12,934	14,814	225,368	61.50	3,665
2017	39,301,350.95	1,662,683	1,904,324	41,327,162	62.50	661,235
2018	1,963,833.11	49,858	57,104	2,103,112	63.50	33,120
2019	34,096,074.04	288,419	330,336	37,175,345	64.50	576,362
	160,633,583.45	44,261,854	50,694,536	126,002,406		2,459,892

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 51.2 1.53

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 358.00 UNDERGROUND CONDUCTORS AND DEVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 55-R4						
NET SALVAGE PERCENT.. -20						
1962	1,172,187.12	1,228,363	939,838	466,787	6.97	66,971
1964	2,990,837.59	3,078,720	2,355,571	1,233,434	7.82	157,728
1967	81,195.88	80,942	61,930	35,505	9.31	3,814
1968	223,407.21	220,028	168,346	99,743	9.86	10,116
1969	24,970.20	24,276	18,574	11,390	10.44	1,091
1970	393,711.68	377,533	288,856	183,598	11.05	16,615
1972	1,506,677.25	1,402,367	1,072,970	735,043	12.34	59,566
1973	1,399,407.60	1,282,372	981,161	698,128	13.00	53,702
1974	603,577.12	544,139	416,328	307,965	13.68	22,512
1975	322,280.75	285,625	218,536	168,201	14.38	11,697
1976	14,366.86	12,513	9,574	7,666	15.08	508
1977	4,259.24	3,643	2,787	2,324	15.80	147
1978	2,789,799.96	2,341,591	1,791,584	1,556,176	16.53	94,143
1979	8,577,150.03	7,058,857	5,400,829	4,891,751	17.28	283,087
1980	1,343,204.50	1,083,160	828,741	783,104	18.04	43,409
1982	9,241,475.89	7,137,820	5,461,245	5,628,526	19.60	287,170
1984	1,475,438.20	1,087,740	832,245	938,281	21.21	44,238
1988	1,203,908.00	798,523	610,961	833,729	24.60	33,891
1990	3,297,555.84	2,060,564	1,576,566	2,380,501	26.36	90,307
1991	2,504,229.84	1,516,211	1,160,074	1,845,002	27.25	67,706
1992	671,656.44	393,322	300,936	505,052	28.16	17,935
1993	4,589,616.44	2,595,538	1,985,882	3,521,658	29.08	121,102
1994	347,076.69	189,316	144,848	271,644	30.00	9,055
1995	103,639.03	54,428	41,644	82,723	30.93	2,675
1996	36,634.64	18,488	14,145	29,817	31.87	936
1997	372,965.12	180,487	138,093	309,465	32.82	9,429
1998	27,916.86	12,931	9,894	23,606	33.77	699
2003	534.98	191	146	496	38.62	13
2007	34,064,400.78	9,252,981	7,079,583	33,797,698	42.55	794,305
2008	1,067,278.79	266,854	204,174	1,076,561	43.54	24,726
2009	988,461.74	225,796	172,760	1,013,394	44.53	22,758
2010	4,869.10	1,006	770	5,073	45.53	111
2011	1,150,710.48	212,900	162,893	1,217,960	46.52	26,181
2012	59,947,863.93	9,783,491	7,485,483	64,451,954	47.52	1,356,312
2013	5,316,822.62	752,862	576,025	5,804,162	48.51	119,649
2014	37,303,304.36	4,468,339	3,418,788	41,345,177	49.51	835,087
2015	3,601,221.24	352,804	269,935	4,051,530	50.51	80,212
2016	1,543,014.05	117,837	90,159	1,761,458	51.50	34,203

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 358.00 UNDERGROUND CONDUCTORS AND DEVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 55-R4						
NET SALVAGE PERCENT.. -20						
2017	17,542,271.51	956,755	732,026	20,318,700	52.50	387,023
2018	5,392,194.69	176,454	135,007	6,335,627	53.50	118,423
2019	21,064,676.77	229,773	175,803	25,101,809	54.50	460,584
	234,306,771.02	61,867,540	47,335,710	233,832,415		5,769,836
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT ..						40.5 2.46

POTOMAC ELECTRIC POWER COMPANY

ACCOUNT 359.00 ROADS AND TRAILS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R4						
NET SALVAGE PERCENT.. 0						
1936	1,697.92	1,606	1,698			
1959	52,239.46	42,708	52,239			
1962	23,540.97	18,583	23,541			
1963	3,034.63	2,365	3,035			
1964	5,516.38	4,243	5,516			
1965	9,363.00	7,106	9,363			
1967	5,175.51	3,818	5,136	40	17.05	2
1968	13,711.62	9,965	13,404	308	17.76	17
1969	44,912.05	32,143	43,237	1,675	18.48	91
1970	993.00	700	942	51	19.20	3
1971	25.26	18	24	1	19.94	
1976	189,723.77	120,226	161,720	28,004	23.81	1,176
1979	72,328.74	43,097	57,971	14,358	26.27	547
1981	3,036,464.78	1,729,844	2,326,871	709,594	27.97	25,370
1982	3,995.36	2,223	2,990	1,005	28.83	35
1983	166,739.54	90,553	121,806	44,934	29.70	1,513
1987	21,603.43	10,542	14,180	7,423	33.28	223
1990	100,397.00	44,715	60,148	40,249	36.05	1,116
1993	239.91	96	129	111	38.88	3
1994	3,343,153.05	1,294,569	1,741,368	1,601,785	39.83	40,216
1996	1,048,450.71	375,020	504,452	543,999	41.75	13,030
1997	93,176.27	31,938	42,961	50,215	42.72	1,175
1999	4,541.08	1,421	1,911	2,630	44.66	59
2000	27.86	8	11	17	45.64	
2012	94,915.27	10,937	14,712	80,203	57.51	1,395
2017	2,339,689.20	89,984	121,040	2,218,649	62.50	35,498
	10,675,655.77	3,968,428	5,330,405	5,345,251		121,469
COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 44.0						1.14

Attachment D
(Exhibit 2)

Jay C. Ziminsky
Testimony and Exhibits

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

DIRECT TESTIMONY OF JAY C. ZIMINSKY
DOCKET NO. ER20-____-000

1 **Q1. Please state your name and position.**

2 A1. My name is Jay C. Ziminsky. I am Director, Regulatory Strategy & Revenue
3 Policy, in the Regulatory Affairs Department of Pepco Holdings, LLC. (“PHI”). I am
4 testifying on behalf of Potomac Electric Power Company (“Pepco or the Company”).

5 **Q2. What are your responsibilities in your role as Director of Regulatory Strategy &**
6 **Revenue Policy?**

7 A2. I am responsible for the coordination of PHI utilities’ (Pepco, Atlantic City Electric
8 and Delmarva Power & Light) transmission and distribution revenue requirements, cost
9 allocations, and rate determinations at the Federal Energy Regulatory Commission
10 (“FERC” or the “Commission”) and in New Jersey, Delaware, Maryland, and the District
11 of Columbia. In addition, I am responsible for coordinating and supporting regulatory
12 strategy, revenue policy, and various other regulatory compliance matters.

13 **Q3. Please state your educational background and professional experience.**

14 A3. I received a Bachelor of Science Degree in Business Administration with a
15 concentration in Accounting from Drexel University in 1988 and a Master in Business
16 Administration with a concentration in Finance from the University of Delaware in 1996.
17 I earned my Certified Public Accountant certification in the State of Pennsylvania in 1988.

18 In 1988, I joined Price Waterhouse as a Tax Associate. In 1991, I joined Delmarva
19 Power & Light Company as a Staff Accountant in the General Accounting section of the
20 Controller’s Department. In 1994, I joined the Management Information Process Redesign

1 team as a Senior Accountant. In 1995, I joined the Conectiv Enterprises Business &
2 Financial Management team as a Senior Financial Analyst. In 1996, I was promoted to
3 Finance & Accounting Manager of Conectiv Communications, where I was later promoted
4 to Finance & Accounting Director (in 1999) and Vice President – Finance (in 2000). In
5 2002, I joined the PHI Treasury Department as Finance Manager. In 2006, I joined the
6 PHI Regulatory Department and was promoted to Manager, Revenue Requirements in
7 2008, where my responsibilities included the coordination of revenue requirement
8 determinations in New Jersey, Delaware and Maryland as well as coordinating various
9 other regulatory compliance matters. With the consummation of the merger between Pepco
10 Holdings, Inc. and Exelon, I was promoted to my current position in April 2016. I am also
11 the Co-Chairperson of the New Jersey Utilities Association’s Finance & Regulations
12 Committee.

13 **Q4. Have you testified before FERC or other regulatory bodies?**

14 A4. No, I have not previously testified before FERC.

15 **Q5. Have you submitted testimony in other jurisdictions?**

16 A5. Yes. I have submitted testimony before the Delaware Public Service Commission,
17 District of Columbia Public Service Commission, Maryland Public Service Commission
18 and New Jersey Board of Public Utilities. Exhibit JCZ-1 provides a list of cases in which I
19 have submitted testimony.

20 **Q6. What is the purpose of your Direct Testimony?**

21 A6. My testimony is offered on behalf of Pepco in support of its request for approval to
22 modify its stated transmission depreciation rates for use in its Formula Rate. Pepco requests
23 approval of updates to the transmission depreciation rates utilized in Pepco’s Formula Rate

1 and approval of revisions to Attachment H-9A Attachment 12 to reflect the updated
2 transmission depreciation rates as stated rate components within Attachment H-9A.

3 **Q7. Do you sponsor any exhibits ?**

4 A7. Yes. Besides my Direct Testimony, I am sponsoring Exhibit Nos. JCZ-1 and JCZ-
5 2. which I later discuss.

6 **Q8. Why is Pepco requesting to update its depreciation rates?**

7 A8. Depreciation rates change over time due to numerous factors including changes in
8 technology, updates to operational practices, which may shorten or extend the useful life
9 of property, changes in the mix of assets within a composite depreciable group, variances
10 in estimated removal costs and salvage recoveries versus actual amounts, etc. Given the
11 time since Pepco's transmission depreciation rates were last updated¹ and consistent with
12 the commitment to update depreciation rates on a more regular basis², Pepco has performed
13 a depreciation study (Allis Exhibit NWA-3) and is submitting this update to its depreciation
14 rates.

15
16 **Q9. How were Pepco's revised stated depreciation rates developed?**

17 A9. The depreciation rates were developed by Company Witness Allis and Gannett
18 Fleming, based on industry experience, the historical experiences of the company,
19 discussions with engineers and other company experts familiar with the current and future
20 uses of the various property classes. A summary of the depreciation study is attached to
21 Company Witness Allis' Direct Testimony as Exhibit NWA-2, and the full depreciation

¹ Maryland Case No. 8351 (1991) and District of Columbia Formal Case No. 869 (1988).

² See Settlement Agreement (Section 2.54), Docket No. ER19-10 (submitted April 24, 2020; pending approval).

1 study is attached as Exhibit NWA-3. I have reviewed the results of the study and believe
2 that it is reasonable and correct.

3 **Q10. What are the results of the depreciation study with respect to Transmission Plant?**

4 A10. The attached Exhibit No. JCZ-2 compares the existing depreciation rates to the
5 proposed depreciation rates by FERC Plant Account. Exhibit No. NWA-2 of Company
6 Witness Allis Testimony presents the summary of estimated depreciation parameters and
7 calculated annual accrual rates per the depreciation study, by FERC Plant Account. The
8 overall effective depreciation rate for Transmission Plant decreased from 2.35% using the
9 existing depreciation rates to 2.12 % using the proposed rates from the current study. The
10 factors driving this change are reflected in Company Witness Allis' Direct Testimony.

11 **Q11. Does this study address Electric - General Plant and Common General Plant**
12 **depreciation?**

13 A11. No. Pepco utilizes separate depreciation rates for each FERC plant
14 account recorded as Electric - General (accounts 390 through 398). Pepco also utilizes
15 separate depreciation rates for each FERC plant account recorded as Electric Intangible
16 (accounts 302 through 303). General and Intangible assets at Pepco are those assets
17 utilized by both Pepco's Electric Transmission and Electric Distribution functions. These
18 rates continue to be updated during Pepco distribution rate case or depreciation rate
19 applications filed in Maryland and District of Columbia jurisdictions in which new
20 depreciation rates are approved³.

³ The current electric – general and intangible depreciation rates were approved in (1) Maryland in Case No. 9385 depreciation filing (2016) and went into effect in Case No. 9418 (2016) and (2) District of Columbia Formal Case No. 1150 (2018).

1 **Q12. How will the revised depreciation rates proposed by Pepco affect its overall**
2 **transmission formula?**

3 A12. The revised depreciation rates are estimated to decrease FERC jurisdictional annual
4 transmission depreciation expense by approximately \$4 million, as shown in Company
5 Witness Allis' Exhibit NWA-2. This estimate is based on Pepco's plant balances as of
6 December 31, 2019.

7 **Q13. If accepted by the Commission, how will Pepco implement the revised stated rates for**
8 **ratemaking purposes?**

9 A13. Under the Pepco Transmission formula, Pepco will be filing a formula annual
10 update in May 2021, setting new rate levels that will go into effect June 1, 2021. That
11 update includes a projection of calendar year 2021. The Transmission rate charged for the
12 following year will then be subject to a true-up in the May 2022 annual update, based on
13 2021 actuals.

14 **Q14. Does this conclude your Direct Testimony?**

15 A14. Yes, it does.

Potomac Electric Power Company
Expert Testimony
Provided by Jay C. Ziminsky

Exhibit JCZ-1

<u>Year</u>	<u>Juris</u>	<u>Case/Docket No.</u>	<u>Utility</u>	<u>Service</u>	<u>Subject</u>
2010	DE	09-414	Delmarva Power & Light Company	Electric	Revenue Requirements
2010	MD	9249	Delmarva Power & Light Company	Electric	Revenue Requirements
2011	DE	11-528	Delmarva Power & Light Company	Electric	Revenue Requirements
2011	MD	9285	Delmarva Power & Light Company	Electric	Revenue Requirements
2011	NJ	ER11080469	Atlantic City Electric Company	Electric	Revenue Requirements
2012	DE	12-546	Delmarva Power & Light Company	Gas	Revenue Requirements
2013	DE	13-115	Delmarva Power & Light Company	Electric	Revenue Requirements
2014	MD	9232	Delmarva Power & Light Company	Electric	Standard Offer Service
2014	MD	9226	Potomac Electric Power Company	Electric	Standard Offer Service
2014	NJ	ER14030245	Atlantic City Electric Company	Electric	Revenue Requirements
2016	DC	FC-1139	Potomac Electric Power Company	Electric	Revenue Requirements
2016	DE	16-0649	Delmarva Power & Light Company	Electric	Revenue Requirements
2016	DE	16-0650	Delmarva Power & Light Company	Gas	Revenue Requirements
2016	MD	9424	Delmarva Power & Light Company	Electric	Revenue Requirements
2016	NJ	ER16030252	Atlantic City Electric Company	Electric	Revenue Requirements
2017	DC	FC-1150	Potomac Electric Power Company	Electric	Revenue Requirements
2017	DE	17-0977	Delmarva Power & Light Company	Electric	Revenue Requirements
2017	DE	17-0978	Delmarva Power & Light Company	Gas	Revenue Requirements
2017	MD	9455	Delmarva Power & Light Company	Electric	Revenue Requirements
2017	MD	9443	Potomac Electric Power Company	Electric	Revenue Requirements
2017	NJ	ER17030308	Atlantic City Electric Company	Electric	Revenue Requirements
2018	MD	9472	Potomac Electric Power Company	Electric	Revenue Requirements
2018	NJ	ER18080925	Atlantic City Electric Company	Electric	Revenue Requirements
2019	DC	FC-1156	Potomac Electric Power Company	Electric	Revenue Requirements
2019	MD	9630	Delmarva Power & Light Company	Electric	Revenue Requirements
2019	MD	9602	Potomac Electric Power Company	Electric	Revenue Requirements
2020	DE	20-0149	Delmarva Power & Light Company	Electric	Revenue Requirements

Potomac Electric Power Company
Comparison of Depreciation Rates

(A)	(B)	(C)	(D)
<u>FERC Plant Account No.</u>	<u>Account Description</u>	<u>Existing Depreciation Rate ¹</u>	<u>Proposed Depreciation Rate ¹</u>
Electric Transmission			
350.2 - ALLOCABLE	Land and Land Rights	1.25%	1.55%
352 - ALLOCABLE	Structures and Improvements	2.95%	1.36%
352.1 - DC	Structures and Improvements	2.44%	n/a
352.2 - MD	Structures and Improvements	3.27%	n/a
352.3 - SMECO	Structures and Improvements	3.01%	n/a
353 - ALLOCABLE	Station Equipment	2.67%	1.97%
353.1 - DC	Station Equipment	1.95%	n/a
353.2 - MD	Station Equipment	3.07%	n/a
353.3 - SMECO	Station Equipment	3.01%	n/a
354 - ALLOCABLE	Towers and Fixtures	1.97%	2.74%
354.1 - DC	Towers and Fixtures	1.69%	n/a
354.2 - MD	Towers and Fixtures	1.91%	n/a
354.3 - SMECO	Towers and Fixtures	3.01%	n/a
355 - ALLOCABLE	Poles and Fixtures	2.82%	3.21%
355.1 - DC	Poles and Fixtures	2.63%	n/a
355.2 - MD	Poles and Fixtures	2.91%	n/a
355.3 - SMECO	Poles and Fixtures	3.01%	n/a
356 - ALLOCABLE	Overhead Conductors and Devices	1.79%	3.13%
356.1 - DC	Overhead Conductors and Devices	1.80%	n/a
356.2 - MD	Overhead Conductors and Devices	1.51%	n/a
356.3 - SMECO	Overhead Conductors and Devices	3.01%	n/a
357 - ALLOCABLE	Underground Conduit	1.77%	1.53%
357.1 - DC	Underground Conduit	1.75%	n/a
357.2 - MD	Underground Conduit	1.50%	n/a
357.3 - SMECO	Underground Conduit	3.01%	n/a
358 - ALLOCABLE	Underground Conductors and Devices	1.69%	2.46%
358.1 - DC	Underground Conductors and Devices	1.93%	n/a
358.2 - MD	Underground Conductors and Devices	1.24%	n/a
358.3 - SMECO	Underground Conductors and Devices	3.01%	n/a
359 - ALLOCABLE	Roads and Trails	1.80%	1.14%

¹ Existing Transmission depreciation rates reflect jurisdictional level transmission accounts approved in Maryland Case No. 8351 (1991) and District of Columbia Formal Case No. 869 (1988). Proposed transmission rates require FERC approval and are now listed as a single rate per transmission account

<u>FERC Plant Account No.</u>	<u>Account Description</u>	<u>Existing Depreciation Rate ²</u>
Electric General		
390 - ALLOCABLE	Structures and Improvements	2.81%
390 - DC	Structures and Improvements	2.66%
390 - MD	Structures and Improvements	13.97%
390 - SMECO	Structures and Improvements	4.40%
391.1 - ALLOCABLE	Office Furniture and Equipment	6.67%
391.1 - DC	Office Furniture and Equipment	1.99%
391.1 - MD	Office Furniture and Equipment	6.67%
391.3 - ALLOCABLE	Office Furniture and Equipment	9.84%
391.3 - DC	Office Furniture and Equipment	10.00%
391.3 - MD	Office Furniture and Equipment	19.56%
393 - DC	Stores Equipment	4.00%
393 - MD	Stores Equipment	4.67%
394 - DC	Tools, Shop, Garage Equipment	4.00%
394 - MD	Tools, Shop, Garage Equipment	6.45%
395 - DC	Laboratory Equipment	6.67%
395 - MD	Laboratory Equipment	5.70%
396 - ALLOCABLE	Power Operated Equipment	7.99%
397 - ALLOCABLE	Communication Equipment	6.13%
397.1 - DC	Communication Equipment	6.63%
397 - MD	Communication Equipment	14.51%
397 - SMECO	Communication Equipment	4.40%
397.1 - ALLOCABLE	Communication Equipment	1.28%
397.2 - MD	Communication Equipment	11.53%
397.3 - DC	Communication Equipment	6.67%
397.3 - MD	Communication Equipment	6.59%
398 - DC	Miscellaneous Equipment	5.00%
398 - MD	Miscellaneous Equipment	6.65%
Electric Intangible		
302	Franchises and Consents	
303	Miscellaneous Intangible Plant	
303.1	2-year plant	50.00%
303.2	3-year plant	33.33%
303.3	4-year plant	25.00%
303.4	5-year plant	20.00%
303.5	7-year plant	14.29%
303.6	10-year plant	10.00%
303.7	12-year plant	8.33%
303.8	15-year plant	6.67%

² Existing electric – General and Intangible depreciation rates were approved in (1) Maryland in Case No. 9385 depreciation filing (2016) and went into effect in Case No. 9418 (2016) and (2) District of Columbia Formal Case No. 1150 (2018).